

COLUMBIA STATEMENT NO. 1-R

R-2022-3031211
8/3/22 JK

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility)
Commission)
)
)
v.)
)
)
Columbia Gas of Pennsylvania, Inc.)
)
)

Docket No. R-2022-3031211

REBUTTAL TESTIMONY OF
MARK KEMPIC
ON BEHALF OF
COLUMBIA GAS OF PENNSYLVANIA, INC.

July 6, 2022

PUBLIC VERSION

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1 **I. Introduction**

2 **Q. Please state your name and business address.**

3 A. Mark Kempic, 121 Champion Way, Suite 100, Canonsburg, PA 15317.

4 **Q. By whom are you employed and in what capacity?**

5 A. I am employed by Columbia Gas of Pennsylvania, Inc. (“Columbia” or the
6 “Company”) as its President and Chief Operating Officer (“COO”).

7 **Q. Have you previously filed testimony in this matter?**

8 A. Yes, I filed direct testimony in Columbia Statement 1 on March 18, 2022.

9 **Q. What is the purpose of your rebuttal testimony?**

10 A. I will respond to the testimony served in this proceeding by I&E witness Keller, by
11 OCA witness Eastman, by OCA witness Morgan, by CAUSE-PA witness Geller, by
12 OSBA witness Knecht and testimony raised at the public input hearing by Mr.
13 Milligan.

14 **II. Issue Raised by I&E Witness Keller**

15 **Q. Do you agree with I&E Witness Keller’s conclusion on page 59 of his**
16 **direct testimony in this proceeding that Columbia’s customer service**
17 **performance exhibits deficits as per the most recent Management and**
18 **Performance Audit?**

19 A. While I agree that the most recent management and performance audit performed
20 in 2019 identified five recommendations for improvement, Witness Keller’s

1 testimony only tells one half of the story. Simply put, upon receipt of those findings
2 in the Management Audit, Columbia took immediate action on the items within
3 each recommendation and thoroughly addressed them:

- 4 • Specifically, on July 30, 2021 in response to the allegation that Columbia's
5 metering and billing policies and procedures are outdated, Columbia
6 publicly filed its first Implementation Plan Progress Report with the
7 Commission which demonstrated that Columbia was in the process of
8 developing and documenting a review schedule for metering and billing
9 processes and conducting a meeting to discuss a review schedule. The two
10 implementation action steps, associated with the recommendation to
11 develop and implement a review schedule to ensure the metering and billing
12 policies and procedures are kept current, are now complete and will remain
13 an ongoing effort. This current status will be filed as such in the Company's
14 upcoming Implementation Plan Progress Report. See Exhibit MK-1R, Page
15 1.
- 16 • Likewise, regarding the recommendation to implement various strategies to
17 reduce arrearage levels as an outcome of the finding that Columbia's average
18 arrearages were higher through the audit periods compared to a panel
19 average of Pennsylvania natural gas distribution companies, in its publicly
20 filed Implementation Plan Progress Report dated July 30, 2021, Columbia
21 reported that it had completed the first implementation action step which

1 consisted of creating a multi-departmental focus group to identify process
2 changes to improve the management of customer accounts and collection
3 performance to reduce account arrearage. Also, Columbia reported that its
4 efforts to implement the other two action steps associated with this
5 recommendation were both underway and would remain “ongoing” based
6 on the Company’s needs. See Exhibit MK-1R Page 2 - 4.

7 • Similarly, regarding the finding that Columbia’s revenue recovery has not
8 developed net collection performance goals with which to manage its third-
9 party collection efforts, Columbia likewise reported in its July 30, 2021
10 Implementation Plan Progress Report that the three implementation action
11 steps associated with the recommendation to develop and implement net
12 collection goals were all complete. See Exhibit MK-1R Page 5.

13 • Also, regarding the recommendation that NiSource Corporate Services
14 Company develop and implement a documented Theft of Service Program,
15 Columbia likewise reported in its July 30, 2021 Implementation Plan
16 Progress Report that the two implementation action steps associated with
17 this recommendation were all complete. See Exhibit MK-1R, Page 6.

18 • Finally, regarding the finding that Columbia’s customer service
19 representative (“CSR”) turnover is higher than other like utilities, Columbia
20 likewise reported in its July 30, 2021 Implementation Plan Progress Report
21 that the implementation action step associated with the recommendation to

1 create an analysis to evaluate the Company's CSR turnover was complete.

2 See Exhibit MK-1R Page 7.

3 While I agree with witness Keller that every company has room for improvement, I
4 disagree that the areas he cited are areas that Columbia needs to improve upon.
5 Nor do I agree that those are reasons to deny granting additional basis points. As
6 detailed above, each of the items raised by witness Keller has been resolved. One of
7 the hallmarks of a continuous improvement organization is to accept feedback and
8 suggestions, act upon them, and improve their performance each business cycle.
9 Columbia did just that. Further, customers who will be paying the rates establish by
10 this rate proceeding will receive the benefits of the performance improvements that
11 have been fully implemented. In addition, I am advised by counsel that the
12 Commission has never employed a "perfection" standard in deciding whether to
13 reward effective management performance. Consequently, I continue to believe
14 that Columbia should be awarded the additional basis points.

15 **Q. Do you agree with witness Keller's position that Columbia should not be**
16 **awarded additional basis points because it is simply doing what is**
17 **required to do in order to provide adequate, efficient safe and reliable**
18 **service?**

19 A. No. In his testimony, witness Keller cites to Aqua Pennsylvania, which recently
20 received an additional 25 basis points because, in part, it was rescuing trouble water
21 and wastewater systems at the Commission's request. This case does not prohibit a

1 similar reward to Columbia. First, small troubled systems in the gas industry are
2 not as prevalent as in water and wastewater companies. Nothing in the statute or
3 prior Commission decision limits recognition for effective management
4 performance to rescuing trouble systems. Second, to the extent that the basis
5 points were awarded because the utility did something that the Commission
6 requested, Columbia's action in resolving the above-described management and
7 performance audit recommendations should be favorably considered. Third, as
8 demonstrated throughout this proceeding and other base rate proceedings,
9 Columbia continues to accelerate the replacement of its aging distribution piping at
10 a rate far exceeding the rate contemplated by the DSIC statute, as demonstrated in
11 Ms. Paloney's rebuttal. Both the Pennsylvania General Assembly and the
12 Commission have expressed their clear and strong desire to have utilities replace
13 their aging distribution systems in an accelerated manner, and Columbia's
14 replacement rate is above the amount contemplated by the 5% cap on the DSIC
15 surcharge. Columbia's performance as a leader in modernizing its system should
16 alone set Columbia apart from other utilities and warrant an additional 25 basis
17 points because Columbia is implementing the Commission's desire to replace its
18 aging distribution system.

19 **III. Issue Raised by OCA Witness Eastman**

20 **Q. Do you agree with OCA witness Eastman's position on page 6 of his**
21 **direct testimony in this proceeding that the findings of the**

1 **Commission’s 2020 Customer Service Report suggest that Columbia**
2 **performs “as is expected....but does not overperform”?**

3 A. No. All performance is relative, and the data shows that Columbia’s performance
4 was superior to the average of all Pennsylvania natural gas distribution companies
5 (including its own performance which raises the overall state average).

6 **Q. Please explain.**

7 A. Appendix B of the Commission’s 2020 Customer Service Reports (See Exhibit MK-
8 2R) contains seven tables containing 18 different performance metrics evaluated by
9 the Commission. The tables show each individual natural gas distribution
10 company’s score for each of the 18 performance metrics along with the average
11 performance of all of Pennsylvania’s natural gas distribution companies. Out of the
12 18 performance metrics, Columbia exceeded the average performance of all
13 Pennsylvania natural gas distribution companies 10 times. Columbia met the
14 average performance of all Pennsylvania natural gas distribution companies five
15 times. Columbia did not meet the average performance of all Pennsylvania natural
16 gas distribution companies three times. From a mathematical perspective,
17 Columbia met or exceeded the statewide average performance 83% of the time.
18 OCA witness Eastman’s conclusion that Columbia did not outperform its peers is
19 simply wrong.

20 **Q. Do you agree with OCA witness Eastman’s position that the J.D. Power**
21 **survey should be disregarded because no other Pennsylvania natural**

1 **IV. Issue Raised by OCA Witness Morgan**

2 **Q. Do you agree with OCA witness Morgan's conclusion on page 24 of his**
3 **direct testimony in which he testified that it would be inappropriate to**
4 **include \$14,200,000 in Safety Plan costs because there has not been a**
5 **showing that these costs have been approved by Company**
6 **management?**

7 A. No. In the scope of my responsibilities as the President and COO of Columbia Gas
8 of Pennsylvania I was personally involved with the engineers and operations
9 leadership in the development of the costs associated with supporting and
10 implementing the Picarro data collection system, accelerating the cross bore
11 program and the other safety plan efforts. Regarding the costs associated to address
12 the leaks identified by the Picarro data collection system, I personally made the
13 decision on costs that were incorporated into the final Picarro estimate used in the
14 rate case. I reviewed that final cost estimate for the Picarro safety effort as well as
15 the cost estimates for the other safety plan initiatives or else they would not have
16 been included in the rate case. To be absolutely clear here, I unequivocally
17 approved and continue to approve the costs associated with Picarro as necessary
18 safety expenditures to repair the leaks identified from using the Picarro data
19 collection system. It would not be consistent with the reasonable and customary
20 operational safety practices of a natural gas distribution company to implement a
21 program aimed at identifying leaks and then not repairing those leaks. Likewise, I

1 approved the costs associated from moving from a 31-year Cross Bore program to a
2 16-year Cross Bore program because cross bores are one of the more significant
3 risks identified in the Company's risk analysis. Finally, I also approved the costs of
4 addressing the Abnormal Operating Condition (AOCs) as reasonable and necessary
5 expenditure to maintain and improve the safety of our customers. Simply put, I am
6 responsible for Columbia Gas of Pennsylvania profit and loss so I get involved
7 personally in the details of all major expenditures and I also get involved in the
8 details of the rate case preparation.

9 Furthermore, I would note that discovery request OCA 8-006, attached as
10 Exhibit MK-5R requests documents "submitted to the Company's management for
11 approval", it does not request proof that the company management approved the
12 expenditure. Had the OCA asked for proof that the senior officers of Columbia Gas
13 approved this expenditure, we would have responded that both the President of the
14 Company and the Vice President of the Company were personally involved in both
15 the development of those expenditures and the approval of those expenditures. It is
16 simply unfounded to say that these costs were not approved. As proof of the effort
17 that went into analyzing and approving these costs, attached as Exhibit MK-6R is: a
18 copy of the email sent from engineering to Columbia Gas senior management, that
19 includes evidence that it was presented to upper management on January 14, 2022;
20 evidence of the meeting between Columbia Gas senior management and the
21 engineers held on January 19, 2022 at which these matters were discussed; an

1 email dated January 20 reflecting the updated estimated that I approved and
2 specific cost information and a breakdown of the cost components by Columbia
3 operating area.

4 **V. Issue Raised by CAUSE-PA Witness Geller**

5 **Q. Do you agree with CAUSE-PA witness Geller, where he recommends on**
6 **page 39 of his testimony that if Columbia Gas fails to improve low**
7 **income customer metrics the Company should be subject to an**
8 **objective decrease in any future proposed residential rate increase?**

9 A. No. While Columbia Gas always strives to improve the participation in its low
10 income programs to provide benefits to as many eligible customers as possible, a
11 threat of future rate decreases is not appropriate. First, I've been advised by
12 counsel that Pennsylvania's ratemaking statutes for natural gas distribution
13 companies do not contain provisions for pre-establishing standards that determine
14 future rate outcomes. Such an approach would improperly bind future
15 Commissions to criteria that may no longer be relevant, and prevent the
16 consideration of relevant evidence in future cases. Second, if the regulatory
17 paradigm in Pennsylvania allowed for such, I would argue that it should provide
18 upside opportunities, since the very concept of pre-established standards is to
19 provide the utilities with an incentive to encourage performance superior to what is
20 required, and not punishment. Finally, as explained by Columbia Witness Davis,
21 the standards Mr. Geller proposes involve matters not within Columbia's control.

1 Although Columbia has aggressive processes that seek to identify and assist
2 customers in need, Columbia cannot force customers to sign up for low-income
3 assistance or otherwise achieve metrics that are substantially outside the
4 Company's control. His recommendation is not supported by the laws or
5 regulations in Pennsylvania and it should be discarded.

6 **VI. Issues Raised by OSBA Witness Knecht**

7 **Q. Do you have a response to OSBA witness Knecht's claims that the**
8 **Company should conduct longer term financial forecasts to address**
9 **issues such as concerns over fossil fuels, declining cost**
10 **competitiveness, and commodity price volatility (p. 4-5), and asserts**
11 **that the Company has not demonstrated that its spending as prudent,**
12 **and at a minimum, the PUC should require CPA to show as part of its**
13 **next LTIP why it has a long-term viable business plan (p. 5).**

14 A. Upon advice of counsel, I know of no such legal obligation to demonstrate a longer
15 term financial forecast to address the issues witness Knecht raises. Throughout my
16 decades in the gas industry, I have experienced the energy crisis, the moratorium on
17 new gas connections, the gas supply bubble, high gas prices, open access, Choice®,
18 the massive changes brought about by the Marcellus Shale, and many other issues,
19 each of which was believed to substantially impact the viability of the natural gas
20 industry. One thing I learned from my experience is that the gas industry is
21 extremely resilient and has weathered those storms and is a necessary component

1 of our energy future. In addition to the fact that no obligation exists to conduct
2 such an analysis, I do not see the practical need to perform such an analysis. In
3 addition, the Long-Term Infrastructure and Investment Plan is a separate
4 proceeding before the Pennsylvania Public Utility Commission and if any such
5 analysis were deemed to be necessary, that would be a more appropriate forum.

6 **VII. Issues Raised by Witness Milligan**

7 **Q: Did you review the transcript of witness George Milligan's testimony at**
8 **the June 1, 2022 public input hearing and do you have any response?**

9 A: Yes. As a preliminary matter, I would note that while Mr. Milligan is an employee
10 of Columbia Gas of Pennsylvania, he is not a customer. While we have an account
11 in his son's name at the address he lists as his home address, we do not have an
12 account in his name.

13 **Q. Could you please respond to his concerns related to the incident in**
14 **Washington County, PA?**

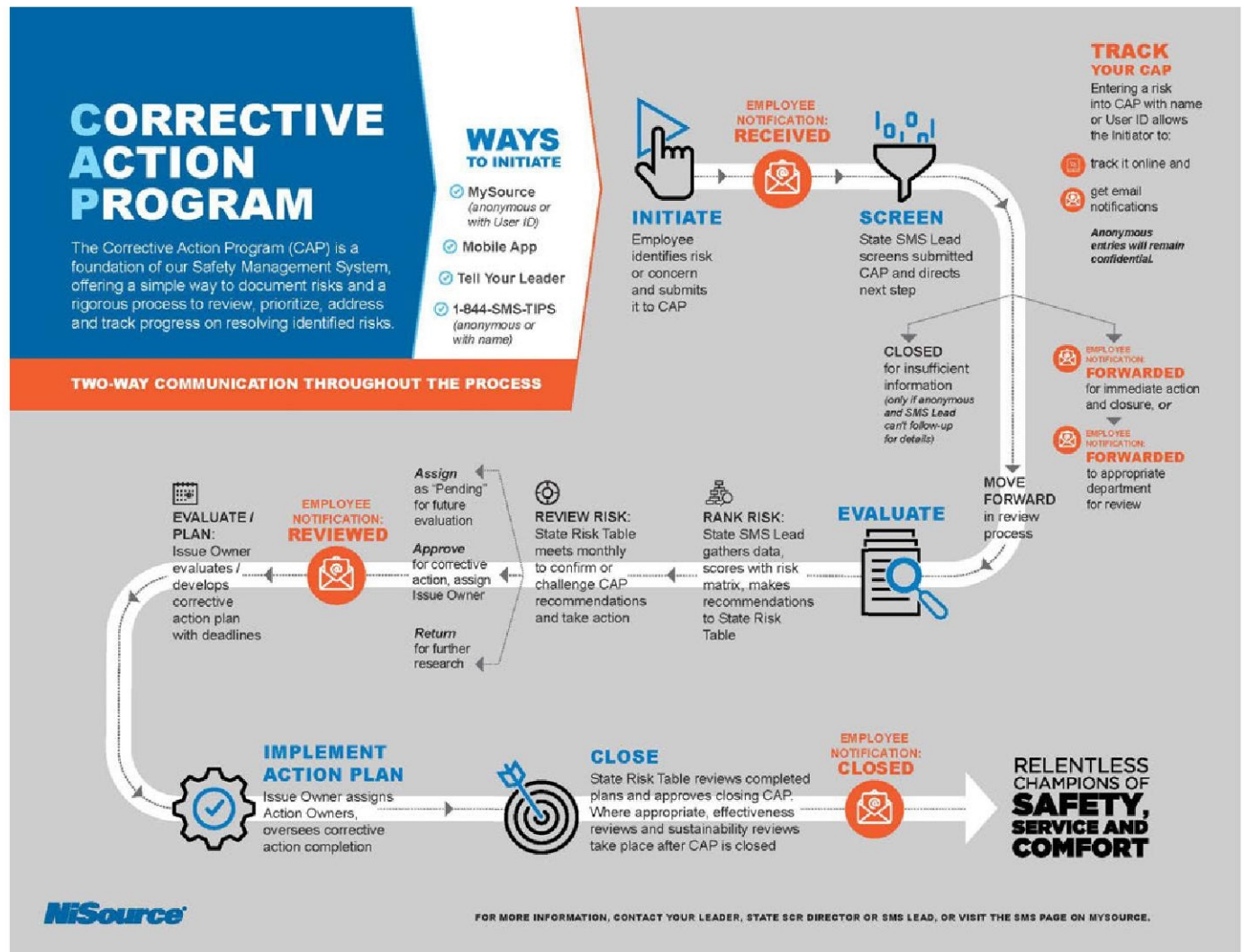
15 A I would note that Mr. Milligan was not involved in the incident at 100 Park Lane,
16 North Franklin Township, Washington County PA. Mr. Milligan is assigned to a
17 different operating area within Columbia Gas operations and therefore he does not
18 have any first-hand knowledge or experience in that geographic area of operations
19 and specifically does not have any first hand knowledge of that incident.

20 **Q: What does Mr. Milligan mean when he says he "put CAPs in"?**

1 A: About three years ago, Columbia Gas implemented the American Petroleum
2 Institutes' Recommended Practice 1173 (RP-1173) Pipeline Safety Management
3 System. A major component of Columbia Gas' Safety Management System (SMS) is
4 a Corrective Action Program ("CAP"). The CAP includes a software program that
5 allows employee or contractors to identify and reports risks on the system. The
6 risks which are reported are documented and time stamped in the software
7 program, and they are then screened, evaluated and risk-ranked by Columbia Gas'
8 SMS State Leads. The risk ranking is performed using an objective and consistent
9 formula which evaluates the risk on a number of criteria, including health and
10 safety, operational and environmental. A full flow chart of the process is shown in
11 Figure 1 Below.

12

Figure 1



As shown by the orange icons in Figure 1, regular notifications are made to the employee who submitted the cap upon receipt, at the time it is reviewed and then again when it is closed. These notifications are typically automatic electronic communications, but in addition, the SMS State Leads often communicate via

1 phone call or email to the person who submitted the CAP at various other critical
2 points along the process.

3 **Q. What was the Company's response to Mr. Milligan's CAP regarding the**
4 **Park Lane Incident?**

5 A. Actually, Mr. Milligan never submitted a cap on the Park Lane incident, which
6 occurred on July 31st, 2019. The CAP software program enables us to search all
7 CAPs submitted by particular individuals and we search the database for every CAP
8 submitted by Mr. Milligan. The first CAP we received from Mr. Milligan was on
9 November 5th, 2019, over three months after the Park Lane incident. The CAP he
10 submitted had nothing to do with contractors or safety violations, but instead raised
11 a road-rage incident. (CPA-2019-0144). The CAP and proof that we discussed this
12 issue, including the time and date of the discussion with Mr. Milligan, is attached at
13 Exhibit MK-7R. (CPA 2019-0144). In that CAP, Mr. Milligan takes issue with the
14 "GreenRoad" safe driving modules that the Company installed in its vehicles a
15 number of years ago. Those safe driving modules use GPS to monitor vehicle speed,
16 acceleration, braking, quickness of turns, etc., in order to determine and provide
17 real time feedback on the quality of an employee's driving.

18 **Q. Could Mr. Milligan have submitted the CAP anonymously?**

19 A. In light of the fact that Columbia Gas encourages employees to speak up for safety
20 and to submit CAPs when they see something that could pose a safety risk, we have
21 implemented a "non-retaliation" policy concerning CAP submittals. Therefore

1 employees do not need to worry about being retaliated against for raising safety
2 concerns. In addition to that non-retaliation policy, Columbia Gas also permits the
3 filing of anonymous CAPS to further encourage employees to report risks without
4 fear of retaliation.

5 **Q. Did Columbia also check its CAP database for any reference to the Park**
6 **Lane, North Franklin, Washington County incident or the facts and**
7 **details surrounding that incident?**

8 A. Yes. First, I note that no CAPs whatsoever were submitted in CPA or CMD between
9 July 31st, 2019 and August 15th, 2019. Therefore, Mr. Milligan's claim that he
10 placed multiple CAPs "literally a week after the home explosion on Park Avenue in
11 Washington, PA" is simply wrong. Second, I note that we searched the CAP
12 database for other CAPs that may be related to Park Lane, and we found only two.
13 One was submitted in September 2019 by a different employee and requested
14 Columbia Gas to consider mandatory video camera inspection of gas mains for
15 positive identification of all service line taps prior to any incremental uprate.
16 Columbia's parent company was investigating a similar CAP at that time, so the two
17 CAPs were consolidated and investigated together, and ultimately resulted in the
18 Company making a gas line camera system available as result of the CAP. The only
19 other CAP that could be related to the Park Lane incident was an anonymous CAP
20 submitted on September 10th, 2019 that simply read, "Operational Notice ("ON")
21 08-05 is not being followed" in the initiation description field. ON 08-05 is "CPA

1 Meter Set Assembly and Customer Owned Service Line Leakage Guidance When
2 Conducting Programmed Leakage Surveys.” This CAP was closed in December of
3 2019, as the initial description lacked details about risk, and that this Operation
4 Notice was recently reviewed with all crews during the solution to CPA-2019-0015,
5 which reduced the risk of the Operational Notice not being followed.

6 **Q. What other CAPs has Mr. Milligan submitted?**

7 A. Mr. Milligan submitted several CAPs alleging that contractors were not performing
8 their work correctly. For example, in Exhibit MK-8R (CPA 2020-0292), Mr.
9 Milligan raised the issue that he saw a contractor leak inspector fail to check a catch
10 basin for presence of gas. As shown in Exhibit MK-8R, three days after Mr.
11 Milligan reported this concern, the SMS State Lead reached out to him but Mr.
12 Milligan never returned her call. She called again and found that he had raised this
13 issue to local leadership the date that it happened and that local leadership
14 instructed the contractor to re-survey the entire area and implemented quality
15 assurance and quality control measures. It’s important to note that on July 16,
16 2020 at 11:45, this information was discussed with Mr. Milligan and he agreed that
17 it resolved his concern. It’s simply incorrect to say that his concerns have fallen on
18 deaf ears.

19 **Q. Do you have a response to Mr. Milligan’s question asking whether**
20 **someone can explain why curb box safety shutoff valves are not being**
21 **installed on low-pressure systems to 10 psig systems?**

1 A. Yes, Mr. Milligan testifies that “I put a CAP in on the company's program and the
2 CAP was closed”, but what he fails to state in his testimony is that the issue raised
3 was evaluate and found not to pose risk *and* he was advised of this fact as part of the
4 process. Mr. Milligan submitted two separate CAPs on this very issue and after a
5 very thorough analysis of the issue he raised in the CAP, the Company provided an
6 explanation to his question. As shown in Exhibit MK-9R and 10-R, respectively,
7 Mr. Milligan raised this question in CAPs CPA-2019-0034 and CPA 2020-0224.
8 The relevant pages of the 1,276 page analysis are included in Exhibit MK-9R and
9 Exhibit MK-10R. The very thorough analysis shows that the Company's current gas
10 standard do not require a curb valve in those situations because the risk is minimal
11 in light of the fact that less than 0.3% of priority calls require a curb valve to be cut
12 in for emergencies and the Company's installation of excess flow valves which
13 automatically shut off the flow of gas when a line rupture. A copy of Columbia Gas
14 Standard GS 3020.020 regarding service line valves is attached as Confidential
15 Exhibit MK-11R and it explains that each service line is to have a shut off valve
16 outside of the home and it outlines when a curb valve should be used. The Gas
17 Standard was developed after decades of experience, engineering analysis, and
18 practical experience from field operations. The reality is that a meter valve enables
19 quicker shut off during priority situations since it is above ground, always next to
20 the meter, and therefore easily locatable for quick resolution, whereas a curb valve
21 is underground, likely not in plain sight, not near the meter, and often requires

1 other personnel to be called out to locate it because of those factors. While Mr.
2 Milligan may not agree with the answer provided after the issue has been reviewed
3 by the experts, that does not mean the answer is wrong, nor does it mean that the
4 Company did not evaluate or respond to his issue. As a risk oriented company,
5 Columbia Gas takes allegations of risk very seriously and we thoroughly evaluate
6 them through the established process.

7 **Q. Do you agree with Mr. Milligan's claim that contractors are doing "live**
8 **gas work" without training or experience?**

9 A. No, that is categorically wrong. Mr. Milligan also submitted a CAP on the issue of
10 contractors doing "live gas" reights on their own. Exhibit MK-2R summarizes the
11 results of the investigation from that CAP in which the Company verified with the
12 training department, the pipeline safety and compliance department and various
13 subject matter experts who are most familiar with contractor training for reights.
14 It was determined – and communicated to Mr. Milligan – that contractors go
15 through training and then through a rigorous sign off process before they are
16 permitted to do reights on their own. All of Columbia's contractors are required to
17 be trained to the same standards and must hold the same qualification as Columbia
18 Gas employees.

19 **Q. Why doesn't Columbia Gas hire employees to do this work?**

1 A. Because contractors are trained to the same standards and must hold the same
2 qualifications as Columbia Gas employees, but they perform the tasks at a much
3 lower cost, it is in the best interest of Columbia Gas customers to use contractors.

4 **Q. Do you have an answer to Mr. Milligan's question about why there is**
5 **still bare steel pipes in the ground in service from 1895 to 1900?**

6 A. Yes, according to company records, Columbia Gas has 10.4 miles of pipe in service
7 that was installed between 1895 and 1900. This amount is out of a total of 7,756
8 miles of pipe in service. In other words, far less than one percent - only 0.13 percent
9 - of Columbia's pipe falls into the category Mr. Milligan is concerned about. As
10 stated in the testimony of Company witness Anstead, the Company uses a risk
11 analysis to determine which segments of pipe pose the most risk and need to be
12 replaced. Columbia Gas prioritizes the riskiest segments for replacement first in
13 order to reduce the greatest amount of risk. It is well known in the gas industry that
14 the age of a pipe is not the only factor that determines the risk associated with a
15 segment of pipe. The material the pipe is made from, the soil conditions, the
16 pressure the pipe operates at, the leaks on that segment, and other factors are
17 considered in the Company's analysis to determine which pipes to prioritize for
18 replacement. To replace pipes solely because of the age of those pipes would be
19 entirely inappropriate.

20 **Q. Does this complete your Prepared Rebuttal Testimony?**

21 A. Yes, it does.

Columbia Gas of Pennsylvania, Inc.

Implementation Plan Progress Report (August 2021)

in Response to the

2019 PA PUC Focused Management and Operations Audit

Audit Report: Chapter VIII No. 1

Functional Area: Customer Service

Recommendation: Develop and implement a review schedule to ensure the metering and billing policies and procedures are kept current

Company Response: Accepted

Company Comments: The Company uses an online "Bill Aid" to document procedures for billing.

Responsible Party: *Michele Caddell, Vice President – Customer Operations

Implementation Action Steps	Anticipated Completion Date	Status
1. Develop and document a review schedule for metering and billing processes.	12/31/2021	In Progress
2. Conduct a meeting to discuss established review schedule and parties responsible for performing the review.	01/01/2022	In Progress

**Due to changes in the organization responsible parties may have changed.*

Columbia Gas of Pennsylvania, Inc.

Implementation Plan Progress Report (August 2021)

in Response to the

2019 PA PUC Focused Management and Operations Audit

Audit Report: Chapter VIII No. 2

Functional Area: Customer Service

Recommendation: Implement various strategies to reduce arrearage levels such as increasing CAP enrollment and effective calculation of internal arrearage data to appropriately monitor and manage arrearage performance.

Company Response: Accepted

Company Comments: The timeline in which the Company can adequately address this finding will be impacted as a result of the COVID-19 Pandemic. The Commission has issued a moratorium on terminating gas service during the pendency of the Proclamation of Disaster Emergency issued by the Governor, which is set to expire on September 4, 2020.

The Company anticipates an increase in the number of customers who are payment troubled, even though businesses are opening and people are returning to work. The Company's focus during this time is to work with customers to minimize arrearage balances through outreach. The Company will focus on the implementation plan defined below subsequent to the passing of the COVID-19 Pandemic.

Updated Company Comments:

Due to the Covid-19 Pandemic, the Company did not initiate collections until May, 2021. In addition, in compliance with a PUC order, all customers, regardless of age of delinquency, are being offered at least one additional payment plan. Therefore, the Company anticipates a continued increase in arrears for some customers in 2021. However, a multi-departmental focus group has been developed to identify process changes to improve the management of customer accounts and collection performance to reduce account arrearages in a traditional future state.

A team reviewed all arrears reports and reconciled defined fields that reported different data.

The Company provided a detailed review of its Outreach strategy in its April, 2020 Universal Service Advisory Council (USAC) and then provided updates at the October, 2020 and April, 2021 meetings as well. At each meeting, the Company requested feedback and

Columbia Gas of Pennsylvania, Inc.

Implementation Plan Progress Report (August 2021)

in Response to the

2019 PA PUC Focused Management and Operations Audit

recommendations and incorporated that feedback. The Company hired a CARES representative with a background in Communications and program outreach to further define and implement its Communication Strategy. This representative recently completed one on one discussions with partners and USAC members for specific feedback on the plan and potential improvements.

Responsible Party: *Michele Caddell, Vice President – Customer Operations
 *Nicole Paloney, Director – Regulatory Policy
 Laura Rosenthal, Director, Meter Reading, Field Collections, and Revenue Recovery

Implementation Action Steps	Anticipated Completion Date	Status
1. Create a multi-departmental focus group to identify process changes to improve the management of customer accounts and collection performance to reduce account arrearages.	05/31/2021	Complete

**Due to changes in the organization responsible parties may have changed.*

Columbia Gas of Pennsylvania, Inc.

Implementation Plan Progress Report (August 2021)

in Response to the

2019 PA PUC Focused Management and Operations Audit

Audit Report: Chapter VIII No. 2 - *Continued*

Functional Area: Customer Service

Recommendation: Implement various strategies to reduce arrearage levels such as increasing CAP enrollment and effective calculation of internal arrearage data to appropriately monitor and manage arrearage performance.

Implementation Action Steps	Anticipated Completion Date	Status
2. Review all internal arrearage reports to define the content and promote consistency among data elements for better analysis and reporting.	01/01/2021	Ongoing
3. Develop and document an Outreach Strategy and Communication plan to increase enrollment in Universal Service Programs, including CAP, with input from the Universal Service Advisory Council.	12/31/2020	Ongoing

**Due to changes in the organization responsible parties may have changed.*

Columbia Gas of Pennsylvania, Inc.

Implementation Plan Progress Report (August 2021)

in Response to the

2019 PA PUC Focused Management and Operations Audit

Audit Report: Chapter VIII No. 3

Functional Area: Customer Service

Recommendation: Develop and implement net collection goals with which to manage third-party collection efforts by benchmarking with similar utilities.

Company Response: Accepted

Company Comments: Columbia will initially canvass Pennsylvania utilities to determine a benchmark, and will expand that canvass to AGA if necessary.

Responsible Party: *Michele Caddell, Vice President – Customer Operations
*Nicole Paloney, Director – Regulatory Policy
Laura Rosenthal, Director Meter Reading, Field Collections, and Revenue Recovery

Implementation Action Steps	Anticipated Completion Date	Status
1. Identify peer utility third party collection target goals and benchmark to improve overall net collections annually.	08/31/2020	Complete
2. Communicate initial net collection target goal changes to third party collection agencies.	10/31/2020	Complete
3. During monthly discussions with Collection Agencies, review an updated scorecard reflecting the revised and benchmarked target collection goals.	01/01/2021	Complete

**Due to changes in the organization responsible parties may have changed.*

Columbia Gas of Pennsylvania, Inc.

2020 Implementation Plan

in Response to

2019 PA PUC Focused Management and Operations Audit

Audit Report: Chapter VIII No. 4

Functional Area: Customer Service

Recommendation: Develop and implement a documented Theft of Service Program.

Company Response: Accepted

Company Comments: Unauthorized Use is covered in class training that includes simulation exercises for all new Service Technicians.

Responsible Party: *Michele Caddell, Vice President, Customer Operations
*Marie Walker, Vice President, Training & Qualifications
*C.J Anstead, Vice President, Operations

Implementation Action Steps	Anticipated Completion Date	Status
1. A cross functional team will document a Theft of Service/Unauthorized Use program.	03/31/2021	Complete
2. An Unauthorized Use training program will be delivered to all affected employees in the Operations department. Subsequent changes to the program will be communicated to affected employees upon implementation.	12/31/2022	Ongoing

**Due to changes in the organization responsible parties may have changed.*

Columbia Gas of Pennsylvania, Inc.

2020 Implementation Plan

in Response to

2019 PA PUC Focused Management and Operations Audit

Audit Report: Chapter VIII No. 5

Functional Area: Customer Service

Recommendation: Complete an analysis of third-party retention vendor application contracted to evaluate program efficacy in reducing CSR turnover rates by December 31, 2020.

Company Response: Accepted

Company Comments: Due to the COVID-19 pandemic, additional time may be needed past December 31, 2020 to provide the analysis.

Responsible Party: George Dice, Vice President – Customer Care Centers
Jennifer Brumley, Director – Customer Care Center

Implementation Action Steps	Anticipated Completion Date	Status
1. Complete an analysis of the 3 rd party retention vendor application results and the efficacy in reducing CSR turnover.	12/31/2020	Complete

**Due to changes in the organization responsible parties may have changed.*

Appendix B

Table 1A
NGDC Survey Results 2018-2020

Company	Satisfaction with Ease of Reaching the Company*			Satisfaction with Using NGDC's Automated Phone System*		
	2018	2019	2020	2018	2019	2020
Columbia	90%	92%	93%	87%	81%	86%
Peoples	89%	90%	92%	84%	87%	85%
Peoples-Equitable	88%	89%	N/A	84%	82%	N/A
NFG	93%	92%	93%	N/A	N/A	N/A
PGW	88%	89%	92%	85%	82%	90%
UGI-Gas	89%	91%	92%	82%	86%	88%
UGI Penn Natural	88%	89%	**	82%	82%	**
Average	89%	90%	92%	84%	83%	87%

*Percent of consumers who answered either "very satisfied" or "somewhat satisfied" when asked how satisfied they were with this aspect of their recent contact with the NGDC.

Table 1B
NGDC Survey Results 2018-2020

Company	Satisfaction with NGDC Representative's Handling of Contact*			Overall Satisfaction with Quality of Contact with NGDC*		
	2018	2019	2020	2018	2019	2020
Columbia	92%	95%	94%	92%	95%	95%
Peoples	93%	96%	94%	92%	93%	95%
Peoples-Equitable	95%	94%	N/A	93%	91%	N/A
NFG	94%	92%	94%	93%	90%	93%
PGW	91%	90%	94%	89%	92%	91%
UGI-Gas	91%	92%	94%	90%	91%	92%
UGI Penn Natural	90%	93%	**	89%	90%	**
Average	92%	93%	94%	91%	92%	93%

*Percent of consumers who answered either "very satisfied" or "somewhat satisfied" when asked how satisfied they were with this aspect of their recent contact with the NGDC.

Table 2
Overall Satisfaction with NGDC Contact: Credit/Collection v. Other Calls*
2018-2020

Company	Credit/Collection			Other			Overall		
	2018	2019	2020	2018	2019	2020	2018	2019	2020
Columbia	94%	92%	95%	91%	95%	95%	92%	95%	95%
Peoples	89%	94%	96%	93%	93%	94%	92%	93%	95%
Peoples-Equitable	95%	89%	N/A	93%	90%	N/A	93%	91%	N/A
NFG	93%	91%	91%	94%	90%	93%	93%	90%	93%
PGW	94%	94%	92%	88%	90%	91%	89%	92%	91%
UGI-Gas	89%	91%	92%	89%	91%	93%	90%	91%	92%
UGI Penn Natural	86%	90%	**	90%	90%	**	89%	90%	**
Average	91%	92%	93%	91%	91%	93%	91%	92%	93%

*Other calls include all categories of contacts to an NGDC other than those related to credit and collection. Other calls include contacts about reliability and safety, billing matters, connect/disconnect requests, customer choice and miscellaneous issues such as requests for rate information or name and address changes.

Table 3
Contacting an NGDC 2018-2020

Company	Ease of Using NGDC's Automated Telephone System*			Satisfaction with Choices Offered by Automated Telephone System**			Satisfaction with Wait to Speak to an NGDC Representative**		
	2018	2019	2020	2018	2019	2020	2018	2019	2020
Columbia	85%	81%	85%	84%	80%	86%	87%	86%	87%
Peoples	81%	84%	84%	83%	85%	83%	85%	88%	86%
Peoples-Equitable	81%	78%	N/A	83%	80%	N/A	86%	82%	N/A
NFG	N/A	N/A	N/A	N/A	N/A	N/A	91%	90%	93%
PGW	84%	80%	87%	86%	82%	89%	83%	86%	92%
UGI-Gas	83%	83%	88%	83%	83%	85%	87%	89%	88%
UGI Penn Natural	83%	82%	**	81%	82%	**	83%	86%	**
Average	83%	81%	86%	83%	82%	86%	86%	87%	89%

*Percent of customers who answered "very easy to use" or "somewhat easy to use" when asked how easy it was to use the NGDC's automated telephone system.

**Percent of customers who answered either "very satisfied" or "somewhat satisfied" to questions about satisfaction with how well the choices of the automated telephone system fit the nature of the customer's call and how satisfied they were with the amount of time it took to speak to a company representative.

Table 4
Consumer Ratings of NGDC Representatives 2018-2020

Company	Call Center Representative's Courtesy*			Call Center Representative's Knowledge*		
	2018	2019	2020	2018	2019	2020
Columbia	96%	97%	97%	94%	97%	95%
Peoples	96%	96%	97%	94%	96%	94%
Peoples-Equitale	97%	94%	N/A	95%	94%	N/A
NFG	96%	96%	97%	95%	93%	96%
PGW	93%	94%	96%	92%	93%	94%
UGI-Gas	95%	94%	97%	93%	92%	95%
UGI Penn Natural	94%	95%	**	92%	94%	**
Average	95%	95%	97%	94%	94%	95%

*Percent of consumers who described the company representative as either "very courteous" or "somewhat courteous" and "very knowledgeable" or "somewhat knowledgeable" when asked about their perception of these aspects of the call center representative.

Table 5A
Premises Visit from an NGDC Field Representative 2018-2020

Company	Overall Satisfaction with the Way Premises Visit Handled*			Satisfaction that Work Completed Promptly*			Field Rep's Courtesy**		
	2018	2019	2020	2018	2019	2020	2018	2019	2020
Columbia	86%	93%	94%	89%	89%	91%	97%	99%	95%
Peoples	89%	90%	93%	90%	91%	91%	100%	97%	95%
Peoples-Equitale	86%	84%	N/A	89%	84%	N/A	96%	96%	N/A
NFG	88%	85%	92%	87%	87%	89%	97%	95%	100%
PGW	90%	91%	91%	90%	87%	90%	100%	95%	94%
UGI-Gas	88%	89%	87%	79%	86%	83%	95%	97%	99%
UGI Penn Natural	87%	85%	**	87%	83%	**	94%	97%	**
Average	88%	88%	91%	87%	87%	89%	97%	97%	97%

*Percent of consumers who answered either "very satisfied" or "somewhat satisfied" when asked how satisfied they were with this aspect of the field visit. For the purpose of the survey, "promptness" is the state or condition of acting or responding with speed or readiness to a customer's question, complaint, dispute or request. An example of promptness might be the utility responding to a customer's request for a premises visit with an appointment in five days rather than in five weeks.

**Percent of consumers who described the company field representative as "very courteous" or "somewhat courteous," when asked about their perceptions about various aspects of the field representative's visit to the consumer's home or property.

Table 5B
Premises Visit from an NGDC Field Representative 2018-2020

Company	Field Rep's Knowledge*			Field Rep's Respect for Property*			Satisfaction that Work Completed in a Timely Manner**		
	2018	2019	2020	2018	2019	2020	2018	2019	2020
Columbia	95%	95%	95%	92%	93%	95%	87%	93%	96%
Peoples	96%	98%	95%	86%	87%	90%	98%	92%	93%
Peoples-Equitable	96%	92%	N/A	84%	86%	N/A	91%	86%	N/A
NFG	96%	91%	97%	88%	86%	91%	90%	86%	94%
PGW	96%	95%	94%	93%	89%	93%	91%	91%	95%
UGI-Gas	91%	95%	94%	86%	91%	86%	82%	89%	97%
UGI Penn Natural	94%	97%	**	88%	91%	**	87%	93%	**
Average	94%	95%	95%	88%	89%	91%	89%	90%	95%

*Percent of consumers who described the company field representative as “very knowledgeable” or “somewhat knowledgeable” and “very respectful” or “somewhat respectful” when asked about their perceptions about various aspects of the field representative’s visit to the consumer’s home or property.

**Percent of consumers who answered either “very satisfied” or “somewhat satisfied” when asked how satisfied they were with this aspect of the field visit. For the purpose of the survey, “timeliness” is the state or condition of acting at the appropriate or correct time as previously determined or promised when responding to a customer’s question, complaint, dispute or request. An example of timeliness might be a utility representative arriving at the customer’s residence on the date and at the time previously agreed upon by the utility and the customer.

Table 6
Characteristics of 2020 NGDC Survey Participants

Company	Consumers Surveyed	% Residential Consumers	% Commercial Consumers	% Who Used NGDC's Automated Phone System	% Who Spoke with a Company Representative	% Who Needed a Premises Visit
Columbia	700	95%	5%	64%	89%	12%
Peoples	700	98%	2%	60%	90%	11%
NFG	700	97%	3%	N/A	93%	16%
PGW	701	90%	10%	59%	94%	15%
UGI-Gas	700	96%	4%	61%	94%	12%
Average	700	95%	5%	61%	92%	13%

Question No. OCA 9-012
Respondent: M. Kempic
Page 1 of 1

Columbia Gas of Pennsylvania, Inc.

COLUMBIA GAS OF PENNSYLVANIA, INC.
2022 RATE CASE PROCEEDING

Docket No. R-2022-3031211

Data Requests

OFFICE OF CONSUMER ADVOCATE INTERROGATORIES
Set 9

Question No. OCA 9-012

Please provide a copy of each Columbia Quality of Service Report that the Company cites to in connection with its management performance claim.

Response:

A copy of Columbia Gas of Pennsylvania's 2021 Quality of Service Report is attached to this response. Please see OCA 9-012 – Attachment A.



A NiSource Company

Southpointe Industrial Park
121 Champion Way, Ste. 100
Canonsburg, PA 15317

Mark Kempic
President & COO

January 31, 2022

Katherine Solence
Pennsylvania Public Utility Commission
Bureau of Consumer Services
400 North Street, 2nd Floor
Harrisburg, PA 17120

Dear Ms. Solence,

Attached is Columbia Gas of Pennsylvania's ("Columbia" or "Columbia Gas") cumulative report and analysis for the calendar year 2021, pursuant to the Public Utility Commission's Quality of Service Benchmarking Order dated June 8, 2000. The report consists of statistical performance data of Columbia's call center operations, data relative to meter reading and billing processes, and Columbia's handling of customer disputes and customer satisfaction metrics.

Call Center Performance

Columbia's call volume has increased by significantly (22%) in 2021. In 2020, 384,798 calls were offered compared to 469,552 calls offered in 2021. The increase in calls offered impacted key performance metrics of Calls Answered Within 30 Seconds and the call abandonment rate. Calls Answered within 30 seconds for 2021 was 74%, compared to 86% in 2020. Overall abandonment rate in 2021 was 7.23%, compared to 2.04% in 2020. The Busy-Out Rate remains at 0%. Looking ahead in 2022, Columbia will focus its energy on strengthening those processes.

Currently, our Call Center has 43 dedicated staff supporting PA and 33 supporting its Universal Service line. Of those, 40 CSRs are working from home as At-Home-Agents. In addition, the Company has expanded the geographic recruiting search up to 80 miles from the Smithfield, Pennsylvania, customer care center and 80 miles from York, Pennsylvania. In June, the Company started recruiting bi-lingual CSRs in Smithfield and York to increase efficiency. The first new hire training class with bi-lingual CSRs started on July 19, 2021. Columbia is hiring an additional 35 CSRs in the first quarter of 2022 and an additional 35 CSRs at the beginning of the second quarter.

The Company continues to recruit via NiSource job postings, radio & digital print advertising, and social media. Because of COVID and remote work, Columbia Gas has adapted to conducting virtual interviews and providing virtual training to new agents. Retention of staff continues to be a focus in a competitive labor market. In October, we raised our starting wage by 22%, going from \$14.50 to \$17.70 an hour. In addition, we rolled out a career leveling program for our Smithfield Customer Service Representatives. This program has clear and concise job descriptions for CSR and Bilingual CSR job families that include a career progression based on tenure, knowledge, and performance.

Residential and Small Business Data:

Columbia did not have any deferred billings for its residential and small business customers during 2021. A strong emphasis on reducing occurrences of deferred bills by Columbia's Billing Exceptions Group continues to aid in this success.

Columbia printed and mailed approximately 4 million bills to customers in 2021. In addition, over 1.2 million paperless bills were issued to customers. Columbia's enhancement to their paperless billing enrollment process continues to make it easier for customers to enroll.

Approximately 4.7 million payments posted to customer accounts; of those, 69% were electronic payments.

Meter Reading:

In 2021, Columbia obtained over 5.3 million meter readings with a 99.94% of meters read on the scheduled meter reading date. Columbia experienced an increase in the number of meters not read monthly in accordance with 56.12 (4)(ii). In 2020, of 21 meters were not read monthly, compared 22 meters not read monthly in 2021.

Normally, meter reads are picked up through Columbia's Mobile Collecting Device located in the vehicle. If any reads are not able to be transmitted or received by the Mobile Collector when driving by customer locations, the meter reader may walk up to the location and often times obtain the meter read by way of the handheld device; which can occur if the meter is located inside the home as well. If the Meter Reader has access to a meter, a visual read can also be obtained.

As was the case in 2020, due to Covid-19 and the company's policy not to enter the customer's home unless there is a safety issue, the number of unread meters showed a slight increase in 2021.

Disputes:

When a customer registers a dispute with a utility about any matter covered under Chapter 56 regulations, each utility covered by the regulations must issue its report to the complaining party within 30 days of the initiation of the dispute pursuant to 56.151 (5). In 2021 as in 2020, there have been zero disputes not answered within 30 days.

Customer Satisfaction:

NGDCs and EDCs are required to report to the Commission the results of telephone transaction surveys of customers who have had interactions with the company. All the major NGDCs and EDCs use a common survey company, Research America, and uniform data is collected.

Customer satisfaction metrics for Columbia declined in 2021 when compared to 2020 statistics. The Overall Satisfaction for 2020 was 93%, compared to 89% for 2021.

Although, Columbia Gas seen a decline from 2020 to 2021, Columbia's Customer Service Satisfaction for the Call Center scores were higher than other companies in six out of the 15 categories. Those categories include Ease of Telephone System at 82% and other companies 80%; System Choices at 82% and other companies at 81%; Automated System at 84% and other companies at 82%, Courtesy of Rep at 96% and all other companies at 95%; Rep Knowledge at 94% and all other companies at 93%; and lastly Timely Completion at 92% and all other companies at 90%.

The Field Representative Overall satisfaction metric for 2021 was 90% and the industry average was 91%.

Columbia would like to note that both 3rd and 4th quarter reporting, to align with PUC calculations, "Don't know" and "Refused" responses were included in percentage calculations. This resulted in a small drop in every other percentage measure.

In addition to the valuable information provided by Research America, Columbia uses survey information provided by MSR and an internal satisfaction survey by our customer call center to gauge the

performance of Customer Service Representatives. The results of all independent surveys indicate a consistent and strong performance in customer satisfaction.

The MyEnergy Insights customer panel routinely engaged Columbia's customer base to survey them on a variety of topics, including:

- Respect of Property - customer panel survey and virtual focus group
- Bill Optimization - customer panel survey re: feedback on monthly billing statements
- Paperless Billing experience - customer panel survey
- 811 Call Before You Dig Campaign Feedback - customer panel survey
- New Appliance Red-Tag Awareness Campaign - customer panel survey

Columbia has a continued focus on providing a simple and seamless experience for customers. A few enhancements that were launched in 2021 include:

- Launched our new customer Mobile app
- Implemented the ability for customers to self-service start, stop, and move orders online and the on the mobile app
- Provided simplified paperless enrollment capabilities through gopaperfreetoday.com and one-click paperless email enrollment
- Added an Energy Assistance Resource Center to the website allowing customers to easily find programs and help paying their bill
- Added the Picarro Advanced Leak Detection web page, including video, to educate customers on the new Advanced Leak Detection capabilities

Columbia also implemented new technology to better engage with customers and receive feedback on the usability of digital platforms. Two studies were completed in 2021:

- Ease of Navigation within the website – to better understand where customers find it difficult to find information they are looking for on the website.
- Digital customer bill viewing experience – to better understand the customers' needs and wants when viewing a digital bill.

Lastly, Columbia Gas of Pennsylvania achieved an overall Customer Satisfaction Index (CSI) score of 766 in the annual JD Power survey of midsized eastern natural gas utilities, increasing our score from last year and ending 2021 in second place. Columbia outperformed the east midsize utility average of 748 by 22 CSI points.

	<u>CPA</u>	<u>East Midsize Average</u>
Overall Customer Satisfaction Index	766	748
Safety & Reliability	821	804
Billing & Payment	820	796
Price	694	679
Corporate Citizenship	681	676
Communications	702	689
Customer Care	838	804

Columbia Gas of Pennsylvania had the top east midsize ranking in the Safety & Reliability and Billing & Payment categories.

Columbia will continue its focus to work across all business lines to further strengthen and enhance relationships with its customers by proactively resolving their concerns and making it easier to conduct business with us.

If you have any questions regarding the content of this report, please contact Diane Brown, Manager Regulatory Compliance, at (717) 356-1319.

Sincerely,

A handwritten signature in cursive script that reads "Mark Kempic".

Mark Kempic
President & COO
Columbia Gas of PA, Inc.

**Quality of Service Statistics
Reported in Compliance with Title 52, Chapter 62.33**

Name of Company: Columbia Gas of Pennsylvania, Inc.
Statistics for 2021

Measure	January	February	March	April	May	June	July	August	September	October	November	December	YTD. Weighted Avg.
% of Calls Answered Within 30 Seconds													
Columbia Contact Center (primary)	76.78%	80.70%	71.23%	65.25%	69.39%	74.38%	76.71%	79.86%	75.62%	79.44%	70.04%	74.60%	74.24%
Overall Percentage	76.78%	80.70%	71.23%	65.25%	69.39%	74.38%	76.71%	79.86%	75.62%	79.44%	70.04%	74.60%	74.24%
Busyout Rate													
Columbia Contact Center (primary)	N/A	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Overall Percentage	N/A	N/A	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Call Abandonment Rate													
Columbia Contact Center (primary)	5.63%	3.44%	13.61%	20.13%	7.33%	4.65%	3.79%	3.83%	4.75%	3.10%	8.19%	5.24%	7.23%
Overall Percentage	5.63%	3.44%	13.61%	20.13%	7.33%	4.65%	3.79%	3.83%	4.75%	3.10%	8.19%	5.24%	7.23%
Billing													
Monthly average number of residential bills not rendered once every billing period	0	0	0	0	0	0	0	0	0	0	0	0	0
Monthly average % of residential bills not rendered once every billing period	0	0	0	0	0	0	0	0	0	0	0	0	0
Monthly average number of bills to small business customers not rendered once every billing period	0	0	0	0	0	0	0	0	0	0	0	0	0
Monthly average % of bills to small business customers not rendered once every billing period	0	0	0	0	0	0	0	0	0	0	0	0	0
Meter Reading													
Number of residential meters not read as required by 56.12(4)(ii)	39	35	38	33	22	22	12	16	14	15	10	8	22
% of residential meters not read as required by 56.12(4)(ii)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Number of residential meters not read as required by 56.12(4)(iii)	8	8	13	21	12	7	5	4	4	5	2	3	8
% of residential meters not read as required by 56.12(4)(iii)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Number of residential meters not read as required by 56.12(5)(i)	0	0	0	0	0	0	0	0	0	0	0	0	0
% of residential meters not read as required by 56.12(5)(i)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Disputes													
# of residential customer disputes not issued a company report within 30 days of the initiation of the dispute	0	0	0	0	0	0	0	0	0	0	0	0	0

In accordance with 62.33 (c), please also prepare and submit an analysis and comparison of the quality of service data in each performance area during the past 6 months with previous service quality in these areas.

Diane G. Brown
Telephone #: 717-356-1319

12 Month Weighted Average of all Calls

TOTAL % answered w/in 30 seconds	74%
TOTAL Weighted Average busyout rate	0.00%
TOTAL Weighted Average call abandonment rate	7.23%

Question No. OCA 8-006
Respondent: C.J. Anstead
Page 1 of 1

Columbia Gas of Pennsylvania, Inc.

COLUMBIA GAS OF PENNSYLVANIA, INC.
2022 RATE CASE PROCEEDING

Docket No. R-2022-3031211

Data Requests

OFFICE OF CONSUMER ADVOCATE INTERROGATORIES
Set 8

Question No. OCA 8-006

With respect to the Picarro Leak Detection Program discussed on page 29 of Mr. Anstead's testimony, provide the purpose and justification document(s) including all studies, analysis and other documentation submitted to the Company's management for approval of the incremental funding of \$10,900,000.

Response:

See response to OSBA-1-013.

Fw: CPA Rate Case SMS Spend - O&M

Curtis J Anstead to: Tracy Schrock

01/14/2022 06:02 PM

Cc: Mark Kempic, Nicole Paloney, William Mojica, Matthew Holtz, Paula Strauss, Leo Q Smith

From: Curtis J Anstead/COH/Enterprise
To: Tracy Schrock/CPA/Enterprise@NISOURCE
Cc: Mark Kempic/CPA/Enterprise@NISOURCE, Nicole Paloney/NCS/Enterprise@NISOURCE, William Mojica/NCS/Enterprise@NISOURCE, Matthew Holtz/NCS/Enterprise@NISOURCE, Paula Strauss/NCS/Enterprise@NISOURCE, Leo Q Smith/CPA/Enterprise@NISOURCE

Tracy,

Can you please see if you can get an invite out for a meeting sometime next week to discuss this. We will need about 45 minutes. We will need to finalize what we are planning to execute on and what we are building into the rate case. These decisions will need to be made fairly quickly if we want to get them incorporated into the rate case for 2023 spend.

Thank you

CJ Anstead
VP Gas Operations
Columbia Gas of Pennsylvania & Maryland
419-957-6404

"Act as if what you do makes a difference. It does." William James

If you are not the intended recipient: Please do not disclose, copy, distribute or use this email or attachment for any purpose. Please notify me by return email of this error and delete the email and any copies from your system. Thank you for your cooperation.

----- Forwarded by Curtis J Anstead/COH/Enterprise on 01/14/2022 05:32 PM -----

From: Matthew Holtz/NCS/Enterprise
To: Nicole Paloney/NCS/Enterprise@NISOURCE, "Tubbs \ Andrew \ S" <astubbs@nisource.com>, "Kanoy \ Benjamin \ Charles" <ckanoy@nisource.com>, "Richwalski \ Chadwick \ Philo" <CRichwalski@nisource.com>, "Risch \ Coleman \ A" <CRisch@nisource.com>, "Douglas \ Daniel \ L" <DDouglas@nisource.com>, "Cook \ Eric" <ECook@nisource.com>, "Belle \ Eric \ T" <etbelle@nisource.com>, "Lopez \ Jose" <JLopez@nisource.com>, "Kempic \ Mark" <MKempic@nisource.com>, "Rust \ Michelle \ C" <MRust@nisource.com>, "Paloney \ Nicole \ M" <NPaloney@nisource.com>, "White \ Nelson \ W" <NWhite@nisource.com>, "Strauss \ Paula \ A" <PStrauss@nisource.com>, "Baker \ Scott \ B" <sbbaker@nisource.com>, "Mojica \ William \ E" <WMojica@nisource.com>, Curtis J Anstead/COH/Enterprise@NISOURCE
Date: 01/14/2022 05:18 PM
Subject: CPA Rate Case SMS Spend - O&M

All

See the attachment for the follow up on proposed incremental O&M for 2023. Follow up discussion on these items is likely needed.



CPA 2023 Rate Case_(O&M).xlsx

Thanks

Matt Holtz
Director Asset & Risk Management
Cell #: 219 - 789 - 0666
Email: mholtz@nisource.com

Attention: This message and all attachments are private, and may contain information that is confidential and privileged. If you receive this message in error, please notify the sender by reply email and delete the message immediately.

See next tab over (PA Rate Case) for additional information

Incremental O&M above Plan

	2023	2024	Comment
Cross Bores	\$0 - \$7.6m	\$7.6m	\$2.7m baked into plan. Any incremental amount gets us closer to targeted inspection rate. These are external resources.
AOC remediation	\$1.6m	\$4.3m	\$1.6m focused on addressing improper regulator vent population (highest risk AOC)
Picarro	TBD	TBD	Need further discussion. Full implementation across the whole state could be over \$18m. The thought would be to select a region to pilot the full roll out and verify costs. Build into whole state over time.
Leak Age Rate Reduction	\$0 - \$1m		Start to address grade 2 leak back log. Coordinated the range with CJ.



[Hide Details](#)

CPA Rate Case SMS Spend - O&M Call

Wed 01/19/2022 5:00 PM - 5:45 PM

Attendance is **required** for Mark Kempic

Chair: **Curtis J Anstead/COH/Enterprise**

Sent by: **Tracy Schrock/CPA/Enterprise**

Location: https://teams.microsoft.com//meetup-join/19%3ameeting_NTkwM2E1OTUtM2JMS00ODZiLWE5NjQtY2VmYWVkbZGZhOWQ0%40thread.v2/0?context=%7b%22Tid%22%3a%22179d26d3-3e59-4051-9377-05d3820e617c%22%2c%22Oid%22%3a%229a74aec2-ce2f-46fe-80b4-89b46766c79f%22%7d
[Open Meeting](#)



This entry has an alarm. The alarm will go off 30 minutes before the entry starts.

Required:

Leo Q Smith/CPA/Enterprise@NISOURCE, Mark Kempic/CPA/Enterprise@NISOURCE, Matthew Holtz/NCS/Enterprise@NISOURCE, Nicole Paloney/NCS/Enterprise@NISOURCE, Paula Strauss/NCS/Enterprise@NISOURCE, William Mojica/NCS/Enterprise@NISOURCE

Description

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Personal Notes

CPA Rate Case SMS Spend - O&M Call 📎

Matthew Holtz to: Curtis J Anstead, Leo Q Smith, Mark Kempic,
Nicole Paloney, Paula Strauss, Tracy Schrock, William Mojica, Jonathan Devries 01/20/2022 04:35 PM

From: Matthew Holtz/NCS/Enterprise
To: Curtis J Anstead/COH/Enterprise@NISOURCE, Leo Q Smith/CPA/Enterprise@NiSource, Mark Kempic/CPA/Enterprise@NiSource, Nicole Paloney/NCS/Enterprise@NiSource, Paula Strauss/NCS/Enterprise@NiSource, Tracy Schrock/CPA/Enterprise@NISOURCE, William

All

I'm following up on our discussion last night with the spreadsheet updated with revised Picarro \$s and additional information on the programs on the second tab. Two things to note, more definition was added to the second tab for Picarro and the AOCs, including the risk scores for each. I've also added the risk scores to the Summary tab. The second item to note is the team added the prone to fail riser program to the second tab. That was added as a reference for the next AOC population to address once the Regulator Vent population is mitigated.



CPA 2023 Rate Case_(O&M) 1-20-22 v2.xlsx

Thanks

Matt Holtz
Director Asset & Risk Management
Cell #: 219 - 789 - 0666
Email: mholtz@nisource.com

Attention: This message and all attachments are private, and may contain information that is confidential and privileged. If you receive this message in error, please notify the sender by reply email and delete the message immediately.

Asset Class	Program Name	Program Description	Current Plan or Accelerated	Risk Score	Capital or O&M	2	3	Comment
						2023	2024	
Distribution Mains and Services Lines & Meters	Legacy Cross Bore Inspection Program - Current Plan	Program designed to investigate and eliminate all legacy cross bores in PA. The program proactively investigates our systems to discover and remediate legacy cross bores, as well as preventing new cross bores from occurring. In 2021, an incentive program for licensed plumbers was implemented to incentivize plumber who utilize camera equipment prior to clearing blockage and reporting suspected gas cross bores to NiSource for investigation. Pennsylvania is currently on a 32 year track to completion for the legacy program at the current spend rate of \$2.73M/year	Current Plan	380	O&M	\$2,730,000	\$2,730,000	
Distribution Mains and Services Lines & Meters	Legacy Cross Bore Inspection Program - Accelerated Plan	Acceleration of the existing cross bore program within PA, the acceleration will drive the time to completion from approximately 32 years to 15 years. The annual increase in spend due to the acceleration is \$4.89M, for a total annual spend per year of \$7.62M starting in 2023	Accelerated	380	O&M	\$7,623,571	\$7,623,571	
Service Line & Meters	Improper Regulator Vent - Accelerated Plan	Program designed to accelerate the remediation of the backlog of identified improper regulator vents. In total there are 7,967 identified improper regulator vent AOC's that need addressed. The accelerated plan will remediate entire population of improper regulator vents in 2023 and require the addition of 7 FTE's. This population of work is a subset of AOC Remediation and cost associated is included in the AOC Remediation - Accelerated Plan	Accelerated	128	O&M	\$1,600,000	\$0	
Service Line & Meters	Improper Regulator Vent - Current Plan	Program designed remediate backlog of identified improper regulator vents. In total there are 7,967 identified improper regulator vent AOC's that need addressed. This population of work is a subset of AOC Remediation and cost associated is included in the AOC Remediation - Current Plan	Current Plan	128	O&M	\$0	\$0	
Distribution Mains and Services Lines & Meters	Picarro - Increased Leakage Repair - Accelerated Plan	The accelerated leak repair program due increased leaks identified via Picarro. It is estimated that there will be approximately 1,867 additional O&M leaks due to Picarro. The acceleration would require an additional 29 FTE's across PA.	Accelerated	337	O&M	\$10,936,155	\$10,936,155	
Distribution Mains and Services Lines & Meters	Picarro - Increased Leakage Repair - Current Plan	Leak repair program due increased leaks identified via Picarro. It is estimated that there will be approximately 1,867 additional O&M leaks due to Picarro.	Current Plan	337	O&M	\$0	\$0	
Service Line & Meters	AOC Remediation - Current Plan	Program designed to proactively remediate identified AOCs across PA. There are currently a backlog of 324,102 AOC identified in PA. Assumes average cost/AOC is \$200. Included in the AOC inventory of work is improper regulator vents	Current Plan	91	O&M	\$0	\$0	
Service Line & Meters	AOC Remediation - Accelerated Plan	Program designed to proactively remediate identified AOCs across PA. There are currently a backlog of 324,102 AOC identified in PA The acceleration aims to resolve the backlog of AOC's over a 15 year period. Cost estimate assumes average cost/AOC is \$200. Included in the AOC inventory of work is improper regulator vents	Accelerated	91	O&M	\$ 4,321,360	\$ 4,321,360	
Service Line & Meters	Prone-to-Fail Risers Replacement - Current Plan	Prone to fail risers have been installed in the field and have been determined to have a higher rate of failure than factory assembled risers. PA currently has identified and created a program to address these risers and this program is currently on 10.5 year rate to completion at the current investment level of \$4,000,000. This has historically been an O&M activity, but with the revised capitalization policy for partial service line replacements, this will be capital moving forward. It is currently estimated that there is 60,000 PTF risers remaining in PA representing \$42,000,000 in work. The estimated cost per riser replacement is \$700. PA is currently on a 10.5 year track to completion.	Current Plan	71	O&M	\$4,000,000	\$4,000,000	

Service Line & Meters	Prone-to-Fail Risers Replacement - Accelerated Plan	<p>PTF Riser program will be accelerated after the completion of the accelerated improper regulator vent program in 2023. A total of \$4.3M is being allocated for accelerated AOC remediation - \$1.6M for improper regulator vents with the remaining \$2.7M going to PTF risers for a total accelerated spend of \$6.7M for PTF risers</p> <p>Currently, grade 3 leaks are typically cleared via abandonment when associated to infrastructure replacement projects. Year to date through December 2021, 737 grade 3 leaks have been found in PA. As of 12/15/2021 PA has 3,993 open grade 3 leaks. Year to date in 2021, approx. 1,212 grade 3 leaks are cleared annually through current capital replacement programs and O&M activities. Does not take into account additional leaks found via Picarro.</p>	Accelerated	71	O&M	\$6,700,000	\$8,300,000
Distribution Mains and Services Lines & Meters	Grade 3 Leak Repair - Current Plan	<p>The acceleration is designed to address the backlog of grade 3 leaks in 2023 and 2024 that would not be addressed through capital replacement projects in 5 years. Program to proactively repair open grade 3 leaks throughout PA. To date, 737 grade 3 leaks have been found in PA in 2021. As of 12/15/2021 PA has 3,993 open grade 3 leaks. In 2021 YTD, 1212 grade 3 leaks have been cleared- most of these via current capital replacement programs and some via O&M activities. The cost estimate assumes average O&M repair cost is \$3000/leak. Also, cost estimate does not take into account additional leaks found via Picarro. Additionally, the cost estimate does not include any O&M savings that would occur due to leak reinspects</p>	Current Plan	52	O&M	\$0	\$0
Distribution Mains and Services Lines & Meters	Grade 3 Leak Repair - Accelerated Plan	<p>The acceleration is designed to address the backlog of grade 3 leaks in 2023 and 2024 that would not be addressed through capital replacement projects in 5 years. Program to proactively repair open grade 3 leaks throughout PA. To date, 737 grade 3 leaks have been found in PA in 2021. As of 12/15/2021 PA has 3,993 open grade 3 leaks. In 2021 YTD, 1212 grade 3 leaks have been cleared- most of these via current capital replacement programs and some via O&M activities. The cost estimate assumes average O&M repair cost is \$3000/leak. Also, cost estimate does not take into account additional leaks found via Picarro. Additionally, the cost estimate does not include any O&M savings that would occur due to leak reinspects</p>	Accelerated	52	O&M	\$2,300,000	\$2,300,000

	Avg Leaks Found (survey)	Projected Leaks Found	Leaks going to O&M	Avg Leaks Repaired	Incremental Leaks	CPU	Increment Cost	UHA	Incremental Hours	Incremental FTEs	New Employee Cost	New FOL Cost	Training Hours	Training Center Cost	Total Cost
Central	800	1600	1280	595	685	\$ 5,689	\$ 3,507,269	31.38	21,495	12	1,265,208	-	4,320	\$ 100,000	\$ 4,872,477
East	605	1210	968	761	207	\$ 1,803	\$ 335,808	17.15	3,550	2	210,868	-	720	\$ -	\$ 546,676
North	915	1830	1464	747	717	\$ 5,017	\$ 3,237,651	28.82	20,664	11	1,159,774	-	3,960	\$ 100,000	\$ 4,497,425
South	404	808	646	388	258	\$ 2,571	\$ 597,842	24.83	6,416	4	421,736	-	1,440	\$ -	\$ 1,019,578
Total	2724	5448	4358	2491	1867		\$ 7,678,569		52,125	29	3,057,586	-	10,440	\$ 200,000	\$ 10,936,155

Variables	
Picarro Multiplier	2
O&M Cap Split	80%
Capitalization Policy	10%
FTE Hours	1900
Training Hours	360
FTE CPLH	61.04
Cost to add FTE	105434

Corrective Action Program

[CPA-2019-0144](#)

Status: Closure | Assigned: Brian M Moeller | Location: PA

Date Created: 11/5/2019 12:45:53 PM

Initiation

Submitted By (Individual's Name)	George J Milligan
Submitted By (Person Type)	Employee
Submitted By (Employee Role)	Construction Coordinator
Date Discovered	11-04-2019
Company Location	PA
Location	2221

Please describe your concern in detail

this has happened multiple times,on 11/4/19 while driving home from work I had a guy behind me quote muther fucking me for going so slow,he was honking and screaming for several miles it started in a 25 mph zone and finished miles later this guy followed me for miles I was scared for my life praying to see a police officer,i should not or anyone should not ever have to have this stress,

Has a work order for this CAP been created? If so, please identify

no

Immediate actions taken

I was scared for my life ,one day someone followed me all the way home

Is there anyone else that might be able to provide additional information?

no

Have you reported this issue to anyone within the organization?

no

In your opinion, what most contributed to this issue?

the 4 mph speeding on green roads is going to get me killed many other company employees have experienced similar events this greenroads is dangerous and ruins my day from the very start I want it off in my vehicle because if something happens to me because of it my family will be rich, for Columbia gas doing nothing about it
remove green roads or move speeding to 10 mph at least

Screen

Screening Disposition	Perform Immediate Action
SMS State Lead	Brian M Moeller
Operability Assessment	

SMS Lead Evaluation

Synopsis

Proposed Issue Owner

Communicated with Issue Owner

Proposed Due Date

Risk Summary

Risk Score: 0

State Risk Table Review

Issue Owner

Operability Assessment

JCO

Set as Pending

N

Recommended Sponsor

Issue Owner Evaluation

Problem Statement

Proposed Action / Completion Criteria

How will you ensure that the actions will be effective at mitigating this risk?

CAP Completion Due Date

Is this a Continuous Learning Opportunity?

Should this be documented as a Lessons Learned?

Closure Review

Is an Effectiveness Review required?

Is a Sustainability Review required?

Review and update the initial issue or concern.

this has happened multiple times, on 11/4/19 while driving home from work I had a guy behind me quote muther fucking me for going so slow, he was honking and screaming for several miles it started in a 25 mph zone and finished miles later this guy followed me for miles I was scared for my life praying to see a police officer, i should not or anyone should not ever have to have this stress,

Review and update the actionable problem statement.

What action(s) were completed to resolve or correct the condition?

Actions

Cause Codes

Cause Code	Description
A7	The problem is caused by factors beyond the control of the organization; including legacy site conditions or legacy materials.
A6B1	A lack of appropriate training or training not developed and/or conducted. The task has not been identified or identified for training.

Cross References

Item	Notes
CPA-2020-0430	My concern is with the Greenroad driving system. I feel that the specific d ...

Comments

#	By	Date & Time	State	Comment
2	Brian M Moeller	11/27/2019 12:52	Screen	Task Completed.
1	Brian M Moeller	11/27/2019 12:51	Screen	Spoke with submitter on 11/27/19. Agreed to closure with working with the Corporate Security team on strategies against road rage and adding this CAP as a trending item against the Greenroads system.

Corrective Action Program

[CPA-2020-0292](#)

Status: Close | Location: Bethel Park

Date Created: 6/22/2020 11:01:17 AM

Date Closed: 11-16-2021

Initiation

Submitted By (Individual's Name)	George J Milligan
Submitted By (Person Type)	Employee
Submitted By (Employee Role)	Construction Coordinator
Date Discovered	06-22-2020
Company Location	Bethel Park
Location	green tree

Please describe your concern in detail

I observed contractor leak inspector walk with h f l and never check one catch basin and only 1 curb box I waited for him to come back and check and never did. He then walked up the street I am on spring valley, and again never checked a catch basin instead walked over them and only check 1 curb box

Has a work order for this CAP been created? If so, please identify

Not on the other side of grove but the video I have is a work order 16-0228903-00

Immediate actions taken

Put cap in

Is there anyone else that might be able to provide additional information?

Don Smith or f o l

Have you reported this issue to anyone within the organization?

Don smith I got voice mail. And he called back real bad phone reception here This. Needs re walked

In your opinion, what most contributed to this issue?

Contractor s get paid by the footage and if they find leaks slows them down. For the sake of safety it concerns me to see what I saw and if this would ever turn into an incident and I was subpoenaed I would tell the truth. This work is so important that we don't have an incident I'm not sure why we don't use all in house inspector s to lower that risk

Have in house trained inspector s do our leak inspection this is too much risk everything this guy walked needs re walked to ensure he didn't miss leaks My. I cloud is full I emailed videos to B Moeller

Screen

Screening Disposition	Perform Immediate Action
SMS State Lead	Emily Spring Ray
Operability Assessment	

SMS Lead Evaluation**Synopsis****Proposed Issue Owner****Communicated with Issue Owner****Proposed Due Date****Risk Summary**

Risk Score: 0

State Risk Table Review

Issue Owner

Operability Assessment

JCO

Set as Pending

N

Recommended Sponsor

Issue Owner Evaluation

Problem Statement

Proposed Action / Completion Criteria

How will you ensure that the actions will be effective at mitigating this risk?

CAP Completion Due Date

Is this a Continuous Learning Opportunity?

Should this be documented as a Lessons Learned?

Closure Review

Is an Effectiveness Review required?

Is a Sustainability Review required?

Review and update the initial issue or concern.

I observed contractor leak inspector walk with h f l and never check one catch basin and only 1 curb box I waited for him to come back and check and never did. He then walked up the street I am on spring valley, and again never checked a catch basin instead walked over them and only check 1 curb box

Review and update the actionable problem statement.

What action(s) were completed to resolve or correct the condition?

Spoke with FLL Janine Plisko and Don Smith. Map will be re-walked. QA/QC has been done with this contractor and they will do another with him.

Actions

Cause Codes

Cause Code	Description
------------	-------------

Cross References

Item	Notes
CPA-2021-0529	On 03/02/2021 I had a flat tire on my company issue vehicle. Following comp ...
CPA-2021-0571	Wrong information on order.

Comments

#	By	Date & Time	State	Comment
11	Mindy Mae Ross	11/16/2021 10:18	CRB Approval	Task Completed.
10	Emily Spring Ray	11/3/2021 15:52	Closure	Task Completed.
9	Emily Spring Ray	11/3/2021 15:32	Closure	Task Completed.
8	Emily Spring Ray	11/3/2021 15:31	Closure	Spoke with Janine Plisko 11/3/21. This was brought to the PUC and an investigation was completed both internally and externally. Worked with contractor review proper leak inspection techniques and re-walked portion of pipe involved. Can complete closure
7	Jamie R Lewis	7/16/2020 12:20	Closure	I will put to Close from closure once Map has been confirmed that it was re-walked. JRL
6	Jamie R Lewis	7/16/2020 12:15	Screen	Task Completed.
5	Jamie R Lewis	7/16/2020 11:45	Screen	Spoke with Submitter. He is good with Don re walking map and getting with contract leak inspector with QA/QC process. I will close CAP out once I hear back from Don that all was taken care of. JRL
4	Brian M Moeller	7/16/2020 11:43	Screen	Attached IMG_1203.mov
3	Jamie R Lewis	7/16/2020 11:00	Screen	Spoke with Don Smith. He had talked to the submitter about this the day that it happened and was supposed to receive a video from submitter. I provided him with the map number and the contract employee ID that completed the 2112 job order. He will perform a QA on this map and a QC on the employee. He had also had conversation with the LOSS on this issue as someone had contacted the PUC about the situation. 10:50am 7/16/2020 JRL
2	Jamie R Lewis	7/16/2020 10:44	Screen	Left another message for George to return my call. JRL 10:44am 7/16/2020
1	Jamie R Lewis	6/25/2020 10:34	Screen	Left message for George 10:34am 06/25/2020. JRL

Unable to convert file(IMG_1201.mov) to a portable document format.

Unable to convert file(IMG_1203.mov) to a portable document format.

CAP-2019-034

Proposed Action(s)

No corrective action at this time

Communicate percentage of PR's that required a curb valve cut in for emergencies

Approximately .3%

Share supporting documentation – word document

Share with OCM's (LOSS's) and educate on supporting documentation

Expectation that findings communicated to employees at;

Tailgates

All EE meetings

SMS Tailgate

Document communication with batch sheet

Involve communications (if needed) to develop communication plan – talking points

CAP 2019-0034

Research – Supporting Documentation

Numerous Gas Standards were reviewed to understand the techs responsibility when responding to an emergency situation.

Two Gas Standards were the most insightful.

GS 1708.060 – Inside Leak Investigation

GS 1150.010 – Emergency Response – General Guideline

COGNOS Reports were pulled to determine;

The number of PR's worked YTD 2019 in CPA

10,986 as of November 7, 2019

The number of 2313's worked YTD 2019 in CPA

7,203 as of November 7, 2019

73 requested curb valve be cut in as of November 2019

28 were on LP systems

Of the 28 only 17 were worked on a PR with request to cut in valve

The remaining were on IP systems and greater or requests for various reasons

Customer request, plumber request, relocating CSL, dig in on CSL etc.

Miscellaneous Info

Cost if we changed GS to trip EFV

Verify all service techs carry fire extinguishers and if not purchase required extinguishers

Would be required to trip EFV

Controlled release with meter valve

Approximately 40 extinguishers needed to equip all of CPA

30 LB – \$640 x 40 = \$25600

20 LB - \$518 x 40 = \$20720 (recommended)

Corrective Action Program

[CPA-2020-0224](#)

Status: Close | Location: PA Central

Date Created: 2/29/2020 12:59:12 PM

Date Closed: 09-21-2020

Initiation

Submitted By (Individual's Name) George J Milligan
 Submitted By (Person Type) Employee
 Submitted By (Employee Role) Construction Coordinator
 Date Discovered 02-29-2020
 Company Location PA Central
 Location greentree mod
 Please describe your concern in detail

MToday crew installed from main to meter service line with E F V . And no curb valve . This happened to me when I was a service tech . What if a service call came from this address months or even years from now. and there were G Hi explosive level gas reads in the

house and you evacuated the customers and you discovered a leak below the meter shut off valve , with there being no curb valve to shut off and gas still blows under ground into the foundation of the house and keeps pumping gas into house and the e f v can not be tripped due to l p.

Has a work order for this CAP been created? If so, please identify

And so against my better judgment me and a policeman hand dug for a hour and by the time the crew got there was able to put above ground squeezers on to stop gas flow.still had explosive level reads and by the grace of god there was no sparks because I would have been killed by the blast was a brick house in hickory pa . It ended up being a pun hole that was in plastic just below the rubber casing of the riser

Immediate actions taken

Crew cut in a curb valve and purged and customer called a plumber

Is there anyone else that might be able to provide additional information?

any other service tech

Have you reported this issue to anyone within the organization?

Yes when it happened to Larry galore he came to emergency

In your opinion, what most contributed to this issue?

If we would have installed a curb valve I the service tech would not have put my life on the line I would have simply shut it off at curb had crew purge gas after power and ignition sources were removed I would have vented the house and then let the customer return to her home Saving a ton of money we were there for hours I had to evacuate the whole block and call a crew and with a 20 dollar curb valve would have never put myself in harms way

Install curb valve on all customer service lines for the safety of our employees

Screen

Screening Disposition Perform Immediate Action
 SMS State Lead Brian M Moeller
 Operability Assessment

SMS Lead Evaluation

Synopsis

Proposed Issue Owner

Communicated with Issue Owner

Proposed Due Date

Risk Summary

Risk Score: 0

State Risk Table Review

Issue Owner

Operability Assessment

JCO

Set as Pending

N

Recommended Sponsor

Issue Owner Evaluation

Problem Statement

Proposed Action / Completion Criteria

How will you ensure that the actions will be effective at mitigating this risk?

CAP Completion Due Date

Is this a Continuous Learning Opportunity?

Should this be documented as a Lessons Learned?

Closure Review

Is an Effectiveness Review required?

Is a Sustainability Review required?

Review and update the initial issue or concern.

MToday crew installed from main to meter service line with E F V . And no curb valve . This happened to me when I was a service tech . What if a service call came from this address months or even years from now. and there were G Hi explosive level gas reads in the

house and you evacuated the customers and you discovered a leak below the meter shut off valve , with there being no curb valve to shut off and gas still blows under ground into the foundation of the house and keeps pumping gas into house and the e f v can not be tripped due to l p.

Review and update the actionable problem statement.

What action(s) were completed to resolve or correct the condition?

After further conversation, closed as duplicate to CPA-2019-0034, which was worked by Darryl Wargo as Issue Owner.

Actions**Cause Codes**

Cause Code	Description
------------	-------------

Cross References

Item	Notes
CPA-2019-0034	Select Curb Valve Maintenance I am a leak inspector, I detect gas at foundation on a plastic customer ser ...

Comments

#	By	Date & Time	State	Comment
2	Brian M Moeller	9/21/2020 12:59	Closure	Task Completed.
1	Brian M Moeller	4/8/2020 14:16	Screen	Task Completed.

Corrective Action Program

[CPA-2019-0034](#)

Status: Closure Approval | Assigned: PA State Table Team | Location: PA South | Due: 01-31-2020

Date Created: 8/27/2019 11:36:40 AM

Initiation

Submitted By (Individual's Name) ANTHONY J FICARA
 Submitted By (Person Type) Employee
 Submitted By (Employee Role) Utility Inspector
 Date Discovered 08-27-2019
 Company Location PA South
 Location wa

Please describe your concern in detail

I am a leak inspector, I detect gas at foundation on a plastic customer service line. I call for a service tech. He determines gas against foundation but is unable to test customer service line because there is no curb valve. He must call for a plant crew to relocate to this location to cut in a curb valve in order to determine that the service line is or is not the source of the gas at the foundation. Everything is going medium pressure and we are relying on omv's be the solution to replacing curb valves. My concern is the amount of time it takes to determine the source of the gas at foundation where if there was a curb valve there the tech could determine in less than 20-30 minutes from the time he arrived whether the service line was leaking or not.

Has a work order for this CAP been created? If so, please identify

No

Immediate actions taken

none

Is there anyone else that might be able to provide additional information?

n

Have you reported this issue to anyone within the organization?

no

In your opinion, what most contributed to this issue?

I have seen this situation come up before

In your opinion, how could this have been prevented?

Installing curb valves when upgrading systems and replacing service lines without curb valves for future issues would help

Screen

Screening Disposition Proceed to Evaluation
 SMS State Lead Brian M Moeller
 Operability Assessment No

SMS Lead Evaluation

Synopsis

Service techs attempting to determine the source of a leak that is presenting gas at the foundation of a building are unable to confirm or eliminate a service line as the source of the leak in instances where there is no curb valve on the service line.

Proposed Issue Owner Darryl J Wargo
 Communicated with Issue Owner Yes

Proposed Due Date 10-25-2019

Risk Summary **Risk Score: 51**

Moving crews to cut in curb valve to locate leak. Gas entering a structure. Scored against moving crews to cut in curb valve to locate leak..

Risk Impact

Category	Selection	Value	Rationale
Compliance	Non-compliances and/or minor audit findings; Minimal to no financial impact	1	N/A
Environmental	Limited to negligible environmental damage	1	N/A
Financial	Financial loss of < \$100 thousand	1	Costs associated with labor and valve install.
Health/Safety	Minor illness or injuries to a small number of people, treatable with first aid or basic care	1	N/A
Operational	Localized (single unit/department) disruption of less than 1 day	2	Pausing one job, moving to new job, work at new job site.
Reputational	Slight short-term change in perception of the company	1	N/A

Risk Propability

Category	Selection	Value	Rationale
Current Readiness	Existing corrective actions are effective in limiting chance of occurrence in most circumstances	1	N/A
Frequency - NiS Experience	Has occurred in the company at least 10 times in the past year	6	In speaking with initiator.
Frequency - Peer Experience	Has occurred at other utilities in the last 30+ years	1	N/A

State Risk Table Review

Issue Owner	Darryl J Wargo
Operability Assessment	No
JCO	
Set as Pending	N
Recommended Sponsor	

Issue Owner Evaluation

Problem Statement

Tech responds to an emergency that presents with gas against the foundation and no curb valve installed. How does tech make situation safe and confirm or eliminate CSL as source of leak.

Proposed Action / Completion Criteria

See attached Proposed Action and Supporting Documentation File

How will you ensure that the actions will be effective at mitigating this risk?

No proposed corrective action at this time.

CAP Completion Due Date 01-31-2020

Is this a Continuous Learning Opportunity? No

Should this be documented as a Lessons Learned? No

Closure Review

Is an Effectiveness Review required? No

Is a Sustainability Review required? Yes

Review and update the initial issue or concern.

I am a leak inspector, I detect gas at foundation on a plastic customer service line. I call for a service tech. He determines gas against foundation but is unable to test customer service line because there is no curb valve. He must call for a plant crew to relocate to this location to cut in a curb valve in order to determine that the service line is or is not the source of the gas at the foundation. Everything is going medium pressure and we are relying on omv's be the solution to replacing curb valves. My concern is the amount of time it takes to determine the source of the gas at foundation where if there was a curb valve there the tech could determine in less than 20-30 minutes from the time he arrived whether the service line was leaking or not.

Review and update the actionable problem statement.

Tech responds to an emergency that presents with gas against the foundation and no curb valve installed. How does tech make situation safe and confirm or eliminate CSL as source of leak.

What action(s) were completed to resolve or correct the condition?

Review completed, communication plan completed and rolled out to OCM's & SOSS's. Verified plan was communicated to the field before the state risk table meeting on January 27, 2020 with OCM's or SOSS's.

Actions

CPA-2019-0034-003

Current State	Closed
Action Type	Communication
Due Date	1/31/2020 12:00:00 AM
Action Created By	Darryl J Wargo
Action Owner	Darryl J Wargo
Action Reviewer	Michael J Davidson
Date Closed	2/10/2020

Description

See attached proposed action plan

Completion Criteria

signed batch sheet indicating CAP communication completed

Action Taken

Communication Plan conveyed to OCM's and SOSS's and verified plan has been communicated to field techs. Was completed before January 27, 2020 state risk table meeting.

CPA-2019-0034-004

Current State	In Progress
Action Type	Sustainability Review
Due Date	9/30/2021 12:00:00 AM
Action Created By	Brian M Moeller
Action Owner	Brian M Moeller
Action Reviewer	Richard W Burke

Date Closed

Description

Hold a Sustainability Review with all involved parties.

Completion Criteria

Action Taken

Cause Codes

Cause Code	Description
A1	An event or condition that can be traced to a defect in design or other factors related to design configuration, system engineering, layout, calculations, etc. Engineering is referred to as a process or function, not a job title.

Cross References

Item	Notes
CPA-2020-0224	MToday crew installed from main to meter service line with E F V . And ...
CPA-2019-0142	We are not required to put curb valves on new plastic low pressure services ...
CPA-2021-0707	CAP generated from discussion held during Effectiveness and Sustainability ...
COH-2021-0703	Gas stds missing instructions for RI and RA jobs with EFV instead of CV Select Curb Valve Maintenance

Comments

#	By	Date & Time	State	Comment
10	Matthew Charles Miceli	12/18/2020 07:28	Closure Approval	Adding Mark Kempic to notifications to allow review in preparation for Dec 2020 SRT.
9	Brian M Moeller	11/21/2019 14:24	Action Plan Approval	Approved at State Risk Table on 11/18/19.
8	Darryl J Wargo	11/12/2019 13:06	Issue Owner Evaluation	Task Completed.
7	Darryl J Wargo	11/12/2019 13:01	Issue Owner Evaluation	Task Completed.
6	Darryl J Wargo	11/12/2019 12:46	Issue Owner Evaluation	Attached CAP Proposed Action.docx
5	Darryl J Wargo	11/11/2019 14:53	Issue Owner Evaluation	Attached CPA Proposed Action - Supporting Documentation v1.docx
4	Matthew Charles Miceli	10/11/2019 07:43	State Risk Table Review	Task Completed.
3	Matthew Charles Miceli	10/11/2019 07:43	SMS Lead Evaluation	Task Completed.
2	Matthew Charles Miceli	9/5/2019 15:02	Screen	Task Completed.
1	Matthew Charles Miceli	8/30/2019 15:16	Screen	Task Completed.

CAP 2019-0034

Research – Supporting Documentation

Numerous Gas Standards were reviewed to understand the techs responsibility when responding to an emergency situation.

Two Gas Standards were the most insightful.

GS 1708.060 – Inside Leak Investigation

GS 1150.010 – Emergency Response – General Guideline

COGNOS Reports were pulled to determine;

The number of PR's worked YTD 2019 in CPA

10,986 as of November 7, 2019

The number of 2313's worked YTD 2019 in CPA

7,203 as of November 7, 2019

73 requested curb valve be cut in as of November 2019

28 were on LP systems

Of the 28 only 17 were worked on a PR with request to cut in valve

The remaining were on IP systems and greater or requests for various reasons

Customer request, plumber request, relocating CSL, dig in on CSL etc.

Miscellaneous Info

Cost if we changed GS to trip EFV

Verify all service techs carry fire extinguishers and if not purchase required extinguishers

Would be required to trip EFV

Controlled release with meter valve

Approximately 40 extinguishers needed to equip all of CPA

30 LB – \$640 x 40 = \$25600

20 LB - \$518 x 40 = \$20720 (recommended)

CAP-2019-034

Proposed Action(s)

No corrective action at this time

Communicate percentage of PR's that required a curb valve cut in for emergencies

Approximately .3%

Share supporting documentation – word document

Share with OCM's (LOSS's) and educate on supporting documentation

Expectation that findings communicated to employees at;

Tailgates

All EE meetings

SMS Tailgate

Document communication with batch sheet

Involve communications (if needed) to develop communication plan – talking points

Corrective Action Program

[CPA-2020-0242](#)

Status: Close | Location: Bethel Park

Date Created: 3/15/2020 11:30:44 AM

Date Closed: 08-10-2020

Initiation

Submitted By (Individual's Name) George J Milligan
Submitted By (Person Type) Employee
Submitted By (Employee Role) Construction Coordinator
Date Discovered 03-15-2020
Company Location Bethel Park
Location greentree mod

Please describe your concern in detail

Contractor s doing relighting and the Columbia gas specialists who are qualifying them to do the relighting were never service techs and have very little experience of a o c s that can arrive in our customers house ,things like confined space ,things like customers questioning and having the correct answer . The customers are are core reasons we are employed,after countless mistakes our contractor partners have made in the past that brought us national and local attention why would we ever put our selfs at risk we can not afford as a company one more incident it would devastate the company as we know it it here are no better person to go in our customers house than our service techs they should be oriented with construction and be assigned to work with a coordinator who can get them up to speed with our process These techs are truly trained and leave no stones unturned after leaving our valuablesCustomers home

Has a work order for this CAP been created? If so, please identify

No

Immediate actions taken

None my bosses tell me to put a cap in instead of letting their upper mgmt know what their inspectors are proposing to lower the risk ,on an uprateBottom line we are putting our company at a huge risk letting these contractor s do live gas tasks did we not learn anything from Boston disasters On an uprate in McKee's rocks I called joe Gordon told him to stop raising pressure because multiple regulators were leaking and created grade 1 leaks he ignored my request Tom the contractor leak inspector told Keith Todd mike Myers and myself he guessed on the test for his o q tests and does not feel comfortable I and Keith and mike called an emergency meeting and told joe Gordon and Brady our findings and asked to get company leak inspector s there they denied that and their answer was that Keith and I would walk with them and grade the leaks if you go there today to the projects the regulator s are still leaking

Is there anyone else that might be able to provide additional information?

any customer service tech who used to do relights for the company

Have you reported this issue to anyone within the organization?

Yes multiple meetings multiple times to joe Gordon Brady Kovalchuk and upper management

In your opinion, what most contributed to this issue?

The service department and o c m say they don't have enough techs to supply to construction. Yet most techs this time of year and thru April if don't do shut offs due to corona virus have no core work these techs are calling the I c for orders to paint a meter set just to keep busy all awhile they could be adding serious value to our customers by working with construction department providing their expertise and restoring the gas to customers appliances all the while lowering the o and. M budget

Have a minimum of 8 service techs moved under the construction teams mgmt and work full time in the department only doing relighting and working with the contractor inspector And our contractor to assure the perfect experience for our customers they deserve it and we will lower our risk of another incident and again utilize our budget accordingly

Screen

Screening Disposition Perform Immediate Action
SMS State Lead Theodore F Lewis

Operability Assessment

SMS Lead Evaluation

Synopsis

Proposed Issue Owner

Communicated with Issue Owner

Proposed Due Date

Risk Summary

Risk Score: 0

State Risk Table Review

Issue Owner

Operability Assessment

JCO

Set as Pending

N

Recommended Sponsor

Issue Owner Evaluation

Problem Statement

Proposed Action / Completion Criteria

How will you ensure that the actions will be effective at mitigating this risk?

CAP Completion Due Date

Is this a Continuous Learning Opportunity?

Should this be documented as a Lessons Learned?

Closure Review

Is an Effectiveness Review required?

Is a Sustainability Review required?

Review and update the initial issue or concern.

Contractor s doing relighting and the Columbia gas specialists who are qualifying them to do the relighting were never service techs and have very little experience of a o c s that can arrive in our customers house ,things like confined space ,things like customers questioning and having the correct answer . The customers are are core reasons we are employed,after countless mistakes our contractor partners have made in the past that brought us national and local attention why would we ever put our selfs at risk we can not afford as a company one more incident it would devastate the company as we know it it here are no better person to go in our customers house than our service techs they should be oriented with construction and be assigned to work with a coordinator who can get them up to speed with our process These techs are truly trained and leave no stones unturned after leaving our valuablesCustomers home

Review and update the actionable problem statement.

What action(s) were completed to resolve or correct the condition?

Had several conversations with training, compliance and various SME's around contractor training for doing relights. Contractors go through training and then a rigorous sign off process before they are permitted to do relights on their own. Nevin Montana provided the checks and balances put in place to assure contractors and specialist overseeing contractors are properly trained not just to perform the relight but to also identify all safety concerns.

Actions**Cause Codes**

Cause Code	Description
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Cross References

Item	Notes
CPA-2020-0232	I have concern with our Service Line Specialist that qualify our contractor ...

Comments

#	By	Date & Time	State	Comment
3	Theodore F Lewis	8/10/2020 14:40	Closure	Task Completed.
2	Theodore F Lewis	4/8/2020 14:12	Closure	Duplicate with CPA-2020-0232
1	Theodore F Lewis	4/8/2020 14:11	Screen	Task Completed.

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility)	
Commission)	
)	
)	
v.	)	Docket No. R-2022-3031211
)	
)	
Columbia Gas of Pennsylvania, Inc.)	
)	
)	

**REBUTTAL TESTIMONY OF
JUDITH SIEGLER
ON BEHALF OF
COLUMBIA GAS OF PENNSYLVANIA, INC.**

July 6, 2022

Table of Contents

I.	Introduction.....	1
II.	Purpose and Summary of Testimony.....	1
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1 **I. Introduction**

2 **Q. Please state your name and business address.**

3 A. My name is Judith Siegler. My business address is 801 E. 86th Avenue, Merrillville,
4 Indiana 46410.

5 **Q. By whom are you employed and in what capacity?**

6 A. I am employed by NiSource Corporate Services Company ("NCSC"), a management
7 and services subsidiary of NiSource Inc. ("NiSource"). My current title is Lead
8 Regulatory Analyst at NCSC.

9 **Q. Have you previously filed testimony in this matter?**

10 A. Yes.

11 **II. Purpose and Summary of Testimony**

12 **Q. What is the purpose of your rebuttal testimony?**

13 A. I will respond to the direct testimony of Witness Cline, filed on behalf of the Bureau
14 of Investigation and Enforcement ("I&E") concerning the recommendation that the
15 Company begin prorating its customer charge for customers who begin or end service
16 prior to the end of the billing period, and explain how that recommendation, if
17 adopted, would impact the Company's revenue at current rates.

18 **Q. Does Columbia have a position on Witness Cline's recommendation?**

19 A. Yes. As discussed by Company Witness Johnson, the Company opposes this
20 recommendation.

1 **Q. If I&E Witness Cline’s recommendation that the Company begin**
2 **prorating its customer charge for customers who begin or end service**
3 **prior to the end of the billing period were adopted, what impact would**
4 **the recommendation have on the Company’s revenue at current rates?**

5 A. If I&E’s recommendation were to be approved, revenue at current rates would have
6 to be reduced in both Exhibit 3 and Exhibit 103 by eliminating the final bill counts to
7 reflect the elimination of the second customer charge currently being billed to
8 customers in months where there is both an active customer invoice billed and a final
9 invoice billed. The amount of the revenue reduction at current rates for the fully
10 projected test year in Exhibit 103 would be \$1,211,275, shown in Exhibit JS-1R.

11 **Q. Please explain why it would be improper to continue to include final bills**
12 **in the number of bills by rate schedule for calculating revenues at**
13 **current rates if I&E’s proposal were adopted?**

14 A. Inclusion of final bills in the calculation of revenues would be improper because it
15 would not be reflective of how the Company accounts for customers initiating and
16 terminating gas service. The Company assigns an Account Status Code of “Active” to
17 a customer on the date the customer begins receiving gas at the customer’s premises.
18 When the meter at the premises is read on the customer’s normal meter reading date,
19 the Company counts the customer’s bill as an active bill if the Account Status Code is
20 “Active”. The Company assigns an Account Status Code of “Inactive” to a customer
21 on the date the customer requests service to be terminated at the customer’s

1 premises. When the meter at the premises is read (or calculated) on the date the
2 customer requests gas service be terminated, the Company counts the customer's bill
3 as a "Final" bill.

4 Currently, the Company charges a full customer charge to a customer
5 regardless of the number of days of service the customer received in a month. In
6 months where two different customers receive gas service at the same premises
7 during the month's billing cycle (i.e., one customer moves out, the other customer
8 moves in), Columbia bills two customer charges - one to the customer who was
9 "Active" on the day of the normal meter reading date and one to the "Inactive"
10 customer who received a final bill. This is the reason why both "Active" and "Inactive"
11 (or "Final" bill customers) are included in the Company's bill counts that are reflected
12 in Exhibits 3 and Exhibit 103. It is important to note that only in the instance where
13 a "Final" bill is issued to the departing customer does Columbia bill a second
14 customer charge during a month.

15 I&E is recommending the prorating of the Company's monthly customer
16 charges on customers' gas bills for partial billing periods. Because of this
17 recommendation, in the instance of an existing customer moving out and a new
18 customer moving into the same premises, each customer will receive a prorated
19 customer charge based on each customer's number of days of service. Together, the
20 two customers are paying one full customer charge for the month. Because the
21 Company only receives revenues for one customer charge during a month where

1 there is an “Active” and “Final bill issued under I&E’s proration recommendation, it
2 is necessary to exclude the “Final” bill count in Exhibit 3 and Exhibit 103 to reflect
3 the elimination of the revenue Columbia currently receives from a second customer
4 charge during a month where there is a “Final” bill.

5 **Q. What is the effect of the elimination of the number of “Final” bills in the**
6 **calculation of the Company’s customer charge revenues at current rates**
7 **if I&E’s recommendation is approved?**

8 A. Exhibit JS-1R provides a detailed calculation of the lost revenues at current rates
9 under I&E’s recommendation caused by prorating the Company’s current monthly
10 customer charges based on the number of days of gas service. Exhibit 3 and Exhibit
11 103 revenues at current rates must reflect a reduction to the Company’s number of
12 bills by rate schedule, which causes a corresponding understatement of the
13 Company’s revenue deficiency that will be discussed in the rebuttal testimony of
14 Company Witness Johnson.

15 **Q. How does Witness Cline’s recommendation effect Columbia’s unbilled**
16 **revenues on its books?**

17 A. Unbilled revenue is revenue that is earned but not yet billed. For example, customers’
18 bills each month are for gas used for a 29, 30 or 31 day period depending on weekends
19 etc.. Any gas used by the customer between their meter reading date and the end of
20 a month is considered unbilled volumes earned. Revenue is calculated for those
21 volumes and recorded on the books as unbilled earned revenue. For example, a

1 customer's meter is read December 15th and January 15th. The gas used by the
2 customer from December 15th through December 31st are volumes the Company has
3 earned by December 31st, but will not be billed until January 15th. Therefore,
4 December books 15 days of usage as unbilled. The next month, when the customer
5 is billed, the unbilled revenue is reversed on the books and a new unbilled revenue is
6 recorded for the month.

7 As for revenue produced by the customer charge, currently the Company bills
8 a full customer charge regardless of the number of days of service in a month and
9 therefore the Company earns a full customer charge for each customer who received
10 service between the meter reading date and the end of the month. As a result, the
11 Company currently records unbilled revenue for all active customers at the end of a
12 month.

13 If the Company changes its policy on customer charges to prorate as Mr. Cline
14 suggests, then in the example above, the Company will only earn 15 days out of 30
15 days of service and therefore the Company has earned by December 31st, only half of
16 a customer charge. Therefore, December books 15 out of 30 days of service or half of
17 a customer charge revenue as unbilled.

18 The first month this happens, the Company will record \$4.3 million dollars
19 less as unbilled revenue from the current customer charges for all customers, which
20 is discussed in the rebuttal testimony of Company Witness Johnson. Each month

1 after that there is no effect because the unbilled is reversed the next month and a new
2 unbilled is booked.

3 In Summary, prorating customer charges would cause a one-time reduction
4 to the Company's revenues because the Company will be earning only a half of a
5 customer charge from each customer by the end of the month instead of a full
6 customer charge by the end of the month. This is under the assumption half of the
7 21 billing units and half of the customer's service days occurred in the previous month
8 and half occurs in the current month.

9 **III. Operating Revenues**

10 **Q. While responding to discovery, did you discover any updates that need**
11 **to be made to the Company's Exhibits and Schedules?**

12 A. Yes, it was discovered that Exhibit 3, Schedule 10 and Exhibit 103 Schedule 2, pages
13 2 and 4 and Schedule 7 contained errors.

14 **Q. Please explain the corrections in Exhibit 3, Schedule 10.**

15 A. Schedule 10 is revenues at proposed rates on actual bills and volumes. Upon
16 answering discovery request I&E RS-1-D, it was discovered the proposed rates in
17 column 3 were not updated with current rate case proposed base rates. The
18 correction does not affect proposed rate design, Exhibit 103, Schedule 8.

19 **Q. Please explain the changes in Exhibit 103, Schedules 2 and 7.**

1 A. Upon answering discovery request RS-2-D, Exhibit 103, Schedule 2, page 2 of 12,
2 column 6, lines 26 & 27 were off a line. The correction affected column 7 lines 26-28
3 and 33 on page 2 of 12, and page 4 of 12, column 7 lines 43, 45 and 46.

4 Exhibit 103, Schedule 7 is revenues at proposed rates on forecast adjusted bills
5 and volumes. Upon answering discovery request RS-2-D, it was discovered the
6 proposed base rates in column 3, pages 1 through 6 of 11, were not updated with
7 current rate case proposed base rates. The correction does not affect proposed
8 revenues and rate design, Exhibit 103 Schedule 8. The rate classes with the corrected
9 forecasted customer charge and commodity charges were:

10 SGSS, NSS (commodity charge only), LGSS, SCD, SGDS, SDS, LDS, and Flexible Rate
11 and Negotiated Contract Services: SGDS, SDS, and LDS.

12 **Q. Were these corrections identified in the Company's discovery**
13 **responses?**

14 A. Yes, the corrections were identified in the Company's discovery responses. Please see
15 R-2022-3031211 - CPA 2020 Rate Case - I&E-RS-1-D Attachment A (Correction) and
16 R-2022-3031211 - CPA 2020 Rate Case - I&E-RS-2-D Attachment A (Correction),
17 attached hereto as Exhibit JS-2R.

18 **Q. Does this complete your Prepared Rebuttal Testimony?**

19 A. Yes, it does.

Columbia Gas of Pennsylvania, Inc.
Lost Revenue @ Current Rates if Customer Charge based on Number of Days of Service
For the 12 Months Ended December 31, 2023

Exhibit No. JS-1R
Page 1 of 4
Witness: J. Siegler

Line No.	Description	Finaled Bills ¹ (1)	Customer Charge Rate ² (2)	Lost Revenue (3=1*2)	Forecasted Adjusted ¹ (4)
1	<u>Rate Schedule RSS - Residential Sales Service</u>				
2	Total Rate Schedule RSS	58,006	16.75	971,601	4,116,692
3	<u>Rate Schedule CAP - Residential Sales Service CAP</u>				
4	Total Rate Schedule CAP	4,132	16.75	69,211	303,294
5	<u>Rate Schedule SGSS - Small General Sales Service (≤ 6,440 Therms Annually)</u>				
6	COMMERCIAL				
7	Less Than 6,440 Therms Annually	1,834	29.92	54,873	280,153
8	INDUSTRIAL				
9	Less Than 6,440 Therms Annually	1	29.92	30	262
10	Total Rate Schedule SGSS ≤ 6,440 Therms	1,835		54,903	280,415
11	<u>Rate Schedule SGSS - Small General Sales Service (> 6,440 to ≤ 64,400 Therms Annually)</u>				
12	COMMERCIAL				
13	6,440 - 64,400 Therms Annually	88	57.00	5,016	32,369
14	INDUSTRIAL				
15	6,440 - 64,400 Therms Annually	1	57.00	57	520
16	Total Rate Schedule SGSS > 6,440 to ≤ 64,400 Therms	89		5,073	32,889
17	<u>Rate Schedule NSS - Negotiated Sales Service</u>				
18	COMMERCIAL				
19	540,000 - 1,074,000 Therms Annually	0	1,149.00	0	12
20	INDUSTRIAL				
21	540,000 - 1,074,000 Therms Annually	0	1,149.00	0	0
22	Total Rate Schedule NSS	0		0	12
23	<u>Rate Schedule LGSS - Large General Sales Service</u>				
24	COMMERCIAL				
25	> 64,400 to ≤ 110,00 Therms Annually	2	265.00	530	449
26	>110,000 to ≤ 540,000 Therms Annually	1	1,050.11	1,050	424
27	>540,000 to ≤ 1,074,000 Therms Annually	0	2,673.99	0	24
28	>1,074,000 to ≤ 3,400,000 Therms Annually	0	4,159.15	0	12
29	>3,400,000 to ≤ 7,400,000 Therms Annually	0	8,020.79	0	0
30	> 7,400,000 Therms Annually	0	11,882.42	0	0
31	Total Commercial Bills Under LGSS	3		1,580	909
32	INDUSTRIAL				
33	> 64,400 to ≤ 110,00 Therms Annually	0	265.00	0	50
34	>110,000 to ≤ 540,000 Therms Annually	0	1,050.11	0	48
35	>540,000 to ≤ 1,074,000 Therms Annually	0	2,673.99	0	0
36	>1,074,000 to ≤ 3,400,000 Therms Annually	0	4,159.15	0	2
37	>3,400,000 to ≤ 7,400,000 Therms Annually	0	8,020.79	0	0
38	> 7,400,000 Therms Annually	0	11,882.42	0	0
39	Total Industrial Bills Under LGSS	0		0	100
40	Total Rate Schedule LGSS	3		1,580	1,009
41	Tariff Sales Summary by Customer Class				
42	Total Residential Sales	62,138		1,040,812	4,419,986
43	Total Commercial Sales	1,925		61,469	313,443
44	Total Industrial Sales	2		87	882
45	Total Tariff Sales	64,065		1,102,368	4,734,311

Columbia Gas of Pennsylvania, Inc.
Lost Revenue @ Current Rates if Customer Charge based on Number of Days of Service
For the 12 Months Ended December 31, 2023

Exhibit No. JS-3-R
Page 2 of 4
Witness: J. Siegler

Line No.	Description	Finaled Bills1 (1)	Customer Charge Rate2 (2)	Lost Revenue (3=1*2)	Forecasted Adjusted1 (4)
1	<u>Rate Schedule RDS - Residential Distribution Service (Choice)</u>				
2	Total Rate Schedule RDS	4,351	16.75	72,879	546,145
3	<u>Rate Schedule SCD - Small Commercial Distribution (Choice) ≤ 6,440 Therms</u>				
4	Less Than 6,440 Therms Annually	348	29.92	10,412	92,327
5	<u>Rate Schedule SCD - Small Commercial Distribution (Choice) > 6,440 to ≤ 64,400 Therms</u>				
6	6,440 - 64,400 Therms Annually	26	57.00	1,482	12,843
7	Total Rate Schedule SCD	374		11,894	105,170
8	<u>Rate Schedule SGDS - Small General Distribution Service ≤ 6,440 Therms</u>				
9	COMMERCIAL				
10	Less Than 6,440 Therms Annually	27	29.92	808	11,293
11	Total Commercial Bills Under SGDS	27		808	11,293
12	INDUSTRIAL				
13	Less Than 6,440 Therms Annually	2	29.92	60	95
14	Total Industrial Bills Under SGDS	2		60	95
15	Total Rate Schedule SGDS ≤ 6,440 Therms	29		868	11,388
16	<u>Rate Schedule SGDS - Small General Distribution Service > 6,440 to ≤ 64,400 Therms</u>				
17	COMMERCIAL				
18	6,440 - 64,400 Therms Annually	75	57.00	4,275	16,504
19	Total Commercial Bills Under SGDS	75		4,275	16,504
20	INDUSTRIAL				
21	6,440 - 64,400 Therms Annually	0	57.00	0	420
22	Total Industrial Bills Under SGDS	0		0	420
23	Total Rate Schedule SGDS > 6,440 to ≤ 64,400 Therms	75		4,275	16,924
24	<u>Rate Schedule SDS - Small Distribution Service</u>				
25	COMMERCIAL				
26	> 64,400 to ≤ 110,000 Therms Annually	7	265.00	1,855	1,987
27	>110,000 to ≤ 540,000 Therms Annually	5	1,050.11	5,251	1,562
28	Total Commercial Bills Under SDS	12		7,106	3,549
29	INDUSTRIAL				
30	> 64,400 to ≤ 110,000 Therms Annually	2	265.00	530	155
31	>110,000 to ≤ 540,000 Therms Annually	1	1,050.11	1,050	865
32	Rider EDS - > 110,000 to ≤ 540,000 Therms Annually	0	1,050.11	0	12
32	Total Industrial Bills Under SDS	3		1,580	1,032
33	Total Rate Schedule SDS	15		8,686	4,581

Line No.	Description	Finalized Bills1 (1)	Customer Charge Rate2 (2)	Lost Revenue (3=1*2)	Forecasted Adjusted1 (4)
1	Rate Schedule LDS - Large Distribution Service				
2	COMMERCIAL				
3	> 540,000 to <= 1,074,000 Therms Annually	0	2,673.99	0	156
4	> 1,074,000 to <= 3,400,000 Therms Annually	0	4,159.15	0	108
5	> 3,400,000 to <= 7,500,000 Therms Annually	0	8,020.79	0	0
6	> 7,500,000 Therms Annually	0	11,882.42	0	0
7	Total Commercial Bills Under LDS	0		0	264
8	Rate Schedule LDS - Large Distribution Service				
9	INDUSTRIAL				
10	> 540,000 to <= 1,074,000 Therms Annually	0	2,673.99	0	336
11	> 1,074,000 to <= 3,400,000 Therms Annually	1	4,159.15	4,159	205
12	> 3,400,000 to <= 7,500,000 Therms Annually	0	8,020.79	0	60
13	> 7,500,000 Therms Annually	0	11,882.42	0	12
14	Total Industrial Bills Under LDS	1		4,159	613
15	Total Rate Schedule LDS	1		4,159	877
16	Rate Schedule MLDS - Main Line Distribution Service - Class I				
17	COMMERCIAL				
18	> 274,000 to <= 540,000 Therms Annually	0	469.34	0	0
19	> 540,000 to <= 1,074,000 Therms Annually	0	1,149.00	0	12
20	> 1,074,000 to <= 3,400,000 Therms Annually	0	2,050.00	0	0
21	> 3,400,000 to <= 7,500,000 Therms Annually	0	4,096.00	0	0
22	> 7,500,000 Therms Annually	0	7,322.00	0	0
23	Commercial Bills Under MLDS - Class I	0		0	12
24	INDUSTRIAL				
25	> 274,000 to <= 540,000 Therms Annually	0	469.34	0	36
26	> 540,000 to <= 1,074,000 Therms Annually	0	1,149.00	0	0
27	> 1,074,000 to <= 3,400,000 Therms Annually	0	2,050.00	0	0
28	> 3,400,000 to <= 7,500,000 Therms Annually	0	4,096.00	0	0
29	> 7,500,000 Therms Annually	0	7,322.00	0	0
30	Industrial Bills Under MLDS - Class I	0		0	36
31	Total Rate Schedule MLDS - Class I	0		0	48
32	Rate Schedule MLDS - Main Line Distribution Service - Class II				
33	COMMERCIAL				
34	> 2,146,000 to <= 3,400,000 Therms Annually	0	2,050.00	0	0
35	> 3,400,000 to <= 7,500,000 Therms Annually	0	4,096.00	0	0
36	> 7,500,000 Therms Annually	0	7,322.00	0	0
37	Commercial Bills Under MLDS - Class II	0		0	0
38	INDUSTRIAL				
39	> 2,146,000 to <= 3,400,000 Therms Annually	1	2,050.00	2,050	25
40	> 3,400,000 to <= 7,500,000 Therms Annually	1	4,096.00	4,096	61
41	> 7,500,000 Therms Annually	0	7,322.00	0	0
42	Industrial Bills Under MLDS - Class II	2		6,146	86
43	Total Rate Schedule MLDS - Class II	2		6,146	86

Columbia Gas of Pennsylvania, Inc.
Lost Revenue @ Current Rates if Customer Charge based on Number of Days of Service
For the 12 Months Ended December 31, 2023

Exhibit No. JS-3-R
Page 4 of 4
Witness: J. Siegler

Line No.	Description	Finaled Bills ¹ (1)	Customer Charge Rate ² (2)	Lost Revenue (3=1*2)	Forecasted Adjusted ¹ (4)
1	Rate Schedule Flex and NCS				
2	COMMERCIAL				
3	SGDS-1 Less Than 6,440 Therms Annually	0	29.92	0	0
4	SGDS-2 >6,440 to ≤ 64,400 Therms Annually	0	57.00	0	36
5	SDS > 64,400 to ≤ 110,000 Therms Annually	0	265.00	0	12
6	SDS > 110,000 to ≤ 540,000 Therms Annually	0	1,050.11	0	24
7	LDS > 540,000 to ≤ 1,074,000 Therms Annually	0	2,673.99	0	0
8	LDS > 1,074,000 to ≤ 3,400,000 Therms Annually	0	4,159.15	0	0
9	LDS > 3,400,000 to ≤ 7,500,000 Therms Annually	0	8,020.79	0	0
10	LDS > 7,500,000 Therms Annually	0	11,882.42	0	0
11	MDS-I > 274,000 to ≤ 540,000 Therms Annually	0	469.34	0	0
12	MDS-I > 540,000 to ≤ 1,074,000 Therms Annually	0	1,149.00	0	0
13	MDS-I > 1,074,000 to ≤ 3,400,000 Therms Annually	0	2,050.00	0	0
14	MDS-I > 3,400,000 to ≤ 7,500,000 Therms Annually	0	4,096.00	0	0
15	MDS-I > 7,500,000 Therms Annually	0	7,322.00	0	0
16	MDS-II > 2,146,000 to ≤ 3,400,000 Therms Annually	0	2,050.00	0	0
17	MDS-II > 3,400,000 to ≤ 7,500,000 Therms Annually	0	4,096.00	0	0
18	MDS-II > 7,500,000 Therms Annually	0	7,322.00	0	0
19	Negotiated Contract Services	0	varies	0	12
20	Total Commercial Bills Under Flex and NCS	0		0	84
21	INDUSTRIAL				
22	SGDS-1 Less Than 6,440 Therms Annually	0	29.92	0	0
23	SGDS-2 >6,440 to ≤ 64,400 Therms Annually	0	57.00	0	0
24	SDS > 64,400 to ≤ 110,000 Therms Annually	0	265.00	0	0
25	SDS > 110,000 to ≤ 540,000 Therms Annually	0	1,050.11	0	0
26	LDS > 540,000 to ≤ 1,074,000 Therms Annually	0	2,673.99	0	12
27	LDS > 1,074,000 to ≤ 3,400,000 Therms Annually	0	4,159.15	0	0
28	LDS > 3,400,000 to ≤ 7,500,000 Therms Annually	0	8,020.79	0	0
29	LDS > 7,500,000 Therms Annually	0	11,882.42	0	0
30	MDS-I > 274,000 to ≤ 540,000 Therms Annually	0	469.34	0	0
31	MDS-I > 540,000 to ≤ 1,074,000 Therms Annually	0	1,149.00	0	0
32	MDS-I > 1,074,000 to ≤ 3,400,000 Therms Annually	0	2,050.00	0	0
33	MDS-I > 3,400,000 to ≤ 7,500,000 Therms Annually	0	4,096.00	0	0
34	MDS-I > 7,500,000 Therms Annually	0	7,322.00	0	12
35	MDS-II > 2,146,000 to ≤ 3,400,000 Therms Annually	0	2,050.00	0	0
36	MDS-II > 3,400,000 to ≤ 7,500,000 Therms Annually	0	4,096.00	0	12
37	MDS-II > 7,500,000 Therms Annually	0	7,322.00	0	0
38	Negotiated Contract Services	0	varies	0	144
39	Total Industrial Bills Under Flex and NCS	0		0	180
40	Total Flex and NCS Bills	0		0	264
41	Distribution Service Summary by Customer Class				
42	Total Residential	4,351		72,879	546,145
43	Total Commercial	488		24,083	136,876
44	Total Industrial	8		11,945	2,462
45	Total Distribution Service	4,847		108,907	685,483
46	Total Company Throughput	68,912		1,211,275	5,419,794

1 Exhibit 103, Schedule 2, pages 9 -12 of 12
2 Exhibit 3, Schedule 1, pages 1-6 of 6

Columbia Gas of Pennsylvania, Inc.
Number of Bills
For the 12 Months Ended November 30, 2022

Line No.	Description	Forecasted (1)	Bills from Industrial & Lg Com Customers (2) <i>(Ex 103, Sch 4)</i>	Incremental Bills		Rate Schedule Change (5)	Finaled Bills (6)	Forecasted Adjusted (7=1 to 6)
				New Const (3) <i>(Ex 103, Sch 4)</i>	Attrition (4) <i>(Ex 103, Sch 4)</i>			
1	Rate Schedule RSS - Residential Sales Service							
2	Total Rate Schedule RSS	3,980,435	0	22,641	(5,226)	0	58,006	4,055,856
3	Rate Schedule CAP - Residential Sales Service CAP							
4	Total Rate Schedule CAP	294,018	0	0	0	0	4,132	298,150
5	Rate Schedule SGSS - Small General Sales Service (≤ 6,440 Therms Annually)							
6	COMMERCIAL							
7	Less Than 6,440 Therms Annually	277,172	0	2,451	(1,920)	0	1,834	279,537
8	INDUSTRIAL							
9	Less Than 6,440 Therms Annually	261	0	0	0	0	1	262
10	Total Rate Schedule SGSS ≤ 6,440 Therms	277,433	0	2,451	(1,920)	0	1,835	279,799
11	Rate Schedule SGSS - Small General Sales Service (> 6,440 to ≤ 64,400 Therms Annually)							
12	COMMERCIAL							
13	6,440 - 64,400 Therms Annually	32,281	0	0	0	0	88	32,369
14	INDUSTRIAL							
15	6,440 - 64,400 Therms Annually	519	0	0	0	0	1	520
16	Total Rate Schedule SGSS > 6,440 to ≤ 64,400 Therms	32,800	0	0	0	0	89	32,889
17	Rate Schedule NSS - Negotiated Sales Service							
18	COMMERCIAL							
19	540,000 - 1,074,000 Therms Annually	12	0	0	0	0	0	12
20	INDUSTRIAL							
21	540,000 - 1,074,000 Therms Annually	0	0	0	0	0	0	0
22	Total Rate Schedule NSS	12	0	0	0	0	0	12
23	Rate Schedule LGSS - Large General Sales Service							
24	COMMERCIAL							
25	> 64,400 to ≤ 110,00 Therms Annually	447	0	0	0	0	2	449
26	>110,000 to ≤ 540,000 Therms Annually	423	0	0	0	0	1	424
27	>540,000 to ≤ 1,074,000 Therms Annually	24	0	0	0	0	0	24
28	>1,074,000 to ≤ 3,400,000 Therms Annually	12	0	0	0	0	0	12
29	>3,400,000 to ≤ 7,400,000 Therms Annually	0	0	0	0	0	0	0
30	> 7,400,000 Therms Annually	0	0	0	0	0	0	0
31	Total Commercial Bills Under LGSS	906	0	0	0	0	3	909
32	INDUSTRIAL							
33	> 64,400 to ≤ 110,00 Therms Annually	50	0	0	0	0	0	50
34	>110,000 to ≤ 540,000 Therms Annually	48	0	0	0	0	0	48
35	>540,000 to ≤ 1,074,000 Therms Annually	0	0	0	0	0	0	0
36	>1,074,000 to ≤ 3,400,000 Therms Annually	2	0	0	0	0	0	2
37	>3,400,000 to ≤ 7,400,000 Therms Annually	0	0	0	0	0	0	0
38	> 7,400,000 Therms Annually	0	0	0	0	0	0	0
39	Total Industrial Bills Under LGSS	100	0	0	0	0	0	100
40	Total Rate Schedule LGSS	1,006	0	0	0	0	3	1,009
41	Tariff Sales Summary by Customer Class							
42	Total Residential Sales	4,274,453	0	22,641	(5,226)	0	62,138	4,354,006
43	Total Commercial Sales	310,371	0	2,451	(1,920)	0	1,925	312,827
44	Total Industrial Sales	880	0	0	0	0	2	882
45	Total Tariff Sales	4,585,704	0	25,092	(7,146)	0	64,065	4,667,715

Columbia Gas of Pennsylvania, Inc.
Number of Bills
For the 12 Months Ended November 30, 2022

Line No.	Description	Forecasted (1)	Bills from Industrial & Lg Com Customers (2) <i>(Ex 103, Sch 4)</i>	Incremental Bills		Rate Schedule Change (5)	Finaled Bills (6)	Forecasted Adjusted (7=1 to 6)
				New Const (3) <i>(Ex 103, Sch 4)</i>	Attrition (4) <i>(Ex 103, Sch 4)</i>			
1	Rate Schedule RDS - Residential Distribution Service (Choice)							
2	Total Rate Schedule RDS	594,054	0	0	0	0	4,351	598,405
3	Rate Schedule SCD - Small Commercial Distribution (Choice) ≤ 6,440 Therms							
4	Less Than 6,440 Therms Annually	91,979	0	0	0	0	348	92,327
5	Rate Schedule SCD - Small Commercial Distribution (Choice) > 6,440 to ≤ 64,400 Therms							
6	6,440 - 64,400 Therms Annually	12,817	0	0	0	0	26	12,843
7	Total Rate Schedule SCD	104,796	0	0	0	0	374	105,170
8	Rate Schedule SGDS - Small General Distribution Service ≤ 6,440 Therms							
9	COMMERCIAL							
10	Less Than 6,440 Therms Annually	11,266	0	0	0	0	27	11,293
11	Total Commercial Bills Under SGDS	11,266	0	0	0	0	27	11,293
12	INDUSTRIAL							
13	Less Than 6,440 Therms Annually	93	0	0	0	0	2	95
14	Total Industrial Bills Under SGDS	93	0	0	0	0	2	95
15	Total Rate Schedule SGDS ≤ 6,440 Therms	11,359	0	0	0	0	29	11,388
16	Rate Schedule SGDS - Small General Distribution Service > 6,440 to ≤ 64,400 Therms							
17	COMMERCIAL							
18	6,440 - 64,400 Therms Annually	16,429	0	0	0	0	75	16,504
19	Total Commercial Bills Under SGDS	16,429	0	0	0	0	75	16,504
20	INDUSTRIAL							
21	6,440 - 64,400 Therms Annually	420	0	0	0	0	0	420
22	Total Industrial Bills Under SGDS	420	0	0	0	0	0	420
23	Total Rate Schedule SGDS > 6,440 to ≤ 64,400 Therms	16,849	0	0	0	0	75	16,924
24	Rate Schedule SDS - Small Distribution Service							
25	COMMERCIAL							
26	> 64,400 to ≤ 110,00 Therms Annually	1,980	0	0	0	0	7	1,987
27	>110,000 to ≤ 540,000 Therms Annually	1,557	0	0	0	0	5	1,562
28	Total Commercial Bills Under SDS	3,537	0	0	0	0	12	3,549
29	INDUSTRIAL							
30	> 64,400 to ≤ 110,00 Therms Annually	153	0	0	0	0	2	155
31	>110,000 to ≤ 540,000 Therms Annually	864	0	0	0	0	1	865
32	Rider EDS - > 110,000 to ≤ 540,000 Therms Annually	12	0	0	0	0	0	12
32	Total Industrial Bills Under SDS	1,029	0	0	0	0	3	1,032
33	Total Rate Schedule SDS	4,566	0	0	0	0	15	4,581

Columbia Gas of Pennsylvania, Inc.
Number of Bills
For the 12 Months Ended November 30, 2022

Line No.	Description	Forecasted (1)	Bills from Industrial & Lg Com Customers (2) <i>(Ex 103, Sch 4)</i>	Incremental Bills		Rate Schedule Change (5)	Finaled Bills (6)	Forecasted Adjusted (7=1 to 6)
				New Const (3) <i>(Ex 103, Sch 4)</i>	Attrition (4) <i>(Ex 103, Sch 4)</i>			
1	Rate Schedule LDS - Large Distribution Service							
2	COMMERCIAL							
3	> 540,000 to <= 1,074,000 Therms Annually	156	0	0	0	0	0	156
4	> 1,074,000 to <= 3,400,000 Therms Annually	108	0	0	0	0	0	108
5	> 3,400,000 to <= 7,500,000 Therms Annually	0	0	0	0	0	0	0
6	> 7,500,000 Therms Annually	0	0	0	0	0	0	0
7	Total Commercial Bills Under LDS	264	0	0	0	0	0	264
8	Rate Schedule LDS - Large Distribution Service							
9	INDUSTRIAL							
10	> 540,000 to <= 1,074,000 Therms Annually	336	0	0	0	0	0	336
11	> 1,074,000 to <= 3,400,000 Therms Annually	216	0	0	0	0	1	217
12	> 3,400,000 to <= 7,500,000 Therms Annually	60	0	0	0	0	0	60
13	> 7,500,000 Therms Annually	12	0	0	0	0	0	12
14	Total Industrial Bills Under LDS	624	0	0	0	0	1	625
15	Total Rate Schedule LDS	888	0	0	0	0	1	889
16	Rate Schedule MLDS - Main Line Distribution Service - Class I							
17	COMMERCIAL							
18	> 274,000 to <= 540,000 Therms Annually	0	0	0	0	0	0	0
19	> 540,000 to <= 1,074,000 Therms Annually	12	0	0	0	0	0	12
20	> 1,074,000 to <= 3,400,000 Therms Annually	0	0	0	0	0	0	0
21	> 3,400,000 to <= 7,500,000 Therms Annually	0	0	0	0	0	0	0
22	> 7,500,000 Therms Annually	0	0	0	0	0	0	0
23	Commercial Bills Under MLDS - Class I	12	0	0	0	0	0	12
24	INDUSTRIAL							
25	> 274,000 to <= 540,000 Therms Annually	36	0	0	0	0	0	36
26	> 540,000 to <= 1,074,000 Therms Annually	0	0	0	0	0	0	0
27	> 1,074,000 to <= 3,400,000 Therms Annually	0	0	0	0	0	0	0
28	> 3,400,000 to <= 7,500,000 Therms Annually	0	0	0	0	0	0	0
29	> 7,500,000 Therms Annually	0	0	0	0	0	0	0
30	Industrial Bills Under MLDS - Class I	36	0	0	0	0	0	36
31	Total Rate Schedule MLDS - Class I	48	0	0	0	0	0	48
32	Rate Schedule MLDS - Main Line Distribution Service - Class II							
33	COMMERCIAL							
34	> 2,146,000 to <= 3,400,000 Therms Annually	0	0	0	0	0	0	0
35	> 3,400,000 to <= 7,500,000 Therms Annually	0	0	0	0	0	0	0
36	> 7,500,000 Therms Annually	0	0	0	0	0	0	0
37	Commercial Bills Under MLDS - Class II	0	0	0	0	0	0	0
38	INDUSTRIAL							
39	> 2,146,000 to <= 3,400,000 Therms Annually	24	0	0	0	0	1	25
40	> 3,400,000 to <= 7,500,000 Therms Annually	60	0	0	0	0	1	61
41	> 7,500,000 Therms Annually	0	0	0	0	0	0	0
42	Industrial Bills Under MLDS - Class II	84	0	0	0	0	2	86
43	Total Rate Schedule MLDS - Class II	84	0	0	0	0	2	86

Columbia Gas of Pennsylvania, Inc.
Number of Bills
For the 12 Months Ended November 30, 2022

Line No.	Description	Forecasted (1)	Bills from Industrial & Lg Com Customers (2) <i>(Ex 103, Sch 4)</i>	Incremental Bills		Rate Schedule Change (5)	Finaled Bills (6)	Forecasted Adjusted (7=1 to 6)	
				New Const (3) <i>(Ex 103, Sch 4)</i>	Attrition (4) <i>(Ex 103, Sch 4)</i>				
1	Rate Schedule Flex and NCS								
2	COMMERCIAL								
3	SGDS-1 Less Than 6,440 Therms Annually	0	0	0	0	0	0	0	
4	SGDS-2 >6,440 to ≤ 64,400 Therms Annually	36	0	0	0	0	0	36	
5	SDS > 64,400 to ≤ 110,000 Therms Annually	12	0	0	0	0	0	12	
6	SDS > 110,000 to ≤ 540,000 Therms Annually	24	0	0	0	0	0	24	
7	LDS > 540,000 to ≤ 1,074,000 Therms Annually	0	0	0	0	0	0	0	
8	LDS >1,074,000 to ≤ 3,400,000 Therms Annually	0	0	0	0	0	0	0	
9	LDS > 3,400,000 to ≤ 7,500,000 Therms Annually	0	0	0	0	0	0	0	
10	LDS > 7,500,000 Therms Annually	0	0	0	0	0	0	0	
11	MDS-I > 274,000 to ≤ 540,000 Therms Annually	0	0	0	0	0	0	0	
12	MDS-I > 540,000 to ≤ 1,074,000 Therms Annually	0	0	0	0	0	0	0	
13	MDS-I > 1,074,000 to ≤ 3,400,000 Therms Annually	0	0	0	0	0	0	0	
14	MDS-I > 3,400,000 to ≤ 7,500,000 Therms Annually	0	0	0	0	0	0	0	
15	MDS-I > 7,500,000 Therms Annually	0	0	0	0	0	0	0	
16	MDS-II > 2,146,000 to ≤ 3,400,000 Therms Annually	0	0	0	0	0	0	0	
17	MDS-II > 3,400,000 to ≤ 7,500,000 Therms Annually	0	0	0	0	0	0	0	
18	MDS-II > 7,500,000 Therms Annually	0	0	0	0	0	0	0	
19	Negotiated Contract Services	12	0	0	0	0	0	12	
20	Total Commerical Bills Under Flex and NCS	84	0	0	0	0	0	84	
21	INDUSTRIAL								
22	SGDS-1 Less Than 6,440 Therms Annually	0	0	0	0	0	0	0	
23	SGDS-2 >6,440 to ≤ 64,400 Therms Annually	0	0	0	0	0	0	0	
24	SDS > 64,400 to ≤ 110,000 Therms Annually	0	0	0	0	0	0	0	
25	SDS > 110,000 to ≤ 540,000 Therms Annually	0	0	0	0	0	0	0	
26	LDS > 540,000 to ≤ 1,074,000 Therms Annually	12	0	0	0	0	0	12	
27	LDS >1,074,000 to ≤ 3,400,000 Therms Annually	0	0	0	0	0	0	0	
28	LDS > 3,400,000 to ≤ 7,500,000 Therms Annually	0	0	0	0	0	0	0	
29	LDS > 7,500,000 Therms Annually	0	0	0	0	0	0	0	
30	MDS-I > 274,000 to ≤ 540,000 Therms Annually	0	0	0	0	0	0	0	
31	MDS-I > 540,000 to ≤ 1,074,000 Therms Annually	0	0	0	0	0	0	0	
32	MDS-I > 1,074,000 to ≤ 3,400,000 Therms Annually	0	0	0	0	0	0	0	
33	MDS-I > 3,400,000 to ≤ 7,500,000 Therms Annually	0	0	0	0	0	0	0	
34	MDS-I > 7,500,000 Therms Annually	12	0	0	0	0	0	12	
35	MDS-II > 2,146,000 to ≤ 3,400,000 Therms Annually	0	0	0	0	0	0	0	
36	MDS-II > 3,400,000 to ≤ 7,500,000 Therms Annually	12	0	0	0	0	0	12	
37	MDS-II > 7,500,000 Therms Annually	0	0	0	0	0	0	0	
38	Negotiated Contract Services	144	0	0	0	0	0	144	
39	Total Industrial Bills Under Flex and NCS	180	0	0	0	0	0	180	
40	Total Flex and NCS Bills	264	0	0	0	0	0	264	
41	Distribution Service Summary by Customer Class								
42	Total Residential	594,054	0	0	0	0	4,351	598,405	
43	Total Commercial	136,388	0	0	0	0	488	136,876	
44	Total Industrial	2,466	0	0	0	0	8	2,474	
45	Total Distribution Service	732,908	0	0	0	0	4,847	737,755	
46	Total Company Throughput	5,318,612	0	25,092	(7,146)	0	68,912	5,405,470	

I&E-RS-2-D
Attachment A (Correction)
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Exhibit No. 103
Schedule No. 7
Page 1 of 11
Witness: J. Siegler

Columbia Gas of Pennsylvania, Inc.
Revenue @ Proposed Rates Based on Forecast Adjusted Bills and Volumes
For the 12 Months Ended November 30, 2022

<u>Line No.</u>	<u>Description</u>	<u>Bills (1)</u> <i>(Ex 103, Sch 2)</i>	<u>Volumes (2)</u> <i>(Ex 103, Sch 3)</i> Dth	<u>Base Rate (3)</u> \$/Dth	<u>Revenue (4)</u> \$	<u>Average Rate (5)</u> \$/Dth
1	<u>Rate Schedule RSS - Residential Sales Service</u>					
2	Customer Charge	4,055,856		25.47	103,302,652	
3	Commodity Charge:					
4	All Gas Consumed		27,822,959.4	8.7254	242,766,450	
5	Rider USP - Universal Service Plan		27,822,959.4	1.4189	39,477,997	
6	Rider CC		27,822,959.4	0.0010	27,823	
7	Gas Procurement Charge		27,822,959.4	0.0113	<u>314,399</u>	
8	Subtotal				385,889,321	
9	STAS				<u>0</u>	
10	Base Rate Revenue				385,889,321	
11	Gas Cost		27,822,959.4	5.4943	152,867,686	
12	Merchant Function Charge		27,822,959.4	0.0474	<u>1,318,808</u>	
13	Total Rate Schedule RSS	4,055,856	27,822,959.4		540,075,815	19.4112
14	<u>Rate Schedule CAP - Residential Sales Service CAP</u>					
15	Customer Charge	298,150		25.47	7,593,881	
16	Commodity Charge:					
17	All Gas Consumed		2,714,279.8	8.7254	23,683,177	
18	Redistribution of CAP Shortfall resulting from proposed rates				<u>(3,675,618)</u>	
19	Gas Procurement Charge		2,714,279.8	0.0113	<u>30,671</u>	
20	Subtotal				27,632,111	
21	STAS				<u>0</u>	
22	Base Rate Revenue				27,632,111	
23	Gas Cost		2,714,279.8	5.4943	14,913,068	
24	Merchant Function Charge		2,714,279.8	0.0474	<u>128,657</u>	
25	Total Rate Schedule CAP	298,150	2,714,279.8		42,673,836	
26	<u>Rate Schedule SGSS - Small General Sales Service (≤ 6,440 Therms Annually)</u>					
27	Customer Charge:					
28	≤ 6,440 Therms Annually	279,799		34.23	9,577,520	
29	Commodity Charge:					
30	≤ 6,440 Therms Annually		4,128,382.2	7.0989	29,306,972	
31	Rider CC		4,128,382.2	0.0010	4,128	
32	Gas Procurement Charge		4,128,382.2	0.0113	<u>46,651</u>	
33	Subtotal				38,935,271	
34	STAS				<u>0</u>	
35	Base Rate Revenue				38,935,271	
36	Gas Cost		4,128,382.2	5.4943	22,682,570	
37	Merchant Function Charge		4,128,382.2	0.0138	<u>56,972</u>	
38	Total Rate Schedule SGSS	279,799	4,128,382.2		61,674,813	14.9392
39	<u>Rate Schedule SGSS - Small General Sales Service (> 6,440 to ≤ 64,400 Therms Annually)</u>					
40	Customer Charge:					
41	> 6,440 to ≤ 64,400 Therms Annually	32,889		65.36	2,149,625	
42	Commodity Charge:					
43	> 6,440 to ≤ 64,400 Therms Annually		<u>3,911,718.1</u>	6.0374	23,616,607	
44	Rider CC		3,911,718.1	0.0010	3,912	
45	Gas Procurement Charge		3,911,718.1	0.0113	<u>44,202</u>	
46	Subtotal				25,814,346	
47	STAS				<u>0</u>	
48	Base Rate Revenue				25,814,346	
49	Gas Cost		3,911,718.1	5.4943	21,492,153	
50	Merchant Function Charge		3,911,718.1	0.0138	<u>53,982</u>	
51	Total Rate Schedule SGSS	32,889	3,911,718.1		47,360,481	12.1073

Columbia Gas of Pennsylvania, Inc.
Revenue @ Proposed Rates Based on Forecast Adjusted Bills and Volumes
For the 12 Months Ended November 30, 2022

Line No.	Description	Bills (1) <i>(Ex 103, Sch 2)</i>	Volumes (2) Dth <i>(Ex 103, Sch 3)</i>	Base Rate (3) \$/Dth	Revenue (4) \$	Average Rate (5) \$/Dth
1	Rate Schedule NSS - Negotiated Sales Service					
2	Customer Charge					
3	>540,000 to ≤ 1,074,000 Therms Annually	12		1,149.00	13,788	
4	Commodity Charge:					
5	>540,000 to ≤ 1,074,000 Therms Annually		72,000.0	0.3437	24,746	
6	Subtotal		72,000.0		38,534	
7	STAS				0	
8	Base Rate Revenue				38,534	
9	Gas Cost - Commodity		72,000.0	(workpaper)	513,691	
10	Gas Cost - Demand		660.0		9,077	
11	Total Rate Schedule NSS	12	72,000.0		561,302	7.7959
12	Rate Schedule LGSS - Large General Sales Service					
13	Customer Charge:					
14	≤ 110,000 Therms Annually	499		319.30	159,331	
15	> 110,000 to ≤540,000 Therms Annually	472		1,265.29	597,217	
16	> 540,000 to ≤1,074,000 Therms Annually	24		3,261.28	78,271	
17	> 1,074,000 to ≤ 3,400,000 Therms Annually	14		5,072.62	71,017	
18	> 3,400,000 to ≤7,500,000 Therms Annually	0		9,782.40	0	
19	> 7,500,000. Therms Annually	0		14,492.16	0	
20	Commodity Charge:					
21	≤ 110,000 Therms Annually		363,886.8	4.7545	1,730,100	
22	> 110,000 to ≤540,000 Therms Annually		639,488.9	4.4453	2,842,720	
23	> 540,000 to ≤1,074,000 Therms Annually		45,341.0	2.5587	116,014	
24	> 1,074,000 to ≤ 3,400,000 Therms Annually		5,515.5	2.2695	12,517	
25	> 3,400,000 to ≤7,500,000 Therms Annually		0.0	2.0367	0	
26	> 7,500,000. Therms Annually		0.0	1.2118	0	
27	Gas Procurement - ≤ 540,000 Therms Annually		1,003,375.7	0.0113	11,338	
28	Gas Procurement - > 540,000 Therms Annually		50,856.5	0.0113	575	
29	STAS - ≤ 540,000 Therms Annually				0	
30	STAS - > 540,000 Therms Annually				0	
31	Base Rate Revenue				5,619,100	
32	Gas Cost - ≤ 540,000 Therms Annually		1,003,375.7	5.4943	5,512,847	
33	Gas Cost - > 540,000 Therms Annually		50,856.5	5.4943	279,421	
34	Total Rate Schedule LGSS	1,009	1,054,232.2		11,411,368	10.8243
35	Tariff Sales Summary by Rate Class					
36	Base Rate Revenue				373,670,542	
37	STAS				0	
38	Rider USP				39,477,997	
39	Merchant Function Charge				1,447,465	
40	Gas Procurement Charge				345,070	
41	Rider CC				27,823	
42	Gas Cost				167,780,754	
43	Total Residential Sales	4,354,006	30,537,239.2		582,749,651	
44	Base Rate Revenue				64,650,724	
45	STAS				0	
46	Merchant Function Charge				110,954	
47	Gas Procurement Charge				90,853	
48	Rider CC				8,040	
49	Gas Cost				44,174,723	
50	Total Small General Sales	312,688	8,040,100.3		109,035,294	
51	Base Rate Revenue				38,534	
52	STAS				0	
53	Gas Cost				522,768	
54	Total Negotiated Sales	12	72,000.0		561,302	
55	Base Rate Revenue				5,607,187	
56	STAS				0	
57	Gas Procurement Charge				11,913	
58	Gas Cost				5,792,268	
59	Total Large General Sales	1,009	1,054,232.2		11,411,368	
60	Total Tariff Sales	4,667,715	39,703,571.7		703,757,615	

Columbia Gas of Pennsylvania, Inc.
Revenue @ Proposed Rates Based on Forecast Adjusted Bills and Volumes
For the 12 Months Ended November 30, 2022

<u>Line No.</u>	<u>Description</u>	<u>Bills</u> <u>(1)</u> <i>(Ex 103, Sch 2)</i>	<u>Volumes</u> <u>(2)</u> <u>Dth</u> <i>(Ex 103, Sch 3)</i>	<u>Base Rate</u> <u>(3)</u> <u>\$/Dth</u>	<u>Revenue</u> <u>(4)</u> <u>\$</u>	<u>Average Rate</u> <u>(5)</u> <u>\$/Dth</u>
1	<u>Rate Schedule RDS - Residential Distribution Service (Choice)</u>					
2	Customer Charge	598,405		25.47	15,241,375	
3	Commodity Charge:					
4	All Gas Consumed		4,514,538.3	8.7254	39,391,152	
5	Rider USP - Universal Service Plan		4,514,538.3	1.4189	6,405,678	
6	Rider CC		4,514,538.3	0.0010	<u>4,515</u>	
7	Subtotal				61,042,720	
8	STAS				<u>0</u>	
9	Base Rate Revenue				61,042,720	
10	Gas Cost		4,514,538.3	1.8023	<u>8,136,552</u>	
11	Total Rate Schedule RDS	598,405	4,514,538.3		69,179,272	15.3237
12	<u>Rate Schedule SCD - Small Commercial Distribution (Choice) ≤ 6,440 Therms</u>					
13	Customer Charge					
14	≤ 6,440 Therms Annually	92,327		34.23	3,160,353	
15	Commodity Charge:					
16	≤ 6,440 Therms Annually		1,492,154.3	7.0989	10,592,654	
17	Rider CC		1,492,154.3	0.0010	1,492	
18	Subtotal				13,754,499	
19	STAS				<u>0</u>	
20	Base Rate Revenue				13,754,499	
21	Gas Cost		1,492,154.3	1.8023	<u>2,689,310</u>	
22	Total Rate Schedule SCD	92,327	1,492,154.3		16,443,809	11.0202
23	<u>Rate Schedule SCD - Small Commercial Distribution (Choice) > 6,440 to ≤ 64,400 Therms</u>					
24	Customer Charge					
25	> 6,440 to ≤ 64,400 Therms Annually	12,843		65.36	839,418	
26	Commodity Charge:					
27	> 6,440 to ≤ 64,400 Therms Annually		1,538,014.4	6.0374	9,285,608	
28	Rider CC		1,538,014.4	0.0010	<u>1,538</u>	
29	Subtotal				10,126,564	
30	STAS				<u>0</u>	
31	Base Rate Revenue				10,126,564	
32	Gas Cost		1,538,014.4	1.8023	<u>2,771,963</u>	
33	Total Rate Schedule SCD	12,843	1,538,014.4		12,898,527	8.3865
34	<u>Rate Schedule SGDS - Small General Distribution Service ≤ 6,440 Therms</u>					
35	Customer Charge:					
36	≤ 6,440 Therms Annually	11,388		34.23	389,811	
37	Commodity Charge:					
38	Priority 1 - Aggregation					
39	≤ 6,440 Therms Annually		50,442.4	6.9998	353,087	
40	All Other - Aggregation					
41	≤ 6,440 Therms Annually		<u>242,762.6</u>	6.9998	1,699,290	
42	Rider CC		293,205.0	0.0010	<u>293</u>	
43	Subtotal				2,442,481	
44	STAS				<u>0</u>	
45	Subtotal				2,442,481	
46	Priority 1 Gas Cost		50,442.4	2.0851	<u>105,177</u>	
47	Total Rate Schedule SGDS	11,388	293,205.0		2,547,658	8.6890

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Attachment A (Correction)
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Columbia Gas of Pennsylvania, Inc.
Revenue @ Proposed Rates Based on Forecast Adjusted Bills and Volumes
For the 12 Months Ended November 30, 2022

Exhibit No. 103
Schedule No. 7
Page 4 of 11
Witness: J. Siegler

Line No.	Description	Bills (1)	Volumes (2) Dth	Base Rate (3) \$/Dth	Revenue (4) \$	Average Rate (5) \$/Dth
		<i>(Ex 103, Sch 2)</i>	<i>(Ex 103, Sch 3)</i>			
1	<u>Rate Schedule SGDS - Small General Distribution Service > 6,440 to ≤ 64,400 Therms</u>					
2	Customer Charge:					
3	> 6,440 to ≤ 64,400 Therms Annually	16,924		65.36	1,106,153	
4	Commodity Charge:					
5	Priority 1 - Aggregation					
6	> 6,440 to ≤ 64,400 Therms Annually		643,813.2	5.9382	3,823,092	
7	All Other - Aggregation					
8	> 6,440 to ≤ 64,400 Therms Annually		<u>2,777,647.9</u>	5.9382	16,494,229	
9	Rider CC		3,421,461.1	0.0010	3,421	
10	Subtotal				21,426,895	
11	STAS				<u>0</u>	
12	Subtotal				21,426,895	
13	Priority 1 Gas Cost		643,813.2	2.0851	<u>1,342,415</u>	
14	Total Rate Schedule SGDS	16,924	3,421,461.1		22,769,310	6.6548
15	<u>Rate Schedule SDS - Small Distribution Service</u>					
16	Customer Charge:					
17	> 64,400 to ≤ 110,00 Therms Annually	2,142		319.30	683,941	
18	> 110,000 to ≤ 540,000 Therms Annually	2,439		1,265.29	3,086,042	
19	Commodity Charge:					
20	> 64,400 to ≤ 110,00 Therms Annually		1,545,513.8	4.7545	7,348,145	
21	> 110,000 to ≤ 540,000 Therms Annually		4,344,226.5	4.4453	19,311,390	
22	Rider EDS - > 110,000 to ≤ 540,000 Therms Annually		<u>14,778.9</u>	3.7785	<u>55,842</u>	
23	Subtotal		5,904,519.2		30,485,360	
24	STAS				<u>0</u>	
25	Total Rate Schedule SDS	4,581	5,904,519.2		30,485,360	5.1631
26	<u>Rate Schedule LDS - Large Distribution Service</u>					
27	Customer Charge:					
28	> 540,000 to ≤ 1,074,000 Therms Annually	492		3,261.28	1,604,550	
29	> 1,074,000 to ≤ 3,400,000 Therms Annually	325		5,072.62	1,648,602	
30	> 3,400,000 to ≤ 7,500,000 Therms Annually	60		9,782.40	586,944	
31	> 7,500,000 Therms Annually	<u>12</u>		14,492.16	<u>173,906</u>	
32	Total	889			4,014,002	
33	Commodity Charge:					
34	> 540,000 to ≤ 1,074,000 Therms Annually		3,176,032.8	2.5587	8,126,515	
35	> 1,074,000 to ≤ 3,400,000 Therms Annually		4,797,929.0	2.2695	10,888,900	
36	> 3,400,000 to ≤ 7,500,000 Therms Annually		2,004,000.0	2.0367	4,081,547	
37	> 7,500,000 Therms Annually		<u>1,080,000.0</u>	1.2118	<u>1,308,744</u>	
38	Total Deliveries		11,057,961.8		24,405,706	
39	Subtotal				28,419,708	
40	STAS				<u>0</u>	
41	Total Rate Schedule LDS	889	11,057,961.8		28,419,708	2.5701
42	<u>Rate Schedule MLDS - Main Line Distribution Service - Class I</u>					
43	Customer Charge:					
44	> 274,000 to ≤ 540,000 Therms Annually	36		469.34	16,896	
45	> 540,000 to ≤ 1,074,000 Therms Annually	12		1,149.00	13,788	
46	> 1,074,000 to ≤ 3,400,000 Therms Annually	0		2,050.00	0	
47	> 3,400,000 to ≤ 7,500,000 Therms Annually	0		4,096.00	0	
48	> 7,500,000 Therms Annually	<u>0</u>		7,322.00	<u>0</u>	
49	Total	48			30,684	
50	Commodity Charge:					
51	All Gas Consumed		608,900.0	0.0937	<u>57,054</u>	
52	Subtotal				87,738	
53	STAS				0	
54	Total Rate Schedule MLDS - Class I	48	608,900.0		87,738	0.1441

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Attachment A (Correction)
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Exhibit No. 103
Schedule No. 7
Page 5 of 11
Witness: J. Siegler

Columbia Gas of Pennsylvania, Inc.
Revenue @ Proposed Rates Based on Forecast Adjusted Bills and Volumes
For the 12 Months Ended November 30, 2022

<u>Line No.</u>	<u>Description</u>	<u>Bills (1)</u>	<u>Volumes (2) Dth</u>	<u>Base Rate (3) \$/Dth</u>	<u>Revenue (4) \$</u>	<u>Average Rate (5) \$/Dth</u>
		(Ex 103, Sch 2)	(Ex 103, Sch 3)			
1	<u>Rate Schedule MLDS - Main Line Distribution Service - Class II</u>					
2	Customer Charge:					
3	> 2,146,000 to ≤ 3,400,000 Therms Annually	25		2,050.00	51,250	
4	> 3,400,000 to ≤ 7,500,000 Therms Annually	61		4,096.00	249,856	
5	> 7,500,000 Therms Annually	0		7,322.00	0	
6	Total	86			301,106	
7	Commodity Charge:					
8	> 2,146,000 to ≤ 3,400,000 Therms Annually		643,598.5	0.4481	288,396	
9	> 3,400,000 to ≤ 7,500,000 Therms Annually		1,771,434.7	0.3876	686,608	
10	> 7,500,000 Therms Annually		0.0	0.3355	0	
11	Total Deliveries		2,415,033.2		975,004.0	
12	Subtotal				1,276,110	
13	STAS				0	
14	Total Rate Schedule MLDS - Class II	86	2,415,033.2		1,276,110	0.5284
15	<u>Flexible Rate and Negotiated Contract Services</u>					
16	Flex Customer Charge:					
17	SGDS-1 Less Than 6,440 Therms Annually	0		34.23	0	
18	SGDS-2 >6,440 to ≤ 64,400 Therms Annually	36		65.36	2,353	
19	SDS > 64,400 to ≤ 110,000 Therms Annually	12		319.30	3,832	
20	SDS > 110,000 to ≤ 540,000 Therms Annually	24		1,265.29	30,367	
21	LDS > 540,000 to ≤ 1,074,000 Therms Annually	12		3,261.28	39,135	
22	LDS > 1,074,000 to ≤ 3,400,000 Therms Annually	0		5,072.62	0	
23	LDS > 3,400,000 to ≤ 7,500,000 Therms Annually	0		9,782.40	0	
24	LDS > 7,500,000 Therms Annually	0		14,492.16	0	
25	MDS-I > 274,000 to ≤ 540,000 Therms Annually	0		469.34	0	
26	MDS-I > 540,000 to ≤ 1,074,000 Therms Annually	0		1,149.00	0	
27	MDS-I > 1,074,000 to ≤ 3,400,000 Therms Annually	0		2,050.00	0	
28	MDS-I > 3,400,000 to ≤ 7,500,000 Therms Annually	0		4,096.00	0	
29	MDS-I > 7,500,000 Therms Annually	12		7,322.00	87,864	
30	MDS-II > 2,146,000 to ≤ 3,400,000 Therms Annually	0		2,050.00	0	
31	MDS-II > 3,400,000 to ≤ 7,500,000 Therms Annually	12		4,096.00	49,152	
32	MDS-II > 7,500,000 Therms Annually	0		7,322.00	0	
33	Total Flex Customer Charge	108			212,703	
34	Negotiated Contract Service Customer Charge:	156		(workpaper)	1,324,432	
35	Commodity Charge:					
36	All Gas Consumed		11,704,985.6	(workpaper)	2,483,535	
37	Subtotal				4,020,670	
38	STAS				0	
39	Total Flexible Rate and Negotiated Contract Services	264	11,704,985.6		4,020,670	

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Attachment A (Correction)
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Exhibit No. 103
Schedule No. 7
Page 6 of 11
Witness: J. Siegler

Columbia Gas of Pennsylvania, Inc.
Revenue @ Proposed Rates Based on Forecast Adjusted Bills and Volumes
For the 12 Months Ended November 30, 2022

Line No.	Description	Bills (1) <i>(Ex 103, Sch 2)</i>	Volumes (2) Dth <i>(Ex 103, Sch 3)</i>	Base Rate (3) \$/Dth	Revenue (4) \$
1	Distribution Service Summary by Rate Class				
2	Base Rate Revenue				54,632,527
3	STAS				0
4	Rider USP				6,405,678
5	Rider CC				4,515
6	Gas Cost				<u>8,136,552</u>
7	Total Residential Distribution Service	598,405	4,514,538.3		69,179,272
8	Base Rate Revenue				47,743,695
9	STAS				0
10	Rider CC				6,744
11	Gas Cost				<u>6,908,865</u>
12	Total Small Distribution Service (SCD & SGDS)	133,482	6,744,834.8		54,659,304
13	Base Rate Revenue				30,485,360
14	STAS				0
15	Total Small Distribution Service (SDS)	4,581	5,904,519.2		30,485,360
16	Base Rate Revenue				28,419,708
17	STAS				0
18	Total Large Distribution Service	889	11,057,962		28,419,708
19	Base Rate Revenue				1,363,848
20	STAS				0
21	Total Main Line Distribution Service	134	3,023,933		1,363,848
22	Base Rate Revenue				4,020,670
23	STAS				0
24	Total Flexible Rate and Negotiated Contract Service	264	11,704,985.6		4,020,670
22	Total Distribution Service	737,755	42,950,772.9		188,128,162
23	Total Company Throughput	5,405,470	82,654,344.6		891,885,777
24	Other Operating Revenue				
25	487 - Forfeited Discounts				912,164
26	488 - Miscellaneous Service Revenues				98,441
27	493 - Rent from Gas Property				0
28	495 - Prior Yr. Rate Refund - Net.				0
29	495 - Off System Sales				0
30	495 - Other Gas Revenues - Other				10,055
31	496 - Provision For Rate Refunds				0
32	Total Other Operating Revenue				1,020,660
33	Total Company Revenue				892,906,437

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility)	
Commission)	
)	
v.	)	Docket No. R-2022-3031211
)	
Columbia Gas of Pennsylvania, Inc.)	
)	
)	

REBUTTAL TESTIMONY OF
KELLEY K. MILLER
ON BEHALF OF
COLUMBIA GAS OF PENNSYLVANIA, INC.

July 6, 2022

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1 **I. Introduction**

2 **Q. Please state your name and business address.**

3 A. Kelley K. Miller, 290 West Nationwide Boulevard, Columbus, Ohio 43215.

4 **Q. By whom are you employed and in what capacity?**

5 A. I am employed by NiSource Corporate Services Company (“NCSC”) as a Lead
6 Regulatory Analyst.

7 **Q. Have you previously filed testimony in this matter?**

8 A. Yes.

9 **Q. What is the purpose of your rebuttal testimony?**

10 A. I will respond to the testimony served in this proceeding by the Bureau of
11 Investigation and Enforcement (“I&E”) witness Patel and Pennsylvania Office of
12 Consumer Advocate (“OCA”) witness Morgan concerning adjustments to Operations
13 and Maintenance Expense (“O&M”) for annualizing Labor Expense, and to witness
14 Patel’s proposal for Rate Case Expense, Injuries and Damages and COVID-19
15 Deferral Amortization. I will also be providing updated ratemaking adjustments to
16 Rents and Leases based upon updated related expenses.

17 **Q. Will you be providing an updated revenue requirement deficiency?**

18 A. Yes. An updated revenue requirement deficiency which incorporates all adjustments
19 provided by Columbia Gas of Pennsylvania, Inc. (“Columbia” or “the Company”)
20 rebuttal witnesses is labeled as Exhibit KKM-1R, attached hereto.

21 **Q. How is your testimony organized?**

1 A. First, I will discuss Columbia's updated revenue requirement and provide a brief
2 explanation, include the sponsorship of each item that has contributed to the
3 changes. Second, I will address the O&M proposals made by Witnesses Patel and
4 Morgan.

5 **II. Exhibit KKM-1R, Updated Revenue Requirement**

6 **Q. Have you determined a revised revenue requirement?**

7 A. Yes, Exhibit KKM-1R reflects an updated Exhibit 102, Schedule 3, Pages 3 through 6
8 and computes a revised revenue requirement of \$83,512,136 as compared to the
9 Company's originally stated revenue requirement of \$82,151,953. This deficiency is
10 noted on Page 3, Line 13 of Exhibit No. 102, reflected on page 1 of Exhibit KKM-1R.
11 As the revised revenue requirement exceeds the originally stated revenue
12 requirement, the Company's revenue increase claim remains at \$82.2 million.

13 **Q. Can you provide a summary of items that the Company is adjusting that**
14 **impact the revenue requirement?**

15 A. Yes, below is a list of each adjustment:

16 **1. Updated O&M for Amortization Expense - COVID 19 Deferrals:**

17 As discussed below in my Rebuttal Testimony, Columbia will be updating the level of
18 Amortization Expense based upon new information that was determined after the initial
19 filing of this instant case. This adjustment, which is also identified in I&E Witness Patel's
20 testimony, reduces the Company's claim by \$304,000.

21 **2. Updated O&M for Other Adjustment - Picarro Expense:**

1 Company witness Anstead will address the reduction of Picarro expense, included on
2 Exhibit 104, Schedule 2, Page 18, Line 6, by \$620,000. This adjustment also is identified
3 in testimony of I&E Witness Patel.

4
5 **3. Updated O&M for Other Adjustments - Additional Labor and Associated**
6 **Expenses:**

7 As supported by Company witness Paloney, Columbia's claim, originally included on
8 Exhibit 104, Schedule 2, Page 18, Lines 7 & 8, reflects revised, lower expenses as explained
9 by witness Paloney. This adjustment reduces the Company's claim by a total of \$306,374.

10 **4. Updated O&M Additional Adjustments - removal of Education Costs:**

11 Also supported by Company witness Paloney, Education Costs of \$33,500 as originally
12 included on Exhibit 104, Schedule 2, Page 18, Line 11, have been removed from the
13 Company's claim. This adjustment also is identified in the testimony of I&E Witness Patel.

14 **5. Updated O&M - Rents and Leases Expenses:**

15 Company witness Bly is supporting updated expenses for Rents and Leases, and later in
16 my rebuttal testimony, I will be updating the associated ratemaking adjustments to arrive
17 at updated Normalized Expenses for Rents and Leases, which are reflected in total O&M
18 in Exhibit KKM-1R. The total impact for these updates is an increase to the Company's
19 claim of \$2,607,000.

20 **Q. Is the Company proposing any additional changes impacting the revenue**
21 **requirement and Exhibit 102?**

22 **A.** Yes. All adjustments listed above, when worked through the Company's Cost of

1 Service Model, result in updated amounts for Uncollectible Expense on Additional
2 Revenue Requirement, Late Payment Fees, and Income Taxes, included in Exhibit
3 KKM-1R, page 1.

4 **Q. Does the Company agree with income tax adjustments that are**
5 **derivative of other parties' other adjustments that have not been**
6 **accepted by Columbia?**

7 A. No. The Company does not agree. The income tax adjustments that are resulting
8 from the adjustments identified above in my testimony have been derived using
9 the same methodology as presented in the Company's original filing.

10 **III. I&E's & OCA's Recommended Ratemaking Adjustments**

11 **Q. Have you reviewed witness Patel's testimony regarding Rate Case**
12 **Expense?**

13 A. Yes.

14 **Q. Please describe I&E's proposed changes to Rate Case Expense.**

15 A. I&E proposes to change the amortization period from 12 months to 16 months, and
16 also proposes to reduce the Company's overall budgeted claim for rate case expense
17 by \$328,350. The impact relating to the longer amortization further decreases
18 annual expenses by \$231,463, for a total reduction to Columbia's claim of \$559,813.

19 **Q. Do you agree with I&E recommended 16-month normalization period**
20 **for Rate Case Expenses versus the 12-month normalization period**
21 **utilized by the Company? If not, please explain.**

1 A. No, I do not agree. The Company utilized a 12-month period for normalizing Rate
2 Case Expense because Columbia continues to anticipate the need to file annual rate
3 cases for the foreseeable future. In Columbia's last two base rate cases, one year
4 normalization periods for rate case expense were proposed and in fact, cases were
5 filed within 12 months of each other. Therefore, a 12-month normalization period is
6 appropriate, and the Company rejects I&E's associated adjustment.

7 **Q. I&E recommends another reduction to the Company's claim for Rate**
8 **Case Expense, do you agree? If not, please explain.**

9 A. No. As with many of the adjustments proposed by witness Patel, his adjustment
10 relies on historical information to make assumptions about future expenses and has
11 proposed an adjustment based upon Columbia's only fully-litigated case in 20 years,
12 R-2020-3018835, (Columbia's "2020 Rate Case").

13 **Q. Please explain further.**

14 A. Columbia's budgeted expenses for this rate case reflect anticipated costs with filing a
15 fully litigated case. However, basing an adjustment on only one historical occurrence
16 of an actual litigated case is inappropriate and not reflective of the level of expenses
17 that are expected; especially when the one case was litigated during a pandemic, with
18 no associated travel expense (everything was held virtually) and adjusted filing
19 requirements, not requiring the filing of hard copy versions to all parties. For these
20 reasons, Columbia rejects the proposed adjustment to reduce the level of rate case
21 expense based upon actual expenses incurred for the 2020 Rate Case.

1 **Q. Have you reviewed witness Patel's testimony recommending the**
2 **removal of Columbia's Labor annualization adjustment?**

3 A. Yes.

4 **Q. Please summarize the basis for this removal.**

5 A. I&E witness Patel justifies the removal of Columbia's labor annualization adjustment
6 by claiming that this adjustment is for "normal pay increases to be paid after the end
7 of the FPFTY 2023 (i.e. payroll expense for normal pay increases to be incurred or 12
8 payable on or after January 1, 2024)", page 20 of I&E Statement No. 1.

9 **Q. Please explain the purpose of a Labor Annualization Adjustment.**

10 A. Labor Expenses, as well as other expenses, are adjusted by normalizing and
11 annualizing expenses for ratemaking purposes, to reflect a full year of expenses at the
12 latest level of expense (wages in this case) to conform to the "matching principle".
13 The matching principle ensures that both revenues and expenses are "normalized" to
14 reflect a full annual level of revenues and expenses at rates that are in effect at the
15 end of the test period, and the associated rate base is valued at the end of the test
16 period (also known as "end of test year conditions").

17 **Q. Why does I&E refer to the labor annualization adjustment as "post**
18 **FPFTY" expense and "2024 pay increases"?**

19 A. I&E misrepresents the annualization of Labor Expenses at the FPFTY level as being
20 increases that are outside of the FPFTY. This is inaccurate. The annualization
21 adjustment is a long-standing ratemaking adjustment and merely raises the level of

1 payroll expense for all months in the FPFTY to the level of wage rates expected to be
2 paid *during* the FPFTY. For example, pay increases for Exempt Employees are
3 anticipated to be paid during the FPFTY starting March 1, 2023; the annualization
4 adjustment for these employees effectively increases the expense to reflect this wage
5 increase to be effective January 1, and thus reflecting the entire test year at the level
6 of wages that would be in effect at the end of the test period. Revenues at current
7 rates are also reflective of annualized and normalized levels for the same period and
8 a revenue deficiency (or sufficiency) is revealed by comparing these revenues to
9 annualized expenses (at the determined rate of return on rate base, also valued at the
10 end of the test period).

11 **Q. Was this same issue litigated as a part of Columbia's 2020 Rate Case?**

12 A. Yes. In that case, the Pennsylvania Public Utility Commission agreed with Columbia's
13 labor annualization adjustment. The disposition of this issue in R-2020-3018835,
14 per the Final Order, pages 70 and 71 states:

15 The basis for I&E's adjustment to Columbia's
16 annualization of FPFTY payroll has been directly addressed
17 and rejected by the Commission in *UGI Electric*. In *UGI*
18 *Electric*, the Commission approved UGI's end-of-year
19 methodology providing for an annualization adjustment to
20 recoup costs over the course of the FPFTY. The Commission
21 was persuaded by UGI's argument that the FPFTY should
22 reflect end-of-the-year conditions. *UGI Electric* at 61-62. We
23 are also persuaded by Columbia's argument that annualization
24 of expenses is proper to conform to the accepted "matching"
25 principle that revenues, expenses, and rate base should all
26 reflect the same test year end conditions. CG R.B. at 20 (citing
27 *Pa. PUC. v. Philadelphia Suburban Water Co.*, 1988 Pa. PUC

1 LEXIS 433, *96). Columbia stated that it has annualized
2 revenues to reflect a full year's worth of revenues for the test
3 year, has reflected FPFTY end plant balances in rate base, and
4 has calculated depreciation expense on test year ending plant
5 balances. CG R.B. at 20-21 (citing CG Exh. 103, Sch. 4; CG
6 Exh. 108 at 3; CG Exh. 109, Att. B at 7-9). We find that it
7 would be inconsistent and contrary to the matching principle
8 to disallow annualization of the labor expense.

9 Therefore, we shall modify the alternative Recommended
10 Decision, allow Columbia's claim of \$546,602 for the
11 annualization adjustment of FPFTY labor expense, and grant
12 Columbia's Exception No. 5."

13 **Q. Has OCA proposed a similar adjustment to remove Columbia's labor**
14 **annualization adjustment?**

15 A. Yes, OCA witness Morgan proposed the same adjustment to remove the labor
16 annualization adjustment by using the same arguments. OCA, like I&E, refers to the
17 adjustment as "Post-FPFTY", and claims the expenses will be incurred during 2024.

18 **Q. What is Columbia's response to both I&E's and OCA's proposals to**
19 **remove the labor annualization adjustment?**

20 A. Columbia rejects these proposals based upon the aforementioned reasons.

21 **Q. Have you reviewed I&E's testimony regarding their proposed**
22 **adjustment to Injuries and Damages ("I&D")?**

23 A. Yes.

24 **Q. Please describe their Adjustment.**

25 A. I&E recommends a 5-year historical average of cash payments and rejects the
26 Company's adjustments to historical cash payments to reflect current (2021) dollars,
27 and also rejects the use of inflation factors to determine the level of recovery for the

1 FTY and the FPFTY, resulting in a decrease to the Company's claim for I&D by
2 \$37,342.

3 **Q. What is Witness Patel's basis for this adjustment?**

4 A. I&E witness Patel's stated basis is confusing. He disagrees with the Company's
5 method of calculating its average of five-years, but then immediately states "I accept
6 that the cash payments incurred five years ago to repair damaged property will cost
7 more today due to inflation", page 41, I&E Statement No. 1.

8 **Q. Does he have additional arguments against the Company's method of**
9 **determining its claim for Injuries and Damages Expense?**

10 A. Yes. On page 42 of Statement No. 1, witness Patel offers testimony describing
11 Columbia's actual expense compared to the Budget for I&D, and asserts that actual
12 expense has been less than Budget for the past four years. However Columbia does
13 not (and did not in the instances mentioned) use the Budget as a basis for its claimed
14 expense level. The Budget reflects an accrual amount for I&D, but Columbia
15 consistently uses actual cash payments for ratemaking purposes. In fact, in
16 Columbia's 2018 Rate Case, R-2018-2647577, the claim for I&D, using the exact same
17 method as this instant case, was \$352,929 while actual cash payments for calendar
18 year 2019 (the FPFTY in the 2018 case) were \$484,178. Therefore, Columbia's
19 Budget accrual for I&D does not demonstrate that Columbia's claim is overstated.

20 In addition, Mr. Patel goes on to reference testimony of Columbia witness Anstead,
21 who states that Columbia continues to enhance the safety for customers,

1 communities and employees, as well as citing Occupational Safety and Health
2 Administration statistics in an attempt to elude to the possibility of lower I&D.
3 However, expenses for workers' compensation are not included as a part of I&D, but
4 rather are paid by insurance coverage for workers' compensation (the related policy
5 expenses are included as a part of "Corporate Insurance"). Therefore, the Company's
6 success in reducing workers' compensation claims is not relevant to I&D claims.

7 **Q. What are your conclusions about I&E's testimony regarding their**
8 **proposed adjustment to I&D?**

9 A. Columbia rejects I&E's proposed method of determining I&D and the associated
10 adjustment to the Company's claim and continues to support using a multiyear
11 average to account for the variable nature of associated costs, and inflation factors to
12 account for the rising costs over time.

13 **Q. Did Columbia provide additional information in the Discovery process**
14 **regarding the level of Amortization for COVID-19 deferrals as discussed**
15 **by I&E witness Patel?**

16 A. Yes. As outlined in the response to I&E-RE-064-D, provided by witness Patel as I&E
17 Exhibit No. 1, Schedule 12 and Statement No.1 pages 56 and 57, Columbia has
18 updated its claim for Amortization Expense to include a correction resulting from a
19 billing system error. The result of this correction reduces Columbia's annual expense
20 for Amortization of COVID-19 Deferrals from \$1,012,091 to \$708,091, or a reduction
21 of \$304,000 annually.

1 **Q. Did I&E accept this correction and the new level of amortization**
2 **expense?**

3 A. Yes.

4 **Q. Did I&E have any recommendations relating to deferrals for COVID-19?**

5 A. Yes, I&E requests that the Company should agree to cease recording any increases to
6 the deferral. Additionally, I&E requests that Columbia should agree to provide a
7 detailed account of the yearly amortizations in the next base rate case (and in
8 subsequent base rate cases until the full amount is extinguished) showing the
9 beginning amount of the deferral since its inception and a yearly account of each
10 amortization and/or adjustment until the full amount is amortized.

11 **Q. Does Columbia agree to comply with these requests?**

12 A. Given that Columbia ceased recording any new deferrals as of the effective date of
13 rates in its last rate case, and its accounting for the amortization in this case,
14 Columbia does not oppose these recommendations.

15 **IV. Corrections**

16 **Q. Did Columbia provide any additional corrections in Discovery?**

17 A. Yes, in the response to I&E-RE-040-D, supported by Company witness Bly and
18 provided as Exhibit NB 2-R, the Company noted an issue with Rents and Leases.
19 Columbia witness Bly addresses the corrections needed to the budget for Rents and
20 Leases, while I am addressing the associated corrected ratemaking adjustments.

1 **Q. Please provided the updated Rents and Leases Budget, supported by**
2 **witness Bly.**

3 A. Company witness Bly supports updated Rents and Leases, which increases the total
4 budget for Rents and Leases by \$1,370,000. Please see TABLE KKM1-R below for
5 details.

6 **Q. What are the updated ratemaking adjustments based upon witness Bly's**
7 **updated Rents and Leases?**

8 A. TABLE KKM 1-R below shows updated ratemaking adjustment for Rents and Leases
9 as compared to the originally filed adjustment.

TABLE KKM 1-R

Updated FPFTY for Rents and Leases			
	Budget	Ratemaking	Normalized Expense
Building Leases	1,288,000	434,176	1,722,176
Other Leases	444,000		444,000
Fleet Leases	2,607,000		2,607,000
Total Rents & Leases	4,339,000	434,176	4,773,176
As Filed FPFTY for Rents and Leases			
Total Rents & Leases	2,969,000	(802,824)	2,166,176
Difference	1,370,000	1,237,000	2,607,000

10
11 The updated ratemaking adjustment adjusts to the same level of expense for
12 Building Leases as supported by Exhibit 104, Schedule 2, Page 6.

13 **Q. Please describe the net impact to Columbia's claim for Rents and Leases**
14 **due to these corrections.**

15 A. The net impact is an increase of approximately \$2.6M to Columbia's claim for Total
16 Rents and Leases.

1 **Q. Does this complete your Prepared Rebuttal Testimony?**

2 A. Yes, it does.

3

Columbia Gas of Pennsylvania, Inc.
Statement of Income at Present and Proposed Rates
FTY = Future Test Year TME 11/30/22, FPFTY = Fully Projected Forecasted Test Year Period Ended December 31, 2023

Line No.	Description	Reference	TME November 30, 2021 Per Books (2) \$	HTY Adjustments @ Present (3) \$	Pro Forma Historic Test Year @ Present (4) \$	FTY Adjustments @ Present (5) \$	Pro Forma Future Test Year @ Present (6) \$	FPFTY Adjustments @ Present (7) \$	Pro Forma Fully Projected Future Test Year @ Present (8) \$	Adjustments @ Proposed (9) \$	FPFTY @ Proposed (10) \$
1	Operation Revenues										
2	Base Rate Revenues (Incl. Transportation)	Exhibit 3 / 103	448,348,019	73,932,616	522,280,635	10,235,116	532,515,751	1,518,694	534,034,445	79,742,589	613,777,034
3	Fuel Revenues	Exhibit 3 / 103	169,945,749	56,235,898	226,181,647	7,134,283	233,315,930	1,850,268	235,166,198	-	235,166,198
4	Rider USP	Exhibit 3 / 103	27,633,359	13,597,763	41,231,122	975,780	42,206,902	(8,558)	42,198,344	3,675,618	45,873,962
5	Gas Procurement Charge	Exhibit 3 / 103	1,057,905	(625,294)	432,611	15,225	447,836	5,471	453,307	-	453,307
6	Merchant Function Charge	Exhibit 3 / 103	785,026	718,622	1,503,648	54,771	1,558,419	23,152	1,581,571	-	1,581,571
7	Rider CC	Exhibit 3 / 103	46,478	(461)	46,017	1,105	47,122	(24)	47,098	-	47,098
8	Pipeline Penalty Refund	Exhibit 3	-	-	-	-	-	-	-	-	-
9	Total Sales and Transportation Revenue		647,816,536	143,859,144	791,675,680	18,416,280	810,091,960	3,389,003	813,480,963	83,418,207	896,899,170
10	Off System Sales Revenue	Exhibit 3 / 103	4,328,883	(4,328,883)	-	-	-	-	-	-	-
11	Late Payment Fees	Exhibit 3 / 103	451,085	440,342	891,427	20,737	912,164	3,816	915,980	93,929	1,009,909
12	Other Operating Revenues (Excl. Transportation)	Exhibit 3 / 103	108,496	-	108,496	-	108,496	-	108,496	-	108,496
13	Total Operating Revenues		652,705,000	139,970,603	792,675,603	18,437,017	811,112,620	3,392,819	814,505,439	83,512,136	898,017,575
14	Operating Revenue Deductions										
15	Gas Supply Expense	Exhibit 3 / 103	169,945,749	56,235,898	226,181,647	7,134,283	233,315,930	1,850,268	235,166,198	-	235,166,198
16	Off System Sales Expense	Exhibit 3 / 103	4,328,883	(4,328,883)	-	-	-	-	-	-	-
17	Gas Used in Company Operations		(595,855)	595,855	-	-	-	-	-	-	-
18	Operating and Maintenance Expense	Exhibit 4 / 104	207,141,559	10,825,423	217,966,981	10,656,872	228,623,853	18,334,648	246,958,501	1,047,264	248,005,765
19	Depreciation and Amortization	Exhibit 5 / 105	82,004,532	3,651,083	85,655,615	12,529,133	98,184,748	13,405,185	111,589,933	-	111,589,933
20	Net Salvage Amortized	Exhibit 5 / 105	4,860,731	(131,437)	4,729,294	275,190	5,004,484	129,814	5,134,298	-	5,134,298
21	Taxes Other Than Income Taxes	Exhibit 6 / 106	3,699,459	(147,752)	3,551,707	(714)	3,550,993	29,980	3,580,973	-	3,580,973
22	Total Operating Revenue Deductions		471,385,059	66,700,186	538,085,245	30,594,764	568,680,008	33,749,895	602,429,903	1,047,264	603,477,167
23	Operating Income Before Income Taxes		181,319,942	73,270,417	254,590,359	(12,157,747)	242,432,612	(30,357,076)	212,075,537	82,464,872	294,540,409
24	Income Taxes	Exhibit 7 / 107	30,244,426	18,433,564	48,677,990	(5,170,070)	43,507,920	(11,602,227)	31,905,693	23,825,833	55,731,526
25	Investment Tax Credit	Exhibit 7 / 107	(259,544)	-	(259,544)	15,331	(244,213)	22,859	(221,354)	-	(221,354)
26	Operating Income		151,335,060	54,836,853	206,171,913	(7,003,007)	199,168,905	(18,777,707)	180,391,198	58,639,039	239,030,237
27	Rate Base	Exhibit 8 / 108	2,474,085,788	(165,918,204)	2,308,167,584	301,780,017	2,609,947,601	348,347,412	2,958,295,013	-	2,958,295,013
28	% Rate of Return Earned on Rate Base		6.12%		8.93%		7.63%		6.10%		8.08%

Exhibit No. 102
Schedule 3
Page 4 of 6
Witness: K.K. Miller

Columbia Gas of Pennsylvania, Inc.
Calculation of Proforma Interest Expense

FTY = Future Test Year TME 11/30/22, FPFTY = Fully Projected Forecasted Test Year Period Ended December 31, 2023

<u>Line No.</u>	<u>Description</u>	<u>Pro Forma</u> (1) \$
<u>FTY Calculation</u>		
1	Rate Base	2,609,947,601
2	Weighted Cost of Short &	
3	Long Term Debt	<u>1.990%</u>
4	Interest Expense	<u><u>51,937,957</u></u>
<u>FPFTY Calculation</u>		
5	Rate Base	2,958,295,013
6	Weighted Cost of Short &	
7	Long Term Debt	<u>1.990%</u>
8	Interest Expense	<u><u>58,870,071</u></u>

Columbia Gas of Pennsylvania, Inc.
Rate of Return on Rate Base
Proposed Revenue Requirement

FTY = Future Test Year TME 11/30/22, FPFTY = Fully Projected Forecasted Test Year Period Ended December 31, 2023

Line No.	Description	Detail	Amount
			(1)
			\$
1	Proforma Rate Base at Present Rates		2,958,295,013
2	Return on Rate Base		8.080%
3	Total Requirement		239,030,237
4	Less: Net Operating Income at Present Rates		<u>180,391,198</u>
5	Net Required Operating Income		58,639,039
6	Revenue Conversion Factor		<u>1.42417301</u>
7	Gross Revenue Requirement		<u><u>83,512,136</u></u>
8	Revenue Conversion Factor:		
9	Operating Revenue		1.00000000
10	Less: Uncollectibles		0.01254026
11	Income Before State Taxes		0.98745974
12	State Income Tax Effect Tax Rate		0.09990000
13	Less: State Income Tax		0.09864723
14	Income Before Federal Taxes		0.88881251
15	Less: Federal Tax @ 21%		<u>0.18665063</u>
16	Adjusted Operating Income		0.70216188
17	Revenue Conversion Factor		1.42417301

Exhibit No. 102
Schedule 3
Page 6 of 6
Witness: K.K. Miller

Columbia Gas of Pennsylvania, Inc.
Additional Revenue Requirement Adjustments

FTY = Future Test Year TME 11/30/22, FPFTY = Fully Projected Forecasted Test Year Period Ended December 31, 2023

Line No.	Description	Amount
		(1) \$
1	Additional Revenue Requirement	83,418,207
2	Plus: Late Payments	93,929
3	Total Revenue Requirement	83,512,136
4	Less: Uncollectible Accounts Expense	
5	Line 3 X Uncollectible Rate	1,047,264
6	Income Before State Income Tax	82,464,872
7	State Income Taxes	
8	Exh 107, Pg 17, Col 3 Less Exh 107, Pg 17, Col 2	8,238,241
9	Income Before Federal Income Tax	74,226,631
10	Federal Income Taxes	
11	Line 9 Times 21%	15,587,593
12	Net Required Operating Income	58,639,038

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility)	
Commission)	
)	
)	
v.	)	Docket No. R-2022-3031211
)	
)	
Columbia Gas of Pennsylvania, Inc.)	
)	
)	

**REBUTTAL TESTIMONY OF
KEVIN L. JOHNSON
ON BEHALF OF
COLUMBIA GAS OF PENNSYLVANIA, INC.**

July 6, 2022

1 **I. Introduction**

2 **Q. Please state your name and business address.**

3 A. My name is Kevin L. Johnson. My business address is 290 West Nationwide
4 Boulevard, Columbus, Ohio 43215.

5 **Q. By whom are you employed and in what capacity?**

6 A. I am employed by NiSource Corporate Services Company (“NCSC”), a management
7 and services subsidiary of NiSource Inc. (“NiSource”). My current title is Lead
8 Regulatory Analyst in the Regulatory Strategy and Support Department at NCSC.

9 **Q. Have you previously filed testimony in this matter?**

10 A. Yes.

11 **Q. What is the purpose of your rebuttal testimony?**

12 A. In my rebuttal testimony, I will be addressing several arguments and conclusions
13 presented in the direct testimony of Mr. Cline, witness for the Bureau of
14 Investigation and Enforcement (“I&E”), Mr. Mierzwa, witness for the Office of
15 Consumer Advocate (“OCA”), Mr. Ewen and Mr. Knecht, witnesses for the Office of
16 Small Business Advocate (“OSBA”), and Mr. Crist, witness for the Pennsylvania State
17 University (“PSU”), on the subject of Allocated Cost of Service Studies (“ACOSS”),
18 revenue allocation to rate classes, rate design, and the establishment of a Revenue
19 Normalization Adjustment (“RNA”) mechanism. In addition, I will be addressing
20 several arguments and conclusions presented in the direct testimony of Mr. Geller,
21 witness for the Coalition for Affordable Utility Services and Energy Efficiency In
22 Pennsylvania (“CAUSE-PA”) on the subjects of rate design, and the establishment of

1 a Revenue Normalization Adjustment (“RNA”) mechanism, and Mr. Brady, witness
2 for Pennsylvania Weatherization Providers Task Force (“WPTF”) on the subject of
3 rate design.

4 **II. Allocated Cost of Service Studies**

5 **Q. The Company presented three separate ACOSS (Customer/Demand,**
6 **Peak & Average, and Average Study). Please explain why three studies**
7 **were prepared and why the Company principally relied upon the Peak &**
8 **Average study as a guide to revenue allocation.**

9 A. The Customer/Demand Study (Exhibit No. 111, Schedule 1) produces results that are
10 generally more favorable to the industrial class while the Peak & Average Study
11 (Exhibit No. 111, Schedule 2) produces results that are generally more favorable to
12 the residential class. Columbia Gas of Pennsylvania (“Columbia” or “CPA”)
13 recognizes that no one cost of service study is the “right” study and, in the past,
14 concluded that the results of two such studies provide a reasonable range of returns
15 for use as a guide in establishing appropriate rates. The third study, as presented in
16 Exhibit No. 111, Schedule 3, is an average of the Customer/Demand Study and the
17 Peak & Average Study and represents what Columbia believes is a reasonable range
18 of revenue responsibility. This Average Study, with its equal weighting of the two
19 former studies, provides the Company, the parties and the Commission with a range
20 of returns that can be used as a benchmark or guide in revenue allocation.

21 In Columbia’s 2020 rate case (Docket No. R-2020-3018835, p. 218, Order
22 entered February 19, 2021), the Commission states, “we find that the Peak & Average

1 allocation methodology is the most appropriate allocation methodology to use in this
2 proceeding because it is based on the premise of load-based investment.” Consistent
3 with the Commission’s Order in the 2020 rate case and with the methodology used
4 in the 2021 rate case, the Company continued to utilize the Peak & Average Study as
5 the primary study to serve as a guide to allocate the cost of mains and mains related
6 cost as a guide to allocate the proposed revenue increases in this case.

7 **Q. Other than the Peak and Average allocated cost of service study, what**
8 **other guidelines or criteria did Columbia consider in the design of the**
9 **Company’s revenue allocation among the rate classes?**

10 A. As noted in my direct testimony (Statement 6) on pages 17 and 18, that “Columbia
11 believes the results from the other two studies (Customer/Demand and Average) can
12 still be useful as another reference point in guiding the allocation of the proposed
13 revenue increase. The results of the cost allocation studies support the Company’s
14 proposed rate schedules.” In addition, on Page 21 on my direct testimony, it is noted
15 that “First, the design of Columbia’s rates recognizes that rates must be just and
16 reasonable and must not be unduly discriminatory”.

17 **Q. What is I&E witness Cline’s preferred allocated cost of service method**
18 **and what is the basis of his preference?**

19 A. Mr. Cline agreed with the Company’s use of the Peak & Average Study consistent with
20 the Commission’s ruling in the 2020 rate case (Docket No. R-2020-3018835). Mr.
21 Cline also recommends that the Company continue to utilize the peak and average cost

1 of service study to establish rates in future rate cases and for the Company to continue
2 to classify flex rate customers as a separate class in future cost of service studies.

3 **Q. What is OCA witness Mierzwa's preferred allocated cost of service**
4 **method and what is the basis of his preference?**

5 **A.** Mr. Mierzwa also agreed with the Company's use of the Peak & Average Study,
6 consistent with the Commission's ruling in the 2020 rate case (Docket No. R-2020-
7 3018835).

8 **Q. What is OSBA witnesses Ewen and Knecht's preferred allocated cost of**
9 **service method and what is the basis of their preference?**

10 **A.** Mr. Ewen and Mr. Knecht stated on page 15 of their direct testimony that "While we
11 disagree with the Commission's findings regarding mains cost allocation in the 2020
12 rate case, we accept the method employed by the Company in its P&A ACROSS for
13 reasons of Commission precedent."

14 **Q. What is PSU witness Crist's preferred allocated cost of service method**
15 **and what is the basis of his preference?**

16 **A.** Mr. Crist states on Page 18 of his direct testimony that the Company's Customer-
17 Demand COSS study (Exhibit No. 111, Schedule 1) must be used and at the very least
18 the averaging of the two studies (the Customer-Demand and Peak & Average) should
19 be adopted. Mr. Crist supports his preference based on what he has identified as
20 facts and engineering.

21 **Q. Did Mr. Crist address the Commission's Order in Columbia's 2020 base**
22 **rate proceeding?**

1 A. Yes. Mr. Crist expressed his opinion that the reason the Commission selected the
2 Peak & Average Study in Columbia's 2020 rate case is because there was an "error"
3 in the Company's Customer-Demand Study. The "error" that Mr. Crist is referring
4 to is the separation of gas main investment by operating pressure. Mr. Crist
5 explained that Columbia did not separate gas mains investment by operating
6 pressure in its Customer-Demand Study presented this case. On page 12 of Mr.
7 Crist's testimony, he pointed out that "In her Recommended Decision ALJ
8 Dunderdale stated, "The ALJ recommends the Commission use the Peak & Average
9 COSS, as promoted by OCA, in this base rate proceeding. Columbia Gas' Customer
10 Demand COSS would be the preferred method, but it contains serious flaws that
11 skews its reliability and makes it unsuitable for use at this time and with this
12 NGDC." Mr. Crist also quotes the Commission's 2020 rate case Order in which the
13 Commission stated, "we are not persuaded to reverse the ALJ's Recommended
14 Decision that adopted the OCA's P&A ACOSS and methodology in this proceeding."
15 PSU Statement No. 1, p. 13.

16 **Q. What is the Company's response to Mr. Crist's analysis of the 2020 rate**
17 **case Order?**

18 A. From these statements it seems possible that Columbia's separation by operating
19 pressure of customers, design day volumes and throughput that made up the mains
20 allocation factors in that case was the "error" identified by the ALJ and that because
21 Mr. Mierzwa's Peak and Average study was the only study presented that did not
22 first separate by operating pressure, that may have been the deciding factor in the

1 Commission's Decision to use the Peak and Average study in that case. The
2 Company did not separate of mains by operating pressure in this case.

3 **Q. How do the positions of the parties differ from the Company's on the use**
4 **of the ACOSS?**

5 A. As previously mentioned, a combination of preferences exists among the parties as to
6 which distribution mains allocation method they prefer and which should be used as a
7 guide in the allocation of proposed revenue increases in this case. Witness Mierzwa
8 and Witness Cline both recommend the use of the Peak & Average Study, citing
9 Commission precedent.

10 Witnesses Ewen and Knecht disagree with the findings regarding mains cost
11 allocation in the 2020 rate case by the Commission. However, they accept using the
12 Company's Peak & Average methodology for reasons of Commission precedent.

13 Mr. Crist rejects the Company's Peak & Average and Average studies based on
14 what he has identified as facts and engineering and therefore recommends that the
15 Customer Demand study should be the sole basis of the allocation of proposed revenue
16 increases in this case. Mr. Crist further adds "should the Commission wish to gradually
17 move to the allocation based fully on cost causation, in the alternative, at the very least
18 the averaging of the two studies (the Customer-Demand and Peak & Average) should
19 be adopted."

20 The Company recognizes this Commission's preference for the use of the Peak and
21 Average study, and therefore, the Company used the Peak and Average study as the
22 primary guide for the allocation of the proposed revenue increase in this case. While

1 the Company believes the use of the three studies is appropriate, absent further
2 guidance from the Commission, it has concluded that the Peak and Average study
3 should be used as the primary guide. However, the Company does not believe that
4 basing the revenue allocation in this case entirely on the Peak & Average Study would
5 produce a reasonable result, particularly with respect to allocation of mains cost to the
6 LDS/LGSS class. The Company also does not agree with Mr. Crist that the
7 Customer/Demand study should be the sole basis of allocating revenue requirement
8 among the rate classes.

9 **Q. Is there reason to temper the use of the Peak and Average Study in the**
10 **allocation of increases revenue to the LDS/LGSS class?**

11 A. Table KLJ-1R below shows the amount of mains cost assigned to each rate class
12 using the Peak and Average study (Exhibit 111, Schedule 2, Page 3, Lines 19-23).

13 Table KLJ-1R

<u>ACCOUNT TITLE</u>	<u>TOTAL CO.</u>	<u>RSS/RDS</u>	<u>SGS/DS-1</u>	<u>SGS/DS-2</u>	<u>SDS/LGSS</u>	<u>LDS/LGSS</u>	<u>MLDS</u>	<u>FLEX</u>
MAINS	\$2,573,194,470	\$1,276,536,044	\$232,874,100	\$311,227,871	\$217,023,222	\$265,991,112	\$-	\$269,542,121
DIRECT - MAINS - MLDS	141,586	0	0	0	0	0	141,540	45
MAINS-CSL REPLACEMENTS	23,515,481	11,665,795	2,128,151	2,844,197	1,983,296	2,430,795	0	2,463,247
MAINS-BARE STEEL	47,177,611	23,404,341	4,269,574	5,706,132	3,978,960	4,876,750	0	4,941,855
DIRECT - MAINS- BARE STEEL	80,803	0	0	0	0	0	80,803	0
TOTAL MAINS	\$2,644,109,951	\$1,311,606,181	\$239,271,824	\$319,778,201	\$222,985,477	\$273,298,657	\$222,344	\$276,947,267

14 Table KLJ-2R below shows the breakdown of transmission and distribution mains
15 investment by pipe diameter (Standard Data Request Question No. GAS-COS-
16 004).

17

1

Table KLJ-2R

Diameter	Quantity (Feet)	Amount \$
1/2"	320	233
3/4"	7,468	11,536
1"	66,053	279,213
1-1/8"	1,831	5,619
1-1/4"	594,103	2,790,731
1-1/2"	10,140	10,987
2"	14,749,600	332,598,581
2-1/2"	4,296	20,213
3"	2,932,791	28,685,764
3-1/4"	20,698	3,959
3-1/2"	14,256	20,815
4"	11,894,811	555,772,351
4-1/2"	4,845	18,124
4-7/8"	22,069	17,352
5"	32,840	26,513
5-1/4"	582	344
5-3/16"	13,417	18,418
5-1/2"	632	343
5-5/8"	17,939	13,579
6"	5,875,518	339,625,215
6-1/4"	7,094	5,618
6-5/8"	155,865	643,157
7"	1	13,436
7-5/8"	16,056	11,971
8"	3,249,064	312,880,891
8-1/4"	1,345	2,429
8-5/8"	10,801	361,804
9-5/8"	6,678	7,380
10"	723,019	34,440,441
12"	446,514	52,857,179
14"	450	5,167
16"	350,115	36,391,117
20"	32,976	6,407,184
Total Pipe	41,264,187	\$ 1,703,947,663

2

1 With the exception of a few mains from one LDS customer, all customers that make
2 up the LDS/LGSS rate class are attached to either 3" or greater diameter pipe.
3 Therefore, I will only use the average cost per foot to estimate the mileage of mains
4 pipe assigned to these rate classes by the Peak & Average study. From table KLJ-2R
5 the sum of 3" and greater diameter pipe is 25,830,376 feet and \$1,368,230,552
6 resulting in an average cost per foot of \$52.97 for 3" and greater diameter pipe.

7 Table KLJ-1R shows the Peak & Average study allocated a total of \$273,298,657
8 of mains cost to the LDS/LGSS rate class. Dividing \$273,298,657 by the average
9 cost per foot of \$52.97 results in the assignment of 5,159,499 feet or about 977 miles
10 of mains pipe to the LDS/LGSS class. The Company's Exhibit 111, Schedule 2, Page
11 12, Line 11 shows there are 76 LDS/LGSS customers. Dividing the 977 miles of mains
12 pipe assigned to the LDS/LGSS rate class by the 76 customers that make up the
13 LDS/LGSS rate class results in the assignment of approximately 13 miles of mains
14 for each LDS/LGSS customer.

15 **Q. Is it reasonable to assume that Columbia has invested in on average 13**
16 **miles of pipe for each of the 76 LDS/LGSS customers and that 100% of**
17 **the mileage cost should be assigned solely to those customers?**

18 A. No. In the current rate case, in response to Data Request OCA 1-014, the Company
19 showed information for the current period as shown on Table KLJ-3R below.

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22

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Table KLJ-3R

<u>Rank</u>	<u>Throughput (Dth)</u>	<u>Downstream Customers</u>	<u>Distance to Nearest Upstream Customer (feet)</u>	<u>Design Day (Dth)</u>
1	3,381,235	0	3,106	11,801
2	2,034,447	2,082	7,618	12,866
3	1,082,343	0	3,217	2,776
4	721,966	0	211	2,856
5	569,103	0	1,176	1,606
6	565,928	0	1,571	1,921
7	436,795	0	1,371	1,704
8	429,831	0	3,488	1,224
9	422,837	0	1,198	1,573
10	402,218	0	350	1,439

2 Note the 10 largest customers are defined by the 10 largest non-MLDS customers
3 Columbia serves based solely on customer throughput. The information shows
4 Columbia was required to extend its system in the range of 211 feet (0.04 miles) of
5 pipe to 7,618 feet (1.4 miles) of pipe to connect its ten largest customers. The Peak
6 and Average study assigned average cost of 13 miles of pipe to each of the 76
7 LDS/LGSS customers even though the Columbia only extended its system in the
8 range of 0.04 to 1.4 miles to each of its 10 largest customers.

9 **Q. What are possible causes of why the Peak & Average study allocates an**
10 **excessive amount of mains cost to the LDS/LGSS rate class?**

11 A. Each of Columbia's customers have a unique cost that contributes to the total cost to
12 serve the rate class in which those customers are included. Obvious distinctions in
13 customer costs are: 1) the distance from the transmission main to the customer
14 meter; 2) the design day capacity of the customer; 3) the age of the pipe; 4) the
15 customer density on the distribution main; 5) the geographic location of the main

1 (urban vs. rural); 6) the number of customers and capacity requirements
2 downstream of the customer; and 7) the operating pressure of the main. All are
3 contributing factors to cost. Not one individual allocated cost of service study
4 accounts for each of these contributing factors, which is why after choosing an
5 ACOSS it is important to analyze the results for reasonableness.

6 **Q. Is the Company saying the Peak and Average study should not be used in**
7 **the determination of allocating revenue requirement to the rate classes?**

8 A. No. Columbia has consistently advocated in its prior rate cases for the use of the Peak
9 and Average study in the determination of allocating revenue requirement to the rate
10 classes. However, Columbia has never advocated for the Peak and Average study as
11 the sole basis of revenue requirement allocation. Various factors, including
12 gradualism, value of service and alternative cost studies, are appropriately
13 considered in revenue requirement allocation. For this case, Columbia used the peak
14 and average study as the primary study to establish class rates of return at present
15 and proposed rates. The peak and average study was given primary consideration
16 given the Commission's ruling on the matter in Columbia's 2020 rate case. However,
17 Columbia believes the results from the other two studies can still be useful as another
18 reference point in guiding the allocation of the proposed revenue increase. The
19 results of the cost allocation studies support the Company's proposed rate schedules.

20 **Q. In light of the excessive mains cost allocated to the LDS/LGSS rate class**
21 **as a result of the Peak and Average study, what is the Company's**

1 **recommendation in how the Peak and Average study should be used in**
2 **the determination of revenue allocation to the rate classes?**

3 A. While Columbia used the Peak and Average study as the primary study for purposes
4 of revenue allocation, Columbia must ensure that the resulting allocation of revenue
5 to the rate classes are fair and reasonable. The Company believes in light of the
6 mains cost allocated to the LDS/LGSS rate class, using the Peak and Average as the
7 sole basis of determining the allocation of revenue is not fair or reasonable. The
8 Company believes the resulting allocated costs must be analyzed for reasonableness
9 and to the extent there are outliers as in the case of the LDS/LGSS class,
10 adjustments must be made before those costs can be used to determination of
11 revenue requirement to the rate classes.

12 **III. Revenue Allocation**

13 **Q. How do the positions of the parties differ from the Company's in the**
14 **allocation of revenue requirement among the rate classes?**

15 A. I&E witness Cline believes while the Company's proposed allocation has the effect of
16 moving the relative rates of return for each rate class towards equilibrium, the final
17 result is that the residential rate class is still providing a significant subsidy to the other
18 rate classes. As a result, Mr. Cline recommends the first \$20 million of any scale back
19 be applied to the RSS/RDS class. Mr. Cline is also recommending \$600,000 revenue
20 be reallocated from the RSS/RDS class to the SDS/LGSS class.

21 OCA witness Mierzwa has assigned an increase of 2.0 times the system average to
22 the LDS/LGSS rate class. Mr. Mierzwa's allocated revenue requirement to the

1 LDS/LGSS class is in excess of the 1.5 times average system increase, which represents
2 the upper bound for rate gradualism used by the Commission in Columbia's 2020 rate
3 case (Docket No. R-2020-3018835). Therefore, the Company does not support Mr.
4 Mierzwa's recommendation.

5 Mr. Ewen and Mr. Knecht also reallocated flex rate shortfall to other classes using
6 the P&A mains allocation factor and relied on a revenue – cost ratio to help determine
7 progress toward cost-based rates. The Company assigned the increase to the Customer
8 Charge to the Flex customers first and then used the limits of gradualism toward parity
9 to assign the revenue requirement in this case. Mr. Ewen and Mr. Knecht rely on an
10 alternative ACOSS, which adjusts for a design day adjustment and technical
11 corrections noted in the Company's ACOSS, which I will explain later in my testimony.
12 Mr. Ewen and Mr. Knecht made adjustments to each class with the exception of the
13 Company's proposal for the MDS and Flex rate classes, but also assigned the
14 LDS/LGSS class an increase of 2.0 times the system average. By doing so, Mr. Ewen
15 and Mr. Knecht's allocated revenue requirement to the LDS/LGSS class is in excess of
16 the 1.5 times average system increase, which supports the upper bound for rate
17 gradualism used by the Commission in Columbia's 2020 rate case (Docket No. R-
18 2020-3018835). For this reason, Mr. Ewen and Mr. Knecht's proposal violates the
19 principles of gradualism, and the Company does not agree with Mr. Ewen's and Mr.
20 Knecht's proposed revenue allocation.

1 **Q. On Page 19 of their direct testimony, OSBA witnesses Ewen and Knecht**
2 **note technical corrections identified in the Company's ACOSS. Can you**
3 **please address these technical corrections?**

4 A. Yes. In preparing their study, the OSBA made three changes from the Peak and
5 Average study the Company prepared based on technical corrections identified during
6 discovery. The three corrections were discovered in discovery requests OSBA-II-2,
7 OSBA-II-4, and OSBA-II-5. I agree with these changes and have submitted Exhibit
8 KLJ-1R which is the Company's Peak and Average study updated with the technical
9 corrections identified during discovery. The following tabs, which are highlighted in
10 red in Exhibit KLJ-1R, were updated:

- 11 • The 'Alloc 5-Peak & Average (Mains)' tab, which addresses OSBA-II-2
- 12 • The 'Services-Master Taps' tab, which addresses OSBA-II-4
- 13 • The 'VLOOKUP ALLOC TABLE' tab, which addresses the *de minimis* issues in
14 OSBA-II-5.

15 **Q. Did the Company make other adjustments to its updated Peak and**
16 **Average study that are shown in Exhibit KLJ-1R?**

17 A. Yes. In Part B. of data request OSBA-2-001, the Company originally stated that "the
18 last base rate case did not include firm obligation capacity related to Standby and
19 Elective Balancing Services ("EBS") in the calculation of the design day allocator"... and
20 "these Standby and EBS quantities were inadvertently excluded in the prior base rate
21 cases." In reviewing the Design Day Allocator process for rebuttal testimony, which is
22 fully explained in Section IV below, it was determined that the Standby and EBS
23 quantities were included properly in the prior cases and the Company's Design Day

1 allocator in the current case was double counting these quantities. I have updated
2 Exhibit KLJ-1R with the EBS and Standby quantities being removed from the 'Alloc 1
3 – Design Day' tab. I am also attaching a revised version of data request OSBA-2-001
4 to my testimony in Exhibit KLJ-5R.

5 **Q. Does the Company believe that with the three technical corrections**
6 **identified during discovery and the design day allocator update as a result**
7 **of removing the double counted EBS and Standby quantities that are**
8 **shown in Exhibit KLJ-1R that it should change its originally proposed**
9 **revenue apportionment and rate design?**

10 A. No. Lines 13-18 on Page 1 of Exhibit KLJ-1R show the impact of the three technical
11 corrections on the Company's Peak and Average Study (Exhibit 111, Schedule 2). Lines
12 13 and 14 show the Rate of Return Earned on Rate Base - Adjusted (Line 13) and
13 Unitized Return - Adjusted (Line 14) after the three technical corrections were made.
14 Lines 15 and 16 show the Rate of Return Earned on Rate Base – As Filed (Line 15) and
15 Unitized Return – As Filed (Line 16) as originally filed by the Company. Lines 17 and
16 18 show the difference in the Rate of Return Earned on Rate Base (Line 17) and
17 Unitized Return (Line 18) between the Adjusted (Exhibit KLJ-1R) and As Filed Peak
18 and Average study. As shown on Lines 17 and 18, the impact of the three technical
19 corrections on the Rate of Return Earned on Rate Base ranges from (0.001%) for the
20 MLDS class to 0.554% for the SDS/LGSS class. The impact of the three technical
21 corrections on the Unitized Return ranges from (0.00013) for the MLDS class to
22 0.06856 for the SDS/LGSS class. Overall, the impact of the three technical corrections

1 as shown on Line 17 and Line 18 of Exhibit KLJ-1R does not result in change that would
2 warrant an adjustment to the Company's proposed revenue apportionment and rate
3 design in this case.

4 **IV. The Company's Response to the OSBA Design Day Allocator Proposed**
5 **Adjustment**

6 **Q. Does the Company agree with OSBA witnesses Mr. Ewen and Mr. Knecht**
7 **that there was a significant shift in either the behavior of customers or in**
8 **the Company's method for deriving design day demands?**

9 A. The Company agrees that there was a shift in design day demand among rate classes
10 between the Company's 2021 rate case and the current 2022 rate case, however the
11 Company disagrees with Mr. Ewen's and Mr. Knecht's recommendation that the shift
12 warrants changes to the design day volumes by rate class presented by the Company
13 as Factor 1 in the Company's Allocated Cost of Service studies.

14 **Q. Was there a significant change in the Company's Design Day volumes**
15 **between the 2021 rate case and 2022 rate case?**

16 A. No. Table KLJ-4R below shows the design day volumes used to develop factor 1 in
17 Columbia's current 2022 rate case.

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22

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Table KLJ-4R

COLUMBIA GAS OF PENNSYLVANIA, INC.								
DEVELOPMENT OF ALLOCATION FACTOR 1								
DESIGN DAY [1] (2021-2022) (2022 Case)								
LINE								
NO.	Rate	RSS/RDS	SGS/DS-1	SGS/DS-2	SDS/LGSS	LDS/LGSS	FLEX	Total
	<u>Residential</u>							
1	RS	308,100	0	0	0	0	0	308,100
2	RC ₂	29,400	0	0	0	0	0	29,400
3	RTC	111,300	0	0	0	0	0	111,300
	<u>Commercial</u>							
4	LDS/LGSS	0	0	0	0	15,700	0	15,700
5	LDS FLEX	0	0	0	0	0	13,600	13,600
6	SDS/LGSS	0	0	0	49,500	0	0	49,500
7	SGS ₂	0	0	50,300	0	0	0	50,300
8	SGS ₁	0	58,400	0	0	0	0	58,400
9	SCD ₁	0	25,500	0	0	0	0	25,500
10	SCD ₂	0	0	22,200	0	0	0	22,200
11	SGDS ₁	0	3,100	0	0	0	0	3,100
12	SGDS ₂	0	0	32,100	0	0	0	32,100
13	SGDS ₂ FLEX	0	0	0	0	0	100	100
	<u>Industrial</u>							
14	LDS/LGSS	0	0	0	0	33,100	0	33,100
15	LDS FLEX	0	0	0	0	0	31,200	31,200
16	SDS/LGSS	0	0	0	11,300	0	0	11,300
17	SGS ₂	0	0	600	0	0	0	600
18	SGDS ₂	0	0	1,000	0	0	0	1,000
19	Subtotal	448,800	87,000	106,200	60,800	48,800	44,900	796,500
20	EBS	0	0	0	5,077	4,075	3,748	12,900
21	Total	448,800	87,000	106,200	65,877	52,875	48,648	809,400
22	MLDS							21,000
23	Other (Co. Used)							2,400
24	Total							832,800
25	ALLOCATOR #1	55.448%	10.749%	13.121%	8.139%	6.533%	6.010%	100.000%
[1]	Includes Firm and Non-Firm Service. Volumes in MDth/Day.							

2

1 Table KLJ-5R below shows the design day volumes used to develop factor 1 in
2 Columbia's previous 2021 rate case.

3 **Table KLJ-5R**

COLUMBIA GAS OF PENNSYLVANIA, INC.								
DEVELOPMENT OF ALLOCATION FACTOR 1								
DESIGN DAY [1] (2020-2021) (2021 Case)								
LINE NO.	Rate	RSS/RDS	SGS/DS-1	SGS/DS-2	SDS/LGSS	LDS/LGSS	FLEX	Total
1	RCC/RC2	30,900	0	0	0	0	0	30,900
2	RS	328,600	0	0	0	0	0	328,600
3	RTC	105,500	0	0	0	0	0	105,500
4	LG1	0	0	0	4,800	0	0	4,800
5	LG2	0	0	0	7,500	0	0	7,500
6	LG3	0	0	0	0	200	0	200
6	SC2	0	0	17,000	0	0	0	17,000
7	SCC	0	20,700	0	0	0	0	20,700
8	SG2	0	0	51,600	0	0	0	51,600
9	SGS	0	54,500	0	0	0	0	54,500
10	SG4	0	0	800	0	0	0	800
11	TAG1	0	400	0	0	0	0	400
12	TAG2	0	0	5,900	0	0	0	5,900
13	TAG5	0	2,100	0	0	0	0	2,100
14	TAG6	0	0	25,700	0	0	0	25,700
15	TL4	0	0	0	13,000	0	0	13,000
16	TI8	0	0	0	0	14,600	0	14,600
17	TIB	0	0	0	30,600	0	0	30,600
18	TIF	0	0	0	0	21,800	0	21,800
19	TIG	0	0	0	0	9,100	0	9,100
20	FLEX	0	0	0	0	0	45,200	45,200
21	Total	465,000	77,700	101,000	55,900	45,700	45,200	790,500
22	MDS							18,400
23	Other (Co. Used)							2,500
24	Total							811,400
25	ALLOCATOR #1	58.824%	9.829%	12.777%	7.071%	5.781%	5.718%	100.000%
[1]	Includes Firm and Non-Firm Service. Volumes in MDth/Day.							

1 Table KLJ-6R below shows the change in design day volumes used to develop factor 1
2 from the previous 2021 rate case and the current 2022 rate case.

3 **Table KLJ-6R**

COLUMBIA GAS OF PENNSYLVANIA, INC.								
DEVELOPMENT OF ALLOCATION FACTOR 1								
DESIGN DAY (Difference)								
LINE								
<u>NO.</u>	<u>Rate</u>	<u>RSS/RDS</u>	<u>SGS/DS-1</u>	<u>SGS/DS-2</u>	<u>SDS/LGSS</u>	<u>LDS/LGSS</u>	<u>FLEX</u>	<u>Total</u>
	Residential							
1	RS	(20,500)	0	0	0	0	0	(20,500)
2	RC2	(1,500)	0	0	0	0	0	(1,500)
3	RTC	5,800	0	0	0	0	0	5,800
	Commercial & Industrial							
4	LDS/LGSS	0	0	0	0	3,100	0	3,100
5	FLEX	0	0	0	0	0	(300)	(300)
6	SDS/LGSS	0	0	0	4,900	0	0	4,900
7	SGS2	0	0	(1,500)	0	0	0	(1,500)
8	SGS1	0	3,900	0	0	0	0	3,900
9	SCD1	0	4,800	0	0	0	0	4,800
10	SCD2	0	0	5,200	0	0	0	5,200
11	SGDS1	0	600	0	0	0	0	600
12	SGDS2	0	0	1,500	0	0	0	1,500
13	Subtotal	(16,200)	9,300	5,200	4,900	3,100	(300)	6,000
14	EBS	0	0	0	5,977	4,975	3,748	12,900
15	Total	(16,200)	9,300	5,200	9,977	7,175	3,448	18,900
16	MLDS							2,600
17	Other (Co. Used)							(100)
18	Total							21,400

4 The total change in design day volumes from 811,400 MDth/Day in 2021 to
5 832,800 MDth/Day in 2022 is 21,400 MDth/Day. Of the 21,400 MDth/Day change,
6 6,200 MDth/Day represents Transportation Standby Service and 12,900 MDth/Day
7 Elective Balancing Service (“EBS”) that was improperly included in factor 1 in the

1 current 2022 rate case but was properly included in the prior 2021 rate case¹. The
2 removal of the Standby and EBS quantities were noted in Exhibit KLJ-1R and
3 discussed above. The remaining change of 2,300 MDth/Day (21,400 – 6,200 –
4 12,900) is attributable to net growth of the distribution system. The net change in
5 Columbia’s design day volumes from the 2021 rate case to the 2022 rate case was only
6 0.3% (2,300 / (811,400+12,900+6,200)).

7 Separating the effects of the inadvertent inclusion of Standby and EBS design day
8 volumes in the 2022 rate case from all other changes, Table KLJ-7R below shows the
9 net shift among the rate classes between the 2022 and 2021 rate cases.

Table KLJ-7R

	2022	2022	2022	2022	2021	2021	2021	2021	Diff	Diff	Diff	
	Total	Standby	EBS	Net	Total	Standby	EBS	Net	Total	Standby	EBS	Net
Other	2,400	0	0	2,400	2,500	0	0	2,500	(100)	0	0	(100)
MLDS	21,000	300	0	20,700	18,400	0	0	18,400	2,600	300	0	2,300
LDS	52,875	1,200	4,075	47,600	45,700	0	0	45,700	7,175	1,200	4,075	1,900
SDS	65,877	4,600	5,077	56,200	55,900	0	0	55,900	9,977	4,600	5,077	300
SGDS1	3,100	0	0	3,100	2,500	0	0	2,500	600	0	0	600
SGDS2	33,100	100	0	33,000	31,600	0	0	31,600	1,500	100	0	1,400
Flex	48,648	0	3,748	44,900	45,200	0	0	45,200	3,448	0	3,748	(300)
SS								0	0	0	0	0
EBS								0	0	0	0	0
Total Trans	227,000	6,200	12,900	207,900	201,800	0	0	201,800	25,200	6,200	12,900	6,100
RS	308,100			308,100	328,600			328,600	(20,500)	0	0	(20,500)
RC2	29,400			29,400	30,900			30,900	(1,500)	0	0	(1,500)
RTC	111,300			111,300	105,500			105,500	5,800	0	0	5,800

¹ See Exhibit KLJ-5R showing revised Part B. of the OSBA 2-001 attached to attached to my rebuttal testimony.

SGS1	58,400			58,400	54,500			54,500	3,900	0	0	3,900
SCD1	25,500			25,500	20,700			20,700	4,800	0	0	4,800
SGS2	50,900			50,900	52,400			52,400	(1,500)	0	0	(1,500)
SCD2	22,200			22,200	17,000			17,000	5,200	0	0	5,200
LGS- SDS					12,300				(12,300)	0	0	0
LGS- LDS					200				(200)	0	0	0
Total Tariff Sales	605,800	0	0	605,800	609,600	0	0	609,600	(3,800)	0	0	(3,800)
Total Design Day	832,800	6,200	12,900	813,700	811,400	0	0	811,400	21,400	6,200	12,900	2,300

1 **Q. Were there any changes to the Company’s method for deriving design day**
2 **demands between the 2021 case and the 2022 case?**

3 A. No.

4 **Q. Generally, what was the method used by the Company to derive design day**
5 **demands for both the 2021 and 2022 rate cases?**

6 A. Design day volumes are calculated each year by first determining the actual usage per
7 degree day (“DDD”). Columbia starts with the Choice Design Day forecast which is a
8 multi-step process that includes regression models for the Design Day forecast paired
9 with monthly Choice forecasts.

10 For the Choice Design Day forecast used in the 2022 rate case, a regression model
11 uses actual choice usage from January through December 2020 as the dependent
12 variable and actual heating degree days for 2020 as the independent variable. Using
13 the actual heating degree day coefficient from the regression model times the average
14 Design Day heating degree days of 64 for CPA plus the model intercept, we arrive at a
15 Choice Design Day forecast. This Choice Design Day forecast is divided by the 2020

1 annual actual choice usage to develop a ratio.

2 To arrive at the final 2022 Choice Design Day forecast, the percentage calculated in
3 the previous step is multiplied by the forecasted choice customer count for January
4 2022 and the annual forecast choice Usage Per Customer (“UPC”) for 2022. This result
5 is divided by (1 – unaccounted for gas) to arrive at the final forecast. The Choice Design
6 Day forecast process is completed separately for the residential and commercial
7 customer classes.

8 The Choice Design Day Volumes are then used in the allocation process for
9 Residential and Commercial classes.

10 The first step of this process is to determine the Commercial Class allocation amount
11 in total. This is broken into two components: design day demand for Commercial
12 Choice and a total Commercial % level (including Sales and Choice). The Commercial
13 % is determined by summing the January Residential and Commercial usage volumes
14 and calculating Commercial’s % of the total. This % is applied to the Total Firm Design
15 Demand (reduced for Other demand and Industrial Firm volumes) to arrive at the total
16 Commercial design volume. The next step is to allocate the Commercial design volume
17 between Sales and Choice. Since the Choice design volume is already determined (as
18 noted earlier) the Commercial Sales volume is calculated by subtracting the Choice
19 portion from the total.

20 The next step is to determine the Residential Class allocation between Sales and
21 Choice which is based on the remaining Firm Demand (Total less Commercial,
22 Industrial, Other). The Residential Choice design volume is already determined (as

1 noted earlier) and the Residential Sales volume is calculated by subtracting the Choice
2 portion from the total. Table KLJ-8R below shows the resulting change of design day
3 volumes by customer class by type of service between the 2021 and 2022 rate cases.

Table KLJ-8R

Design Day by Customer Class (MDth/Day)					
		<u>2022</u>	<u>2021</u>	<u>Diff</u>	<u>Pct.</u> <u>Change</u>
Residential	Sales	337.5	359.5	(22.0)	-6.1%
Commercial	Sales	120.4	118.7	1.7	1.4%
Industrial	Sales	1.1	1.3	(0.2)	-15.4%
Residential	Choice	111.3	105.5	5.8	5.5%
Commercial	Choice	47.7	37.7	10.0	26.5%
Industrial	Choice	0.0	0.0	0.0	0.0%
Residential	GTS	0.0	0.0	0.0	0.0%
Commercial	GTS	97.8	98.0	(0.2)	-0.2%
Industrial	GTS	95.4	87.9	7.5	8.5%
Co. Used		2.4	2.5	(0.1)	-4.0%
EBS		12.9	10.5	2.4	22.9%
Standby		<u>6.2</u>	<u>5.2</u>	<u>1.0</u>	<u>19.2%</u>
Total		832.7	826.8	5.9	0.7%

5 Once usage by customer class by type of service (ie. Sales, Choice Transportation, non-
6 Choice transportation or GTS) is determined, design day usage is allocated to the rate
7 schedule within a customer class within a type of service by comparing each rate
8 schedule's peak month's usage to the total usage for the customer class by type of
9 service. Table KLJ-9R below shows the peak month usage by rate schedule used to
10 allocate design day usage by rate schedule for both the 2022 and 2021 rate cases. As
11 an example, the total residential sales design day usage for the 2022 rate case was 337.5
12 MDth/Day (see Table KLJ-8R). That amount was spread between the residential

1 customers on rate RS and RC2 using the peak month volumes from Table KLJ-9R. The
2 results assign 308,100 MDth/Day to the RS rate schedule and 29,400 MDth/Day to
3 the RC2 rate schedule (See Table KLJ-4R). Rate Schedule RS calculation was 308,100
4 = (5,039,471.1 / 5,520,299.0 x 337,500), Rate Schule RC2 was 29,400 = 337,500 -
5 308,100.

Table KLJ-9R

Peak Month by Rate Class (Dth)						
			2022	2021	Diff	Pct. Change
RS	Sales	Residential	5,039,471.1	4,497,235.0	542,236.1	12.1%
RC2	Sales	Residential	480,827.9	423,374.5	57,453.4	13.6%
Total	Sales	Residential	5,520,299.0	4,920,609.5	599,689.5	12.2%
LG1 (SDS)	Sales	Commercial	60,798.2	54,496.5	6,301.7	11.6%
LG2 (SDS)	Sales	Commercial	81,141.9	90,560.3	(9,418.4)	-10.4%
LG3 (LDS)	Sales	Commercial	1,820.0	2,233.0	(413.0)	-18.5%
LG4 (LDS)	Sales	Commercial	1,010.0	0.0	1,010.0	0.0%
NSI (MDS)	Sales	Commercial	9,870.0	9,006.0	864.0	9.6%
SGS (SGS1)	Sales	Commercial	767,719.8	664,741.7	102,978.1	15.5%
SGS (SGS2)	Sales	Commercial	658,896.2	641,436.9	17,459.3	2.7%
SGT	Sales	Commercial	(2,634.4)	0.0	(2,634.4)	0.0%
Total	Sales	Commercial	1,578,621.7	1,462,474.4	116,147.3	7.9%
LG1 (SDS)	Sales	Industrial	4,326.0	5,960.9	(1,634.9)	-27.4%
LG2 (SDS)	Sales	Industrial	7,543.6	950.0	6,593.6	694.1%
LG3 (LDS)	Sales	Industrial	0.0	0.0	0.0	0.0%

LG4 (LDS)	Sales	Industrial	2,259.0	0.0	2,259.0	0.0%
SGS (SGS1)	Sales	Industrial	0.0	51.9	(51.9)	100.0%
SG2 (SGS2)	Sales	Industrial	195.0	174.0	21.0	12.1%
SG3 (SGS1)	Sales	Industrial	1,216.2	637.3	578.9	90.8%
SG4 (SGS2)	Sales	Industrial	<u>16,532.1</u>	<u>12,476.4</u>	<u>4,055.7</u>	32.5%
	Sales	Industrial	32,071.9	20,250.5	11,821.4	58.4%
RTC	Choice	Residential	921,675.0	924,020.0	(2,345.0)	-0.3%
SCC (SCD1)	Choice	Commercial	296,790.7	274,577.4	22,213.3	8.1%
SC2 (SCD2)	Choice	Commercial	<u>258,727.1</u>	<u>224,622.0</u>	<u>34,105.1</u>	15.2%
Total	Choice	Commercial	555,517.8	499,199.4	56,318.4	11.3%
LDS	Trans	Commercial	256,716.0	284,744.0	(28,028.0)	-9.8%
LDS Flex	Trans	Commercial	240,677.0	231,923.0	8,754.0	3.8%
MDS	Trans	Commercial	12,654.0	11,802.0	852.0	7.2%
SDS Flex	Trans	Commercial	5,488.0	5,488.0	0.0	0.0%
SDS	Trans	Commercial	594,917.0	582,890.0	12,027.0	2.1%
SGDS2 Flex	Trans	Commercial	1,716.0	1,716.0	0.0	0.0%
SGDS1	Trans	Commercial	54,547.0	42,933.0	11,614.0	27.1%
SGDS2	Trans	Commercial	<u>569,550.0</u>	<u>531,361.0</u>	<u>38,189.0</u>	7.2%
Total	Trans	Commercial	1,736,265.0	1,692,857.0	43,408.0	2.6%
LDS	Trans	Industrial	679,264.0	676,592.0	2,672.0	0.4%
Flex	Trans	Industrial	641,359.0	734,477.0	(93,118.0)	-12.7%
MDS	Trans	Industrial	396,252.0	393,906.0	2,346.0	0.6%
SDS	Trans	Industrial	221,664.0	228,663.0	(6,999.0)	-3.1%
SGDS1	Trans	Industrial	0.0	869.0	(869.0)	100.0%
SGDS2	Trans	Industrial	<u>20,964.0</u>	<u>18,822.0</u>	<u>2,142.0</u>	11.4%
Total	Trans	Industrial	1,959,503.0	2,053,329.0	(93,826.0)	-4.6%

1 **Q. What conclusions do you make in comparing the Design Day data for the**
2 **two rate case years?**

3 A. I agree with Mr. Ewen and Mr. Knecht that normally there are two main reasons for
4 shifts of design day usage between rate classes: (1) there is a shift in either the behavior
5 of customers or (2) in the Company's method for deriving design day demands.
6 However, that rate schedule design day usage also changes with growth and attrition.
7 The data in Table KLJ-7R above shows there was only slight growth of 2,300
8 MDth/Day in the distribution system from the 2021 case to the 2022 case and
9 Columbia made no change in methodology; however, it did inadvertently include both
10 Standby and EBS design day volumes in the 2022 rate case. That leaves customer
11 behavior as the cause for the remainder of the change.

12 Because the majority of the design day volume shift occurred with the Sales and
13 Choice Transportation rate schedules I will focus on that process. Table KLJ-10R
14 below shows an aggregation by customer class of Design Day by Customer Class from
15 Table KLJ-8R for only the Sales and Choice customers.

16 **Table KLJ-10R**

Design Day by Customer Class					
					Pct.
		<u>2022</u>	<u>2021</u>	<u>Diff</u>	<u>Change</u>
Residential		448.8	465.0	(16.2)	-3.5%
Commercial		168.1	156.4	11.7	7.5%
Industrial		1.1	1.3	(0.2)	-15.4%

17 Table KLJ-10R shows a 7.5% increase in the Commercial class over the previous year.

18 With total design day increasing only 0.3% (2,300 / 811,400) this forces the residential

1 class to be reduced accordingly. There are two main reasons for a shift in Design Day
2 usage, the amount of classes' usage and the number of DDD in the time period. This
3 combination of these two factors created a 7.5% shift and corresponding shift in the
4 residential class.

5 From Table KLJ-9R above, Table KLJ-11R is created below to show the Peak Month
6 usage of the SGS-1 and SGS-2 rate classes as compared to the total Commercial &
7 Industrial customer classes for Sales and Choice Transportation customers only.

Table KLJ-11R

Peak Month by Rate Class						
			<u>2022</u>	<u>2021</u>	<u>Diff</u>	Pct. Change
SGS (SGS1)	Sales	Commercial	767,719.8	664,741.7	102,978.1	15.5%
SGS (SGS1)	Sales	Industrial	0.0	51.9	(51.9)	100.0%
SG3 (SGS1)	Sales	Industrial	1,216.2	637.3	578.9	90.8%
SCC (SCD1)	Choice	Commercial	<u>296,790.7</u>	<u>274,577.4</u>	<u>22,213.3</u>	<u>8.1%</u>
SCC (SCD1)			1,065,726.7	940,008.3	125,718.4	13.4%
SGS (SGS2)	Sales	Commercial	658,896.2	641,436.9	17,459.3	2.7%
SG2 (SGS2)	Sales	Industrial	195.0	174.0	21.0	12.1%
SG4 (SGS2)	Sales	Industrial	16,532.1	12,476.4	4,055.7	32.5%
SC2 (SCD2)	Choice	Commercial	<u>258,727.1</u>	<u>224,622.0</u>	<u>34,105.1</u>	<u>15.2%</u>
SC2 (SCD2)			934,350.4	878,709.3	55,641.1	6.3%
Total	Sales	Commercial	1,578,621.7	1,462,474.4	116,147.3	7.9%
Total	Choice	Commercial	555,517.8	499,199.4	56,318.4	11.3%
	Sales	Industrial	<u>32,071.9</u>	<u>20,250.5</u>	<u>11,821.4</u>	<u>58.4%</u>
Total			2,166,211.4	1,981,924.3	184,287.1	9.3%

9 The increases of Peak Month usage in the SGS-1 and SGS-2 schedules which make up
10 92.3% $((1,065,726.7 + 934,350.4) / 2,166,211.4)$ of total Commercial and Industrial

1 Sales and Choice Transportation peak day volumes show why the SGS-1 and SGS-2
2 classes received the majority of the increase shown in Table KLJ-8R above.

3 As pointed out by Mr. Ewen and Mr. Knecht in their direct testimony, this
4 methodology and resulting forecast is heavily scrutinized in CPA's 1307 (f) filing each
5 year. No issues were identified this year or last year's 1307(f) proceeding. The Design
6 Day Forecast is determined from a "top" down approach and not at a rate class
7 level. The rate schedule design day requirements are based on an allocation of peak
8 monthly usage for customers in the associated class. It is certainly possible there was
9 a change in the customer behavior that caused the "shift" referenced in the OSBA's
10 testimony. Possible contributing factors are colder than normal weather in 21/22 vs
11 20/21 and any impact caused by the shut-off moratorium due to COVID.

12 Mr. Ewen and Mr. Knecht suggest that this shift makes the 2022 Design Day usage
13 by rate class less reliable than the 2021 data. However, based on my analysis, I conclude
14 that the 2022 data is more representative of current customer usage.

15 In my analysis, I compared the 2022 and 2021 rate case to the 2020 rate case. By
16 excluding both Standby and EBS from the 2022 rate case I can match both the 2021
17 and 2020 rate case design day data to see if it is the 2022 or the 2021 rate case design
18 day usage by rate class that are aligned with the 2020 rate case. Table KLJ-12R shows
19 the comparison of the 2020 rate case design day usage to the 2022 and 2021 by rate
20 class:

21

22

1

Table KLJ-12R

Design Day Usage Net of Standby and EBS (Dth/day)									
<u>Year</u>	<u>RSS / RDS</u>	<u>SGS / DS-1</u>	<u>SGS / DS-2</u>	<u>SDS / LGSS</u>	<u>LDS / LGSS</u>	<u>FLEX</u>	<u>MLDS</u>	<u>Other</u>	<u>Total</u>
2022	448,800	87,000	106,100	56,200	47,600	44,900	20,700	2,400	813,700
2021	465,000	77,700	101,000	55,900	45,700	45,200	18,400	2,500	811,400
2020	452,900	78,086	110,100	59,807	44,261	47,369	18,810	2,200	813,533
2022	55.155%	10.692%	13.039%	6.907%	5.850%	5.518%	2.544%	0.295%	100.000%
2021	57.308%	9.576%	12.448%	6.889%	5.632%	5.571%	2.268%	0.308%	100.000%
2020	55.670%	9.598%	13.534%	7.352%	5.441%	5.823%	2.312%	0.270%	100.000%

2 Table KLJ-13R aggregates the SGS-1 and SGS2 classes, the SDS, LDS, and FLEX
3 classes and compares to the RS, MLDS and Other classes. See Table KLJ-13R below.

4

Table KLJ-13R

Design Day Usage Net of Standby and EBS (Dth/day)						
<u>Year</u>	<u>RSS/RDS</u>	<u>SGS/DS-1 & 2</u>	<u>SDS/LDS/FLEX</u>	<u>MLDS</u>	<u>Other</u>	<u>Total</u>
2022	448,800	193,100	148,700	20,700	2,400	813,700
2021	465,000	178,700	146,800	18,400	2,500	811,400
2020	452,900	188,186	151,437	18,810	2,200	813,533
2022	55.155%	23.731%	18.275%	2.544%	0.295%	100.000%
2021	57.308%	22.024%	18.092%	2.268%	0.308%	100.000%
2020	55.671%	23.132%	18.615%	2.312%	0.270%	100.000%

5 Table KLJ-13R shows that for each of the groups the 2022 rate case design day volumes
6 deviate less when compared to the 2020 rate case data than the 2021 rate case data in
7 both volumes and percentage of total with the only exception being the MLDS class.
8 This implies that it is the 2021 rate case design day volumes that maybe an outlier and
9 not the 2022 rate case as Mr. Ewen and Mr. Knecht suggest.

1 Because the 2022 rate case design day volumes aligns better by rate class with the
2 2020 rate case than the 2021 rate case data, the Company believes the more recent
3 2022 rate case data represents both the current normal and is better aligned with the
4 historic norm in the 2020 rate case and therefore should remain the basis of allocation
5 factor 1.

6 **V. Customer Charge - Miscellaneous**

7 **Q. On page 24 of his direct testimony, I&E witness Mr. Cline recommends**
8 **“that Columbia begin prorating its customer charge for customers who**
9 **begin or end service prior to the end of the billing period and adjust its**
10 **tariff to reflect this practice”. What is the effect of the elimination of the**
11 **number of “final” bills, as detailed in Company Witness Siegler’s rebuttal**
12 **testimony (Statement No. 3-R), in the calculation of Columbia’s proposed**
13 **customer charge rate if I&E’s recommendation to prorate customer**
14 **charges is approved?**

15 **A.** Exhibit KLJ-2R provides a detailed calculation of the increased customer charge
16 revenue required from each of the rate classes to recover the lost revenues at current
17 rates under I&E’s recommendation. The lost revenues are caused by I&E’s proposal to
18 prorate Columbia’s current monthly customer charges based on the number of days a
19 customer receives gas service. Column 6 and Column 7 on Exhibit KLJ-2R shows the
20 amount of increase required for each existing customer charge (Column 7 of Exhibit
21 KLJ-2R) to recover the same amount of revenue requirement as the existing customer
22 charge now does under the current practice of charging a full customer charge

1 regardless of the number of days of service in the month the customer is billed. Simply
2 stated, if I&E's recommendation is approved, base rates and in particular, customer
3 charges must be increased to compensate for the lost revenue requirement currently
4 being billed by the current customer charge under the current tariff rules.

5 **Q. Do you agree with I&E witness Cline's recommendation on page 24 lines**
6 **16 -18 of his direct testimony that Columbia should begin prorating its**
7 **customer charge for customers who begin or end service prior to the end**
8 **of the billing period?**

9 A. No. If Columbia were to prorate its bill, there would be a significant financial impact
10 to the Company due to Columbia's calculation of unbilled revenue. Proration would
11 also increase customer rates as shown in Exhibit KLJ-2R by lessening the customer
12 bills by which to spread the revenue requirement.

13 Moreover, I&E's recommendation lacks specificity as to how this proration would
14 occur (by day, by quarters of the billing unit, by halves of the billing unit), leaving
15 Columbia to guess I&E's intentions with its recommendations.

16 I&E's recommendation would shift the recovery of incremental cost of finalizing and
17 initiating customer service from the customers requesting termination and initiation
18 of service from those customers making the request to all customers.

19 Finally, I&E admits that there are currently only three utilities in the state of
20 Pennsylvania that currently have a provision in their tariffs for the proration of the
21 customer charge, meaning that the rest of the utilities in Pennsylvania do not prorate.
22 The current practice of not prorating customer charges is a long standing practice.

1 Nothing has changed since it was established that warrants a change in policy in this
2 case.

3 **VI. Scale Back of Rates**

4 **Q. I&E witness Cline proposes that in the event the Commission recommends**
5 **less than the Company's requested revenue requirement request of \$82.2**
6 **million that the first \$20.0 million reduction be applied to the residential**
7 **class and any remaining amount be applied to the other classes except for**
8 **the SDS/LGSS and LDS/LDSS. Do you agree?**

9 A. No. Mr. Cline is trying to get to parity in one rate case and by doing so he is exceeding
10 any reasonable definition of gradualism. If this reduction were made to the total
11 company revenue requirement as Mr. Cline suggests, the total Company increase
12 would be \$62.2 million (\$82.2 million - \$20.0 million), but the increase for the
13 LDS/LGS class would remain at \$5.3 million. Stated differently, the percent increase
14 to total company would be 7.6%, but the percentage increase to the LDS/LGSS class
15 would remain at 21.9%. That is a change of 2.88 times the average increase where the
16 Commission agreed with 1.5 times the average increase as the upper bound for rate
17 gradualism in the Company's 2020 rate case (Docket No. R-2020-3018835).

18 **Q. What are other parties in the case recommending with respect to scale-**
19 **back of proposed revenue distribution in the even that Columbia's**
20 **authorized increase is less than its requested increase?**

21 A. OCA witness Mr. Mierzwa recommends a proportionate scale-back of the increase for
22 each rate class with the exception of the MLDS and Flex rate classes. OSBA witnesses

1 Mr. Ewen and Mr. Knecht conclude the SGS¹ customer charge is reasonable but should
2 be subject to scale-back.

3 **VII. Customer Charge**

4 **Q. Do you agree with I&E witness Cline's statement on page 20 of his direct**
5 **testimony that the Company's customer cost analysis that includes the**
6 **cost of mains should not be utilized in this proceeding?**

7 A. No. A customer charge should include at a minimum the incremental cost the utility
8 incurs in connecting a customer to the distribution system. Some call this a "readiness
9 to serve" charge. Unfortunately, the Peak and Average study does not differentiate the
10 cost of extending the gas main to the customer from the capacity cost to serve the
11 customer on a design day.

12 **Q. Do you agree with I&E witness Cline's statement on pages 21-23 of his**
13 **direct testimony that based on the customer cost analysis that does not**
14 **include the cost of mains, the customer charges proposed by the Company**
15 **for the SGS¹, SGS², and SDS/LGSS classes are too high and that the**
16 **residential customer charge is excessive?**

17 A. No. The customer cost study is a study that defines the minimum cost to serve a
18 customer regardless of consumption. Mr. Cline is using the study as a maximum
19 charge to recover fixed cost through fixed recovery. Columbia recognizes that the
20 customer cost analysis shows a minimum floor in which fixed costs should be
21 recovered. To the extent that additional fixed cost is recovered through the customer
22 charge, in excess of the customer cost analysis, there is less intra-class subsidization

1 occurring within a rate case. The Company therefore rejects Mr. Cline's customer
2 charge adjustments detailed on the table provided on Page 23 of his direct testimony.

3 Regarding the residential customer charge increase from \$16.75 to \$25.47, as
4 noted in my direct testimony (Columbia Statement No. 6, beginning on Page 23),
5 Columbia's current charge of \$16.75 was established in its 2012 rate case. Since then,
6 residential customer-based costs excluding costs related to distribution mains
7 improvements has increased approximately 53%², but the customer charge has not
8 increased. Columbia's proposed monthly customer charge of \$25.47 reflects moving
9 the customer charge to the minimum monthly customer-based cost excluding
10 distribution mains costs. This approximately 52% increase in the residential customer
11 charge is in line with the 53% increase in customer-based costs excluding costs related
12 to distribution mains since the 2012 rate case. In addition, the 52% proposed increase
13 in the Residential customer charge amounts to an annual increase of less than 5% or
14 approximately \$0.79 per year since the 2012 rate case.

15 **Q. Mr. Mierzwa on page 15 of his direct testimony states that "Columbia has**
16 **included uncollectible expense (Account 904), demonstration and selling**
17 **expense (Account 912), and advertising expense (Account 913) in its**
18 **calculation. These are not direct customer costs." Mr. Mierzwa suggests**
19 **these costs should not be included in the customer charge of the**
20 **calculation. Do you agree?**

² The approximately 53% increase in residential customer-based costs excluding costs related to distribution mains improvements from 2012 to current is calculated by comparing the \$82,848,400 on Exhibit 111, Schedule 1, Page 17, Line 37 in case R-2012-2321748 to the \$126,491,863 on Exhibit 111, Schedule 2, Page 25, Line 37 in this case.

1 A. No. It is important to note that not only direct customer costs are appropriate in
2 inclusion of the customer charge calculation. It is also appropriate to include customer-
3 based costs and associated overhead. Assigning 100% of uncollectible cost to the
4 volumetric base rates for recovery essentially creates an intra-class subsidy to those
5 lower use customers. Because the customer charge is a portion of the customer's bills
6 that becomes uncollectible, those who pay the customer charge should help pay for the
7 uncollectible accounts the charge generates and therefore be included in the customer
8 charge calculation. Accounts 912 and 913 are sales expenses that are incurred in
9 attracting and retaining customers. Therefore, there is a direct relationship between
10 the number of customers and the dollars spent in these accounts. Columbia has used
11 the customer allocation factor to allocate these accounts in prior rate cases and
12 therefore it is appropriate to include these customer-based costs in the calculation of
13 the customer charge.

14 **Q. Mr. Mierzwa on page 15 states "Columbia's currently monthly Residential**
15 **customer charge is already the highest in the Commonwealth and the**
16 **proposed charge is inconsistent with the Commissions' goal of**
17 **encouraging energy conservation. Therefore, I recommend that the**
18 **existing \$16.75 monthly charge be maintained." Do you agree?**

19 A. Columbia's residential customer charge should be based on the fixed costs incurred by
20 Columbia and approved by the Commission as recoverable through the customer
21 charge. Columbia's residential customer charge should not be determined by the cost
22 of service of other LDCs in Pennsylvania. Even using the customer cost study that

1 excludes mains cost, customer costs exceed the proposed customer charge. Customer
2 costs continue to rise, as service lines, regulators and meters are replaced as part of
3 infrastructure improvement. There has been no corresponding increase to residential
4 customer charges since 2012.

5 **Q. Does the Company agree with Mr. Ewen and Mr. Knecht's proposed SGS1**
6 **and SGS2 customer charges?**

7 A. Mr. Ewen and Mr. Knecht, like the Company, conclude the SGS1 customer charge
8 proposal is not unreasonable. Regarding the SGS2 customer charge, similar to Mr.
9 Cline, Mr. Ewen and Mr. Knecht are using the customer cost study as a maximum
10 charge to recover fixed cost through fixed recovery. The Company sees the study as an
11 establishment of a minimum charge to recover fixed cost through the customer charge
12 and therefore opposes the OSBA proposal to lower the Company's proposed customer
13 charge for the SGS2 class.

14 **Q. CAUSE-PA witness Geller states on page 5 of his direct testimony "most of**
15 **the impact of Columbia's proposed rate increase for residential customers**
16 **comes from a substantial increase to the fixed monthly service charge."**
17 **What portion of the residential cost of service is the Company seeking to**
18 **recover through a fixed monthly customer charge?**

19 A. Average usage per customer for rate schedule RSS (Exhibit 103, Schedule 1) is
20 6.9Dth/Mo. Exhibit 111, Schedule 6, page 1 shows at 70 therms the total bill under
21 proposed rates is \$135.67, and the proposed customer charge is \$25.47. Under current
22 rates the customer charge is \$16.75 and total bill is \$123.24. The "most of the impact"

1 on residential customers coming from the increase of the fixed monthly service charge
2 (customer charge) portion of the bill that Mr. Geller speaks of is currently 13.59% of
3 the total bill, and Columbia's proposed increase to the customer charge would result in
4 the customer charge consisting of 18.77% of the total bill, a 5.18% change. Considering
5 the Company has not had an increase in its customer charge since 2012, it is
6 appropriate to move the customer charge portion of the total bill up 5.18%.

7 **Q. CAUSE-PA witness Geller states on page 34 of his direct testimony**
8 **“Columbia’s proposal undermines the explicit goals of the Low-income**
9 **Usage Reduction Program (LIURP). It will also reduce the benefits of**
10 **Columbia’s proposed EE&C program by undermining the customer’s**
11 **ability to achieve bill savings through adoption of energy efficiency**
12 **measures.” Does Columbia’s proposal undermine LIURP’s intent to**
13 **reduce low-income customer bills?**

14 A. No. To illustrate why Mr. Geller's statement is inaccurate, I have calculated residential
15 customer rates assuming all the proposed revenue increase to the residential
16 customers from the Customer Charge was shifted to the volumetric base rate. Exhibit
17 103, Schedule 8, Page 5 shows that the proposed rates for the residential rate class are
18 a customer charge of \$25.47 and a volumetric base rate of \$8.7254/Dth. If the
19 proposed customer charge were to remain at the current rate of \$16.75, \$13,080,636
20 would shift from customer charge recovery to volumetric base revenue recovery. As a
21 result, the corresponding volumetric base rate would go up to \$9.9593/Dth to make up
22 the \$13,080,636 shortfall. The average usage per LIURP customer was 158.9 Dth for

1 the year 2021. As a comparison, the average usage per LIURP customer was 154.7 Dth
2 for the year 2020.

3 Table KLJ-14R below compares the amount billed using Columbia’s proposed rate
4 design compared to Mr. Geller’s suggested no change in the customer charge. The
5 results show that Mr. Geller’s suggested change to Columbia’s proposed rate design
6 actually would charge LIURP customers \$91.42 more (\$1,783.53 - \$1,692.11) in a year
7 based on their 2021 average usage. Columbia’s proposal clearly does not undermine
8 LIURP’s intent to reduce low-income customer bills.

9 Table KLJ-14R

	Columbia’s Proposed Residential Rates	Geller’s Proposed Customer Charge Change
Customer Charged Amount	\$25.47 x 12 months = \$305.64	\$16.75 x 12 months = \$201.00
Volumetric Charged Amount	\$8.7254 * 158.9 = \$1,386.47	\$9.9593 * 158.9 = \$1,582.53
Total Base Rate Charged Amount	\$1,692.11	\$1,783.53

10 **Q. PWPTF witness Brady states on page 3 of his direct testimony, “Further,**
11 **an increase in the fixed monthly charge, as requested by the Company,**
12 **would negatively impact a customer’s motive and ability to conserve**
13 **energy. The company’s proposal if granted would increase rates,**
14 **discourage conservation and leave a customer with less ability to conserve**
15 **energy and less ability to reduce their bills.” Do you have any comments**
16 **on his statement?**

17 A. The customer will continue to have substantial incentive to conserve under the
18 Company’s proposed rates, as consumption charges still are increasing over current

1 charges. The Company's proposal also does not change commodity gas cost charges.
2 If the Company does not increase the revenue requirement of the customer charge in
3 this case, it will have to increase the volumetric base rate by the entire revenue
4 requirement increase approved by the Commission. As stated above, that would
5 change the residential customer charge from the proposed \$25.47/month to the
6 current \$16.75/month and shift the entire amount of the approved revenue
7 requirement to the volumetric rate, changing it from \$8.7254/Dth to \$9.9593/Dth.
8 However, Table KLJ-15R below shows at the residential average monthly usage of 70
9 therms (7.0 Dth) in this case, the customer's bill is essentially identical (\$86.55 vs
10 \$86.47) under Columbia's proposed customer charge and Mr. Brady's proposed
11 customer charge. Table KLJ-16R shows the difference in the customer's monthly bill
12 if the customer reduced its consumption by 1.35 Dth per month by replacing his
13 furnace³. The results would be an additional \$1.75 (\$74.77 - \$73.02) per month savings
14 to the customer under Mr. Brady's proposal not to change the customer charge as
15 compared to the Company's rate design. While Mr. Brady's proposal would result in
16 \$1.75 per month savings if a customer chose to replace their furnace, it is unlikely that
17 \$1.75 per month savings would motivate a customer to purchase a new furnace, which
18 is what would be required to achieve the 1.35 Dth per month reduction in usage.
19 Therefore, Mr. Brady's assertion that increasing the customer charge would "negatively

³ Exhibit KLJ-4R shows an annual reduction of 16.2 Dth due to a furnace replacement.
(16.2 Dth / 12 Months = 1.35 Dth per month). 7.0 Dth - 1.35 = 5.65 Dth.

1 impact a customer's motive and ability to conserve energy" is not a reason to deny the
2 proposed customer charge increase.

3 Table KLJ-15R

	Columbia's Proposed Residential Rates	Brady's Proposed Customer Charge Change
Customer Charged Amount	\$25.47	\$16.75
Volumetric Charged Amount	$\$8.7254 * 7.0 = \61.08	$\$9.9593 * 7.0 = \69.72
Total Base Rate Charged Amount	\$86.55	\$86.47

4
5 Table KLJ-16R

	Columbia's Proposed Residential Rates	Brady's Proposed Customer Charge Change
Customer Charged Amount	\$25.47	\$16.75
Volumetric Charged Amount	$\$8.7254 * 5.65 = \49.30	$\$9.9593 * 5.65 = \56.27
Total Base Rate Charged Amount	\$74.77	\$73.02

6 **Q. Are there any impacts to residential customer bills that could help them**
7 **with their personal budgets by the Company increasing the customer**
8 **charge from \$16.75 to \$25.47?**

9 A. Yes. By increasing the customer charge, customers would see decreased bills during
10 the heating season when bills are typically higher by shifting those costs to the non-
11 heating months. This impact is shown in Column 14 on Exhibit KLJ-3R.

12 **Q. Please explain Exhibit KLJ-3R.**

13 A. Exhibit KLJ-3R shows normalized usage for an average residential customer in
14 Column 4 for the Fully Projected Future Test Year, 2023, as presented by Company

1 Witness Bartos on Exhibit No. 10, Schedule No. 2, page 8 of 8. Columns 5 through 8
2 are used to compute the monthly total bills for this typical residential customer at the
3 Company's proposed rates. If the Company does not increase the revenue requirement
4 of the customer charge in this case, it will have to increase the volumetric base rate by
5 the entire revenue requirement increase approved by the Commission. As stated
6 above, that would change the residential customer charge from the proposed
7 \$25.47/month to the current \$16.75/month and shift the entire amount of the
8 approved revenue requirement to the volumetric rate, changing it from \$8.7254/Dth
9 to \$9.9593/Dth. Columns 10 through 13 on Exhibit KLJ-3R show the computation of
10 the monthly total bills for this typical residential customer should the customer charge
11 remain at \$16.75/month and the volumetric rate increase to \$9.9593. Column 14
12 shows that by increasing the customer charge instead of the volumetric rate as the
13 Company proposes, residential customers will see a shift in their bills from the heating
14 months to the non-heating months when bills are typically lower. This shift will ease
15 the burdens of residential customers in the heating months when usage is typically
16 higher.

17 **VIII. Revenue Normalization Adjustment ("RNA")**

18 **Q. On page 6 of his direct testimony, I&E witness Cline states three reasons**
19 **for his recommendation to deny the Company's proposed RNA to be**
20 **denied in this case. Please address each of his reasons.**

21 A. Mr. Cline listed his reasons as follows. First, the Commission recently determined the
22 RNA was unnecessary. Second, the policy statement cited by the Company does not

1 allow Columbia to abandon the necessity to charge just and reasonable rates. Third,
2 the use of the FPFTY already provides projected lower usage levels.

3 As for Mr. Cline's first reason, the Commission did not determine that the RNA
4 was not necessary. The Commission stated the following in Docket No. R-2020-
5 3018835, p. 264-265, Order entered February 19, 2021:

6 The ALJ recommended that the Commission deny the RNA
7 proposal. The ALJ reasoned that Columbia failed to prove the
8 RNA Rider is needed and reasonable, or that the RNA Rider will
9 result in rates that are just, reasonable and in the public interest.
10 Further, the Company did not show its current rates and systems
11 of revenue streams will fail to provide revenue stability. R.D. at
12 403.

13 It is clear that the ALJ stated that Columbia simply failed to prove the RNA was
14 needed in that case. It is also to be noted that Columbia did not file any Exceptions to
15 this issue in the 2020 case, and thus did not present full argument to the Commission
16 on this issue.

17 Columbia's financial health directly relies upon its ability to recover the cost of
18 service approved by the Commission through the base non-gas revenues upon which
19 its base rates were previously established.

20 As customers conserve, the volumetric base rate recovers less base revenue than
21 required to recover the Company's cost of service.

22 In months the WNA is not in effect there are still variances between actual and
23 normal usage due solely to weather. As a result, the volumetric base rate recovers
24 either less or more base revenue than required to recover the Company's cost of service
25 depending on if actual weather is warmer or colder than normal.

1 If the BTU content in the gas consumed is either greater than or less than the BTU
2 content used in the test year forecasted volumes, the volumetric base rate recovers
3 either less or more base revenue than required to recover the Company's cost of service.

4 The RNA addresses these shortfalls of the volumetric base rate's ability to
5 accomplish the objective of providing Columbia with a more reasonable opportunity to
6 recover its fixed costs.

7 As for Mr. Cline's second reason, Mr. Cline assumes that Columbia is abandoning the
8 necessity to charge just and reasonable rates by pointing to the Commission's Policy
9 Statement on Alternative Ratemaking as adopted by the Commission at Docket No. M-
10 2015-2518883. This is not the case. The base rates established by the Commission in
11 the case will be just and reasonable. The RNA mechanism does not replace the billings
12 of the base rates established in this case. The RNA does complement the residential
13 rate design in this case to better ensure the revenue requirement assigned to the
14 residential class is not over or under recovered due strictly to rate design.

15 As for Mr. Cline's third reason, Mr. Cline suggests the core reason justifying an RNA is
16 already being addressed by the use of the FPFTY and its projected lower usage levels.
17 Although Mr. Cline's third reason may mitigate the need for an RNA it does not
18 eliminate the need. To the extent that actual usage is greater than or less than what was
19 forecasted for this case, the revenue collected will be different than what is approved
20 by the Commission in this case. Even though "projected lower usage levels" are
21 included in the billing determinates of the FPFTY, actual conservation, actual weather

1 within the 3% WNA tolerance level, and weather variances outside the months the
2 WNA is in effect all contribute to recovery variances caused by a volumetric base rate.

3 **Q. OCA witness Mierzwa addresses the 14 factors for consideration**
4 **identified in the Commission's statement of policy on alternative rate**
5 **making. What comments do you have on Mr. Mierzwa's responses to**
6 **Columbia's claims?**

7 A. Of the 14 factors, Mr. Mierzwa agreed in principle with Columbia on 5
8 considerations. I will comment on those considerations where he differs.

9 Consideration 1: Please explain how the ratemaking mechanism
10 and rate design align revenues with cost causation principles as
11 to both fixed and variable costs.

12
13 COLUMBIA: Columbia's proposed RNA is designed to recover
14 the residential base revenues needed to satisfy the cost of service
15 requirements determined in this proceeding while negating over
16 or under recovery of costs.

17
18 OCA: The Company's response does not indicate how the
19 mechanism aligns revenues with cost causation as to fixed and
20 variable costs.

21
22 The RNA is designed to recover the residential base revenues needed to satisfy the cost
23 of service requirements determined in this proceeding while negating over or under
24 recovery of costs. Residential base revenues consist of Customer Charge revenues and
25 volumetric base rate revenues. The Customer charge recovers a portion of the
26 Company's fixed monthly costs regardless of usage per customer changes and therefore
27 do not contribute to the RNA rate. Volumetric base rate charges recover the fixed costs
28 the Customer charge does not recover and all variable costs. To the extent the
29 residential customer's monthly usage per customer differs from the benchmark

1 established in this proceeding by the Commission, the Company will either over
2 recover or under recover the fixed and variable costs through the variable base rates
3 that the Company is authorized to bill by the Commission. The RNA is designed to
4 recover/pass back the under/over amount charged by the variable base rates for
5 recovery of those fixed and variable costs caused by the change in usage per customer.
6 Therefore, the mechanism more closely aligns actual revenues to costs.

7 Consideration 4: Please explain how the ratemaking mechanism
8 and rate design limit or eliminate inter-class and intra-class cost
9 shifting.

10 COLUMBIA: Columbia's RNA minimizes inter-class cost
11 subsidization by limiting the amount of cost recovery for the
12 residential class to the revenue benchmark established in this
13 case. Residential intra-class cost subsidization is reduced
14 through Columbia's proposal of a higher customer charge for the
15 residential class.
16

17 OCA: The RNA is only applicable to the Residential class and,
18 therefore, does not affect interclass cost shifting. The Company's
19 higher Residential customer charge proposal, which should be
20 rejected, is unrelated to the RNA.
21

22 I disagree with the OCA. The Company's proposed higher residential customer charge
23 is related to the RNA in that it reduces the amount of revenue subject to recovery
24 through the RNA.

25 Consideration 5: Please explain how the RNA limits or
26 eliminates disincentives for the promotion of efficiency
27 programs.
28

29 COLUMBIA: Reduced throughput will not lead to revenue and
30 earnings erosion due to under-recovery because the link between
31 level of throughput and base revenue recoveries is broken with
32 the implementation of the RNA.
33

1 OCA: Columbia has not proposed any new energy efficiency
2 programs in this proceeding. The RNA actually disincentives
3 customers to engage in energy efficiency programs because less
4 of a customer's total bill would be subject to reduction through
5 energy conservation.

6 The OCA is incorrect on its assertion of Consideration 5. The Company is proposing
7 its Three-Year Energy Efficiency Plan ("EE Plan") in this rate case proceeding. Please
8 see Company Witness Love's direct testimony (Statement No. 16) introducing and
9 detailing the EE Plan.

10 Consideration 6: Please explain how the RNA impacts customer
11 incentives to employ efficiency measures and distributed energy
12 resources.

13 COLUMBIA: Customers will continue to have an incentive to
14 pursue energy efficiency measures since approximately 30% of
15 an average residential bill is still subject to volumetric usage not
16 related to base rate revenue recovery.

17 OCA: The RNA reduces the incentive for Residential customers
18 to pursue energy efficiency programs. Base rate revenue savings
19 that would ordinarily be achieved through usage reductions will
20 be offset by higher usage charges under the RNA.

21 Columbia disagrees with OCA's comment. When an individual residential customer
22 decides to reduce their usage, the customer pays less to the Company through their
23 volumetric charges. The shortfall of base revenue from the customer will be made up
24 by the entire residential class, not just the residential customer that choose to conserve.
25 This encourages other Residential customers to conserve as well.

26 Consideration 7: Please explain how the RNA impacts low-
27 income customers and support consumer assistance programs.

28 COLUMBIA: Columbia's proposed RNA only applies to non-
29 CAP customers.

30
31
32
33
34

1 OCA: The RNA will not impact CAP customers.
2 However, as OCA witness Colton points out, not all low-income
3 customers are enrolled in CAP and for those customers not
4 enrolled in CAP, the RNA will be applied to their bills and have
5 the same effect of being a disincentive to energy efficiency as
6 non-low-income customers.

7 Columbia disagrees with Mr. Mierzwa and Mr. Colton that the RNA will have the same
8 effect of being a disincentive to energy efficiency. Please see the response to
9 Consideration 6 regarding energy efficiency.

10 Consideration 8: Please explain how the RNA impacts customer
11 rate stability principles.

12
13 COLUMBIA: Columbia's proposed RNA enables the recovery of
14 costs established in this case and, therefore, mitigates the
15 potential under or over recovery of costs that could require a
16 material rate adjustment in the future.

17
18 OCA: Under the current regulatory standard in Pennsylvania,
19 base rate cost under and over recoveries are currently not
20 tracked and are not eligible for recovery in future base rate
21 proceedings. The RNA will not change this standard.

22
23 Columbia was referring to mitigating the potential material rate adjustment caused
24 when the billing determinants used in a rate case to design rates are materially different
25 than the usage per customer experienced currently. Absent an RNA mechanism, the
26 Company's only option is to file a rate case, to redesign the base rates to have a
27 reasonable opportunity to recover the revenue requirement allowed by the
28 Commission in the last rate case.

29 Consideration 9: Please explain how weather impacts utility
30 revenue under the RNA.

31
32 COLUMBIA: The RNA, as proposed will capture base revenue
33 differences net of weather as the benchmark is based upon

1 normal weather and the actual revenue will include billed WNA
2 adjustments.

3
4 OCA: Weather will not impact utility revenue under the RNA.

5
6 Columbia disagrees with the OCA, to the extent WNA does not address weather impact
7 within the 3% band and to the extent it impacts weather outside the months WNA is in
8 effect, weather will impact the RNA.

9 Consideration 12: Please explain whether the RNA includes
10 appropriate consumer protections.

11
12 COLUMBIA: The RNA as proposed establishes a Benchmark
13 Distribution Revenue per Bill (“BDRB”) residential customer.
14 Rider RNA will refund any amount over the established
15 benchmark, and collect any amount below the benchmark. By
16 design, the Company cannot retain revenue in excess of the
17 BDRB, which protects the customer from being over-charged.
18 Columbia will submit two filings per year for the RNA
19 mechanism, which can be reviewed and audited by the
20 Commission, similar to the process for the Company’s PGC and
21 Rider USP filings.

22
23 OCA: The RNA does not include appropriate consumer
24 protections and should be rejected for the reasons subsequently
25 discussed in my testimony.

26
27 Mr. Mierzwa states “The RNA does not include appropriate consumer protections” but
28 gives no examples or support for his conclusion. The RNA does protect the consumer
29 from the Company over collecting fixed cost through volumetric base rates due solely
30 to rate design.

31 Consideration 13: Please explain whether the RNA is
32 understandable to customers.

33
34 COLUMBIA: Columbia’s RNA is not a unique concept to the
35 regulated utility industry and similar versions have been
36 implemented successfully in other jurisdictions in which

1 Columbia operates. Columbia is also providing an RNA tariff
2 that clearly shows the detail how the mechanism works.

3
4 OCA: Columbia has not provided any evidence that the RNA will
5 be understandable to customers.
6

7 Columbia's affiliates in other states have successfully billed an RNA to residential
8 customers in Virginia since 2010 and Maryland since 2013. It is Columbia's
9 understanding that these billing have been done with minimal inquiries. Experience
10 shows that customers do not have difficulty with the RNA.

11 **Q. On page 22 of Mr. Mierzwa's direct testimony he states, "A new customer**
12 **is likely to have purchased a more energy-efficient gas appliance than an**
13 **average existing customer, and would have lower usage than an average**
14 **customer, all else being equal. This would increase Columbia's earnings**
15 **beyond what they would have been without Rider RNA because**
16 **Columbia's margins would be based on average Residential customer**
17 **margins." Is this statement accurate?**

18 A. Based on Columbia's historical customer data, it is much more likely that just the
19 opposite will occur. As it pertains to new customers, it is more likely that the RNA will
20 decrease Columbia's earnings below what it would have been without RNA. Mr.
21 Mierzwa's premise that new customers are likely to have purchased a more energy-
22 efficient gas appliance than an average existing customer, and would have lower usage
23 than an average customer, all else being equal, does not account for the fact that new
24 houses, although are on average more energy efficient than existing houses, they are
25 also on average larger and therefore use more gas than existing houses. This is

1 demonstrated on Exhibit 103 Schedule 1, Page 13, Lines 2 – 4, which shows
2 28,264,906.9 Dth and 4,116,692 bills for all customers (including new construction)
3 on rate RSS. That equates to an average use per customer of 82.4 Dth ($28,264,906.9 /$
4 $4,116,692 \times 12$ months). Exhibit 103, Schedule 4, Page 14, shows the forecasted usage
5 per customer per month for new construction for the test year. Adding the monthly
6 usage per customer results in 85.5 Dth ($16.20 + 16.60 + 13.91 + 8.79 + 4.31 + 2.20 +$
7 $1.30 + 1.22 + 1.22 + 1.99 + 5.68 + 12.09$). The data shows that new construction actually
8 is expected to use 3.1 more Dth ($85.5 - 82.4$) per customer than the average for all RSS
9 customers.

10 **Q. On page 22 of Mr. Mierzwa's direct testimony he states, "the RNA would**
11 **unreasonably apply to those Residential customers whose usage is**
12 **relatively constant over time." Do you agree?**

13 A. No. Residential customers are subject to weather variations, to the extent WNA does
14 not address weather impact within the 3% band and to the extent the customer's usage
15 is impacted by weather outside the months WNA is in effect, even those residential
16 customers who have a relatively constant usage over time will experience differences
17 that will be picked up by the RNA. As for those residential customers who do not use
18 gas for heat, those customers are already enjoying an intra-class subsidy by heat
19 customers because a portion of their fixed costs are being collected through the
20 volumetric base rate.

21 **Q. On page 23 of Mr. Mierzwa's direct testimony he states, "Conversion of a**
22 **volumetric rate into rates that yield a given revenue, regardless of the**

1 **amount of service purchased, converts Columbia’s volumetric rate into**
2 **take-or-pay billing feature”. Do you agree?**

3 A. No. If a residential customer does not use any gas they will not be charged a volumetric
4 rate. This is not the case under a take-or-pay contract. If the residential class as a
5 whole exceeds the weather normalized usage per customer established in the rate case
6 by the Commission, each residential customer will receive a portion of the over
7 recovery until the entire over collection is passed back. This is not the case under a
8 Take or Pay contract. However, base rates are designed to offer the Company a
9 reasonable opportunity to recover the authorized revenue requirement approved by
10 the Commission. The RNA is a mechanism that helps ensure that the Company does
11 not over recover or under recover due solely to rate design.

12 **Q. On page 23 of Mr. Mierzwa’s direct testimony he states, “The proposed**
13 **RNA operates to change rates, automatically, between rate cases, simply**
14 **as a function of Residential distribution revenues being different from**
15 **benchmark revenues due to factors other than weather. There is no review**
16 **of Columbia’s costs, or the volumes and attendant revenues from other**
17 **customer classes that are not included under Rider RNA”. Do you agree?**

18 A. No. Mr. Mierzwa is bringing up two separate circumstances that could occur whether
19 the Company has an RNA for the residential class or not. Neither of these
20 circumstances impacts the revenues Columbia receives through the RNA mechanism.
21 The RNA is a mechanism that complements residential rate design to better ensure
22 that Columbia has a reasonable opportunity to recover the revenue requirement

1 approved by the Commission and to ensure customers a better opportunity not to be
2 charged more than their cost of service established when current rates were designed.

3 Circumstance 1, Columbia's cost of service differs from the revenue requirement
4 established by the commission in the last rate case. By design, any deviation of
5 Columbia's cost to serve residential customers between rate cases has no impact to the
6 RNA rate because the RNA is based on the Commission-approved revenue
7 requirement. This is no different than if the Company has no RNA, base rate revenue
8 recovery does not change between rate cases even if Columbia's cost of service does
9 change.

10 Circumstance 2, Mr. Mierzwa alleges that if Residential usage per customer were
11 to fall over time, while SGSS₁/DS-1 deliveries increased, Columbia's Residential rates
12 would be increased under RNA with no recognition of the increased SGSS₁/Ds₁
13 distribution service revenues. Witness Mierzwa's statement is flawed for a few reasons.
14 First, he assumes that lower residential use per customer implies lower distribution
15 costs. However, a drop in average residential customer usage does not simply translate
16 to lower costs for Columbia. On the contrary, he assumes that higher commercial
17 usage is not associated with higher costs. It is possible that increased SGSS₁/DS-1
18 usage could result in incremental costs, but the level of costs would depend upon the
19 unique set of circumstances surrounding the load growth.

20 **Q. On page 24 of Mr. Mierzwa's direct testimony he states, "Columbia's**
21 **current system of rates and charges, which include fixed monthly**
22 **customer charges, a Purchased Gas Adjustment mechanism, a Weather**

1 **Normalization Adjustment, and a Distribution System Improvement**
2 **Charge, provide for revenue stability and Columbia has not demonstrated**
3 **that this stability is inadequate.” Do you agree?**

4 A. None of the mechanisms listed by the OCA address the revenue stability that
5 Columbia’s proposed RNA will provide. First, the Purchased Gas Adjustment
6 mechanism does not help to stabilize revenues for distribution service. The gas cost
7 adjustment is merely a tracker to collect costs related to the gas commodity. Second,
8 Columbia’s residential customer charge does not fully recover the fixed costs of service
9 for residential customers. Please refer to my direct testimony and schedules for
10 detailed customer cost studies. Finally, the DSIC includes a cap equal to 5 percent of
11 distribution revenues, which limits its usefulness for Columbia due to the Company’s
12 high rate of infrastructure replacement.

13 **Q. On page 24 of Mr. Mierzwa’s direct testimony he states “The Company**
14 **proposed a similar RNA in its last litigated base rate case. In that**
15 **proceeding the ALJ determined that the Company failed to prove that the**
16 **RNA would result in rates that were just and reasonable, in the public**
17 **interest, and the Company did not demonstrate that its current rates and**
18 **systems of revenue streams failed to provided revenue stability. (Order at**
19 **264-265).” Do you have any comments?**

20 A. First, no exceptions were filed, and therefore full arguments were not presented to the
21 Commission in the last litigated rate case. Second, the following additional evidence

1 not shown in that rate case demonstrate that its current rates and systems of revenue
2 streams fail to provide revenue stability.

3 Again, the RNA is a mechanism that complements residential rate design to better
4 ensure that Columbia has a reasonable opportunity to recover the revenue requirement
5 approved by the Commission and to ensure Customers a better opportunity not to be
6 charged more than their cost of service established when current rates were designed.

7 Table KLJ-17R

Year	Basis	Residential Average Usage per Customer (Dth)
2014	Actual Normalized for Weather	91.3
2015	Actual Normalized for Weather	87.4
2016	Actual Normalized for Weather	86.7
2017	Actual Normalized for Weather	86.7
2018	Actual Normalized for Weather	88.2
2019	Actual Normalized for Weather	86.1
2020	Actual Normalized for Weather	84.2
2021	Actual Normalized for Weather	83.1
2023	Projected	84.3

8
9 Table KLJ-17R above shows residential usage per customer normalized for weather has
10 consistently decreased over the past 8 years with the exception of 2018. Based on
11 Columbia's demand forecast, a slight increase is expected in the rate year in this case.
12 At current rates, a 1 Dth drop in usage amounts to an annual reduction of \$3,345,083
13 in volumetric revenue to the Company (383,373 customers x \$8.7254/Dth x 1Dth).

14 **Q. On Page 24 of Mr. Mierzwa's testimony, he states "the COVID-19 pandemic**
15 **is another reason the RNA should not be approved. There is a great deal**
16 **of uncertainty concerning the impact of the pandemic on customer usage**
17 **and unintended consequences could result." Do you agree with Mr.**

1 **Mierzwa that the RNA should not be approved due to COVID-19**
2 **uncertainty?**

3 A. No. I have addressed the issues Mr. Mierzwa has raised regarding customer usage and
4 energy conservation earlier in my testimony. In response to the Company data request,
5 OCA-V-2 (See Exhibit KLJ-6R attached), Mr. Mierzwa states “The FPFTY utilized by
6 the Company in this proceeding is the annual period ended December 31, 2023.
7 Customer usage data for this period is not yet available. Therefore, the potential impact
8 of COVID-19 on customer usage in the FPFTY cannot yet be analyzed.” The FPFTY of
9 December 31, 2023, does not include any forecasts of potential future impacts from
10 COVID-19 and the Company is not currently under any COVID-19 restrictions that
11 would affect customer usage. The RNA should not be denied as a result of Mr.
12 Mierzwa’s unsupported claims of COVID-19 uncertainty.

13 **Q. Mr. Geller states on page 37 of his direct testimony, “I believe that**
14 **Columbia’s Rider RNA should be rejected. For the same reasons discussed**
15 **at length above with regard to the fixed charge, I oppose implementation**
16 **of Columbia’s Rider RNA. In short, and without unnecessarily repeating**
17 **my previous arguments, recovering revenue on a per customer basis,**
18 **rather than a usage basis, strips low-income households of the ability to**
19 **control their bill through usage reduction and conservation efforts, and**
20 **undermines the effectiveness of the Low Income Usage Reduction**
21 **Program.” Do you agree with Mr. Geller?**

1 A. Mr. Geller's statement infers that the RNA "strips low-income households of the ability
2 to control their bill through usage reduction and conservation efforts" and that is
3 simply not true. When an individual residential customer decides to reduce their usage
4 through conservation, the customer pays less to the Company through their volumetric
5 charges. The RNA does not change that. The shortfall of base revenue from the
6 customer will be made up by the entire residential class, not just the residential
7 customers that choose to conserve. Arguably this encourages other Residential
8 customers to conserve as well. Refer to Exhibit KLJ-4R for calculations which
9 demonstrate how a residential customer's reduced usage would result in savings on
10 their bill with the Company's RNA proposal.

11 **Q. Please explain the assumptions and calculations on Exhibit KLJ-4R.**

12 A. Column 4 of Exhibit KLJ-4R shows normalized usage for an average residential
13 customer for the Fully Projected Future Test Year, 2023, as presented by Company
14 Witness Bartos on Exhibit No. 10, Schedule No. 2, page 8 of 8. Columns 5 through 8
15 are used to compute the monthly total bills for this typical residential customer. Row
16 13, column 8 shows a total annual residential bill of \$1,521.57 using the Company's
17 proposed residential rates. Columns 9 through 12 show three possible conservation
18 measures that a residential customer could install. These measures include: a new
19 furnace, attic insulation and wall insulation. Each conservation measure is associated
20 with a hypothetical annual consumption reduction. On line 13, estimated annual bill
21 savings corresponding with each of the conservation measures are computed. For
22 example, if a residential customer installed a new, more efficient furnace, this analysis

1 assumes that the customer could save 16.2 Dth annually. Given the proposed rates and
2 including gas costs, this customer is estimated to save about \$230 per year due to the
3 installation of the new furnace.

4 **Q. Will the RNA eliminate all bill savings associated with the installation of**
5 **the new furnace?**

6 A. No. Initially, the customer will experience the full savings of \$230 per year. Therefore,
7 the customer is able to associate a reduced bill with the installation of a conservation
8 measure. On a lagged basis, the RNA may erode some of the savings. Similar to the
9 normal rate case process, if consumption decreases, then the Company's costs would
10 be spread over fewer volumes, so rates would increase. In this example, two
11 hypothetical RNA rates were used to demonstrate how the RNA operates. Refer to
12 lines 15 through 19 of Exhibit KLJ-4R. Scenario A assumes an RNA rate of \$0.25 per
13 Dth. In the new furnace example, the residential customer's bill savings of \$230 would
14 be reduced by \$17.33 in a future period. Scenario B uses a higher RNA rate and, as a
15 result, the customer saves less in this scenario. However, in both scenarios, the
16 customer that undertakes conservation efforts will continue to realize substantial
17 savings, even after application of the RNA.

18 **Q. On Page 31 of their direct testimony, OSBA witnesses Mr. Ewen and Mr.**
19 **Knecht oppose the Company's request for a RNA by stating, "If approved**
20 **for the residential class, the Company will almost certainly rely on the**
21 **precedent to support extending the mechanism to other rate classes,**
22 **particularly the small commercial classes." What are your thoughts?**

1 A. Columbia's affiliates in other states have successfully billed an RNA to residential
2 customers in Virginia since 2010 and Maryland since 2013. The RNA at those two
3 affiliates impact only the residential class. CPA's proposal in this case is limited to the
4 residential class and therefore does not affect the C&I class.

5 **Q. Does this complete your Prepared Rebuttal Testimony?**

6 A. Yes, it does.

COLUMBIA GAS OF PENNSYLVANIA, INC.
ALLOCATED COST OF SERVICE - TABLE OF CONTENTS

DOCKET NO.: R-2022 -
WITNESS: K. L. Johnson
STUDY TYPE: PEAK & AVERAGE
FORECASTED TEST YEAR: DECEMBER 31, 2023
111, SCHEDULE 2

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2	RATE OF RETURN BY CLASS - CURRENT @ CURRENT RATES
3	GROSS PLANT (Accounts 101 & 106)
4	DEPRECIATION RESERVE
5	DEPRECIATION AND AMORTIZATION EXPENSE
6	OPERATING REVENUE @ PROPOSED & CURRENT RATES
7	PRODUCTION & DISTRIBUTION O&M EXPENSES
8	OTHER O&M EXPENSES
9	TAXES OTHER THAN INCOME TAXES
10	RATE BASE
11	STATE/FEDERAL INCOME TAXES
12	ALLOCATION FACTORS
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COLUMBIA GAS OF PENNSYLVANIA, INC.
RATE OF RETURN BY CLASS - PROFORMA @ PROPOSED RATES
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2023

**ALLOCATED COST OF SERVICE
PEAK & AVERAGE**

111, SCHEDULE 2

PAGE 1 OF 13

WITNESS: K. L. Johnson

<u>LINE NO.</u>	<u>ACCOUNT TITLE</u> (A)	<u>ALLOC FACTOR</u> (B)	<u>TOTAL COMPANY</u> (C) \$	<u>RSS/RDS</u> (D) \$	<u>SGS/DS-1</u> (E) \$	<u>SGS/DS-2</u> (F) \$	<u>SDS/LGSS</u> (G) \$	<u>LDS/LGSS</u> (H) \$	<u>MLDS</u> (I) \$	<u>FLEX</u> (J) \$
1	TOTAL REVENUE [PAGE 6]		896,657,347	655,437,274	80,515,114	83,151,780	41,830,312	29,467,454	1,971,072	4,284,343
2	PRODUCTS PURCHASED [PAGE 7]		235,166,198	177,821,427	25,361,618	25,621,440	5,559,491	279,454	522,768	0
3	OPERATING & MAINTENANCE EXPENSES [PAGES 7 & 8]		246,645,581	178,477,174	17,323,868	16,756,369	10,541,127	12,963,876	36,838	10,546,329
4	DEPRECIATION & AMORTIZATION [PAGE 5]		116,724,231	72,861,239	10,417,169	10,877,301	6,805,028	8,556,787	31,212	7,175,494
5	TAXES OTHER THAN INCOME [PAGE 9]		<u>3,580,973</u>	<u>2,361,617</u>	<u>312,106</u>	<u>296,204</u>	<u>186,901</u>	<u>232,161</u>	<u>247</u>	<u>191,737</u>
6	TOTAL EXPENSES & TAXES OTHER THAN INCOME		602,116,983	431,521,457	53,414,761	53,551,314	23,092,547	22,032,278	591,066	17,913,560
7	OPERATING INCOME BEFORE TAXES		294,540,364	223,915,817	27,100,353	29,600,466	18,737,764	7,435,176	1,380,006	(13,629,217)
8	INCOME TAXES		55,731,512	46,860,280	5,187,099	5,672,192	3,608,640	(133,715)	392,658	(5,855,641)
9	INVESTMENT TAX CREDIT	12	<u>(221,354)</u>	<u>(134,625)</u>	<u>(19,929)</u>	<u>(21,629)</u>	<u>(13,562)</u>	<u>(17,151)</u>	<u>(47)</u>	<u>(14,412)</u>
10	NET INCOME TAXES		55,510,158	46,725,655	5,167,171	5,650,564	3,595,077	(150,866)	392,611	(5,870,053)
11	OPERATING INCOME		239,030,206	177,190,162	21,933,182	23,949,902	15,142,687	7,586,042	987,394	(7,759,163)
12	RATE BASE [PAGE 10]		2,958,295,013	1,781,855,902	265,581,624	295,751,503	184,918,780	#####	549,766	196,284,507
13	RATE OF RETURN EARNED ON RATE BASE - ADJUSTED		8.080%	9.944%	8.259%	8.098%	8.189%	3.251%	179.603%	-3.953%
14	UNITIZED RETURN - ADJUSTED		1.00000	1.23069	1.02215	1.00223	1.01349	0.40235	22.22809	(0.48923)
15	RATE OF RETURN EARNED ON RATE BASE - AS FILED		8.080%	10.237%	8.565%	8.468%	7.635%	3.259%	179.604%	-4.198%
16	UNITIZED RETURN - AS FILED		1.00000	1.26696	1.06002	1.04802	0.94493	0.40334	22.22822	(0.51955)
17	RATE OF RETURN EARNED ON RATE BASE - DIFFERENCE		0.000%	-0.293%	-0.306%	-0.370%	0.554%	-0.008%	-0.001%	0.245%
18	UNITIZED RETURN - DIFFERENCE		1.00000	(0.03627)	(0.03787)	(0.04579)	0.06856	(0.00099)	(0.00013)	0.03032

COLUMBIA GAS OF PENNSYLVANIA, INC.
RATE OF RETURN BY CLASS - CURRENT @ CURRENT RATES
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2023

**ALLOCATED COST OF SERVICE
PEAK & AVERAGE**

**111, SCHEDULE 2
PAGE 2 OF 13
WITNESS: K. L. Johnson**

LINE NO.	ACCOUNT TITLE (A)	ALLOC FACTOR (B)	TOTAL COMPANY (C) \$	RSS/RDS (D) \$	SGS/DS-1 (E) \$	SGS/DS-2 (F) \$	SDS/LGSS (G) \$	LDS/LGSS (H) \$	MLDS (I) \$	FLEX (J) \$
1	TOTAL REVENUE [PAGE 6]		814,505,439	598,983,618	73,587,390	75,811,477	35,667,442	24,213,970	1,970,848	4,270,695
2	PRODUCTS PURCHASED [PAGE 7]		235,166,198	177,821,427	25,361,618	25,621,440	5,559,491	279,454	522,768	0
3	OPERATING & MAINTENANCE EXPENSES [PAGES 7 & 8]		245,615,375	177,769,230	17,236,993	16,664,320	10,463,843	12,897,996	36,836	10,546,158
4	DEPRECIATION & AMORTIZATION [PAGE 5]		116,724,231	72,861,239	10,417,169	10,877,301	6,805,028	8,556,787	31,212	7,175,494
5	TAXES OTHER THAN INCOME [PAGE 9]		<u>3,580,973</u>	<u>2,361,617</u>	<u>312,106</u>	<u>296,204</u>	<u>186,901</u>	<u>232,161</u>	<u>247</u>	<u>191,737</u>
6	TOTAL EXPENSES & TAXES OTHER THAN INCOME		601,086,777	430,813,513	53,327,885	53,459,265	23,015,264	21,966,398	591,063	17,913,389
7	OPERATING INCOME BEFORE TAXES		213,418,663	168,170,105	20,259,505	22,352,212	12,652,178	2,247,572	1,379,785	(13,642,694)
8	INCOME TAXES [PAGE 11]		32,293,749	30,754,173	3,210,634	3,578,019	1,850,386	(1,632,523)	392,594	(5,859,535)
9	INVESTMENT TAX CREDIT	12	<u>(221,354)</u>	<u>(134,625)</u>	<u>(19,929)</u>	<u>(21,629)</u>	<u>(13,562)</u>	<u>(17,151)</u>	<u>(47)</u>	<u>(14,412)</u>
10	NET INCOME TAXES		32,072,395	30,619,548	3,190,706	3,556,391	1,836,824	(1,649,673)	392,547	(5,873,947)
11	OPERATING INCOME		181,346,268	137,550,557	17,068,799	18,795,821	10,815,355	3,897,245	987,237	(7,768,747)
12	RATE BASE [PAGE 10]		2,958,295,013	1,781,855,902	265,581,624	295,751,503	184,918,780	233,352,931	549,766	196,284,507
13	RATE OF RETURN EARNED ON RATE BASE - ADJUSTED		6.130%	7.720%	6.427%	6.355%	5.849%	1.670%	179.574%	-3.958%
14	UNITIZED RETURN - ADJUSTED		1.00000	1.25938	1.04845	1.03670	0.95416	0.27243	29.29429	(0.64568)

COLUMBIA GAS OF PENNSYLVANIA, INC.
GROSS PLANT (Accounts 101 & 106)
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2023

ALLOCATED COST OF SERVICE
PEAK & AVERAGE

111, SCHEDULE 2
PAGE 3 OF 13

WITNESS: K. L. Johnson

LINE NO.	ACCT. NO. (A)	ACCOUNT TITLE (B)	ALLOC FACTOR (C)	TOTAL COMPANY (D) \$	RSS/RDS (E) \$	SGS/DS-1 (F) \$	SGS/DS-2 (G) \$	SDS/LGSS (H) \$	LDS/LGSS (I) \$	MLDS (J) \$	FLEX (K) \$
1	301-305	INTANGIBLE PLANT	11	80,887,198	49,176,990	7,278,230	7,901,062	4,961,621	6,277,656	15,369	5,276,272
2	350-362	UNDERGROUND STORAGE PLANT	25	7,169,335	5,321,439	848,993	826,839	153,424	7,743	10,897	0
<u>DISTRIBUTION PLANT</u>											
3	374.10	LAND - CITY GATE & M/L IND M&R	5	21,944	11,212	2,044	2,732	1,774	2,271	0	1,911
4	374.20	LAND - OTHER DISTRIBUTION	5	3,361,093	1,717,283	313,086	418,523	271,677	347,772	0	292,751
5	374.30	LAND RIGHTS - CITY GATE MAIN LINE	5	95,361	48,723	8,883	11,874	7,708	9,867	0	8,306
6	374.40	LAND RIGHTS - OTHER DISTRIBUTION	5	4,778,410	2,441,433	445,109	595,008	386,239	494,422	0	416,200
7	374.40	DIRECT - LAND RIGHTS-OTHER DISTRIBUTION		0	0	0	0	0	0	0	0
8	374.41	LAND RIGHTS - OTHER DISTRIBUTION LOC	5	13	7	1	2	1	1	0	1
9	374.50	RIGHTS OF WAY	5	3,233,171	1,651,924	301,170	402,595	261,337	334,536	0	281,609
10	374.50	DIRECT - RIGHTS OF WAY		0	0	0	0	0	0	0	0
11	375.20	M & R STRUCTURES - CITY GATE	5	7,026	3,590	655	875	568	727	0	612
12	375.31	M & R STRUCTURES - LOCAL GAS PURCH	5	4,012	2,050	374	500	324	415	0	350
13	375.40	M & R STRUCTURES - REGULATING	5	7,939,336	4,056,445	739,549	988,606	641,737	821,483	0	691,516
14	375.40	DIRECT - M & R STRUCTURES - REGULATING	5	27,126	0	0	0	0	0	24,324	2,802
15	375.60	M & R STRUCTURES - DIST. IND. M & R	17	86,228	0	1,440	11,425	29,804	28,800	0	14,759
16	375.70	M & R STRUCTURES - OTHER	11	42,981,846	26,131,673	3,867,507	4,198,467	2,636,506	3,335,821	8,167	2,803,706
17	375.71	M & R STRUCTURES - OTHER LEASED	11	7,122,746	4,330,416	640,905	695,750	436,909	552,796	1,353	464,617
18	375.80	M & R STRUCTURES - COMMUNICATION	5	16,515	8,438	1,538	2,057	1,335	1,709	0	1,439
19	376.00	MAINS	5	2,573,194,470	1,314,722,250	239,693,065	320,414,175	207,991,309	266,248,432	0	224,125,238
20	376.00	DIRECT - MAINS - MLDS		141,586	0	0	0	0	0	141,540	45
21	376.08	MAINS-CSL REPLACEMENTS	5	23,515,481	12,014,765	2,190,467	2,928,148	1,900,756	2,433,147	0	2,048,198
22	376.30	MAINS-BARE STEEL	5	47,177,611	24,104,457	4,394,595	5,874,556	3,813,366	4,881,467	0	4,109,170
23	376.30	DIRECT - MAINS-BARE STEEL		80,803	0	0	0	0	0	80,803	0
24	376.80	MAINS-CAST IRON	5	(0)	0	0	0	0	0	0	0
25	378.10	M & R EQUIP - GENERAL	5	1,444,656	738,118	134,570	179,889	116,772	149,479	0	125,830
26	378.20	M & R EQUIP - GENERAL - REGULATING	5	204,100,076	104,280,852	19,011,922	25,414,542	16,497,409	21,118,235	0	17,777,117
27	378.20	DIRECT - M & R EQUIP-GEN-REG		678,970	0	0	0	0	0	0	678,970
28	378.30	M & R EQUIP - LOCAL GAS PURCHASES	5	419,228	214,196	39,051	52,202	33,886	43,378	0	36,515
29	379.10	M & R EQUIP - CITY GATE	5	136,417	69,699	12,707	16,987	11,027	14,115	0	11,882
30	379.11	M & R EQUIP - EXCHANGE GAS	5	(450)	(230)	(42)	(56)	(36)	(47)	0	(39)
31	380.00	SERVICES	15	855,169,618	778,751,661	62,239,245	11,416,514	1,830,063	538,757	0	393,378
32	380.00	DIRECT - SERVICES		1,554	0	0	0	0	0	561	993
33	380.12	CSL REPLACEMENT	15	0	0	0	0	0	0	0	0
34	381.00	METERS	16	44,799,656	34,665,078	6,653,645	3,094,312	292,990	73,471	4,928	15,232
35	381.10	AUTOMATIC METER READING	16	25,134,959	19,448,929	3,733,044	1,736,072	164,383	41,221	2,765	8,546
36	382.00	METER INSTALLATIONS	16	45,542,208	35,239,650	6,763,929	3,145,600	297,846	74,689	5,010	15,484
37	383.00	HOUSE REGULATORS	21	17,656,503	16,128,686	1,243,901	250,369	27,191	4,414	530	1,413
38	384.00	HOUSE REG INSTALLATIONS	21	3,484,788	3,183,250	245,503	49,414	5,367	871	105	279
39	385.00	IND M&R EQUIPMENT	17	7,324,965	0	122,327	970,558	2,531,801	2,446,538	0	1,253,741
40	385.00	DIRECT - IND M&R EQUIPMENT		478,276	0	0	0	0	0	463,871	14,405
41	385.10	IND M&R EQUIPMENT - LG VOLUME	17	1,018,904	0	17,016	135,005	352,174	340,314	0	174,396
42	387.10	OTHER EQUIP DISTRIBUTION	11	19,450	11,825	1,750	1,900	1,193	1,510	4	1,269
43	387.20	OTHER EQUIP ODORIZATION	11	117,248	71,283	10,550	11,453	7,192	9,100	22	7,648
44	387.42	OTHER EQUIP RADIO	11	119,609	72,719	10,762	11,683	7,337	9,283	23	7,802
45	387.44	OTHER EQUIP COMMUNICATION	11	588,831	357,992	52,983	57,517	36,119	45,699	112	38,410
46	387.46	OTHER EQUIP CUSTOMER INFO SERVICE	11	11,112,902	6,756,311	999,939	1,085,508	681,665	862,472	2,112	724,895
47	387.45	DIRECT - OTHER EQUIP CUSTOMER INFO SERVICE		69,585	0	0	0	0	0	69,585	0
48	387.50	GPS EQUIPMENT	11	<u>2,201,372</u>	<u>1,338,368</u>	<u>198,079</u>	<u>215,030</u>	<u>135,032</u>	<u>170,849</u>	<u>418</u>	<u>143,596</u>
49		TOTAL DISTRIBUTION PLANT		3,935,404,105	2,392,573,052	354,091,267	384,389,791	241,410,760	305,438,015	806,232	256,694,988
50	389-398	GENERAL PLANT	11	<u>37,620,859</u>	22,872,354	3,385,125	3,674,806	2,307,664	2,919,755	7,148	2,454,009
51		TOTAL GROSS PLANT		<u>4,061,081,498</u>	<u>2,469,943,835</u>	<u>365,603,615</u>	<u>396,792,497</u>	<u>248,833,468</u>	<u>314,643,168</u>	<u>839,646</u>	<u>264,425,269</u>

COLUMBIA GAS OF PENNSYLVANIA, INC.
DEPRECIATION RESERVE
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2023

ALLOCATED COST OF SERVICE
PEAK & AVERAGE

111, SCHEDULE 2

PAGE 4 OF 13

WITNESS: K. L. Johnson

LINE NO.	ACCT. NO. (A)	ACCOUNT TITLE (B)	ALLOC FACTOR (C)	TOTAL COMPANY (D) \$	RSS/RDS (E) \$	SGS/DS-1 (F) \$	SGS/DS-2 (G) \$	SDS/LGSS (H) \$	LDS/LGSS (I) \$	MLDS (J) \$	FLEX (K) \$
1	301-305	INTANGIBLE PLANT	11	30,097,805	18,298,563	2,708,201	2,939,954	1,846,199	2,335,891	5,719	1,963,280
2	350-362	UNDERGROUND STORAGE PLANT	25	5,915,001	4,390,410	700,454	682,177	126,581	6,388	8,991	0
		<u>DISTRIBUTION PLANT</u>									
3	374.10	LAND - CITY GATE & M/L IND M&R	5	0	0	0	0	0	0	0	0
4	374.20	LAND - OTHER DISTRIBUTION	5	234,689	119,910	21,861	29,224	18,970	24,283	0	20,441
5	374.30	LAND RIGHTS - CITY GATE MAIN LINE	5	0	0	0	0	0	0	0	0
6	374.40	LAND RIGHTS - OTHER DISTRIBUTION	5	995,037	508,394	92,688	123,902	80,429	102,957	0	86,668
7	374.40	DIRECT - LAND RIGHTS-OTHER DISTRIBUTION		0	0	0	0	0	0	0	0
8	374.41	LAND RIGHTS - OTHER DISTRIBUTION LOC	5	0	0	0	0	0	0	0	0
9	374.50	RIGHTS OF WAY	5	1,864,695	952,729	173,696	232,192	150,723	192,940	0	162,415
10	374.50	DIRECT - RIGHTS OF WAY		0	0	0	0	0	0	0	0
11	375.20	M & R STRUCTURES - CITY GATE	5	0	0	0	0	0	0	0	0
12	375.31	M & R STRUCTURES - LOCAL GAS PURCH	5	0	0	0	0	0	0	0	0
13	375.40	M & R STRUCTURES - REGULATING	5	1,565,452	799,837	145,822	194,930	126,536	161,977	0	136,351
14	375.40	DIRECT - M & R STRUCTURES - REGULATING	5	5,052	0	0	0	0	0	4,631	420
15	375.60	M & R STRUCTURES - DIST. IND. M & R	17	76,624	0	1,280	10,153	26,484	25,592	0	13,115
16	375.70	M & R STRUCTURES - OTHER	11	6,406,439	3,894,923	576,451	625,781	392,971	497,204	1,217	417,892
17	375.71	M & R STRUCTURES - OTHER LEASED	11	3,373,155	2,050,777	303,517	329,490	206,909	261,791	641	220,031
18	375.80	M & R STRUCTURES - COMMUNICATION	5	8,999	4,598	838	1,121	727	931	0	784
19	376.00	MAINS	5	340,878,631	174,165,119	31,752,845	42,446,207	27,553,220	35,270,712	0	29,690,529
20	376.00	DIRECT - MAINS - MLDS		44,704	0	0	0	0	0	44,664	40
21	376.08	MAINS-CSL REPLACEMENTS	5	0	0	0	0	0	0	0	0
22	376.30	MAINS-BARE STEEL	5	33,350,989	17,040,021	3,106,645	4,152,865	2,695,760	3,450,827	0	2,904,871
23	376.30	DIRECT - MAINS-BARE STEEL		77,846	0	0	0	0	0	77,846	0
24	376.80	MAINS-CAST IRON	5	0	0	0	0	0	0	0	0
25	378.10	M & R EQUIP - GENERAL	5	0	0	0	0	0	0	0	0
26	378.20	M & R EQUIP - GENERAL - REGULATING	5	26,682,838	13,633,062	2,485,506	3,322,547	2,156,774	2,760,873	0	2,324,075
27	378.20	DIRECT - M & R EQUIP-GEN-REG		112,657	0	0	0	0	0	0	112,657
28	378.30	M & R EQUIP - LOCAL GAS PURCHASES	5	0	0	0	0	0	0	0	0
29	379.10	M & R EQUIP - CITY GATE	5	86,207	44,046	8,030	10,735	6,968	8,920	0	7,509
30	379.11	M & R EQUIP - EXCHANGE GAS	5	0	0	0	0	0	0	0	0
31	380.00	SERVICES	15	172,489,154	157,075,523	12,553,761	2,302,730	389,127	108,668	0	79,345
32	380.00	DIRECT - SERVICES		1,314	0	0	0	0	0	436	878
33	380.12	CSL REPLACEMENT	15	0	0	0	0	0	0	0	0
34	381.00	METERS	16	19,420,683	15,027,336	2,884,360	1,341,387	127,011	31,850	2,136	6,603
35	381.10	AUTOMATIC METER READING	16	19,754,808	15,285,875	2,933,984	1,364,465	129,196	32,398	2,173	6,717
36	382.00	METER INSTALLATIONS	16	16,518,699	12,781,839	2,453,357	1,140,947	108,032	27,091	1,817	5,616
37	383.00	HOUSE REGULATORS	21	8,581,133	7,838,608	604,541	121,681	13,215	2,145	257	687
38	384.00	HOUSE REG INSTALLATIONS	21	0	0	0	0	0	0	0	0
39	385.00	IND M&R EQUIPMENT	17	2,839,179	0	47,414	376,191	981,334	948,286	0	485,954
40	385.00	DIRECT - IND M&R EQUIPMENT		99,994	0	0	0	0	0	93,657	6,337
41	385.10	IND M&R EQUIPMENT - LG VOLUME	17	0	0	0	0	0	0	0	0
42	387.10	OTHER EQUIP DISTRIBUTION	11	0	0	0	0	0	0	0	0
43	387.20	OTHER EQUIP ODORIZATION	11	0	0	0	0	0	0	0	0
44	387.42	OTHER EQUIP RADIO	11	0	0	0	0	0	0	0	0
45	387.44	OTHER EQUIP COMMUNICATION	11	0	0	0	0	0	0	0	0
46	387.46	OTHER EQUIP CUSTOMER INFO SERVICE	11	3,700,379	2,249,720	332,960	361,453	226,981	287,186	703	241,376
47	387.45	DIRECT - OTHER EQUIP CUSTOMER INFO SERVICE		18,143	0	0	0	0	0	18,143	0
48	387.50	GPS EQUIPMENT	11	<u>1,932,953</u>	<u>1,175,178</u>	<u>173,927</u>	<u>188,811</u>	<u>118,567</u>	<u>150,017</u>	<u>367</u>	<u>126,087</u>
49		TOTAL DISTRIBUTION PLANT		661,120,453	424,647,493	60,653,483	58,676,809	35,489,936	44,346,648	248,689	37,057,396
50	389-398	GENERAL PLANT	11	<u>11,134,452</u>	<u>6,769,413</u>	<u>1,001,878</u>	<u>1,087,613</u>	<u>682,987</u>	<u>864,145</u>	<u>2,116</u>	<u>726,300</u>
51		TOTAL DEPRECIATION RESERVE		<u>708,267,711</u>	<u>454,105,878</u>	<u>65,064,016</u>	<u>63,386,553</u>	<u>38,145,704</u>	<u>47,553,071</u>	<u>265,514</u>	<u>39,746,976</u>

COLUMBIA GAS OF PENNSYLVANIA, INC.
DEPRECIATION AND AMORTIZATION EXPENSE
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2023

ALLOCATED COST OF SERVICE
PEAK & AVERAGE

111, SCHEDULE 2
PAGE 5 OF 13
WITNESS: K. L. Johnson

LINE NO.	ACCT. NO. (A)	ACCOUNT TITLE (B)	ALLOC FACTOR (C)	TOTAL COMPANY (D) \$	RSS/RDS (E) \$	SGS/DS-1 (F) \$	SGS/DS-2 (G) \$	SDS/LGSS (H) \$	LDS/LGSS (I) \$	MLDS (J) \$	FLEX (K) \$
1	301-305	INTANGIBLE PLANT	11	11,533,302	7,011,902	1,037,767	1,126,573	707,453	895,100	2,191	752,317
2	350-362	UNDERGROUND STORAGE PLANT	25	575,302	427,018	68,127	66,350	12,312	621	875	0
<u>DISTRIBUTION PLANT</u>											
3	374.10	LAND - CITY GATE & M/L IND M&R	5	0	0	0	0	0	0	0	0
4	374.20	LAND - OTHER DISTRIBUTION	5	0	0	0	0	0	0	0	0
5	374.30	LAND RIGHTS - CITY GATE MAIN LINE	5	0	0	0	0	0	0	0	0
6	374.40	LAND RIGHTS - OTHER DISTRIBUTION	5	82,275	42,037	7,664	10,245	6,650	8,513	0	7,166
7	374.40	DIRECT - LAND RIGHTS-OTHER DISTRIBUTION	5	0	0	0	0	0	0	0	0
8	374.41	LAND RIGHTS - OTHER DISTRIBUTION LOC	5	0	0	0	0	0	0	0	0
9	374.50	RIGHTS OF WAY	5	34,750	17,755	3,237	4,327	2,809	3,596	0	3,027
10	374.50	DIRECT - RIGHTS OF WAY	5	0	0	0	0	0	0	0	0
11	375.20	M & R STRUCTURES - CITY GATE	5	0	0	0	0	0	0	0	0
12	375.31	M & R STRUCTURES - LOCAL GAS PURCH	5	0	0	0	0	0	0	0	0
13	375.40	M & R STRUCTURES - REGULATING	5	190,323	97,241	17,729	23,699	15,384	19,693	0	16,577
14	375.40	DIRECT - M & R STRUCTURES - REGULATING	5	534	0	0	0	0	0	479	55
15	375.60	M & R STRUCTURES - DIST. IND. M & R	17	483	0	8	64	167	161	0	83
16	375.70	M & R STRUCTURES - OTHER	11	1,207,250	733,972	108,628	117,924	74,053	93,695	229	78,749
17	375.71	M & R STRUCTURES - OTHER LEASED	11	558,661	339,649	50,268	54,570	34,268	43,358	106	36,442
18	375.80	M & R STRUCTURES - COMMUNICATION	5	349	178	33	44	28	36	0	30
19	376.00	MAINS	5	55,300,535	28,254,702	5,151,245	6,886,023	4,469,942	5,721,946	0	4,816,677
20	376.00	DIRECT - MAINS - MLDS	5	2,704	0	0	0	0	0	2,703	1
21	376.08	MAINS-CSL REPLACEMENTS	5	0	0	0	0	0	0	0	0
22	376.30	MAINS-BARE STEEL	5	1,272,816	650,320	118,563	158,491	102,882	131,698	0	110,862
23	376.30	DIRECT - MAINS-BARE STEEL	5	8	0	0	0	0	0	8	0
24	376.80	MAINS-CAST IRON	5	0	0	0	0	0	0	0	0
25	378.10	M & R EQUIP - GENERAL	5	0	0	0	0	0	0	0	0
26	378.20	M & R EQUIP - GENERAL - REGULATING	5	8,662,466	4,425,914	806,909	1,078,650	700,187	896,305	0	754,501
27	378.20	DIRECT - M & R EQUIP-GEN-REG	5	24,536	0	0	0	0	0	0	24,536
28	378.30	M & R EQUIP - LOCAL GAS PURCHASES	5	0	0	0	0	0	0	0	0
29	379.10	M & R EQUIP - CITY GATE	5	5,881	3,005	548	732	475	609	0	512
30	379.11	M & R EQUIP - EXCHANGE GAS	5	0	0	0	0	0	0	0	0
31	380.00	SERVICES	15	25,843,593	23,534,209	1,880,897	345,012	55,305	16,282	0	11,888
32	380.00	DIRECT - SERVICES	15	42	0	0	0	0	0	15	27
33	380.12	CSL REPLACEMENT	15	0	0	0	0	0	0	0	0
34	381.00	METERS	16	1,057,168	818,015	157,011	73,019	6,914	1,734	116	359
35	381.10	AUTOMATIC METER READING	16	1,130,030	874,395	167,832	78,051	7,390	1,853	124	384
36	382.00	METER INSTALLATIONS	16	852,161	659,385	126,563	58,859	5,573	1,398	94	290
37	383.00	HOUSE REGULATORS	21	440,003	401,930	30,998	6,239	678	110	13	35
38	384.00	HOUSE REG INSTALLATIONS	21	0	0	0	0	0	0	0	0
39	385.00	IND M&R EQUIPMENT	17	409,431	0	6,838	54,250	141,516	136,750	0	70,078
40	385.00	DIRECT - IND M&R EQUIPMENT	17	20,518	0	0	0	0	0	19,900	618
41	385.10	IND M&R EQUIPMENT - LG VOLUME	17	0	0	0	0	0	0	0	0
42	387.10	OTHER EQUIP DISTRIBUTION	11	0	0	0	0	0	0	0	0
43	387.20	OTHER EQUIP ODORIZATION	11	0	0	0	0	0	0	0	0
44	387.42	OTHER EQUIP RADIO	11	0	0	0	0	0	0	0	0
45	387.44	OTHER EQUIP COMMUNICATION	11	0	0	0	0	0	0	0	0
46	387.46	OTHER EQUIP CUSTOMER INFO SERVICE	11	550,313	334,574	49,517	53,755	33,756	42,710	105	35,897
47	387.45	DIRECT - OTHER EQUIP CUSTOMER INFO SERVICE	11	2,930	0	0	0	0	0	2,930	0
48	387.50	GPS EQUIPMENT	11	123,301	74,963	11,095	12,044	7,563	9,569	23	8,043
49		TOTAL DISTRIBUTION PLANT		97,773,061	61,262,245	8,695,581	9,015,997	5,665,541	7,130,015	26,846	5,976,837
51	389-398	GENERAL PLANT	11	1,708,268	1,038,576	153,710	166,864	104,785	132,579	325	111,430
52		NET DEPRECIATION & AMORTIZATION EXPENSE		111,589,933	69,739,740	9,955,185	10,375,783	6,490,090	8,158,314	30,237	6,840,584
53		AMORTIZATION OF NET NEGATIVE SALVAGE	11	5,134,298	3,121,499	461,984	501,518	314,938	398,473	976	334,910
54		TOTAL AMORTIZATION AND DEPRECIATION EXPENSE		116,724,231	72,861,239	10,417,169	10,877,301	6,805,028	8,556,787	31,212	7,175,494

**COLUMBIA GAS OF PENNSYLVANIA, INC.
OPERATING REVENUE @ PROPOSED & CURRENT RATES
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2023**

**ALLOCATED COST OF SERVICE
PEAK & AVERAGE**

**111, SCHEDULE 2
PAGE 6 OF 13
WITNESS: K. L. Johnson**

<u>LINE NO.</u>	<u>ACCT NO.</u> (A)	<u>ACCOUNT TITLE</u> (B)	<u>ALLOC FACTOR</u> (C)	<u>TOTAL COMPANY</u> (D) \$	<u>RSS/RDS</u> (E) \$	<u>SGS/DS-1</u> (F) \$	<u>SGS/DS-2</u> (G) \$	<u>SDS/LGSS</u> (H) \$	<u>LDS/LGSS</u> (I) \$	<u>MLDS</u> (J) \$	<u>FLEX</u> (K) \$
<u>PROPOSED OPERATING REVENUE</u>											
SALES REVENUE											
1	480/481	SALES BASE REVENUE		449,885,130	379,658,661	38,757,413	25,783,219	5,369,472	277,831	38,534	0
2		USP REVENUE		40,105,076	40,105,076	0	0	0	0	0	0
3		STAS REVENUE		0	0	0	0	0	0	0	0
4		RIDER CC - CUSTOMER CHOICE		36,288	28,265	4,108	3,915	0	0	0	0
5		GAS PROCUREMENT REVENUE		453,307	350,649	46,415	44,234	11,434	575	0	0
6		MERCHANT FUNCTION REVENUE		1,581,571	1,470,866	56,684	54,021	0	0	0	0
7		GAS COST REVENUE		<u>220,930,434</u>	<u>170,493,213</u>	<u>22,567,896</u>	<u>21,507,612</u>	<u>5,559,491</u>	<u>279,454</u>	<u>522,768</u>	<u>0</u>
8		TOTAL SALES REVENUE		712,991,806	592,106,730	61,432,516	47,393,001	10,940,397	557,860	561,302	0
TRANSPORTATION REVENUE											
9	489.00	TRANSPORTATION BASE REVENUE		162,532,796	49,388,090	16,188,239	31,544,855	30,845,636	28,879,596	1,407,326	4,279,054
10		USP REVENUE		5,769,296	5,769,296	0	0	0	0	0	0
11		STAS REVENUE		0	0	0	0	0	0	0	0
12		RIDER CC - CUSTOMER CHOICE		10,810	4,066	1,785	4,959	0	0	0	0
13		FLEX REVENUE		0	0	0	0	0	0	0	0
14		GAS COST REVENUE		<u>14,235,764</u>	<u>7,328,214</u>	<u>2,793,722</u>	<u>4,113,828</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
15		TOTAL TRANSPORTATION REVENUE		182,548,666	62,489,666	18,983,746	35,663,642	30,845,636	28,879,596	1,407,326	4,279,054
MISCELLANEOUS REVENUE											
16	487.00	FORFEITED DISCOUNTS	10	1,008,379	741,532	91,107	93,870	44,167	29,979	2,440	5,284
17	488.00	MISCELLANEOUS REVENUE	6	98,441	90,139	7,027	1,150	101	17	3	5
18	493.00	RENTS	11	0	0	0	0	0	0	0	0
19	495.00	OTHER	6	<u>10,055</u>	<u>9,207</u>	<u>718</u>	<u>117</u>	<u>10</u>	<u>2</u>	<u>0</u>	<u>1</u>
20		TOTAL MISCELLANEOUS REVENUE		1,116,875	840,878	98,852	95,137	44,279	29,998	2,444	5,289
21		TOTAL PROPOSED OPERATING REVENUE		<u>896,657,347</u>	<u>655,437,274</u>	<u>80,515,114</u>	<u>83,151,780</u>	<u>41,830,312</u>	<u>29,467,454</u>	<u>1,971,072</u>	<u>4,284,343</u>
<u>CURRENT OPERATING REVENUE</u>											
SALES REVENUE											
22	480/481	SALES BASE REVENUE		394,309,250	333,226,776	33,876,299	22,483,508	4,456,336	227,797	38,534	0
23		USP REVENUE		36,891,356	36,891,356	0	0	0	0	0	0
24		STAS REVENUE		0	0	0	0	0	0	0	0
25		RIDER CC - CUSTOMER CHOICE		36,288	28,265	4,108	3,915	0	0	0	0
26		GAS PROCUREMENT REVENUE		453,307	350,649	46,415	44,234	11,434	575	0	0
27		MERCHANT FUNCTION REVENUE		1,581,571	1,470,866	56,684	54,021	0	0	0	0
28		GAS COST REVENUE		<u>220,930,434</u>	<u>170,493,213</u>	<u>22,567,896</u>	<u>21,507,612</u>	<u>5,559,491</u>	<u>279,454</u>	<u>522,768</u>	<u>0</u>
29		TOTAL SALES REVENUE		654,202,206	542,461,125	56,551,402	44,093,290	10,027,261	507,826	561,302	0
TRANSPORTATION REVENUE											
30	489.00	TRANSPORTATION BASE REVENUE		139,725,195	43,110,295	14,149,978	27,512,864	25,599,949	23,678,893	1,407,326	4,265,890
31		USP REVENUE		5,306,988	5,306,988	0	0	0	0	0	0
32		STAS REVENUE		0	0	0	0	0	0	0	0
33		RIDER CC - CUSTOMER CHOICE		10,810	4,066	1,785	4,959	0	0	0	0
34		FLEX REVENUE		0	0	0	0	0	0	0	0
35		GAS COST REVENUE		<u>14,235,764</u>	<u>7,328,214</u>	<u>2,793,722</u>	<u>4,113,828</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
36		TOTAL TRANSPORTATION REVENUE		159,278,757	55,749,563	16,945,485	31,631,651	25,599,949	23,678,893	1,407,326	4,265,890
MISCELLANEOUS REVENUE											
37	487.00	FORFEITED DISCOUNTS	10	915,980	673,584	82,759	85,269	40,120	27,232	2,217	4,800
38	488.00	MISCELLANEOUS REVENUE	6	98,441	90,139	7,027	1,150	101	17	3	5
39	493.00	RENTS	11	0	0	0	0	0	0	0	0
40	495.00	OTHER	6	<u>10,055</u>	<u>9,207</u>	<u>718</u>	<u>117</u>	<u>10</u>	<u>2</u>	<u>0</u>	<u>1</u>
41		TOTAL MISCELLANEOUS REVENUE		1,024,476	772,930	90,503	86,536	40,232	27,251	2,220	4,805
42		TOTAL CURRENT OPERATING REVENUE		<u>814,505,439</u>	<u>598,983,618</u>	<u>73,587,390</u>	<u>75,811,477</u>	<u>35,667,442</u>	<u>24,213,970</u>	<u>1,970,848</u>	<u>4,270,695</u>

**COLUMBIA GAS OF PENNSYLVANIA, INC.
PRODUCTION & DISTRIBUTION O&M EXPENSES
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2023**

**ALLOCATED COST OF SERVICE
PEAK & AVERAGE**

**111, SCHEDULE 2
PAGE 7 OF 13**

WITNESS: K. L. Johnson

<u>LINE NO.</u>	<u>ACCT NO.</u>	<u>ACCOUNT TITLE</u>	<u>ALLOC FACTOR</u>	<u>TOTAL COMPANY</u>	<u>RSS/RDS</u>	<u>SGS/DS-1</u>	<u>SGS/DS-2</u>	<u>SDS/LGSS</u>	<u>LDS/LGSS</u>	<u>MLDS</u>	<u>FLEX</u>
	<u>(A)</u>	<u>(B)</u>	<u>(C)</u>	<u>(D)</u>	<u>(E)</u>	<u>(F)</u>	<u>(G)</u>	<u>(H)</u>	<u>(I)</u>	<u>(J)</u>	<u>(K)</u>
				<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
<u>PURCHASED GAS EXPENSES</u>											
1		GAS PURCHASED COST		235,166,198	177,821,427	25,361,618	25,621,440	5,559,491	279,454	522,768	0
2	807.00	PURCHASED GAS EXPENSE	4	977,581	739,198	105,432	106,507	23,110	1,163	2,170	0
3	807.00	GAS PROCUREMENT EXPENSE	4	453,307	342,768	48,889	49,388	10,716	539	1,006	0
4		TOTAL PURCHASED GAS		<u>236,597,086</u>	<u>178,903,393</u>	<u>25,515,939</u>	<u>25,777,335</u>	<u>5,593,317</u>	<u>281,157</u>	<u>525,945</u>	<u>0</u>
<u>UNDERGROUND STORAGE OPERATIONS EXPENSES</u>											
5	816.00	WELLS	25	0	0	0	0	0	0	0	0
6	817.00	LINES	25	0	0	0	0	0	0	0	0
7	818.00	COMPRESSOR STATION	25	10,617	7,880	1,257	1,225	227	12	16	0
8	820.00	M & R	25	0	0	0	0	0	0	0	0
9	821.00	PURIFICATION	25	0	0	0	0	0	0	0	0
10	823.00	GAS LOSSES	25	1,835	1,362	217	212	39	2	3	0
11	825.00	STORAGE WELL ROYALTIES	25	7,356	5,460	871	848	157	8	11	0
12		TOTAL UNDERGROUND STORAGE OPERATIONS		<u>19,808</u>	<u>14,702</u>	<u>2,346</u>	<u>2,285</u>	<u>424</u>	<u>21</u>	<u>30</u>	<u>0</u>
<u>UNDERGROUND STORAGE MAINTENANCE EXPENSES</u>											
13	832.00	WELLS	25	0	0	0	0	0	0	0	0
14	834.00	COMPRESSOR STATION	25	0	0	0	0	0	0	0	0
15	836.00	PURIFICATION	25	0	0	0	0	0	0	0	0
16	840.00	OTHER STORAGE - OPERATION SUPERV - ENG	25	0	0	0	0	0	0	0	0
16		TOTAL UNDERGROUND STORAGE MAINTENANCE		<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
17		TOTAL UNDERGROUND STORAGE		<u>19,808</u>	<u>14,702</u>	<u>2,346</u>	<u>2,285</u>	<u>424</u>	<u>21</u>	<u>30</u>	<u>0</u>
<u>DISTRIBUTION OPERATIONS EXPENSES</u>											
18	870.00	SUPERVISION & ENGINEERING	18	8,571,635	5,326,328	760,476	800,334	510,527	640,815	514	532,641
19	871.00	LOAD DISPATCHING	13	313,341	160,086	29,185	39,014	25,324	32,418	25	27,289
20	874.00	MAINS & SERVICES	14	26,315,390	16,015,283	2,320,228	2,561,540	1,620,765	2,061,285	1,579	1,734,711
21	875.00	M & R - GENERAL	13	792,716	404,999	73,834	98,701	64,067	82,014	63	69,038
22	876.00	M & R - INDUSTRIAL	17	320,624	0	5,354	42,483	110,821	107,088	0	54,878
23	878.00	METERS & HOUSE REGULATORS	23	1,760,364	1,400,176	240,184	106,643	10,157	2,500	176	528
24	879.00	CUSTOMER INSTALLATIONS	15	5,858,537	5,335,018	426,384	78,212	12,537	3,691	0	2,695
25	880.00	OTHER	18	3,842,068	2,387,423	340,868	358,734	228,834	287,233	231	238,746
26	881.00	RENTS	18	61,318	38,102	5,440	5,725	3,652	4,584	4	3,810
27		TOTAL DISTRIBUTION OPERATIONS		<u>47,835,993</u>	<u>31,067,415</u>	<u>4,201,953</u>	<u>4,091,385</u>	<u>2,586,684</u>	<u>3,221,629</u>	<u>2,592</u>	<u>2,664,336</u>
<u>DISTRIBUTION MAINTENANCE EXPENSES</u>											
28	885.00	SUPERVISION & ENGINEERING	18	160,847	99,949	14,270	15,018	9,580	12,025	10	9,995
29	886.00	STRUCTURES AND IMPROVEMENTS	13	26,846	13,716	2,500	3,343	2,170	2,778	2	2,338
30	887.00	MAINS	13	26,524,141	13,551,184	2,470,459	3,302,521	2,143,681	2,744,188	2,122	2,309,987
31	889.00	M & R - GENERAL	13	1,227,221	626,987	114,303	152,801	99,184	126,968	98	106,879
32	890.00	M & R - INDUSTRIAL	17	153,682	0	2,567	20,363	53,119	51,330	0	26,304
33	892.00	SERVICES	15	5,980,905	5,446,451	435,290	79,845	12,799	3,768	0	2,751
34	893.00	METERS & HOUSE REGULATORS	23	533,853	424,621	72,839	32,341	3,080	758	53	160
35	894.00	OTHER EQUIPMENT	18	1,258,704	782,146	111,672	117,525	74,968	94,101	76	78,216
36		TOTAL DISTRIBUTION MAINTENANCE		<u>35,866,199</u>	<u>20,945,054</u>	<u>3,223,901</u>	<u>3,723,757</u>	<u>2,398,581</u>	<u>3,035,915</u>	<u>2,361</u>	<u>2,536,631</u>
37		TOTAL DISTRIBUTION		<u>83,702,192</u>	<u>52,012,469</u>	<u>7,425,853</u>	<u>7,815,142</u>	<u>4,985,265</u>	<u>6,257,544</u>	<u>4,953</u>	<u>5,200,966</u>

**COLUMBIA GAS OF PENNSYLVANIA, INC.
OTHER O&M EXPENSES
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2023**

**ALLOCATED COST OF SERVICE
PEAK & AVERAGE**

111, SCHEDULE 2
PAGE 8 OF 13
WITNESS: K. L. Johnson

<u>LINE NO.</u>	<u>ACCT NO.</u> (A)	<u>ACCOUNT TITLE</u> (B)	<u>ALLOC FACTOR</u> (C)	<u>TOTAL COMPANY</u> (D) \$	<u>RSS/RDS</u> (E) \$	<u>SGS/DS-1</u> (F) \$	<u>SGS/DS-2</u> (G) \$	<u>SDS/LGSS</u> (H) \$	<u>LDS/LGSS</u> (I) \$	<u>MLDS</u> (J) \$	<u>FLEX</u> (K) \$
<u>CUSTOMER ACCOUNTS EXPENSES</u>											
1	901.00	SUPERVISION	6	0	0	0	0	0	0	0	0
2	902.00	METER READING	6	708,802	649,022	50,594	8,279	730	121	21	35
3	903.00	CUSTOMER RECORDS AND COLLECTION EXPENSES	6	7,791,838	7,134,674	556,181	91,009	8,026	1,325	234	390
4	903.00	INTEREST ON CUSTOMER DEPOSITS	9	100,416	66,433	28,564	5,219	200	0	0	0
5	904.00	UNCOLLECTIBLES-DIS REVENUE	7	6,771,837	6,302,481	250,016	219,340	0	0	0	0
6	904.00	UNCOLLECTIBLES-GMB/GTS REVENUE	8	543,670	(0)	141	11,194	259,896	216,707	17,702	38,030
7	904.00	UNCOLLECTIBLES-UNBUNDLED GAS	Direct	1,581,571	1,470,866	56,684	54,021	0	0	0	0
8	904.00	DIRECT USP UNCOLLECTIBLES		42,198,344	42,198,344	0	0	0	0	0	0
9	904.00	UNCOLLECTIBLES-DIS COVID-19 DEFERRAL	7	936,875	871,940	34,589	30,345	0	0	0	0
10	904.00	UNCOLLECTIBLES-GMB/GTS COVID-19 DEFERRAL	8	75,216	(0)	20	1,549	35,956	29,981	2,449	5,261
11	905.00	MISCELLANEOUS	6	4,483	4,105	320	52	5	1	0	0
12	921.00	OFFICE SUPPLIES & EXPENSES	6	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
13		TOTAL CUSTOMER ACCOUNTS		<u>60,713,052</u>	<u>58,697,865</u>	<u>977,111</u>	<u>421,008</u>	<u>304,812</u>	<u>248,134</u>	<u>20,406</u>	<u>43,716</u>
<u>CUST SERVICE & INFORMATION EXPENSES</u>											
14	907.00	SUPERVISION	6	0	0	0	0	0	0	0	0
15	908.00	CUSTOMER ASSISTANCE	6	1,927	1,765	138	23	2	0	0	0
16	909.00	INFORMATIONAL & INSTRUCTIONAL EXPENSES	6	195,512	179,023	13,956	2,284	201	33	6	10
17	910.00	MISCELLANEOUS	6	1,344,985	1,231,549	96,005	15,709	1,385	229	40	67
18	921.00	OFFICE SUPPLIES & EXPENSES	6	0	0	0	0	0	0	0	0
19	931.00	RENTS - GENERAL	6	0	0	0	0	0	0	0	0
20	932.00	MAINTENANCE	6	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
21		TOTAL CUST SERVICE & INFORMATION		<u>1,542,424</u>	<u>1,412,336</u>	<u>110,098</u>	<u>18,016</u>	<u>1,589</u>	<u>262</u>	<u>46</u>	<u>77</u>
<u>SALES EXPENSES</u>											
22	912.00	DEMONSTRATION	6	7,491	6,859	535	88	8	1	0	0
23	913.00	ADVERTISING	6	<u>153,596</u>	<u>140,642</u>	<u>10,964</u>	<u>1,794</u>	<u>158</u>	<u>26</u>	<u>5</u>	<u>8</u>
24		TOTAL SALES		<u>161,087</u>	<u>147,501</u>	<u>11,498</u>	<u>1,882</u>	<u>166</u>	<u>27</u>	<u>5</u>	<u>8</u>
<u>ADMINISTRATIVE AND GENERAL EXPENSES</u>											
25	920.00	SALARIES	19	28,887,630	18,919,953	2,523,623	2,450,538	1,522,089	1,894,740	2,600	1,574,087
26	921.00	OFFICE SUPPLIES & EXPENSES	19	4,233,579	2,772,783	369,846	359,135	223,067	277,680	381	230,688
27	922.00	ADMIN. EXPENSE TRANSFERRED	19	0	0	0	0	0	0	0	0
28	923.00	OUTSIDE SERVICES EMPLOYED	19	30,079,164	19,700,348	2,627,716	2,551,616	1,584,871	1,972,892	2,707	1,639,014
29	924.00	PROPERTY INSURANCE	19	191,229	125,245	16,706	16,222	10,076	12,543	17	10,420
30	925.00	INJURIES AND DAMAGES	19	6,822,200	4,468,200	595,987	578,727	359,462	447,468	614	371,742
31	926.00	EMPLOYEE PENSIONS & BENEFITS	24	15,122,183	10,091,487	1,311,547	1,215,672	768,509	951,337	756	782,875
32	928.00	REGULATORY COMMISSION EXPENSES	19	2,604,617	1,705,894	227,539	220,950	137,237	170,837	234	141,926
33	930.00	MISCELLANEOUS GENERAL	19	1,227,037	803,648	107,194	104,090	64,653	80,481	110	66,861
34	931.00	RENTS-GENERAL	19	4,314,939	2,826,069	376,953	366,036	227,354	283,017	388	235,121
35	932.00	MAINTENANCE	19	<u>4,563,346</u>	<u>2,988,764</u>	<u>398,654</u>	<u>387,109</u>	<u>240,443</u>	<u>299,310</u>	<u>411</u>	<u>248,657</u>
36		TOTAL ADMINISTRATIVE & GENERAL		<u>98,045,924</u>	<u>64,402,391</u>	<u>8,555,765</u>	<u>8,250,093</u>	<u>5,137,761</u>	<u>6,390,305</u>	<u>8,219</u>	<u>5,301,390</u>
37		TOTAL O & M EXPENSES		<u>480,781,573</u>	<u>355,590,657</u>	<u>42,598,611</u>	<u>42,285,760</u>	<u>16,023,334</u>	<u>13,177,450</u>	<u>559,604</u>	<u>10,546,158</u>

**COLUMBIA GAS OF PENNSYLVANIA, INC.
TAXES OTHER THAN INCOME TAXES
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2023**

**ALLOCATED COST OF SERVICE
PEAK & AVERAGE**

**111, SCHEDULE 2
PAGE 9 OF 13**

WITNESS: K. L. Johnson

<u>LINE NO.</u>	<u>ACCT NO.</u>	<u>ACCOUNT TITLE</u>	<u>ALLOC FACTOR</u>	<u>TOTAL COMPANY</u>	<u>RSS/RDS</u>	<u>SGS/DS-1</u>	<u>SGS/DS-2</u>	<u>SDS/LGSS</u>	<u>LDS/LGSS</u>	<u>MLDS</u>	<u>FLEX</u>
	<u>(A)</u>	<u>(B)</u>	<u>(C)</u>	<u>(D)</u>	<u>(E)</u>	<u>(F)</u>	<u>(G)</u>	<u>(H)</u>	<u>(I)</u>	<u>(J)</u>	<u>(K)</u>
		<u>FEDERAL TAXES</u>		<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
1	408.00	FEDERAL/STATE UNEMPLOYMENT	24	95,972	64,045	8,324	7,715	4,877	6,038	5	4,968
2	408.00	FICA	24	<u>2,867,303</u>	<u>1,913,438</u>	<u>248,681</u>	<u>230,503</u>	<u>145,716</u>	<u>180,382</u>	<u>143</u>	<u>148,440</u>
3		TOTAL FEDERAL TAXES		<u>2,963,275</u>	<u>1,977,482</u>	<u>257,005</u>	<u>238,218</u>	<u>150,594</u>	<u>186,420</u>	<u>148</u>	<u>153,409</u>
		<u>STATE TAXES</u>									
4	408.00	PA PROPERTY TAXES	11	434,680	264,272	39,113	42,460	26,663	33,736	83	28,354
5	408.00	PA STATE UNEMPLOYMENT	24	0	0	0	0	0	0	0	0
6	408.00	STATE CAPITAL STOCK TAX	11	0	0	0	0	0	0	0	0
7	408.00	LICENSE AND FRANCHISE TAX	11	100	61	9	10	6	8	0	7
8	408.00	STATE SALES AND USE TAX	19	182,687	119,651	15,960	15,497	9,626	11,983	16	9,955
9	408.00	OTHER	19	<u>231</u>	<u>151</u>	<u>20</u>	<u>20</u>	<u>12</u>	<u>15</u>	<u>0</u>	<u>13</u>
10		TOTAL STATE TAXES		<u>617,698</u>	<u>384,135</u>	<u>55,101</u>	<u>57,986</u>	<u>36,307</u>	<u>45,741</u>	<u>99</u>	<u>38,328</u>
11		TOTAL TAXES OTHER THAN INCOME		<u>3,580,973</u>	<u>2,361,617</u>	<u>312,106</u>	<u>296,204</u>	<u>186,901</u>	<u>232,161</u>	<u>247</u>	<u>191,737</u>

COLUMBIA GAS OF PENNSYLVANIA, INC.
RATE BASE
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2023

**ALLOCATED COST OF SERVICE
PEAK & AVERAGE**

111, SCHEDULE 2
PAGE 10 OF 13
WITNESS: K. L. Johnson

LINE NO.	ACCT NO. (A)	ACCOUNT TITLE (B)	ALLOC FACTOR (C)	TOTAL COMPANY (D) \$	RSS/RDS (E) \$	SGS/DS-1 (F) \$	SGS/DS-2 (G) \$	SDS/LGSS (H) \$	LDS/LGSS (I) \$	MLDS (J) \$	FLEX (K) \$
1	101-107	GROSS PLANT [PAGE 3]		4,061,081,498	2,469,943,835	365,603,615	396,792,497	248,833,468	314,643,168	839,646	264,425,269
2	117.00	GAS STORED UNDERGROUND - NON CURRENT	25	3,794,693	2,816,611	449,368	437,642	81,206	4,098	5,768	0
3	108-111	DEPRECIATION RESERVE [PAGE 4]		(708,267,711)	(454,105,878)	(65,064,016)	(63,386,553)	(38,145,704)	(47,553,071)	(265,514)	(39,746,976)
4	117.00	GAS LOST-UNDERGROUND STORAGE	25	<u>(163,467)</u>	(121,333)	(19,358)	(18,853)	(3,498)	(177)	(248)	0
5		NET PLANT		3,356,445,013	2,018,533,236	300,969,609	333,824,733	210,765,472	267,094,018	579,652	224,678,292
<u>WORKING CAPITAL</u>											
6	154.00	MATERIALS & SUPPLIES	11	1,332,307	810,003	119,881	130,140	81,724	103,400	253	86,906
7	164.00	GAS STORED UNDERGROUND - FSS	25	40,836,689	30,311,032	4,835,881	4,709,695	873,905	44,104	62,072	0
8	165.00	PREPAYMENTS	19	4,065,141	2,662,463	355,131	344,846	214,192	266,633	366	221,510
9	165.00	CLOUD BASED ASSETS	11	0	0	0	0	0	0	0	0
10		CASH WORKING CAPITAL - GAS PURCHASES	4	0	0	0	0	0	0	0	0
11		CASH WORKING CAPITAL - ALL OTHER	19	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
12		TOTAL WORKING CAPITAL		46,234,137	33,783,498	5,310,893	5,184,681	1,169,821	414,137	62,691	308,416
<u>DEFERRED INCOME TAXES</u>											
13	190.00	ACCUMULATED DEF INCOME TAX	12	67,706,185	41,178,225	6,095,588	6,615,571	4,148,358	5,245,875	14,218	4,408,350
14	282.00	ACCUMULATED DEF INCOME TAX	12	(508,547,561)	(309,293,541)	(45,784,537)	(49,690,182)	(31,158,709)	(39,402,265)	(106,795)	(33,111,532)
15	283.00	ACCUMULATED DEF INCOME TAX	12	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
16		TOTAL DEFERRED INCOME TAXES		(440,841,376)	(268,115,316)	(39,688,949)	(43,074,611)	(27,010,351)	(34,156,390)	(92,577)	(28,703,182)
17	235.00	CUSTOMER DEPOSITS	9	(3,554,025)	(2,351,271)	(1,010,978)	(184,703)	(7,073)	0	0	0
18	252.00	CUSTOMER ADVANCES	5	<u>11,265</u>	<u>5,755</u>	<u>1,049</u>	<u>1,403</u>	<u>911</u>	<u>1,166</u>	<u>0</u>	<u>981</u>
19		RATE BASE		<u>2,958,295,013</u>	<u>1,781,855,902</u>	<u>265,581,624</u>	<u>295,751,503</u>	<u>184,918,780</u>	<u>233,352,931</u>	<u>549,766</u>	<u>196,284,507</u>

COLUMBIA GAS OF PENNSYLVANIA, INC.
STATE/FEDERAL INCOME TAXES
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2023

**ALLOCATED COST OF SERVICE
PEAK & AVERAGE**

**111, SCHEDULE 2
PAGE 11 OF 13
WITNESS: K. L. Johnson**

<u>LINE NO.</u>	<u>ACCT NO.</u> (A)	<u>ALLOC FACTOR</u> (B)	<u>TOTAL COMPANY</u> (C) \$	<u>RSS/RDS</u> (D) \$	<u>SGS/DS-1</u> (E) \$	<u>SGS/DS-2</u> (F) \$	<u>SDS/LGSS</u> (G) \$	<u>LDS/LGSS</u> (H) \$	<u>MLDS</u> (I) \$	<u>FLEX</u> (J) \$
<u>STATE INCOME TAX</u>										
1	OPERATING INCOME BEFORE TAXES (PG. 2, LINE 7)		213,418,663	168,170,105	20,259,505	22,352,212	12,652,178	2,247,572	1,379,785	(13,642,694)
2	STATUTORY ADJUSTMENTS	12	(105,048,704)	(63,889,571)	(9,457,535)	(10,264,309)	(6,436,334)	(8,139,174)	(22,060)	(6,839,721)
3	INTEREST ON DEBT		(58,870,071)	(35,458,932)	(5,285,074)	(5,885,455)	(3,679,884)	(4,643,723)	(10,940)	(3,906,062)
4	PA BONUS DEPRECIATION ADJUSTMENT	12	<u>(27,410,719)</u>	<u>(16,670,926)</u>	<u>(2,467,787)</u>	<u>(2,678,301)</u>	<u>(1,679,455)</u>	<u>(2,123,783)</u>	<u>(5,756)</u>	<u>(1,784,712)</u>
5	STATE TAXABLE INCOME		22,089,169	52,150,676	3,049,109	3,524,147	856,506	(12,659,107)	1,341,028	(26,173,189)
6	NET OPERATING LOSS DEDUCTION	12	<u>(7,797,926)</u>	<u>(4,742,621)</u>	<u>(702,047)</u>	<u>(761,935)</u>	<u>(477,779)</u>	<u>(604,183)</u>	<u>(1,638)</u>	<u>(507,723)</u>
	STATE TAXABLE INCOME		14,291,243	47,408,055	2,347,061	2,762,211	378,727	(13,263,291)	1,339,390	(26,680,912)
7	STATE NET INCOME TAX @ 9.99%		1,427,695	4,736,065	234,471	275,945	37,835	(1,325,003)	133,805	(2,665,423)
8	DEFERRED INCOME TAXES	12	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
9	STATE INCOME TAX		1,427,695	4,736,065	234,471	275,945	37,835	(1,325,003)	133,805	(2,665,423)
<u>FEDERAL INCOME TAX</u>										
10	OPERATING INCOME BEFORE TAXES (PG. 2, LINE 7)		213,418,663	168,170,105	20,259,505	22,352,212	12,652,178	2,247,572	1,379,785	(13,642,694)
11	STATE NET INCOME TAX (LINE 9)		(1,427,695)	(4,736,065)	(234,471)	(275,945)	(37,835)	1,325,003	(133,805)	2,665,423
12	STATUTORY ADJUSTMENTS (LINES 2 & 3)	12	<u>(163,918,774)</u>	<u>(99,693,759)</u>	<u>(14,757,607)</u>	<u>(16,016,503)</u>	<u>(10,043,303)</u>	<u>(12,700,427)</u>	<u>(34,423)</u>	<u>(10,672,751)</u>
13	FEDERAL TAXABLE INCOME		48,072,193	63,740,281	5,267,426	6,059,763	2,571,040	(9,127,852)	1,211,557	(21,650,022)
14	FEDERAL INCOME TAX @ 21%		10,095,161	13,385,459	1,106,160	1,272,550	539,918	(1,916,849)	254,427	(4,546,505)
15	DEFERRED INCOME TAXES	12	23,878,126	14,522,437	2,149,748	2,333,132	1,463,013	1,850,077	5,014	1,554,705
16	TAX REFUND AMORTIZATION	12	0	0	0	0	0	0	0	0
17	FLOW BACK OF EXCESS DEFERRED TAXES	12	(3,107,233)	(1,889,788)	(279,744)	(303,608)	(190,380)	(240,748)	(653)	(202,312)
18	EFFECT OF CNIT DEFERRED TAX ON FIT	12	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
19	FEDERAL INCOME TAX		30,866,054	26,018,108	2,976,163	3,302,074	1,812,551	(307,520)	258,789	(3,194,112)
20	STATE NET INCOME TAX (LINE 9)		<u>1,427,695</u>	<u>4,736,065</u>	<u>234,471</u>	<u>275,945</u>	<u>37,835</u>	<u>(1,325,003)</u>	<u>133,805</u>	<u>(2,665,423)</u>
21	TOTAL INCOME TAXES		<u>32,293,749</u>	<u>30,754,173</u>	<u>3,210,634</u>	<u>3,578,019</u>	<u>1,850,386</u>	<u>(1,632,523)</u>	<u>392,594</u>	<u>(5,859,535)</u>

COLUMBIA GAS OF PENNSYLVANIA, INC.
ALLOCATION FACTORS
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2023

**ALLOCATED COST OF SERVICE
PEAK & AVERAGE**

**111, SCHEDULE 2
PAGE 12 OF 13
WITNESS: K. L. Johnson**

<u>LINE NO.</u>	<u>DESCRIPTION</u> (A)	<u>ALLOC FACTOR</u> (B)	<u>TOTAL COMPANY</u> (C)	<u>RSS/RDS</u> (D)	<u>SGS/DS-1</u> (E)	<u>SGS/DS-2</u> (F)	<u>SDS/LGSS</u> (G)	<u>LDS/LGSS</u> (H)	<u>MLDS</u> (I)	<u>FLEX</u> (J)
1	DESIGN DAY	1	745,700,000	448,800,000	87,000,000	106,100,000	56,200,000	47,600,000	0	44,900,000
2	PERCENT		100.000%	56.767%	11.004%	13.420%	7.109%	6.021%	0.000%	5.679%
3	THROUGHPUT EXCLUDING TRANSPORTATION	2	40,187,696	31,030,925	4,107,511	3,914,532	1,011,865	50,863	72,000	0
4	PERCENT		100.000%	77.214%	10.221%	9.741%	2.518%	0.127%	0.179%	0.000%
5	THROUGHPUT EXCLUDING MLDS	3	68,196,163	35,096,960	5,891,881	8,873,377	6,997,482	11,336,463	0	9,070,033
6	PERCENT		100.000%	45.424%	7.625%	11.484%	9.056%	14.672%	0.000%	11.739%
7	GAS PURCHASED EXPENSE	4	235,166,198	177,821,427	25,361,618	25,621,440	5,559,491	279,454	522,768	0
8	PERCENT		100.000%	75.615%	10.785%	10.895%	2.364%	0.119%	0.222%	0.000%
9	PEAK & AVERAGE MAINS	5								
10	PERCENT		100.000%	51.093%	9.315%	12.452%	8.083%	10.347%	0.000%	8.710%
11	AVERAGE NO. OF CUSTOMERS	6	445,886	408,304	31,827	5,206	461	76	12	22
12	PERCENT		100.000%	91.566%	7.138%	1.168%	0.103%	0.017%	0.003%	0.005%
13	DISTRIBUTION UNCOLLECTIBLES	7	10,780,271	10,033,086	397,994	349,191	0	0	0	0
14	PERCENT		100.000%	93.069%	3.692%	3.239%	0.000%	0.000%	0.000%	0.000%
15	CURRENT GMB/GTS REVENUE	8	56,226,864	0	15,723	1,244,486	28,900,392	24,097,635	1,968,628	4,229,036
16	PERCENT		100.000%	0.000%	0.026%	2.059%	47.804%	39.860%	3.256%	6.995%
17	CUSTOMER DEPOSITS	9	3,061,609	2,025,505	870,896	159,110	6,098	0	0	0
18	PERCENT		100.000%	66.158%	28.446%	5.197%	0.199%	0.000%	0.000%	0.000%
19	FORFEITED DISCOUNTS	10	911,176	673,585	82,758	85,266	40,116	27,234	2,217	4,803
20	PERCENT		100.000%	73.537%	9.035%	9.309%	4.380%	2.973%	0.242%	0.524%
21	DIST. PLANT EXCL ACCTS 375.70, 375.71, & 387	11	3,618,567,468	2,353,502,465	348,308,792	378,112,483	237,468,806	300,450,485	724,436	252,503,047
22	PERCENT		100.000%	60.797%	8.998%	9.768%	6.134%	7.761%	0.019%	6.523%
23	GROSS PLANT	12	4,061,081,498	2,469,943,835	365,603,615	396,792,497	248,833,468	314,643,168	839,646	264,425,269
24	PERCENT		100.000%	60.819%	9.003%	9.771%	6.127%	7.748%	0.021%	6.511%
25	MAINS - ACCOUNT 376	13	2,644,109,951	1,350,841,472	246,278,126	329,216,879	213,705,432	273,563,046	222,344	230,282,652
26	PERCENT		100.000%	51.090%	9.314%	12.451%	8.082%	10.346%	0.008%	8.709%

**COLUMBIA GAS OF PENNSYLVANIA, INC.
ALLOCATION FACTORS (CONT.)
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2023**

**ALLOCATED COST OF SERVICE
PEAK & AVERAGE**

**111, SCHEDULE 2
PAGE 13 OF 13
WITNESS: K. L. Johnson**

<u>LINE NO.</u>	<u>DESCRIPTION</u> (A)	<u>ALLOC FACTOR</u> (B)	<u>TOTAL COMPANY</u> (C)	<u>RSS/RDS</u> (D)	<u>SGS/DS-1</u> (E)	<u>SGS/DS-2</u> (F)	<u>SDS/LGSS</u> (G)	<u>LDS/LGSS</u> (H)	<u>MLDS</u> (I)	<u>FLEX</u> (J)
27	COMPOSITE DIRECT PLANT - ACCTS 376 & 380	14	3,268,604,100	2,129,593,133	308,517,371	340,633,394	215,535,495	274,101,803	222,905	230,677,023
28	PERCENT		100.000%	60.859%	8.817%	9.734%	6.159%	7.833%	0.006%	6.592%
29	SERVICES	15	681,919,060	621,271,819	49,655,972	9,105,380	1,458,945	426,945	0	311,002
30	PERCENT		100.000%	91.064%	7.278%	1.335%	0.214%	0.063%	0.000%	0.046%
31	METERS	16	32,930,330	25,489,253	4,892,469	2,275,242	215,583	54,081	3,702	11,110
32	PERCENT		100.000%	77.378%	14.852%	6.907%	0.654%	0.164%	0.011%	0.034%
33	INDUSTRIAL M & R	17	4,142,526	0	83,468	662,241	1,727,508	1,669,309	0	855,474
34	PERCENT		100.000%	0.000%	1.670%	13.250%	34.564%	33.400%	0.000%	17.116%
35	OTHER DISTRIBUTION O & M EXPENSES	18	65,470,062	43,378,521	6,193,127	6,517,806	4,157,704	5,218,786	4,119	4,337,558
36	PERCENT		100.000%	62.139%	8.872%	9.337%	5.956%	7.476%	0.006%	6.214%
37	O & M EXCL GAS PUR, UNCOLLECTIBLES, & A & C	19	90,260,461	62,523,209	8,339,777	8,097,777	5,030,230	6,261,003	8,466	5,201,477
38	PERCENT		100.000%	65.495%	8.736%	8.483%	5.269%	6.559%	0.009%	5.449%
39	CUSTOMER/DEMAND MAINS	20								
40	PERCENT		100.000%	75.772%	8.893%	6.729%	3.283%	2.742%	0.000%	2.581%
41	HOUSE REGULATORS (GPA 383)	21	3,540,442	3,234,348	249,448	50,215	5,457	878	96	288
42	PERCENT		100.000%	91.347%	7.045%	1.418%	0.154%	0.025%	0.003%	0.008%
43	AVERAGE - ALLOCATORS 5 & 20	22								
44	PERCENT		100.000%	63.431%	9.104%	9.591%	5.683%	6.545%	0.000%	5.646%
45	METERS	23	136,577,161	108,665,592	18,640,022	8,275,768	787,776	194,667	13,337	40,954
46	PERCENT		100.000%	79.539%	13.644%	6.058%	0.577%	0.142%	0.010%	0.030%
47	LABOR	24	33,882,787	23,845,119	3,099,175	2,872,526	1,816,045	2,247,962	1,960	1,849,970
48	PERCENT		100.000%	66.733%	8.673%	8.039%	5.082%	6.291%	0.005%	5.177%
49	SALES AND CHOICE TRANSPORTATION	25	47,284,578	35,096,960	5,599,368	5,453,523	1,011,865	50,863	72,000	0
50	PERCENT		100.000%	74.225%	11.842%	11.533%	2.140%	0.108%	0.152%	0.000%

COLUMBIA GAS OF PENNSYLVANIA, INC.
 CUSTOMER BASED COSTS - CUSTOMER CHARGE CALCULATION WITH MAINS COMPONENT
 FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2023

ALLOCATED COST OF SERVICE
 PEAK & AVERAGE

111, SCHEDULE 2
 PAGE 14 OF 30
 WITNESS: K. L. Johnson

LINE NO.	ACCT NO.	ACCOUNT TITLE (A)	ALLOC FACTOR (B)	TOTAL COMPANY (C) \$	RSS/RDS (D) \$	SGS/DS-1 (E) \$	SGS/DS-2 (F) \$	SDS/LGSS (G) \$	LDS/LGSS (I) \$	MLDS (J) \$	FLEX (K) \$
1	303.30	CUSTOMER & OTHER-BASED SOFTWARE [1]	11	47,699,262	28,999,720	4,291,980	4,659,264	2,925,873	3,701,940	9,063	3,111,423
2	376.00	MAINS [2]	6	1,405,195,768	1,286,681,557	100,302,874	16,412,687	1,447,352	238,883	42,156	70,260
3	376.00	DIRECT - MAINS - MLDS [2]	Pg 3	77,319	0	0	0	0	0	77,294	25
4	376.08	MAINS-CSL REPLACEMENTS [2]	6	12,841,569	11,758,511	916,631	149,990	13,227	2,183	385	642
5	376.30	MAINS-BARE STEEL [2]	6	25,763,222	23,590,352	1,838,979	300,914	26,536	4,380	773	1,288
6	376.30	DIRECT - MAINS-BARE STEEL [2]	Pg 3	44,126	0	0	0	0	0	44,126	0
7	376.80	MAINS-CAST IRON [2]	6	0	0	0	0	0	0	0	0
8	380.00	SERVICES	15	855,169,618	778,751,661	62,239,245	11,416,514	1,830,063	538,757	0	393,378
9	380.00	DIRECT - SERVICES		1,554	0	0	0	0	0	561	993
10	380.12	CSL REPLACEMENT	15	0	0	0	0	0	0	0	0
11	381.00	METERS	16	44,799,656	34,665,078	6,653,645	3,094,312	292,990	73,471	4,928	15,232
12	381.10	AUTOMATIC METER READING	16	25,134,959	19,448,929	3,733,044	1,736,072	164,383	41,221	2,765	8,546
13	382.00	METER INSTALLATIONS	16	45,542,208	35,239,650	6,763,929	3,145,600	297,846	74,689	5,010	15,484
14	383.00	HOUSE REGULATORS	21	17,656,503	16,128,685	1,243,901	250,369	27,191	4,414	530	1,413
15	384.00	HOUSE REG INSTALLATIONS	21	3,484,788	3,183,249	245,503	49,414	5,367	871	105	279
16	385.00	IND M&R EQUIPMENT	17	7,324,965	0	122,327	970,558	2,531,801	2,446,538	0	1,253,741
17	385.00	DIRECT - IND M&R EQUIPMENT	Pg 3	478,276	0	0	0	0	0	463,871	14,405
18	385.10	IND M&R EQUIPMENT - LG VOLUME	17	1,018,904	0	17,016	135,005	352,174	340,314	0	174,396
19	389-398	GENERAL PLANT [1]	11	<u>23,626,652</u>	<u>14,364,296</u>	<u>2,125,926</u>	<u>2,307,851</u>	<u>1,449,259</u>	<u>1,833,664</u>	<u>4,489</u>	<u>1,541,167</u>
20		TOTAL GROSS PLANT		2,515,859,349	2,252,811,688	190,494,999	44,628,551	11,364,060	9,301,327	656,055	6,602,670
21	303.30	CUSTOMER & OTHER-BASED SOFTWARE [1]	11	18,902,023	11,491,863	1,700,804	1,846,350	1,159,450	1,466,986	3,591	1,232,979
22	376.00	MAINS [2]	6	186,150,412	170,450,486	13,287,416	2,174,237	191,735	31,646	5,585	9,308
23	376.00	DIRECT - MAINS - MLDS [2]	Pg 4	24,413	0	0	0	0	0	24,391	22
24	376.08	MAINS-CSL REPLACEMENTS [2]	6	0	0	0	0	0	0	0	0
25	376.30	MAINS-BARE STEEL [2]	6	18,212,642	16,676,588	1,300,018	212,724	18,759	3,096	546	911
26	376.30	DIRECT - MAINS-BARE STEEL [2]	Pg 4	42,511	0	0	0	0	0	42,511	0
27	376.80	MAINS-CAST IRON [2]	6	0	0	0	0	0	0	0	0
28	380.00	SERVICES	15	172,489,154	157,075,523	12,553,761	2,302,730	369,127	108,668	0	79,345
29	380.00	DIRECT - SERVICES	Pg 4	1,314	0	0	0	0	0	436	878
30	380.12	CSL REPLACEMENT	15	0	0	0	0	0	0	0	0
31	381.00	METERS	16	19,420,683	15,027,336	2,884,360	1,341,387	127,011	31,850	2,136	6,603
32	381.10	AUTOMATIC METER READING	16	19,754,808	15,285,875	2,933,984	1,364,465	129,196	32,398	2,173	6,717
33	382.00	METER INSTALLATIONS	16	16,518,699	12,781,839	2,453,357	1,140,947	108,032	27,091	1,817	5,616
34	383.00	HOUSE REGULATORS	21	8,581,133	7,838,608	604,541	121,680	13,215	2,145	257	686
35	384.00	HOUSE REG INSTALLATIONS	21	0	0	0	0	0	0	0	0
36	385.00	IND M&R EQUIPMENT	17	2,839,179	0	47,414	376,191	981,334	948,286	0	485,954
37	385.00	DIRECT - IND M&R EQUIPMENT	Pg 4	99,994	0	0	0	0	0	93,657	6,337
38	385.10	IND M&R EQUIPMENT - LG VOLUME	17	0	0	0	0	0	0	0	0
39	389-398	GENERAL PLANT [1]	11	<u>6,992,659</u>	<u>4,251,327</u>	<u>629,199</u>	<u>683,043</u>	<u>428,930</u>	<u>542,700</u>	<u>1,329</u>	<u>456,131</u>
40		TOTAL DEPRECIATION RESERVE		470,029,624	410,879,445	38,394,855	11,563,753	3,526,789	3,194,866	178,429	2,291,487

[1] CUSTOMER PORTION OF DISTRIBUTION PLANT @ 62.802% (PAGE 17)
 [2] CUSTOMER PORTION OF MAINS @ 54.609% (PAGE 17)

COLUMBIA GAS OF PENNSYLVANIA, INC.
CUSTOMER BASED COSTS - CUSTOMER CHARGE CALCULATION WITH MAINS COMPONENT
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2023

ALLOCATED COST OF SERVICE
PEAK & AVERAGE

111, SCHEDULE 2

PAGE 15 OF 30

WITNESS: K. L. Johnson

LINE NO.	ACCT NO.	ACCOUNT TITLE (A)	ALLOC FACTOR (B)	TOTAL COMPANY (C) \$	RSS/RDS (D) \$	SGS/DS-1 (E) \$	SGS/DS-2 (F) \$	SDS/LGSS (G) \$	LDS/LGSS (I) \$	MLDS (J) \$	FLEX (K) \$
1	154.00	CUSTOMER BASED MATERIALS & SUPPLIES	Pg 22	900,044	813,489	67,775	13,866	2,573	1,386	237	718
2	190-282-283	CUSTOMER BASED DEFERRED INCOME TAXES	Pg 22	(273,103,334)	(244,548,799)	(20,678,747)	(4,844,550)	(1,233,599)	(1,009,684)	(71,217)	(716,738)
3	235.00	CUSTOMER DEPOSITS	9	(3,554,025)	(2,351,272)	(1,010,978)	(184,703)	(7,073)	0	0	0
4	252.00	CUSTOMER BASED ADVANCES	Pg 22	7,610	6,878	573	117	22	12	2	6
5	TOTAL CUSTOMER-BASED RATE BASE			1,770,080,020	1,595,852,539	130,478,767	28,049,528	6,599,194	5,098,175	406,648	3,595,169
6	EQUITY CAPITAL @ 54.380%			962,569,515	867,824,611	70,954,353	15,253,333	3,588,642	2,772,387	221,135	1,955,053
7	RETURN ON RATE BASE @ 8.080%			143,022,466	128,944,885	10,542,684	2,266,402	533,215	411,933	32,857	290,490
8	RETURN ON EQUITY @ 11.200%			107,807,786	97,196,356	7,946,888	1,708,373	401,928	310,507	24,767	218,966
9	303.30	CUSTOMER & OTHER-BASED SOFTWARE [1]	11	7,243,144	4,403,614	651,738	707,510	444,295	562,140	1,376	472,470
10	376.00	MAINS [2]	6	30,199,069	27,652,080	2,155,610	352,725	31,105	5,134	906	1,510
11	376.00	DIRECT - MAINS - MLDS [2]		1,476	0	0	0	0	0	1,476	0
12	376.08	MAINS-CSL REPLACEMENTS [2]	6	0	0	0	0	0	0	0	0
13	376.30	MAINS-BARE STEEL [2]	6	695,072	636,450	49,614	8,118	716	118	21	35
14	376.30	DIRECT - MAINS-BARE STEEL [2]		4	0	0	0	0	0	4	0
15	376.80	MAINS-CAST IRON [2]	6	0	0	0	0	0	0	0	0
16	380.00	SERVICES	15	25,843,593	23,534,210	1,880,897	345,012	55,305	16,282	0	11,888
17	380.00	DIRECT - SERVICES		42	0	0	0	0	0	15	27
18	380.12	CSL REPLACEMENT	15	0	0	0	0	0	0	0	0
19	381.00	METERS	16	1,057,168	818,015	157,011	73,019	6,914	1,734	116	359
20	381.10	AUTOMATIC METER READING	16	1,130,030	874,395	167,832	78,051	7,390	1,853	124	384
21	382.00	METER INSTALLATIONS	16	852,161	659,385	126,563	58,859	5,573	1,398	94	290
22	383.00	HOUSE REGULATORS	21	440,003	401,930	30,998	6,239	678	110	13	35
23	384.00	HOUSE REG INSTALLATIONS	21	0	0	0	0	0	0	0	0
24	385.00	IND M&R EQUIPMENT	17	409,431	0	6,837	54,250	141,516	136,750	0	70,078
25	385.00	DIRECT - IND M&R EQUIPMENT		20,518	0	0	0	0	0	19,900	618
26	385.10	IND M&R EQUIPMENT - LG VOLUME	17	0	0	0	0	0	0	0	0
27	389-398	GENERAL PLANT [3]	11	1,072,826	652,246	96,533	104,794	65,807	83,262	204	69,980
28		TOTAL DEPRECIATION EXPENSES		68,964,537	59,632,324	5,323,633	1,788,577	759,299	808,780	24,250	627,675
29		TOTAL NET SALVAGE AMORTIZED [3]	11	3,224,442	1,960,364	290,135	314,963	197,787	250,249	613	210,330
30		TOTAL DEPRECIATION & AMORTIZATION EXPENSES		72,188,979	61,592,688	5,613,768	2,103,540	957,086	1,059,029	24,862	838,005

[1] INTANGIBLE PLANT @ 62.802% OF GROSS PLANT, DEPRECIATION RESERVE, & DEPRECIATION EXPENSES. (PAGE 17)

[2] MAINS @ 54.609% OF GROSS PLANT, DEPRECIATION RESERVE, & DEPRECIATION EXPENSES. (PAGE 17)

[3] GENERAL PLANT & NET SALVAGE @ 62.802% OF GROSS PLANT, DEPRECIATION RESERVE, & DEPRECIATION EXPENSES. (PAGE 17)

**COLUMBIA GAS OF PENNSYLVANIA, INC.
CUSTOMER BASED COSTS - CUSTOMER CHARGE CALCULATION WITH MAINS COMPONENT
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2023**

**ALLOCATED COST OF SERVICE
PEAK & AVERAGE**

**111, SCHEDULE 2
PAGE 16 OF 30
WITNESS: K. L. Johnson**

LINE NO.	ACCT NO. (A)	ACCOUNT TITLE (B)	ALLOC FACTOR (C)	TOTAL COMPANY (D) \$	RSS/RDS (E) \$	SGS/DS-1 (F) \$	SGS/DS-2 (G) \$	SDS/LGSS (H) \$	LDS/LGSS (I) \$	MLDS (J) \$	FLEX (K) \$
1	870.00	SUPERVISION & ENGINEERING [5]	Pg 21	5,878,345	4,522,053	480,575	305,535	179,930	215,590	344	174,318
2	874.00	MAINS & SERVICES [1]	Pg 18	17,289,738	15,798,391	1,243,079	212,673	24,946	5,897	1,243	3,509
3	876.00	M & R - INDUSTRIAL	17	320,624	1	5,354	42,483	110,820	107,088	0	54,878
4	878.00	METERS & HOUSE REGULATORS	23	1,760,364	1,400,176	240,184	106,643	10,157	2,500	176	528
5	879.00	CUSTOMER INSTALLATIONS	15	5,858,537	5,335,019	426,384	78,211	12,537	3,691	0	2,695
6	880.00	OTHER [5]	Pg 21	2,634,852	2,026,922	215,408	136,950	80,650	96,634	154	78,134
7	885.00	SUPERVISION & ENGINEERING [5]	Pg 21	110,307	84,857	9,018	5,733	3,376	4,046	6	3,271
8	887.00	MAINS [2]	13	14,484,568	7,400,165	1,349,093	1,803,474	1,170,643	1,498,573	1,159	1,261,461
9	890.00	M & R - INDUSTRIAL	17	153,682	0	2,566	20,363	53,119	51,330	0	26,304
10	892.00	SERVICES	15	5,980,905	5,446,452	435,290	79,845	12,799	3,768	0	2,751
11	893.00	METERS & HOUSE REGULATORS	23	533,853	424,622	72,839	32,341	3,080	758	53	160
12	894.00	OTHER EQUIPMENT [5]	Pg 21	863,207	664,042	70,570	44,866	26,422	31,658	51	25,598
13		TOTAL DISTRIBUTION		49,990,637	38,580,647	4,069,785	2,563,582	1,508,549	1,805,943	2,842	1,459,289
14	901.00	SUPERVISION	6	0	0	0	0	0	0	0	0
15	902.00	METER READING	6	708,802	649,023	50,594	8,279	730	120	21	35
16	903.00	CUSTOMER RECORDS AND COLLECTION EXPENS	6	7,791,838	7,134,673	556,181	91,009	8,026	1,325	234	390
17	903.00	INTEREST ON CUSTOMER DEPOSITS	9	100,416	66,433	28,564	5,219	200	0	0	0
18	904.00	UNCOLLECTIBLES-DIS REVENUE	7	6,771,837	6,302,481	250,016	219,340	0	0	0	0
19	904.00	UNCOLLECTIBLES-GMB/GTS REVENUE	8	543,670	0	141	11,194	259,896	216,707	17,702	38,030
20	904.00	UNCOLLECTIBLES-DIS COVID-19 DEFERRAL	7	936,875	871,941	34,589	30,345	0	0	0	0
21	904.00	UNCOLLECTIBLES-GMB/GTS COVID-19 DEFERRAL	8	75,216	0	20	1,549	35,956	29,981	2,449	5,261
22	905.00	MISCELLANEOUS	6	4,483	4,105	320	52	5	1	0	0
23	921.00	OFFICE SUPPLIES & EXPENSES	6	0	0	0	0	0	0	0	0
24		TOTAL CUSTOMER ACCOUNTS		16,933,137	15,028,656	920,425	366,987	304,813	248,134	20,406	43,716
25	907.00	SUPERVISION	6	0	0	0	0	0	0	0	0
26	908.00	CUSTOMER ASSISTANCE	6	1,927	1,764	138	23	2	0	0	0
27	909.00	INFORMATIONAL & INSTRUCTIONAL EXPENSES	6	195,512	179,022	13,956	2,284	201	33	6	10
28	910.00	MISCELLANEOUS	6	1,344,985	1,231,550	96,005	15,709	1,385	229	40	67
29	921.00	OFFICE SUPPLIES & EXPENSES	6	0	0	0	0	0	0	0	0
30	931.00	RENTS - GENERAL	6	0	0	0	0	0	0	0	0
31	932.00	MAINTENANCE	6	0	0	0	0	0	0	0	0
32		TOTAL CUST SERVICE & INFORMATION		1,542,424	1,412,336	110,099	18,016	1,588	262	46	77
33	912.00	DEMONSTRATION	6	7,491	6,860	535	87	8	1	0	0
34	913.00	ADVERTISING	6	153,596	140,641	10,964	1,794	158	26	5	8
35		TOTAL SALES		161,087	147,501	11,499	1,881	166	27	5	8
36	920-931	CUSTOMER-RELATED A&G [3]		43,199,034	28,375,693	3,769,670	3,634,991	2,263,698	2,815,568	3,621	2,335,792
37		TOTAL CUST-RELATED O&M [LINES 13, 24, 32, 35 & 36]		111,826,318	83,544,833	8,881,478	6,585,457	4,078,814	4,869,934	26,920	3,838,882
38		DEPRECIATION & AMORTIZATION EXPENSE [PAGE 15, LINE 30]		72,188,979	61,592,688	5,613,768	2,103,540	957,086	1,059,029	24,862	838,005
39		INCOME TAXES		43,803,759	39,492,192	3,228,928	694,135	163,309	126,163	10,063	88,969
40		RETURN ON RATE BASE [PAGE 15, LINE 7]		143,022,466	128,944,885	10,542,684	2,266,402	533,215	411,933	32,857	290,490
41		TOTAL ANNUAL CUSTOMER-BASED COST		370,841,522	313,574,598	28,266,858	11,649,534	5,732,424	6,467,059	94,702	5,056,346
42		AVERAGE ANNUAL CUSTOMER BILLS [4]		5,419,794	4,966,131	384,130	62,656	5,552	915	146	264
43		MONTHLY SYSTEM BASED CHARGE/BILL		\$ 68.42	\$ 63.14	\$ 73.59	\$ 185.93	\$ 1,032.50	\$ 7,067.82	\$ 648.65	\$ 19,152.83

[1] MAINS AND SERVICES @ 65.702% OF TOTAL ACCOUNT 874. (PAGE 18) [5] CUSTOMER-RELATED (SEE WORKPAPER).
 [2] MAINS @ 54.609% OF ACCOUNT 887. (PAGE 17)
 [3] CUSTOMER-RELATED A&G @ 44.060% OF A&G (PAGE 20).
 [4] AVERAGE ANNUAL CUSTOMER BILLS INCLUDE FINAL BILLS (ALLOCATION FACTOR 6 DETAIL).

ALLOCATED COST OF SERVICE
 PEAK & AVERAGE

111, SCHEDULE 2

PAGE 17 OF 30

WITNESS: K. L. Johnson

LINE NO.	ACCT NO. (A)	ACCOUNT TITLE (B)	ALLOC FACTOR (C)	TOTAL COMPANY (D) \$	RSS/RDS (E) \$	SGS/DS-1 (F) \$	SGS/DS-2 (G) \$	SDS/LGSS (H) \$	LDS/LGSS (I) \$	MLDS (J) \$
1		TOTAL GROSS PLANT LESS GENERAL & INTANGIBLE PLANT [1]		3,892,468,848						
2		CUSTOMER COMPONENT-MAINS [2]:		54.609%						
3	376.00	MAINS [2]	Pg 14	1,405,195,768						
4	376.00	DIRECT - MAINS - MLDS [2]	Pg 14	77,319						
5	376.08	MAINS-CSL REPLACEMENTS [2]	Pg 14	12,841,569						
6	376.30	MAINS-BARE STEEL [2]	Pg 14	25,763,222						
7	376.30	DIRECT - MAINS-BARE STEEL [2]	Pg 14	44,126						
8	376.80	MAINS-CAST IRON [2]	Pg 14	-						
9	380.00	SERVICES	Pg 14	855,169,618						
10	380.00	DIRECT - SERVICES	Pg 14	1,554						
11	380.12	CSL REPLACEMENT	Pg 14	-						
12	381.00	METERS	Pg 14	44,799,656						
13	381.10	AUTOMATIC METER READING	Pg 14	25,134,959						
14	382.00	METER INSTALLATIONS	Pg 14	45,542,208						
15	383.00	HOUSE REGULATORS	Pg 14	17,656,503						
16	384.00	HOUSE REG INSTALLATIONS	Pg 14	3,484,788						
17	385.00	IND M&R EQUIPMENT	Pg 14	7,324,965						
18	385.00	DIRECT - IND M&R EQUIPMENT	Pg 14	478,276						
19	385.10	IND M&R EQUIPMENT - LG VOLUME	Pg 14	1,018,904						
20		CUSTOMER-RELATED GROSS PLANT		2,444,533,435						
21		GENERAL PLANT	Pg 3	37,620,859						
22		GENERAL PLANT CUSTOMER-RELATED COSTS PCT [Line 20 / Line 1]		62.802%						
23		CUSTOMER-RELATED GENERAL PLANT		23,626,652						
24		INTANGIBLE PLANT [ACCOUNT 303.3 ONLY]	Pg 3	75,951,821						
25		INTANGIBLE PLANT CUSTOMER-RELATED COSTS PCT [Line 20 / Line 1]		62.802%						
26		CUSTOMER-RELATED INTANGIBLE PLANT		47,699,262						

[1] Exhibit 111, Schedule 3, Page 3, Line 51, less Page 3, Line 50, and Line 13, .

[2] Customer Component of Allocation Factor 20 - Minimum System Mains.

COLUMBIA GAS OF PENNSYLVANIA, INC.
 CUSTOMER BASED COSTS - CUSTOMER CHARGE CALCULATION WITH MAINS COMPONENT - ACCOUNTS 874 & 887
 FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2023

ALLOCATED COST OF SERVICE
 PEAK & AVERAGE

111, SCHEDULE 2
 PAGE 18 OF 30
 WITNESS: K. L. Johnson

LINE NO.	ACCT NO.	ACCOUNT TITLE	ALLOC FACTOR	TOTAL COMPANY	RSS/RDS	SGS/DS-1	SGS/DS-2	SDS/LGSS	LDS/LGSS	MLDS	FLEX
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
				\$	\$	\$	\$	\$	\$	\$	\$
				TOTAL PLANT	CUSTOMER COMPONENT	CUSTOMER-RELATED					
1	376.00	MAINS	Pg 3	2,573,194,470							
2	376.00	DIRECT - MAINS - MLDS	Pg 3	141,540							
3	376.08	MAINS-CSL REPLACEMENTS	Pg 3	23,515,481							
4	376.30	MAINS-BARE STEEL	Pg 3	47,177,611							
5	376.30	DIRECT - MAINS-BARE STEEL	Pg 3	80,803							
6	376.80	MAINS-CAST IRON	Pg 3	(0)							
7		TOTAL MAINS		2,644,109,906	54.609%	1,443,921,978					
8	380.00	SERVICES	Pg 3	855,169,618							
9	380.12	CSL REPLACEMENT	Pg 3	0							
10		TOTAL SERVICES		855,169,618	100.000%	855,169,618					
11		TOTAL MAINS AND SERVICES		3,499,279,523	65.702%	2,299,091,596					
12		TOTAL ACCOUNT 874	Pg 7							26,315,390	
13		PERCENTAGE CUSTOMER-RELATED (Line 12)								65.702%	
14		CUSTOMER-RELATED ACCOUNT 874								17,289,738	

LINE NO.	DESCRIPTION		TOTAL COMPANY	RSS/RDS	SGS/DS-1	SGS/DS-2	SDS/LGSS	LDS/LGSS	MLDS	FLEX
	(A)		(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
15	Customer Based Mains	Pg14	1,443,922,004	1,322,030,420	103,058,484	16,863,591	1,487,115	245,446	164,734	72,215
16	Services	Pg14	855,171,172	778,751,661	62,239,245	11,416,514	1,830,063	538,757	561	394,371
17	Total Customer Based Mains and Services		2,299,093,176	2,100,782,081	165,297,729	28,280,105	3,317,178	784,203	165,295	466,586
			100.000%	91.374%	7.190%	1.230%	0.144%	0.034%	0.007%	0.020%
18	Account 874	Line 14	17,289,738							
19	CUSTOMER BASED ACCOUNT 874		17,289,738	15,798,391	1,243,079	212,673	24,946	5,897	1,243	3,509

COLUMBIA GAS OF PENNSYLVANIA, INC.
CUSTOMER BASED COSTS - CUSTOMER CHARGE CALCULATION WITH MAINS COMPONENT
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2023

ALLOCATED COST OF SERVICE
PEAK & AVERAGE

111, SCHEDULE 2
PAGE 19 OF 30

WITNESS: K. L. Johnson

LINE NO.	ACCT NO. (A)	ACCOUNT TITLE (B)	ALLOC FACTOR (C)	TOTAL COMPANY (D) \$	RSS/RDS (E) \$	SGS/DS-1 (F) \$	SGS/DS-2 (G) \$	SDS/LGSS (H) \$	LDS/LGSS (I) \$	MLDS (J) \$	FLEX (K) \$
1		TOTAL ACCOUNT 887	Pg 7	26,524,141							
2		PERCENTAGE CUSTOMER-RELATED	Pg 18	54.609%							
3		CUSTOMER-RELATED ACCOUNT 887		14,484,568							
4		Total Customer Based Mains	Pg 18	1,443,922,004 100.000%	1,322,030,420 91.558%	103,058,484 7.137%	16,863,591 1.168%	1,487,115 0.103%	245,446 0.017%	164,734 0.011%	72,215 0.005%
5		Account 887		14,484,568							
6		CUSTOMER BASED ACCOUNT 887		14,484,568	13,261,824	1,033,821	169,166	14,918	2,462	1,653	724

COLUMBIA GAS OF PENNSYLVANIA, INC.
CUSTOMER BASED COSTS - CUSTOMER CHARGE CALCULATION WITH MAINS COMPONENT - A&G EXPENSE
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2023

111, SCHEDULE 2
PAGE 20 OF 30
WITNESS: K. L. Johnson

ALLOCATED COST OF SERVICE
PEAK & AVERAGE

LINE NO.	ACCT NO.	ACCOUNT TITLE	ALLOC FACTOR	TOTAL COMPANY	RSS/RDS	SGS/DS-1	SGS/DS-2	SDS/LGSS	LDS/LGSS	MLDS
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)
				\$	\$	\$	\$	\$	\$	\$
1		TOTAL O & M LESS GAS PURCHASED COST AND A&G	Pg 7/8	147,569,451						
2	874.00	MAINS & SERVICES	Pg 16	17,289,738						
3	876.00	M & R - INDUSTRIAL	Pg 16	320,624						
4	878.00	METERS & HOUSE REGULATORS	Pg 16	1,760,364						
5	879.00	CUSTOMER INSTALLATIONS	Pg 16	5,858,537						
6	887.00	MAINS	Pg 16	14,484,568						
7	890.00	M & R - INDUSTRIAL	Pg 16	153,682						
8	892.00	SERVICES	Pg 16	5,980,905						
9	893.00	METERS & HOUSE REGULATORS	Pg 16	533,853						
10	901.00	SUPERVISION	Pg 16	0						
11	902.00	METER READING	Pg 16	708,802						
12	903.00	CUSTOMER RECORDS AND COLLECTION EXPENSES	Pg 16	7,791,838						
13	903.00	INTEREST ON CUSTOMER DEPOSITS	Pg 16	100,416						
14	904.00	UNCOLLECTIBLES-DIS REVENUE	Pg 16	6,771,837						
15	904.00	UNCOLLECTIBLES-GMB/GTS REVENUE	Pg 16	543,670						
16	904.00	UNCOLLECTIBLES-DIS COVID-19 DEFERRAL	Pg 16	936,875						
17	904.00	UNCOLLECTIBLES-GMB/GTS COVID-19 DEFERRAL	Pg 16	75,216						
18	905.00	MISCELLANEOUS	Pg 16	4,483						
19	921.00	OFFICE SUPPLIES & EXPENSES	Pg 16	0						
20	907.00	SUPERVISION	Pg 16	0						
21	908.00	CUSTOMER ASSISTANCE	Pg 16	1,927						
22	909.00	INFORMATIONAL & INSTRUCTIONAL EXPENSES	Pg 16	195,512						
23	910.00	MISCELLANEOUS	Pg 16	1,344,985						
24	921.00	OFFICE SUPPLIES & EXPENSES	Pg 16	0						
25	931.00	RENTS - GENERAL	Pg 16	0						
26	932.00	MAINTENANCE	Pg 16	0						
27	912.00	DEMONSTRATION	Pg 16	7,491						
28	913.00	ADVERTISING	Pg 16	153,596						
29		CUSTOMER-RELATED O&M LESS A&G		65,018,919						
30		ADMINISTRATIVE & GENERAL	Pg 8	98,045,924						
31		A&G CUSTOMER-RELATED COSTS PCT [Line 29 / Line 1]		44.06%						
32		CUSTOMER-RELATED A&G		<u>43,199,034</u>						

ALLOCATED COST OF SERVICE
 PEAK & AVERAGE

111, SCHEDULE 2
 PAGE 21 OF 30
 WITNESS: K. L. Johnson

LINE NO.	ACCT NO. (A)	ACCOUNT TITLE (B)	ALLOC FACTOR (C)	TOTAL COMPANY (D) \$	RSS/RDS (E) \$	SGS/DS-1 (F) \$	SGS/DS-2 (G) \$	SDS/LGSS (H) \$	LDS/LGSS (I) \$	MLDS (J) \$	FLEX (K) \$
1		CUSTOMER COMPONENT EXPENSES									
2	874.00	MAINS & SERVICES	Pg 16	17,289,738	15,798,391	1,243,079	212,673	24,946	5,897	1,243	3,509
3	876.00	M & R - INDUSTRIAL	Pg 16	320,624	1	5,354	42,483	110,820	107,088	0	54,878
4	878.00	METERS & HOUSE REGULATORS	Pg 16	1,760,364	1,400,176	240,184	106,643	10,157	2,500	176	528
5	879.00	CUSTOMER INSTALLATIONS	Pg 16	5,858,537	5,335,019	426,384	78,211	12,537	3,691	0	2,695
6	887.00	MAINS	Pg 16	14,484,568	7,400,165	1,349,093	1,803,474	1,170,643	1,498,573	1,159	1,261,461
7	890.00	M & R - INDUSTRIAL	Pg 16	153,682	0	2,566	20,363	53,119	51,330	0	26,304
8	892.00	SERVICES	Pg 16	5,980,905	5,446,452	435,290	79,845	12,799	3,768	0	2,751
9	893.00	METERS & HOUSE REGULATORS	Pg 16	533,853	424,622	72,839	32,341	3,080	758	53	160
10		TOTAL		46,382,271	35,804,826	3,774,789	2,376,033	1,398,101	1,673,605	2,631	1,352,286
11		TOTAL COMPANY EXPENSES									
12	874.00	MAINS & SERVICES	Pg 7	26,315,390	16,015,283	2,320,228	2,561,540	1,620,765	2,061,285	1,579	1,734,711
13	876.00	M & R - INDUSTRIAL	Pg 7	320,624	0	5,354	42,483	110,821	107,088	0	54,878
14	878.00	METERS & HOUSE REGULATORS	Pg 7	1,760,364	1,400,176	240,184	106,643	10,157	2,500	176	528
15	879.00	CUSTOMER INSTALLATIONS	Pg 7	5,858,537	5,335,018	426,384	78,212	12,537	3,691	0	2,695
16	887.00	MAINS	Pg 7	26,524,141	13,551,184	2,470,459	3,302,521	2,143,681	2,744,188	2,122	2,309,987
17	890.00	M & R - INDUSTRIAL	Pg 7	153,682	0	2,567	20,363	53,119	51,330	0	26,304
18	892.00	SERVICES	Pg 7	5,980,905	5,446,451	435,290	79,845	12,799	3,768	0	2,751
19	893.00	METERS & HOUSE REGULATORS	Pg 7	533,853	424,621	72,839	32,341	3,080	758	53	160
20		TOTAL		67,447,496	42,172,734	5,973,305	6,223,947	3,966,959	4,974,607	3,930	4,132,015
21		PERCENTAGE CUSTOMER RELATED (LINE 10 / LINE 20)		68.768%	84.900%	63.194%	38.176%	35.244%	33.643%	66.943%	32.727%
22		TOTAL COMPANY EXPENSES									
23	870.00	SUPERVISION & ENGINEERING	Pg 7	8,571,635	5,326,328	760,476	800,334	510,527	640,815	514	532,641
24		PERCENTAGE CUSTOMER RELATED			84.900%	63.194%	38.176%	35.244%	33.643%	66.943%	32.727%
25	870.00	SUPERVISION & ENGINEERING CUSTOMER RELATED		5,878,345	4,522,053	480,575	305,535	179,930	215,590	344	174,318
26	880.00	OTHER	Pg 7	3,842,068	2,387,423	340,868	358,734	228,834	287,233	231	238,746
27		PERCENTAGE CUSTOMER RELATED			84.900%	63.194%	38.176%	35.244%	33.643%	66.943%	32.727%
28	880.00	OTHER CUSTOMER RELATED		2,634,852	2,026,922	215,408	136,950	80,650	96,634	154	78,134
29	885.00	SUPERVISION & ENGINEERING	Pg 7	160,847	99,949	14,270	15,018	9,580	12,025	10	9,995
30		PERCENTAGE CUSTOMER RELATED			84.900%	63.194%	38.176%	35.244%	33.643%	66.943%	32.727%
31	885.00	SUPERVISION & ENGINEERING CUSTOMER RELATED		110,307	84,857	9,018	5,733	3,376	4,046	6	3,271
32	894.00	OTHER EQUIPMENT	Pg 7	1,258,704	782,146	111,672	117,525	74,968	94,101	76	78,216
33		PERCENTAGE CUSTOMER RELATED			84.900%	63.194%	38.176%	35.244%	33.643%	66.943%	32.727%
34	894.00	OTHER EQUIPMENT CUSTOMER RELATED		863,207	664,042	70,570	44,866	26,422	31,658	51	25,598

COLUMBIA GAS OF PENNSYLVANIA, INC.
CUSTOMER BASED COSTS - CUSTOMER CHARGE CALCULATION WITH MAINS COMPONENT - OTHER RATE BASE ITEMS
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2023

ALLOCATED COST OF SERVICE
PEAK & AVERAGE

111, SCHEDULE 2
PAGE 22 OF 30
WITNESS: K. L. Johnson

LINE NO.	ACCT NO. (A)	ACCOUNT TITLE (B)	ALLOC FACTOR (C)	TOTAL COMPANY (D)	RSS/RDS (E)	SGS/DS-1 (F)	SGS/DS-2 (G)	SDS/LGSS (H)	LDS/LGSS (I)	MLDS (J)	FLEX (K)
1		Total Gross Plant	Pg 12	4,061,081,498	2,469,943,835	365,603,615	396,792,497	248,833,468	314,643,168	839,646	264,425,269
2		Customer Based Gross Plant	Pg 14	2,515,859,349	2,252,811,688	190,494,999	44,628,551	11,364,060	9,301,327	656,055	6,602,670
3		Percent		100.000%	89.544%	7.572%	1.774%	0.452%	0.370%	0.026%	0.262%
4		Customer Based Gross Plant to Total Gross Plant		61.950%							
5		Total Deferred Income Taxes	Pg 10	(440,841,376)							
6		CUSTOMER BASED DEFERRED INCOME TAXES		(273,103,334)	(244,548,799)	(20,678,747)	(4,844,550)	(1,233,599)	(1,009,684)	(71,217)	(716,738)
7		DIST. PLANT EXCL ACCTS 375.70, 375.71, & 375.72	Pg 12	3,618,567,468	2,353,502,465	348,308,792	378,112,483	237,468,806	300,450,485	724,436	252,503,047
8		Customer Based Dist Plant Excl 375.7, 375.71, 375.72	Pg 14	2,444,533,435	2,209,447,672	184,077,093	37,661,435	6,988,928	3,765,722	642,503	1,950,081
9		Percent		100.000%	90.383%	7.530%	1.541%	0.286%	0.154%	0.026%	0.080%
10		Customer Based Gross Plant to Dist Plant Excl 375.7, 375.71, 375.72		67.555%							
11		Materials & Supplies		1,332,307							
12		CUSTOMER BASED MATERIALS & SUPPLIES		900,044	813,489	67,775	13,866	2,573	1,386	237	718
13		DIST. PLANT EXCL ACCTS 375.70, 375.71, & 375.72	Pg 12	3,618,567,468	2,353,502,465	348,308,792	378,112,483	237,468,806	300,450,485	724,436	252,503,047
14		Customer Based Dist Plant Excl 375.7, 375.71, 375.72	Pg 14	2,444,533,435	2,209,447,672	184,077,093	37,661,435	6,988,928	3,765,722	642,503	1,950,081
15		Percent		100.000%	90.383%	7.530%	1.541%	0.286%	0.154%	0.026%	0.080%
16		Customer Based Gross Plant to Dist Plant Excl 375.7, 375.71, 375.72		67.555%							
17		Customer Advances	Pg 10	11,265							
18		CUSTOMER BASED ADVANCES		7,610	6,878	573	117	22	12	2	6

COLUMBIA GAS OF PENNSYLVANIA, INC.
CUSTOMER BASED COSTS - CUSTOMER CHARGE CALCULATION EXCLUDING MAINS
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2023

**ALLOCATED COST OF SERVICE
PEAK & AVERAGE**

111, SCHEDULE 2
PAGE 23 OF 30
WITNESS: K. L. Johnson

LINE NO.	ACCT NO.	ACCOUNT TITLE (A)	ALLOC FACTOR (B)	TOTAL COMPANY (C) \$	RSS/RDS (D) \$	SGS/DS-1 (E) \$	SGS/DS-2 (F) \$	SDS/LGSS (G) \$	LDS/LGSS (I) \$	MLDS (J) \$	FLEX (K) \$
1	303.30	CUSTOMER & OTHER-BASED SOFTWARE [1]	11	19,524,175	11,870,113	1,756,785	1,907,121	1,197,613	1,515,271	3,710	1,273,562
2	380.00	SERVICES	15	855,169,618	778,751,661	62,239,245	11,416,514	1,830,063	538,757	0	393,378
3	380.00	DIRECT - SERVICES	Pg 14	1,554	0	0	0	0	0	561	993
4	380.12	CSL REPLACEMENT	15	0	0	0	0	0	0	0	0
5	381.00	METERS	16	44,799,656	34,665,078	6,653,645	3,094,312	292,990	73,471	4,928	15,232
6	381.10	AUTOMATIC METER READING	16	25,134,959	19,448,928	3,733,044	1,736,072	164,383	41,221	2,765	8,546
7	382.00	METER INSTALLATIONS	16	45,542,208	35,239,650	6,763,929	3,145,600	297,846	74,689	5,010	15,484
8	383.00	HOUSE REGULATORS	21	17,656,503	16,128,685	1,243,901	250,369	27,191	4,414	530	1,413
9	384.00	HOUSE REG INSTALLATIONS	21	3,484,788	3,183,249	245,503	49,414	5,367	871	105	279
10	385.00	IND M&R EQUIPMENT	17	7,324,965	0	122,327	970,558	2,531,801	2,446,538	0	1,253,741
11	385.00	DIRECT - IND M&R EQUIPMENT		478,276	0	0	0	0	0	463,871	14,405
12	385.10	IND M&R EQUIPMENT - LG VOLUME	17	<u>1,018,904</u>	<u>(1)</u>	<u>17,016</u>	<u>135,005</u>	<u>352,174</u>	<u>340,314</u>	<u>0</u>	<u>174,396</u>
13		TOTAL GROSS PLANT		1,020,135,606	899,287,363	82,775,395	22,704,965	6,699,428	5,035,546	481,480	3,151,429
14	303.30	CUSTOMER & OTHER-BASED SOFTWARE [1]	11	7,736,942	4,703,829	696,170	755,744	474,584	600,464	1,470	504,681
15	380.00	SERVICES	15	172,489,154	157,075,523	12,553,761	2,302,730	369,127	108,668	0	79,345
16	380.00	DIRECT - SERVICES	Pg 14	1,314	0	0	0	0	0	436	878
17	380.12	CSL REPLACEMENT	15	0	0	0	0	0	0	0	0
18	381.00	METERS	16	19,420,683	15,027,336	2,884,360	1,341,387	127,011	31,850	2,136	6,603
19	381.10	AUTOMATIC METER READING	16	19,754,808	15,285,875	2,933,984	1,364,465	129,196	32,398	2,173	6,717
20	382.00	METER INSTALLATIONS	16	16,518,699	12,781,839	2,453,357	1,140,947	108,032	27,091	1,817	5,616
21	383.00	HOUSE REGULATORS	21	8,581,133	7,838,609	604,541	121,680	13,215	2,145	257	686
22	384.00	HOUSE REG INSTALLATIONS	21	0	0	0	0	0	0	0	0
23	385.00	IND M&R EQUIPMENT	17	2,839,179	0	47,414	376,191	981,334	948,286	0	485,954
24	385.00	DIRECT - IND M&R EQUIPMENT	Pg 14	99,994	0	0	0	0	0	93,657	6,337
25	385.10	IND M&R EQUIPMENT - LG VOLUME	17	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
26		TOTAL DEPRECIATION RESERVE		247,441,906	212,713,011	22,173,587	7,403,144	2,202,499	1,750,902	101,945	1,096,817

[1] INTANGIBLE PLANT @ 25.706% OF TOTAL REPRESENTING CUSTOMER PORTION (PAGE 26)

COLUMBIA GAS OF PENNSYLVANIA, INC.
CUSTOMER BASED COSTS - CUSTOMER CHARGE CALCULATION EXCLUDING MAINS
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2023

ALLOCATED COST OF SERVICE
PEAK & AVERAGE

111, SCHEDULE 2

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WITNESS: K. L. Johnson

LINE NO.	ACCT NO.	ACCOUNT TITLE (A)	ALLOC FACTOR (B)	TOTAL COMPANY (C) \$	RSS/RDS (D) \$	SGS/DS-1 (E) \$	SGS/DS-2 (F) \$	SDS/LGSS (G) \$	LDS/LGSS (I) \$	MLDS (J) \$	FLEX (K) \$
1	154.00	CUSTOMER BASED MATERIALS & SUPPLIES	Pg 30	368,411	326,735	29,830	7,657	2,026	1,296	176	691
2	190-282-283	CUSTOMER BASED DEFFERED INCOME TAXE	Pg 30	(110,738,478)	(97,620,075)	(8,985,493)	(2,464,685)	(727,241)	(546,622)	(52,266)	(342,096)
3	235.00	CUSTOMER DEPOSITS	9	(3,554,025)	(2,351,271)	(1,010,978)	(184,703)	(7,073)	0	0	0
4	252.00	CUSTOMER BASED ADVANCES	Pg 30	3,115	2,763	252	65	17	11	1	6
5		TOTAL CUSTOMER-BASED RATE BASE		658,772,722	586,932,504	50,635,419	12,660,155	3,764,658	2,739,329	327,446	1,713,212
6		EQUITY CAPITAL @ 54.380%		358,240,606	319,173,896	27,535,541	6,884,592	2,047,221	1,489,647	178,065	931,645
7		RETURN ON RATE BASE @ 8.080%		53,228,836	47,424,146	4,091,342	1,022,940	304,184	221,338	26,458	138,428
8		RETURN ON EQUITY @ 11.200%		40,122,948	35,747,476	3,083,981	771,074	229,289	166,840	19,943	104,344
9	303.30	CUSTOMER & OTHER-BASED SOFTWARE [1]	11	2,964,751	1,802,480	266,768	289,597	181,858	230,094	563	193,391
10	380.00	SERVICES	15	25,843,593	23,534,210	1,880,897	345,012	55,305	16,281	0	11,888
11	380.00	DIRECT - SERVICES	Pg 15	42	0	0	0	0	0	15	27
12	380.12	CSL REPLACEMENT	15	0	0	0	0	0	0	0	0
13	381.00	METERS	16	1,057,168	818,015	157,011	73,019	6,914	1,734	116	359
14	381.10	AUTOMATIC METER READING	16	1,130,030	874,396	167,832	78,051	7,390	1,853	124	384
15	382.00	METER INSTALLATIONS	16	852,161	659,384	126,563	58,859	5,573	1,398	94	290
16	383.00	HOUSE REGULATORS	21	440,003	401,930	30,998	6,239	678	110	13	35
17	384.00	HOUSE REG INSTALLATIONS	21	0	0	0	0	0	0	0	0
18	385.00	IND M&R EQUIPMENT	17	409,431	0	6,837	54,250	141,516	136,750	0	70,078
19	385.00	DIRECT - IND M&R EQUIPMENT	Pg 15	20,518	0	0	0	0	0	19,900	618
20	385.10	IND M&R EQUIPMENT - LG VOLUME	17	0	0	0	0	0	0	0	0
21		TOTAL DEPRECIATION EXPENSES		32,717,697	28,090,415	2,636,906	905,027	399,234	388,220	20,825	277,070
22		TOTAL NET SALVAGE AMORTIZED [1]	11	1,319,823	802,413	118,758	128,920	80,958	102,431	251	86,092
23		TOTAL DEPRECIATION & AMORTIZATION EXPENSES		34,037,520	28,892,828	2,755,664	1,033,947	480,192	490,651	21,076	363,162

[1] NET SALVAGE @ 25.706% OF TOTAL REPRESENTING CUSTOMER PORTION (PAGE 26)

**COLUMBIA GAS OF PENNSYLVANIA, INC.
CUSTOMER BASED COSTS - CUSTOMER CHARGE CALCULATION EXCLUDING MAINS
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2023**

ALLOCATED COST OF SERVICE
PEAK & AVERAGE

111, SCHEDULE 2
PAGE 25 OF 30
WITNESS: K. L. Johnson

LINE NO.	ACCT NO. (A)	ACCOUNT TITLE (B)	ALLOC FACTOR (C)	TOTAL COMPANY (D) \$	RSS/RDS (E) \$	SGS/DS-1 (F) \$	SGS/DS-2 (G) \$	SDS/LGSS (H) \$	LDS/LGSS (I) \$	MLDS (J) \$	FLEX (K) \$
1	874.00	MAINS & SERVICES [SERVICES ONLY][1]		6,430,955	5,859,241	468,044	85,853	13,762	4,051	4	0
2	876.00	M & R - INDUSTRIAL	17	320,624	0	5,354	42,483	110,820	107,088	0	54,878
3	878.00	METERS & HOUSE REGULATORS	23	1,760,364	1,400,176	240,184	106,643	10,157	2,500	176	528
4	879.00	CUSTOMER INSTALLATIONS	15	5,858,537	5,335,018	426,384	78,211	12,537	3,691	0	2,695
5	890.00	M & R - INDUSTRIAL	17	153,682	0	2,566	20,363	53,119	51,330	0	26,304
6	892.00	SERVICES	15	5,980,905	5,446,451	435,290	79,845	12,799	3,768	0	2,751
7	893.00	METERS & HOUSE REGULATORS	23	<u>533,853</u>	<u>424,621</u>	<u>72,839</u>	<u>32,341</u>	<u>3,080</u>	<u>758</u>	<u>53</u>	<u>160</u>
8		TOTAL DISTRIBUTION		21,038,920	18,465,507	1,650,662	445,739	216,275	173,186	233	87,317
9	901.00	SUPERVISION	6	0	0	0	0	0	0	0	0
10	902.00	METER READING	6	708,802	649,022	50,594	8,279	730	120	21	35
11	903.00	CUSTOMER RECORDS AND COLLECTION EXPENSES	6	7,791,838	7,134,674	556,181	91,009	8,026	1,325	234	390
12	903.00	INTEREST ON CUSTOMER DEPOSITS	9	100,416	66,433	28,564	5,219	200	0	0	0
13	904.00	UNCOLLECTIBLES-DIS REVENUE	7	6,771,837	6,302,481	250,016	219,340	0	0	0	0
14	904.00	UNCOLLECTIBLES-GMB/GTS REVENUE	8	543,670	0	141	11,194	259,896	216,707	17,702	38,030
15	904.00	UNCOLLECTIBLES-DIS COVID-19 DEFERRAL	7	936,875	871,940	34,589	30,345	0	0	0	0
16	904.00	UNCOLLECTIBLES-GMB/GTS COVID-19 DEFERRAL	8	75,216	0	20	1,549	35,956	29,981	2,449	5,261
17	905.00	MISCELLANEOUS	6	4,483	4,105	320	52	5	1	0	0
18	921.00	OFFICE SUPPLIES & EXPENSES	6	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
19		TOTAL CUSTOMER ACCOUNTS		16,933,137	15,028,655	920,427	366,986	304,812	248,134	20,406	43,716
20	907.00	SUPERVISION	6	0	0	0	0	0	0	0	0
21	908.00	CUSTOMER ASSISTANCE	6	1,927	1,764	138	23	2	0	0	0
22	909.00	INFORMATIONAL & INSTRUCTIONAL EXPENSES	6	195,512	179,023	13,956	2,284	201	33	6	10
23	910.00	MISCELLANEOUS	6	1,344,985	1,231,549	96,005	15,709	1,385	229	40	67
24	921.00	OFFICE SUPPLIES & EXPENSES	6	0	0	0	0	0	0	0	0
25	931.00	RENTS - GENERAL	6	0	0	0	0	0	0	0	0
26	932.00	MAINTENANCE	6	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
27		TOTAL CUST SERVICE & INFORMATION		1,542,424	1,412,336	110,098	18,016	1,589	262	46	77
28	912.00	DEMONSTRATION	6	7,491	6,859	535	87	8	1	0	0
29	913.00	ADVERTISING	6	<u>153,596</u>	<u>140,642</u>	<u>10,964</u>	<u>1,794</u>	<u>158</u>	<u>26</u>	<u>5</u>	<u>8</u>
30		TOTAL SALES		161,087	147,501	11,498	1,881	166	27	5	8
31		CUSTOMER-RELATED BENEFITS	24	248,221	165,645	21,528	19,954	12,615	15,616	12	12,850
32		CUSTOMER-RELATED PAYROLL TAXES	11	870,492	529,233	78,327	85,030	53,396	67,559	165	56,782
33		TOTAL CUST-RELATED O&M [LINES 8, 19, 27, 30,31 & 32]		40,794,281	35,748,877	2,792,541	937,606	588,853	504,784	20,868	200,751
34		DEPRECIATION EXPENSE	Pg 24	33,674,358	28,892,828	2,755,664	1,033,947	480,192	490,651	21,076	363,162
35		INCOME TAXES		16,260,098	14,524,682	1,253,063	313,298	93,163	67,789	8,103	42,396
36		RETURN ON RATE BASE	Pg 24	<u>53,090,408</u>	<u>47,424,146</u>	<u>4,091,342</u>	<u>1,022,940</u>	<u>304,184</u>	<u>221,338</u>	<u>26,458</u>	<u>138,428</u>
37		TOTAL ANNUAL CUSTOMER-BASED COST		<u>143,819,145</u>	<u>126,590,533</u>	<u>10,892,610</u>	<u>3,307,791</u>	<u>1,466,392</u>	<u>1,284,562</u>	<u>76,506</u>	<u>744,736</u>
38		AVERAGE ANNUAL CUSTOMER BILLS [2]		5,419,794	4,966,131	384,130	62,656	5,552	915	146	264
39		MONTHLY CUSTOMER BASED COST/BILL [LINE 37 / LINE 38]		\$ 26.54	\$ 25.49	\$ 28.36	\$ 52.79	\$ 264.12	\$ 1,403.89	\$ 524.01	\$ 2,820.97

[1] MAINS AND SERVICES @ 24.438% OF TOTAL ACCOUNT 874. (PAGE 27)

[2] AVERAGE ANNUAL CUSTOMER BILLS INCLUDE FINAL BILLS (ALLOCATION FACTOR 6 DETAIL).

COLUMBIA GAS OF PENNSYLVANIA, INC.
 CUSTOMER BASED COSTS - CUSTOMER CHARGE CALCULATION EXCLUDING MAINS - INTANGIBLE AND GENERAL PLANT
 FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2023

ALLOCATED COST OF SERVICE
 PEAK & AVERAGE

111, SCHEDULE 2
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 WITNESS: K. L. Johnson

LINE NO.	ACCT NO.	ACCOUNT TITLE	ALLOC FACTOR	TOTAL COMPANY	RSS/RDS	SGS/DS-1	SGS/DS-2	SDS/LGSS	LDS/LGSS	MLDS
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)
				\$	\$	\$	\$	\$	\$	\$
1		TOTAL GROSS PLANT LESS GENERAL & INTANGIBLE PLANT [1Pg 17		3,892,468,848						
2	380.00	SERVICES	Pg 17	855,169,618						
3	380.00	DIRECT - SERVICES	Pg 17	1,554						
4	380.12	CSL REPLACEMENT	Pg 17	-						
5	381.00	METERS	Pg 17	44,799,656						
6	381.10	AUTOMATIC METER READING	Pg 17	25,134,959						
7	382.00	METER INSTALLATIONS	Pg 17	45,542,208						
8	383.00	HOUSE REGULATORS	Pg 17	17,656,503						
9	384.00	HOUSE REG INSTALLATIONS	Pg 17	3,484,788						
10	385.00	IND M&R EQUIPMENT	Pg 17	7,324,965						
11	385.00	DIRECT - IND M&R EQUIPMENT	Pg 17	478,276						
12	385.10	IND M&R EQUIPMENT - LG VOLUME	Pg 17	1,018,904						
13		CUSTOMER-RELATED GROSS PLANT		1,000,611,431						
14		GENERAL PLANT	Pg 3	37,620,859						
15		GENERAL PLANT CUSTOMER-RELATED COSTS PCT [Line 13 / Line 1]		25.706%						
16		CUSTOMER-RELATED GENERAL PLANT		9,670,818						
17		INTANGIBLE PLANT [ACCOUNT 303.3 ONLY]	Pg 17	75,951,821						
18		INTANGIBLE PLANT CUSTOMER-RELATED COSTS PCT [Line 13 / Line 1]		25.706%						
19		CUSTOMER-RELATED INTANGIBLE PLANT		19,524,175						

[1] Exhibit 111, Schedule 3, Page 3, Line 51, less Page 3, Line 50.
 [2] Customer Component of Allocation Factor 20 - Minimum System Mains.

COLUMBIA GAS OF PENNSYLVANIA, INC.
CUSTOMER BASED COSTS - CUSTOMER CHARGE CALCULATION EXCLUDING MAINS - ACCOUNT 874
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2023

ALLOCATED COST OF SERVICE											111, SCHEDULE 2
PEAK & AVERAGE											PAGE 27 OF 30
											WITNESS: K. L. Johnson
LINE NO.	ACCT NO.	ACCOUNT TITLE	ALLOC FACTOR	TOTAL COMPANY	RSS/RDS	SGS/DS-1	SGS/DS-2	SDS/LGSS	LDS/LGSS	MLDS	
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	
				\$	\$	\$	\$	\$	\$	\$	
LINE NO.	ACCT NO.	ACCOUNT		TOTAL PLANT							
1	376.00	MAINS	Pg 3	2,573,194,470							
2	376.00	DIRECT - MAINS - MLDS	Pg 3	141,540							
3	376.08	MAINS-CSL REPLACEMENTS	Pg 3	23,515,481							
4	376.30	MAINS-BARE STEEL	Pg 3	47,177,611							
5	376.30	DIRECT - MAINS-BARE STEEL	Pg 3	80,803							
6	376.80	MAINS-CAST IRON	Pg 3	(0)							
7		TOTAL MAINS		2,644,109,906	75.562%						
8	380.00	SERVICES	Pg 3	855,169,618							
9	380.00	DIRECT - SERVICES	Pg 3	561							
10	380.12	CSL REPLACEMENT		-							
11		TOTAL SERVICES		855,170,179	24.438%						
12		TOTAL MAINS AND SERVICES		3,499,280,084							
13		TOTAL ACCOUNT 874	Pg 7	26,315,390							
		PERCENTAGE SERVICES		24.438%							
14		CUSTOMER-RELATED ACCOUNT 874		6,430,955							
15	Customer Based Mains			0	0	0	0	0	0	0	
16	Services		Pg 23	855,171,172	778,751,661	62,239,245	11,416,514	1,830,063	538,757	561	
17	Total Customer Based Mains and Services			855,171,172	778,751,661	62,239,245	11,416,514	1,830,063	538,757	561	
				99.954%	91.064%	7.278%	1.335%	0.214%	0.063%	0.000%	
18	Account 874		Line 14	6,430,955							
19	CUSTOMER BASED ACCOUNT 874			6,430,955	5,859,241	468,044	85,853	13,762	4,051	4	

COLUMBIA GAS OF PENNSYLVANIA, INC.
CUSTOMER BASED COSTS - CUSTOMER CHARGE CALCULATION EXCLUDING MAINS - BENEFITS
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2023

ALLOCATED COST OF SERVICE 111, SCHEDULE 2
PEAK & AVERAGE PAGE 28 OF 30
WITNESS: K. L. Johnson

LINE NO.	ACCT NO. (A)	ACCOUNT TITLE (B)	ADJUSTED LABOR DOLLARS \$		ADJUSTED BENEFIT DOLLARS \$	ADJUSTED PAYROLL TAXES \$
1		TOTAL LABOR DOLLARS (Exhibit 104, Schedule 1, Page 2, Lines 1 & 2)	39,289,966			
2		TOTAL BENEFIT DOLLARS (Exhibit 104, Schedule 1, Page 2, Lines 3, 4, & 5)			844,977	
3		TOTAL PAYROLL TAXES (Exhibit 111, Page 9, Lines 1, 2, & 5)				2,963,275
4	874.00	MAINS & SERVICES (1)	2,458,688	6.26%	52,879	185,442
5	876.00	M & R - INDUSTRIAL (2)	229,532	0.58%	4,935	17,306
6	878.00	METERS & HOUSE REGULATORS	1,089,455	2.77%	23,431	82,172
7	879.00	CUSTOMER INSTALLATIONS	4,806,287	12.23%	103,366	362,497
8	890.00	M & R - INDUSTRIAL	58,242	0.15%	1,251	4,386
9	892.00	SERVICES	1,585,198	4.04%	34,095	119,568
10	893.00	METERS & HOUSE REGULATORS	147,525	0.38%	3,169	11,112
11	902.00	METER READING	234,234	0.60%	5,036	17,661
12	903.00	BILLING & ACCOUNTING	929,008	2.36%	19,975	70,052
13	920.00	SALARIES	3,920	0.01%	84	296
14		TOTAL	11,542,089	29.38%	248,221	870,492

(1) MAINS AND SERVICES @ 24.438% OF TOTAL ACCOUNT 874. (PAGE 27)
(2) REMAINDER OF LABOR DOLLARS FROM ALLOCATOR #24.

COLUMBIA GAS OF PENNSYLVANIA, INC.
 CUSTOMER BASED COSTS - CUSTOMER CHARGE CALCULATION EXCLUDING MAINS - ACCOUNTS 870, 880, 885, & 894
 FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2023

ALLOCATED COST OF SERVICE
 PEAK & AVERAGE

111, SCHEDULE 2
 PAGE 29 OF 30

WITNESS: K. L. Johnson

LINE NO.	ACCT NO. (A)	ACCOUNT TITLE (B)	ALLOC FACTOR (C)	TOTAL COMPANY (D) \$	RSS/RDS (E) \$	SGS/DS-1 (F) \$	SGS/DS-2 (G) \$	SDS/LGSS (H) \$	LDS/LGSS (I) \$	MLDS (J) \$
1		CUSTOMER COMPONENT EXPENSES								
2	874.00	MAINS & SERVICES	Pg 25	6,430,955	5,859,241	468,044	85,853	13,762	4,051	4
3	876.00	M & R - INDUSTRIAL	Pg 25	320,624	0	5,354	42,483	110,820	107,088	0
4	878.00	METERS & HOUSE REGULATORS	Pg 25	1,760,364	1,400,176	240,184	106,643	10,157	2,500	176
5	879.00	CUSTOMER INSTALLATIONS	Pg 25	5,858,537	5,335,018	426,384	78,211	12,537	3,691	0
6	890.00	M & R - INDUSTRIAL	Pg 25	153,682	0	2,566	20,363	53,119	51,330	0
7	892.00	SERVICES	Pg 25	5,980,905	5,446,451	435,290	79,845	12,799	3,768	0
8	893.00	METERS & HOUSE REGULATORS	Pg 25	533,853	424,621	72,839	32,341	3,080	758	53
9		TOTAL		21,038,920	18,465,507	1,650,662	445,739	216,275	173,186	233
10		TOTAL COMPANY EXPENSES								
11	874.00	MAINS & SERVICES	Pg 21	26,315,390	16,015,283	2,320,228	2,561,540	1,620,765	2,061,285	1,579
12	876.00	M & R - INDUSTRIAL	Pg 21	320,624	0	5,354	42,483	110,821	107,088	0
13	878.00	METERS & HOUSE REGULATORS	Pg 21	1,760,364	1,400,176	240,184	106,643	10,157	2,500	176
14	879.00	CUSTOMER INSTALLATIONS	Pg 21	5,858,537	5,335,018	426,384	78,212	12,537	3,691	0
15	890.00	M & R - INDUSTRIAL	Pg 21	153,682	0	2,567	20,363	53,119	51,330	0
16	892.00	SERVICES	Pg 21	5,980,905	5,446,451	435,290	79,845	12,799	3,768	0
17	893.00	METERS & HOUSE REGULATORS	Pg 21	533,853	424,621	72,839	32,341	3,080	758	53
18		TOTAL		40,923,355	28,621,550	3,502,846	2,921,426	1,823,278	2,230,419	1,808
19		PERCENTAGE CUSTOMER RELATED (LINE 9 / LINE 18)		51.411%	64.516%	47.123%	15.258%	11.862%	7.765%	12.908%
20		TOTAL COMPANY EXPENSES (PAGE 7)								
21	870.00	SUPERVISION & ENGINEERING	Pg 21	8,571,635	5,326,328	760,476	800,334	510,527	640,815	514
22		PERCENTAGE CUSTOMER RELATED			64.516%	47.123%	15.258%	11.862%	7.765%	12.908%
23	870.00	SUPERVISION & ENGINEERING CUSTOMER RELATED		4,027,192	3,436,334	358,359	122,115	60,559	49,759	66
24	880.00	OTHER	Pg 21	3,842,068	2,387,423	340,868	358,734	228,834	287,233	231
25		PERCENTAGE CUSTOMER RELATED			64.516%	47.123%	15.258%	11.862%	7.765%	12.908%
26	880.00	OTHER CUSTOMER RELATED		1,805,111	1,540,270	160,627	54,736	27,144	22,304	30
27	885.00	SUPERVISION & ENGINEERING	Pg 21	160,847	99,949	14,270	15,018	9,580	12,025	10
28		PERCENTAGE CUSTOMER RELATED			64.516%	47.123%	15.258%	11.862%	7.765%	12.908%
29	885.00	SUPERVISION & ENGINEERING CUSTOMER RELATED		75,570	64,483	6,725	2,291	1,136	934	1
30	894.00	OTHER EQUIPMENT	Pg 21	1,258,704	782,146	111,672	117,525	74,968	94,101	76
31		PERCENTAGE CUSTOMER RELATED			64.516%	47.123%	15.258%	11.862%	7.765%	12.908%
32	894.00	OTHER EQUIPMENT CUSTOMER RELATED		591,374	504,609	52,623	17,932	8,893	7,307	10

COLUMBIA GAS OF PENNSYLVANIA, INC.
CUSTOMER BASED COSTS - SYSTEM CHARGE CALCULATION EXCLUDING MAINS - OTHER RATE BASE ITEMS
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2023

ALLOCATED COST OF SERVICE
PEAK & AVERAGE

111, SCHEDULE 2
PAGE 30 OF 30
WITNESS: K. L. Johnson

LINE NO.	ACCT NO. (A)	ACCOUNT TITLE (B)	ALLOC FACTOR (C)	TOTAL COMPANY (D) \$	RSS/RDS (E) \$	SGS/DS-1 (F) \$	SGS/DS-2 (G) \$	SDS/LGSS (H) \$	LDS/LGSS (I) \$	MLDS (J) \$	FLEX (K) \$
1		Total Gross Plant	Pg 12	4,061,081,498	2,469,943,835	365,603,615	396,792,497	248,833,468	314,643,168	839,646	264,425,269
2		Customer Based Gross Plant Without Mains	Pg 23	1,020,135,606	899,287,363	82,775,395	22,704,965	6,699,428	5,035,546	481,480	3,151,429
3		Percent		100.000%	88.154%	8.114%	2.226%	0.657%	0.494%	0.047%	0.309%
4		Customer Based Gross Plant to Total Gross Plant		25.120%							
5		Total Deferred Income Taxes	Pg 10	(440,841,376)							
6		CUSTOMER BASED DEFERRED INCOME TAXES		(110,738,478)	(97,620,075)	(8,985,493)	(2,464,685)	(727,241)	(546,622)	(52,266)	(342,096)
7		DIST. PLANT EXCL ACCTS 375.70, 375.71, & 387	Pg 22	3,618,567,468	2,353,502,465	348,308,792	378,112,483	237,468,806	300,450,485	724,436	252,503,047
8		Customer Based Dist Plant Excl 375.7, 375.71.387	Pg 23	1,000,611,431	887,417,250	81,018,610	20,797,844	5,501,815	3,520,275	477,770	1,877,867
9		Percent		100.000%	88.687%	8.097%	2.079%	0.550%	0.352%	0.048%	0.188%
10		Customer Based Gross Plant to Dist Plant Excl 375.7, 375.71.387		27.652%							
11		Materials & Supplies	Pg 10	1,332,307							
12		CUSTOMER BASED MATERIALS & SUPPLIES		368,411	326,735	29,830	7,657	2,026	1,296	176	691
13		DIST. PLANT EXCL ACCTS 375.70, 375.71, & 387	Pg 22	3,618,567,468	2,353,502,465	348,308,792	378,112,483	237,468,806	300,450,485	724,436	252,503,047
14		Customer Based Gross Plant Without Mains	Pg 23	1,000,611,431	887,417,250	81,018,610	20,797,844	5,501,815	3,520,275	477,770	1,877,867
15		Percent		100.000%	88.687%	8.097%	2.079%	0.550%	0.352%	0.048%	0.188%
16		Customer Based Gross Plant to Dist Plant Excl 375.7, 375.71.387		27.652%							
17		Customer Advances	Pg 10	11,265							
18		CUSTOMER BASED ADVANCES		3,115	2,763	252	65	17	11	1	6

PAGE 3 - PLANT FROM EXH 108 P3 SCH 1

Acct. No.	Description	ALLOC. FACTOR	Plant in Service
301.00	301.00 Organizational Costs		100,099
302.21	302.21 Franchises/Consent, Perpetual		26,216
303.00	303.00 Misc Intangible Plant		4,809,062
303.30	303.30 Misc Software		75,951,821
305.00	305.00 Structures & Improvements		0
	301-305 INTANGIBLE PLANT	11	80,887,198
350.10	350.10 Land		23,882
350.20	350.20 Rights of Way		1,932
351.20	351.20 Compressor Station Structures		3,294,840
352.01	352.01 Wells Construction		1,126,772
352.02	352.02 Wells Equipment		1,072,970
352.10	352.10 Storage Leasehold and Rights		139,442
352.12	352.12 Other Leases		67,498
353.00	353.00 Lines		389,345
354.00	354.00 Compressor Station Equipment		948,177
355.00	355.00 Measuring & Regulating Equipment		104,477
362.00	362.00 Gas Holders		0
362.10	362.10 Environmental Remediation		0
	350-362 UNDERGROUND STORAGE PLANT	25	7,169,335
374.10	374.10 LAND - CITY GATE & M/L IND M&R	5	21,944
374.20	374.20 LAND - OTHER DISTRIBUTION	5	3,361,093
374.30	374.30 LAND RIGHTS - CITY GATE MAIN LINE	5	95,361
374.40	374.40 LAND RIGHTS - OTHER DISTRIBUTION	5	4,778,410
374.40	374.40 DIRECT - LAND RIGHTS-OTHER DISTRIBUTION		0
374.41	374.41 LAND RIGHTS - OTHER DISTRIBUTION LOC	5	13
374.50	374.50 RIGHTS OF WAY	5	3,233,171
374.50	374.50 DIRECT - RIGHTS OF WAY		0
375.20	375.20 M & R STRUCTURES - CITY GATE	5	7,026
375.31	375.31 M & R STRUCTURES - LOCAL GAS PURCH	5	4,012
375.40	375.40 M & R STRUCTURES - REGULATING	5	7,939,336
375.40	375.40 DIRECT - M & R STRUCTURES - REGULATING	5	24,324
375.40	375.40 DIRECT FLEX - M & R STRUCTURES - REG	5	2,802
375.60	375.60 M & R STRUCTURES - DIST. IND. M & R	17	86,228
375.70	375.70 M & R STRUCTURES - OTHER	11	42,981,846
375.71	375.71 M & R STRUCTURES - OTHER LEASED	11	7,122,746
375.80	375.80 M & R STRUCTURES - COMMUNICATION	5	16,515
376.00	376.00 MAINS	5	2,573,194,470
376.00	376.00 DIRECT - MAINS - MLDS		141,540
376.00	376.00 DIRECT - MAINS - MLDS FLEX		45
376.08	376.08 MAINS-CSL REPLACEMENTS	5	23,515,481
376.30	376.30 MAINS-BARE STEEL	5	47,177,611
376.30	376.30 DIRECT - MAINS-BARE STEEL		80,803
376.80	376.80 MAINS-CAST IRON	5	(0)
378.10	378.10 M & R EQUIP - GENERAL	5	1,444,656
378.20	378.20 M & R EQUIP - GENERAL - REGULATING	5	204,100,076
378.20	378.20 DIRECT - M & R EQUIP-GEN-REG		0
378.20	378.20 DIRECT FLEX - M & R EQUIP-GEN-REG		678,970
378.30	378.30 M & R EQUIP - LOCAL GAS PURCHASES	5	419,228
379.10	379.10 M & R EQUIP - CITY GATE	5	136,417
379.11	379.11 M & R EQUIP - EXCHANGE GAS	5	(450)
380.00	380.00 SERVICES	15	855,169,618
380.00	380.00 DIRECT - SERVICES		561
380.00	380.00 DIRECT FLEX - SERVICES		993
380.12	380.12 CSL REPLACEMENT	15	0
381.00	381.00 METERS	16	44,799,656
381.10	381.10 AUTOMATIC METER READING	16	25,134,959
382.00	382.00 METER INSTALLATIONS	16	45,542,208
383.00	383.00 HOUSE REGULATORS	21	17,656,503
384.00	384.00 HOUSE REG INSTALLATIONS	21	3,484,788
385.00	385.00 IND M&R EQUIPMENT	17	7,324,965
385.00	385.00 DIRECT - IND M&R EQUIPMENT		463,871
385.00	385.00 DIRECT FLEX - IND M&R EQUIPMENT		14,405
385.10	385.10 IND M&R EQUIPMENT - LG VOLUME	17	1,018,904
387.10	387.10 OTHER EQUIP DISTRIBUTION	11	19,450
387.20	387.20 OTHER EQUIP ODORIZATION	11	117,248
387.42	387.42 OTHER EQUIP RADIO	11	119,609
387.44	387.44 OTHER EQUIP COMMUNICATION	11	588,831
387.46	387.46 OTHER EQUIP CUSTOMER INFO SERVICE	11	11,112,902
387.45	387.45 DIRECT - OTHER EQUIP CUSTOMER INFO SERVICE		69,585
387.50	387.50 GPS EQUIPMENT	11	2,201,372
	TOTAL DISTRIBUTION		3,935,404,105
389.20	389.20 Land Rights		0
390.10	390.10 Str, Communications		49,821
391.10	391.10 OF&E Unspecified		2,598,465
391.11	391.11 OF&E Data Handling Equipment		91,304
391.12	391.12 OF&E Information Systems		357,301
391.20	391.20 OF&E Air Cond Equip		0
392.20	392.20 Trans Eq Trailers > \$1,000		14,787
392.21	392.21 Trans Eq Trailers \$1,000 or >		10,830
393.00	393.00 Stores Equipment		0
394.10	394.10 Tools, Garage & Service Eq		57,140
394.11	394.11 CNG Equip - Stationary		0
394.12	394.12 CNG Equip - Portable		0
394.20	394.20 Shop Equipment		17,534
394.30	394.30 Tools & Other		29,153,380
394.31	394.31 High Pressure Stopping		10,847
395.00	395.00 Laboratory Equipment, Gas		264,921
396.00	396.00 Power Operated Equipment		948,698
397.00	397.00 Communication Equipment		0
397.10	397.10 Communication Equipment-Telephone		0
397.20	397.20 Communication Equipment-Radio		0
397.40	397.40 Communication Equipment-Other		0
397.50	397.50 Communication Equipment-Telemetry		3,097,282
398.00	398.00 Miscellaneous Equipment		948,550
	389-398 GENERAL PLANT	11	37,620,859
	Total		4,061,081,498

PAGE 4 - DEPRECIATION RESERVE

FROM EXH 105 - DEPRECIATION STUDY

<u>Acct. No.</u>	<u>Description</u>	<u>ALLOC.</u> <u>FACTOR</u>	<u>INPUT:</u>
			<u>Depreciation</u> <u>Reserve</u>
301.00	Organizational Costs		0
302.21	Franchises/Consent, Perpetual		0
303.00	Misc Intangible Plant		0
303.30	Misc Software		30,097,805
305.00	Structures & Improvements		0
301-305	INTANGIBLE PLANT	11	30,097,805
350.10	Land		0
350.20	Rights of Way		1,931
351.20	Compressor Station Structures		2,841,177
352.01	Wells Construction		937,051
352.02	Wells Equipment		633,236
352.10	Storage Leasehold and Rights		206,932
352.12	Other Leases		0
353.00	Lines		389,250
354.00	Compressor Station Equipment		884,445
355.00	Measuring & Regulating Equipment		104,477
362.00	Gas Holders		0
362.10	Environmental Remediation		(83,498)
350-362	UNDERGROUND STORAGE PLANT	25	5,915,001
374.10	LAND - CITY GATE & M/L IND M&R	5	0
374.20	LAND - OTHER DISTRIBUTION	5	234,689
374.30	LAND RIGHTS - CITY GATE MAIN LINE	5	0
374.40	LAND RIGHTS - OTHER DISTRIBUTION	5	995,037.00
374.40	DIRECT - LAND RIGHTS-OTHER DISTRIBUTION		-
374.41	LAND RIGHTS - OTHER DISTRIBUTION LOC	5	0
374.50	RIGHTS OF WAY	5	1,864,695.00
374.50	DIRECT - RIGHTS OF WAY		-
375.20	M & R STRUCTURES - CITY GATE	5	0
375.31	M & R STRUCTURES - LOCAL GAS PURCH	5	0
375.40	M & R STRUCTURES - REGULATING	5	1,565,452
375.40	DIRECT - M & R STRUCTURES - REGULATING	5	4,631
375.40	DIRECT FLEX - M & R STRUCTURES - REG	5	420
375.60	M & R STRUCTURES - DIST. IND. M & R	17	76,624
375.70	M & R STRUCTURES - OTHER	11	6,406,439
375.71	M & R STRUCTURES - OTHER LEASED	11	3,373,155
375.80	M & R STRUCTURES - COMMUNICATION	5	8,999
376.00	MAINS	5	340,878,631.39
376.00	DIRECT - MAINS		44,664
376.00	DIRECT FLEX - MAINS		40
376.08	MAINS-CSL REPLACEMENTS	5	0
376.30	MAINS-BARE STEEL	5	33,350,989.01
376.30	DIRECT - MAINS-BARE STEEL		77,846
376.80	MAINS-CAST IRON	5	0
378.10	M & R EQUIP - GENERAL	5	0
378.20	M & R EQUIP - GENERAL - REGULATING	5	26,682,838.10
378.20	DIRECT - M & R EQUIP-GEN-REG		-
378.20	DIRECT - M & R EQUIP-GEN-FLEX		112,657
378.30	M & R EQUIP - LOCAL GAS PURCHASES	5	0
379.10	M & R EQUIP - CITY GATE	5	86,207
379.11	M & R EQUIP - EXCHANGE GAS	5	0
380.00	SERVICES	15	172,489,153.85
380.00	DIRECT - SERVICES		436
380.00	DIRECT FLEX - SERVICES		878
380.12	CSL REPLACEMENT	15	0
381.00	METERS	16	19,420,683
381.10	AUTOMATIC METER READING	16	19,754,808
382.00	METER INSTALLATIONS	16	16,518,699
383.00	HOUSE REGULATORS	16	8,581,133
384.00	HOUSE REG INSTALLATIONS	16	0
385.00	IND M&R EQUIPMENT	17	2,839,179
385.00	DIRECT - IND M&R EQUIPMENT		93,657
385.00	DIRECT FLEX - IND M&R EQUIPMENT		6,337

385.10	IND M&R EQUIPMENT - LG VOLUME	17	0
387.10	OTHER EQUIP DISTRIBUTION	11	0
387.20	OTHER EQUIP ODORIZATION	11	0
387.42	OTHER EQUIP RADIO	11	0
387.44	OTHER EQUIP COMMUNICATION	11	0
387.46	OTHER EQUIP CUSTOMER INFO SERVICE	11	3,700,379
387.45	DIRECT - OTHER EQUIP CUSTOMER INFO SERVICE		18,143
387.50	GPS EQUIPMENT	11	<u>1,932,953</u>
	TOTAL DISTRIBUTION		661,120,453

389.20	Land Rights		0
390.10	Str, Communications		49,821
391.10	OF&E Unspecified		1,031,171
392.11	OF&E Data Handling Equipment		59,300
391.12	OF&E Information Systems		135,953
391.20	OF&E Air Cond Equip		0
392.20	Trans Eq Trailers > \$1,000		20,881
392.21	Trans Eq Trailers \$1,000 or >		0
393.00	Stores Equipment		0
394.10	Tools, Garage & Service Eq		7,524,030
394.11	CNG Equip - Stationary		0
394.12	CNG Equip - Portable		0
394.20	Shop Equipment		0
394.30	Tools & Other		0
394.31	High Pressure Stopping		0
395.00	Laboratory Equipment, Gas		110,708
396.00	Power Operated Equipment		906,021
397.10	Communication Equipment-Telephone		0
397.20	Communication Equipment-Radio		0
397.40	Communication Equipment-Other		0
397.50	Communication Equipment-Telemetry		706,438
398.00	Miscellaneous Equipment		<u>590,129</u>
389-398	GENERAL PLANT	11	11,134,452
	Total		<u><u>708,267,711</u></u>

PAGE 5 - DEPRECIATION & AMORTIZATION EXPENSE

FROM EXH 105 - DEPRECIATION STUDY

		INPUT:	
<u>Acct. No.</u>	<u>Description</u>	<u>ALLOC. FACTOR</u>	<u>Depreciation & Amortization Expense</u>
301.00	Organizational Costs		0
302.21	Franchises/Consent, Perpetual		0
303.00	Misc Intangible Plant		-
303.30	Misc Software		11,533,302
305.00	Structures & Improvements		0
301-305	INTANGIBLE PLANT	11	11,533,302
350.10	Land		0
350.20	Rights of Way		0
351.20	Compressor Station Structures		227,814
352.01	Wells Construction		94,861
352.02	Wells Equipment		220,558
352.10	Storage Leasehold and Rights		4
352.12	Other Leases		0
353.00	Lines		48
354.00	Compressor Station Equipment		32,017
355.00	Measuring & Regulating Equipment		0
362.00	Gas Holders		0
362.10	Environmental Remediation		0
350-362	UNDERGROUND STORAGE PLANT	25	575,302
374.10	LAND - CITY GATE & M/L IND M&R	5	0
374.20	LAND - OTHER DISTRIBUTION	5	0
374.30	LAND RIGHTS - CITY GATE MAIN LINE	5	0
374.40	LAND RIGHTS - OTHER DISTRIBUTION	5	82,275
374.40	DIRECT - LAND RIGHTS-OTHER DISTRIBUTION		-
374.41	LAND RIGHTS - OTHER DISTRIBUTION LOC	5	0
374.50	RIGHTS OF WAY	5	34,750
374.50	DIRECT - RIGHTS OF WAY		-
375.20	M & R STRUCTURES - CITY GATE	5	0
375.31	M & R STRUCTURES - LOCAL GAS PURCH	5	0
375.40	M & R STRUCTURES - REGULATING	5	190,323
375.40	DIRECT - M & R STRUCTURES - REGULATING	5	479
375.40	DIRECT FLEX - M & R STRUCTURES - REG		55
375.60	M & R STRUCTURES - DIST. IND. M & R	17	483
375.70	M & R STRUCTURES - OTHER	11	1,207,250
375.71	M & R STRUCTURES - OTHER LEASED	11	558,661
375.80	M & R STRUCTURES - COMMUNICATION	5	349
376.00	MAINS	5	55,300,535
376.00	DIRECT - MAINS		2,703
376.00	DIRECT - MAINS		1
376.08	MAINS-CSL REPLACEMENTS	5	0
376.30	MAINS-BARE STEEL	5	1,272,816
376.30	DIRECT - MAINS-BARE STEEL		8
376.80	MAINS-CAST IRON	5	0
378.10	M & R EQUIP - GENERAL	5	0
378.20	M & R EQUIP - GENERAL - REGULATING	5	8,662,466
378.20	DIRECT - M & R EQUIP-GEN-REG		-
378.20	DIRECT FLEX - M & R EQUIP-GEN-REG		24,536
378.30	M & R EQUIP - LOCAL GAS PURCHASES	5	0
379.10	M & R EQUIP - CITY GATE	5	5,881
379.11	M & R EQUIP - EXCHANGE GAS	5	0
380.00	SERVICES	15	25,843,593
380.00	DIRECT - SERVICES		15
380.00	DIRECT FLEX - SERVICES		27
380.12	CSL REPLACEMENT	15	0
381.00	METERS	16	1,057,168
381.10	AUTOMATIC METER READING	16	1,130,030

382.00	METER INSTALLATIONS	16	852,161
383.00	HOUSE REGULATORS	16	440,003
384.00	HOUSE REG INSTALLATIONS	16	0
385.00	IND M&R EQUIPMENT	17	409,431
385.00	DIRECT - IND M&R EQUIPMENT		19,900
385.00	DIRECT FLEX- IND M&R EQUIPMENT		618
385.10	IND M&R EQUIPMENT - LG VOLUME	17	0
387.10	OTHER EQUIP DISTRIBUTION	11	0
387.20	OTHER EQUIP ODORIZATION	11	0
387.42	OTHER EQUIP RADIO	11	0
387.44	OTHER EQUIP COMMUNICATION	11	0
387.46	OTHER EQUIP CUSTOMER INFO SERVICE	11	550,313
387.45	DIRECT - OTHER EQUIP CUSTOMER INFO SERVICE		2,930
387.50	GPS EQUIPMENT	11	<u>123,301</u>
	TOTAL DISTRIBUTION		97,773,061
389.20	Land Rights		0
390.10	Str, Communications		0
391.10	OF&E Unspecified		121,079
392.11	OF&E Data Handling Equipment		5,836
391.12	OF&E Information Systems		149,430
391.20	OF&E Air Cond Equip		0
392.20	Trans Eq Trailers > \$1,000		1,141
392.21	Trans Eq Trailers \$1,000 or >		0
393.00	Stores Equipment		0
394.10	Tools, Garage & Service Eq		1,165,279
394.11	CNG Equip - Stationary		0
394.12	CNG Equip - Portable		0
394.20	Shop Equipment		0
394.30	Tools & Other		0
394.31	High Pressure Stopping		0
395.00	Laboratory Equipment, Gas		13,769
396.00	Power Operated Equipment		15,556
397.10	Communication Equipment-Telephone		0
397.20	Communication Equipment-Radio		0
397.40	Communication Equipment-Other		0
397.50	Communication Equipment-Telemetry		178,653
398.00	Miscellaneous Equipment		<u>57,525</u>
389-398	GENERAL PLANT	11	1,708,268
	Total		<u>111,589,933</u>
	AMORTIZATION OF NET SALVAGE	11	5,134,298
	TOTAL DEPRECIATION & AMORTIZATION EXPENSE		<u><u>116,724,231</u></u>

PAGES 1, 2, 9, 10, 11 - Rate of Return by Class - Current & Proposed;

	<u>ALLOC. FACTOR</u>	<u>TOTAL CO.</u>
INVESTMENT TAX CREDIT	12	(221,354)

PAGE 9 - TAXES OTHER THAN INCOME		
<u>ACCT</u>	<u>ALLOC. FACTOR</u>	<u>TOTAL CO.</u>
408.00 FICA	24	2,867,303
408.00 FEDERAL/STATE UNEMPLOYMENT	24	95,972
408.00 PA STATE UNEMPLOYMENT	24	-
408.00 PA PROPERTY TAXES	11	434,680
408.00 STATE CAPITAL STOCK TAX	11	-
408.00 LICENSE AND FRANCHISE TAX	11	100
408.00 STATE SALES AND USE TAX	19	182,687
408.00 OTHER	19	231

PAGE 10 - RATE BASE SUMMARY		
<u>ACCT</u>	<u>ALLOC. FACTOR</u>	<u>TOTAL CO.</u>
117.00 GAS STORED UNDERGROUND - NON CURRENT	25	-
191.00 BASE GAS	25	3,794,693
117.00 GAS LOST-UNDERGROUND STORAGE	1	(163,467)
154.00 MATERIALS & SUPPLIES	11	1,332,307
164.00 GAS STORED UNDERGROUND - FSS	25	40,836,689
165.00 PREPAYMENTS	19	4,065,141
165.00 CLOUD BASED ASSETS	11	-
CASH WORKING CAPITAL - GAS PURCHASES	4	-
CASH WORKING CAPITAL - ALL OTHER	19	-
190.00 ACCUMULATED DEF INCOME TAX	12	67,706,185
282.00 ACCUMULATED DEF INCOME TAX	12	(508,547,561)
283.00 ACCUMULATED DEF INCOME TAX	12	-
235.00 CUSTOMER DEPOSITS	9	(3,554,025)
252.00 CUSTOMER ADVANCES	5	11,265

MISCELLANEOUS	<u>TOTAL CO.</u>
RETURN ON RATE BASE	8.08%
REQUESTED RETURN ON EQUITY:	11.20%
EQUITY CAPITAL:	54.38%
DEBT RATIO:	1.99%
EFFECTIVE TAX RATE:	28.89%

Exh 400 Pg 1		<u>Cost</u>	<u>Weighted</u>
<u>Type of Capital</u>	<u>Ratios</u>	<u>Rate</u>	<u>Cost</u>
Long-Term Debt	43.23%	4.51%	1.95%
Short-Term Debt	2.39%	1.65%	0.04%
		Weighted Cost	1.99%
Common Equity	54.38%	11.20%	6.09%
Total	100.00%		8.08%

GROSS CONVERSION FACTOR			
OPERATING REVENUE		1.00000000	
LESS: UNCOLLECTIBLES	0.012540260000		
PLUS: LATE PAYMENTS	0.000000000000		
LESS: OCA FEES	0.000000000000		
LESS: OSBA FEES	0.000000000000	0.01254026	(0.017859500)
INCOME BEFORE STATE INCOME TAX		0.98745974	
LESS: STATE INCOME TAX @ 9.99%		0.09990000	(0.140490720)
INCOME BEFORE FEDERAL INCOME TAX		0.88881251	
LESS: FEDERAL INCOME TAX @ 21%		0.18665063	(0.265822790)
ADJUSTED OPERATING INCOME		0.70216188	
GROSS CONVERSION FACTOR		1.42417301	(0.424173009)
			1.000000001

PAGE 11 - STATE INCOME TAX		ALLOC. FACTOR	
STATUTORY STATE INCOME TAX RATE:			9.9900%
EFFECTIVE STATE INCOME TAX RATE:			9.990000%
NET OPERATING LOSS DEDUCTION	12		(7,797,926)
PA BONUS DEPRECIATION ADJUSTMENT	12		(27,410,719)
<u>Flow-Through Adjustments</u>			
Total Flow Through			(50,213,414)
	Total Flow-Through Adjustments		(50,213,414)
<u>Deferred Adjustments</u>			
Total Deferred			(113,705,360)
	Total Deferred Adjustments		(113,705,360)
STATUTORY ADJUSTMENTS	12		(163,918,774)
<u>State Deferred Taxes</u>			
Net Operating Loss Deduction			-
LIFO Inventory Adjustment			-
Capitalized Inventory			-
Customer Advances			-
DEFERRED INCOME TAXES	12		-
PAGE 11 - FEDERAL TAX		ALLOC. FACTOR	TOTAL CO.
FEDERAL TAX RATE:			21%
DEFERRED INCOME TAXES	12		23,878,126
TAX REFUND AMORTIZATION	12		0
FLOW BACK OF EXCESS DEFERRED TAXES	12		(3,107,233)
EFFECT OF CNIT DEFERRED TAX ON FIT	12		-

PAGES 7 & 8 - O & M EXPENSES

		<u>ALLOC.</u>	<u>Annualized</u>
		<u>FACTOR</u>	<u>TME December</u>
			<u>31, 2023</u>
GAS SUPPLY			
807.00	GAS PURCHASED COST		
807.00	GAS PROCUREMENT EXPENSE	4	453,307
	PURCHASED GAS EXPENSE	4	977,581
UNDERGROUND STORAGE OPERATIONS			
816.00	WELLS	25	0
817.00	LINES	25	0
818.00	COMPRESSOR STATION	25	10,617
820.00	M & R	25	0
821.00	PURIFICATION	25	0
823.00	GAS LOSSES	25	1,835
825.00	STORAGE WELL ROYALTIES	25	7,356
UNDERGROUND STORAGE MAINTENANCE			
832.00	WELLS	25	0
834.00	COMPRESSOR STATION	25	0
836.00	PURIFICATION	25	0
840.00	OTHER STORAGE - OPERATION SUPERV - ENG	25	0
DISTRIBUTION OPERATIONS			
870.00	SUPERVISION & ENGINEERING	18	8,571,635
871.00	LOAD DISPATCHING	13	313,341
874.00	MAINS & SERVICES	14	26,315,390
875.00	M & R - GENERAL	13	792,716
876.00	M & R - INDUSTRIAL	17	320,624
878.00	METERS & HOUSE REGULATORS	23	1,760,364
879.00	CUSTOMER INSTALLATIONS	15	5,858,537
880.00	OTHER	18	3,842,068
881.00	RENTS	18	61,318
DISTRIBUTION MAINTENANCE			
885.00	SUPERVISION & ENGINEERING	18	160,847
886.00	STRUCTURES AND IMPROVEMENTS	13	26,846
887.00	MAINS	13	26,524,141
889.00	M & R - GENERAL	13	1,227,221
890.00	M & R - INDUSTRIAL	17	153,682
892.00	SERVICES	15	5,980,905
893.00	METERS & HOUSE REGULATORS	23	533,853
894.00	OTHER EQUIPMENT	18	1,258,704
CUSTOMER ACCOUNTS			
901.00	SUPERVISION	6	0
902.00	METER READING	6	708,802
903.00	CUSTOMER RECORDS AND COLLECTION EXPENSES	6	7,791,838
903.00	INTEREST ON CUSTOMER DEPOSITS	9	100,416
904.00	UNCOLLECTIBLES-DIS REVENUE	7	6,771,837
904.00	UNCOLLECTIBLES-GMB/GTS REVENUE	8	543,670
904.00	UNCOLLECTIBLES-UNBUNDLED GAS	23	1,581,571
904.00	DIRECT USP UNCOLLECTIBLES		42,198,344
904.00	UNCOLLECTIBLES-DIS COVID-19 DEFERRAL	7	936,875
904.00	UNCOLLECTIBLES-GMB/GTS COVID-19 DEFERRAL	8	75,216
905.00	MISCELLANEOUS	6	4,483
921.00	OFFICE SUPPLIES & EXPENSES	6	0
CUSTOMER ASSISTANCE			
907.00	SUPERVISION	6	0
908.00	CUSTOMER ASSISTANCE	6	1,927
909.00	INFORMATIONAL & INSTRUCTIONAL EXPENSES	6	195,512
910.00	MISCELLANEOUS	6	1,344,985
921.00	OFFICE SUPPLIES & EXPENSES	6	0
931.00	RENTS - GENERAL	6	0
932.00	MAINTENANCE	6	0
SALES			
912.00	DEMONSTRATION	6	7,491
913.00	ADVERTISING	6	153,596
ADMINISTRATIVE & GENERAL			
920.00	SALARIES	19	28,887,630
921.00	OFFICE SUPPLIES & EXPENSES	19	4,233,579
922.00	ADMIN. EXPENSE TRANSFERRED	19	0
923.00	OUTSIDE SERVICES EMPLOYED	19	30,079,164
924.00	PROPERTY INSURANCE	19	191,229
925.00	INJURIES AND DAMAGES	19	6,822,200
926.00	EMPLOYEE PENSIONS & BENEFITS	24	15,122,183
928.00	REGULATORY COMMISSION EXPENSES	19	2,604,617
930.00	MISCELLANEOUS GENERAL	19	1,227,037
931.00	RENTS-GENERAL	19	4,314,939
932.00	MAINTENANCE	19	4,563,346
			245,615,375

Check Against Exhibit 104

Historic Expense by Cost Element by Account

<u>CE</u>	<u>Acct</u>	<u>Historic</u>	<u>Historic</u>	<u>Forecasted</u>	<u>Key</u>
		<u>Amount</u>	<u>Pct</u>	<u>Amount</u>	
Labor	801	0.00	0.000000%	0	Labor801
Labor	803	0.00	0.000000%	0	Labor803
Labor	804	0.00	0.000000%	0	Labor804
Labor	805	0.00	0.000000%	0	Labor805
Labor	806	0.00	0.000000%	0	Labor806
Labor	807	26.50	0.000073%	27	Labor807
Labor	808	0.00	0.000000%	0	Labor808
Labor	812	0.00	0.000000%	0	Labor812
Labor	813	0.00	0.000000%	0	Labor813
Labor	816	0.00	0.000000%	0	Labor816
Labor	817	0.00	0.000000%	0	Labor817
Labor	818	0.00	0.000000%	0	Labor818

Labor	820	0.00	0.000000%	0	Labor820
Labor	821	0.00	0.000000%	0	Labor821
Labor	823	0.00	0.000000%	0	Labor823
Labor	825	0.00	0.000000%	0	Labor825
Labor	832	0.00	0.000000%	0	Labor832
Labor	834	0.00	0.000000%	0	Labor834
Labor	836	0.00	0.000000%	0	Labor836
Labor	870	5,114,216.94	14.170417%	5,203,372	Labor870
Labor	871	282,945.74	0.783983%	287,878	Labor871
Labor	874	10,060,923.35	27.876698%	10,236,314	Labor874
Labor	875	351,080.12	0.972769%	357,200	Labor875
Labor	876	229,532.31	0.635986%	233,534	Labor876
Labor	878	1,089,455.09	3.018650%	1,108,447	Labor878
Labor	879	4,806,287.21	13.317209%	4,890,075	Labor879
Labor	880	2,331,923.96	6.461270%	2,372,576	Labor880
Labor	881	0.00	0.000000%	0	Labor881
Labor	885	150,135.37	0.415994%	152,753	Labor885
Labor	886	7,253.25	0.020097%	7,380	Labor886
Labor	887	3,764,467.31	10.430546%	3,830,093	Labor887
Labor	889	739,900.88	2.050109%	752,799	Labor889
Labor	890	58,241.63	0.161375%	59,257	Labor890
Labor	892	1,585,197.71	4.392249%	1,612,832	Labor892
Labor	893	147,524.63	0.408760%	150,096	Labor893
Labor	894	542,742.40	1.503825%	552,204	Labor894
Labor	902	234,234.49	0.649014%	238,318	Labor902
Labor	903	929,007.81	2.574085%	945,203	Labor903
Labor	904	0.00	0.000000%	0	Labor904
Labor	905	0.00	0.000000%	0	Labor905
Labor	908	0.00	0.000000%	0	Labor908
Labor	909	0.00	0.000000%	0	Labor909
Labor	910	367,478.34	1.018205%	373,885	Labor910
Labor	912	0.00	0.000000%	0	Labor912
Labor	913	0.00	0.000000%	0	Labor913
Labor	920	2,647,171.52	7.334754%	2,693,319	Labor920
Labor	921	647,133.54	1.793071%	658,415	Labor921
Labor	923	3,919.93	0.010861%	3,988	Labor923
Labor	924	0.00	0.000000%	0	Labor924
Labor	925	0.00	0.000000%	0	Labor925
Labor	926	0.00	0.000000%	0	Labor926
Labor	928	0.00	0.000000%	0	Labor928
Labor	930	0.00	0.000000%	0	Labor930
Labor	931	0.00	0.000000%	0	Labor931
Labor	932	0.00	0.000000%	1	Labor932
	Grand Total	36,090,800.03	100.000000%	36,719,966	
Incentive Compensation	801	0.00	0.000000%	0	Incentive Compensation801
Incentive Compensation	803	0.00	0.000000%	0	Incentive Compensation803
Incentive Compensation	804	0.00	0.000000%	0	Incentive Compensation804
Incentive Compensation	805	0.00	0.000000%	0	Incentive Compensation805
Incentive Compensation	806	0.00	0.000000%	0	Incentive Compensation806
Incentive Compensation	807	0.00	0.000000%	0	Incentive Compensation807
Incentive Compensation	808	0.00	0.000000%	0	Incentive Compensation808
Incentive Compensation	812	0.00	0.000000%	0	Incentive Compensation812
Incentive Compensation	813	0.00	0.000000%	0	Incentive Compensation813
Incentive Compensation	816	0.00	0.000000%	0	Incentive Compensation816
Incentive Compensation	817	0.00	0.000000%	0	Incentive Compensation817
Incentive Compensation	818	0.00	0.000000%	0	Incentive Compensation818
Incentive Compensation	820	0.00	0.000000%	0	Incentive Compensation820
Incentive Compensation	821	0.00	0.000000%	0	Incentive Compensation821
Incentive Compensation	823	0.00	0.000000%	0	Incentive Compensation823
Incentive Compensation	825	0.00	0.000000%	0	Incentive Compensation825
Incentive Compensation	832	0.00	0.000000%	0	Incentive Compensation832
Incentive Compensation	834	0.00	0.000000%	0	Incentive Compensation834
Incentive Compensation	836	0.00	0.000000%	0	Incentive Compensation836
Incentive Compensation	870	0.00	0.000000%	0	Incentive Compensation870
Incentive Compensation	871	0.00	0.000000%	0	Incentive Compensation871
Incentive Compensation	874	0.00	0.000000%	0	Incentive Compensation874
Incentive Compensation	875	0.00	0.000000%	0	Incentive Compensation875
Incentive Compensation	876	0.00	0.000000%	0	Incentive Compensation876
Incentive Compensation	878	0.00	0.000000%	0	Incentive Compensation878
Incentive Compensation	879	0.00	0.000000%	0	Incentive Compensation879
Incentive Compensation	880	0.00	0.000000%	0	Incentive Compensation880
Incentive Compensation	881	0.00	0.000000%	0	Incentive Compensation881
Incentive Compensation	885	0.00	0.000000%	0	Incentive Compensation885
Incentive Compensation	886	0.00	0.000000%	0	Incentive Compensation886
Incentive Compensation	887	0.00	0.000000%	0	Incentive Compensation887
Incentive Compensation	889	0.00	0.000000%	0	Incentive Compensation889
Incentive Compensation	890	0.00	0.000000%	0	Incentive Compensation890
Incentive Compensation	892	0.00	0.000000%	0	Incentive Compensation892
Incentive Compensation	893	0.00	0.000000%	0	Incentive Compensation893
Incentive Compensation	894	0.00	0.000000%	0	Incentive Compensation894
Incentive Compensation	902	0.00	0.000000%	0	Incentive Compensation902
Incentive Compensation	903	0.00	0.000000%	0	Incentive Compensation903
Incentive Compensation	904	0.00	0.000000%	0	Incentive Compensation904
Incentive Compensation	905	0.00	0.000000%	0	Incentive Compensation905
Incentive Compensation	908	0.00	0.000000%	0	Incentive Compensation908
Incentive Compensation	909	0.00	0.000000%	0	Incentive Compensation909
Incentive Compensation	910	0.00	0.000000%	0	Incentive Compensation910
Incentive Compensation	912	0.00	0.000000%	0	Incentive Compensation912
Incentive Compensation	913	0.00	0.000000%	0	Incentive Compensation913
Incentive Compensation	920	3,636,109.62	100.000000%	2,570,000	Incentive Compensation920
Incentive Compensation	921	0.00	0.000000%	0	Incentive Compensation921
Incentive Compensation	923	0.00	0.000000%	0	Incentive Compensation923
Incentive Compensation	924	0.00	0.000000%	0	Incentive Compensation924
Incentive Compensation	925	0.00	0.000000%	0	Incentive Compensation925
Incentive Compensation	926	0.00	0.000000%	0	Incentive Compensation926
Incentive Compensation	928	0.00	0.000000%	0	Incentive Compensation928
Incentive Compensation	930	0.00	0.000000%	0	Incentive Compensation930
Incentive Compensation	931	0.00	0.000000%	0	Incentive Compensation931
Incentive Compensation	932	0.00	0.000000%	0	Incentive Compensation932
	Grand Total	3,636,109.62	100.000000%	2,570,000	
Pension	801	0.00	0.000000%	0	Pension801
Pension	803	0.00	0.000000%	0	Pension803

Pension	804	0.00	0.000000%	0	Pension804
Pension	805	0.00	0.000000%	0	Pension805
Pension	806	0.00	0.000000%	0	Pension806
Pension	807	0.00	0.000000%	0	Pension807
Pension	808	0.00	0.000000%	0	Pension808
Pension	812	0.00	0.000000%	0	Pension812
Pension	813	0.00	0.000000%	0	Pension813
Pension	816	0.00	0.000000%	0	Pension816
Pension	817	0.00	0.000000%	0	Pension817
Pension	818	0.00	0.000000%	0	Pension818
Pension	820	0.00	0.000000%	0	Pension820
Pension	821	0.00	0.000000%	0	Pension821
Pension	823	0.00	0.000000%	0	Pension823
Pension	825	0.00	0.000000%	0	Pension825
Pension	832	0.00	0.000000%	0	Pension832
Pension	834	0.00	0.000000%	0	Pension834
Pension	836	0.00	0.000000%	0	Pension836
Pension	870	0.00	0.000000%	0	Pension870
Pension	871	0.00	0.000000%	0	Pension871
Pension	874	0.00	0.000000%	0	Pension874
Pension	875	0.00	0.000000%	0	Pension875
Pension	876	0.00	0.000000%	0	Pension876
Pension	878	0.00	0.000000%	0	Pension878
Pension	879	0.00	0.000000%	0	Pension879
Pension	880	0.00	0.000000%	0	Pension880
Pension	881	0.00	0.000000%	0	Pension881
Pension	885	0.00	0.000000%	0	Pension885
Pension	886	0.00	0.000000%	0	Pension886
Pension	887	0.00	0.000000%	0	Pension887
Pension	889	0.00	0.000000%	0	Pension889
Pension	890	0.00	0.000000%	0	Pension890
Pension	892	0.00	0.000000%	0	Pension892
Pension	893	0.00	0.000000%	0	Pension893
Pension	894	0.00	0.000000%	0	Pension894
Pension	902	0.00	0.000000%	0	Pension902
Pension	903	0.00	0.000000%	0	Pension903
Pension	904	0.00	0.000000%	0	Pension904
Pension	905	0.00	0.000000%	0	Pension905
Pension	908	0.00	0.000000%	0	Pension908
Pension	909	0.00	0.000000%	0	Pension909
Pension	910	0.00	0.000000%	0	Pension910
Pension	912	0.00	0.000000%	0	Pension912
Pension	913	0.00	0.000000%	0	Pension913
Pension	920	0.00	0.000000%	0	Pension920
Pension	921	0.00	0.000000%	0	Pension921
Pension	923	0.00	0.000000%	0	Pension923
Pension	924	0.00	0.000000%	0	Pension924
Pension	925	0.00	0.000000%	0	Pension925
Pension	926	851,252.88	100.000000%	844,977	Pension926
Pension	928	0.00	0.000000%	0	Pension928
Pension	930	0.00	0.000000%	0	Pension930
Pension	931	0.00	0.000000%	0	Pension931
Pension	932	0.00	0.000000%	0	Pension932
	Grand Total	851,252.88	100.000000%	844,977	

OPEB	801	0.00	0.000000%	0	OPEB801
OPEB	803	0.00	0.000000%	0	OPEB803
OPEB	804	0.00	0.000000%	0	OPEB804
OPEB	805	0.00	0.000000%	0	OPEB805
OPEB	806	0.00	0.000000%	0	OPEB806
OPEB	807	0.00	0.000000%	0	OPEB807
OPEB	808	0.00	0.000000%	0	OPEB808
OPEB	812	0.00	0.000000%	0	OPEB812
OPEB	813	0.00	0.000000%	0	OPEB813
OPEB	816	0.00	0.000000%	0	OPEB816
OPEB	817	0.00	0.000000%	0	OPEB817
OPEB	818	0.00	0.000000%	0	OPEB818
OPEB	820	0.00	0.000000%	0	OPEB820
OPEB	821	0.00	0.000000%	0	OPEB821
OPEB	823	0.00	0.000000%	0	OPEB823
OPEB	825	0.00	0.000000%	0	OPEB825
OPEB	832	0.00	0.000000%	0	OPEB832
OPEB	834	0.00	0.000000%	0	OPEB834
OPEB	836	0.00	0.000000%	0	OPEB836
OPEB	870	0.00	0.000000%	0	OPEB870
OPEB	871	0.00	0.000000%	0	OPEB871
OPEB	874	0.39	-0.000028%	0	OPEB874
OPEB	875	0.00	0.000000%	0	OPEB875
OPEB	876	0.00	0.000000%	0	OPEB876
OPEB	878	0.00	0.000000%	0	OPEB878
OPEB	879	4.55	-0.000327%	0	OPEB879
OPEB	880	52.84	-0.003793%	0	OPEB880
OPEB	881	0.00	0.000000%	0	OPEB881
OPEB	885	0.00	0.000000%	0	OPEB885
OPEB	886	0.00	0.000000%	0	OPEB886
OPEB	887	(3.20)	0.000230%	0	OPEB887
OPEB	889	17.93	-0.001287%	0	OPEB889
OPEB	890	0.00	0.000000%	0	OPEB890
OPEB	892	0.00	0.000000%	0	OPEB892
OPEB	893	0.00	0.000000%	0	OPEB893
OPEB	894	0.00	0.000000%	0	OPEB894
OPEB	902	0.00	0.000000%	0	OPEB902
OPEB	903	0.00	0.000000%	0	OPEB903
OPEB	904	0.00	0.000000%	0	OPEB904
OPEB	905	0.00	0.000000%	0	OPEB905
OPEB	908	0.00	0.000000%	0	OPEB908
OPEB	909	0.00	0.000000%	0	OPEB909
OPEB	910	0.00	0.000000%	0	OPEB910
OPEB	912	0.00	0.000000%	0	OPEB912
OPEB	913	0.00	0.000000%	0	OPEB913
OPEB	920	0.00	0.000000%	0	OPEB920
OPEB	921	0.00	0.000000%	0	OPEB921
OPEB	923	0.00	0.000000%	0	OPEB923

OPEB	924	0.00	0.000000%	0	OPEB924
OPEB	925	0.00	0.000000%	0	OPEB925
OPEB	926	(1,393,088.96)	100.005205%	0	OPEB926
OPEB	928	0.00	0.000000%	0	OPEB928
OPEB	930	0.00	0.000000%	0	OPEB930
OPEB	931	0.00	0.000000%	0	OPEB931
OPEB	932	0.00	0.000000%	0	OPEB932
	Grand Total	(1,393,016.45)	100.000000%	0	
Other Employee Benefits	801	0.00	0.000000%	0	Other Employee Benefits801
Other Employee Benefits	803	0.00	0.000000%	0	Other Employee Benefits803
Other Employee Benefits	804	0.00	0.000000%	0	Other Employee Benefits804
Other Employee Benefits	805	0.00	0.000000%	0	Other Employee Benefits805
Other Employee Benefits	806	0.00	0.000000%	0	Other Employee Benefits806
Other Employee Benefits	807	0.00	0.000000%	0	Other Employee Benefits807
Other Employee Benefits	808	0.00	0.000000%	0	Other Employee Benefits808
Other Employee Benefits	812	0.00	0.000000%	0	Other Employee Benefits812
Other Employee Benefits	813	0.00	0.000000%	0	Other Employee Benefits813
Other Employee Benefits	816	0.00	0.000000%	0	Other Employee Benefits816
Other Employee Benefits	817	0.00	0.000000%	0	Other Employee Benefits817
Other Employee Benefits	818	0.00	0.000000%	0	Other Employee Benefits818
Other Employee Benefits	820	0.00	0.000000%	0	Other Employee Benefits820
Other Employee Benefits	821	0.00	0.000000%	0	Other Employee Benefits821
Other Employee Benefits	823	0.00	0.000000%	0	Other Employee Benefits823
Other Employee Benefits	825	0.00	0.000000%	0	Other Employee Benefits825
Other Employee Benefits	832	0.00	0.000000%	0	Other Employee Benefits832
Other Employee Benefits	834	0.00	0.000000%	0	Other Employee Benefits834
Other Employee Benefits	836	0.00	0.000000%	0	Other Employee Benefits836
Other Employee Benefits	870	0.00	0.000000%	0	Other Employee Benefits870
Other Employee Benefits	871	0.00	0.000000%	0	Other Employee Benefits871
Other Employee Benefits	874	7.56	0.000126%	10	Other Employee Benefits874
Other Employee Benefits	875	0.00	0.000000%	0	Other Employee Benefits875
Other Employee Benefits	876	180.94	0.003023%	239	Other Employee Benefits876
Other Employee Benefits	878	0.00	0.000000%	0	Other Employee Benefits878
Other Employee Benefits	879	107.17	0.001790%	142	Other Employee Benefits879
Other Employee Benefits	880	1,687.91	0.028196%	2,234	Other Employee Benefits880
Other Employee Benefits	881	0.00	0.000000%	0	Other Employee Benefits881
Other Employee Benefits	885	0.00	0.000000%	0	Other Employee Benefits885
Other Employee Benefits	886	0.00	0.000000%	0	Other Employee Benefits886
Other Employee Benefits	887	200.32	0.003346%	265	Other Employee Benefits887
Other Employee Benefits	889	439.37	0.007340%	582	Other Employee Benefits889
Other Employee Benefits	890	0.00	0.000000%	0	Other Employee Benefits890
Other Employee Benefits	892	0.00	0.000000%	0	Other Employee Benefits892
Other Employee Benefits	893	0.00	0.000000%	0	Other Employee Benefits893
Other Employee Benefits	894	0.00	0.000000%	0	Other Employee Benefits894
Other Employee Benefits	902	0.00	0.000000%	0	Other Employee Benefits902
Other Employee Benefits	903	0.00	0.000000%	0	Other Employee Benefits903
Other Employee Benefits	904	0.00	0.000000%	0	Other Employee Benefits904
Other Employee Benefits	905	0.00	0.000000%	0	Other Employee Benefits905
Other Employee Benefits	908	0.00	0.000000%	0	Other Employee Benefits908
Other Employee Benefits	909	0.00	0.000000%	0	Other Employee Benefits909
Other Employee Benefits	910	0.00	0.000000%	0	Other Employee Benefits910
Other Employee Benefits	912	0.00	0.000000%	0	Other Employee Benefits912
Other Employee Benefits	913	0.00	0.000000%	0	Other Employee Benefits913
Other Employee Benefits	920	(30,029.00)	-0.501630%	(39,744)	Other Employee Benefits920
Other Employee Benefits	921	0.00	0.000000%	0	Other Employee Benefits921
Other Employee Benefits	923	0.00	0.000000%	0	Other Employee Benefits923
Other Employee Benefits	924	0.00	0.000000%	0	Other Employee Benefits924
Other Employee Benefits	925	0.00	0.000000%	0	Other Employee Benefits925
Other Employee Benefits	926	6,013,694.93	100.457808%	7,959,272	Other Employee Benefits926
Other Employee Benefits	928	0.00	0.000000%	0	Other Employee Benefits928
Other Employee Benefits	930	0.00	0.000000%	0	Other Employee Benefits930
Other Employee Benefits	931	0.00	0.000000%	0	Other Employee Benefits931
Other Employee Benefits	932	0.00	0.000000%	0	Other Employee Benefits932
	Grand Total	5,986,289.20	100.000000%	7,923,000	
Outside Services	801	0.00	0.000000%	0	Outside Services801
Outside Services	803	0.00	0.000000%	0	Outside Services803
Outside Services	804	0.00	0.000000%	0	Outside Services804
Outside Services	805	0.00	0.000000%	0	Outside Services805
Outside Services	806	0.00	0.000000%	0	Outside Services806
Outside Services	807	0.00	0.000000%	0	Outside Services807
Outside Services	808	0.00	0.000000%	0	Outside Services808
Outside Services	812	0.00	0.000000%	0	Outside Services812
Outside Services	813	0.00	0.000000%	0	Outside Services813
Outside Services	816	0.00	0.000000%	0	Outside Services816
Outside Services	817	0.00	0.000000%	0	Outside Services817
Outside Services	818	0.00	0.000000%	0	Outside Services818
Outside Services	820	0.00	0.000000%	0	Outside Services820
Outside Services	821	0.00	0.000000%	0	Outside Services821
Outside Services	823	0.00	0.000000%	0	Outside Services823
Outside Services	825	0.00	0.000000%	0	Outside Services825
Outside Services	832	0.00	0.000000%	0	Outside Services832
Outside Services	834	0.00	0.000000%	0	Outside Services834
Outside Services	836	0.00	0.000000%	0	Outside Services836
Outside Services	870	632,004.54	2.439940%	723,691	Outside Services870
Outside Services	871	2,088.00	0.008061%	2,391	Outside Services871
Outside Services	874	8,079,084.97	31.190407%	9,251,139	Outside Services874
Outside Services	875	239,335.28	0.923986%	274,056	Outside Services875
Outside Services	876	0.00	0.000000%	0	Outside Services876
Outside Services	878	54,795.74	0.211546%	62,745	Outside Services878
Outside Services	879	284,286.50	1.097527%	325,529	Outside Services879
Outside Services	880	316,259.74	1.220964%	362,140	Outside Services880
Outside Services	881	0.00	0.000000%	0	Outside Services881
Outside Services	885	4,442.11	0.017149%	5,087	Outside Services885
Outside Services	886	13,258.49	0.051186%	15,182	Outside Services886
Outside Services	887	8,071,280.86	31.160278%	9,242,202	Outside Services887
Outside Services	889	126,882.37	0.489847%	145,290	Outside Services889
Outside Services	890	0.00	0.000000%	0	Outside Services890
Outside Services	892	3,345,806.48	12.916941%	3,831,191	Outside Services892
Outside Services	893	86,393.86	0.333535%	98,927	Outside Services893
Outside Services	894	18,283.59	0.070586%	20,936	Outside Services894
Outside Services	902	401,608.39	1.550464%	459,871	Outside Services902
Outside Services	903	344,976.74	1.331830%	395,023	Outside Services903

Outside Services	904	0.00	0.000000%	0	Outside Services904
Outside Services	905	0.00	0.000000%	0	Outside Services905
Outside Services	908	0.00	0.000000%	0	Outside Services908
Outside Services	909	23,584.86	0.091053%	27,006	Outside Services909
Outside Services	910	125.97	0.000486%	144	Outside Services910
Outside Services	912	0.00	0.000000%	0	Outside Services912
Outside Services	913	0.00	0.000000%	0	Outside Services913
Outside Services	920	928.98	0.003587%	1,064	Outside Services920
Outside Services	921	23,416.92	0.090404%	26,814	Outside Services921
Outside Services	923	2,957,544.65	11.418003%	3,386,603	Outside Services923
Outside Services	924	0.00	0.000000%	0	Outside Services924
Outside Services	925	0.00	0.000000%	0	Outside Services925
Outside Services	926	541,691.00	2.091272%	620,276	Outside Services926
Outside Services	928	220,238.72	0.850262%	252,189	Outside Services928
Outside Services	930	32,273.37	0.124596%	36,955	Outside Services930
Outside Services	931	0.00	0.000000%	0	Outside Services931
Outside Services	932	81,875.58	0.316092%	93,754	Outside Services932
Grand Total		25,902,467.71	100.000000%	29,660,205	

Building Leases	801	0.00	0.000000%	0	Building Leases801
Building Leases	803	0.00	0.000000%	0	Building Leases803
Building Leases	804	0.00	0.000000%	0	Building Leases804
Building Leases	805	0.00	0.000000%	0	Building Leases805
Building Leases	806	0.00	0.000000%	0	Building Leases806
Building Leases	807	0.00	0.000000%	0	Building Leases807
Building Leases	808	0.00	0.000000%	0	Building Leases808
Building Leases	812	0.00	0.000000%	0	Building Leases812
Building Leases	813	0.00	0.000000%	0	Building Leases813
Building Leases	816	0.00	0.000000%	0	Building Leases816
Building Leases	817	0.00	0.000000%	0	Building Leases817
Building Leases	818	0.00	0.000000%	0	Building Leases818
Building Leases	820	0.00	0.000000%	0	Building Leases820
Building Leases	821	0.00	0.000000%	0	Building Leases821
Building Leases	823	0.00	0.000000%	0	Building Leases823
Building Leases	825	0.00	0.000000%	0	Building Leases825
Building Leases	832	0.00	0.000000%	0	Building Leases832
Building Leases	834	0.00	0.000000%	0	Building Leases834
Building Leases	836	0.00	0.000000%	0	Building Leases836
Building Leases	870	0.00	0.000000%	0	Building Leases870
Building Leases	871	0.00	0.000000%	0	Building Leases871
Building Leases	874	0.00	0.000000%	0	Building Leases874
Building Leases	875	0.00	0.000000%	0	Building Leases875
Building Leases	876	0.00	0.000000%	0	Building Leases876
Building Leases	878	0.00	0.000000%	0	Building Leases878
Building Leases	879	0.00	0.000000%	0	Building Leases879
Building Leases	880	8,043.15	0.331673%	5,712	Building Leases880
Building Leases	881	(134,852.54)	-5.560875%	(95,768)	Building Leases881
Building Leases	885	0.00	0.000000%	0	Building Leases885
Building Leases	886	0.00	0.000000%	0	Building Leases886
Building Leases	887	0.00	0.000000%	0	Building Leases887
Building Leases	889	0.00	0.000000%	0	Building Leases889
Building Leases	890	0.00	0.000000%	0	Building Leases890
Building Leases	892	0.00	0.000000%	0	Building Leases892
Building Leases	893	0.00	0.000000%	0	Building Leases893
Building Leases	894	1,200.00	0.049484%	852	Building Leases894
Building Leases	902	0.00	0.000000%	0	Building Leases902
Building Leases	903	0.00	0.000000%	0	Building Leases903
Building Leases	904	0.00	0.000000%	0	Building Leases904
Building Leases	905	0.00	0.000000%	0	Building Leases905
Building Leases	908	0.00	0.000000%	0	Building Leases908
Building Leases	909	0.00	0.000000%	0	Building Leases909
Building Leases	910	0.00	0.000000%	0	Building Leases910
Building Leases	912	0.00	0.000000%	0	Building Leases912
Building Leases	913	0.00	0.000000%	0	Building Leases913
Building Leases	920	0.00	0.000000%	0	Building Leases920
Building Leases	921	(85,609.18)	-3.530241%	(60,797)	Building Leases921
Building Leases	923	44,610.23	1.839579%	31,681	Building Leases923
Building Leases	924	0.00	0.000000%	0	Building Leases924
Building Leases	925	0.00	0.000000%	0	Building Leases925
Building Leases	926	0.00	0.000000%	0	Building Leases926
Building Leases	928	0.00	0.000000%	0	Building Leases928
Building Leases	930	0.00	0.000000%	0	Building Leases930
Building Leases	931	2,590,532.14	106.825019%	1,839,715	Building Leases931
Building Leases	932	1,100.00	0.045360%	781	Building Leases932
Grand Total		2,425,023.80	100.000000%	1,722,176	

Rent and Leases	801	0.00	0.000000%	0	Rent and Leases801
Rent and Leases	803	0.00	0.000000%	0	Rent and Leases803
Rent and Leases	804	0.00	0.000000%	0	Rent and Leases804
Rent and Leases	805	0.00	0.000000%	0	Rent and Leases805
Rent and Leases	806	0.00	0.000000%	0	Rent and Leases806
Rent and Leases	807	0.00	0.000000%	0	Rent and Leases807
Rent and Leases	808	0.00	0.000000%	0	Rent and Leases808
Rent and Leases	812	0.00	0.000000%	0	Rent and Leases812
Rent and Leases	813	0.00	0.000000%	0	Rent and Leases813
Rent and Leases	816	0.00	0.000000%	0	Rent and Leases816
Rent and Leases	817	0.00	0.000000%	0	Rent and Leases817
Rent and Leases	818	1,715.73	0.489655%	2,174	Rent and Leases818
Rent and Leases	820	0.00	0.000000%	0	Rent and Leases820
Rent and Leases	821	0.00	0.000000%	0	Rent and Leases821
Rent and Leases	823	0.00	0.000000%	0	Rent and Leases823
Rent and Leases	825	5,805.15	1.656742%	7,356	Rent and Leases825
Rent and Leases	832	0.00	0.000000%	0	Rent and Leases832
Rent and Leases	834	0.00	0.000000%	0	Rent and Leases834
Rent and Leases	836	0.00	0.000000%	0	Rent and Leases836
Rent and Leases	870	4,040.32	1.153074%	5,120	Rent and Leases870
Rent and Leases	871	0.00	0.000000%	0	Rent and Leases871
Rent and Leases	874	5,262.47	1.501866%	6,668	Rent and Leases874
Rent and Leases	875	1,071.77	0.305874%	1,358	Rent and Leases875
Rent and Leases	876	0.00	0.000000%	0	Rent and Leases876
Rent and Leases	878	1,515.83	0.432605%	1,921	Rent and Leases878
Rent and Leases	879	274.38	0.078306%	348	Rent and Leases879
Rent and Leases	880	49,611.11	14.158602%	62,864	Rent and Leases880
Rent and Leases	881	116,610.41	33.279649%	147,762	Rent and Leases881

Rent and Leases	885	698.99	0.199486%	886	Rent and Leases885
Rent and Leases	886	0.00	0.000000%	0	Rent and Leases886
Rent and Leases	887	28,512.84	8.137329%	36,130	Rent and Leases887
Rent and Leases	889	0.00	0.000000%	0	Rent and Leases889
Rent and Leases	890	0.00	0.000000%	0	Rent and Leases890
Rent and Leases	892	4,577.71	1.306441%	5,801	Rent and Leases892
Rent and Leases	893	0.00	0.000000%	0	Rent and Leases893
Rent and Leases	894	1,974.41	0.563480%	2,502	Rent and Leases894
Rent and Leases	902	0.00	0.000000%	0	Rent and Leases902
Rent and Leases	903	0.00	0.000000%	0	Rent and Leases903
Rent and Leases	904	0.00	0.000000%	0	Rent and Leases904
Rent and Leases	905	0.00	0.000000%	0	Rent and Leases905
Rent and Leases	908	0.00	0.000000%	0	Rent and Leases908
Rent and Leases	909	0.00	0.000000%	0	Rent and Leases909
Rent and Leases	910	0.00	0.000000%	0	Rent and Leases910
Rent and Leases	912	0.00	0.000000%	0	Rent and Leases912
Rent and Leases	913	0.00	0.000000%	0	Rent and Leases913
Rent and Leases	920	0.00	0.000000%	0	Rent and Leases920
Rent and Leases	921	11,076.09	3.161025%	14,035	Rent and Leases921
Rent and Leases	923	113,318.48	32.340160%	143,590	Rent and Leases923
Rent and Leases	924	0.00	0.000000%	0	Rent and Leases924
Rent and Leases	925	0.00	0.000000%	0	Rent and Leases925
Rent and Leases	926	0.00	0.000000%	0	Rent and Leases926
Rent and Leases	928	0.00	0.000000%	0	Rent and Leases928
Rent and Leases	930	3,445.85	0.983417%	4,366	Rent and Leases930
Rent and Leases	931	884.01	0.252289%	1,120	Rent and Leases931
Rent and Leases	932	0.00	0.000000%	0	Rent and Leases932
Grand Total		350,395.55	100.000000%	444,000	

Corporate Insurance	801	0.00	0.000000%	0	Corporate Insurance801
Corporate Insurance	803	0.00	0.000000%	0	Corporate Insurance803
Corporate Insurance	804	0.00	0.000000%	0	Corporate Insurance804
Corporate Insurance	805	0.00	0.000000%	0	Corporate Insurance805
Corporate Insurance	806	0.00	0.000000%	0	Corporate Insurance806
Corporate Insurance	807	0.00	0.000000%	0	Corporate Insurance807
Corporate Insurance	808	0.00	0.000000%	0	Corporate Insurance808
Corporate Insurance	812	0.00	0.000000%	0	Corporate Insurance812
Corporate Insurance	813	0.00	0.000000%	0	Corporate Insurance813
Corporate Insurance	816	0.00	0.000000%	0	Corporate Insurance816
Corporate Insurance	817	0.00	0.000000%	0	Corporate Insurance817
Corporate Insurance	818	0.00	0.000000%	0	Corporate Insurance818
Corporate Insurance	820	0.00	0.000000%	0	Corporate Insurance820
Corporate Insurance	821	0.00	0.000000%	0	Corporate Insurance821
Corporate Insurance	823	0.00	0.000000%	0	Corporate Insurance823
Corporate Insurance	825	0.00	0.000000%	0	Corporate Insurance825
Corporate Insurance	832	0.00	0.000000%	0	Corporate Insurance832
Corporate Insurance	834	0.00	0.000000%	0	Corporate Insurance834
Corporate Insurance	836	0.00	0.000000%	0	Corporate Insurance836
Corporate Insurance	870	0.00	0.000000%	0	Corporate Insurance870
Corporate Insurance	871	0.00	0.000000%	0	Corporate Insurance871
Corporate Insurance	874	0.47	0.000007%	0	Corporate Insurance874
Corporate Insurance	875	0.00	0.000000%	0	Corporate Insurance875
Corporate Insurance	876	0.00	0.000000%	0	Corporate Insurance876
Corporate Insurance	878	0.00	0.000000%	0	Corporate Insurance878
Corporate Insurance	879	26.21	0.000403%	27	Corporate Insurance879
Corporate Insurance	880	3.06	0.000047%	3	Corporate Insurance880
Corporate Insurance	881	0.00	0.000000%	0	Corporate Insurance881
Corporate Insurance	885	0.00	0.000000%	0	Corporate Insurance885
Corporate Insurance	886	0.00	0.000000%	0	Corporate Insurance886
Corporate Insurance	887	(12.65)	-0.000194%	(13)	Corporate Insurance887
Corporate Insurance	889	18.38	0.000283%	19	Corporate Insurance889
Corporate Insurance	890	0.00	0.000000%	0	Corporate Insurance890
Corporate Insurance	892	0.00	0.000000%	0	Corporate Insurance892
Corporate Insurance	893	0.00	0.000000%	0	Corporate Insurance893
Corporate Insurance	894	0.00	0.000000%	0	Corporate Insurance894
Corporate Insurance	902	0.00	0.000000%	0	Corporate Insurance902
Corporate Insurance	903	0.00	0.000000%	0	Corporate Insurance903
Corporate Insurance	904	0.00	0.000000%	0	Corporate Insurance904
Corporate Insurance	905	0.00	0.000000%	0	Corporate Insurance905
Corporate Insurance	908	0.00	0.000000%	0	Corporate Insurance908
Corporate Insurance	909	0.00	0.000000%	0	Corporate Insurance909
Corporate Insurance	910	0.00	0.000000%	0	Corporate Insurance910
Corporate Insurance	912	0.00	0.000000%	0	Corporate Insurance912
Corporate Insurance	913	0.00	0.000000%	0	Corporate Insurance913
Corporate Insurance	920	0.00	0.000000%	0	Corporate Insurance920
Corporate Insurance	921	0.00	0.000000%	0	Corporate Insurance921
Corporate Insurance	923	0.00	0.000000%	0	Corporate Insurance923
Corporate Insurance	924	181,637.53	2.792013%	186,339	Corporate Insurance924
Corporate Insurance	925	6,059,318.95	93.139881%	6,216,156	Corporate Insurance925
Corporate Insurance	926	264,619.67	4.067560%	271,469	Corporate Insurance926
Corporate Insurance	928	0.00	0.000000%	0	Corporate Insurance928
Corporate Insurance	930	0.00	0.000000%	0	Corporate Insurance930
Corporate Insurance	931	0.00	0.000000%	0	Corporate Insurance931
Corporate Insurance	932	0.00	0.000000%	0	Corporate Insurance932
Grand Total		6,505,611.62	100.000000%	6,674,000	

Injuries and Damages	801	0.00	0.000000%	0	Injuries and Damages801
Injuries and Damages	803	0.00	0.000000%	0	Injuries and Damages803
Injuries and Damages	804	0.00	0.000000%	0	Injuries and Damages804
Injuries and Damages	805	0.00	0.000000%	0	Injuries and Damages805
Injuries and Damages	806	0.00	0.000000%	0	Injuries and Damages806
Injuries and Damages	807	0.00	0.000000%	0	Injuries and Damages807
Injuries and Damages	808	0.00	0.000000%	0	Injuries and Damages808
Injuries and Damages	812	0.00	0.000000%	0	Injuries and Damages812
Injuries and Damages	813	0.00	0.000000%	0	Injuries and Damages813
Injuries and Damages	816	0.00	0.000000%	0	Injuries and Damages816
Injuries and Damages	817	0.00	0.000000%	0	Injuries and Damages817
Injuries and Damages	818	0.00	0.000000%	0	Injuries and Damages818
Injuries and Damages	820	0.00	0.000000%	0	Injuries and Damages820
Injuries and Damages	821	0.00	0.000000%	0	Injuries and Damages821
Injuries and Damages	823	0.00	0.000000%	0	Injuries and Damages823
Injuries and Damages	825	0.00	0.000000%	0	Injuries and Damages825
Injuries and Damages	832	0.00	0.000000%	0	Injuries and Damages832
Injuries and Damages	834	0.00	0.000000%	0	Injuries and Damages834

Injuries and Damages	836	0.00	0.000000%	0	Injuries and Damages836
Injuries and Damages	870	0.00	0.000000%	0	Injuries and Damages870
Injuries and Damages	871	0.00	0.000000%	0	Injuries and Damages871
Injuries and Damages	874	0.00	0.000000%	0	Injuries and Damages874
Injuries and Damages	875	0.00	0.000000%	0	Injuries and Damages875
Injuries and Damages	876	0.00	0.000000%	0	Injuries and Damages876
Injuries and Damages	878	0.00	0.000000%	0	Injuries and Damages878
Injuries and Damages	879	0.00	0.000000%	0	Injuries and Damages879
Injuries and Damages	880	0.00	0.000000%	0	Injuries and Damages880
Injuries and Damages	881	0.00	0.000000%	0	Injuries and Damages881
Injuries and Damages	885	0.00	0.000000%	0	Injuries and Damages885
Injuries and Damages	886	0.00	0.000000%	0	Injuries and Damages886
Injuries and Damages	887	0.00	0.000000%	0	Injuries and Damages887
Injuries and Damages	889	0.00	0.000000%	0	Injuries and Damages889
Injuries and Damages	890	0.00	0.000000%	0	Injuries and Damages890
Injuries and Damages	892	0.00	0.000000%	0	Injuries and Damages892
Injuries and Damages	893	0.00	0.000000%	0	Injuries and Damages893
Injuries and Damages	894	0.00	0.000000%	0	Injuries and Damages894
Injuries and Damages	902	0.00	0.000000%	0	Injuries and Damages902
Injuries and Damages	903	0.00	0.000000%	0	Injuries and Damages903
Injuries and Damages	904	0.00	0.000000%	0	Injuries and Damages904
Injuries and Damages	905	0.00	0.000000%	0	Injuries and Damages905
Injuries and Damages	908	0.00	0.000000%	0	Injuries and Damages908
Injuries and Damages	909	0.00	0.000000%	0	Injuries and Damages909
Injuries and Damages	910	0.00	0.000000%	0	Injuries and Damages910
Injuries and Damages	912	0.00	0.000000%	0	Injuries and Damages912
Injuries and Damages	913	0.00	0.000000%	0	Injuries and Damages913
Injuries and Damages	920	0.00	0.000000%	0	Injuries and Damages920
Injuries and Damages	921	0.00	0.000000%	0	Injuries and Damages921
Injuries and Damages	923	0.00	0.000000%	0	Injuries and Damages923
Injuries and Damages	924	0.00	0.000000%	0	Injuries and Damages924
Injuries and Damages	925	307,629.46	100.000000%	348,384	Injuries and Damages925
Injuries and Damages	926	0.00	0.000000%	0	Injuries and Damages926
Injuries and Damages	928	0.00	0.000000%	0	Injuries and Damages928
Injuries and Damages	930	0.00	0.000000%	0	Injuries and Damages930
Injuries and Damages	931	0.00	0.000000%	0	Injuries and Damages931
Injuries and Damages	932	0.00	0.000000%	0	Injuries and Damages932
Grand Total		307,629.46	100.000000%	348,384	

Employee Expenses	801	0.00	0.000000%	0	Employee Expenses801
Employee Expenses	803	0.00	0.000000%	0	Employee Expenses803
Employee Expenses	804	0.00	0.000000%	0	Employee Expenses804
Employee Expenses	805	0.00	0.000000%	0	Employee Expenses805
Employee Expenses	806	0.00	0.000000%	0	Employee Expenses806
Employee Expenses	807	0.00	0.000000%	0	Employee Expenses807
Employee Expenses	808	0.00	0.000000%	0	Employee Expenses808
Employee Expenses	812	0.00	0.000000%	0	Employee Expenses812
Employee Expenses	813	0.00	0.000000%	0	Employee Expenses813
Employee Expenses	816	0.00	0.000000%	0	Employee Expenses816
Employee Expenses	817	0.00	0.000000%	0	Employee Expenses817
Employee Expenses	818	99.55	0.008495%	57	Employee Expenses818
Employee Expenses	820	0.00	0.000000%	0	Employee Expenses820
Employee Expenses	821	0.00	0.000000%	0	Employee Expenses821
Employee Expenses	823	0.00	0.000000%	0	Employee Expenses823
Employee Expenses	825	0.00	0.000000%	0	Employee Expenses825
Employee Expenses	832	0.00	0.000000%	0	Employee Expenses832
Employee Expenses	834	0.00	0.000000%	0	Employee Expenses834
Employee Expenses	836	0.00	0.000000%	0	Employee Expenses836
Employee Expenses	870	180,107.16	15.368445%	102,661	Employee Expenses870
Employee Expenses	871	0.00	0.000000%	0	Employee Expenses871
Employee Expenses	874	277,668.17	23.693273%	158,271	Employee Expenses874
Employee Expenses	875	1,330.52	0.113533%	758	Employee Expenses875
Employee Expenses	876	0.00	0.000000%	0	Employee Expenses876
Employee Expenses	878	15,610.78	1.332059%	8,898	Employee Expenses878
Employee Expenses	879	1,374.66	0.117299%	784	Employee Expenses879
Employee Expenses	880	46,830.33	3.996006%	26,693	Employee Expenses880
Employee Expenses	881	0.00	0.000000%	0	Employee Expenses881
Employee Expenses	885	1,552.44	0.132469%	885	Employee Expenses885
Employee Expenses	886	0.00	0.000000%	0	Employee Expenses886
Employee Expenses	887	4,328.40	0.369340%	2,467	Employee Expenses887
Employee Expenses	889	1,517.60	0.129496%	865	Employee Expenses889
Employee Expenses	890	0.00	0.000000%	0	Employee Expenses890
Employee Expenses	892	1,097.26	0.093629%	625	Employee Expenses892
Employee Expenses	893	0.00	0.000000%	0	Employee Expenses893
Employee Expenses	894	2,681.88	0.228843%	1,529	Employee Expenses894
Employee Expenses	902	0.00	0.000000%	0	Employee Expenses902
Employee Expenses	903	0.00	0.000000%	0	Employee Expenses903
Employee Expenses	904	0.00	0.000000%	0	Employee Expenses904
Employee Expenses	905	0.00	0.000000%	0	Employee Expenses905
Employee Expenses	908	0.00	0.000000%	0	Employee Expenses908
Employee Expenses	909	0.00	0.000000%	0	Employee Expenses909
Employee Expenses	910	5,862.28	0.500225%	3,342	Employee Expenses910
Employee Expenses	912	0.00	0.000000%	0	Employee Expenses912
Employee Expenses	913	0.00	0.000000%	0	Employee Expenses913
Employee Expenses	920	243,921.21	20.813663%	139,035	Employee Expenses920
Employee Expenses	921	262,831.99	22.427309%	149,814	Employee Expenses921
Employee Expenses	923	2,584.42	0.220527%	1,473	Employee Expenses923
Employee Expenses	924	0.00	0.000000%	0	Employee Expenses924
Employee Expenses	925	0.00	0.000000%	0	Employee Expenses925
Employee Expenses	926	115,000.00	9.812887%	65,550	Employee Expenses926
Employee Expenses	928	0.00	0.000000%	0	Employee Expenses928
Employee Expenses	930	6,098.41	0.520374%	3,476	Employee Expenses930
Employee Expenses	931	1,431.26	0.122129%	816	Employee Expenses931
Employee Expenses	932	0.00	0.000000%	0	Employee Expenses932
Grand Total		1,171,928.32	100.000000%	668,000	

Company Memberships	801	0.00	0.000000%	0	Company Memberships801
Company Memberships	803	0.00	0.000000%	0	Company Memberships803
Company Memberships	804	0.00	0.000000%	0	Company Memberships804
Company Memberships	805	0.00	0.000000%	0	Company Memberships805
Company Memberships	806	0.00	0.000000%	0	Company Memberships806
Company Memberships	807	0.00	0.000000%	0	Company Memberships807
Company Memberships	808	0.00	0.000000%	0	Company Memberships808
Company Memberships	812	0.00	0.000000%	0	Company Memberships812

Utilities and Fuel Used in Company Operations		932	3,632.81	0.183637%	3,894	Utilities and Fuel Used in Company Operations	932
Grand Total			1,978,261.02	100.000000%	2,120,490		
Advertising	801		0.00	0.000000%	0	Advertising	801
Advertising	803		0.00	0.000000%	0	Advertising	803
Advertising	804		0.00	0.000000%	0	Advertising	804
Advertising	805		0.00	0.000000%	0	Advertising	805
Advertising	806		0.00	0.000000%	0	Advertising	806
Advertising	807		0.00	0.000000%	0	Advertising	807
Advertising	808		0.00	0.000000%	0	Advertising	808
Advertising	812		0.00	0.000000%	0	Advertising	812
Advertising	813		0.00	0.000000%	0	Advertising	813
Advertising	816		0.00	0.000000%	0	Advertising	816
Advertising	817		0.00	0.000000%	0	Advertising	817
Advertising	818		0.00	0.000000%	0	Advertising	818
Advertising	820		0.00	0.000000%	0	Advertising	820
Advertising	821		0.00	0.000000%	0	Advertising	821
Advertising	823		0.00	0.000000%	0	Advertising	823
Advertising	825		0.00	0.000000%	0	Advertising	825
Advertising	832		0.00	0.000000%	0	Advertising	832
Advertising	834		0.00	0.000000%	0	Advertising	834
Advertising	836		0.00	0.000000%	0	Advertising	836
Advertising	870		942.91	0.165098%	1,128	Advertising	870
Advertising	871		0.00	0.000000%	0	Advertising	871
Advertising	874		0.00	0.000000%	0	Advertising	874
Advertising	875		0.00	0.000000%	0	Advertising	875
Advertising	876		0.00	0.000000%	0	Advertising	876
Advertising	878		0.00	0.000000%	0	Advertising	878
Advertising	879		0.00	0.000000%	0	Advertising	879
Advertising	880		0.00	0.000000%	0	Advertising	880
Advertising	881		0.00	0.000000%	0	Advertising	881
Advertising	885		0.00	0.000000%	0	Advertising	885
Advertising	886		0.00	0.000000%	0	Advertising	886
Advertising	887		0.00	0.000000%	0	Advertising	887
Advertising	889		0.00	0.000000%	0	Advertising	889
Advertising	890		0.00	0.000000%	0	Advertising	890
Advertising	892		0.00	0.000000%	0	Advertising	892
Advertising	893		0.00	0.000000%	0	Advertising	893
Advertising	894		0.00	0.000000%	0	Advertising	894
Advertising	902		0.00	0.000000%	0	Advertising	902
Advertising	903		0.00	0.000000%	0	Advertising	903
Advertising	904		0.00	0.000000%	0	Advertising	904
Advertising	905		0.00	0.000000%	0	Advertising	905
Advertising	908		0.00	0.000000%	0	Advertising	908
Advertising	909		95,357.93	16.696568%	114,090	Advertising	909
Advertising	910		0.00	0.000000%	0	Advertising	910
Advertising	912		0.00	0.000000%	0	Advertising	912
Advertising	913		0.00	0.000000%	0	Advertising	913
Advertising	920		2,500.00	0.437734%	2,991	Advertising	920
Advertising	921		1,982.82	0.347179%	2,372	Advertising	921
Advertising	923		105,996.80	18.559367%	126,818	Advertising	923
Advertising	924		0.00	0.000000%	0	Advertising	924
Advertising	925		0.00	0.000000%	0	Advertising	925
Advertising	926		0.00	0.000000%	0	Advertising	926
Advertising	928		0.00	0.000000%	0	Advertising	928
Advertising	930		364,342.47	63.794054%	435,913	Advertising	930
Advertising	931		0.00	0.000000%	0	Advertising	931
Advertising	932		0.00	0.000000%	0	Advertising	932
Grand Total			571,122.93	100.000000%	683,312		
Fleet & Other Clearing	801		0.00	0.000000%	0	Fleet & Other Clearing	801
Fleet & Other Clearing	803		0.00	0.000000%	0	Fleet & Other Clearing	803
Fleet & Other Clearing	804		0.00	0.000000%	0	Fleet & Other Clearing	804
Fleet & Other Clearing	805		0.00	0.000000%	0	Fleet & Other Clearing	805
Fleet & Other Clearing	806		0.00	0.000000%	0	Fleet & Other Clearing	806
Fleet & Other Clearing	807		0.00	0.000000%	0	Fleet & Other Clearing	807
Fleet & Other Clearing	808		0.00	0.000000%	0	Fleet & Other Clearing	808
Fleet & Other Clearing	812		0.00	0.000000%	0	Fleet & Other Clearing	812
Fleet & Other Clearing	813		0.00	0.000000%	0	Fleet & Other Clearing	813
Fleet & Other Clearing	816		0.00	0.000000%	0	Fleet & Other Clearing	816
Fleet & Other Clearing	817		0.00	0.000000%	0	Fleet & Other Clearing	817
Fleet & Other Clearing	818		0.00	0.000000%	0	Fleet & Other Clearing	818
Fleet & Other Clearing	820		0.00	0.000000%	0	Fleet & Other Clearing	820
Fleet & Other Clearing	821		0.00	0.000000%	0	Fleet & Other Clearing	821
Fleet & Other Clearing	823		0.00	0.000000%	0	Fleet & Other Clearing	823
Fleet & Other Clearing	825		0.00	0.000000%	0	Fleet & Other Clearing	825
Fleet & Other Clearing	832		0.00	0.000000%	0	Fleet & Other Clearing	832
Fleet & Other Clearing	834		0.00	0.000000%	0	Fleet & Other Clearing	834
Fleet & Other Clearing	836		0.00	0.000000%	0	Fleet & Other Clearing	836
Fleet & Other Clearing	870		361,960.26	5.654709%	100,541	Fleet & Other Clearing	870
Fleet & Other Clearing	871		76,113.48	1.189080%	21,142	Fleet & Other Clearing	871
Fleet & Other Clearing	874		2,066,462.41	32.283224%	573,996	Fleet & Other Clearing	874
Fleet & Other Clearing	875		76,082.55	1.188597%	21,133	Fleet & Other Clearing	875
Fleet & Other Clearing	876		44,879.32	0.701125%	12,466	Fleet & Other Clearing	876
Fleet & Other Clearing	878		183,402.38	2.865196%	50,943	Fleet & Other Clearing	878
Fleet & Other Clearing	879		907,151.75	14.171941%	251,977	Fleet & Other Clearing	879
Fleet & Other Clearing	880		361,832.45	5.652713%	100,505	Fleet & Other Clearing	880
Fleet & Other Clearing	881		0.00	0.000000%	0	Fleet & Other Clearing	881
Fleet & Other Clearing	885		1,062.76	0.016603%	295	Fleet & Other Clearing	885
Fleet & Other Clearing	886		2,378.32	0.037155%	661	Fleet & Other Clearing	886
Fleet & Other Clearing	887		1,197,854.04	18.713425%	332,725	Fleet & Other Clearing	887
Fleet & Other Clearing	889		146,676.26	2.291444%	40,742	Fleet & Other Clearing	889
Fleet & Other Clearing	890		10,979.64	0.171529%	3,050	Fleet & Other Clearing	890
Fleet & Other Clearing	892		378,968.41	5.920418%	105,265	Fleet & Other Clearing	892
Fleet & Other Clearing	893		50,521.99	0.789278%	14,033	Fleet & Other Clearing	893
Fleet & Other Clearing	894		137,012.76	2.140476%	38,058	Fleet & Other Clearing	894
Fleet & Other Clearing	902		37,707.60	0.589085%	10,474	Fleet & Other Clearing	902
Fleet & Other Clearing	903		143,086.96	2.235370%	39,745	Fleet & Other Clearing	903
Fleet & Other Clearing	904		0.00	0.000000%	0	Fleet & Other Clearing	904
Fleet & Other Clearing	905		0.00	0.000000%	0	Fleet & Other Clearing	905
Fleet & Other Clearing	908		0.00	0.000000%	0	Fleet & Other Clearing	908
Fleet & Other Clearing	909		0.00	0.000000%	0	Fleet & Other Clearing	909
Fleet & Other Clearing	910		2,460.80	0.038444%	684	Fleet & Other Clearing	910
Fleet & Other Clearing	912		0.00	0.000000%	0	Fleet & Other Clearing	912

Fleet & Other Clearing	913	0.00	0.000000%	0	Fleet & Other Clearing913
Fleet & Other Clearing	920	106,912.51	1.670236%	29,697	Fleet & Other Clearing920
Fleet & Other Clearing	921	107,534.46	1.679953%	29,870	Fleet & Other Clearing921
Fleet & Other Clearing	923	0.00	0.000000%	0	Fleet & Other Clearing923
Fleet & Other Clearing	924	0.00	0.000000%	0	Fleet & Other Clearing924
Fleet & Other Clearing	925	0.00	0.000000%	0	Fleet & Other Clearing925
Fleet & Other Clearing	926	0.00	0.000000%	0	Fleet & Other Clearing926
Fleet & Other Clearing	928	0.00	0.000000%	0	Fleet & Other Clearing928
Fleet & Other Clearing	930	0.00	0.000000%	0	Fleet & Other Clearing930
Fleet & Other Clearing	931	0.00	0.000000%	0	Fleet & Other Clearing931
Fleet & Other Clearing	932	0.00	0.000000%	0	Fleet & Other Clearing932
Grand Total		6,401,041.11	100.000000%	1,778,000	

Materials & Supplies	801	0.00	0.000000%	0	Materials & Supplies801
Materials & Supplies	803	0.00	0.000000%	0	Materials & Supplies803
Materials & Supplies	804	0.00	0.000000%	0	Materials & Supplies804
Materials & Supplies	805	0.00	0.000000%	0	Materials & Supplies805
Materials & Supplies	806	0.00	0.000000%	0	Materials & Supplies806
Materials & Supplies	807	0.00	0.000000%	0	Materials & Supplies807
Materials & Supplies	808	0.00	0.000000%	0	Materials & Supplies808
Materials & Supplies	812	0.00	0.000000%	0	Materials & Supplies812
Materials & Supplies	813	0.00	0.000000%	0	Materials & Supplies813
Materials & Supplies	816	0.00	0.000000%	0	Materials & Supplies816
Materials & Supplies	817	0.00	0.000000%	0	Materials & Supplies817
Materials & Supplies	818	7,787.34	0.109710%	8,386	Materials & Supplies818
Materials & Supplies	820	0.00	0.000000%	0	Materials & Supplies820
Materials & Supplies	821	0.00	0.000000%	0	Materials & Supplies821
Materials & Supplies	823	0.00	0.000000%	0	Materials & Supplies823
Materials & Supplies	825	0.00	0.000000%	0	Materials & Supplies825
Materials & Supplies	832	0.00	0.000000%	0	Materials & Supplies832
Materials & Supplies	834	0.00	0.000000%	0	Materials & Supplies834
Materials & Supplies	836	0.00	0.000000%	0	Materials & Supplies836
Materials & Supplies	840	0.00	0.000000%	0	Materials & Supplies840
Materials & Supplies	870	96,318.48	1.356959%	103,720	Materials & Supplies870
Materials & Supplies	871	1,696.00	0.023894%	1,826	Materials & Supplies871
Materials & Supplies	874	1,262,468.71	17.785974%	1,359,479	Materials & Supplies874
Materials & Supplies	875	21,960.41	0.309384%	23,648	Materials & Supplies875
Materials & Supplies	876	4,247.77	0.059844%	4,574	Materials & Supplies876
Materials & Supplies	878	225,289.80	3.173939%	242,602	Materials & Supplies878
Materials & Supplies	879	72,915.74	1.027255%	78,519	Materials & Supplies879
Materials & Supplies	880	229,457.74	3.232658%	247,090	Materials & Supplies880
Materials & Supplies	881	0.00	0.000000%	0	Materials & Supplies881
Materials & Supplies	885	329.19	0.004638%	354	Materials & Supplies885
Materials & Supplies	886	3,364.80	0.047404%	3,623	Materials & Supplies886
Materials & Supplies	887	1,892,329.76	26.659613%	2,037,740	Materials & Supplies887
Materials & Supplies	889	186,888.10	2.632926%	201,249	Materials & Supplies889
Materials & Supplies	890	8,803.97	0.124033%	9,480	Materials & Supplies890
Materials & Supplies	892	389,071.85	5.481341%	418,969	Materials & Supplies892
Materials & Supplies	893	227,141.14	3.200021%	244,595	Materials & Supplies893
Materials & Supplies	894	466,639.61	6.574135%	502,497	Materials & Supplies894
Materials & Supplies	902	129.10	0.001819%	139	Materials & Supplies902
Materials & Supplies	903	1,689,439.10	23.801239%	1,819,259	Materials & Supplies903
Materials & Supplies	904	0.00	0.000000%	0	Materials & Supplies904
Materials & Supplies	905	9.40	0.000132%	10	Materials & Supplies905
Materials & Supplies	908	0.00	0.000000%	0	Materials & Supplies908
Materials & Supplies	909	14,460.09	0.203717%	15,571	Materials & Supplies909
Materials & Supplies	910	278.04	0.003917%	299	Materials & Supplies910
Materials & Supplies	912	0.00	0.000000%	0	Materials & Supplies912
Materials & Supplies	913	0.00	0.000000%	0	Materials & Supplies913
Materials & Supplies	920	2,786.49	0.039257%	3,001	Materials & Supplies920
Materials & Supplies	921	121,070.94	1.705678%	130,374	Materials & Supplies921
Materials & Supplies	923	116,269.97	1.638040%	125,204	Materials & Supplies923
Materials & Supplies	924	0.00	0.000000%	0	Materials & Supplies924
Materials & Supplies	925	0.00	0.000000%	0	Materials & Supplies925
Materials & Supplies	926	0.00	0.000000%	0	Materials & Supplies926
Materials & Supplies	928	12,721.50	0.179224%	13,699	Materials & Supplies928
Materials & Supplies	930	39,790.67	0.560581%	42,848	Materials & Supplies930
Materials & Supplies	931	3,506.40	0.049399%	3,776	Materials & Supplies931
Materials & Supplies	932	942.00	0.013271%	1,014	Materials & Supplies932
Grand Total		7,098,114.11	100.000000%	7,643,548	

Other O&M	801	0.00	0.000000%	0	Other O&M801
Other O&M	803	0.00	0.000000%	0	Other O&M803
Other O&M	804	0.00	0.000000%	0	Other O&M804
Other O&M	805	0.00	0.000000%	0	Other O&M805
Other O&M	806	0.00	0.000000%	0	Other O&M806
Other O&M	807	0.00	0.000000%	0	Other O&M807
Other O&M	808	0.00	0.000000%	0	Other O&M808
Other O&M	812	0.00	0.000000%	0	Other O&M812
Other O&M	813	0.00	0.000000%	0	Other O&M813
Other O&M	816	0.00	0.000000%	0	Other O&M816
Other O&M	817	0.00	0.000000%	0	Other O&M817
Other O&M	818	0.00	0.000000%	0	Other O&M818
Other O&M	820	0.00	0.000000%	0	Other O&M820
Other O&M	821	0.00	0.000000%	0	Other O&M821
Other O&M	823	0.00	0.000000%	0	Other O&M823
Other O&M	825	0.00	0.000000%	0	Other O&M825
Other O&M	832	0.00	0.000000%	0	Other O&M832
Other O&M	834	0.00	0.000000%	0	Other O&M834
Other O&M	836	0.00	0.000000%	0	Other O&M836
Other O&M	870	18,056.40	0.900884%	26,720	Other O&M870
Other O&M	871	70.00	0.003493%	104	Other O&M871
Other O&M	874	129,400.21	6.456133%	191,489	Other O&M874
Other O&M	875	230.00	0.011475%	340	Other O&M875
Other O&M	876	0.00	0.000000%	0	Other O&M876
Other O&M	878	(23,103.78)	-1.152711%	(34,189)	Other O&M878
Other O&M	879	(11,951.66)	-0.596301%	(17,686)	Other O&M879
Other O&M	880	97,543.62	4.866720%	144,347	Other O&M880
Other O&M	881	6,301.00	0.314374%	9,324	Other O&M881
Other O&M	885	396.95	0.019805%	587	Other O&M885
Other O&M	886	0.00	0.000000%	0	Other O&M886
Other O&M	887	(56,634.85)	-2.825669%	(83,809)	Other O&M887
Other O&M	889	0.00	0.000000%	0	Other O&M889
Other O&M	890	0.00	0.000000%	0	Other O&M890

Other O&M	892	(22,973.34)	-1.146203%	(33,996)	Other O&M892
Other O&M	893	130.00	0.006486%	192	Other O&M893
Other O&M	894	3,136.40	0.156484%	4,641	Other O&M894
Other O&M	902	0.00	0.000000%	0	Other O&M902
Other O&M	903	(559.86)	-0.027933%	(828)	Other O&M903
Other O&M	904	0.00	0.000000%	0	Other O&M904
Other O&M	905	3,022.36	0.150794%	4,473	Other O&M905
Other O&M	908	0.00	0.000000%	0	Other O&M908
Other O&M	909	26,250.00	1.309685%	38,845	Other O&M909
Other O&M	910	367.81	0.018351%	544	Other O&M910
Other O&M	912	0.00	0.000000%	0	Other O&M912
Other O&M	913	0.00	0.000000%	0	Other O&M913
Other O&M	920	353,051.68	17.614722%	522,453	Other O&M920
Other O&M	921	793,237.66	39.576815%	1,173,848	Other O&M921
Other O&M	923	507,554.35	25.323287%	751,089	Other O&M923
Other O&M	924	0.00	0.000000%	0	Other O&M924
Other O&M	925	0.00	0.000000%	0	Other O&M925
Other O&M	926	0.00	0.000000%	0	Other O&M926
Other O&M	928	0.00	0.000000%	0	Other O&M928
Other O&M	930	180,681.66	9.014706%	267,376	Other O&M930
Other O&M	931	0.00	0.000000%	0	Other O&M931
Other O&M	932	<u>92.28</u>	<u>0.004604%</u>	<u>137</u>	<u>Other O&M932</u>
Grand Total		2,004,298.89	100.000000%	2,966,000	
PUC, OCA, OSBA Fees	801	0.00	0.000000%	0	PUC, OCA, OSBA Fees801
PUC, OCA, OSBA Fees	803	0.00	0.000000%	0	PUC, OCA, OSBA Fees803
PUC, OCA, OSBA Fees	804	0.00	0.000000%	0	PUC, OCA, OSBA Fees804
PUC, OCA, OSBA Fees	805	0.00	0.000000%	0	PUC, OCA, OSBA Fees805
PUC, OCA, OSBA Fees	806	0.00	0.000000%	0	PUC, OCA, OSBA Fees806
PUC, OCA, OSBA Fees	807	0.00	0.000000%	0	PUC, OCA, OSBA Fees807
PUC, OCA, OSBA Fees	808	0.00	0.000000%	0	PUC, OCA, OSBA Fees808
PUC, OCA, OSBA Fees	812	0.00	0.000000%	0	PUC, OCA, OSBA Fees812
PUC, OCA, OSBA Fees	813	0.00	0.000000%	0	PUC, OCA, OSBA Fees813
PUC, OCA, OSBA Fees	816	0.00	0.000000%	0	PUC, OCA, OSBA Fees816
PUC, OCA, OSBA Fees	817	0.00	0.000000%	0	PUC, OCA, OSBA Fees817
PUC, OCA, OSBA Fees	818	0.00	0.000000%	0	PUC, OCA, OSBA Fees818
PUC, OCA, OSBA Fees	820	0.00	0.000000%	0	PUC, OCA, OSBA Fees820
PUC, OCA, OSBA Fees	821	0.00	0.000000%	0	PUC, OCA, OSBA Fees821
PUC, OCA, OSBA Fees	823	0.00	0.000000%	0	PUC, OCA, OSBA Fees823
PUC, OCA, OSBA Fees	825	0.00	0.000000%	0	PUC, OCA, OSBA Fees825
PUC, OCA, OSBA Fees	832	0.00	0.000000%	0	PUC, OCA, OSBA Fees832
PUC, OCA, OSBA Fees	834	0.00	0.000000%	0	PUC, OCA, OSBA Fees834
PUC, OCA, OSBA Fees	836	0.00	0.000000%	0	PUC, OCA, OSBA Fees836
PUC, OCA, OSBA Fees	870	44,884.60	2.223729%	53,080	PUC, OCA, OSBA Fees870
PUC, OCA, OSBA Fees	871	0.00	0.000000%	0	PUC, OCA, OSBA Fees871
PUC, OCA, OSBA Fees	874	3.31	0.000164%	4	PUC, OCA, OSBA Fees874
PUC, OCA, OSBA Fees	875	0.00	0.000000%	0	PUC, OCA, OSBA Fees875
PUC, OCA, OSBA Fees	876	0.00	0.000000%	0	PUC, OCA, OSBA Fees876
PUC, OCA, OSBA Fees	878	0.00	0.000000%	0	PUC, OCA, OSBA Fees878
PUC, OCA, OSBA Fees	879	46.19	0.002288%	55	PUC, OCA, OSBA Fees879
PUC, OCA, OSBA Fees	880	658.04	0.032601%	778	PUC, OCA, OSBA Fees880
PUC, OCA, OSBA Fees	881	0.00	0.000000%	0	PUC, OCA, OSBA Fees881
PUC, OCA, OSBA Fees	885	0.00	0.000000%	0	PUC, OCA, OSBA Fees885
PUC, OCA, OSBA Fees	886	0.00	0.000000%	0	PUC, OCA, OSBA Fees886
PUC, OCA, OSBA Fees	887	78.17	0.003873%	92	PUC, OCA, OSBA Fees887
PUC, OCA, OSBA Fees	889	155.75	0.007716%	184	PUC, OCA, OSBA Fees889
PUC, OCA, OSBA Fees	890	0.00	0.000000%	0	PUC, OCA, OSBA Fees890
PUC, OCA, OSBA Fees	892	0.00	0.000000%	0	PUC, OCA, OSBA Fees892
PUC, OCA, OSBA Fees	893	0.00	0.000000%	0	PUC, OCA, OSBA Fees893
PUC, OCA, OSBA Fees	894	0.00	0.000000%	0	PUC, OCA, OSBA Fees894
PUC, OCA, OSBA Fees	902	0.00	0.000000%	0	PUC, OCA, OSBA Fees902
PUC, OCA, OSBA Fees	903	0.00	0.000000%	0	PUC, OCA, OSBA Fees903
PUC, OCA, OSBA Fees	904	0.00	0.000000%	0	PUC, OCA, OSBA Fees904
PUC, OCA, OSBA Fees	905	0.00	0.000000%	0	PUC, OCA, OSBA Fees905
PUC, OCA, OSBA Fees	908	0.00	0.000000%	0	PUC, OCA, OSBA Fees908
PUC, OCA, OSBA Fees	909	0.00	0.000000%	0	PUC, OCA, OSBA Fees909
PUC, OCA, OSBA Fees	910	0.00	0.000000%	0	PUC, OCA, OSBA Fees910
PUC, OCA, OSBA Fees	912	0.00	0.000000%	0	PUC, OCA, OSBA Fees912
PUC, OCA, OSBA Fees	913	0.00	0.000000%	0	PUC, OCA, OSBA Fees913
PUC, OCA, OSBA Fees	920	0.00	0.000000%	0	PUC, OCA, OSBA Fees920
PUC, OCA, OSBA Fees	921	0.00	0.000000%	0	PUC, OCA, OSBA Fees921
PUC, OCA, OSBA Fees	923	0.00	0.000000%	0	PUC, OCA, OSBA Fees923
PUC, OCA, OSBA Fees	924	0.00	0.000000%	0	PUC, OCA, OSBA Fees924
PUC, OCA, OSBA Fees	925	0.00	0.000000%	0	PUC, OCA, OSBA Fees925
PUC, OCA, OSBA Fees	926	0.00	0.000000%	0	PUC, OCA, OSBA Fees926
PUC, OCA, OSBA Fees	928	1,972,611.93	97.729628%	2,332,806	PUC, OCA, OSBA Fees928
PUC, OCA, OSBA Fees	930	0.00	0.000000%	0	PUC, OCA, OSBA Fees930
PUC, OCA, OSBA Fees	931	0.00	0.000000%	0	PUC, OCA, OSBA Fees931
PUC, OCA, OSBA Fees	932	<u>0.00</u>	<u>0.000000%</u>	<u>0</u>	<u>PUC, OCA, OSBA Fees932</u>
Grand Total		2,018,437.99	100.000000%	2,387,000	
System Services	801	0.00	0.000000%	0	System Services801
System Services	803	0.00	0.000000%	0	System Services803
System Services	804	0.00	0.000000%	0	System Services804
System Services	805	0.00	0.000000%	0	System Services805
System Services	806	0.00	0.000000%	0	System Services806
System Services	807	1,394,128.68	2.024698%	1,430,861	System Services807
System Services	808	0.00	0.000000%	0	System Services808
System Services	812	0.00	0.000000%	0	System Services812
System Services	813	0.00	0.000000%	0	System Services813
System Services	816	0.00	0.000000%	0	System Services816
System Services	817	0.00	0.000000%	0	System Services817
System Services	818	0.00	0.000000%	0	System Services818
System Services	820	0.00	0.000000%	0	System Services820
System Services	821	0.00	0.000000%	0	System Services821
System Services	823	0.00	0.000000%	0	System Services823
System Services	825	0.00	0.000000%	0	System Services825
System Services	832	0.00	0.000000%	0	System Services832
System Services	834	0.00	0.000000%	0	System Services834
System Services	836	0.00	0.000000%	0	System Services836
System Services	870	2,188,243.35	3.177994%	2,245,900	System Services870
System Services	871	0.00	0.000000%	0	System Services871
System Services	874	365,909.74	0.531412%	375,551	System Services874
System Services	875	83,131.39	0.120732%	85,322	System Services875

System Services	876	68,019.03	0.098784%	69,811	System Services876
System Services	878	310,807.77	0.451387%	318,997	System Services878
System Services	879	320,327.10	0.465212%	328,767	System Services879
System Services	880	86,910.33	0.126220%	89,200	System Services880
System Services	881	0.00	0.000000%	0	System Services881
System Services	885	0.00	0.000000%	0	System Services885
System Services	886	0.00	0.000000%	0	System Services886
System Services	887	135,642.59	0.196994%	139,217	System Services887
System Services	889	83,132.52	0.120734%	85,323	System Services889
System Services	890	79,792.45	0.115883%	81,895	System Services890
System Services	892	39,185.26	0.056909%	40,218	System Services892
System Services	893	25,342.62	0.036805%	26,010	System Services893
System Services	894	123,794.08	0.179787%	127,056	System Services894
System Services	902	0.00	0.000000%	0	System Services902
System Services	903	4,475,514.04	6.499805%	4,593,436	System Services903
System Services	904	0.00	0.000000%	0	System Services904
System Services	905	0.00	0.000000%	0	System Services905
System Services	907	0.00	0.000000%	0	System Services907
System Services	908	1,877.79	0.002727%	1,927	System Services908
System Services	909	0.00	0.000000%	0	System Services909
System Services	910	908,587.53	1.319545%	932,527	System Services910
System Services	912	7,298.81	0.010600%	7,491	System Services912
System Services	913	149,652.58	0.217341%	153,596	System Services913
System Services	920	21,721,196.27	31.545771%	22,293,510	System Services920
System Services	921	604,708.02	0.878220%	620,641	System Services921
System Services	923	23,508,972.36	34.142165%	24,128,391	System Services923
System Services	924	4,764.72	0.006920%	4,890	System Services924
System Services	925	251,045.38	0.364594%	257,660	System Services925
System Services	926	4,976,522.23	7.227421%	5,107,644	System Services926
System Services	928	5,770.92	0.008381%	5,923	System Services928
System Services	930	218,592.76	0.317463%	224,352	System Services930
System Services	931	2,368,084.64	3.439178%	2,430,479	System Services931
System Services	932	4,349,172.50	6.316319%	4,463,765	System Services932
Grand Total		68,856,127.46	100.000000%	70,670,360	

Amortization	801	0.00	0.000000%	0	Amortization801
Amortization	803	0.00	0.000000%	0	Amortization803
Amortization	804	0.00	0.000000%	0	Amortization804
Amortization	805	0.00	0.000000%	0	Amortization805
Amortization	806	0.00	0.000000%	0	Amortization806
Amortization	807	0.00	0.000000%	0	Amortization807
Amortization	808	0.00	0.000000%	0	Amortization808
Amortization	812	0.00	0.000000%	0	Amortization812
Amortization	813	0.00	0.000000%	0	Amortization813
Amortization	816	0.00	0.000000%	0	Amortization816
Amortization	817	0.00	0.000000%	0	Amortization817
Amortization	818	0.00	0.000000%	0	Amortization818
Amortization	820	0.00	0.000000%	0	Amortization820
Amortization	821	0.00	0.000000%	0	Amortization821
Amortization	823	0.00	0.000000%	0	Amortization823
Amortization	825	0.00	0.000000%	0	Amortization825
Amortization	832	0.00	0.000000%	0	Amortization832
Amortization	834	0.00	0.000000%	0	Amortization834
Amortization	836	0.00	0.000000%	0	Amortization836
Amortization	870	0.00	0.000000%	0	Amortization870
Amortization	871	0.00	0.000000%	0	Amortization871
Amortization	874	0.00	0.000000%	0	Amortization874
Amortization	875	0.00	0.000000%	0	Amortization875
Amortization	876	0.00	0.000000%	0	Amortization876
Amortization	878	0.00	0.000000%	0	Amortization878
Amortization	879	0.00	0.000000%	0	Amortization879
Amortization	880	0.00	0.000000%	0	Amortization880
Amortization	881	0.00	0.000000%	0	Amortization881
Amortization	885	0.00	0.000000%	0	Amortization885
Amortization	886	0.00	0.000000%	0	Amortization886
Amortization	887	0.00	0.000000%	0	Amortization887
Amortization	889	0.00	0.000000%	0	Amortization889
Amortization	890	0.00	0.000000%	0	Amortization890
Amortization	892	0.00	0.000000%	0	Amortization892
Amortization	893	0.00	0.000000%	0	Amortization893
Amortization	894	0.00	0.000000%	0	Amortization894
Amortization	902	0.00	0.000000%	0	Amortization902
Amortization	903	0.00	0.000000%	0	Amortization903
Amortization	904	0.00	0.000000%	0	Amortization904
Amortization	905	0.00	0.000000%	0	Amortization905
Amortization	908	0.00	0.000000%	0	Amortization908
Amortization	909	0.00	0.000000%	0	Amortization909
Amortization	910	0.00	0.000000%	0	Amortization910
Amortization	912	0.00	0.000000%	0	Amortization912
Amortization	913	0.00	0.000000%	0	Amortization913
Amortization	920	0.00	0.000000%	0	Amortization920
Amortization	921	90,313.08	9.656157%	4,345	Amortization921
Amortization	923	0.00	0.000000%	0	Amortization923
Amortization	924	0.00	0.000000%	0	Amortization924
Amortization	925	0.00	0.000000%	0	Amortization925
Amortization	926	844,977.00	90.343843%	40,655	Amortization926
Amortization	928	0.00	0.000000%	0	Amortization928
Amortization	930	0.00	0.000000%	0	Amortization930
Amortization	931	0.00	0.000000%	0	Amortization931
Amortization	932	0.00	0.000000%	0	Amortization932
Grand Total		935,290.08	100.000000%	45,000	

Rate Case Expense	923			1,254,200	
Uncollectible Accounts - DIS	904	92.568247%		6,771,837	
Uncollectible Accounts - GMB	904	7.431754%		543,670	
Uncollectible Accounts - Unbund.- Gas DIS	904	92.568247%		1,464,033	
Uncollectible Accounts - Unbund.- Gas GMB	904	7.431754%		117,538	
Uncollectible CAP-Rider USP	904			42,198,344	
Uncollectible Accounts - COVID-19 Deferral - DIS	904	92.568247%		936,875	
Uncollectible Accounts - COVID-19 Deferral - GV	904	7.431754%		75,216	
Interest on Customer Deposits	903			100,416	

Cross Bores	874	2,700,000	2,700,000
Abnormal Operating Conditions Remediation	874	600,000	600,000
Picarro	887	10,900,000	10,900,000
Additional Labor Expense	920	672,181	672,181
Benefits, Incentive Compensation & Payroll Tax	926	212,340	212,340
Additional Safety Positions	874	417,000	417,000
Natural Gas Methane Gas Detectors	874	13,000	13,000
Green Path Rider - Education Costs	910	33,500	33,500
Blackline Safety Devices	874	<u>265,000</u>	<u>265,000</u>
		15,813,021	15,813,021

COLUMBIA GAS OF PENNSYLVANIA, INC.
DEVELOPMENT OF ALLOCATION FACTOR 1
DESIGN DAY [1] (2021-2022)

LINE NO.	Rate	RSS/RDS	SGS/DS-1	SGS/DS-2	SDS/LGSS	LDS/LGSS	FLEX [2]	Total
	<u>Residential</u>							
1	RS	308,100	0	0	0	0	0	308,100
2	RC2	29,400	0	0	0	0	0	29,400
3	RTC	111,300	0	0	0	0	0	111,300
	<u>Commercial</u>							
4	LDS/LGSS	0	0	0	0	14,500	0	14,500
5	LDS FLEX	0	0	0	0	0	13,600	13,600
6	SDS/LGSS	0	0	0	44,900	0	0	44,900
7	SGS2	0	0	50,300	0	0	0	50,300
8	SGS1	0	58,400	0	0	0	0	58,400
9	SCD1	0	25,500	0	0	0	0	25,500
10	SCD2	0	0	22,200	0	0	0	22,200
11	SGDS1	0	3,100	0	0	0	0	3,100
12	SGDS2	0	0	32,000	0	0	0	32,000
13	SGDS2 FLEX	0	0	0	0	0	100	100
	<u>Industrial</u>							
14	LDS/LGSS	0	0	0	0	33,100	0	33,100
15	LDS FLEX	0	0	0	0	0	31,200	31,200
16	SDS/LGSS	0	0	0	11,300	0	0	11,300
17	SGS2	0	0	600	0	0	0	600
18	SGDS2	0	0	1,000	0	0	0	1,000
19	Subtotal	448,800	87,000	106,100	56,200	47,600	44,900	790,600
20	EBS	0	0	0	0	0	0	0
21	Total	448,800	87,000	106,100	56,200	47,600	44,900	790,600
22	MLDS							20,700
23	Other (Co. Used)							2,400
24	Total							813,700
25	ALLOCATOR #1	56.767%	11.004%	13.420%	7.109%	6.021%	5.679%	100.000%

[1] Includes Firm and Non-Firm Service. Volumes in MDth/Day.

COLUMBIA GAS OF PENNSYLVANIA, INC.
DEVELOPMENT OF ALLOCATION FACTORS 2, 3, & 25
THROUGHPUT EXCLUDING TRANSPORTATION, THROUGHPUT EXCLUDING MLDS

LINE NO.		RSS/RDS	SGS/DS-1	SGS/DS-2	SDS/LGSS	LDS/LGSS	MLDS	FLEX	TOTAL
	<u>Sales</u>								
1	RSS	28,264,907	-	-	-	-	-	-	28,264,907
2	RDGSS	-	-	-	-	-	-	-	-
3	RC2 1/	2,766,018	-	-	-	-	-	-	2,766,018
4	SGSS1	-	4,107,511	-	-	-	-	-	4,107,511
5	SGSS2	-	-	3,914,532	-	-	-	-	3,914,532
6	NSS/MLSS-1	-	-	-	-	-	72,000	-	72,000
7	LGSS1 & 2	-	-	-	1,011,865	-	-	-	1,011,865
8	LGSS3 & greater	-	-	-	-	50,863	-	-	50,863
	<u>Transportation</u>								
9	RDS	4,066,034	-	-	-	-	-	-	4,066,034
10	RDGDS	-	-	-	-	-	-	-	-
11	SCD1	-	1,491,857	-	-	-	-	-	1,491,857
12	SCD2	-	-	1,538,991	-	-	-	-	1,538,991
13	SGDS1	-	292,513	-	-	-	-	-	292,513
14	SGDS2	-	-	3,419,855	-	-	-	-	3,419,855
15	SDS	-	-	-	5,985,617	-	-	-	5,985,617
16	LDS	-	-	-	-	11,285,600	-	-	11,285,600
17	FLEX	-	-	-	-	-	-	11,978,033	11,978,033
18	MLDS	-	-	-	-	-	3,122,114	-	3,122,114
19	Total Throughput Excl. Trans. (Allocator 2)	31,030,925	4,107,511	3,914,532	1,011,865	50,863	72,000	-	40,187,696
20	ALLOCATOR #2	77.214%	10.221%	9.741%	2.518%	0.127%	0.179%	0.000%	
21	Total Throughput Excl. MLDS (Allocator 3)	35,096,960	5,891,881	8,873,377	6,997,482	11,336,463	-	9,070,033	77,266,196
22	ALLOCATOR #3	45.424%	7.625%	11.484%	9.056%	14.672%	-	11.739%	
23	Sales and Choice Volume	35,096,960	5,599,368	5,453,523	1,011,865	50,863	72,000	-	47,284,578
24	ALLOCATOR #25	74.225%	11.842%	11.533%	2.140%	0.108%	0.152%	0.000%	

NOTE: 1/ RC2 rate schedule is for CAP customers. They can be either CHOICE or Sales.

COLUMBIA GAS OF PENNSYLVANIA, INC.
DEVELOPMENT OF ALLOCATION FACTOR 4

LINE NO.		GAS PURCHASE EXPENSE							TOTAL
		RSS/RDS GAS COST	SGS/DS-1 GAS COST	SGS/DS-2 GAS COST	SDS/LGSS GAS COST	LDS/LGSS GAS COST	MLDS GAS COST	FLEX GAS COST	
1	RSS	155,295,878	-	-	-	-	-	-	155,295,878
2	RC2	15,197,335	-	-	-	-	-	-	15,197,335
3	RDS	7,328,214	-	-	-	-	-	-	7,328,214
4	SGSS	-	22,567,896	21,507,612	-	-	-	-	44,075,508
5	NSS	-	-	-	-	-	522,768	-	522,768
6	SCD	-	2,688,774	2,773,723	-	-	-	-	5,462,497
7	SGDS	-	104,948	1,340,105	-	-	-	-	1,445,053
8	LGS	-	-	-	5,559,491	279,454	-	-	5,838,945
9	TOTAL	177,821,427	25,361,618	25,621,440	5,559,491	279,454	522,768	-	235,166,198
10	ALLOCATOR #4	75.615%	10.785%	10.895%	2.364%	0.119%	0.222%	0.000%	

COLUMBIA GAS OF PENNSYLVANIA, INC.
DEVELOPMENT OF ALLOCATION FACTOR 5
FOR THE TWELVE MONTHS ENDED NOVEMBER 30, 2021

ALLOCATED COST OF SERVICE
PEAK & AVERAGE

PAGE 1
WITNESS: K. L. Johnson

Line No.	Description	Alloc	Total Company	RSS/RDS	SGS/DS-1	SGS/DS-2	SDS/LGSS	LDS/LGSS	FLEX
1	Throughput Volumes (Total Company excl MLDS)		77,266,196	35,096,960	5,891,881	8,873,377	6,997,482	11,336,463	9,070,033
2	Percent Throughput		100.000%	45.424%	7.625%	11.484%	9.056%	14.672%	11.739%
3	Throughput Component		50.000%	22.711%	3.813%	5.742%	4.528%	7.336%	5.870%
4	Design Day Volumes (Total Company excl MLDS)		790,600	448,800	87,000	106,100	56,200	47,600	44,900
5	Percent Design Day Volumes		100.000%	56.767%	11.004%	13.420%	7.109%	6.021%	5.679%
6	Demand Component		50.000%	28.382%	5.502%	6.710%	3.555%	3.011%	2.840%
7	Demand/Commodity Factor		100.000%	51.093%	9.315%	12.452%	8.083%	10.347%	8.710%

**COLUMBIA GAS OF PENNSYLVANIA, INC.
DEVELOPMENT OF ALLOCATION FACTOR 6
AVERAGE NO. OF CUSTOMERS**

LINE NO.	TARIFF RATE SCHEDULES	RSS/RDS	SGS/DS-1	SGS/DS-2	SDS/LGSS	LDS/LGSS	MLDS	FLEX	[1]	
									Total No of Bills (Incl Final)	Final Bills
1	RSS	4,058,686	0	0	0	0	0	0	4,116,692	58,006
2	RC2	299,162	0	0	0	0	0	0	303,294	4,132
3	RDS	541,794	0	0	0	0	0	0	546,145	4,351
4	RDGDS	0	0	0	0	0	0	0	0	0
5	SGSS1	0	278,580	0	0	0	0	0	280,415	1,835
6	SGSS2	0	0	32,800	0	0	0	0	32,889	89
7	NSS	0	0	0	0	0	12	0	12	0
8	SCD1	0	91,979	0	0	0	0	0	92,327	348
9	SCD2	0	0	12,817	0	0	0	0	12,843	26
10	SGDS1	0	11,359	0	0	0	0	0	11,388	29
11	SGDS2	0	0	16,849	0	0	0	0	16,924	75
12	LGSS1 & 2	0	0	0	968	0	0	0	971	3
13	LGSS3 & greater	0	0	0	0	38	0	0	38	0
14	SDS	0	0	0	4,566	0	0	0	4,581	15
15	LDS	0	0	0	0	876	0	0	877	1
16	FLEX	0	0	0	0	0	0	264	264	0
17	MLDS	0	0	0	0	0	132	0	134	2
18	Total Number of Bills	4,899,642	381,918	62,466	5,534	914	144	264	5,419,794	68,912
19	Average Number of Customers	408,304	31,827	5,206	461	76	12	22		
20	ALLOCATOR #6	91.566%	7.138%	1.168%	0.103%	0.017%	0.003%	0.005%		

[1] Used only in the Customer Charge calculation.

**COLUMBIA GAS OF PENNSYLVANIA, INC.
DEVELOPMENT OF ALLOCATION FACTOR 7
CURRENT DIS REVENUE**

<u>LINE NO.</u>	<u>ACCOUNT</u>	<u>TOTAL</u>	<u>RSS/RDS</u>	<u>SGS/DS-1</u>	<u>SGS/DS-2</u>	<u>SDS/LGSS</u>	<u>LDS/LGSS</u>	<u>MLDS</u>	<u>FLEX</u>
		<u>Total</u>	<u>Residential</u>	<u>Commercial</u>					
1	DIS Billed Net Charge-offs - Sales Only	10,023,898.22	9,396,714.21	627,184.01					
2	DIS Billed Revenue - Comm/Ind Sales Only	99,628,055		56,540,092	43,087,963	0	0	0	0
3	Percent	100.000%		56.751%	43.249%	0.000%	0.000%	0.000%	0.000%
4	Allocated DIS Billed Sales Net Charge-offs	10,023,898.22	9,396,714.21	355,933.20	271,250.81	0.00	0.00	0.00	0.00
		<u>Total</u>	<u>Residential</u>	<u>Commercial</u>					
5	DIS Billed Net Charge-offs - Choice Only	756,372.61	636,371.63	120,000.98					
6	DIS Billed Revenue - Comm/Ind Choice Only	48,333,564		16,941,072	31,392,492	0	0	0	0
7	Percent	100.000%		35.050%	64.950%	0.000%	0.000%	0.000%	0.000%
8	Allocated DIS Billed Choice Net Charge-offs	756,372.61	636,371.63	42,060.34	77,940.64	0.00	0.00	0.00	0.00
9	Total DIS Billed Net Charge-offs	10,780,270.83	10,033,085.84	397,993.54	349,191.45	0.00	0.00	0.00	0.00
10	ALLOCATOR #7	100.000%	93.069%	3.692%	3.239%	0.000%	0.000%	0.000%	0.000%

**COLUMBIA GAS OF PENNSYLVANIA, INC.
 DEVELOPMENT OF ALLOCATION FACTOR 8
 CURRENT GMB/GTS REVENUE**

<u>LINE NO.</u>	<u>ACCOUNT</u>	<u>TOTAL</u>	<u>RSS/RDS</u>	<u>SGS/DS-1</u>	<u>SGS/DS-2</u>	<u>SDS/LGSS</u>	<u>LDS/LGSS</u>	<u>MLDS</u>	<u>FLEX</u>
1	CURRENT GMB/GTS REVENUE	60,455,900	-	15,723	1,244,486	28,900,392	24,097,635	1,968,628	4,229,036
2	ALLOCATOR #8	100.000%	0.000%	0.026%	2.059%	47.804%	39.860%	3.256%	6.995%

**COLUMBIA GAS OF PENNSYLVANIA, INC.
DEVELOPMENT OF ALLOCATION FACTOR 9
DIRECT ASSIGNMENT - CUSTOMER DEPOSITS**

LINE NO.		<u>RSS/RDS</u>	<u>SGS/DS-1</u>	<u>SGS/DS-2</u>	<u>SDS/LGSS</u>	<u>LDS/LGSS</u>	<u>TOTAL</u>
1	Residential Unlisted	31,275	-	-	-	-	31,275
2	RS	1,897,114	-	-	-	-	1,897,114
3	RTC	97,116	-	-	-	-	97,116
4	Commercial Unlisted	-	34,813	-	-	-	34,813
5	SCC	-	19,304	-	-	-	19,304
6	LG1	-	-	-	-	-	-
7	LG2	-	-	-	6,098	-	6,098
8	SC2	-	-	23,338	-	-	23,338
9	SGS	-	757,443	-	-	-	757,443
10	SGT	-	59,232	-	-	-	59,232
11	SG3	-	104	-	-	-	104
12	SG2	-	-	135,772	-	-	135,772
13	TOTAL	2,025,505	870,896	159,110	6,098	-	3,061,609
14	ALLOCATOR #9	66.15800%	28.446%	5.197%	0.199%	0.000%	100.000%

COLUMBIA GAS OF PENNSYLVANIA, INC.
DEVELOPMENT OF ALLOCATION FACTOR 10
FORFEITED DISCOUNTS

LINE ACCT.										
<u>NO.</u>	<u>NO.</u>	<u>ACCOUNT</u>	<u>TOTAL</u>	<u>RSS/RDS</u>	<u>SGS/DS-1</u>	<u>SGS/DS-2</u>	<u>SDS/LGSS</u>	<u>LDS/LGSS</u>	<u>MLDS</u>	<u>FLEX</u>
1	487.00	FORFEITED DISCOUNTS - DIS	847,905	673,585	82,740	83,865	7,574	100	-	41
2	487.00	FORFEITED DISCOUNTS - GMB & GTS	68,074	-	18	1,401	32,542	27,134	2,217	4,762
3		TOTAL CURRENT SALES AND TRANSPORTATION REVENUE	915,979	673,585	82,758	85,266	40,116	27,234	2,217	4,803
4		ALLOCATOR #10	100.000%	73.537%	9.035%	9.309%	4.380%	2.973%	0.242%	0.524%

COLUMBIA GAS OF PENNSYLVANIA, INC.
DEVELOPMENT OF ALLOCATION FACTOR 11
DISTRIBUTION PLANT EXCLUDING ACCOUNTS 375.70, 375.71, & 387

LINE NO.	ACCT. NO.	ACCOUNT	TOTAL	RSS/RDS	SGS/DS-1	SGS/DS-2	SDS/LGSS	LDS/LGSS	MLDS	FLEX
1	374.10	LAND - CITY GATE & M/L IND M&R	21,944	11,212	2,044	2,732	1,774	2,271	-	1,911
2	374.20	LAND - OTHER DISTRIBUTION	3,361,093	1,717,283	313,086	418,523	271,677	347,772	-	292,751
3	374.30	LAND RIGHTS - CITY GATE MAIN LINE	95,361	48,723	8,883	11,874	7,708	9,867	-	8,306
4	374.40	LAND RIGHTS - OTHER DISTRIBUTION	4,778,411	2,441,433	445,109	595,008	386,239	494,422	-	416,200
5	374.40	DIRECT - LAND RIGHTS-OTHER DISTRIBUTION	-	-	-	-	-	-	-	-
6	374.41	LAND RIGHTS - OTHER DISTRIBUTION LOC	13	7	1	2	1	1	-	1
7	374.50	RIGHTS OF WAY	3,233,171	1,651,924	301,170	402,595	261,337	334,536	-	281,609
8	374.50	DIRECT - RIGHTS OF WAY	-	-	-	-	-	-	-	-
9	375.20	M & R STRUCTURES - CITY GATE	7,026	3,590	655	875	568	727	-	612
10	375.31	M & R STRUCTURES - LOCAL GAS PURCH	4,012	2,050	374	500	324	415	-	350
11	375.40	M & R STRUCTURES - REGULATING	7,939,336	4,056,445	739,549	988,606	641,737	821,483	-	691,516
12	375.40	DIRECT - M & R STRUCTURES - REGULATING	27,126	-	-	-	-	-	24,324	2,802
13	375.60	M & R STRUCTURES - DIST. IND. M & R	86,228	-	1,440	11,425	29,804	28,800	-	14,759
14	375.80	M & R STRUCTURES - COMMUNICATION	16,515	8,438	1,538	2,057	1,335	1,709	-	1,439
15	376.00	MAINS	2,573,194,470	1,314,722,250	239,693,065	320,414,175	207,991,309	266,248,432	-	224,125,238
16	376.00	DIRECT - MAINS - MLDS	141,586	-	-	-	-	-	141,540	45
17	376.08	MAINS-CSL REPLACEMENTS	23,515,481	12,014,765	2,190,467	2,928,148	1,900,756	2,433,147	-	2,048,198
18	376.30	MAINS-BARE STEEL	47,177,611	24,104,457	4,394,595	5,874,556	3,813,366	4,881,467	-	4,109,170
19	376.30	DIRECT - MAINS-BARE STEEL	80,803	-	-	-	-	-	80,803	-
20	376.80	MAINS-CAST IRON	-	-	-	-	-	-	-	-
21	378.10	M & R EQUIP - GENERAL	1,444,656	738,118	134,570	179,889	116,772	149,479	-	125,830
22	378.20	M & R EQUIP - GENERAL - REGULATING	204,100,076	104,280,852	19,011,922	25,414,542	16,497,409	21,118,235	-	17,777,117
23	378.20	DIRECT - M & R EQUIP-GEN-REG	678,970	-	-	-	-	-	-	678,970
24	378.30	M & R EQUIP - LOCAL GAS PURCHASES	419,228	214,196	39,051	52,202	33,886	43,378	-	36,515
25	379.10	M & R EQUIP - CITY GATE	136,417	69,699	12,707	16,987	11,027	14,115	-	11,882
26	379.11	M & R EQUIP - EXCHANGE GAS	(450)	(230)	(42)	(56)	(36)	(47)	-	(39)
27	380.00	SERVICES	855,169,618	778,751,661	62,239,245	11,416,514	1,830,063	538,757	-	393,378
28	380.00	DIRECT - SERVICES	1,554	-	-	-	-	-	561	993
29	380.12	CSL REPLACEMENT	-	-	-	-	-	-	-	-
30	381.00	METERS	44,799,656	34,665,078	6,653,645	3,094,312	292,990	73,471	4,928	15,232
31	381.10	AUTOMATIC METER READING	25,134,959	19,448,929	3,733,044	1,736,072	164,383	41,221	2,765	8,546
32	382.00	METER INSTALLATIONS	45,542,208	35,239,650	6,763,929	3,145,600	297,846	74,689	5,010	15,484
33	383.00	HOUSE REGULATORS	17,656,503	16,128,686	1,243,901	250,369	27,191	4,414	530	1,413
34	384.00	HOUSE REG INSTALLATIONS	3,484,788	3,183,250	245,503	49,414	5,367	871	105	279
35	385.00	IND M&R EQUIPMENT	7,324,965	-	122,327	970,558	2,531,801	2,446,538	-	1,253,741
36	385.00	DIRECT - IND M&R EQUIPMENT	478,276	-	-	-	-	-	463,871	14,405
37	385.10	IND M&R EQUIPMENT - LG VOLUME	1,018,904	-	17,016	135,005	352,174	340,314	-	174,396
38		TOTAL	3,871,070,515	2,353,502,465	348,308,792	378,112,483	237,468,806	300,450,485	724,436	252,503,047
39		ALLOCATOR #11	100.000%	60.797%	8.998%	9.768%	6.134%	7.761%	0.019%	6.523%

COLUMBIA GAS OF PENNSYLVANIA, INC.
DEVELOPMENT OF ALLOCATION FACTOR 12
GROSS PLANT

Page 1

LINE NO.	ACCT. NO.	ACCOUNT	GROSS PLANT	RSS/RDS	SGS/DS-1	SGS/DS-2	SDS/LGSS	LDS/LGSS	MLDS	FLEX
1	301.00	Organizational Costs	100,099							
2	302.21	Franchises/Consent, Perpetual	26,216							
3	303.00	Misc Intangible Plant	4,809,062							
4	303.30	Misc Software	75,951,821							
5	305.00	Structures & Improvements	0							
6	301-303	TOTAL INTANGIBLE PLANT	80,887,198	49,176,990	7,278,230	7,901,062	4,961,621	6,277,656	15,369	5,276,272
7	350.10	Land	23,882							
8	350.20	Rights of Way	1,932							
9	351.20	Compressor Station Structures	3,294,840							
10	352.01	Wells Construction	1,126,772							
11	352.02	Wells Equipment	1,072,970							
12	352.10	Storage Leasehold and Rights	139,442							
13	352.12	Other Leases	67,498							
14	353.00	Lines	389,345							
15	354.00	Compressor Station Equipment	948,177							
16	355.00	Measuring & Regulating Equipment	104,477							
17	362.00	Gas Holders	0							
18	362.10	Environmental Remediation	0							
18	350-362	TOTAL UNDERGROUND STORAGE	7,169,335	5,321,439	848,993	826,839	153,424	7,743	10,897	0
19	374.10	LAND - CITY GATE & M/L IND M&R	21,944	11,212	2,044	2,732	1,774	2,271	0	1,911
20	374.20	LAND - OTHER DISTRIBUTION	3,361,093	1,717,283	313,086	418,523	271,677	347,772	0	292,751
21	374.30	LAND RIGHTS - CITY GATE MAIN LINE	95,361	48,723	8,883	11,874	7,708	9,867	0	8,306
22	374.40	LAND RIGHTS - OTHER DISTRIBUTION	4,778,411	2,441,433	445,109	595,008	386,239	494,422	0	416,200
23	374.40	DIRECT - LAND RIGHTS-OTHER DISTRIBUTION	0	0	0	0	0	0	0	0
24	374.41	LAND RIGHTS - OTHER DISTRIBUTION LOC	13	7	1	2	1	1	0	1
25	374.50	RIGHTS OF WAY	3,233,171	1,651,924	301,170	402,595	261,337	334,536	0	281,609
26	374.50	DIRECT - RIGHTS OF WAY	0	0	0	0	0	0	0	0
27	375.20	M & R STRUCTURES - CITY GATE	7,026	3,590	655	875	568	727	0	612
28	375.31	M & R STRUCTURES - LOCAL GAS PURCH	4,012	2,050	374	500	324	415	0	350
29	375.40	M & R STRUCTURES - REGULATING	7,939,336	4,056,445	739,549	988,606	641,737	821,483	0	691,516
30	375.40	DIRECT - M & R STRUCTURES - REGULATING	27,126	0	0	0	0	0	24,324	2,802
31	375.60	M & R STRUCTURES - DIST. IND. M & R	86,228	0	1,440	11,425	29,804	28,800	0	14,759
32	375.70	M & R STRUCTURES - OTHER	42,981,846	26,131,673	3,867,507	4,198,467	2,636,506	3,335,821	8,167	2,803,706
33	375.71	M & R STRUCTURES - OTHER LEASED	7,122,746	4,330,416	640,905	695,750	436,909	552,796	1,353	464,617
34	375.80	M & R STRUCTURES - COMMUNICATION	16,515	8,438	1,538	2,057	1,335	1,709	0	1,439
35	376.00	MAINS	2,573,194,470	1,314,722,250	239,693,065	320,414,175	207,991,309	266,248,432	0	224,125,238
36	376.00	DIRECT - MAINS - MLDS	141,586	0	0	0	0	0	141,540	45
37	376.08	MAINS-CSL REPLACEMENTS	23,515,481	12,014,765	2,190,467	2,928,148	1,900,756	2,433,147	0	2,048,198

COLUMBIA GAS OF PENNSYLVANIA, INC.
DEVELOPMENT OF ALLOCATION FACTOR 12
GROSS PLANT

Page 2

LINE NO.	ACCT. NO.	ACCOUNT	GROSS PLANT	RSS/RDS	SGS/DS-1	SGS/DS-2	SDS/LGSS	LDS/LGSS	MLDS	FLEX
<u>DISTRIBUTION PLANT</u>										
1	376.30	MAINS-BARE STEEL	47,177,611	24,104,457	4,394,595	5,874,556	3,813,366	4,881,467	0	4,109,170
2	376.30	DIRECT - MAINS-BARE STEEL	80,803	0	0	0	0	0	80,803	0
3	376.80	MAINS-CAST IRON	0	0	0	0	0	0	0	0
4	378.10	M & R EQUIP - GENERAL	1,444,656	738,118	134,570	179,889	116,772	149,479	0	125,830
5	378.20	M & R EQUIP - GENERAL - REGULATING	204,100,076	104,280,852	19,011,922	25,414,542	16,497,409	21,118,235	0	17,777,117
6	378.20	DIRECT - M & R EQUIP-GEN-REG	678,970	0	0	0	0	0	0	678,970
7	378.30	M & R EQUIP - LOCAL GAS PURCHASES	419,228	214,196	39,051	52,202	33,886	43,378	0	36,515
8	379.10	M & R EQUIP - CITY GATE	136,417	69,699	12,707	16,987	11,027	14,115	0	11,882
9	379.11	M & R EQUIP - EXCHANGE GAS	(450)	(230)	(42)	(56)	(36)	(47)	0	(39)
10	380.00	SERVICES	855,169,618	778,751,661	62,239,245	11,416,514	1,830,063	538,757	0	393,378
11	380.00	DIRECT - SERVICES	1,554	0	0	0	0	0	561	993
12	380.12	CSL REPLACEMENT	0	0	0	0	0	0	0	0
13	381.00	METERS	44,799,656	34,665,078	6,653,645	3,094,312	292,990	73,471	4,928	15,232
14	381.10	AUTOMATIC METER READING	25,134,959	19,448,929	3,733,044	1,736,072	164,383	41,221	2,765	8,546
15	382.00	METER INSTALLATIONS	45,542,208	35,239,650	6,763,929	3,145,600	297,846	74,689	5,010	15,484
16	383.00	HOUSE REGULATORS	17,656,503	16,128,686	1,243,901	250,369	27,191	4,414	530	1,413
17	384.00	HOUSE REG INSTALLATIONS	3,484,788	3,183,250	245,503	49,414	5,367	871	105	279
18	385.00	IND M&R EQUIPMENT	7,324,965	0	122,327	970,558	2,531,801	2,446,538	0	1,253,741
19	385.00	DIRECT - IND M&R EQUIPMENT	478,276	0	0	0	0	0	463,871	14,405
20	385.10	IND M&R EQUIPMENT - LG VOLUME	1,018,904	0	17,016	135,005	352,174	340,314	0	174,396
21	387.10	OTHER EQUIP DISTRIBUTION	19,450	11,825	1,750	1,900	1,193	1,510	4	1,269
22	387.20	OTHER EQUIP ODORIZATION	117,248	71,283	10,550	11,453	7,192	9,100	22	7,648
23	387.42	OTHER EQUIP RADIO	119,609	72,719	10,762	11,683	7,337	9,283	23	7,802
24	387.44	OTHER EQUIP COMMUNICATION	588,831	357,992	52,983	57,517	36,119	45,699	112	38,410
25	387.46	OTHER EQUIP CUSTOMER INFO SERVICE	11,112,902	6,756,311	999,939	1,085,508	681,665	862,472	2,112	724,895
26	387.45	DIRECT - OTHER EQUIP CUSTOMER INFO SER'	69,585	0	0	0	0	0	69,585	0
27	387.50	GPS EQUIPMENT	<u>2,201,372</u>	<u>1,338,368</u>	<u>198,079</u>	<u>215,030</u>	<u>135,032</u>	<u>170,849</u>	<u>418</u>	<u>143,596</u>
28	374-387	TOTAL DISTRIBUTION	3,935,404,105	2,392,573,052	354,091,267	384,389,791	241,410,760	305,438,015	806,232	256,694,988

COLUMBIA GAS OF PENNSYLVANIA, INC.
DEVELOPMENT OF ALLOCATION FACTOR 12
GROSS PLANT

LINE NO.	ACCT. NO.	ACCOUNT	GROSS PLANT	RSS/RDS	SGS/DS-1	SGS/DS-2	SDS/LGSS	LDS/LGSS	MLDS	FLEX
<u>GENERAL PLANT</u>										
1	389.20	Land Rights	0							
2	390.10	Str, Communications	49,821							
3	391.10	OF&E Unspecified	2,598,465							
4	391.11	OF&E Data Handling Equipment	91,304							
5	391.12	OF&E Information Systems	357,301							
6	391.20	OF&E Air Cond Equip	0							
7	392.20	Trans Eq Trailers > \$1,000	14,787							
8	392.21	Trans Eq Trailers \$1,000 or >	10,830							
9	393.00	Stores Equipment	0							
10	394.10	Tools, Garage & Service Eq	57,140							
11	394.11	CNG Equip - Stationary	0							
12	394.12	CNG Equip - Portable	0							
13	394.20	Shop Equipment	17,534							
14	394.30	Tools & Other	29,153,380							
15	394.31	High Pressure Stopping	10,847							
16	395.00	Laboratory Equipment, Gas	264,921							
17	396.00	Power Operated Equipment	948,698							
18	397.00	Communication Equipment	0							
19	397.10	Communication Equipment-Telephone	0							
20	397.20	Communication Equipment-Radio	0							
21	397.40	Communication Equipment-Other	0							
22	397.50	Communication Equipment-Telemetry	3,097,282							
23	398.00	Miscellaneous Equipment	948,550							
24	389-398	TOTAL GENERAL PLANT	<u>37,620,859</u>	<u>22,872,354</u>	<u>3,385,125</u>	<u>3,674,806</u>	<u>2,307,664</u>	<u>2,919,755</u>	<u>7,148</u>	<u>2,454,009</u>
25		TOTAL	<u>4,061,081,499</u>	<u>2,469,943,835</u>	<u>365,603,615</u>	<u>396,792,497</u>	<u>248,833,468</u>	<u>314,643,168</u>	<u>839,646</u>	<u>264,425,269</u>
		ALLOCATOR #12		60.819%	9.003%	9.771%	6.127%	7.748%	0.021%	6.511%

**COLUMBIA GAS OF PENNSYLVANIA, INC.
DEVELOPMENT OF ALLOCATION FACTOR 13
DIRECT PLANT - MAINS**

LINE NO.	ACCT. NO.	ACCOUNT	GROSS PLANT	RSS/RDS	SGS/DS-1	SGS/DS-2	SDS/LGSS	LDS/LGSS	MLDS	FLEX
1	376.00	MAINS	2,573,194,470	1,314,722,250	239,693,065	320,414,175	207,991,309	266,248,432	-	224,125,238
2	376.00	DIRECT - MAINS - MLDS	141,586	-	-	-	-	-	141,540	45
3	376.08	MAINS-CSL REPLACEMENTS	23,515,481	12,014,765	2,190,467	2,928,148	1,900,756	2,433,147	-	2,048,198
4	376.30	MAINS-BARE STEEL	47,177,611	24,104,457	4,394,595	5,874,556	3,813,366	4,881,467	-	4,109,170
5	376.30	DIRECT - MAINS-BARE STEE	80,803	-	-	-	-	-	80,803	-
6	376.80	MAINS-CAST IRON	-	-	-	-	-	-	-	-
7		TOTAL	2,644,109,951	1,350,841,472	246,278,126	329,216,879	213,705,432	273,563,046	222,344	230,282,652
		ALLOCATOR #13	100.000%	51.090%	9.314%	12.451%	8.082%	10.346%	0.008%	8.709%

COLUMBIA GAS OF PENNSYLVANIA, INC.
DEVELOPMENT OF ALLOCATION FACTOR 14
COMPOSITE DIRECT PLANT - ACCOUNTS 376 & 380

<u>LINE NO.</u>	<u>ACCT. NO.</u>	<u>ACCOUNT</u>	<u>TOTAL</u>	<u>RSS/RDS</u>	<u>SGS/DS-1</u>	<u>SGS/DS-2</u>	<u>SDS/LGSS</u>	<u>LDS/LGSS</u>	<u>MLDS</u>	<u>FLEX</u>
1	376.00	MAINS	2,573,194,470	1,314,722,250	239,693,065	320,414,175	207,991,309	266,248,432	-	224,125,238
2	376.00	DIRECT - MAINS - MLDS	141,586	-	-	-	-	-	141,540	45
3	376.08	MAINS-CSL REPLACEMENTS	23,515,481	12,014,765	2,190,467	2,928,148	1,900,756	2,433,147	-	2,048,198
4	376.30	MAINS-BARE STEEL	47,177,611	24,104,457	4,394,595	5,874,556	3,813,366	4,881,467	-	4,109,170
5	376.30	DIRECT - MAINS-BARE STEEL	80,803	-	-	-	-	-	80,803	-
6	376.80	MAINS-CAST IRON	-	-	-	-	-	-	-	-
7	380.00	SERVICES	855,169,618	778,751,661	62,239,245	11,416,514	1,830,063	538,757	-	393,378
8	380.00	DIRECT - SERVICES	1,554	-	-	-	-	-	561	993
9	380.12	CSL REPLACEMENT	-	-	-	-	-	-	-	-
10		TOTAL	3,499,281,123	2,129,593,133	308,517,371	340,633,394	215,535,495	274,101,803	222,905	230,677,023
11		ALLOCATOR #14	100.000%	60.859%	8.817%	9.734%	6.159%	7.833%	0.006%	6.592%

Columbia Gas of Pennsylvania, Inc.
Services Allocation Factor
As of November 30, 2021

Billing Rate	Rate Case Rate	Classification	BLANK	P	S	*	+	Total	Average Unit Cost	Total Cost	Key
802	FLEX MDS	8"	0	0	0	1	1	2	7,612.29	15,224.58	8028"
808	FLEX	4"	0	0	0	1	0	1	5,384.15	5,384.15	8084"
809	FLEX	6"	1	0	0	0	0	1	5,982.57	5,982.57	8096"
809	FLEX	8"	0	0	0	1	0	1	7,612.29	7,612.29	8098"
810	FLEX	4"	1	0	0	0	0	1	5,384.15	5,384.15	8104"
810	FLEX	6"	1	0	0	0	0	1	5,982.57	5,982.57	8106"
831	FLEX MDS	UNDER 3"	1	0	0	0	0	1	1,546.77	1,546.77	831UNDER 3"
833	FLEX	8"	0	0	0	0	1	1	7,612.29	7,612.29	8338"
840	FLEX	4"	2	0	0	0	0	2	5,384.15	10,768.30	8404"
845	FLEX	4"	1	0	0	0	0	1	5,384.15	5,384.15	8454"
846	FLEX	6"	0	0	0	0	1	1	5,982.57	5,982.57	8466"
846	FLEX	10"	0	0	0	1	0	1	111.64	111.64	84610"
847	FLEX	4"	1	0	0	0	0	1	5,384.15	5,384.15	8474"
848	FLEX	UNDER 3"	1	0	0	0	0	1	1,546.77	1,546.77	848UNDER 3"
857	FLEX	3"	1	0	0	0	0	1	2,061.43	2,061.43	8573"
868	FLEX	UNDER 3"	0	0	0	0	1	1	1,546.77	1,546.77	868UNDER 3"
873	FLEX	6"	1	0	0	0	0	1	5,982.57	5,982.57	8736"
875	FLEX	12"	1	0	0	0	0	1	97,757.55	97,757.55	87512"
875	FLEX	6"	1	0	0	0	0	1	5,982.57	5,982.57	8756"
875	FLEX	8"	0	0	0	1	0	1	7,612.29	7,612.29	8758"
876	FLEX	UNDER 3"	1	0	0	0	0	1	1,546.77	1,546.77	876UNDER 3"
877	FLEX	UNDER 3"	1	0	0	0	0	1	1,546.77	1,546.77	877UNDER 3"
879	FLEX	UNDER 3"	1	0	0	0	0	1	1,546.77	1,546.77	879UNDER 3"
880	FLEX	12"	1	0	0	0	0	1	97,757.55	97,757.55	88012"
881	FLEX	4"	1	0	0	0	0	1	5,384.15	5,384.15	8814"
881	FLEX	UNDER 3"	1	0	0	0	0	1	1,546.77	1,546.77	881UNDER 3"
882	FLEX	8"	0	0	0	1	0	1	7,612.29	7,612.29	8828"
EDSTIB1	FLEX	6"	1	0	0	0	0	1	5,982.57	5,982.57	EDSTIB16"
LG1	SDS/LGSS	3"	3	0	0	1	0	4	2,061.43	8,245.72	LG13"
LG1	SDS/LGSS	4"	5	0	0	0	0	5	5,384.15	26,920.75	LG14"
LG1	SDS/LGSS	6"	0	0	0	1	1	2	5,982.57	11,965.14	LG16"
LG1	SDS/LGSS	UNDER 3"	22	0	1	4	2	29	1,546.77	44,856.33	LG1UNDER 3"
LG2	SDS/LGSS	3"	2	0	0	2	0	4	2,061.43	8,245.72	LG23"
LG2	SDS/LGSS	4"	12	0	0	2	1	15	5,384.15	80,762.25	LG24"
LG2	SDS/LGSS	6"	1	0	0	1	0	2	5,982.57	11,965.14	LG26"
LG2	SDS/LGSS	UNDER 3"	41	0	0	5	1	47	1,546.77	72,698.19	LG2UNDER 3"
LG3	LDS/LGSS	UNDER 3"	1	0	0	0	0	1	1,546.77	1,546.77	LG3UNDER 3"
LG4	LDS/LGSS	UNDER 3"	1	0	0	0	0	1	1,546.77	1,546.77	LG4UNDER 3"
LG4	LDS/LGSS	6"	1	0	0	0	0	1	5,982.57	5,982.57	LG46"
NSI	MDS/NSS	3"	1	0	0	0	0	1	2,061.43	2,061.43	NSI3"
RC2	RSS/RTS	UNDER 3"	18,379	128	85	2,641	2,860	24,093	1,546.77	37,266,329.61	RC2UNDER 3"
RC2	RSS/RTS	3"	0	1	0	0	1	2	2,061.43	4,122.86	RC23"
RC2	RSS/RTS	4"	3	0	0	0	1	4	5,384.15	21,536.60	RC24"

RC2	RSS/RTS	6"	1	0	0	0	0	1	5,982.57	5,982.57	RC26"
RC2	RSS/RTS	10"	1	0	0	0	1	2	111.64	223.28	RC210"
RS	RSS/RTS	10"	2	0	0	0	1	3	111.64	334.92	RS10"
RS	RSS/RTS	11-1/8"	1	0	0	0	0	1	0.00	0.00	RS11-1/8"
RS	RSS/RTS	3"	13	0	0	4	43	60	2,061.43	123,685.80	RS3"
RS	RSS/RTS	4"	12	1	1	4	54	72	5,384.15	387,658.80	RS4"
RS	RSS/RTS	5"	2	0	0	0	0	2	138.55	277.10	RS5"
RS	RSS/RTS	6"	6	0	0	2	3	11	5,982.57	65,808.27	RS6"
RS	RSS/RTS	8"	8	0	0	0	0	8	7,612.29	60,898.34	RS8"
RS	RSS/RTS	UNDER 3"	269,484	1,530	1,346	21,502	31,712	325,574	1,546.77	503,588,095.98	RSUNDER 3"
RTC	RSS/RTS	3"	1	0	0	0	7	8	2,061.43	16,491.44	RTC3"
RTC	RSS/RTS	4"	2	0	0	0	5	7	5,384.15	37,689.05	RTC4"
RTC	RSS/RTS	UNDER 3"	45,960	246	184	2,419	2,713	51,522	1,546.77	79,692,683.94	RTCUNDER 3"
SC2	SGSS2/SCD2/SGDS2	3"	24	0	0	4	1	29	2,061.43	59,781.47	SC23"
SC2	SGSS2/SCD2/SGDS2	4"	26	0	0	2	2	30	5,384.15	161,524.50	SC24"
SC2	SGSS2/SCD2/SGDS2	6"	0	0	0	1	0	1	5,982.57	5,982.57	SC26"
SC2	SGSS2/SCD2/SGDS2	UNDER 3"	792	4	8	113	70	987	1,546.77	1,526,661.99	SC2UNDER 3"
SCC	SGSS1/SCD1/SGDS1	3"	14	1	0	3	16	34	2,061.43	70,088.62	SCC3"
SCC	SGSS1/SCD1/SGDS1	4"	13	0	0	3	3	19	5,384.15	102,298.85	SCC4"
SCC	SGSS1/SCD1/SGDS1	5"	1	0	0	0	0	1	138.55	138.55	SCC5"
SCC	SGSS1/SCD1/SGDS1	6"	1	0	0	0	0	1	5,982.57	5,982.57	SCC6"
SCC	SGSS1/SCD1/SGDS1	UNDER 3"	4,587	36	41	1,353	1,538	7,555	1,546.77	11,685,847.35	SCCUNDER 3"
SG2	SGSS2/SCD2/SGDS2	12"	1	0	0	0	0	1	0.00	0.00	SG212"
SG2	SGSS2/SCD2/SGDS2	3"	49	0	0	8	6	63	2,061.43	129,870.09	SG23"
SG2	SGSS2/SCD2/SGDS2	4"	64	0	0	7	12	83	5,384.15	446,884.45	SG24"
SG2	SGSS2/SCD2/SGDS2	6"	6	0	0	3	2	11	5,982.57	65,808.27	SG26"
SG2	SGSS2/SCD2/SGDS2	8"	1	0	0	0	0	1	7,612.29	7,612.29	SG28"
SG2	SGSS2/SCD2/SGDS2	UNDER 3"	1,995	10	5	277	220	2,507	1,546.77	3,877,752.39	SG2UNDER 3"
SG3	SGSS1/SCD1/SGDS1	3"	1	0	0	0	0	1	2,061.43	2,061.43	SG33"
SG3	SGSS1/SCD1/SGDS1	4"	1	0	0	2	0	3	5,384.15	16,152.45	SG34"
SG3	SGSS1/SCD1/SGDS1	6"	0	0	0	1	0	1	5,982.57	5,982.57	SG36"
SG3	SGSS1/SCD1/SGDS1	UNDER 3"	16	1	0	2	0	19	1,546.77	29,388.63	SG3UNDER 3"
SG4	SGSS2/SCD2/SGDS2	3"	2	0	0	2	0	4	2,061.43	8,245.72	SG43"
SG4	SGSS2/SCD2/SGDS2	4"	3	0	0	2	0	5	5,384.15	26,920.75	SG44"
SG4	SGSS2/SCD2/SGDS2	6"	2	0	0	0	0	2	5,982.57	11,965.14	SG46"
SG4	SGSS2/SCD2/SGDS2	UNDER 3"	25	0	0	4	1	30	1,546.77	46,403.10	SG4UNDER 3"
SG4	SGSS2/SCD2/SGDS2	10"	1	0	0	0	0	1	111.64	111.64	SG410"
SGS	SGSS1/SCD1/SGDS1	10"	2	0	0	0	0	2	111.64	223.28	SGS10"
SGS	SGSS1/SCD1/SGDS1	12"	1	0	0	0	0	1	0.00	0.00	SGS12"
SGS	SGSS1/SCD1/SGDS1	16"	0	0	0	1	0	1	0.00	0.00	SGS16"
SGS	SGSS1/SCD1/SGDS1	3"	33	0	0	24	63	120	2,061.43	247,371.60	SGS3"
SGS	SGSS1/SCD1/SGDS1	4"	32	1	0	17	45	95	5,384.15	511,494.25	SGS4"
SGS	SGSS1/SCD1/SGDS1	5"	0	0	0	1	1	2	138.55	277.10	SGS5"
SGS	SGSS1/SCD1/SGDS1	6"	2	0	0	1	1	4	5,982.57	23,930.28	SGS6"
SGS	SGSS1/SCD1/SGDS1	8"	1	0	0	0	0	1	7,612.29	7,612.29	SGS8"
SGS	SGSS1/SCD1/SGDS1	UNDER 3"	12,510	115	78	4,427	5,748	22,878	1,546.77	35,387,004.06	SGSUNDER 3"
SGT	INACTIVE	3"	2	0	0	0	0	2	2,061.43	4,122.86	SGT3"
SGT	INACTIVE	4"	1	0	0	1	0	2	5,384.15	10,768.30	SGT4"
SGT	INACTIVE	UNDER 3"	19	0	0	3	1	23	1,546.77	35,575.71	SGTUNDER 3"
TAG1	SGSS1/SCD1/SGDS1	3"	3	0	0	0	1	4	2,061.43	8,245.72	TAG13"
TAG1	SGSS1/SCD1/SGDS1	UNDER 3"	123	0	0	36	21	180	1,546.77	278,418.60	TAG1UNDER 3"

TAG2	SGSS2/SCD2/SGDS2	3"	15	0	0	1	0	16	2,061.43	32,982.88	TAG23"
TAG2	SGSS2/SCD2/SGDS2	4"	19	0	0	3	1	23	5,384.15	123,835.45	TAG24"
TAG2	SGSS2/SCD2/SGDS2	6"	1	0	0	0	0	1	5,982.57	5,982.57	TAG26"
TAG2	SGSS2/SCD2/SGDS2	UNDER 3"	256	1	0	24	5	286	1,546.77	442,376.22	TAG2UNDER 3"
TAG5	SGSS1/SCD1/SGDS1	3"	5	0	0	1	5	11	2,061.43	22,675.73	TAG53"
TAG5	SGSS1/SCD1/SGDS1	4"	7	0	0	2	3	12	5,384.15	64,609.80	TAG54"
TAG5	SGSS1/SCD1/SGDS1	6"	1	0	0	0	0	1	5,982.57	5,982.57	TAG56"
TAG5	SGSS1/SCD1/SGDS1	UNDER 3"	558	2	0	69	134	763	1,546.77	1,180,185.51	TAG5UNDER 3"
TAG6	SGSS2/SCD2/SGDS2	3"	46	0	0	4	1	51	2,061.43	105,132.93	TAG63"
TAG6	SGSS2/SCD2/SGDS2	4"	58	0	0	6	5	69	5,384.15	371,506.35	TAG64"
TAG6	SGSS2/SCD2/SGDS2	6"	3	0	0	1	0	4	5,982.57	23,930.28	TAG66"
TAG6	SGSS2/SCD2/SGDS2	UNDER 3"	901	7	3	90	49	1,050	1,546.77	1,624,108.50	TAG6UNDER 3"
TI4	SDS/LGSS	12"	1	0	0	0	0	1	97,757.55	97,757.55	TI412"
TI4	SDS/LGSS	3"	18	0	0	1	1	20	2,061.43	41,228.60	TI43"
TI4	SDS/LGSS	4"	24	0	1	1	0	26	5,384.15	139,987.90	TI44"
TI4	SDS/LGSS	6"	5	0	0	1	0	6	5,982.57	35,895.42	TI46"
TI4	SDS/LGSS	UNDER 3"	125	1	0	11	6	143	1,546.77	221,188.11	TI4UNDER 3"
TI8	LDS/LGSS	3"	4	0	0	0	0	4	2,061.43	8,245.72	TI83"
TI8	LDS/LGSS	4"	15	0	0	2	1	18	5,384.15	96,914.70	TI84"
TI8	LDS/LGSS	6"	4	0	0	0	0	4	5,982.57	23,930.28	TI86"
TI8	LDS/LGSS	8"	0	1	1	0	0	2	7,612.29	15,224.58	TI88"
TI8	LDS/LGSS	UNDER 3"	22	0	0	4	2	28	1,546.77	43,309.56	TI8UNDER 3"
TIB	SDS/LGSS	3"	27	0	0	2	0	29	2,061.43	59,781.47	TIB3"
TIB	SDS/LGSS	4"	54	1	0	10	0	65	5,384.15	349,969.75	TIB4"
TIB	SDS/LGSS	6"	5	0	0	1	1	7	5,982.57	41,877.99	TIB6"
TIB	SDS/LGSS	8"	1	0	0	0	0	1	7,612.29	7,612.29	TIB8"
TIB	SDS/LGSS	UNDER 3"	111	0	0	12	5	128	1,546.77	197,986.56	TIBUNDER 3"
TIF	LDS/LGSS	3"	7	0	0	1	0	8	2,061.43	16,491.44	TIF3"
TIF	LDS/LGSS	4"	12	0	0	1	1	14	5,384.15	75,378.10	TIF4"
TIF	LDS/LGSS	6"	2	0	0	0	0	2	5,982.57	11,965.14	TIF6"
TIF	LDS/LGSS	8"	1	0	0	0	0	1	7,612.29	7,612.29	TIF8"
TIF	LDS/LGSS	UNDER 3"	50	1	1	3	1	56	1,546.77	86,619.12	TIFUNDER 3"
TIG	LDS/LGSS	3"	2	0	0	0	0	2	2,061.43	4,122.86	TIG3"
TIG	LDS/LGSS	4"	1	0	0	0	0	1	5,384.15	5,384.15	TIG4"
TIG	LDS/LGSS	6"	1	0	0	0	0	1	5,982.57	5,982.57	TIG6"
TIG	LDS/LGSS	8"	0	0	0	1	0	1	7,612.29	7,612.29	TIG8"
TIG	LDS/LGSS	UNDER 3"	2	0	0	0	0	2	1,546.77	3,093.54	TIGUNDER 3"
TIH	LDS/LGSS	6"	1	0	0	0	0	1	5,982.57	5,982.57	TIH6"
TM1	MDS/NSS	UNDER 3"	1	0	0	0	0	1	1,546.77	1,546.77	TM1UNDER 3"
TM1	MDS/NSS	6"	1	0	0	0	0	1	5,982.57	5,982.57	TM16"
TM2	MDS/NSS	UNDER 3"	1	0	0	0	0	1	1,546.77	1,546.77	TM2UNDER 3"
TMA	MDS/NSS	6"	1	0	0	0	0	1	5,982.57	5,982.57	TMA6"
TMB	MDS/NSS	4"	1	0	0	0	0	1	5,384.15	5,384.15	TMB4"
TMB	MDS/NSS	6"	1	0	0	1	0	2	5,982.57	11,965.14	TMB6"
TMB	MDS/NSS	8"	1	0	0	0	0	1	7,612.29	7,612.29	TMB8"
UNKNOWN			2,586	10	14	454	800	3,864	UNKNOWN	UNKNOWN	UNKNOWN
			359,297	2,098	1,769	33,599	46,183	442,946		682,339,382.15	

Check Total 0 0 0 0 0 0

	<u>Total</u>	
	<u>Cost</u>	<u>Percent</u>
RSS/RTS	621,271,818.56	91.064%
SGSS1/SCD1/SGDS1	49,655,971.81	7.278%
SGSS2/SCD2/SGDS2	9,105,379.55	1.335%
SDS/LGSS	1,458,944.88	0.214%
LDS/LGSS	426,945.02	0.063%
FLEX	<u>311,002.42</u>	<u>0.046%</u>
TOTAL BEFORE MLDS/NSS	682,230,062.24	100.000%
MLDS/NSS	0.00	
FLEX MLDS	<u>0.00</u>	
TOTAL	682,230,062.24	
UNKNOWN	<u>6,356,862.29</u>	
101-1000 TOTAL ACCOUNT 380	688,586,924.53	
101-2000 CIAC	<u>(832,898.00)</u>	
101-4000 Relocation Reimbursements	<u>(17,664.00)</u>	
106 Completed Construction not Classified	<u>228,053.00</u>	
Total Per Exhibit 8, Schedule 1	687,964,415.53	

COLUMBIA GAS OF PENNSYLVANIA, INC.
DEVELOPMENT OF ALLOCATION FACTOR 16
METERS

LINE NO.	RATE CODE	RSS/RDS \$	SGS/DS-1 \$	SGS/DS-2 \$	SDS/LGSS \$	LDS/LGSS \$	FLEX	MLDS \$	TOTAL \$
1	802	0.00	0.00	0.00	0.00	0.00	781.06	0.00	781.06
2	808	0.00	0.00	0.00	0.00	0.00	390.53	0.00	390.53
3	809	0.00	0.00	0.00	0.00	0.00	781.06	0.00	781.06
4	810	0.00	0.00	0.00	0.00	0.00	781.06	0.00	781.06
5	831	0.00	0.00	0.00	0.00	0.00	390.53	0.00	390.53
6	833	0.00	0.00	0.00	0.00	0.00	390.53	0.00	390.53
7	840	0.00	0.00	0.00	0.00	0.00	781.06	0.00	781.06
8	845	0.00	0.00	0.00	0.00	0.00	390.53	0.00	390.53
9	846	0.00	0.00	0.00	0.00	0.00	781.06	0.00	781.06
10	847	0.00	0.00	0.00	0.00	0.00	390.53	0.00	390.53
11	848	0.00	0.00	0.00	0.00	0.00	390.53	0.00	390.53
12	857	0.00	0.00	0.00	0.00	0.00	390.53	0.00	390.53
13	873	0.00	0.00	0.00	0.00	0.00	390.53	0.00	390.53
14	875	0.00	0.00	0.00	0.00	0.00	781.06	0.00	781.06
15	876	0.00	0.00	0.00	0.00	0.00	390.53	0.00	390.53
16	877	0.00	0.00	0.00	0.00	0.00	390.53	0.00	390.53
17	879	0.00	0.00	0.00	0.00	0.00	390.53	0.00	390.53
18	880	0.00	0.00	0.00	0.00	0.00	390.53	0.00	390.53
19	881	0.00	0.00	0.00	0.00	0.00	955.72	0.00	955.72
20	882	0.00	0.00	0.00	0.00	0.00	390.53	0.00	390.53
21	EDSTIB1	0.00	0.00	0.00	0.00	0.00	390.53	0.00	390.53
22	LG1	0.00	0.00	0.00	20,565.91	0.00	0.00	0.00	20,565.91
23	LG2	0.00	0.00	0.00	38,220.27	0.00	0.00	0.00	38,220.27
24	LG3	0.00	0.00	0.00	0.00	1,171.59	0.00	0.00	1,171.59
25	LG4	0.00	0.00	0.00	0.00	1,952.65	0.00	0.00	1,952.65
26	LG5	0.00	0.00	0.00	0.00	390.53	0.00	0.00	390.53
27	NSI	0.00	0.00	0.00	0.00	0.00	0.00	61.20	61.20
28	RCC	17,318.46	0.00	0.00	0.00	0.00	0.00	0.00	17,318.46
29	RC2	1,493,755.04	0.00	0.00	0.00	0.00	0.00	0.00	1,493,755.04
30	RS	20,706,851.21	0.00	0.00	0.00	0.00	0.00	0.00	20,706,851.21
31	RTC	3,271,328.05	0.00	0.00	0.00	0.00	0.00	0.00	3,271,328.05
32	SCC	0.00	1,165,784.71	0.00	0.00	0.00	0.00	0.00	1,165,784.71
33	SC2	0.00	0.00	460,288.13	0.00	0.00	0.00	0.00	460,288.13
34	SG2	0.00	0.00	1,194,876.95	0.00	0.00	0.00	0.00	1,194,876.95
35	SG3	0.00	9,661.53	0.00	0.00	0.00	0.00	0.00	9,661.53
36	SG4	0.00	0.00	18,992.49	0.00	0.00	0.00	0.00	18,992.49
37	SGS	0.00	3,460,611.98	0.00	0.00	0.00	0.00	0.00	3,460,611.98
38	TAG1	0.00	42,737.76	0.00	0.00	0.00	0.00	0.00	42,737.76
39	TAG2	0.00	0.00	126,789.86	0.00	0.00	0.00	0.00	126,789.86
40	TAG5	0.00	213,672.59	0.00	0.00	0.00	0.00	0.00	213,672.59
41	TAG6	0.00	0.00	474,295.00	0.00	0.00	0.00	0.00	474,295.00
42	TI4	0.00	0.00	0.00	60,174.27	0.00	0.00	0.00	60,174.27
43	TI8	0.00	0.00	0.00	0.00	19,310.49	0.00	0.00	19,310.49
44	TIB	0.00	0.00	0.00	96,622.33	0.00	0.00	0.00	96,622.33
45	TIF	0.00	0.00	0.00	0.00	28,131.26	0.00	0.00	28,131.26
46	TIG	0.00	0.00	0.00	0.00	2,733.69	0.00	0.00	2,733.69
47	TIH	0.00	0.00	0.00	0.00	390.53	0.00	0.00	390.53
48	ML1	0.00	0.00	0.00	0.00	0.00	0.00	390.53	390.53
49	ML5	0.00	0.00	0.00	0.00	0.00	0.00	781.05	781.05
49	TMA	0.00	0.00	0.00	0.00	0.00	0.00	390.53	390.53
50	TMB	0.00	0.00	0.00	0.00	0.00	0.00	1,171.58	1,171.58
51	TMC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
52	TM1	0.00	0.00	0.00	0.00	0.00	0.00	649.03	649.03
53	TM2	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>258.50</u>	<u>258.50</u>
54	TOTAL	25,489,252.76	4,892,468.57	2,275,242.43	215,582.78	54,080.74	11,109.50	3,702.42	32,941,439.20
	SGT								13,636.42
	LIS								781.06
	SIS								1,171.59
	LOC								144,888.70
	LOF								<u>1,407.53</u>
Total									33,103,324.50
55	ALLOCATOR #16	77.378%	14.852%	6.907%	0.654%	0.164%	0.034%	0.011%	100.000%

Columbia Gas of Pennsylvania, Inc.
Account 385 Industrial Measurement Stations
As of November 30, 2021

Co	PCID	PSID	Tar Rate	GTS Rate	Station No.	Tax District		Amt	Billing Rate	Rate Class
37	10034190010	501054825	SGT	TAG6	49103	30209	PG PUBLISHING COMPANY	7,900.78	TAG6	SGSS2/SCD2/SGDS2
37	10047952001	400188814	SGT	TI4	45529	30243	BOTTLING GROUP LLC	11,446.47	TI4	SDS/LGSS
37	10219299006	501195093	LG2		49394	732195	NEW CASTLE AREA TRANSIT AUTHORITY	41,114.02	LG2	SDS/LGSS
37	10257973005	500030237	SG4		48810	1232756	UNITED REFINING COMPANY	9,184.43	SG4	SGSS2/SCD2/SGDS2
37	10348091005	400518175	SG4		44452	1333017	NEW CONCEPT MANUFACTURING INC	3,025.61	SG4	SGSS2/SCD2/SGDS2
37	10375621158	500489101	SGT	TIB	47567	1333032	KINSLEY CONSTRUCTION INC	9,223.78	TIB	SDS/LGSS
37	10379912006	400498094	SG2		14628	1333032	WINTERS PERFORMANCE	4,546.21	SG2	SGSS2/SCD2/SGDS2
37	10416756005	500065176	SC2		47085	1333063	HANOVER TERMINAL	772.88	SC2	SGSS2/SCD2/SGDS2
37	10421482002	500617033	SGT	TIB	49153	551504	VALLEY QUARRIES INC	44,715.05	TIB	SDS/LGSS
37	10422436002	400343911	SGT	TIB	46123	10155	ZEIGLER BROS. INC.	8,766.90	TIB	SDS/LGSS
37	10468703002	400525452	SGT	TI4	48454	1292914	NORWIN SCHOOL AUTHORITY	11,690.05	TI4	SDS/LGSS
37	10474924002	400303837	SGS		48831	1292988	U S POST OFFICE	967.26	SGS	SGSS1/SCD1/SGDS1
37	10501013005	400511506	SGT	TAG6	1276	511316	INTERMEDIATE UNIT I	2,306.59	TAG6	SGSS2/SCD2/SGDS2
37	10502637002	400473325	LG2		1352	511314	PENNSYLVANIA AMERICAN WATER CO	4,101.00	LG2	SDS/LGSS
37	10512980003	800800458	SG2		1268	1292906	EAST HUNTINGTON	1,708.84	SG2	SGSS2/SCD2/SGDS2
37	11595685002	400526772	SG2		810	30272	U S POST OFFICE	2,131.13	SG2	SGSS2/SCD2/SGDS2
37	12983111001	400473518	SGT	TIB	661	1232704	IA CONSTRUCTION CORPORATION	23,392.95	TIB	SDS/LGSS
37	12983117003	400473502	LG2		49426	1232718	SHEFFIELD CONTAINER	2,234.73	LG2	SDS/LGSS
37	12983124002	400473470	SG3		593	832295	DRESSER EQUIPMENT GROUP INC.	916.28	SG3	SGSS1/SCD1/SGDS1
37	12983149001	800800461	SGT	TAG6	14545	1292906	SOUTHMORELAND SCHOOL DISTRICT	5,738.98	TAG6	SGSS2/SCD2/SGDS2
37	12983153001	800800460	SGT	TAG6	1414	1292906	SOUTHMORELAND SCHOOL DISTRICT	5,172.69	TAG6	SGSS2/SCD2/SGDS2
37	12983176001	400490973	SGT	TAG6	14491	1292969	MT PLEASANT SCHOOL DISTRICT	3,560.97	TAG6	SGSS2/SCD2/SGDS2
37	12983177001	400484946	SGT	TI4	14324	1292906	HILLTOP ANIMAL LAB INC	855.29	TI4	SDS/LGSS
37	12983182001	400473449	SG2		3416	1292977	SCOTTDAL E HOUSING AUTH	1,207.92	SG2	SGSS2/SCD2/SGDS2
37	12983191002	400473426	SGT	TAG6	1444	511312	UNIONTOWN SCHOOL DISTRICT	6,974.42	TAG6	SGSS2/SCD2/SGDS2
37	12983192001	400473425	SGT	TI4	1443	511396	UNIONTOWN SCHOOL DISTRICT	2,931.27	TI4	SDS/LGSS
37	12983199002	400473414	SGT	TAG6	1434	511318	LAUREL HIGHLANDS SCHOOL DISTRICT	5,116.21	TAG6	SGSS2/SCD2/SGDS2
37	12983205001	400473388	SC2		4299	511314	MT MACRINA MANOR	5,425.75	SC2	SGSS2/SCD2/SGDS2
37	12983206002	500135694	SGT	TI4	1405	511314	SENSUS USA INC	2,584.87	TI4	SDS/LGSS
37	12983208001	400473368	SG2		4584	511314	PA DEPT OF TRANSPORTATION	2,944.67	SG2	SGSS2/SCD2/SGDS2
37	12983210001	400473364	SGT	TI4	4614	511314	LAUREL HIGHLANDS SCHOOL DISTRICT	2,618.96	TI4	SDS/LGSS
37	12983212001	400473357	SGT	TAG6	4548	511395	NORTH FAYETTE VOTECH	15,160.98	TAG6	SGSS2/SCD2/SGDS2
37	12983214001	400473355	SGT	TAG6	4715	511304	MUNICIPAL AUTH OF WESTMORELAND	1,630.16	TAG6	SGSS2/SCD2/SGDS2
37	12983232001	400473302	SGT	TAG6	1335	511320	ALBERT GALLATIN AREA SCHOOL DIST.	4,728.84	TAG6	SGSS2/SCD2/SGDS2
37	12983235001	800800451	SGT	TAG6	1331	511306	FAYETTE CTY AREA VOTECH SCHOOL	2,469.81	TAG6	SGSS2/SCD2/SGDS2
37	12983239001	400473287	SGT	TAG2	1323	511314	FAYETTE CO HOUSING AUTH	3,777.32	TAG2	SGSS2/SCD2/SGDS2
37	12983242001	400473279	SG2		1318	511303	GEIBEL CATHOLIC HIGH SCHOOL	2,708.28	SG2	SGSS2/SCD2/SGDS2
37	12983255002	400514019	SGT	TIB	1291	511395	HIGHLANDS HOSPITAL	7,185.12	TIB	SDS/LGSS
37	12983259002	400473238	SGT	TIB	1280	511396	UNITED DAIRY INC	247.56	TIB	SDS/LGSS
37	12983259002	500135609	SGT	TIB	1280	511396	UNITED DAIRY INC	247.56	TIB	SDS/LGSS
37	12983262001	400513746	SGT	TI8	44092	511363	CROWN CORK & SEAL COMPANY INC.	(1,937.70)	TI8	LDS/LGSS
37	12983275001	400473402	SGT	TIB	1423	1112553	BIRD'S EYE FOODS INC.	2,575.48	TIB	SDS/LGSS
37	12983276001	400473401	SGT	TI8	3382	1112553	BIRD'S EYE FOODS INC.	12,914.58	TI8	LDS/LGSS
37	12983281001	400473412	SG2		1432	1112521	SOMERSET MILLING CO	3,135.76	SG2	SGSS2/SCD2/SGDS2
37	12983287001	400473405	SGT	TIB	1426	1112521	SOMERSET AREA SCHOOL DISTRICT	6,824.22	TIB	SDS/LGSS
37	12983292002	400473346	LG1		1372	1112561	MEYERSDALE COMMUNITY HOSPITAL	8,327.98	LG1	SDS/LGSS
37	12983293002	400473347	SGT	TI4	448	1112524	MEYERSDALE AREA SCHOOL DISTRICT	2,828.39	TI4	SDS/LGSS
37	12983297001	400473265	SGT	TIB	1302	1112569	INTERBAKE FOODS INC	4,567.48	TIB	SDS/LGSS
37	12983298001	400473267	SGT	TAG6	1305	1112569	DEVILBISS HEALTHCARE LLC	1,771.37	TAG6	SGSS2/SCD2/SGDS2
37	12983301001	400473229	SGT	TAG6	4252	1112553	BERLIN BROTHERS VALLEY SCH DIST	1,853.55	TAG6	SGSS2/SCD2/SGDS2
37	12983302001	400502918	SC2		4492	1112521	BAKERS HOME & GARDEN CENTER	1,179.62	SC2	SGSS2/SCD2/SGDS2
37	12983308005	400473411	SGT	TIB	1431	1112569	UPMC SOMERSET HOSPITAL	2,375.82	TIB	SDS/LGSS
37	12983314001	400473452	SGT	TAG6	1467	1292918	YOUGH SCHOOL DISTRICT	3,121.92	TAG6	SGSS2/SCD2/SGDS2
37	12983315001	400473443	SG2		4413	1292998	WESTMORELAND COUNTY	1,427.28	SG2	SGSS2/SCD2/SGDS2
37	12983318001	400473440	SGT	TAG6	1456	1292909	HEMPFIELD AREA SCHOOL DISTRICT	2,977.62	TAG6	SGSS2/SCD2/SGDS2
37	12983325001	400511507	SGT	TAG6	1403	1292914	COMPTEC INC	2,918.17	TAG6	SGSS2/SCD2/SGDS2
37	12983331001	400473315	SGT	TAG6	4471	1292989	HEMPFIELD AREA SCHOOL DISTRICT	7,100.40	TAG6	SGSS2/SCD2/SGDS2
37	12983343001	400512909	SGT	EDSTIB1	3295	1252863	DYNO NOBEL INC.	2,316.71	EDSTIB1	FLEX
37	12983344001	400497701	SGT	TAG6	1469	1292986	YOUGH SCHOOL DISTRICT	1,721.17	TAG6	SGSS2/SCD2/SGDS2
37	12983348001	400504725	SGT	TI4	1363	1252858	RTS PACKAGING LLC	1,728.41	TI4	SDS/LGSS
37	12983349001	400473387	SG2		1408	1252858	MARY MOTHER OF THE CHURCH	1,774.66	SG2	SGSS2/SCD2/SGDS2
37	12983354001	400473366	SGT	TAG6	4044	1292919	C PALMER MFG CO INC	1,330.60	TAG6	SGSS2/SCD2/SGDS2
37	12983355011	400473369	LG2		4469	1252855	CALIF. UNIV. OF PA. OF THE STATE	2,808.55	LG2	SDS/LGSS
37	12983355011	400484838	LG2		14322	1252855	CALIF. UNIV. OF PA. OF THE STATE	5,698.48	LG2	SDS/LGSS
37	12983355011	500163677	LG2		47388	1252855	CALIF. UNIV. OF PA. OF THE STATE	1,346.53	LG2	SDS/LGSS
37	12983355011	500287938	LG2		47386	1252855	CALIF. UNIV. OF PA. OF THE STATE	1,346.53	LG2	SDS/LGSS
37	12983359001	400473342	SGT	TIB	1364	1252858	LACARTE ENTERPRISES INC	1,770.49	TIB	SDS/LGSS
37	12983370001	400495171	SG2		3323	1252863	ELLIOTT COMPANY	4,538.11	SG2	SGSS2/SCD2/SGDS2
37	12983403001	400472841	SGT	TIB	718	732195	BLAIR STRIP STEEL COMPANY	8,285.78	TIB	SDS/LGSS
37	12983415001	400473189	SGT	TI8	1005	732158	UNIVERSAL REFRACTORY	9,302.44	TI8	LDS/LGSS
37	12983428003	400502425	SGT	TIF	14126	732153	INT. METALS RECLAMATION CO. INC.	(2,300.48)	TIF	LDS/LGSS
37	12983429002	400472946	SGT	TIB	807	70409	NALCO COMPANY	8,319.92	TIB	SDS/LGSS
37	12983433001	400512973	SGT		810	732195	ELLWOOD QUALITY STEELS	4,278.82	810	FLEX
37	12983434002	400472904	SGT		808	732153	ELLWOOD CITY FORGE COMPANY	93,547.00	808	FLEX
37	12983443007	400488177	LG2		14348	732153	ELLWOOD CITY HOSPITAL	9,005.38	LG2	SDS/LGSS

37	12983451001	400473180	SGT	TI4		997	732114	UNION AREA SCHOOL DISTRICT	9,679.14	TI4	SDS/LGSS
37	12983453001	400473149	SGT	TAG6		974	732111	SHENANGO AREA SCHOOL DISTRICT	3,769.98	TAG6	SGSS2/SCD2/SGDS2
37	12983462001	400473064	SGT	TAG6		893	732195	NEW CASTLE AREA SCHOOL DISTRICT	1,831.53	TAG6	SGSS2/SCD2/SGDS2
37	12983465001	400473060	SGT	TIB		890	732113	NEW CASTLE SANITATION AUTHORITY	2,137.80	TIB	SDS/LGSS
37	12983467002	400473014	SGT	TIB		856	70409	NALCO COMPANY	6,293.59	TIB	SDS/LGSS
37	12983474002	400472983	SGT	TI8		832	732195	UPMC JAMESON	14,328.04	TI8	LDS/LGSS
37	12983477001	400472975	SG2			826	732195	HOUSING AUTHORITY (BRITTON HILL)	2,722.41	SG2	SGSS2/SCD2/SGDS2
37	12983480002	400472971	SG2			746	732195	HOUSING AUTHORITY OF THE COUNTY	2,473.69	SG2	SGSS2/SCD2/SGDS2
37	12983498005	800800442	SGT	TIB		4410	70458	VALVOLINE LLC	1,250.67	TIB	SDS/LGSS
37	12983501003	400473171	LG2			989	70461	STANDARD HORSE NAIL CORP	20,862.41	LG2	SDS/LGSS
37	12983504001	400473099	SGT	TIB		924	70451	PRECISION-KIDD STEEL COMPANY INC.	10,408.46	TIB	SDS/LGSS
37	12983508002	400508899	SGT	TI8		871	70424	VALSPAR CORPORATION	6,374.99	TI8	LDS/LGSS
37	12983513001	400472886	SGT	TI4		760	70471	DAMASCUS STEEL CASTING COMPANY	4,263.06	TI4	SDS/LGSS
37	12983537001	400473198	LG2			1013	70453	ANTHONY WAYNE TERRACE	2,943.45	LG2	SDS/LGSS
37	12983545001	400473135	SGT	TAG6		960	70454	ST PETER & PAUL	975.58	TAG6	SGSS2/SCD2/SGDS2
37	12983554002	400510507	SGT	TAG2		926	70495	BEAVER VALLEY ASSOCIATES	732.91	TAG2	SGSS2/SCD2/SGDS2
37	12983554002	500146350	SGT	TAG2		926	70495	BEAVER VALLEY ASSOCIATES	732.91	TAG2	SGSS2/SCD2/SGDS2
37	12983556001	400475899	SGT	TIB		906	70456	NORFOLK SOUTHERN CORPORATION	4,836.96	TIB	SDS/LGSS
37	12983557001	400473076	SGT	TAG6		908	70404	PENN STATE UNIVERSITY - BEAVER	982.95	TAG6	SGSS2/SCD2/SGDS2
37	12983577003	400472935	SGT	TIB		801	70495	GENEVA COLLEGE	52,247.68	TIB	SDS/LGSS
37	12983589001	400472900	SGT	TAG6		772	70478	AMBRIDGE AREA SCHOOL DISTRICT	886.49	TAG6	SGSS2/SCD2/SGDS2
37	12983606002	400472820	SGT	TAG6		702	70495	BIG BEAVER FALLS AREA SCHOOL DIST	23,896.62	TAG6	SGSS2/SCD2/SGDS2
37	12983611001	400503381	SGT	TI8		14705	70403	HERITAGE VALLEY HEALTH SYSTEMS	3,827.45	TI8	LDS/LGSS
37	12983623002	400473179	SGT	TAG5		996	310911	UNION SCHOOL DISTRICT	3,442.72	TAG5	SGSS1/SCD1/SGDS1
37	12983626001	400473108	SGT	TAG6		933	310958	REDBANK VALLEY SCHOOL DISTRICT	622.61	TAG6	SGSS2/SCD2/SGDS2
37	12983627001	400473107	SGT	TAG6		932	310956	REDBANK VALLEY SCHOOL DISTRICT	498.89	TAG6	SGSS2/SCD2/SGDS2
37	12983630001	400526948	SG2			4420	333908	HARMONY AREA SCHOOL DISTRICT	15,255.74	SG2	SGSS2/SCD2/SGDS2
37	12983644001	400512422	SGT	TIB		1155	1252896	WASHINGTON TOOL & MACHINE CO INC.	9,541.33	TIB	SDS/LGSS
37	12983645004	400492992	SGT		802	1121	1252804	ALLEGHENY LUDLUM LLC	7,202.28	802	FLEX MDS
37	12983645004	500142415	SGT		802	1121	1252804	ALLEGHENY LUDLUM LLC	7,202.28	802	FLEX MDS
37	12983646002	400481256	SGT	TI8		1114	1252804	FERRO CORPORATION	14,725.43	TI8	LDS/LGSS
37	12983651001	400472750	SGT	TIF		1241	1252829	WHS - WASHINGTON HOSPITAL	5,178.66	TIF	LDS/LGSS
37	12983654002	400472745	SGT	TAG2		1236	1252896	WASHINGTON COUNTY HOUSING AUTH	6,610.88	TAG2	SGSS2/SCD2/SGDS2
37	12983663001	400505567	SGT	TAG2		14764	1252821	BELLMEAD HOUSING CORPORATION	3,352.37	TAG2	SGSS2/SCD2/SGDS2
37	12983681002	400472637	SGT	TI4		1141	1252803	MCGUFFEY SCHOOL DISTRICT	15,441.32	TI4	SDS/LGSS
37	12983693004	400506899	SGT	TI4		14766	1252821	PRESBYTERIAN MEDICAL CENTER	4,992.09	TI4	SDS/LGSS
37	12983778004	400526322	SGT	TI4		44903	30287	BETHEL PARK SCHOOL DISTRICT	25,760.65	TI4	SDS/LGSS
37	12983801005	500151204	SGT		846	1225	30205	UNIVERSAL STAINLESS & ALLOY PRODS	13,256.29	846	FLEX
37	12983801005	800800501	SGT		846	1227	30257	UNIVERSAL STAINLESS & ALLOY PRODS	477.96	846	FLEX
37	12983811001	400472633	SGT	TIB		1138	30298	MATTHEWS INTERNATIONAL CORP	34,962.92	TIB	SDS/LGSS
37	12983816001	400497901	SGT	847		14538	30298	UPMC SOUTH SIDE	6,397.42	847	FLEX
37	12983873001	400472530	SGT	TI4		4287	30287	BETHEL PARK SCHOOL DISTRICT	1,952.86	TI4	SDS/LGSS
37	12983875003	501090417	SGT	TIB		49141	30287	BETHEL PARK SCHOOL DISTRICT	80,271.59	TIB	SDS/LGSS
37	12983915002	400472655	SGT	TIB		1159	30216	OHIO VALLEY GENERAL HOSPITAL	15,518.72	TIB	SDS/LGSS
37	12983934001	400484301	SGT	TI8		937	70452	CENTRIA INC	4,620.19	TI8	LDS/LGSS
37	12983936001	400473091	SGT	TIB		916	30225	BRAD FOOTE GEAR WORKS INC	13,874.35	TIB	SDS/LGSS
37	12983938001	400473088	SGT	TIF		913	30225	CALGON CARBON CORP	25,841.42	TIF	LDS/LGSS
37	12983938002	400473011	SGT	TI8		49348	30225	CALGON CARBON CORP	25,397.78	TI8	LDS/LGSS
37	12983939001	400473057	SGT	TIF		887	30225	NEVILLE CHEMICAL CO	260,120.07	TIF	LDS/LGSS
37	12983954001	400518548	SGT	TAG2		1016	30280	LINDEN PLACE APARTMENTS	1,793.76	TAG2	SGSS2/SCD2/SGDS2
37	12983968001	400473146	SGT	TAG6		971	30280	SEWICKLEY YMCA	1,505.38	TAG6	SGSS2/SCD2/SGDS2
37	12983969001	400473144	SGT	TI8		4078	30280	HERITAGE VALLEY HEALTH SYSTEMS	6,739.92	TI8	LDS/LGSS
37	12983971001	400473142	SGT	TIB		968	30263	SEWICKLEY ACADEMY	3,123.75	TIB	SDS/LGSS
37	12983976001	400473125	SC2			949	30231	ST ALPHONSUS PROPERTY	2,662.32	SC2	SGSS2/SCD2/SGDS2
37	12983982001	400473103	SGT	TI4		929	30272	QUAKER VALLEY SCHOOL DISTRICT	356.76	TI4	SDS/LGSS
37	12983988002	400473027	SG2			4097	30272	HAEMONETICS CORP	1,504.40	SG2	SGSS2/SCD2/SGDS2
37	12983988002	400498427	SG2			4285	30272	HAEMONETICS CORP	0.00	SG2	SGSS2/SCD2/SGDS2
37	12983993001	400473045	SGT	TI4		881	30235	SISTERS HOLY FAM OF NAZARETH	2,455.77	TI4	SDS/LGSS
37	12983994003	400473044	SGT	TI4		880	30235	SCHOOL SISTERS OF SAINT FRANCIS	2,280.48	TI4	SDS/LGSS
37	12984057001	400472794	SGT	TAG2		14003	70452	AMBRIDGE MUNICIPAL AUTHORITY	2,817.69	TAG2	SGSS2/SCD2/SGDS2
37	12984091001	400472776	SGT	TIB		3296	1252806	CLAD METALS LLC	2,490.72	TIB	SDS/LGSS
37	12984098001	400526718	SGT	TM1		45180	1252822	INTERNATIONAL PAPER	3,030.87	TM1	MDS/NSS
37	12984098003	400490002	SGT	TI8		14453	10154	INTERNATIONAL PAPER	2,352.32	TI8	LDS/LGSS
37	12984119001	400494178	SG2			1174	1252823	CHARTIERS NATURAL GAS CO INC	27,949.22	SG2	SGSS2/SCD2/SGDS2
37	12984122008	400472639	SGT	TIB		48825	1252822	WASHINGTON TROTTER ASSOCIATION	13,064.41	TIB	SDS/LGSS
37	12984125001	400472585	SGT	TI4		4502	1252819	FORT CHERRY SCHOOL DISTRICT	3,398.13	TI4	SDS/LGSS
37	12984129002	400472553	SGT	TIB		1070	1252807	CHARTIERS HOUSTON SCHOOL DISTRICT	4,903.64	TIB	SDS/LGSS
37	12984131002	500789128	SGT	TIB		48657	1252822	CANON MCMILLAN SCHOOL DISTRICT	5,117.20	TIB	SDS/LGSS
37	12984147008	400520146	SGT	TI4		47452	1252807	THE PERRYMAN COMPANY	223.81	TI4	SDS/LGSS
37	12984148002	500185413	SGT	TIB		49412	30241	SERVSTEEL INC	45,918.09	TIB	SDS/LGSS
37	12984148003	400518885	SGT	TIB		44408	30241	SERVSTEEL INC	7,603.27	TIB	SDS/LGSS
37	12984150004	501030792	SGT		875	49154	273860	PENN STATE UNIVERSITY	1,061.59	875	FLEX
37	12984150004	800800371	SGT		875	4385	273804	PENN STATE UNIVERSITY	6,048.49	875	FLEX
37	12984150007	501179703	SG2			49333	273860	PENN STATE UNIVERSITY	1,061.59	SG2	SGSS2/SCD2/SGDS2
37	12984151020	400475666	SGT	TIF		1565	273860	PENN STATE UNIVERSITY	287.79	TIF	LDS/LGSS
37	12984151020	400514859	SGT	TIF		48789	273860	PENN STATE UNIVERSITY	1,061.59	TIF	LDS/LGSS
37	12984151020	400514976	SGT	TIF		48788	273860	PENN STATE UNIVERSITY	1,061.59	TIF	LDS/LGSS
37	12984151020	400526997	SGT	TIF		45666	273860	PENN STATE UNIVERSITY	1,061.59	TIF	LDS/LGSS
37	12984151020	500008214	SGT	TIF		48790	273860	PENN STATE UNIVERSITY	1,061.59	TIF	LDS/LGSS
37	12984151020	500130476	SGT	TIF		45665	273860	PENN STATE UNIVERSITY	1,061.59	TIF	LDS/LGSS
37	12984151020	500130460	SGT	TIF		45732	273804	PENN STATE UNIVERSITY	268.28	TIF	LDS/LGSS

37	12984151020	500130474	SGT	TIF		48526	273860	PENN STATE UNIVERSITY	1,061.59	TIF	LDS/LGSS
37	12984151020	500130459	SGT	TIF		48889	273860	PENN STATE UNIVERSITY	1,061.59	TIF	LDS/LGSS
37	12984151020	500136322	SGT	TIF		45731	273804	PENN STATE UNIVERSITY	268.28	TIF	LDS/LGSS
37	12984151020	500150517	SGT	TIF		45908	273860	PENN STATE UNIVERSITY	1,061.59	TIF	LDS/LGSS
37	12984151020	500162068	SGT	TIF		45949	273860	PENN STATE UNIVERSITY	1,061.59	TIF	LDS/LGSS
37	12984151020	500198356	SGT	TIF		46017	273804	PENN STATE UNIVERSITY	268.28	TIF	LDS/LGSS
37	12984151020	500198359	SGT	TIF		46018	273804	PENN STATE UNIVERSITY	5,166.36	TIF	LDS/LGSS
37	12984151020	500208315	SGT	TIF		46494	273804	PENN STATE UNIVERSITY	268.28	TIF	LDS/LGSS
37	12984151020	500555580	SGT	TIF		48444	273860	PENN STATE UNIVERSITY	1,061.59	TIF	LDS/LGSS
37	12984151020	500558423	SGT	TIF		48887	273860	PENN STATE UNIVERSITY	1,061.59	TIF	LDS/LGSS
37	12984151020	500612327	SGT	TIF		48438	273804	PENN STATE UNIVERSITY	268.28	TIF	LDS/LGSS
37	12984151020	500625771	SGT	TIF		48958	273860	PENN STATE UNIVERSITY	586.51	TIF	LDS/LGSS
37	12984151020	500659013	SGT	TIF		48965	273860	PENN STATE UNIVERSITY	1,061.59	TIF	LDS/LGSS
37	12984151020	500667297	SGT	TIF		48439	273804	PENN STATE UNIVERSITY	268.28	TIF	LDS/LGSS
37	12984151020	500667298	SGT	TIF		48440	273860	PENN STATE UNIVERSITY	(11,167.52)	TIF	LDS/LGSS
37	12984151020	500692603	SGT	TIF		48625	273860	PENN STATE UNIVERSITY	1,061.59	TIF	LDS/LGSS
37	12984151020	500707423	SGT	TIF		48970	273804	PENN STATE UNIVERSITY	268.28	TIF	LDS/LGSS
37	12984151020	500709556	SGT	TIF		48543	273860	PENN STATE UNIVERSITY	1,061.59	TIF	LDS/LGSS
37	12984151020	500716291	SGT	TIF		48471	273860	PENN STATE UNIVERSITY	1,061.59	TIF	LDS/LGSS
37	12984151020	500806647	SGT	TIF		48678	273860	PENN STATE UNIVERSITY	1,061.59	TIF	LDS/LGSS
37	12984151020	500856054	SGT	TIF		48736	273804	PENN STATE UNIVERSITY	268.28	TIF	LDS/LGSS
37	12984151020	500875536	SGT	TIF		48749	273804	PENN STATE UNIVERSITY	268.28	TIF	LDS/LGSS
37	12984151020	500918034	SGT	TIF		48624	273860	PENN STATE UNIVERSITY	1,061.59	TIF	LDS/LGSS
37	12984151020	500949336	SGT	TIF		48808	273860	PENN STATE UNIVERSITY	1,061.59	TIF	LDS/LGSS
37	12984151020	500949337	SGT	TIF		48809	273860	PENN STATE UNIVERSITY	1,061.59	TIF	LDS/LGSS
37	12984151020	800800356	SGT	TIF		4371	273860	PENN STATE UNIVERSITY	1,061.59	TIF	LDS/LGSS
37	12984151020	800800357	SGT	TIF		4373	273860	PENN STATE UNIVERSITY	1,061.59	TIF	LDS/LGSS
37	12984151020	800800358	SGT	TIF		4374	273860	PENN STATE UNIVERSITY	1,555.96	TIF	LDS/LGSS
37	12984151020	800800359	SGT	TIF		4375	273860	PENN STATE UNIVERSITY	1,235.30	TIF	LDS/LGSS
37	12984151020	800800360	SGT	TIF		4376	273860	PENN STATE UNIVERSITY	1,061.59	TIF	LDS/LGSS
37	12984151020	800800361	SGT	TIF		4377	273860	PENN STATE UNIVERSITY	825.56	TIF	LDS/LGSS
37	12984151020	800800362	SGT	TIF		4378	273860	PENN STATE UNIVERSITY	1,152.36	TIF	LDS/LGSS
37	12984151020	800800364	SGT	TIF		4380	273860	PENN STATE UNIVERSITY	550.88	TIF	LDS/LGSS
37	12984151020	800800365	SGT	TIF		4381	273804	PENN STATE UNIVERSITY	268.28	TIF	LDS/LGSS
37	12984151020	800800366	SGT	TIF		4382	273860	PENN STATE UNIVERSITY	1,061.59	TIF	LDS/LGSS
37	12984151020	800800367	SGT	TIF		4383	273860	PENN STATE UNIVERSITY	2,705.00	TIF	LDS/LGSS
37	12984151020	800800369	SGT	TIF		14823	273860	PENN STATE UNIVERSITY	(237.74)	TIF	LDS/LGSS
37	12984151020	800800370	SGT	TIF		45243	273804	PENN STATE UNIVERSITY	268.28	TIF	LDS/LGSS
37	12984151020	800800354	SGT	TIF		49234	273860	PENN STATE UNIVERSITY	1,061.59	TIF	LDS/LGSS
37	12984151070	500599616	SGT	TIF		48888	273860	PENN STATE UNIVERSITY	1,061.59	TIF	LDS/LGSS
37	12984151071	500972343	SGT	TIF		48807	273804	PENN STATE UNIVERSITY	268.28	TIF	LDS/LGSS
37	12984151071	501078814	SGT	TIF		49357	273860	PENN STATE UNIVERSITY	1,061.59	TIF	LDS/LGSS
37	12984151071	501102376	SGT	TIF		49356	273860	PENN STATE UNIVERSITY	1,061.59	TIF	LDS/LGSS
37	12984156001	400498964	SGT	TI8		14387	273821	GLENN O HAWBAKER INC	5,213.78	TI8	LDS/LGSS
37	12984156007	501140885	SGT		881	49402	1212650	GLENN O HAWBAKER INC	0.00	881	FLEX
37	12984156007	501140884	SGT		881	49404	1212650	GLENN O HAWBAKER INC	0.00	881	FLEX
37	12984188002	400472449	SGT	TIF		4450	273804	MOUNT NITTANY MEDICAL CENTRE	353,710.72	TIF	LDS/LGSS
37	12984218002	400472435	SGT	TI4		1493	551552	GREENCASTLE ANTRIM SCHOOL DIST.	0.00	TI4	SDS/LGSS
37	12984219005	400472431	LG2			294	551501	CORELLE BRANDS LLC	1,230.28	LG2	SDS/LGSS
37	12984219005	500165435	LG2			294	551501	CORELLE BRANDS LLC	1,230.28	LG2	SDS/LGSS
37	12984221002	400472381	SGT	TIB		1490	551501	THE MANITOWOC COMPANY INC	5,370.70	TIB	SDS/LGSS
37	12984221004	501123144	SGT	TI8		49284	551501	THE MANITOWOC COMPANY INC	1,956.54	TI8	LDS/LGSS
37	12984230001	400472414	SGT	TI4		1513	551554	PENN STATE UNIVERSITY	4,102.66	TI4	SDS/LGSS
37	12984232001	400472408	NSI			1511	551511	COMMONWEALTH OF PENNSYLVANIA	1,250.65	NSI	MDS/NSS
37	12984233004	400472404	SGT	TI8		1508	551553	MERCERSBURG ACADEMY	0.00	TI8	LDS/LGSS
37	12984233004	800800336	SGT	TI8		4507	551553	MERCERSBURG ACADEMY	1,590.31	TI8	LDS/LGSS
37	12984235003	400503659	SGT	TI4		14732	551511	QUINCY UNITED METHODIST HOME	4,635.06	TI4	SDS/LGSS
37	12984235003	500232234	SGT	TI4		48041	551511	QUINCY UNITED METHODIST HOME	1,250.65	TI4	SDS/LGSS
37	12984245001	400514975	SGT	TAG6		44087	10153	KIMES CIDER MILL	2,947.61	TAG6	SGSS2/SCD2/SGDS2
37	12984247004	400472434	SGT	TIF		297	10109	KNOUSE FOODS CO-OP INC	7,068.70	TIF	LDS/LGSS
37	12984247004	400472433	SGT	TIF		4339	10109	KNOUSE FOODS CO-OP INC	4,963.02	TIF	LDS/LGSS
37	12984247004	800800335	SGT	TIF		14446	10109	KNOUSE FOODS CO-OP INC	4,078.78	TIF	LDS/LGSS
37	12984250003	400507411	SGT	TI8		3215	10154	KNOUSE FOODS CO-OP INC	2,625.29	TI8	LDS/LGSS
37	12984250003	400507413	SGT	TI8		3215	10154	KNOUSE FOODS CO-OP INC	2,625.29	TI8	LDS/LGSS
37	12984251001	400507412	SGT	TI4		1510	10120	KNOUSE FOODS CO-OP INC	13,172.01	TI4	SDS/LGSS
37	12984252001	400472401	SGT	TAG6		1506	10160	CONEWAGO VALLEY SCHOOL DISTRICT	2,716.17	TAG6	SGSS2/SCD2/SGDS2
37	12984255005	400472391	SGT	TAG6		4293	10158	SANDUSKY LEE CORPORATION	3,969.19	TAG6	SGSS2/SCD2/SGDS2
37	12984257002	400472388	SGT	TIF		3334	10120	KNOUSE FOODS CO-OP INC	389.22	TIF	LDS/LGSS
37	12984257002	500149512	SGT	TIF		1496	10120	KNOUSE FOODS CO-OP INC	9,002.35	TIF	LDS/LGSS
37	12984261001	400472371	SGT	TIF		3384	10114	MOTTS INC.	417.56	TIF	LDS/LGSS
37	12984262001	400517972	SGT	TIB		44406	10160	WINTER GARDENS QUALITY FOODS INC	3,203.39	TIB	SDS/LGSS
37	12984264001	400472364	SGT	TIB		1477	10117	THE BRETHERN HOME COMMUNITY	2,125.64	TIB	SDS/LGSS
37	12984269001	400498767	SGT	TI8		14635	10119	DAL TILE CORPORATION	4,285.84	TI8	LDS/LGSS
37	12984270006	400498095	SGT	TIB		14526	1333072	LINCOLN INTERMEDIATE UNIT 12	4,269.98	TIB	SDS/LGSS
37	12984273001	400522508	SGT	TI4		44530	10105	MUSSELMAN WHOLESALE FOLIAGE INC.	4,338.27	TI4	SDS/LGSS
37	12984275001	400472429	SGT	TIB		1523	10157	WELLSPAN HEALTH	8,704.10	TIB	SDS/LGSS
37	12984276001	400511898	SGT	TIB		44051	10157	DAL-TILE CORP	2,268.56	TIB	SDS/LGSS
37	12984281001	400472403	SC2			1507	10157	LUTHERAN THEOLOGICAL SEMINARY	5,011.48	SC2	SGSS2/SCD2/SGDS2
37	12984282002	400472402	SGT	TI4		3499	10119	SPIRITRUST LUTHERAN	1,353.99	TI4	SDS/LGSS
37	12984283001	400472399	SGT	TI4		3187	10158	LITTLESTOWN AREA SCHOOL DISTRICT	2,708.97	TI4	SDS/LGSS
37	12984291001	400472378	SGT	TAG6		1486	10157	GETTYSBURG AREA SCHOOL DISTRICT	3,434.35	TAG6	SGSS2/SCD2/SGDS2

37	12984293002	400472376	SGT	TMB	285	10109	SPECIALTY GRANULES INC.	13,185.56	TMB	MDS/NSS
37	12984293003	500925519	SGT	TMB	48785	10109	SPECIALTY GRANULES INC.	16,768.97	TMB	MDS/NSS
37	12984296001	400472372	SGT	TAG6	1483	10104	GETTYSBURG AREA SCHOOL DISTRICT	2,598.74	TAG6	SGSS2/SCD2/SGDS2
37	12984299002	400472366	SGT	Ti8	1479	10157	GETTYSBURG COLLEGE	4,617.06	Ti8	LDS/LGSS
37	12984299002	500220827	SGT	Ti8	46090	10157	GETTYSBURG COLLEGE	(4,696.74)	Ti8	LDS/LGSS
37	12984318001	400051028	SGT	Ti8	48031	1333063	R H SHEPPARD CO INC	772.88	Ti8	LDS/LGSS
37	12984318001	400472328	SGT	Ti8	3515	1333063	R H SHEPPARD CO INC	4,627.20	Ti8	LDS/LGSS
37	12984318001	400472327	SGT	Ti8	3636	1333063	R H SHEPPARD CO INC	4,224.76	Ti8	LDS/LGSS
37	12984318001	400494708	SGT	Ti8	48033	1333063	R H SHEPPARD CO INC	772.88	Ti8	LDS/LGSS
37	12984318001	400505362	SGT	Ti8	48677	1333063	R H SHEPPARD CO INC	772.88	Ti8	LDS/LGSS
37	12984318001	400507194	SGT	Ti8	46075	1333063	R H SHEPPARD CO INC	772.88	Ti8	LDS/LGSS
37	12984318001	400514810	SGT	Ti8	48034	1333063	R H SHEPPARD CO INC	772.88	Ti8	LDS/LGSS
37	12984318001	500005922	SGT	Ti8	48032	1333063	R H SHEPPARD CO INC	772.88	Ti8	LDS/LGSS
37	12984318001	500119649	SGT	Ti8	45688	1333063	R H SHEPPARD CO INC	3,470.16	Ti8	LDS/LGSS
37	12984321001	400472320	SGT	Ti4	3543	1333025	S K F USA INC.	2,924.99	Ti4	SDS/LGSS
37	12984323001	400472318	SGT	Ti8	3632	1333025	THE ESAB GROUP INC	32,431.00	Ti8	LDS/LGSS
37	12984324001	400472317	SC2		3542	1333025	HANOVER FOOD CORP	1,613.38	SC2	SGSS2/SCD2/SGDS2
37	12984325001	400472316	SGT	TIG	3631	1333025	HANOVER FOODS CORP.	11,349.73	TIG	LDS/LGSS
37	12984325004	501256232	LG2		49420	1333025	HANOVER FOODS CORP.	77,104.93	LG2	SDS/LGSS
37	12984327001	400472263	SGT	TAG6	4536	1333025	SOUTH WESTERN SCHOOL DISTRICT	1,730.75	TAG6	SGSS2/SCD2/SGDS2
37	12984329001	400526741	SGT	TIG	45205	1333025	SNYDERS OF HANOVER INC.	29,437.80	TIG	LDS/LGSS
37	12984343004	400490919	SGT	TIG	14417	1333063	UTZ QUALITY FOODS INC	16,572.15	TIG	LDS/LGSS
37	12984343004	500023117	SGT	TIG	48880	1333063	UTZ QUALITY FOODS INC	772.88	TIG	LDS/LGSS
37	12984343004	500535850	SGT	TIG	48881	1333063	UTZ QUALITY FOODS INC	772.88	TIG	LDS/LGSS
37	12984346001	400526951	SGT	TIB	44971	1333025	CROWN CORK & SEAL CO INC.	3,724.43	TIB	SDS/LGSS
37	12984351001	400472299	SGT	Ti4	3527	1333025	SOUTH WESTERN SCHOOL DISTRICT	5,492.43	Ti4	SDS/LGSS
37	12984355001	400472293	LG1		3521	10103	EMECO CORPORATION	1,321.13	LG1	SDS/LGSS
37	12984357001	400472287	SGT	TIF	3625	1333063	UTZ QUALITY FOODS INC.	135.13	TIF	LDS/LGSS
37	12984366001	400472272	SGT	Ti8	3506	1333063	HANOVER HOSPITAL INC.	5,146.65	Ti8	LDS/LGSS
37	12984368001	400472269	SGT	TIB	3504	1333063	UTZ QUALITY FOODS INC	1,629.27	TIB	SDS/LGSS
37	12984378001	400496892	SGT	TAG6	14565	1333017	SHARRETTS PLATING CO INC.	2,669.44	TAG6	SGSS2/SCD2/SGDS2
37	12984382001	400493516	SGT	TIB	14532	1333017	C P CONVERTERS INC	13,266.86	TIB	SDS/LGSS
37	12984392002	400472214	SGT	TIB	3569	1333074	GENERAL DYNAMICS OTS(PA) INC.	2,526.37	TIB	SDS/LGSS
37	12984392002	400472233	SGT	TIB	3649	1333074	GENERAL DYNAMICS OTS(PA) INC.	8,902.25	TIB	SDS/LGSS
37	12984392002	800800313	SGT	TIB	3648	1333074	GENERAL DYNAMICS OTS(PA) INC.	3,347.55	TIB	SDS/LGSS
37	12984433001	400474737	SGT	TIB	14041	1333014	YORK BUILDING PRODUCTS CO. INC.	5,102.18	TIB	SDS/LGSS
37	12984438005	400517692	SGT	Ti8	14678	1333029	YORK INTERNATIONAL CORP	4,838.86	Ti8	LDS/LGSS
37	12984438005	400526273	SGT	Ti8	44876	1333029	YORK INTERNATIONAL CORP	5,910.79	Ti8	LDS/LGSS
37	12984438005	800800325	SGT	Ti8	3916	1333029	YORK INTERNATIONAL CORP	4,519.57	Ti8	LDS/LGSS
37	12984440001	400472099	SGT	TIB	3909	1333032	VOITH SIEMENS HYDRO POWER GEN INC	280.24	TIB	SDS/LGSS
37	12984442001	400472096	SGT	TIG	14693	1333032	MAGNESITA REFRACTORIES COMPANY	6,597.70	TIG	LDS/LGSS
37	12984443001	400472090	SGT	TIB	3901	1333095	PRECISION COMPONENTS	1,466.35	TIB	SDS/LGSS
37	12984447001	400526359	SGT	Ti8	3894	1333032	YORK BUILDING PRODUCTS CO. INC.	44,110.50	Ti8	LDS/LGSS
37	12984448001	400472085	SGT	Ti8	3893	1333027	APEX TOOL GROUP LLC	932.88	Ti8	LDS/LGSS
37	12984450007	500793520	SGT	TIF	48680	1333027	HARLEY DAVIDSON MOTOR COMPANY	7,214.83	TIF	LDS/LGSS
37	12984453004	400505585	SGT	Ti4	3881	1333029	GRAHAM PACKAGING COMPANY L.P.	14,787.78	Ti4	SDS/LGSS
37	12984460001	400472065	SGT	TIB	3866	1333017	RUTTER BROS DAIRY INC.	1,150.36	TIB	SDS/LGSS
37	12984472001	400472020	SGT	TAG6	3803	1333027	CHURCH OF THE BRETHREN	5,226.08	TAG6	SGSS2/SCD2/SGDS2
37	12984475001	400472016	SGT	TIB	3799	1333027	SPRINGETTS MANOR ASSOC LTD PTR.	77.96	TIB	SDS/LGSS
37	12984477004	400472012	SC2		3792	1333027	VILLAGE REALTY	600.79	SC2	SGSS2/SCD2/SGDS2
37	12984477004	800800315	SC2		3793	1333027	VILLAGE REALTY	14.60	SC2	SGSS2/SCD2/SGDS2
37	12984484006	400467049	SGT	TIB	47453	1333083	DONSCO INC	121.41	TIB	SDS/LGSS
37	12984484006	400471998	SGT	TIB	14566	1333083	DONSCO INC	4,528.52	TIB	SDS/LGSS
37	12984484006	500151812	SGT	TIB	47456	1333083	DONSCO INC	121.41	TIB	SDS/LGSS
37	12984490001	400526586	SGT	TIF	4037	1333079	PENNEX ALUMINUM COMPANY LLC	57,348.04	TIF	LDS/LGSS
37	12984493001	400471935	SGT	TAG2	4516	1333095	YORK HOUSING AUTHORITY	1,233.13	TAG2	SGSS2/SCD2/SGDS2
37	12984497001	400471892	SGT	TIB	4173	1333095	NORTH METAL AND CHEMICAL CO.	530.24	TIB	SDS/LGSS
37	12984501001	400471867	SGT	TIF	4155	1333095	WELLSPAN HEALTH	3,725.00	TIF	LDS/LGSS
37	12984507001	400471805	SGT	TIB	4556	1333014	SPRING GROVE AREA SCHOOL DISTRICT	5,773.32	TIB	SDS/LGSS
37	12984524001	400507001	SGT	TIB	14552	1333017	MAPLE PRESS CO	4,496.64	TIB	SDS/LGSS
37	12984528001	400507730	SGT	TIF	3971	1333029	GLEN-GERY CORP	4,984.94	TIF	LDS/LGSS
37	12984529002	400495160	SGT	831	293	290806	ARCELORMITTAL PLATE LLC	0.00	831	FLEX MDS
37	12984533001	400494422	SGT	Ti8	14521	1333027	YORK CONTAINER COMPANY	1,675.67	Ti8	LDS/LGSS
37	12984534001	400491763	SGT	Ti4	14383	1333029	YORK BUILDING PRODUCTS	323.82	Ti4	SDS/LGSS
37	12984538001	400496374	SGT	Ti4	14554	1333095	YORK WALLCOVERINGS INC	272.28	Ti4	SDS/LGSS
37	12984541001	400472240	SGT	TIB	4443	1333074	RED LION AREA SCHOOL DISTRICT	2,583.06	TIB	SDS/LGSS
37	12984542001	400499351	SC2		14534	1333029	WALTER W ZEIGLER'S & SON	3,158.50	SC2	SGSS2/SCD2/SGDS2
37	12984549001	400496547	SGT	TIB	14438	1333095	YORK CITY SCHOOL DISTRICT	1,494.85	TIB	SDS/LGSS
37	12984569008	400472068	SGT	TIF	3869	1333029	D.F.STAUFFER BISCUIT CO. INC.	16,245.21	TIF	LDS/LGSS
37	12984569008	400492606	SGT	TIF	47118	1333029	D.F.STAUFFER BISCUIT CO. INC.	10,688.18	TIF	LDS/LGSS
37	12984569008	400505836	SGT	TIF	47356	1333029	D.F.STAUFFER BISCUIT CO. INC.	8,188.00	TIF	LDS/LGSS
37	12984569008	400516746	SGT	TIF	47028	1333029	D.F.STAUFFER BISCUIT CO. INC.	8,188.00	TIF	LDS/LGSS
37	12984592001	400471991	SGT	Ti8	3698	1333069	GEORGIA PACIFIC CORRUGATED LLC	9,772.77	Ti8	LDS/LGSS
37	12984598001	400471984	SGT	Ti4	3751	1333005	DOVER AREA SCHOOL DISTRICT	3,433.09	Ti4	SDS/LGSS
37	12984606001	400471973	SGT	TIB	3736	1333026	SOUTHERN YORK COUNTY SCHOOL DIST.	7,589.21	TIB	SDS/LGSS
37	12984607002	400471965	SGT	TAG6	3728	1333027	CENTRAL YORK SCHOOL DISTRICT	4,576.34	TAG6	SGSS2/SCD2/SGDS2
37	12984611002	400471958	SGT	TIB	3723	1333029	YORK SUBURBAN SCHOOL DISTRICT	7,465.84	TIB	SDS/LGSS
37	12984614001	400471948	SGT	TIB	3719	1333035	YORK COUNTY SCHOOL OF TECHNOLOGY	7,516.16	TIB	SDS/LGSS
37	12984622002	400471919	SGT	TAG6	3765	1333032	WEST YORK AREA SCHOOL DISTRICT	7,304.36	TAG6	SGSS2/SCD2/SGDS2
37	12984624003	400471915	SGT	TIB	3763	1333032	HANOVER FOODS CORP	4,434.71	TIB	SDS/LGSS
37	12984628004	400471893	SGT	TIB	3686	1333029	YORK COLLEGE OF PENNSYLVANIA	1,826.18	TIB	SDS/LGSS

37	12984643001	400471809	SGT	TI8	4526	1333017	CITY OF YORK	4,064.30	TI8	LDS/LGSS
37	12984661001	400526647	SGT	TAG6	45046	1333014	YORK BUILDING PRODUCTS CO. INC.	2,190.07	TAG6	SGSS2/SCD2/SGDS2
37	12984661003	400500358	SGT	TIB	14657	10101	YORK BUILDING PRODUCTS CO. INC.	23,195.59	TIB	SDS/LGSS
37	12984661004	500738669	SGT	TIB	48592	1333032	YORK BUILDING PRODUCTS CO. INC.	16,365.40	TIB	SDS/LGSS
37	13188422011	500079934	SGT	TI8	49385	273806	CENTRE AREA TRANSPORTATION AUTH	3,326.29	TI8	LDS/LGSS
37	13188422011	500325346	SGT	TI8	49384	273806	CENTRE AREA TRANSPORTATION AUTH	2,119.27	TI8	LDS/LGSS
37	13237020002	500135596	SGT	TI8	4638	511396	UNIONTOWN HOSPITAL	31,407.24	TI8	LDS/LGSS
37	13241895007	501021913	SGT	TIF	49028	30225	LINDY PAVING INC.	41,497.74	TIF	LDS/LGSS
37	13241895007	501028115	SGT	TIF	49013	30225	LINDY PAVING INC.	41,497.74	TIF	LDS/LGSS
37	13264345002	400520745	SG2		1306	1292913	NEIL KUNKLE	3,173.68	SG2	SGSS2/SCD2/SGDS2
37	13266182003	400473258	SGT	TMB	1296	1252858	CORELLE BRANDS LLC	2,294.81	TMB	MDS/NSS
37	13333833001	500159224	LG1		45928	551501	FOOD LION LLC	6,277.25	LG1	SDS/LGSS
37	13409908003	800800444	SGT	TI4	289	70406	SARDELLO INC.	2,190.25	TI4	SDS/LGSS
37	13418879001	500171349	SG2		45520	30205	GENERAL ELECTRIC COMPANY	11,235.36	SG2	SGSS2/SCD2/SGDS2
37	13503540001	500099035	SGT	TI4	45872	1252862	BETH CENTER SCHOOL DISTRICT	8,077.88	TI4	SDS/LGSS
37	13606384001	500209675	SGT	TI8	46079	1333028	ADHESIVES RESEARCH INC	15,107.81	TI8	LDS/LGSS
37	13629199001	500199977	SGT	TIF	46006	1112521	PA DEPARTMENT OF CORRECTIONS	38,461.32	TIF	LDS/LGSS
37	13648145002	400473252	SC2		1289	1112521	JENNY PRODUCTS INC	24,071.02	SC2	SGSS2/SCD2/SGDS2
37	13676826001	500220820	SGT	845	46101	30243	STANDARD FORGED PRODUCTS LLC	27,319.26	845	FLEX
37	13801660001	500224592	SGT	TAG6	46122	1292998	JEANNETTE CITY SCHOOL DISTRICT	7,734.44	TAG6	SGSS2/SCD2/SGDS2
37	13807449005	500843197	SGT	TAG6	48733	10160	CONEWAGO VALLEY SCHOOL DISTRICT	10,929.56	TAG6	SGSS2/SCD2/SGDS2
37	13953098002	500268352	SG4		46701	511314	HOLT & BUGBEE HARDWOODS INC.	2,164.21	SG4	SGSS2/SCD2/SGDS2
37	13959263001	400473271	SGT	TI8	1309	1292977	DURALOY TECHNOLOGIES INC	9,426.78	TI8	LDS/LGSS
37	13968541002	500296548	SGT	TM2	46567	511324	NEMACOLIN WOODLANDS INC.	286,814.93	TM2	MDS/NSS
37	14161126001	400472230	SGT	TIB	3588	1333034	TATE ACCESS FLOORS INC	4,042.39	TIB	SDS/LGSS
37	14203427002	400483822	SGT	TAG6	14283	511304	CELLURALE GARDEN CENTER	3,499.71	TAG6	SGSS2/SCD2/SGDS2
37	14238571001	500337814	SGT	TIF	46961	1333007	STARBUCKS COFFEE COMPANY	9,157.29	TIF	LDS/LGSS
37	14303963001	500391455	SGT	TI4	47285	30260	CORNELL SCHOOL DISTRICT	12,062.59	TI4	SDS/LGSS
37	14313747005	500338294	SG2		47466	10155	TUCKER INDUSTRIAL LIQUID COATINGS	12,751.38	SG2	SGSS2/SCD2/SGDS2
37	14318082003	400519776	SGT	TIB	47451	1333032	YORK WALLCOVERINGS INC	10,384.96	TIB	SDS/LGSS
37	14344230001	500212008	SGT	TIB	47252	1252822	GOLDEN EAGLE CONSTRUCTION CO. INC	11,414.42	TIB	SDS/LGSS
37	14351364003	500354179	SGT	TIB	47333	591705	CENTRAL GREENE SCHOOL DISTRICT	(9,801.11)	TIB	SDS/LGSS
37	14351364003	500371709	SGT	TIB	47605	591705	CENTRAL GREENE SCHOOL DISTRICT	9,031.53	TIB	SDS/LGSS
37	14351364003	500690713	SGT	TIB	49040	591705	CENTRAL GREENE SCHOOL DISTRICT	6,003.16	TIB	SDS/LGSS
37	14471914001	400526560	SGT	TIF	3908	1333032	FRITO-LAY INC.	13,405.54	TIF	LDS/LGSS
37	14492769002	500965975	LG2		49158	1112521	STATE CORRECTIONAL INSTITUTE	15,825.73	LG2	SDS/LGSS
37	14529317003	400472635	SGT	840	1139	1252856	PA TRANSFORMER TECHNOLOGY INC	13,865.46	840	FLEX
37	14529317003	800800373	SGT	840	14246	1252856	PA TRANSFORMER TECHNOLOGY INC	13,412.22	840	FLEX
37	14557113003	500054098	SGT	TI4	48084	551501	JERR-DAN CORP	30,701.18	TI4	SDS/LGSS
37	14623990006	400526769	SG2		4505	1333095	CLINTON INDUSTRIES	1,505.78	SG2	SGSS2/SCD2/SGDS2
37	14738217002	400473525	LG1		621	832206	AMERICAN REFINING GROUP INC	5,915.22	LG1	SDS/LGSS
37	14860718003	400473280	SGT	TAG6	1313	511314	VACUUM CERAMIC INC.	14,364.41	TAG6	SGSS2/SCD2/SGDS2
37	14958276004	501161721	SGT	TIB	49323	1112501	KEYSTONE LIME COMPANY INC.	31,261.72	TIB	SDS/LGSS
37	14962898001	400504012	SC2		4067	10104	HARRISBURG AREA COMMUNITY COLLEGE	1,319.79	SC2	SGSS2/SCD2/SGDS2
37	14997023001	400472421	SGT	TAG6	3491	10157	SPECTRA-KOTE CORP.	2,370.57	TAG6	SGSS2/SCD2/SGDS2
37	15096104001	500587558	SGT	809	47842	732195	ELLWOOD MILL PRODUCTS COMPANY	6,753.16	809	FLEX
37	15096104002	501033523	SGT	809	49045	732195	ELLWOOD MILL PRODUCTS COMPANY	44,763.53	809	FLEX
37	15096113001	500587559	SGT	833	47843	732195	NORTH AMERICAN FORGEMASTERS	45,474.89	833	FLEX
37	15107817004	500136220	SG4		1438	511314	FAY PENN ECONOMIC DEVELOPMENT	1,652.12	SG4	SGSS2/SCD2/SGDS2
37	15120198003	501174545	LG2		49367	1333032	YORK COUNTY TRANSPORTATION AUTHOR	64,145.58	LG2	SDS/LGSS
37	15190290003	500990795	SGT	TIB	48924	511314	DYNAMIC MATERIALS CORPORATION	21,953.37	TIB	SDS/LGSS
37	15246690003	400478147	SG2		1122	1252821	SHRI RANCHHODJI ASSOCIATES	10,996.30	SG2	SGSS2/SCD2/SGDS2
37	15310256001	400477241	SGT	TIB	3990	1333017	ABERDEEN ROAD COMPANY	19.02	TIB	SDS/LGSS
37	15320799002	400514006	SGT	TAG6	4540	1252822	ALL OCCASIONS PARTY RENTAL	0.00	TAG6	SGSS2/SCD2/SGDS2
37	15386979001	400472009	SGT	TIB	3788	1333027	SONOCO CORRIFLEX D & P LLC	4,470.87	TIB	SDS/LGSS
37	15399043001	400473272	SG4		1310	1292913	LENICK COMPANY	1,878.81	SG4	SGSS2/SCD2/SGDS2
37	15409498002	400472801	SG2		686	30225	U.S. ARMY CORPS OF ENGINEERS	1,621.75	SG2	SGSS2/SCD2/SGDS2
37	15410029001	400524934	SG4		1465	511314	SPECIALTY CONDUIT &	2,137.32	SG4	SGSS2/SCD2/SGDS2
37	15410029003	400526421	SG2		1368	511314	SPECIALTY CONDUIT &	2,282.29	SG2	SGSS2/SCD2/SGDS2
37	15514483001	400473294	SG2		1329	1112521	PIKE VIEW ENTERPRISES INC.	1,293.77	SG2	SGSS2/SCD2/SGDS2
37	15514517001	500607489	SGT	TIF	48514	551504	MARTINS FAMOUS PASTRY SHOPPE INC.	29,232.95	TIF	LDS/LGSS
37	15614278001	500732771	SGT	TI4	48561	30223	A & R BUILDING COMPANY	5,320.06	TI4	SDS/LGSS
37	15630675002	501155646	SG2		49311	1292909	7-11 UTILITIES	46,337.79	SG2	SGSS2/SCD2/SGDS2
37	15632066001	500494320	SGT	TIB	48533	1112512	SOMERSET WELDING AND STEEL INC.	10,803.64	TIB	SDS/LGSS
37	15674018001	500648810	SGT	TIF	48541	273801	PA DEPARTMENT OF CORRECTIONS	99,366.60	TIF	LDS/LGSS
37	15878297001	500766884	SGT	TI4	48455	1333007	STARBUCKS COFFEE WAREHOUSE	2,132.43	TI4	SDS/LGSS
37	15886667015	400472089	SG4		3897	1333032	STONEBRIDGE FLEX I LP	4,644.35	SG4	SGSS2/SCD2/SGDS2
37	15897246001	500635532	SGT	TIB	48654	1333004	ES3 LLC	4,591.38	TIB	SDS/LGSS
37	15932079001	500755822	SGT	TIF	48661	511311	COMMONWEALTH OF PA-UTILITY	7,610.05	TIF	LDS/LGSS
37	16032404001	400493513	SG2		3428	1112521	ABILENE BOOT CO. INC.	1,471.35	SG2	SGSS2/SCD2/SGDS2
37	16266565001	400518893	SGT	TIB	934	70495	KEYSTONE PROFILES LTD	1,261.32	TIB	SDS/LGSS
37	16316862001	400489632	SGT	TIB	48727	10103	UTZ QUALITY FOODS INC	23,457.97	TIB	SDS/LGSS
37	16450594001	400526719	SGT	TIB	48743	1333083	H & H CASTING INC.	6,816.35	TIB	SDS/LGSS
37	16656334003	501222616	LG1		49396	511304	FACT	26,250.86	LG1	SDS/LGSS
37	16804444002	500146391	SGT	TI8	861	70495	MCDANEL ADVANCED CERAMIC TECH	5,786.00	TI8	LDS/LGSS
37	16804444008	500175309	SGT	TIB	49139	70495	MCDANEL ADVANCED CERAMIC TECH	14,163.45	TIB	SDS/LGSS
37	16919869001	500215263	SGT	TAG6	48787	1333095	CONDUCTIVE TECHNOLOGIES INC	30,740.76	TAG6	SGSS2/SCD2/SGDS2
37	16920048001	500959190	SGT	TIB	48797	511395	YOUGHIOGHENY GLASS	9,062.42	TIB	SDS/LGSS
37	17000719005	400496375	SGT	TAG6	14550	1333027	C & S WHOLESALE GROCERS INC	1,701.93	TAG6	SGSS2/SCD2/SGDS2
37	17037445001	500962866	SGT	TIB	48814	511306	HUNTER PANELS LLC	7,630.88	TIB	SDS/LGSS
37	17097990001	400473352	SCC		4547	1252858	COMPREHENSIVE COMMUNITY SERVICES	1,965.53	SCC	SGSS1/SCD1/SGDS1

37	17184483002	500193058	SGT	TIB	45604	732195	RESCO PRODUCTS INC	(5,006.09)	TIB	SDS/LGSS
37	17187387006	400471902	SGT	TIB	4178	1333032	BAE SYSTEMS LAND & ARMAMENTS LP	3,583.58	TIB	LDS/LGSS
37	17264884002	400500238	SGT	TIH	14403	1333032	LEHIGH CEMENT COMPANY	8,452.11	TIH	LDS/LGSS
37	17297010001	400474558	SGT	TI4	14055	1333035	ECORE INTERNATIONAL	6,651.81	TI4	SDS/LGSS
37	17374299002	400473323	LG2		1351	511314	UNIVERSAL WELL SERVICES	5,233.17	LG2	SDS/LGSS
37	17409498001	501027922	SGT	TIB	49021	1333095	CINTAS CORP #2	13,667.74	TIB	SDS/LGSS
37	17439660001	400471850	SGT	TAG2	4149	1333035	CLK-HPP YORK HILLS LP	290.07	TAG2	SGSS2/SCD2/SGDS2
37	17439660003	800800314	SGT	TAG2	4269	1333035	CLK-HPP YORK HILLS LP	2,430.25	TAG2	SGSS2/SCD2/SGDS2
37	17446577006	400498963	SGT	TIB	14518	10160	HAIN PURE PROTEIN CORPORATION	5,361.20	TIB	LDS/LGSS
37	17509433003	501049268	SGT	TIB	49070	511306	JOHNSON MATTHEY INC	17,829.30	TIB	LDS/LGSS
37	17556648001	500988325	LG1		49016	1252829	TANGER PROPERTIES LTD PARTNERSHIP	60,039.91	LG1	SDS/LGSS
37	17613477001	501040193	SG2		49048	832295	BRADFORD CREMATORY	17,028.50	SG2	SGSS2/SCD2/SGDS2
37	17662964001	400472829	SGT	TIB	711	30252	ALLEGHENY HEALTH NETWORK	8,688.26	TIB	SDS/LGSS
37	17692241009	501080986	SGT	TIB	49302	1333017	YORK COUNTY SOLID WASTE AUTHORITY	65,532.25	TIB	SDS/LGSS
37	17766386001	501049150	SGT	TIB	49088	1333014	CHURCH AND DWIGHT CO INC.	35,922.76	TIB	LDS/LGSS
37	18505018001	400473396	SG2		3248	1292914	JB'S BRIGHT BEGINNING LLC	1,663.84	SG2	SGSS2/SCD2/SGDS2
37	18540737001	500487109	SGS		47705	1292909	RESERVED ENVIRONMENTAL SERVICES	31,397.65	SGS	SGSS1/SCD1/SGDS1
37	18553656003	500204877	SG2		48298	30272	ARCELORMITTAL LAPLACE LLC	5,399.51	SG2	SGSS2/SCD2/SGDS2
37	18660393001	501083309	SG2		40519	1252820	DEPARTMENT OF TRANSPORTATION	22,691.51	SG2	SGSS2/SCD2/SGDS2
37	18703892001	400505131	SGT	TIB	689	70477	PTC GROUP HOLDINGS CORP	20,627.81	TIB	LDS/LGSS
37	18776965001	400472097	SGT	TIF	3907	1333014	PENNSY SUPPLY INC.	5,166.94	TIF	LDS/LGSS
37	18792064002	501099066	SGT	TAG6	49244	1333035	MILLER PLANT FARM INC	15,923.45	TAG6	SGSS2/SCD2/SGDS2
37	18836110001	400473205	SGT	TIB	1018	732111	EZEFLOW USA INC	3,880.29	TIB	SDS/LGSS
37	18885421001	500376080	SGT	TIB	49156	10119	AGRICULTURE COMMODITIES INC	16,178.78	TIB	SDS/LGSS
37	18897692003	400472409	SGT	TIB	1512	10160	GENLYTE THOMAS GROUP LLC	1,660.38	TIB	SDS/LGSS
37	18941652004	400473297	SGS		1332	511318	EASTERN HARDWOODS INC	1,795.56	SGS	SGSS1/SCD1/SGDS1
37	18973174002	400526191	SGT	873	44761	190613	ALCOA COMMERCIAL WINDOWS	52,867.22	873	FLEX
37	18985473001	501047288	SGT	TIB	49243	1333035	WELLSPAN HEALTH	277.88	TIB	SDS/LGSS
37	18988904003	501281830	LG1		49425	70479	VALLEY WASTE	30,748.80	LG1	SDS/LGSS
37	19022293001	400473231	SG2		4575	511316	BEST FAYETTE MEDICAL CENTER LP	1,956.84	SG2	SGSS2/SCD2/SGDS2
37	19022293005	500132845	SG2		4575	511316	BEST FAYETTE MEDICAL CENTER LP	1,956.84	SG2	SGSS2/SCD2/SGDS2
37	19046540001	400508038	SGT	TIB	14064	1333017	BODYCOTE THERMAL PROCESSING INC	944.86	TIB	SDS/LGSS
37	19074397001	501115733	SGT	TIB	49265	1333017	REPUBLIC SERVICES INC.	13,266.86	TIB	LDS/LGSS
37	19075101001	400473322	SG2		4421	1292916	TITAN HOSPITALITY INC	10,041.93	SG2	SGSS2/SCD2/SGDS2
37	19114953001	500688577	SGT	TI4	48544	511312	NELSON WIRE & STEEL LLC	1,115.13	TI4	SDS/LGSS
37	19117144005	501102841	SGT	TIB	49282	732108	COMMERCIAL ASPHALT SUPPLY INC.	0.00	TIB	LDS/LGSS
37	19117144005	501104644	SGT	TIB	49270	732108	COMMERCIAL ASPHALT SUPPLY INC.	44,938.18	TIB	LDS/LGSS
37	19179996001	400472978	SGT	TIG	828	30272	LIBERTAS COPPER LLC	15,084.85	TIG	LDS/LGSS
37	19193822001	501050977	SGT	TI4	49272	10103	CONEWAGO ENTERPRISES	14,333.13	TI4	SDS/LGSS
37	19252407003	800800378	SGT	TAG6	849	30234	GFS LLC	2,908.76	TAG6	SGSS2/SCD2/SGDS2
37	19336466001	400501188	SGT	TAG2	45609	1333032	GHC YORK OPS LLC	44,110.50	TAG2	SGSS2/SCD2/SGDS2
37	19430896001	501122186	SGT	TIB	49298	70412	BEEMAC TRUCKING	11,219.30	TIB	SDS/LGSS
37	19443642001	400472814	SGT	TIB	697	70403	COMPREHENSIVE HEALTHCARE	3,872.82	TIB	SDS/LGSS
37	19531601001	400526383	SG3		1012	30225	WASTE MANAGEMENT	11,525.34	SG3	SGSS1/SCD1/SGDS1
37	19592009003	501149161	LG2		49340	1252822	MASCOT PETROLEUM-RAMS	15,220.72	LG2	SDS/LGSS
37	19623332001	400472345	SG2		3562	1333063	PENNSYLVANIA COACHLINES	7,786.78	SG2	SGSS2/SCD2/SGDS2
37	19682099001	500296730	SGT	TIB	46707	511304	BONNIE PLANTS INC	26,250.86	TIB	SDS/LGSS
37	19791817001	500175440	SGT	TAG5	45528	70452	SIPPLE INDUSTRIES LLC	31,445.04	TAG5	SGSS1/SCD1/SGDS1
37	19817465001	400472437	LG1		3304	10104	LOGISTICS RESOURCE LLC	8,152.83	LG1	SDS/LGSS
37	19845214005	400472052	SGT	TIB	3847	1333032	KLEENTECH INC	7,490.23	TIB	SDS/LGSS
37	19854159001	501154755	SGT	TIB	49338	273804	CLEAN ENERGY	1,887.55	TIB	SDS/LGSS
37	19854159002	501162824	LG2		49322	1333029	CLEAN ENERGY	8,188.00	LG2	SDS/LGSS
37	19866613001	501025433	SGT	TIB	48841	190626	UTILITY PIPELINE LTD	21,082.43	TIB	SDS/LGSS
37	19968875005	800800311	SGT	TIB	14595	1333029	IWM INTERNATIONAL LLC	3,083.07	TIB	SDS/LGSS
37	20159378001	500153126	SGT	TIB	45642	70479	SWAGelok PROCESSING CORP	635.10	TIB	LDS/LGSS
37	20231700001	400472742	SGT	TI4	14101	1252807	WASHINGTON OPERATING LLC	5,736.00	TI4	SDS/LGSS
37	20231700003	400472014	SGT	TIB	3795	1333027	WASHINGTON OPERATING LLC	8,044.15	TIB	SDS/LGSS
37	20233976002	400473233	SG2		1275	511311	PAULA K MILLSAPS	1,137.23	SG2	SGSS2/SCD2/SGDS2
37	20260616001	400500097	SGT	TM1	14666	10119	NRG REMA LLC	980.04	TM1	MDS/NSS
37	20271953001	500214064	LG2		47053	1252822	ABARTA COCA-COLA BEVERAGE	28,293.86	LG2	SDS/LGSS
37	20271953003	500459284	LG1		47484	1252822	ABARTA COCA-COLA BEVERAGE	590.67	LG1	SDS/LGSS
37	20352622001	400493366	SGT	TIF	14458	1333025	TREEHOUSE FOODS INC	4,349.04	TIF	LDS/LGSS
37	20403776001	501228775	SG2		49390	10157	CENTRAL PENNSYLVANIA TRANSPORTATI	5,180.86	SG2	SGSS2/SCD2/SGDS2
37	20480473001	501093555	SGT	880	49361	1333014	PIXELLE SPECIALITY SOLUTIONS LLC	467,690.79	880	FLEX
37	20480473002	400471977	SGT	TIB	4335	1333077	PIXELLE SPECIALITY SOLUTIONS LLC	4,107.85	TIB	SDS/LGSS
37	20503074001	501173051	SGT	TIB	49398	1333029	UPMC PINNACLE MEMORIAL	2,105.64	TIB	SDS/LGSS
37	20540367001	501221207	SGT	810	49395	732195	ELLWOOD REMELT STEEL	32,565.34	810	FLEX
37	20556961001	400494798	SGT	TIB	14599	10160	PCA CORRUGATED AND DISPLAY LLC	121.29	TIB	LDS/LGSS
37	20665631001	400473191	SGT	TIF	1007	30225	INEOS COMPOSITES LLC	5,974.11	TIF	LDS/LGSS
37	20669499001	501163330	SGT	TIB	49411	70452	WASTE MANAGEMENT CNG	31,445.04	TIB	SDS/LGSS
37	20688663001	400474751	SGT	TI4	4509	30223	KPG PBURG LLC	3,241.16	TI4	SDS/LGSS
37	20721676001	400472176	LG2		3969	1333095	NEW YORK WIREWORKS LLC	7,763.66	LG2	SDS/LGSS
37	20731842001	400473264	SG2		1303	511314	SUNRISE UNIONTOWN INC.	1,557.22	SG2	SGSS2/SCD2/SGDS2
37	20733007001	400473253	LG2		1290	1292977	SUMMERILL HIGH PRECISION TUBE	10,041.96	LG2	SDS/LGSS
37	20733007003	400288865	SG4		46395	1292977	SUMMERILL HIGH PRECISION TUBE	2,014.58	SG4	SGSS2/SCD2/SGDS2
37	20733007004	400289580	SG4		46393	1292977	SUMMERILL HIGH PRECISION TUBE	2,014.58	SG4	SGSS2/SCD2/SGDS2
37	20757032003	400471986	SGT	TAG6	3754	1333017	LINX YORK LLC	1,646.10	TAG6	SGSS2/SCD2/SGDS2
37	20875641001	400473354	LG2		1377	1292913	MERAKEY	936.34	LG2	SDS/LGSS
37	20886128001	400516474	LG4		3863	1333029	WORDEN ALLEN PROPERTY LP	7,855.17	LG4	LDS/LGSS
37	20910648001	400472256	LG3		3642	1333074	RED LION DISTRIBUTION	279.49	LG3	LDS/LGSS
37	20914024001	400473178	SG2		995	70471	GRACE BIBLE CHURCH	1,041.40	SG2	SGSS2/SCD2/SGDS2

37	20915520001	400490462	SGT	TIB	14386	10156	BERRYVILLE GRAPHICS INC	3,285.22	TIB	SDS/LGSS
37	20942667003	400472903	LG1		775	732195	RANGER SERVICES LLC	1,532.00	LG1	SDS/LGSS
37	20972755003	400493347	SG4		3950	1333032	1014 N 3RD ST	4,743.56	SG4	SGSS2/SCD2/SGDS2
37	21026587001	400472035	SGS		3824	1333029	BHI PROPERTIES LLC	12.68	SGS	SGSS1/SCD1/SGDS1
37	21026587003	800800310	SG2		3825	1333029	BHI PROPERTIES LLC	211.51	SG2	SGSS2/SCD2/SGDS2
37	21032523001	400493917	SGT	TMA	14046	70452	TENARIS BAY CITY INC.	125,098.41	TMA	MDS/NSS
37	21032523002	400505175	SGT	882	14699	70468	TENARIS BAY CITY INC.	23,377.51	882	FLEX
37	21051676001	400472854	LG1		733	70471	CERAMIC COLOR & CHEMICAL LLC	42.30	LG1	SDS/LGSS
37	21067545001	500416284	SG2		47469	1333025	STRYTEN ENERGY	17,948.01	SG2	SGSS2/SCD2/SGDS2
37	21069532001	400526998	SGT	TMB	14788	70470	STOELZLE GLASS USA INC.	33,446.59	TMB	MDS/NSS
37	21079991001	400472075	LG4		3879	1333027	601 MEMORY LANE OWNER LLC	0.00	LG4	LDS/LGSS

	<u>Total</u>	<u>Percent</u>
	<u>Cost</u>	
RSS/RTS	0.00	0.000%
SGSS1/SCD1/SGDS1	83,468.06	1.670%
SGSS2/SCD2/SGDS2	662,240.88	13.250%
SDS/LGSS	1,727,508.18	34.564%
LDS/LGSS	1,669,308.85	33.400%
FLEX	855,473.66	17.116%
TOTAL BEFORE MLDS/NSS	4,997,999.63	100.000%
MLDS/NSS	0.00	
FLEX MLDS	0.00	
TOTAL	4,997,999.63	

**COLUMBIA GAS OF PENNSYLVANIA, INC.
DEVELOPMENT OF ALLOCATION FACTOR 18
OTHER DISTRIBUTION O & M EXPENSE**

LINE NO.	ACCT. NO.	ACCOUNT	TOTAL	RSS/RDS	SGS/DS-1	SGS/DS-2	SDS/LGSS	LDS/LGSS	MLDS	FLEX
1	871.00	LOAD DISPATCHING	313,341	160,086	29,185	39,014	25,324	32,418	25	27,289
2	874.00	MAINS & SERVICES	26,315,390	16,015,283	2,320,228	2,561,540	1,620,765	2,061,285	1,579	1,734,711
3	875.00	M & R - GENERAL	792,716	404,999	73,834	98,701	64,067	82,014	63	69,038
4	876.00	M & R - INDUSTRIAL	320,624	-	5,354	42,483	110,821	107,088	-	54,878
5	878.00	METERS & HOUSE REGULATORS	1,760,364	1,400,176	240,184	106,643	10,157	2,500	176	528
6	879.00	CUSTOMER INSTALLATIONS	5,858,537	5,335,018	426,384	78,212	12,537	3,691	-	2,695
7	886.00	STRUCTURES AND IMPROVEMEN	26,846	13,716	2,500	3,343	2,170	2,778	2	2,338
8	887.00	MAINS	26,524,141	13,551,184	2,470,459	3,302,521	2,143,681	2,744,188	2,122	2,309,987
9	889.00	M & R - GENERAL	1,227,221	626,987	114,303	152,801	99,184	126,968	98	106,879
10	890.00	M & R - INDUSTRIAL	153,682	-	2,567	20,363	53,119	51,330	-	26,304
11	892.00	SERVICES	5,980,905	5,446,451	435,290	79,845	12,799	3,768	-	2,751
12	893.00	METERS & HOUSE REGULATORS	533,853	424,621	72,839	32,341	3,080	758	53	160
13		TOTAL	69,807,620	43,378,521	6,193,127	6,517,806	4,157,704	5,218,786	4,119	4,337,558
14		ALLOCATOR #18	100.000%	62.139%	8.872%	9.337%	5.956%	7.476%	0.006%	6.214%

COLUMBIA GAS OF PENNSYLVANIA, INC.
DEVELOPMENT OF ALLOCATION FACTOR 19
O & M EXCLUDING GAS PURCHASED COST, UNCOLLECTIBLES, USP COSTS & A & G

LINE NO.	ACCT. NO.	ACCOUNT	TOTAL	RSS/RDS	SGS/DS-1	SGS/DS-2	SDS/LGSS	LDS/LGSS	MLDS	FLEX
1		TOTAL PURCH GAS & UNDERGROUND STORAGE	236,616,894	178,918,096	25,518,285	25,779,620	5,593,741	281,178	525,975	-
2		TOTAL DISTRIBUTION O&M	83,702,192	52,012,469	7,425,853	7,815,142	4,985,265	6,257,544	4,953	5,200,966
3		TOTAL CUSTOMER ACCOUNTS	60,713,052	58,697,865	977,111	421,008	304,812	248,134	20,406	43,716
4		TOTAL CUSTOMER SERVICE & INFORMATION	1,542,424	1,412,336	110,098	18,016	1,589	262	46	77
5		TOTAL SALES	161,087	147,501	11,498	1,882	166	27	5	8
6		TOTAL	382,735,649	291,188,266	34,042,845	34,035,667	10,885,573	6,787,145	551,385	5,244,768
		LESS:								
7		GAS PURCHASED COST	235,166,198	177,821,427	25,361,618	25,621,440	5,559,491	279,454	522,768	-
8	904.00	UNCOLLECTIBLES-DIS REVENUE	6,771,837	6,302,481	250,016	219,340	-	-	-	-
9	904.00	UNCOLLECTIBLES-GMB/GTS REVENUE	543,670	(0)	141	11,194	259,896	216,707	17,702	38,030
10	904.00	UNCOLLECTIBLES-UNBUNDLED GAS	1,581,571	1,470,866	56,684	54,021	-	-	-	-
11	904.00	DIRECT USP UNCOLLECTIBLES	42,198,344	42,198,344	-	-	-	-	-	-
12	904.00	UNCOLLECTIBLES-DIS COVID-19 DEFERRAL	936,875	871,940	34,589	30,345	-	-	-	-
13	904.00	UNCOLLECTIBLES-GMB/GTS COVID-19 DEFERRAL	75,216	(0)	20	1,549	35,956	29,981	2,449	5,261
14		TOTAL	287,273,711	228,665,058	25,703,069	25,937,889	5,855,343	526,142	542,919	43,291
15		TOTAL	95,461,938	62,523,209	8,339,777	8,097,777	5,030,230	6,261,003	8,466	5,201,477
16		ALLOCATOR #19	100.000%	65.495%	8.736%	8.483%	5.269%	6.559%	0.009%	5.449%

SOURCE: Exhibit 111, Schedule 1, Pages 7 and 8.

COLUMBIA GAS OF PENNSYLVANIA, INC.
DEVELOPMENT OF ALLOCATION FACTOR 20
FOR THE TWELVE MONTHS ENDED NOVEMBER 30, 2021

ALLOCATED COST OF SERVICE
CUSTOMER/DEMAND

PAGE 1

WITNESS: K. L. Johnson

Line No.	Description	Alloc	Total Company	RS/RDS	SGS1/SCD1/SGDS1	SGS2/SCD2/SGDS2	SDS/LGS	LDS/LGS	FLEX
			Footage	Amount	Unit Cost				
1	2" Pipe		14,749,600	332,598,581	\$22.55				
2	All Pipe		41,264,187	1,703,947,663					
3	Unit Cost of 2" x All Pipe Footage			930,507,417					
4	Customer Component			54.609%					
5	Demand Component			45.391%					
6	Number of Customers (Total Company excl MLDS)		445,896	408,304	31,827	5,206	461	76	22
7	Percent Customers		100.000%	91.569%	7.138%	1.168%	0.103%	0.017%	0.005%
8	Customer Component		54.609%	50.008%	3.898%	0.638%	0.056%	0.009%	0.003%
9	Design Day Volumes (Total Company excl MLDS)		790,600	448,800	87,000	106,100	56,200	47,600	44,900
10	Percent Design Day Volumes		100.000%	56.767%	11.004%	13.420%	7.109%	6.021%	5.679%
11	Demand Component		45.391%	25.767%	4.995%	6.091%	3.227%	2.733%	2.578%
12	Minimum System Allocation Factor		100.000%	75.772%	8.893%	6.729%	3.283%	2.742%	2.581%

**COLUMBIA GAS OF PENNSYLVANIA, INC.
DEVELOPMENT OF ALLOCATION FACTOR 21
HOUSE REGULATORS**

All Customers Excluding Low Pressure Customers

LINE NO.	Rate	RS/RTS	SGSS1/SCD1/SGDS1	SGSS2/SCD2/SGDS2	SDS/LGS	LDS/LGS	MLDS	FLEX	TOTAL
1	RC2	166,484	0	0	0	0	0	0	166,484
2	RS	2,652,848	0	0	0	0	0	0	2,652,848
3	RTC	415,016	0	0	0	0	0	0	415,016
4	LG1	0	0	0	485	0	0	0	485
5	LG2	0	0	0	452	0	0	0	452
6	LG3	0	0	0	0	12	0	0	12
7	LG4	0	0	0	0	14	0	0	14
8	NSI	0	0	0	0	0	12	0	12
9	SGS	0	180,906	0	0	0	0	0	180,906
10	SG2	0	0	25,435	0	0	0	0	25,435
11	SG3	0	249	0	0	0	0	0	249
12	SG4	0	0	495	0	0	0	0	495
13	EDSTIB1	0	0	0	0	0	0	12	12
14	TAG1	0	1,195	0	0	0	0	0	1,195
15	TAG2	0	0	2,431	0	0	0	0	2,431
16	TAG5	0	6,441	0	0	0	0	0	6,441
17	TAG6	0	0	11,843	0	0	0	0	11,843
18	TIB	0	0	0	2,422	0	0	0	2,422
19	TIF	0	0	0	0	300	0	0	300
20	TIG	0	0	0	0	60	0	0	60
21	TIH	0	0	0	0	12	0	0	12
22	TI4	0	0	0	2,098	0	0	0	2,098
23	TI8	0	0	0	0	480	0	0	480
24	TMA	0	0	0	0	0	12	0	12
25	TM1	0	0	0	0	0	24	0	24
26	TM2	0	0	0	0	0	12	0	12
27	TM3	0	0	0	0	0	0	0	0
28	TMB	0	0	0	0	0	36	0	36
29	802	0	0	0	0	0	0	12	12
30	808	0	0	0	0	0	0	12	12
31	809	0	0	0	0	0	0	24	24
32	810	0	0	0	0	0	0	24	24
33	831	0	0	0	0	0	0	12	12
34	833	0	0	0	0	0	0	12	12
35	840	0	0	0	0	0	0	12	12
36	845	0	0	0	0	0	0	12	12
37	846	0	0	0	0	0	0	12	12
38	847	0	0	0	0	0	0	12	12
39	848	0	0	0	0	0	0	12	12
40	857	0	0	0	0	0	0	12	12
41	868	0	0	0	0	0	0	12	12
42	873	0	0	0	0	0	0	12	12
43	875	0	0	0	0	0	0	12	12
44	876	0	0	0	0	0	0	12	12
45	877	0	0	0	0	0	0	12	12
46	879	0	0	0	0	0	0	12	12
47	880	0	0	0	0	0	0	12	12
48	881	0	0	0	0	0	0	12	12
49	882	0	0	0	0	0	0	12	12
50	SCC	0	60,657	0	0	0	0	0	60,657
51	SC2	0	0	10,011	0	0	0	0	10,011
52	Total	3,234,348	249,448	50,215	5,457	878	96	288	3,540,730
53	ALLOCATOR #21	91.347%	7.045%	1.418%	0.154%	0.025%	0.003%	0.008%	100.000%

COLUMBIA GAS OF PENNSYLVANIA, INC.
DEVELOPMENT OF ALLOCATION FACTOR 22
AVERAGE ALLOCATORS 5 & 20

LINE NO.		<u>RSS/RDS</u>	<u>SGS/DS-1</u>	<u>SGS/DS-2</u>	<u>SDS/LGSS</u>	<u>LDS/LGSS</u>	<u>FLEX</u>	TOTAL
1	ALLOCATOR #5	51.093%	9.315%	12.452%	8.083%	10.347%	8.710%	100.000%
2	ALLOCATOR #20	<u>75.772%</u>	<u>8.893%</u>	<u>6.729%</u>	<u>3.283%</u>	<u>2.742%</u>	<u>2.581%</u>	100.000%
3	TOTAL OF BOTH STUDIES	126.865%	18.208%	19.181%	11.366%	13.089%	11.291%	
4	AVERAGE OF BOTH STUDIES	63.433%	9.104%	9.591%	5.683%	6.545%	5.646%	100.000%
5	ALLOCATOR #22	63.433%	9.104%	9.591%	5.683%	6.545%	5.646%	100.000%

COLUMBIA GAS OF PENNSYLVANIA, INC.
DEVELOPMENT OF ALLOCATION FACTOR 23
METERS AND HOUSE REGULATORS - ACCOUNTS 381, 382, 383, & 384

LINE NO.	ACCT. NO.	ACCOUNT	TOTAL	RSS/RDS	SGS/DS-1	SGS/DS-2	SDS/LGSS	LDS/LGSS	MLDS	FLEX
1	381.00	METERS	44,799,656	34,665,078	6,653,645	3,094,312	292,990	73,471	4,928	15,232
2	381.10	AUTOMATIC METER READING	25,134,959	19,448,929	3,733,044	1,736,072	164,383	41,221	2,765	8,546
3	382.00	METER INSTALLATIONS	45,542,208	35,239,650	6,763,929	3,145,600	297,846	74,689	5,010	15,484
4	383.00	HOUSE REGULATORS	17,656,503	16,128,686	1,243,901	250,369	27,191	4,414	530	1,413
5	384.00	HOUSE REG INSTALLATIONS	3,484,788	3,183,250	245,503	49,414	5,367	871	105	279
6		TOTAL	136,618,114	108,665,592	18,640,022	8,275,768	787,776	194,667	13,337	40,954
7		ALLOCATOR #23	100.000%	79.539%	13.644%	6.058%	0.577%	0.142%	0.010%	0.030%

**COLUMBIA GAS OF PENNSYLVANIA, INC.
DEVELOPMENT OF ALLOCATION FACTOR 24
LABOR**

LINE NO.	ACCT. NO.	ACCOUNT	ALLOC FACTOR	TOTAL COMPANY	RSS/RDS	SGS/DS-1	SGS/DS-2	SDS/LGSS	LDS/LGSS	MLDS	FLEX
1	816.00	WELLS	25	-	-	-	-	-	-	-	-
2	817.00	LINES	25	-	-	-	-	-	-	-	-
3	818.00	COMPRESSOR STATION	25	-	-	-	-	-	-	-	-
4	820.00	M & R	25	-	-	-	-	-	-	-	-
5	821.00	PURIFICATION	25	-	-	-	-	-	-	-	-
6	832.00	WELLS	25	-	-	-	-	-	-	-	-
7	834.00	COMPRESSOR STATION	25	-	-	-	-	-	-	-	-
8	836.00	PURIFICATION	25	-	-	-	-	-	-	-	-
9	870.00	SUPERVISION & ENGINEERING	18	5,114,243	3,177,940	453,736	477,517	304,604	382,341	307	317,799
10	871.00	LOAD DISPATCHING	13	282,946	144,557	26,354	35,230	22,868	29,274	23	24,642
11	874.00	MAINS & SERVICES	14	10,060,923	6,122,977	887,072	979,330	619,652	788,072	604	663,216
12	875.00	M & R - GENERAL	13	351,080	179,367	32,700	43,713	28,374	36,323	28	30,576
13	876.00	M & R - INDUSTRIAL	17	229,532	-	3,833	30,413	79,336	76,664	-	39,287
14	878.00	METERS & HOUSE REGULATORS	23	1,089,455	866,542	148,645	65,999	6,286	1,547	109	327
15	879.00	CUSTOMER INSTALLATIONS	15	4,806,287	4,376,797	349,802	64,164	10,286	3,028	-	2,211
16	880.00	OTHER	18	2,331,924	1,449,034	206,888	217,732	138,889	174,335	140	144,906
17	885.00	SUPERVISION & ENGINEERING	18	150,135	93,293	13,320	14,018	8,942	11,224	9	9,329
18	886.00	STRUCTURES AND IMPROVEMENTS	13	7,253	3,706	676	903	586	750	1	632
19	887.00	MAINS	13	3,764,467	1,923,266	350,623	468,714	304,244	389,472	301	327,848
20	889.00	M & R - GENERAL	13	739,901	378,015	68,914	92,125	59,799	76,550	59	64,438
21	890.00	M & R - INDUSTRIAL	17	58,242	0	973	7,717	20,131	19,453	-	9,969
22	892.00	SERVICES	15	1,585,198	1,443,544	115,371	21,162	3,392	999	-	729
23	893.00	METERS & HOUSE REGULATORS	23	147,525	117,340	20,128	8,937	851	210	15	44
24	894.00	OTHER EQUIPMENT	18	542,742	337,255	48,152	50,676	32,326	40,575	33	33,726
25	902.00	METER READING	6	234,234	214,479	16,720	2,736	241	40	7	12
26	903.00	CUSTOMER RECORDS AND COLLECTION EXPENSE	6	929,008	850,655	66,313	10,851	957	158	28	47
25	920.00	SALARIES	19	2,656,607	1,739,945	232,081	225,360	139,977	174,247	239	144,759
26	921.00	OFFICE SUPPLIES & EXPENSES	19	647,134	423,840	56,534	54,896	34,098	42,446	58	35,262
27	923.00	OUTSIDE SERVICES EMPLOYED	19	3,920	2,567	342	333	207	257	0	214
28		TOTAL		35,732,757	23,845,119	3,099,175	2,872,526	1,816,045	2,247,962	1,960	1,849,970
29		ALLOCATOR #24		100.000%	66.733%	8.673%	8.039%	5.082%	6.291%	0.005%	5.177%

NO.	DESCRIPTION	STUDY	EXH	Total	RSS/RDS	SGS/DS-1	SGS/DS-2	SDS/LGSS	LDS/LGSS	MLDS	FLEX
1	DESIGN DAY			790,600,000	448,800,000	87,000,000	106,100,000	56,200,000	47,600,000	0	44,900,000
2	THROUGHPUT EXCLUDING TRANSPORTATION			40,187,696	31,030,925	4,107,511	3,914,532	1,011,865	50,863	72,000	0
3	THROUGHPUT EXCLUDING MLDS			77,266,196	35,096,960	5,891,881	8,873,377	6,997,482	11,336,463	0	9,070,033
4	GAS PURCHASED EXPENSE			235,166,198	177,821,427	25,361,618	25,621,440	5,559,491	279,454	522,768	-
5	PEAK & AVERAGE MAINS	PEAK & AVERAGE	111, SCHEDULE 2	1.00000	0.51093	0.09315	0.12452	0.08083	0.10347	0.00000	0.08710
6	AVERAGE NO. OF CUSTOMERS			445,908	408,304	31,827	5,206	461	76	12	22
7	DISTRIBUTION UNCOLLECTIBLES			10,780,271	10,033,086	397,994	349,191	-	-	-	-
8	CURRENT GMB/GTS REVENUE			60,455,900	-	15,723	1,244,486	28,900,392	24,097,635	1,968,628	4,229,036
9	CUSTOMER DEPOSITS			3,061,609	2,025,505	870,896	159,110	6,098	-	-	-
10	FORFEITED DISCOUNTS			915,979	673,585	82,758	85,266	40,116	27,234	2,217	4,803
11	DIST. PLANT EXCL ACCTS 375.70, 375.71, & 387			3,871,070,515	2,353,502,465	348,308,792	378,112,483	237,468,806	300,450,485	724,436	252,503,047
12	GROSS PLANT			4,061,081,498	2,469,943,835	365,603,615	396,792,497	248,833,468	314,643,168	839,646	264,425,269
13	MAINS - ACCOUNT 376			2,644,109,951	1,350,841,472	246,278,126	329,216,879	213,705,432	273,563,046	222,344	230,282,652
14	COMPOSITE DIRECT PLANT - ACCTS 376 & 380			3,499,281,123	2,129,593,133	308,517,371	340,633,394	215,535,495	274,101,803	222,905	230,677,023
15	SERVICES			682,230,062	621,271,819	49,655,972	9,105,380	1,458,945	426,945	0	311,002
16	METERS			32,941,439	25,489,253	4,892,469	2,275,242	215,583	54,081	3,702	11,110
17	INDUSTRIAL M & R			4,998,000	-	83,468	662,241	1,727,508	1,669,309	-	855,474
18	OTHER DISTRIBUTION O & M EXPENSES			69,807,620	43,378,521	6,193,127	6,517,806	4,157,704	5,218,786	4,119	4,337,558
19	O & M EXCL GAS PUR, UNCOLLECTIBLES, & A & G			95,461,938	62,523,209	8,339,777	8,097,777	5,030,230	6,261,003	8,466	5,201,477
20	CUSTOMER/DEMAND MAINS	CUSTOMER/DEMAND	111, SCHEDULE 1	1.0000	0.75772	0.08893	0.06729	0.03283	0.02742	0.00000	0.02581
21	HOUSE REGULATORS (GPA 383)			3,540,730	3,234,348	249,448	50,215	5,457	878	96	288
22	AVERAGE - ALLOCATORS 5 & 20	AVERAGE STUDY- ALLOCATORS 5 & 20	111, SCHEDULE 3	100.000%	63.433%	9.104%	9.591%	5.683%	6.545%	0%	5.646%
23	METERS			136,618,114	108,665,592	18,640,022	8,275,768	787,776	194,667	13,337	40,954
24	LABOR			35,732,757	23,845,119	3,099,175	2,872,526	1,816,045	2,247,962	1,960	1,849,970
25	SALES AND CHOICE TRANSPORTATION			47,284,578	35,096,960	5,599,368	5,453,523	1,011,865	50,863	72,000	-

Exhibit No. 102
Schedule 3
Page 3 of 6
Witness: K. K. Miller

Columbia Gas of Pennsylvania, Inc.
Statement of Income at Present and Proposed Rates

FTY = Future Test Year TME 11/30/22, FPFTY = Fully Projected Forecasted Test Year Period Ended December 31, 2023

Line No.	Description	FPFTY		FPFTY
		Test Year	Adjustments	@ Proposed Rates
		(8)	(9)	(10)
		\$	\$	\$
1	Operation Revenues			
2	Base Rate Revenues (Incl. Transportation)	534,034,445	82,059,554	616,093,999
3	Fuel Revenues	235,166,198	0	235,166,198
4	Rider USP	42,198,344		42,198,344
5	Gas Procurement Charge	453,307	0	453,307
6	Merchant Function Charge	1,581,571	0	1,581,571
7	Rider CC	47,098	0	47,098
8	Total Sales and Transportation Revenue	813,480,963	82,059,554	895,540,517
9	Off System Sales Revenue	0	0	0
10	Late Payment Fees	915,980	92,399	1,008,379
11	Other Operating Revenues (Excl. Transportation)	108,496	0	108,496
12	Total Operating Revenues	814,505,439	82,151,953	896,657,392
			10.09%	
13	Operating Revenue Deductions			
14	Gas Supply Expense	235,166,198	0	235,166,198
15	Off System Sales Expense	0	0	0
16	Gas Used in Company Operations	0	0	0
17	Operating and Maintenance Expense	245,615,375	1,030,207	246,645,582
18	Depreciation and Amortization	111,589,933	0	111,589,933
19	Net Salvage Amortized	5,134,298	0	5,134,298
20	Taxes Other Than Income Taxes	3,580,973	0	3,580,973
21	Total Operating Revenue Deductions	601,086,777	1,030,207	602,116,984
22	Operating Income Before Income Taxes	213,418,663	81,121,746	294,540,409
23	Income Taxes	32,293,750	23,437,776	55,731,526
24	Investment Tax Credit	(221,354)	0	(221,354)
25	Operating Income	181,346,267	57,683,970	239,030,237
26	Rate Base	2,958,295,013	0	2,958,295,013
27	% Rate of Return Earned on Rate Base	6.13%		8.08%

Columbia Gas of Pennsylvania, Inc.
Revenue @ Current Rates Based on Forecast Adjusted Bills and Volumes
For the 12 Months Ended December 31, 2023

Exhibit No. 103
Schedule No. 1
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Witness: J. Siegler

<u>Line No.</u>	<u>Description</u>	<u>Bills (1)</u>	<u>Volumes (2)</u> DTH	<u>Base Rate (3)</u> \$/DTH	<u>Revenue (4)</u> \$	<u>Average Rate (5)</u> \$/DTH
1 Rate Schedule RSS - Residential Sales Service						
2	Customer Charge	4,116,692		16.75	68,954,591	
3	Commodity Charge:					
4	All Gas Consumed		28,264,906.9	8.3527	236,088,288	
5	Rider USP - Universal Service Plan		28,264,906.9	1.3052	36,891,356	
6	Rider CC - Customer Choice		28,264,906.9	0.0010	28,265	
7	Gas Procurement Charge		28,264,906.9	0.0113	319,393	
8	Subtotal				342,281,893	
9	STAS				0	
10	Base Rate Revenue				342,281,893	
11	Gas Cost		28,264,906.9	5.4943	155,295,878	
12	Merchant Function Charge		28,264,906.9	0.0474	1,339,757	
13	Total Rate Schedule RSS	4,116,692	28,264,906.9		498,917,528	17.6515
14 Rate Schedule CAP - Residential Sales Service CAP						
15	Customer Charge	303,294		16.75	5,080,175	
16	Commodity Charge:					
17	All Gas Consumed		2,766,018.4	8.3527	23,103,722	
18	Gas Procurement Charge		2,766,018.4	0.0113	31,256	
19	Subtotal				28,215,153	
20	STAS				0	
21	Base Rate Revenue				28,215,153	
22	Gas Cost		2,766,018.4	5.4943	15,197,335	
23	Merchant Function Charge		2,766,018.4	0.0474	131,109	
24	Total Rate Schedule CAP	303,294	2,766,018.4		43,543,597	
25 Rate Schedule SGSS - Small General Sales Service (≤ 6,440 Therms Annually)						
26	Customer Charge:					
27	Less Than 6,440 Therms Annually	280,415		29.92	8,390,017	
28	Commodity Charge:					
29	Less Than 6,440 Therms Annually		4,107,510.7	6.2048	25,486,282	
30	Rider CC - Customer Choice		4,107,510.7	0.0010	4,108	
31	Gas Procurement Charge		4,107,510.7	0.0113	46,415	
32	Subtotal				33,926,822	
33	STAS				0	
34	Base Rate Revenue				33,926,822	
35	Gas Cost		4,107,510.7	5.4943	22,567,896	
36	Merchant Function Charge		4,107,510.7	0.0138	56,684	
37	Total Rate Schedule SGSS	280,415	4,107,510.7		56,551,402	13.7678
38 Rate Schedule SGSS - Small General Sales Service (> 6,440 to ≤ 64,400 Therms Annually)						
39	Customer Charge:					
40	>6,440 to ≤ 64,400 Therms Annually	32,889		57.00	1,874,673	
41	Commodity Charge:					
42	>6,440 to ≤ 64,400 Therms Annually		3,914,531.7	5.2647	20,608,835	
43	Rider CC - Customer Choice		3,914,531.7	0.0010	3,915	
44	Gas Procurement Charge		3,914,531.7	0.0113	44,234	
45	Subtotal				22,531,657	
46	STAS				0	
47	Base Rate Revenue				22,531,657	
48	Gas Cost		3,914,531.7	5.4943	21,507,612	
49	Merchant Function Charge		3,914,531.7	0.0138	54,021	
50	Total Rate Schedule SGSS	32,889	3,914,531.7		44,093,290	11.2640

Columbia Gas of Pennsylvania, Inc.
Revenue @ Current Rates Based on Forecast Adjusted Bills and Volumes
For the 12 Months Ended December 31, 2023

Exhibit No. 103
Schedule No. 1
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Witness: J. Siegler

Line No.	Description	Bills (1)	Volumes (2) DTH	Base Rate (3) \$/DTH	Revenue (4) \$	Average Rate (5) \$/DTH
1	Rate Schedule NSS - Negotiated Sales Service					
2	Customer Charge					
3	540,000 - 1,074,000 Therms Annually	12		1,149.00	13,788	
4	Commodity Charge:					
5	540,000 - 1,074,000 Therms Annually		72,000.0	0.3437	24,746	
6	Subtotal		72,000.0		38,534	
7	STAS				0	
8	Base Rate Revenue				38,534	
9	Gas Cost - Commodity		72,000.0	(workpaper)	513,691	
10	Gas Cost - Demand		660.0	(workpaper)	9,077	
11	Total Rate Schedule NSS	12	72,000.0		561,302	7.7959
12	Rate Schedule LGSS - Large General Sales Service					
13	Customer Charge:					
14	> 64,400 to ≤ 110,00 Therms Annually	499		265.00	132,235	
15	>110,000 to ≤ 540,000 Therms Annually	472		1,050.11	495,652	
16	>540,000 to ≤ 1,074,000 Therms Annually	24		2,673.99	64,176	
17	>1,074,000 to ≤ 3,400,000 Therms Annually	14		4,159.15	58,228	
18	>3,400,000 to ≤ 7,400,000 Therms Annually	0		8,020.79	0	
19	> 7,400,000 Therms Annually	0		11,882.42	0	
20	Commodity Charge:					
21	> 64,400 ≤ 110,000 Therms Annually		371,538.7	3.9460	1,466,092	
22	> 110,000 to ≤ 540,000 Therms Annually		640,326.5	3.6893	2,362,357	
23	>540,000 to ≤ 1,074,000 Therms Annually		45,330.3	2.0979	95,098	
24	> 1,074,000 to ≤ 3,400,000 Therms Annually		5,532.3	1.8608	10,295	
25	> 3,400,000 to ≤ 7,500,000 Therms Annually		0.0	1.6699	0	
26	> 7,500,000 Therms Annually		0.0	0.9937	0	
27	Gas Procurement - ≤ 540,000 Therms Annually		1,011,865.2	0.0113	11,434	
28	Gas Procurement - > 540,000 Therms Annually		50,862.6	0.0113	575	
29	STAS - ≤ 540,000 Therms Annually				0	
30	STAS - > 540,000 Therms Annually				0	
31	Base Rate Revenue				4,696,142	
32	Gas Cost - ≤ 540,000 Therms Annually		1,011,865.2	5.4943	5,559,491	
33	Gas Cost - > 540,000 Therms Annually		50,862.6	5.4943	279,454	
34	Total Rate Schedule LGSS	1,009	1,062,727.8		10,535,087	9.9133
35	Tariff Sales Summary by Rate Class					
36	Base Rate Revenue				333,226,776	
37	STAS				0	
38	Rider USP				36,891,356	
39	Merchant Function Charge				1,470,866	
40	Gas Procurement Charge				350,649	
41	Rider CC				28,265	
42	Gas Cost				170,493,213	
43	Total Residential Sales	4,419,986	31,030,925.3		542,461,125	
44	Base Rate Revenue				56,359,807	
45	STAS				0	
46	Merchant Function Charge				110,705	
47	Gas Procurement Charge				90,649	
48	Rider CC				8,023	
49	Gas Cost				44,075,508	
50	Total Small General Sales	313,304	8,022,042.4		100,644,692	
51	Base Rate Revenue				38,534	
52	STAS				0	
53	Gas Cost				522,768	
54	Total Negotiated Sales	12	72,000.0		561,302	
55	Base Rate Revenue				4,684,133	
56	STAS				0	
57	Gas Procurement Charge				12,009	
58	Gas Cost				5,838,945	
59	Total Large General Sales	1,009	1,062,727.8		10,535,087	
60	Total Tariff Sales	4,734,311	40,187,695.5		654,202,206	

Columbia Gas of Pennsylvania, Inc.
Revenue @ Current Rates Based on Forecast Adjusted Bills and Volumes
For the 12 Months Ended December 31, 2023

Exhibit No. 103
Schedule No. 1
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Witness: J. Siegler

Line No.	Description	Bills (1)	Volumes (2) DTH	Base Rate (3) \$/DTH	Revenue (4) \$	Average Rate (5) \$/DTH
1 Rate Schedule RDS - Residential Distribution Service (Choice)						
2	Customer Charge	546,145		16.75	9,147,929	
3	Commodity Charge:					
4	All Gas Consumed		4,066,034.4	8.3527	33,962,366	
5	Rider USP - Universal Service Plan		4,066,034.4	1.3052	5,306,988	
6	Rider CC		<u>4,066,034.4</u>	0.0010	4,066	
7	Subtotal				48,421,349	
8	STAS				0	
9	Base Rate Revenue				48,421,349	
10	Gas Cost		4,066,034.4	1.8023	<u>7,328,214</u>	
11	Total Rate Schedule RDS	546,145	4,066,034.4		55,749,563	13.7110
12 Rate Schedule SCD - Small Commercial Distribution (Choice) ≤ 6,440 Therms						
13	Customer Charge					
14	Less Than 6,440 Therms Annually	92,327		29.92	2,762,424	
15	Commodity Charge:					
16	Less Than 6,440 Therms Annually		1,491,857.2	6.2048	9,256,676	
17	Rider CC		1,491,857.2	0.0010	1,492	
18	Subtotal				12,020,592	
19	STAS				0	
20	Base Rate Revenue				12,020,592	
21	Gas Cost		1,491,857.2	1.8023	<u>2,688,774</u>	
22	Total Rate Schedule SCD ≤ 6,440 Therm	92,327	1,491,857.2		14,709,366	9.8598
23 Rate Schedule SCD - Small Commercial Distribution (Choice) > 6,440 to ≤ 64,400 Therms						
24	Customer Charge					
25	6,440 - 64,400 Therms Annually	12,843		57.00	732,051	
26	Commodity Charge:					
27	6,440 - 64,400 Therms Annually		1,538,990.9	5.2647	8,102,325	
28	Rider CC		1,538,990.9	0.0010	1,539	
29	Subtotal				8,835,915	
30	STAS				0	
31	Base Rate Revenue				8,835,915	
32	Gas Cost		1,538,990.9	1.8023	<u>2,773,723</u>	
33	Total Rate Schedule SCD > 6,440 to ≤ 64,400 Therms	12,843	1,538,990.9		11,609,638	7.5437
34 Rate Schedule SGDS - Small General Distribution Service ≤ 6,440 Therms						
35	Customer Charge:					
36	Less Than 6,440 Therms Annually	11,388		29.92	340,729	
37	Commodity Charge:					
38	Priority 1 - Aggregation					
39	Less Than 6,440 Therms Annually		50,332.3	6.1199	308,029	
40	All Other Aggregation					
41	Less Than 6,440 Therms Annually		242,180.4	6.1199	1,482,120	
42	Rider CC		292,512.7	0.0010	293	
43	Subtotal				2,131,171	
44	STAS				0	
45	Subtotal				2,131,171	
46	Priority 1 Gas Cost		<u>50,332.3</u>	2.0851	<u>104,948</u>	
47	Total Rate Schedule SGDS ≤ 6,440 Therms	11,388	292,512.7		2,236,119	7.6445

Columbia Gas of Pennsylvania, Inc.
Revenue @ Current Rates Based on Forecast Adjusted Bills and Volumes
For the 12 Months Ended December 31, 2023

Exhibit No. 103
Schedule No. 1
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Witness: J. Siegler

Line No.	Description	Bills (1)	Volumes (2) DTH	Base Rate (3) \$/DTH	Revenue (4) \$	Average Rate (5) \$/DTH
1 Rate Schedule SGDS - Small General Distribution Service > 6,440 to ≤ 64,400 Therms						
2	Customer Charge:					
3	6,440 - 64,400 Therms Annually	16,924		57.00	964,668	
4	Commodity Charge:					
5	Priority 1 - Aggregation					
6	6,440 - 64,400 Therms Annually		642,705.6	5.1797	3,329,022	
7	All Other Aggregation					
8	6,440 - 64,400 Therms Annually		2,777,148.9	5.1797	14,384,798	
9	Rider CC		3,419,854.5	0.0010	3,420	
10	Subtotal				18,681,908	
11	STAS				0	
12	Subtotal				18,681,908	
13	Priority 1 Gas Cost		642,705.6	2.0851	1,340,105	
14	Total Rate Schedule SGDS > 6,440 to ≤ 64,400 Therms	16,924	3,419,854.5		20,022,013	5.8546
15 Rate Schedule SDS - Small Distribution Service						
16	Customer Charge:					
17	> 64,400 to ≤ 110,00 Therms Annually	2,142		265.00	567,630	
18	> 110,000 to ≤ 540,000 Therms Annually	2,439		1,050.11	2,561,218	
19	Commodity Charge:	4,581				
20	> 64,400 to ≤ 110,00 Therms Annually		1,546,820.6	3.9460	6,103,754	
21	> 110,000 to ≤ 540,000 Therms Annually		4,423,065.9	3.6893	16,318,017	
22	Rider EDS - > 110,000 to ≤ 540,000 Therms Annually		15,730.7	3.1359	49,330	
23	Subtotal		5,985,617.2		25,599,949	
24	STAS				0	
25	Total Rate Schedule SDS	4,581	5,985,617.2		25,599,949	4.2769
26 Rate Schedule LDS - Large Distribution Service						
27	Customer Charge:					
28	> 540,000 to ≤ 1,074,000 Therms Annually	492		2,673.99	1,315,603	
29	> 1,074,000 to ≤ 3,400,000 Therms Annually	313		4,159.15	1,301,814	
30	> 3,400,000 to ≤ 7,500,000 Therms Annually	60		8,020.79	481,247	
31	> 7,500,000 Therms Annually	12		11,882.42	142,589	
32	Total	877			3,241,253	
33	Commodity Charge:					
34	> 540,000 to ≤ 1,074,000 Therms Annually		3,201,600.2	2.0979	6,716,637	
35	> 1,074,000 to ≤ 3,400,000 Therms Annually		4,986,000.0	1.8608	9,277,949	
36	> 3,400,000 to ≤ 7,500,000 Therms Annually		2,018,000.0	1.6699	3,369,858	
37	> 7,500,000 Therms Annually		1,080,000.0	0.9937	1,073,196	
38	Total Deliveries		11,285,600.2		20,437,640	
39	Subtotal				23,678,893	
40	STAS				0	
41	Total Rate Schedule LDS	877	11,285,600.2		23,678,893	2.0982
42 Rate Schedule MLDS - Main Line Distribution Service - Class I						
43	Customer Charge:					
44	> 274,000 to ≤ 540,000 Therms Annually	36		469.34	16,896	
45	> 540,000 to ≤ 1,074,000 Therms Annually	12		1,149.00	13,788	
46	> 1,074,000 to ≤ 3,400,000 Therms Annually	0		2,050.00	0	
47	> 3,400,000 to ≤ 7,500,000 Therms Annually	0		4,096.00	0	
48	> 7,500,000 Therms Annually	0		7,322.00	0	
49	Total	48			30,684	
50	Commodity Charge:					
51	All Gas Consumed		609,000.0	0.0937	57,063	
52	Subtotal				87,747	
53	STAS				0	
54	Total Rate Schedule MLDS - Class I	48	609,000.0		87,747	0.1441

Columbia Gas of Pennsylvania, Inc.
Revenue @ Current Rates Based on Forecast Adjusted Bills and Volumes
For the 12 Months Ended December 31, 2023

Exhibit No. 103
Schedule No. 1
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Witness: J. Siegler

Line No.	Description	Bills (1)	Volumes (2) DTH	Base Rate (3) \$/DTH	Revenue (4) \$	Average Rate (5) \$/DTH
1 Rate Schedule MLDS - Main Line Distribution Service - Class II						
2	Customer Charge:					
3	> 2,146,000 to ≤ 3,400,000 Therms Annually	25		2,050.00	51,250	
4	> 3,400,000 to ≤ 7,500,000 Therms Annually	61		4,096.00	249,856	
5	> 7,500,000 Therms Annually	0		7,322.00	0	
6	Total	86			301,106	

7	Commodity Charge:				
8	> 2,146,000 to ≤ 3,400,000 Therms Annually	733,722.4	0.4481	328,781	
9	> 3,400,000 to ≤ 7,500,000 Therms Annually	1,779,391.2	0.3876	689,692	
10	> 7,500,000 Therms Annually	0.0	0.3355	0	
11	Total Deliveries	2,513,113.6		1,018,473.0	
12	Subtotal			1,319,579	
13	STAS			0	
14	Total Rate Schedule MLDS - Class II	86	2,513,113.6	1,319,579	0.5251
15 Flexible Rate and Negotiated Contract Services					
16	Flex Customer Charge:				
17	SGDS-1 Less Than 6,440 Therms Annually	0	29.9	0	
18	SGDS-2 >6,440 to ≤ 64,400 Therms Annually	36	57.0	2,052	
19	SDS > 64,400 to ≤ 110,000 Therms Annually	12	265.0	3,180	
20	SDS > 110,000 to ≤ 540,000 Therms Annually	24	1,050.1	25,203	
21	LDS > 540,000 to ≤ 1,074,000 Therms Annually	12	2,674.0	32,088	
22	LDS >1,074,000 to ≤ 3,400,000 Therms Annually	0	4,159.2	0	
23	LDS > 3,400,000 to ≤ 7,500,000 Therms Annually	0	8,020.8	0	
24	LDS > 7,500,000 Therms Annually	0	11,882.4	0	
25	MDS-I > 274,000 to ≤ 540,000 Therms Annually	0	469.3	0	
26	MDS-I > 540,000 to ≤ 1,074,000 Therms Annually	0	1,149.0	0	
27	MDS-I > 1,074,000 to ≤ 3,400,000 Therms Annually	0	2,050.0	0	
28	MDS-I > 3,400,000 to ≤ 7,500,000 Therms Annually	0	4,096.0	0	
29	MDS-I > 7,500,000 Therms Annually	12	7,322.0	87,864	
30	MDS-II > 2,146,000 to ≤ 3,400,000 Therms Annually	0	2,050.0	0	
31	MDS-II > 3,400,000 to ≤ 7,500,000 Therms Annually	12	4,096.0	49,152	
32	MDS-II > 7,500,000 Therms Annually	0	7,322.0	0	
33	Total Flex Customer Charge	108		199,539	
34	Negotiated Contract Service Customer Charge:	156	(workpaper)	1,324,432	
35	Commodity Charge:				
36	All Gas Consumed		11,978,033.0 (workpaper)	2,741,919	
37	Subtotal			4,265,890	
38	STAS			0	
39	Total Flexible Rate and Negotiated Contract Services	264	11,978,033.0	4,265,890	

Columbia Gas of Pennsylvania, Inc.
Revenue @ Current Rates Based on Forecast Adjusted Bills and Volumes
For the 12 Months Ended December 31, 2023

Exhibit No. 103
Schedule No. 1
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Witness: J. Siegler

Line No.	Description	Bills (1)	Volumes (2) DTH	Base Rate (3) \$/DTH	Revenue (4) \$	Average Rate (5) \$/DTH
		(Ex 103, Sch 2)	(Ex 103, Sch 3)			
1	Distribution Service Summary by Rate Class					
2	Base Rate Revenue				43,110,295	
3	STAS				0	
4	Rider USP				5,306,988	
5	Rider CC				4,066	
6	Gas Cost				7,328,214	
7	Total Residential Distribution Service	546,145	4,066,034.4		55,749,563	
8	Base Rate Revenue				41,662,842	
9	STAS				0	
10	Rider CC				6,744	
11	Gas Cost				6,907,550	
12	Total Small General Distribution Service (SCD, SC	133,482	6,743,215.3		48,577,136	
13	Base Rate Revenue				25,599,949	
14	STAS				0	
15	Total Small Distribution Service (SDS)	4,581	5,985,617.2		25,599,949	
16	Base Rate Revenue				23,678,893	
17	STAS				0	
18	Total Large Distribution Service	877	11,285,600.2		23,678,893	
19	Base Rate Revenue				1,407,326	
20	STAS				0	
21	Total Main Line Distribution Service	134.0	3,122,113.6		1,407,326	
22	Base Rate Revenue				4,265,890	
23	STAS				0	
24	Total Flexible Rate and Negotiated Contract Service	264	11,978,033.0		4,265,890	
25	Total Distribution Service	685,483	43,180,613.7		159,278,757	
26	Total Company Throughput	5,419,794	83,368,309.2		813,480,963	
27	Other Operating Revenue					
28	487 - Forfeited Discounts				915,980	
29	488 - Miscellaneous Service Revenues				98,441	
30	493 - Rent from Gas Property				0	

31	495 - Prior Yr. Rate Refund - Net.	0
32	495 - Off System Sales	0
33	495 - Other Gas Revenues - Other	10,055
34	496 - Provision For Rate Refunds	0
35	Total Other Operating Revenue	1,024,476
36	Total Company Revenue	814,505,439

PAGES 1/6 - PROFORMA @ PROPOSED RATES		PROPOSED REVENUES (FROM RATE DESIGN WITNESS) FOR FPFTY TME 12/31/2023								
ACCT		ALLOC. FACTOR	TOTAL CO.	RSS/RDS	SGS/DS-1	SGS/DS-2	SDS/LGSS	LDS/LGSS	MLDS	FLEX
480/481	SALES BASE REVENUE		449,885,130	379,658,661	38,757,413	25,783,219	5,369,472	277,831	38,534	
	USP REVENUE		40,105,076	40,105,076						
	STAS REVENUE		-	-	-	-	-	-	-	
	RIDER CC - CUSTOMER CHOICE		36,288	28,265	4,108	3,915				
	GAS PROCUREMENT REVENUE		453,307	350,649	46,415	44,234	11,434	575		
	GAS COST REVENUE		220,930,434	170,493,213	22,567,896	21,507,612	5,559,491	279,454	522,768	
	MERCHANT FUNCTION CHARGE		1,581,571	1,470,866	56,684	54,021				
489.00	TRANSPORTATION BASE REVENUE		162,532,796	49,388,090	16,188,239	31,544,855	30,845,636	28,879,596	1,407,326	4,279,054
	USP REVENUE		5,769,296	5,769,296						
	STAS REVENUE		-	-	-	-	-	-	-	
	RIDER CC - CUSTOMER CHOICE		10,810	4,066	1,785	4,959				
	FLEX REVENUE		-	-	-	-	-	-	-	
	GAS COST REVENUE		14,235,764	7,328,214	2,793,722	4,113,828				
	MERCHANT FUNCTION CHARGE		-	-	-	-	-	-	-	
487.00	FORFEITED DISCOUNTS	10	1,008,379	-	-	-	-	-	-	
488.00	MISCELLANEOUS REVENUE	6	98,441	-	-	-	-	-	-	
493.00	RENTS	11	-	-	-	-	-	-	-	
495.00	OTHER	6	10,055	-	-	-	-	-	-	

PAGES 2/6 - OPERATING REVENUES @ CURRENT RATES		REVENUES (EXH 103, SCH 1) FOR FPFTY TME 12/31/2022								
ACCT		ALLOC. FACTOR	TOTAL CO.	RSS/RDS	SGS/DS-1	SGS/DS-2	SDS/LGSS	LDS/LGSS	MLDS	FLEX
480/481	SALES BASE REVENUE		394,309,250	333,226,776	33,876,299	22,483,508	4,456,336	227,797	38,534	
	USP REVENUE		36,891,356	36,891,356						
	STAS REVENUE		-	-	-	-	-	-	-	
	RIDER CC - CUSTOMER CHOICE		36,288	28,265	4,108	3,915				
	GAS PROCUREMENT REVENUE		453,307	350,649	46,415	44,234	11,434	575		
	GAS COST REVENUE		220,930,434	170,493,213	22,567,896	21,507,612	5,559,491	279,454	522,768	
	MERCHANT FUNCTION CHARGE		1,581,571	1,470,866	56,684	54,021				
489.00	TRANSPORTATION BASE REVENUE		139,725,195	43,110,295	14,149,978	27,512,864	25,599,949	23,678,893	1,407,326	4,265,890
	USP REVENUE		5,306,988	5,306,988						
	STAS REVENUE		-	-	-	-	-	-	-	
	RIDER CC - CUSTOMER CHOICE		10,810	4,066	1,785	4,959				
	FLEX REVENUE		-	-	-	-	-	-	-	
	GAS COST REVENUE		14,235,764	7,328,214	2,793,722	4,113,828				
	MERCHANT FUNCTION CHARGE		-	-	-	-	-	-	-	
487.00	FORFEITED DISCOUNTS	10	915,980	-	-	-	-	-	-	
488.00	MISCELLANEOUS REVENUE	6	98,441	-	-	-	-	-	-	
493.00	RENTS	11	-	-	-	-	-	-	-	
495.00	OTHER	6	10,055	-	-	-	-	-	-	

	RSS/RDS	SGS/DS-1	SGS/DS-2	SDS/LGSS	LDS/LGSS	MLDS	FLEX
DIS REVENUE	598,210,688	73,481,164	74,480,455	6,726,818	89,083		36,854
GMB/GTS REVENUE		15,723	1,244,486	28,900,392	24,097,635	1,968,628	4,229,036
TOTAL	598,210,688	73,496,887	75,724,941	35,627,210	24,186,718	1,968,628	4,265,890

CURRENT RATES		REVENUE FPFTY TME 12/2023		
	DIS	GMB/GTS	TOTAL	
RSS	498,917,528		498,917,528	
RCC	43,543,597		43,543,597	
SGSS1	56,540,092	11,310	56,551,402	
SGSS2	43,087,963	1,005,327	44,093,290	
NSS		561,302	561,302	
RDS	55,749,563		55,749,563	
SCD1	14,704,953	4,413	14,709,366	
SCD2	11,370,479	239,159	11,609,638	
SGDS1	2,236,119		2,236,119	
SGDS2	20,022,013		20,022,013	
LGSS1	6,726,818	3,300,443	10,027,261	
LGSS2	89,083	418,742	507,825	
SDS		25,599,949	25,599,949	
LDS		23,678,893	23,678,893	
MLDS,I		87,747	87,747	
MLDS,II		1,319,579	1,319,579	
FLEX	36,854	4,229,036	4,265,890	
TOTAL	753,025,062	60,455,900	813,480,962	

PROPOSED RATES		REVENUE FPFTY TME 12/2023		
	DIS	GMB/GTS	TOTAL	
RSS	548,563,133		548,563,133	
RCC	43,543,597		43,543,597	
SGSS1	61,421,206	11,310	61,432,516	
SGSS2	46,387,674	1,005,327	47,393,001	
NSS		561,302	561,302	
RDS	62,489,666		62,489,666	
SCD1	16,436,751	4,413	16,441,164	
SCD2	12,667,025	239,159	12,906,184	
SGDS1	2,542,582		2,542,582	
SGDS2	22,757,458		22,757,458	
LGSS1	7,639,954	3,300,443	10,940,397	
LGSS2	139,118	418,742	557,860	
SDS		30,845,636	30,845,636	
LDS		28,879,596	28,879,596	
MLDS,I		87,747	87,747	
MLDS,II		1,319,579	1,319,579	
FLEX	14,556	4,264,498	4,279,054	
TOTAL	824,588,164	66,673,254	895,540,472	

Out of Balance

Forfeited Discount Rate: 0.112600000%

0

3,605,250

49,330

0

		CURRENT (exh 103)						PROPOSED (from Rate Design Witness)							
		RSS/RDS	SGS/DS-1	SGS/DS-2	SDS/LGSS	LDS/LGSS	MLDS	FLEX	RSS/RDS	SGS/DS-1	SGS/DS-2	SDS/LGSS	LDS/LGSS	MLDS	FLEX
534,034,445	BASE REVENUE														
	RSS	305,042,879							351,474,764						
	RCC	28,183,897							28,183,897						
	RDS	43,110,295							49,388,090						
	SGSS		33,876,299	22,483,508			38,534			38,757,413	25,783,219			38,534	
	NSS														
	SCD		12,019,100	8,834,376					13,750,898	10,130,922					
	SGDS		2,130,878	18,678,488					2,437,341	21,413,933					
	LGS				4,456,336	227,797						5,369,472	277,831		
	SDS				25,599,949			2,052				30,845,636			
	LDS							28,383							
	MLDS						1,407,326	32,088					28,879,596	1,407,326	4,279,054
	USP REVENUE														
42,198,344	RSS	36,891,356							40,105,076						
	RCC	0							0						
	RDS	5,306,988							5,769,296						
	SGSS		0	0			0			0	0			0	
	NSS														
	SCD		0	0					0	0					
	SGDS		0	0					0	0					
	LGS					0						0	0		
	SDS					0						0			
	LDS												0		
	MLDS													0	
0	STAS REVENUE														
	RSS	0							0						
	RCC	0							0						
	RDS	0							0						
	SGSS		0	0			0			0	0			0	
	NSS														
	SCD		0	0					0	0					
	SGDS		0	0					0	0					
	LGS					0						0	0		
	SDS					0						0			
	LDS												0		
	MLDS													0	
47,098	RIDER CC - CUSTOMER CHOICE														
	RSS	28,265							28,265						
	RCC	0							0						
	RDS	4,066							4,066						
	SGSS		4,108	3,915			0			4,108	3,915			0	
	NSS														
	SCD		1,492	1,539					1,492	1,539					
	SGDS		293	3,420					293	3,420					
	LGS					0						0	0		
	SDS					0						0			
	LDS												0		
	MLDS													0	
453,307	GAS PROCUREMENT CHARGE														
	RSS	319,393							319,393						
	RCC	31,256							31,256						
	RDS	0							0						
	SGSS		46,415	44,234			0			46,415	44,234			0	
	NSS														
	SCD		0	0					0	0					
	SGDS		0	0					0	0					
	LGS				11,434	575						11,434	575		
	SDS					0						0			
	LDS												0		
	MLDS													0	
0	FLEXED REVENUE														
	RSS	0													
	RDGSS	0													
	RCC	0													
	RDS	0													
	SGSS		0	0			0							0	
	NSS														
	SCD		0	0											
	SGDS		0	0											
	LGS					0						0	0		
	SDS					0						0			
	LDS												0		
	MLDS													0	
235,166,198	GAS COST REVENUE														
	RSS	155,295,878							155,295,878						
	RCC	15,197,335							15,197,335						
	RDS	7,328,214							7,328,214						
	SGSS		22,567,896	21,507,612			522,768			22,567,896	21,507,612			522,768	
	NSS														
	SCD		2,688,774	2,773,723					2,688,774	2,773,723					
	SGDS		104,948	1,340,105					104,948	1,340,105					
	LGS				5,559,491	279,454						5,559,491	279,454		
	SDS					0						0			
	LDS												0		
	MLDS													0	
1,581,571	MERCHANT FUNCTION CHARGE														
	RSS	1,339,757							1,339,757						
	RCC	131,109							131,109						
	RDS	0							0						
	SGSS		56,684	54,021			0			56,684	54,021			0	
	NSS														
	SCD		0	0					0	0					
	SGDS		0	0					0	0					
	LGS					0						0	0		
	SDS					0						0			
	LDS												0		
	MLDS													0	
813,480,963															

895,540,472

Columbia Gas of Pennsylvania, Inc.
Revenue @ Proposed Rates Based on Forecast Adjusted Bills and Volumes
For the 12 Months Ended December 31, 2023

Exhibit No. 103
Schedule No. 7
Page 6 of 10
Witness: J. Siegler

Line No.	Description	Bills (1) (Ex 103, Sch 2)	Volumes (2) Dth (Ex 103, Sch 3)	Base Rate (3) \$/Dth	Revenue (4) \$	Average Rate (5) \$/Dth
1	Rate Schedule RSS - Residential Sales Service					
2	Customer Charge	4,116,692		25.47	104,852,145	
3	Commodity Charge:					
4	All Gas Consumed		28,264,906.9	8.7254	246,622,619	
5	Rider USP - Universal Service Plan		28,264,906.9	1.4189	40,105,076	
6	Rider CC		28,264,906.9	0.0010	28,265	
7	Gas Procurement Charge		28,264,906.9	0.0113	319,393	
8	Subtotal				391,927,498	
9	STAS				0	
10	Base Rate Revenue				391,927,498	
11	Gas Cost		28,264,906.9	5.4943	155,295,878	
12	Merchant Function Charge		28,264,906.9	0.0474	1,339,757	
13	Total Rate Schedule RSS	4,116,692	28,264,906.9		548,563,133	19.4079
14	Rate Schedule CAP - Residential Sales Service CAP					
15	Customer Charge	303,294		25.47	7,724,898	
16	Commodity Charge:					
17	All Gas Consumed		2,766,018.4	8.7254	24,134,617	
18	Redistribution of CAP Shortfall resulting from proposed rates				(3,675,618)	
19	Gas Procurement Charge		2,766,018.4	0.0113	31,256	
20	Subtotal				28,215,153	
21	STAS				0	
22	Base Rate Revenue				28,215,153	
23	Gas Cost		2,766,018.4	5.4943	15,197,335	
24	Merchant Function Charge		2,766,018.4	0.0474	131,109	
25	Total Rate Schedule CAP	303,294	2,766,018.4		43,543,597	15.7423
26	Rate Schedule SGSS - Small General Sales Service (≤ 6,440 Therms Annually)					
27	Customer Charge:					
28	≤ 6,440 Therms Annually	280,415		34.23	9,598,605	
29	Commodity Charge:					
30	≤ 6,440 Therms Annually		4,107,510.7	7.0989	29,158,808	
31	Rider CC		4,107,510.7	0.0010	4,108	
32	Gas Procurement Charge		4,107,510.7	0.0113	46,415	
33	Subtotal				38,807,936	
34	STAS				0	
35	Base Rate Revenue				38,807,936	
36	Gas Cost		4,107,510.7	5.4943	22,567,896	
37	Merchant Function Charge		4,107,510.7	0.0138	56,684	
38	Total Rate Schedule SGSS	280,415	4,107,510.7		61,432,516	14.9561
39	Rate Schedule SGSS - Small General Sales Service (> 6,440 to ≤ 64,400 Therms Annually)					
40	Customer Charge:					
41	> 6,440 to ≤ 64,400 Therms Annually	32,889		65.3600	2,149,625	
42	Commodity Charge:					
43	> 6,440 to ≤ 64,400 Therms Annually		3,914,531.7	6.0374	23,633,594	
44	Rider CC		3,914,531.7	0.0010	3,915	
45	Gas Procurement Charge		3,914,531.7	0.0113	44,234	
46	Subtotal				25,831,368	
47	STAS				0	
48	Base Rate Revenue				25,831,368	
49	Gas Cost		3,914,531.7	5.4943	21,507,612	
50	Merchant Function Charge		3,914,531.7	0.0138	54,021	
51	Total Rate Schedule SGSS	32,889	3,914,531.7		47,393,001	12.1069

Columbia Gas of Pennsylvania, Inc.
Revenue @ Proposed Rates Based on Forecast Adjusted Bills and Volumes
For the 12 Months Ended December 31, 2023

Exhibit No. 103
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Line No.	Description	Bills (1) (Ex 103, Sch 2)	Volumes (2) Dth (Ex 103, Sch 3)	Base Rate (3) \$/Dth	Revenue (4) \$	Average Rate (5) \$/Dth
1	Rate Schedule NSS - Negotiated Sales Service					
2	Customer Charge					
3	>540,000 to ≤ 1,074,000 Therms Annually	12		1,149.00	13,788	
4	Commodity Charge:					
5	>540,000 to ≤ 1,074,000 Therms Annually		72,000.0	0.3437	24,746	
6	Subtotal		72,000.0		38,534	
7	STAS				0	
8	Base Rate Revenue				38,534	
9	Gas Cost - Commodity		72,000.0 (workpaper)		513,691	
10	Gas Cost - Demand		660.0		9,077	
11	Total Rate Schedule NSS	12	72,000.0		561,302	7.7959

12 **Rate Schedule LGSS - Large General Sales Service**

13	Customer Charge:				
14	≤ 110,000 Therms Annually	499		319.30	159,331
15	> 110,000 to ≤540,000 Therms Annually	472		1,265.29	597,217
16	> 540,000 to ≤1,074,000 Therms Annually	24		3,261.28	78,271
17	> 1,074,000 to ≤ 3,400,000 Therms Annually	14		5,072.62	71,017
18	> 3,400,000 to ≤7,500,000 Therms Annually	0		9,782.40	0
19	> 7,500,000. Therms Annually	0		14,492.16	0
20	Commodity Charge:				
21	≤ 110,000 Therms Annually		371,538.7	4.7545	1,766,481
22	> 110,000 to ≤540,000 Therms Annually		640,326.5	4.4453	2,846,443
23	> 540,000 to ≤1,074,000 Therms Annually		45,330.3	2.5587	115,987
24	> 1,074,000 to ≤ 3,400,000 Therms Annually		5,532.3	2.2695	12,556
25	> 3,400,000 to ≤7,500,000 Therms Annually		0.0	2.0367	0
26	> 7,500,000. Therms Annually		0.0	1.2118	0
27	Subtotal		1,062,727.8		5,647,303
28	Gas Procurement Charge				
29	≤ 540,000 Therms Annually		1,011,865.2	0.0113	11,434
30	> 540,000 Therms Annually		50,862.6	0.0113	575
31	Subtotal				5,659,312
32	STAS - ≤ 540,000 Therms Annually				0
33	STAS - > 540,000 Therms Annually				0
34	Base Rate Revenue				5,659,312
35	Gas Cost - ≤ 540,000 Therms Annually		1,011,865.2	5.4943	5,559,491
36	Gas Cost - > 540,000 Therms Annually		50,862.6	5.4943	279,454
37	Total Rate Schedule LGSS	1,009	1,062,727.8		11,498,257

10.8196

38	Tariff Sales Summary by Rate Class			
39	Base Rate Revenue			379,658,661
40	STAS			0
41	Rider USP			40,105,076
42	Merchant Function Charge			1,470,866
43	Gas Procurement Charge			350,649
44	Rider CC			28,265
45	Gas Cost			<u>170,493,213</u>
46	Total Residential Sales	4,419,986	31,030,925.3	592,106,730
47	Base Rate Revenue			64,540,632
48	STAS			0
49	Merchant Function Charge			110,705
50	Gas Procurement Charge			90,649
51	Rider CC			8,023
52	Gas Cost			<u>44,075,508</u>
53	Total Small General Sales	313,304	8,022,042.4	108,825,517
54	Base Rate Revenue			38,534
55	STAS			0
56	Gas Cost			<u>522,768</u>
57	Total Negotiated Sales	12	72,000.0	561,302
58	Base Rate Revenue			5,647,303
59	STAS			0
60	Gas Procurement Charge			12,009
61	Gas Cost			<u>5,838,945</u>
62	Total Large General Sales	1,009	1,062,727.8	11,498,257
63	Total Tariff Sales	4,734,311	40,187,695.5	712,991,806

Columbia Gas of Pennsylvania, Inc.
Revenue @ Proposed Rates Based on Forecast Adjusted Bills and Volumes
For the 12 Months Ended December 31, 2023

Exhibit No. 103
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Line No.	Description	Bills (1) (Ex 103, Sch 2)	Volumes (2) Dth (Ex 103, Sch 3)	Base Rate (3) \$/Dth	Revenue (4) \$	Average Rate (5) \$/Dth
1 Rate Schedule RDS - Residential Distribution Service (Choice)						
2	Customer Charge	546,145		25.47	13,910,313	
3	Commodity Charge:					
4	All Gas Consumed		4,066,034.4	8.7254	35,477,777	
5	Rider USP - Universal Service Plan		4,066,034.4	1.4189	5,769,296	
6	Rider CC		4,066,034.4	0.0010	4,066	
7	Subtotal				55,161,452	
8	STAS				0	
9	Base Rate Revenue				55,161,452	
10	Gas Cost		4,066,034.4	1.8023	7,328,214	
11	Total Rate Schedule RDS	546,145	4,066,034.4		62,489,666	15.3687
12 Rate Schedule SCD - Small Commercial Distribution (Choice) ≤ 6,440 Therms						
13	Customer Charge					
14	≤ 6,440 Therms Annually	92,327		34.23	3,160,353	
15	Commodity Charge:					
16	≤ 6,440 Therms Annually		1,491,857.2	7.0989	10,590,545	
17	Rider CC		1,491,857.2	0.0010	1,492	
18	Subtotal				13,752,390	
19	STAS				0	
20	Base Rate Revenue				13,752,390	
21	Gas Cost		1,491,857.2	1.8023	2,688,774	
22	Total Rate Schedule SCD	92,327	1,491,857.2		16,441,164	11.0206
23 Rate Schedule SCD - Small Commercial Distribution (Choice) > 6,440 to ≤ 64,400 Therms						
24	Customer Charge					
25	> 6,440 to ≤ 64,400 Therms Annually	12,843		65.36	839,418	
26	Commodity Charge:					
27	> 6,440 to ≤ 64,400 Therms Annually		1,538,990.9	6.0374	9,291,504	
28	Rider CC		1,538,990.9	0.0010	1,539	
29	Subtotal				10,132,461	
30	STAS				0	
31	Base Rate Revenue				10,132,461	
32	Gas Cost		1,538,990.9	1.8023	2,773,723	
33	Total Rate Schedule SCD	12,843	1,538,990.9		12,906,184	8.3861
34 Rate Schedule SGDS - Small General Distribution Service ≤ 6,440 Therms						
35	Customer Charge:					
36	≤ 6,440 Therms Annually	11,388		34.23	389,811	
37	Commodity Charge:					
38	Priority 1 - Aggregation					
39	≤ 6,440 Therms Annually		50,332	6.9998	352,316	
40	All Other - Aggregation					
41	≤ 6,440 Therms Annually		242,180.4	6.9998	1,695,214	
42	Rider CC		292,512.7	0.0010	293	
43	Subtotal				2,437,634	
44	STAS				0	
45	Subtotal				2,437,634	
46	Priority 1 Gas Cost		50,332.3	2.0851	104,948	
47	Total Rate Schedule SGDS	11,388	292,512.7		2,542,582	8.6922
48 Rate Schedule SGDS - Small General Distribution Service > 6,440 to ≤ 64,400 Therms						
49	Customer Charge:					
50	> 6,440 to ≤ 64,400 Therms Annually	16,924		65.36	1,106,153	
51	Commodity Charge:					
52	Priority 1 - Aggregation					
53	> 6,440 to ≤ 64,400 Therms Annually		642,705.6	5.9382	3,816,514	
54	All Other - Aggregation					
55	> 6,440 to ≤ 64,400 Therms Annually		2,777,148.9	5.9382	16,491,266	
56	Rider CC		3,419,854.5	0.0010	3,420	
57	Subtotal				21,417,353	
58	STAS				0	
59	Subtotal				21,417,353	
60	Priority 1 Gas Cost		642,705.6	2.0851	1,340,105	
61	Total Rate Schedule SGDS	16,924	3,419,854.5		22,757,458	6.6545

Columbia Gas of Pennsylvania, Inc.
Revenue @ Proposed Rates Based on Forecast Adjusted Bills and Volumes
For the 12 Months Ended December 31, 2023

Exhibit No. 103
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Witness: J. Siegler

Line No.	Description	Bills (1) (Ex 103, Sch 2)	Volumes (2) Dth (Ex 103, Sch 3)	Base Rate (3) \$/Dth	Revenue (4) \$	Average Rate (5) \$/Dth
1 Rate Schedule SDS - Small Distribution Service						

2	Customer Charge:				
3	> 64,400 to ≤ 110,00 Therms Annually	2,142		319.30	683,941
4	> 110,000 to ≤ 540,000 Therms Annually	2,439		1,265.29	3,086,042
5	Commodity Charge:	4,581			
6	> 64,400 to ≤ 110,00 Therms Annually		1,546,820.6	4.7545	7,354,359
7	> 110,000 to ≤ 540,000 Therms Annually		<u>4,423,065.9</u>	4.4453	19,661,855
8	Rider EDS - > 110,000 to ≤ 540,000 Therms Annually		<u>15,730.7</u>	3.7785	<u>59,439</u>
9	Subtotal		5,985,617.2		30,845,636
10	STAS				0
11	Total Rate Schedule SDS	4,581	5,985,617.2		30,845,636
					5.1533
12	<u>Rate Schedule LDS - Large Distribution Service</u>				
13	Customer Charge:				
14	> 540,000 to ≤ 1,074,000 Therms Annually	492		3,261.28	1,604,550
15	> 1,074,000 to ≤ 3,400,000 Therms Annually	313		5,072.62	1,587,730
16	> 3,400,000 to ≤ 7,500,000 Therms Annually	60		9,782.40	586,944
17	> 7,500,000 Therms Annually	<u>12</u>		14,492.16	<u>173,906</u>
18	Total	877			3,953,130
19	Commodity Charge:				
20	> 540,000 to ≤ 1,074,000 Therms Annually		3,201,600.2	2.5587	8,191,934
21	> 1,074,000 to ≤ 3,400,000 Therms Annually		4,986,000.0	2.2695	11,315,727
22	> 3,400,000 to ≤ 7,500,000 Therms Annually		2,018,000.0	2.0367	4,110,061
23	> 7,500,000 Therms Annually		<u>1,080,000.0</u>	1.2118	<u>1,308,744</u>
24	Total Deliveries		11,285,600.2		24,926,466
25	Subtotal				28,879,596
26	STAS				0
27	Total Rate Schedule LDS	877	11,285,600.2		28,879,596
					2.5590
28	<u>Rate Schedule MLDS - Main Line Distribution Service - Class I</u>				
29	Customer Charge:				
30	> 274,000 to ≤ 540,000 Therms Annually	36		469.34	16,896
31	> 540,000 to ≤ 1,074,000 Therms Annually	12		1,149.00	13,788
32	> 1,074,000 to ≤ 3,400,000 Therms Annually	0		2,050.00	0
33	> 3,400,000 to ≤ 7,500,000 Therms Annually	0		4,096.00	0
34	> 7,500,000 Therms Annually	0		7,322.00	0
35	Total	24			30,684
35	Commodity Charge:				
36	All Gas Consumed		609,000.0	0.0937	57,063
37	Subtotal				87,747
38	STAS				0
39	Total Rate Schedule MLDS - Class I	24	609,000.0		87,747
					0.1441
40	<u>Rate Schedule MLDS - Main Line Distribution Service - Class II</u>				
41	Customer Charge:				
42	> 2,146,000 to ≤ 3,400,000 Therms Annually	25		2,050.00	51,250
43	> 3,400,000 to ≤ 7,500,000 Therms Annually	61		4,096.00	249,856
44	> 7,500,000 Therms Annually	0		7,322.00	0
45	Total	86			301,106
46	Commodity Charge:				
47	> 2,146,000 to ≤ 3,400,000 Therms Annually		733,722.4	0.4481	328,781
48	> 3,400,000 to ≤ 7,500,000 Therms Annually		1,779,391.2	0.3876	689,692
49	> 7,500,000 Therms Annually		<u>0.0</u>	0.3355	<u>0</u>
50	Total Deliveries		2,513,113.6		1,018,473
51	Subtotal				1,319,579
52	STAS				0
53	Total Rate Schedule MLDS - Class II	86	2,513,113.6		1,319,579
					0.5251

**Columbia Gas of Pennsylvania, Inc.
Revenue @ Proposed Rates Based on Forecast Adjusted Bills and Volumes
For the 12 Months Ended December 31, 2023**

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<u>Line No.</u>	<u>Description</u>	<u>Bills</u> (1)	<u>Volumes</u> (2) Dth	<u>Base Rate</u> (3) \$/Dth	<u>Revenue</u> (4) \$	<u>Average Rate</u> (5) \$/Dth
1	<u>Flexible Rate and Negotiated Contract Services</u>					
2	Flex Customer Charge:					
3	SGDS-1 Less Than 6,440 Therms Annually	0		34.23	0	
4	SGDS-2 >6,440 to ≤ 64,400 Therms Annually	36		65.36	2,353	
5	SDS > 64,400 to ≤ 110,000 Therms Annually	12		319.30	3,832	
6	SDS > 110,000 to ≤ 540,000 Therms Annually	24		1,265.29	30,367	
7	LDS > 540,000 to ≤ 1,074,000 Therms Annually	12		3,261.28	39,135	
8	LDS >1,074,000 to ≤ 3,400,000 Therms Annually	0		5,072.62	0	
9	LDS > 3,400,000 to ≤ 7,500,000 Therms Annually	0		9,782.40	0	
10	LDS > 7,500,000 Therms Annually	0		14,492.16	0	
11	MDS-I > 274,000 to ≤ 540,000 Therms Annually	0		469.34	0	
12	MDS-I > 540,000 to ≤ 1,074,000 Therms Annually	0		1,149.00	0	
13	MDS-I > 1,074,000 to ≤ 3,400,000 Therms Annually	0		2,050.00	0	
14	MDS-I > 3,400,000 to ≤ 7,500,000 Therms Annually	0		4,096.00	0	

(Ex 103, Sch 2) (Ex 103, Sch 3)

15	MDS-I > 7,500,000 Therms Annually	12		7,322.00	87,864
16	MDS-II > 2,146,000 to ≤ 3,400,000 Therms Annu	0		2,050.00	0
17	MDS-II > 3,400,000 to ≤ 7,500,000 Therms Annu	12		4,096.00	49,152
18	MDS-II > 7,500,000 Therms Annually	0		7,322.00	0
19	Total Flex Customer Charge	108			212,703
20	Negotiated Contract Service Customer Charge:	156		(workpaper)	1,324,432
21	Commodity Charge:				
22	All Gas Consumed		11,978,033.0	(workpaper)	2,741,919
23	Subtotal				4,279,054
24	STAS				0
25	Total Flexible Rate and Negotiated Contract Services:	264	11,978,033.0		4,279,054

26	Distribution Service Summary by Rate Class				
27	Base Rate Revenue				49,388,090
28	STAS				0
29	Rider USP				5,769,296
30	Rider CC				4,066
31	Gas Cost				7,328,214
32	Total Residential Distribution Service	546,145	4,066,034.4		62,489,666
33	Base Rate Revenue				47,733,094
34	STAS				0
35	Rider CC				6,744
36	Gas Cost				6,907,550
37	Total Small Distribution Service (SCD & SGDS)	133,482	6,743,215.3		54,647,388
38	Base Rate Revenue				30,845,636
39	STAS				0
40	Total Small Distribution Service (SDS)	4,581	5,985,617.2		30,845,636
41	Base Rate Revenue				28,879,596
42	STAS				0
43	Total Large Distribution Service	877	11,285,600.2		28,879,596
44	Base Rate Revenue				1,407,326
45	STAS				0
46	Total Main Line Distribution Service	110	3,122,113.6		1,407,326
47	Base Rate Revenue				4,279,054
48	STAS				0
49	Total Flexible Rate and Negotiated Contract Service	264	11,978,033.0		4,279,054
50	Total Distribution Service	685,195	43,180,613.7		182,548,666
51	Total Company Throughput	5,419,506	83,368,309.2		895,540,472
52	Other Operating Revenue				
53	487 - Forfeited Discounts				1,008,379
54	488 - Miscellaneous Service Revenues				98,441
55	493 - Rent from Gas Property				0
56	495 - Prior Yr. Rate Refund - Net.				0
57	495 - Off System Sales				0
58	495 - Other Gas Revenues - Other				10,055
59	496 - Provision For Rate Refunds				0
60	Total Other Operating Revenue				1,116,875
61	Total Company Revenue				896,657,347

Columbia Gas of Pennsylvania, Inc.
Summary Statement of Operations and Maintenance Expense at Present Rates
FPFTY = Fully Projected Future Test Year TME December 31, 2023

Line No.	Cost Element Description	Normalized FTY	Witness Palone	Budgeted	Witness Miller		Normalized FPFTY
		Twelve Months Ended November 30, 2022	Difference	Twelve Months Ended December 31, 2023	Rate Making Adjustments	Reference (Statement No. 4) (Exhibit 104 Schedule 2)	Twelve Months Ended December 31, 2022
		(1)	(2)	(4)=(1)+(2)	(5)	(6)	(7)=(4)+(5)
		\$	\$	\$	\$		\$
		Exh 104, Sch1, Pg 3		Exh 104, Sch1, Pg 6			
1	Labor	35,906,401	368,599	36,275,000	444,966	Exh. 104, Sch. 2, Pg. 1	36,719,966
2	Incentive Compensation	2,605,000	(35,000)	2,570,000			2,570,000
3	Pension	2,000	(2,000)	0			0
4	Pension Deferral Amortization	844,977	(844,977)	0	844,977	Exh. 104, Sch. 2, Pg. 2	844,977
5	OPEB	-	(1,769,000)	(1,769,000)	1,769,000	Exh. 104, Sch. 2, Pg. 3	0
6	Other Employee Benefits	7,372,000	551,000	7,923,000			7,923,000
7	Outside Services	28,550,149	1,243,851	29,794,000	(133,795)	Exh. 104, Sch. 2, Pg. 4	29,660,205
8	Building Leases	1,709,019	815,981	2,525,000	(802,824)	Exh. 104, Sch. 2, Pg. 5	1,722,176
9	Other Rent and Leases	444,000	-	444,000			444,000
10	Corporate Insurance	6,199,000	475,000	6,674,000			6,674,000
11	Injuries and Damages	340,718	25,282	366,000	(17,616)	Exh. 104, Sch. 2, Pg. 7	348,384
12	Employee Expenses	532,000	136,000	668,000			668,000
13	Company Memberships	472,514	31,486	504,000	(32,194)	Exh. 104, Sch. 2, Pg. 14	471,806
14	Utilities and Fuel Used in Company Operations	2,072,430	681,570	2,754,000	(633,510)	Exh. 104, Sch. 2, Pg. 8	2,120,490
15	Advertising	687,332	178,668	866,000	(182,688)	Exh. 104, Sch. 2, Pg. 9	683,312
16	Fleet & Other Clearing	2,059,000	(281,000)	1,778,000			1,778,000
17	Materials & Supplies	7,523,580	121,420	7,645,000	(1,452)	Exh. 104, Sch. 2, Pg. 13	7,643,548
18	Other O&M	2,699,000	267,000	2,966,000			2,966,000
19	PUC, OCA, OSBA Fees	2,387,000	-	2,387,000			2,387,000
20	NCSC	72,071,686	(1,191,686)	70,880,000	(209,640)	Exh. 104, Sch. 2, Pg. 10	70,670,360
21		-	-	0	0		0
22		-	-	0	0		0
23	NCSC OPEB costs Amortization	90,000	(45,000)	45,000	0		45,000
24		-	-	0	0		0
25		-	-	0	0		0
26		-	-	0	0		0
27	Operation and Maintenance Expense from Budget	174,567,807	727,193	175,295,000	1,045,225		176,340,225
28	Rate Case Expense	1,254,200		1,254,200	0	Exh. 104, Sch. 2, Pg. 14	1,254,200
29	Uncollectible Accounts	7,318,853		7,318,853	(3,346)	Exh. 104, Sch. 2, Pg. 15	7,315,507
30	Uncollectible Accounts -Unbundled-gas	1,558,419		1,558,419	23,152	Exh. 104, Sch. 2, Pg. 15	1,581,571
31	COVID-19 Amortization	1,115,849		1,115,849	(103,758)	Exh. 104, Sch. 2, Pg. 17	1,012,091
32	Total Rider USP	42,206,902		42,206,902	(8,558)	Exh. 104, Sch. 2, Pg. 16	42,198,344
33	Interest on Customer Deposits	100,416		100,416			100,416
34	Other Adjustments	501,408		501,408	15,311,613	Exh. 104, Sch. 2, Pg. 18	15,813,021
35	Total Operation and Maintenance Expense	228,623,853		229,351,047	16,264,328		245,615,375

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Schedule No. 2
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Witness: Jennifer Harding

Columbia Gas Pennsylvania, Inc.
Statement of Projected Taxes Other Than Income Taxes at Present Rates
Twelve Months Ended November 30, 2022
"FTY Schedule"

Line No.	Description	Normalized Twelve Months Ended Nov. 30, 2021 \$	Adjustments \$	Normalized Twelve Months Ended Nov. 30, 2022 \$
1	FICA	2,750,794	59,691	2,810,485
2	FUTA & SUTA	95,972	0	95,972
3	Property Tax	521,924	(60,405)	461,518
4	Capital Stock	0	0	0
5	License and Franchise	100	0	100
6	Sales and Use	182,687	0	182,687
7	Other	231	0	231
8	Total Taxes Other Than Income Taxes	<u>3,551,707</u>	<u>(714)</u>	<u>3,550,993</u>

Columbia Gas Pennsylvania, Inc.
Statement of Projected Taxes Other Than Income Taxes at Present Rates
Twelve Months Ended December 31, 2023
"FPFTY Schedule"

Line No.	Description	Normalized Twelve Months Ended Nov. 30, 2022 \$	Adjustments \$	Normalized Twelve Months Ended Dec. 31, 2023 \$
1	FICA	2,810,485	56,818	2,867,303
2	FUTA & SUTA	95,972	0	95,972
3	Property Tax	461,518	(26,838)	434,680
4	Capital Stock	0	0	0
5	License and Franchise	100	0	100
6	Sales and Use	182,687	0	182,687
7	Other	231	0	231
8	Total Taxes Other Than Income Taxes	<u>3,550,993</u>	<u>29,980</u>	<u>3,580,973</u>

COLUMBIA GAS OF PENNSYLVANIA, INC.

**CALCULATION OF FEDERAL AND STATE INCOME TAXES
PRO FORMA AT PROPOSED BASE RATES**

FTY = FUTURE TEST YEAR TME 11/30/22, FPFTY = FULLY PROJECTED FUTURE TEST YEAR PERIOD ENDED DECEMBER 31, 2023

Line No.	Description	Pro Forma At Historic Test Year Base Rates (1) \$	Pro Forma At Forecasted FTY Base Rates (2) \$	Pro Forma At Forecasted FPFTY Base Rates (3) \$	Pro Forma At Forecasted Proposed Base Rates (4) \$
1	Operating Income Before Income Taxes (Exh. 102, Sch.3, Pg 3)	254,590,359	242,432,612	213,418,663	294,540,409
2	Pennsylvania Corporate Net Income Tax Deductible (P17, L8)	<u>(8,059,213)</u>	<u>(6,464,444)</u>	<u>(1,427,695)</u>	<u>(9,531,758)</u>
3	<u>Statutory Adjustments</u>				
4	<u>Flow-Through Adjustments</u>				
5	Book/ Tax Depreciation, Net	5,274,676	4,503,674	8,977,675	8,977,675
6	Book Depreciation- Net Salvage Amtz	4,958,395	5,004,484	5,134,298	5,134,298
7	Property Removal Costs - ADR Property	(552,359)	(503,776)	(499,515)	(499,515)
8	Loss on Retirement - ACRS/MACRS Removal Costs	(3,878,008)	(4,279,399)	(5,256,466)	(5,256,466)
9	Interest on Debt (1)	(45,932,535)	(51,937,957)	(58,870,071)	(58,870,071)
10	Employee Business Expense Disallowance	208,006	213,256	232,142	232,142
11	AFUDC Equity	-	-	-	-
12	Employee Stock Purchase Plan	66,310	44,811	45,029	45,029
13	NCS Allocation- Perm Taxes	-	-	-	-
14	Parking	<u>(5,217)</u>	<u>23,778</u>	<u>23,493</u>	<u>23,493</u>
15	Total Flow Through Adjustments	(39,860,731)	(46,931,129)	(50,213,414)	(50,213,414)
16	<u>Deferred Adjustments</u>				
17	Excess Tax Depreciation Over Book	(14,297,375)	(15,036,882)	(32,057,651)	(32,057,651)
18	Repairs on Gas Pipeline	(55,031,543)	(55,056,875)	(76,263,053)	(76,263,053)
19	Bonus Depreciation	0	-	-	-
20	Sec 263A Mixed Service Costs	(1,559,268)	(1,475,090)	(1,654,603)	(1,654,603)
21	Loss on Retirement - ACRS/MACRS Property Basis	(49,097)	(4,328,350)	(4,365,396)	(4,365,396)
22	Avoided Cost Interest	(3,863,500)	(81,223)	(84,072)	(84,072)
23	Builder Incentives Capitalized	(4,186)	(338)	-	-
24	Stored Gas Losses	1,712	182	-	-
25	Contributions In Aid of Construction	3,253,485	1,730,909	1,593,344	1,593,344
26	Tax Inventory Adj	4,460,926	-	-	-
27	Capitalized Inventory	317,098	-	-	-
28	Customer Advances	<u>(795,457)</u>	<u>(200,603)</u>	<u>(873,929)</u>	<u>(873,929)</u>
29	Total Deferred Adjustments	(67,567,203)	(74,448,271)	(113,705,360)	(113,705,360)
30	Taxable Income (Lines 1,2,14,28)	139,103,211	114,588,768	48,072,193	121,089,876
31	Federal Income Tax Payable @ 21%	29,211,674	24,063,641	10,095,161	25,428,874
32	Deferred Income Taxes (Line 30 @ 21%)	14,189,113	15,634,137	23,878,126	23,878,126
33	Tax Refund Amortization	0	-	0	0
34	Flow Back Of Excess Deferred Taxes	(2,467,701)	(2,670,134)	(3,107,233)	(3,107,233)
35	Effect of CNIT Deferred Tax on FIT (P17, Lines 9-12 @21%)	<u>83,550</u>	<u>(4,208)</u>	<u>0</u>	<u>0</u>
36	Net Federal Income Tax Expense (Lines 30-34)	41,016,636	37,023,436	30,866,055	46,199,768
37	State Income Tax Expense (P17, L13)	<u>7,661,354</u>	<u>6,484,484</u>	<u>1,427,695</u>	<u>9,531,758</u>
	Income Tax Expense Before Consolidated Tax Savings	<u>48,677,990</u>	<u>43,507,920</u>	<u>32,293,750</u>	<u>55,731,526</u>
	Consolidated Tax Savings Adjustment				
38	Total Income Tax Expense	<u>48,677,990</u>	<u>43,507,920</u>	<u>32,293,750</u>	<u>55,731,526</u>

(1) Interest expense for rate purposes has been calculated as follows:
and long-term debt x original cost rate base of

$$2,958,295,013 = 1.99\% \text{ weighted cost of short-term + long-term debt} = \$58,870,071$$

Exhibit No.107
Witness: Jennifer Harding
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COLUMBIA GAS OF PENNSYLVANIA, INC.

**CALCULATION OF FEDERAL AND STATE INCOME TAXES
PRO FORMA AT PROPOSED BASE RATES**

FTY = FUTURE TEST YEAR TME 11/30/22, FPFTY = FULLY PROJECTED FUTURE TEST YEAR PERIOD ENDED DECEMBER 31, 2023

Line No.	Description	Pro Forma At Historic Test Year Base Rates (1) \$	Pro Forma At Forecasted FTY Base Rates (2) \$	Pro Forma At Forecasted FPFTY Base Rates (3) \$	Pro Forma At Forecasted Proposed Base Rates (4) \$
1	<u>Calculation of Pennsylvania Corporate Net Income Tax</u>				
2	Operating Income Before Income Taxes (Page 16, Line	254,590,359	242,432,612	213,418,663	294,540,409
3	Statutory Adjustments (Page 16, Lines 14 & 28)	(107,427,935)	(121,379,400)	(163,918,774)	(163,918,774)
4	Pennsylvania Bonus Depreciation Adj	<u>(12,707,746)</u>	<u>(13,204,633)</u>	<u>(27,410,719)</u>	<u>(27,410,719)</u>
5	CNIT Taxable Income	134,454,678	107,848,579	22,089,169	103,210,915
6	Net Operating Loss Deduction	53,781,871	43,139,432	7,797,926	7,797,926
7	PA Taxable Income	80,672,807	64,709,147	14,291,243	95,412,989
8	CNIT Payable at Base Rate of 9.99%	8,059,213	6,464,444	1,427,695	9,531,758
9	Deferred Tax On Net Operating Loss Deduction (amounts from above @ 9.99%)	0	0	0	0
10	Deferred Tax on Inventory Adj	(445,647)	0	0	0
11	Deferred Tax on Capitalized Inventory	(31,678)	0	0	0
12	Deferred Tax on Customer Advances	<u>79,466</u>	<u>20,040</u>	<u>0</u>	<u>0</u>
13	Pennsylvania Corporate Income Tax Expense	<u>7,661,354</u>	<u>6,484,484</u>	<u>1,427,695</u>	<u>9,531,758</u>

COMMENTS ABOUT THIS TAB

Line No.	Description	Account No.	Plant				Balance as of 12/31/2023 (5 = 2+3+4)
			Beginning Balance 11/30/2021 (2)	Additions (3)	Retirements (4)	Transfers (5)	
		(1)	\$	\$	\$	\$	\$
1	Intangible Plant						
2	Organization Costs	301.00	100,099	0	0	0	100,099
3	Franchises/Consent, Perpetual	302.10	26,216	0	0	0	26,216
4	Intangible Plant, General	303.00	4,809,062	0	0	0	4,809,062
5	Intangible Plant, Miscellaneous Software	303.30	42,027,414	42,027,604	(8,103,198)	0	75,951,821
6	Underground Storage Plant						
7	Land	350.10	23,882	0	0	0	23,882
8	Rights of Way	350.20	1,932	0	0	0	1,932
9	Compressor Station Structures	351.20	3,250,037	44,803	0	0	3,294,840
10	Wells Construction	352.01	1,126,772	0	0	0	1,126,772
11	Wells Equipment	352.02	1,072,970	0	0	0	1,072,970
12	Storage Leasehold and Rights	352.10	139,442	0	0	0	139,442
13	Other Leases	352.12	67,498	0	0	0	67,498
14	Lines	353.00	389,345	0	0	0	389,345
15	Compressor Station Equipment	354.00	948,177	0	0	0	948,177
16	Measuring & Regulating Equipment	355.00	104,477	0	0	0	104,477
17	Distribution Plant						
18	Land, City Gate/Main Line Industrial	374.10	21,944	0	0	0	21,944
19	Land, Other Distribution System	374.20	3,361,100	0	(7)	0	3,361,093
20	Land Rights, City Gate/Main Line	374.30	95,361	0	0	0	95,361
21	Land Rights, City Other Distribution System	374.40	3,716,994	1,099,816	(38,400)	0	4,778,410
22	Land Rights, City Other Distribution System, Loc	374.41	13	0	0	0	13
23	Rights of Way	374.50	3,233,171	0	0	0	3,233,171
24	Structures, City Gate Measurement & Regulating	375.20	7,026	0	0	0	7,026
25	Structures, General Meas & Reg Local Gas	375.31	4,012	0	0	0	4,012
26	Structures, Regulating	375.40	6,003,251	2,142,288	(179,076)	0	7,966,462
27	Structures, Distribution Industrial M&R	375.60	86,228	0	0	0	86,228
28	Structures, Other Distribution System	375.70	17,923,745	25,161,356	(103,255)	0	42,981,846
29	Structures, Other Distribution System, Leased	375.71	5,981,680	1,240,271	(99,205)	0	7,122,746
30	Structures, Communication	375.80	16,515	0	0	0	16,515
31	Mains:						
32	Mains	376.00	#####	#####	(26,829,972)	0	#####
33	Mains - CSL Replacements	376.08	23,515,481	0	0	0	23,515,481
34	Bare Steel	376.30	63,368,272	112	(16,109,970)	0	47,258,415
35	Cast Iron	376.80	169,992	0	(169,992)	0	(0)
36	Measuring & Regulating Equipment General	378.10	1,444,656	0	0	0	1,444,656
37	Measuring & Regulating Equipment Regulating	378.20	124,091,263	86,871,538	(6,183,754)	0	204,779,046
38	Measuring & Regulating Equipment Local Gas	378.30	419,236	(8)	0	0	419,228
39	Measuring & Regulating Equipment City Gate	379.10	136,417	0	0	0	136,417
40	Measuring & Regulating Equipment Exchange Gas	379.11	(450)	0	0	0	(450)
41	Services	380.00	687,964,415	#####	(13,788,998)	0	855,171,172
42	Meters	381.00	42,389,554	2,691,497	(281,396)	0	44,799,656
43	Auto Meter Reading Devices	381.10	24,657,115	477,844	0	0	25,134,959
44	Meter Installations	382.00	42,326,881	3,474,980	(259,652)	0	45,542,208
45	House Regulators	383.00	15,644,797	2,178,062	(166,357)	0	17,656,503
46	House Regulators Installations	384.00	3,484,788	0	0	0	3,484,788
47	Industrial M&R Equipment. Station Equipment	385.00	5,819,406	2,202,608	(218,773)	0	7,803,241
48	Industrial M&R Equipment. Large Volume	385.10	1,022,427	0	(3,524)	0	1,018,904
49	Other Equipment	387.10	19,450	0	0	0	19,450
50	Other Equipment, Odorization	387.20	117,248	0	0	0	117,248
51	Other Equipment, Radio	387.42	119,609	0	0	0	119,609
52	Other Equipment, Other Communications	387.44	622,664	0	(33,833)	0	588,831
53	Other Equipment, Telemetry	387.45	10,859,868	130,710	(67,527)	0	10,923,052
54	Other Equipment, Customer Information Service	387.46	259,436	0	0	0	259,436
55	GPS Pipe Locators	387.50	2,201,372	0	0	0	2,201,372
56	General Plant						
57	Structures, Communications	390.10	49,821	0	0	0	49,821
58	Office Furniture & Equipment, Unspecified	391.10	2,109,563	674,706	(185,804)	0	2,598,465
59	Office Furniture & Equipment, Data handling Equip	391.11	91,304	0	0	0	91,304
60	Office Furniture & Equipment, Information Systems	391.12	2,705,700	0	(2,348,399)	0	357,301
61	Office Furniture & Equipment, Air Condition Equip	391.20	3,007	(3,007)	0	0	0
62	Transportation Equipment, Trailers > \$1,000	392.20	14,787	0	0	0	14,787
63	Transportation Equipment, Trailers \$1,000 or <	392.21	10,830	0	0	0	10,830
64	Stores Equipment	393.00	0	0	0	0	0
65	Tools, Garage & Service Equipment	394.10	57,140	0	0	0	57,140
66	Tools, CNG Equipment, Stationary	394.11	2,235,476	0	(2,235,476)	0	0
67	Tools, CNG Equipment, Portable	394.12	0	0	0	0	0
68	Tools, Shop Equipment	394.20	17,534	0	0	0	17,534
69	Tools, Tools and Other	394.30	17,556,282	13,125,452	(1,528,354)	0	29,153,380
70	Tools, High Pressure Stopping	394.31	10,847	0	0	0	10,847
71	Laboratory Equipment Gas	395.00	266,039	0	(1,118)	0	264,921
72	Power Operated Equipment	396.00	948,698	0	0	0	948,698
73	Communication Equipment	397.00	0	0	0	0	0
74	Communication Equipment, Telephone	397.10	0	0	0	0	0
75	Communication Equipment, Radio	397.20	0	0	0	0	0
76	Communication Equipment, Other	397.40	0	0	0	0	0
77	Communication Equipment, Telemetry	397.50	787,916	2,514,362	(204,996)	0	3,097,282
78	Miscellaneous Equipment	398.00	952,065	5,909	(9,424)	0	948,550
79	Total Gas Plant in Service		#####	#####	(79,150,462)	0	#####

Translation Range for Vlookup Purposes
Account numbers have been modified to accommodate the vlookup formulas

DO NOT REMOVE OR OVERWRITE

301.00	100,099
302.21	26,216
303.00	4,809,062
303.30	75,951,821
350.10	23,882
350.20	1,932
351.20	3,294,840
352.01	1,126,772
352.02	1,072,970
352.10	139,442
352.12	67,498
353.00	389,345
354.00	948,177
355.00	104,477
374.10	21,944
374.20	3,361,093
374.30	95,361
374.40	4,778,410
374.41	13
374.50	3,233,171
375.20	7,026
375.31	4,012
375.40	7,966,462
375.60	86,228
375.70	42,981,846
375.71	7,122,746
375.80	16,515
376.00	2,573,336,055
376.08	23,515,481
376.30	47,258,415
376.80	(0)
378.10	1,444,656
378.20	204,779,046
378.30	419,228
379.10	136,417
379.11	(450)
380.00	855,171,172
381.00	44,799,656
381.10	25,134,959
382.00	45,542,208
383.00	17,656,503
384.00	3,484,788
385.00	7,803,241
385.10	1,018,904
387.10	19,450
387.20	117,248
387.42	119,609
387.44	588,831
387.45	0
387.46	11,182,488
387.50	2,201,372
390.10	49,821
391.10	2,598,465
391.11	91,304
391.12	357,301
391.20	0
392.20	14,787
392.21	10,830
393.00	0
394.10	57,140
394.11	0
394.12	0
394.20	17,534
394.30	29,153,380
394.31	10,847
395.00	264,921
396.00	948,698
397.00	0
397.10	0
397.20	0
397.40	0
397.50	3,097,282
398.00	948,550
	4,061,081,498

COLUMBIA GAS OF PENNSYLVANIA, INC.

TABLE 1. ESTIMATED SURVIVOR CURVES, ORIGINAL COST, BOOK RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO GAS PLANT AT DECEMBER 31, 2023

DEPRECIABLE GROUP		SURVIVOR CURVE	AS OF DECEMBER 31, 2022	BOOK RESERVE	FUTURE BOOK ACCRUALS	CALCULATED ANNUAL ACCRUAL AMOUNT	RATE	COMPOSITE REMAINING LIFE	Translation Range for Vlookup Purposes Account numbers have been modified to accommodate the vlookup formulas			
(1)		(2)	(3)	(4)	(5)	(6)	(7)=(6)/(3)	(8)=(5)/(6)				
DEPRECIABLE PLANT												
UNDERGROUND STORAGE PLANT												
350.2	RIGHTS OF WAY	SQUARE	*	1,932.08	1,931	1	0	-	-	350.20	1,931	0
351	COMPRESSOR STATION STRUCTURES	65-R2.5	*	3,294,840.03	2,841,177	453,663	227,814	6.91	2.0	351.20	2,841,177	227,814
WELLS												
352.01	CONSTRUCTION	SQUARE	*	1,126,771.93	937,051	189,721	94,861	8.42	2.0	352.01	937,051	94,861
352.02	EQUIPMENT	50-S2.5	*	1,072,969.88	633,236	439,734	220,558	20.56	2.0	352.02	633,236	220,558
TOTAL ACCOUNT 352				2,199,741.81	1,570,287	629,455	315,419					
352.1	STORAGE LEASEHOLDS AND RIGHTS	SQUARE	*	206,940.78	206,932	9	4	0.00	2.2	352.10	206,932	4
353	LINES	50-S1.5	*	389,345.13	389,250	95	48	0.01	2.0	353.00	389,250	48
354	COMPRESSOR STATION EQUIPMENT	55-R2.5	*	948,176.70	884,445	63,732	32,017	3.38	2.0	354.00	884,445	32,017
355	MEASURING AND REGULATING EQUIPMENT	37-R1.5	*	104,476.92	104,477	0	0	-	-	355.00	104,477	0
TOTAL UNDERGROUND STORAGE PLANT				7,145,453.45	5,998,499	1,146,955	575,302	8.05				
DISTRIBUTION PLANT												
LAND AND LAND RIGHTS												
374.4	LAND RIGHTS	70-R2.5		4,873,784.33	995,037	3,878,747	82,275	1.69	47.1	374.40	995,037	82,275
374.5	RIGHTS OF WAY	80-S4		3,233,171.42	1,864,695	1,368,476	34,750	1.07	39.4	374.50	1,864,695	34,750
TOTAL ACCOUNT 374				8,106,955.75	2,859,732	5,247,223	117,025	1.44				
STRUCTURES AND IMPROVEMENTS												
375.34	MEASURING AND REGULATING	60-R1		7,977,500.76	1,570,504	6,406,997	190,857	2.39	33.6	375.40	1,570,504	190,857
375.6	INDUSTRIAL MEASURING AND REGULATING	55-R1		86,227.87	76,624	9,604	483	0.56	19.9	375.60	76,624	483
375.7	OTHER DISTRIBUTION SYSTEMS									375.70	6,406,439	1,207,250
	DISTRIBUTION SYSTEM STRUCTURES	90-R1.5	*	39,441,384.70	5,321,712	34,119,671	1,091,790	2.77	31.3			
	OTHER BUILDINGS	35-R2		3,540,461.16	1,084,727	2,455,734	115,460	3.26	21.3			
TOTAL ACCOUNT 375.70				42,981,845.86	6,406,439	36,575,405	1,207,250	2.81	30.3			
375.8	COMMUNICATION	45-R3		16,515.17	8,999	7,516	349	2.11	21.5	375.80	8,999	349
TOTAL ACCOUNT 375				51,062,089.66	8,062,566	42,999,522	1,398,939	2.74				
376	MAINS									376.80	0	0
	BARE STEEL	71-R1	*	47,258,414.58	33,428,835	13,829,580	1,272,824	2.69	10.9	376.30	33,428,835	1,272,824
	OTHER	71-R1		2,596,851,536.49	340,923,335	2,255,928,201	55,303,239	2.13	40.8	376.00	340,923,335	55,303,239
TOTAL ACCOUNT 376				2,644,109,951.07	374,352,170	2,269,757,781	56,576,063	2.14				
378	MEASURING AND REGULATING STATION EQUIPMENT	45-O1		206,642,930.80	26,795,495	179,847,436	8,687,002	4.20	20.7	378.20	26,795,495	8,687,002
379.1	MEASURING AND REGULATING STATION EQUIPMENT	35-S2		135,966.90	86,207	49,760	5,881	4.33	8.5	379.10	86,207	5,881
380	SERVICES									380.00	172,490,468	25,843,635
	BARE STEEL	50-R0.5	*	388,127.99	292,441	95,687	11,002	2.83	8.7			
	OTHER	50-R0.5		854,783,043.98	172,198,027	682,585,017	25,832,633	3.02	26.4			
TOTAL ACCOUNT 380				855,171,171.97	172,490,468	682,680,704	25,843,635	3.02				
381	METERS	44-S1		44,799,655.68	19,420,683	25,378,973	1,057,168	2.36	24.0	381.00	19,420,683	1,057,168
381.1	METERS - AMR	15-S2.5		25,134,959.40	19,754,808	5,380,151	1,130,030	4.50	4.8	381.10	19,754,808	1,130,030
382	METER INSTALLATIONS	55-R3		45,542,208.34	16,518,699	29,023,509	852,161	1.87	34.1	382.00	16,518,699	852,161
383	HOUSE REGULATORS AND INSTALLATIONS	45-S2		21,141,290.79	8,581,133	12,560,158	440,003	2.08	28.5	383.00	8,581,133	440,003
384	INDUSTRIAL MEASURING AND REGULATING STATION EQUIPMENT -									384.00	0	0
385	OTHER THAN METERS	30-R0.5		8,822,144.52	2,939,173	5,882,972	429,949	4.87	13.7	385.00	2,939,173	429,949
OTHER EQUIPMENT												
387	GENERAL	32-R0.5		136,698.14	84,923	51,775	3,818	2.79	13.6	387.46	3,718,522	553,243
387.4	COMMUNICATION EQUIPMENT	25-R2		11,890,928.02	3,633,599	8,257,329	549,425	4.62	15.0			
387.5	GPS EQUIPMENT	10-S3		2,201,371.95	1,932,953	268,419	123,301	5.60	2.2	387.50	1,932,953	123,301
TOTAL ACCOUNT 387				14,228,998.11	5,651,475	8,577,523	676,544	4.75				
TOTAL DISTRIBUTION PLANT				3,916,076,178	657,512,609	3,261,502,740	97,214,400	2.53				

INFO
UPDATED

Translation Range for Vlookup Purposes
Account numbers have been modified to accommodate the vlookup formulas

DO NOT REMOVE OR OVERWRITE

GENERAL PLANT

390.1	STRUCTURES AND IMPROVEMENTS - COMMUNICATIO	45-R2	49,821.42	49,821	0	0	0.00	0.0	390.10	49,821	0
	OFFICE FURNITURE AND EQUIPMENT										
391.1	FURNITURE	20-SQ	2,598,464.60	1,031,171	1,567,294	121,079	4.66	12.9	391.10	1,031,171	121,079
391.11	EQUIPMENT	15-SQ	91,303.67	59,300	32,004	5,836	6.39	5.5	391.11	59,300	5,836
391.12	INFORMATION SYSTEMS	5-SQ	357,301.41	135,953	221,348	149,430	41.82	1.5	391.12	135,953	149,430
	TOTAL ACCOUNT 391		3,047,069.68	1,226,424	1,820,646	276,345	9.07				
392	TRANSPORTATION EQUIPMENT - TRAILERS	15-SQ	25,616.89	20,881	4,736	1,141	4.45	4.2	392.20	20,881	1,141
393	STORES EQUIPMENT	20-SQ	0.00	0	0	0	0.00	0.0	393.00	0	0
	TOOLS, SHOP AND GARAGE EQUIPMENT										
394	TOOLS, SHOP AND GARAGE EQUIPMENT	25-SQ	29,238,900.74	7,524,030	21,714,871	1,165,279	3.99	18.6	394.10	7,524,030	1,165,279
394.12	CNG FACILITIES	12-S1.5	0.00	0	0	0	0.00	0.0	394.12	0	0
	TOTAL ACCOUNT 394		29,238,900.74	7,524,030	21,714,871	1,165,279	3.99				
395	LABORATORY EQUIPMENT	20-SQ	264,921.24	110,708	154,213	13,769	5.20	11.2	395.00	110,708	13,769
396	POWER OPERATED EQUIPMENT	13-L2	948,698.04	906,021	42,677	15,556	1.64	2.7	396.00	906,021	15,556
397.1	TELEPHONE	10-SQ							397.10	0	0
397.24	RADIO	15-SQ							397.20	0	0
397.5	COMMUNICATION EQUIPMENT - TELEMETERING	19-R2.5	3,097,281.26	706,438	2,390,843	178,653	5.77	13.4	397.50	706,438	178,653
398	MISCELLANEOUS EQUIPMENT	15-SQ	948,549.73	590,129	358,421	57,525	6.06	6.2	398.00	590,129	57,525
	TOTAL GENERAL PLANT		37,620,859	11,134,452	26,486,407	1,708,268	4.54			674,645,560	99,497,970
	SUBTOTAL DEPRECIABLE PLANT		3,969,664,635	674,645,560	3,295,019,074	99,497,970	2.51				
	AMORTIZABLE PLANT										
303	MISCELLANEOUS INTANGIBLE PLANT		80,760,882.86	30,097,805	50,663,078	11,533,302 **			303.30	30,097,805	11,533,302
305	STRUCTURES AND IMPROVEMENTS								305.00	0	0
362	GAS HOLDERS								362.00	0	0
362.1	ENVIRONMENTAL REMEDIATION			(83,498)					362.10	(83,498)	0
374.2	LAND, OTHER DISTRIBUTION SYSTEMS								374.20	234,689	0
375.71	STRUCTURES AND IMPROVEMENTS - LEASED		7,122,745.91	3,373,155	3,749,591	558,661 **			375.71	3,373,155	558,661
389.2	LAND AND LAND RIGHTS - LAND RIGHTS								389.20	0	0
	SUBTOTAL AMORTIZABLE PLANT		87,883,629	33,387,462	54,412,669	12,091,963					
	NONDEPRECIABLE PLANT		3,533,233	234,689							
	TOTAL GAS PLANT		4,061,081,498	708,267,711	3,349,431,743	111,589,933					

* Indicates the use of an interim survivor curve and retirement date.

** Accrual rate based on individual asset amortization.

Pickup Schedule No. 3 from this table

Amort.	33,387,462
Underground	5,998,499
Distribution	657,512,609
General	<u>11,134,452</u>
	<u>708,033,022</u>

Columbia Gas of Pennsylvania, Inc.
Statement of Rate Base at Present Rates
December 31, 2023

Line No.	Acct. No.	Description	Pro forma ##### (1) \$	Adjustments (2) \$	Pro Forma ##### (3) \$	Adjustments (4) \$	Pro Forma December 31, 2023 (5) \$	Reference (6)
1		Property Plant and Equipment						
2	101, 106	Gas Plant in Service	3,252,568,669	366,856,698	3,619,425,366	441,656,131	4,061,081,498	Exh 108, Schedule 1
3	107	Construction Work in Progress - In Service	0	0	0	0	0	
4	117/191	Gas Stored Underground - Non-Current	3,794,693	0	3,794,693	0	3,794,693	Exh 108, Schedule 3
	108-111	Depreciation Reserve	(582,312,736)	(54,858,766)	(637,171,502)	(71,096,209)	(708,267,711)	
5	117	Accum. Provision Gas Lost - Underground Storage	(163,467)	0	(163,467)	0	(163,467)	Exh 1, Schedule 1
6		Net Plant in Service	<u>2,673,887,159</u>	<u>311,997,932</u>	<u>2,985,885,091</u>	<u>370,559,922</u>	<u>3,356,445,013</u>	
7		Working Capital						
8	154-163-186	Materials and Supplies - 13 Month Average	1,236,739	61,963	1,298,702	33,605	1,332,307	Exh 108, Schedule 5
9	165	Prepayments	3,932,570	95,177	4,027,747	37,394	4,065,141	Exh 108, Schedule 6
10	164/242	Gas Storage Underground	40,437,689	8,114,899	48,552,588	(7,715,899)	40,836,689	Exh 108, Schedule 7
11		Cash Allowance	0	0	0	0	0	Exh 108, Schedule 4
12		Total Working Capital	<u>45,606,998</u>	<u>8,272,039</u>	<u>53,879,037</u>	<u>(7,644,900)</u>	<u>46,234,137</u>	
13		Deferred Income Taxes						
14	190	Income Taxes	73,569,252	(2,844,684)	70,724,568	(3,018,383)	67,706,185	Exh 108, Schedule 8
15	282	Depreciation	(481,410,449)	(15,592,010)	(497,002,459)	(11,545,102)	(508,547,561)	Exh 108, Schedule 8
16	283	Other	0	0	0	0	0	Exh 108, Schedule 8
17		Total Deferred Income Taxes	<u>(407,841,197)</u>	<u>(18,436,694)</u>	<u>(426,277,891)</u>	<u>(14,563,485)</u>	<u>(440,841,376)</u>	
18		Customer Deposits						
19	235	13 Month Average	(3,487,208)	(62,693)	(3,549,901)	(4,124)	(3,554,025)	Exh 108, Schedule 9
20		Customer Advances for Construction						
21	252	Cash Deposits	<u>1,832</u>	<u>9,433</u>	<u>11,265</u>	<u>0</u>	<u>11,265</u>	Exh 108, Schedule 10
22		Total Rate Base	<u>2,308,167,584</u>	<u>301,780,017</u>	<u>2,609,947,601</u>	<u>348,347,412</u>	<u>2,958,295,013</u>	

COLUMBIA GAS OF PENNSYLVANIA, INC
DEFERRED INCOME TAXES
BALANCE ENDING
December 31, 2023

Line No.	Acct		Pro Forma Balance 11/30/2021 (1)	Pro Forma Balance 11/30/2022 (2)	Pro Forma Balance 12/31/2023 (3)	Reference
1		<u>Account 190 - Deferred Income Taxes</u>				
2	19001000	LIFO Inventory Adj - Federal	6,973,737	6,973,737	6,973,737	
3	19002000	LIFO Inventory Adj - State	3,685,709	3,685,709	3,685,709	
4	19001000	Capitalized Inventory - Fed	1,015,878	1,015,878	1,015,878	
5	19002000	Capitalized Inventory - St	536,904	536,904	536,904	
6	19005000	Cust. Advances - Fed	576,188	538,270	538,270	
7	19006000	Cust. Advances - St	304,523	284,483	284,483	
8	19005000	Federal Net Operating Loss	33,775,318	32,186,947	30,466,782	
9	19005000	Deficient Deferred Taxes 190- NOL, Inventory & Custom	26,700,995	25,502,640	24,204,422	
10		Total Account 190	<u>73,569,252</u>	<u>70,724,568</u>	<u>67,706,185</u>	
11		<u>Account 282 - Deferred Income Taxes-Depreciation</u>				
12	Various	Excess Accelerated Tax Depreciation - Fed				
13		Total Account 282	<u>(481,410,449)</u>	<u>(497,002,459)</u>	<u>(508,547,561)</u>	
14		<u>Account 283 - Deferred Income Taxes - Other</u>				
15	28305000	Legal Liability-Lease on G.O. Bldg. - Fed	0	0	0	
16	28306000	Legal Liability-Lease on G.O. Bldg. - St	0	0	0	
17		Total Account 283	<u>0</u>	<u>0</u>	<u>0</u>	
18		Total Accumulated Deferred Taxes	<u>(407,841,197)</u>	<u>(426,277,891)</u>	<u>(440,841,376)</u>	Exhibit 107, Pgs. 5 & 5a

Columbia Gas of Pennsylvania, Inc.
Forecasted Test Year December 31, 2023

<u>Acct. No.</u>	<u>Description</u>	<u>Plant in Service</u>	<u>Spanos Depreciation Reserve</u>	<u>Spanos Depreciation Accrual</u>
301.00	Organizational Costs	100,099	0	0
302.21	Franchises/Consent, Perpetual	26,216	0	0
303.00	Misc Intangible Plant	4,809,062	0	0
303.30	Misc Software	75,951,821	30,097,805	11,533,302
303.30	Misc Software -	0	0	0
305.00	Structures & Improvements	0	0	0
301-305	INTANGIBLE PLANT	80,887,198	30,097,805	11,533,302
350.10	Land	23,882	0	0
350.20	Rights of Way	1,932	1,931	0
351.20	Compressor Station Structures	3,294,840	2,841,177	227,814
352.01	Wells Construction	1,126,772	937,051	94,861
352.02	Wells Equipment	1,072,970	633,236	220,558
352.10	Storage Leasehold and Rights	139,442	206,932	4
352.12	Other Leases	67,498	0	0
353.00	Lines	389,345	389,250	48
354.00	Compressor Station Equipment	948,177	884,445	32,017
355.00	Measuring & Regulating Equipment	104,477	104,477	0
362.00	Gas Holders	0	0	0
362.10	Environmental Remediation	0	(83,498)	0
350-362	UNDERGROUND STORAGE PLANT	7,169,335	5,915,001	575,302
374.10	LAND - CITY GATE & M/L IND M&R	21,944	0	0
374.20	LAND - OTHER DISTRIBUTION	3,361,093	234,689	0
374.30	LAND RIGHTS - CITY GATE MAIN LINE	95,361	0	0
374.40	LAND RIGHTS - OTHER DISTRIBUTION	4,778,410	995,037	82,275
374.40	DIRECT - LAND RIGHTS-OTHER DISTRIBUTION	0	0	0
374.41	LAND RIGHTS - OTHER DISTRIBUTION LOC	13	0	0
374.50	RIGHTS OF WAY	3,233,171	1,864,695	34,750
374.50	DIRECT - RIGHTS OF WAY	0	0	0
375.20	M & R STRUCTURES - CITY GATE	7,026	0	0
375.31	M & R STRUCTURES - LOCAL GAS PURCH	4,012	0	0
375.40	M & R STRUCTURES - REGULATING	7,939,336	1,565,452	190,323
375.40	DIRECT - M & R STRUCTURES - REGULATING	24,324	4,631	479
375.40	DIRECT FLEX - M & R STRUCTURES - REGULATING	2,802	420	55
375.60	M & R STRUCTURES - DIST. IND. M & R	86,228	76,624	483
375.70	M & R STRUCTURES - OTHER	42,981,846	6,406,439	1,207,250
375.71	M & R STRUCTURES - OTHER LEASED	7,122,746	3,373,155	558,661
375.80	M & R STRUCTURES - COMMUNICATION	16,515	8,999	349
376.00	MAINS	#####	340,878,631	55,300,535
376.00	DIRECT - MAINS - MLDS	141,540	44,664	2,703
376.00	DIRECT - MAINS - MLDS FLEX	45	40	1
376.08	MAINS-CSL REPLACEMENTS	23,515,481	0	0
376.30	MAINS-BARE STEEL	47,177,611	33,350,989	1,272,816
376.30	DIRECT - MAINS-BARE STEEL	80,803	77,846	8
376.80	MAINS-CAST IRON	(0)	0	0
378.10	M & R EQUIP - GENERAL	1,444,656	0	0
378.20	M & R EQUIP - GENERAL - REGULATING	204,100,076	26,682,838	8,662,466
378.20	DIRECT - M & R EQUIP-GEN-REG	0	0	0
378.20	DIRECT FLEX- M & R EQUIP-GEN-REG	678,970	112,657	24,536
378.30	M & R EQUIP - LOCAL GAS PURCHASES	419,228	0	0
379.10	M & R EQUIP - CITY GATE	136,417	86,207	5,881
379.11	M & R EQUIP - EXCHANGE GAS	(450)	0	0
380.00	SERVICES	855,169,618	172,489,154	25,843,593
380.00	DIRECT - SERVICES	561	436	15
380.00	DIRECT FLEX- SERVICES	993	878	27
380.12	CSL REPLACEMENT	0	0	0

381.00	METERS	44,799,656	19,420,683	1,057,168
381.10	AUTOMATIC METER READING	25,134,959	19,754,808	1,130,030
382.00	METER INSTALLATIONS	45,542,208	16,518,699	852,161
383.00	HOUSE REGULATORS	17,656,503	8,581,133	440,003
384.00	HOUSE REG INSTALLATIONS	3,484,788	0	0
385.00	IND M&R EQUIPMENT	7,324,965	2,839,179	409,431
385.00	DIRECT - IND M&R EQUIPMENT	463,871	93,657	19,900
385.00	DIRECT FLEX - IND M&R EQUIPMENT	14,405	6,337	618
385.10	IND M&R EQUIPMENT - LG VOLUME	1,018,904	0	0
387.10	OTHER EQUIP DISTRIBUTION	19,450	0	0
387.20	OTHER EQUIP ODORIZATION	117,248	0	0
387.42	OTHER EQUIP RADIO	119,609	0	0
387.44	OTHER EQUIP COMMUNICATION	588,831	0	0
387.46	OTHER EQUIP CUSTOMER INFO SERVICE	11,112,902	3,700,379	550,313
387.46	DIRECT - OTHER EQUIP CUSTOMER INFO SERVICE	69,585	18,143	2,930
387.50	GPS PIPE LOCATORS	2,201,372	1,932,953	123,301
	TOTAL DISTRIBUTION	#####	661,120,453	97,773,061
389.20	Land Rights	0	0	0
390.10	Str, Communications	49,821	49,821	0
391.10	OF&E Unspecified	2,598,465	1,031,171	121,079
391.11	OF&E Data Handling Equipment	91,304	59,300	5,836
391.12	OF&E Information Systems	357,301	135,953	149,430
391.20	OF&E Air Cond Equip	0	0	0
392.20	Trans Eq Trailers > \$1,000	14,787	20,881	1,141
392.21	Trans Eq Trailers \$1,000 or >	10,830	0	0
393.00	Stores Equipment	0	0	0
394.10	Tools, Garage & Service Equipment	57,140	7,524,030	1,165,279
394.11	CNG Equip - Stationary	0	0	0
394.12	CNG Equip - Portable	0	0	0
394.20	Shop Equipment	17,534	0	0
394.30	Tools & Other	29,153,380	0	0
394.31	High Pressure Stopping	10,847	0	0
395.00	Laboratory Equipment, Gas	264,921	110,708	13,769
396.00	Power Operated Equipment	948,698	906,021	15,556
397.00	Communication Equipment	0	0	0
397.10	Communication Equipment-Telephone	0	0	0
397.20	Communication Equipment-Radio	0	0	0
397.40	Communication Equipment-Other	0	0	0
397.50	Communication Equipment-Telemetry	3,097,282	706,438	178,653
398.00	Miscellaneous Equipment	948,550	590,129	57,525
389-398	GENERAL PLANT	37,620,859	11,134,452	1,708,268
	Total	#####	708,267,711	111,589,933
	Per Spanos Table 1	0	708,267,711	111,589,933
	Per Rates Exhibit No. 108, Schedule No. 1	#####		
	Difference	0	0	0

Columbia Gas of Pennsylvania
O&M Actuals
Twelve Months Ended Nov 30, 2021

Gen	CE	Sum Of Amount	Budget Description	KEY
548	2017	11.98	Materials & Supplies	Materials & Supplies548
557	2503	26.96	Materials & Supplies	Materials & Supplies557
557	3100	119.84	Employee Expenses	Employee Expenses557
557	3637	99.00	Other O&M	Other O&M557
588	2017	1,328.35	Materials & Supplies	Materials & Supplies588
588	3601	96.25	Materials & Supplies	Materials & Supplies588
592	2017	995.58	Materials & Supplies	Materials & Supplies592
807	1006	26.50	Labor	Labor807
807	7001	1,212,178.17	System Services	System Services807
807	7001	181,950.51	System Services	System Services807
818	2017	7,206.40	Materials & Supplies	Materials & Supplies818
818	2503	509.57	Materials & Supplies	Materials & Supplies818
818	3100	35.00	Employee Expenses	Employee Expenses818
818	3102	64.55	Employee Expenses	Employee Expenses818
818	3601	71.37	Materials & Supplies	Materials & Supplies818
818	9210	1,715.73	Rent and Leases	Rent and Leases818
823	3813	1,712.25	Utilities and Fuel Used in Company Operations	Utilities and Fuel Used in Company Operations823
825	9201	5,364.19	Rent and Leases	Rent and Leases825
825	9235	440.96	Rent and Leases	Rent and Leases825
870	1000	10,133.09	Labor	Labor870
870	1003	4,206,445.82	Labor	Labor870
870	1006	407,965.55	Labor	Labor870
870	1007	488,555.61	Labor	Labor870
870	1015	1,116.87	Labor	Labor870
870	2004	24.12	Materials & Supplies	Materials & Supplies870
870	2012	3,005.00	Materials & Supplies	Materials & Supplies870
870	2017	60,540.74	Materials & Supplies	Materials & Supplies870
870	2020	601.86	Materials & Supplies	Materials & Supplies870
870	2203	19.01	Materials & Supplies	Materials & Supplies870
870	2500	2,853.66	Materials & Supplies	Materials & Supplies870
870	2501	251.47	Materials & Supplies	Materials & Supplies870
870	2503	27,038.29	Materials & Supplies	Materials & Supplies870
870	3000	596,704.23	Outside Services	Outside Services870
870	3001	942.91	Advertising	Advertising870
870	3004	23,119.94	Outside Services	Outside Services870
870	3006	4,429.81	Outside Services	Outside Services870
870	3008	5,380.31	Outside Services	Outside Services870
870	3012	1,440.17	Outside Services	Outside Services870
870	3022	10.08	Outside Services	Outside Services870
870	3089	920.00	Outside Services	Outside Services870
870	3100	53,882.12	Employee Expenses	Employee Expenses870
870	3102	33,326.66	Employee Expenses	Employee Expenses870
870	3106	700.67	Employee Expenses	Employee Expenses870
870	3500	38.25	Charitable Contributions	Charitable Contributions870
870	3501	300.00	Company Memberships	Company Memberships870
870	3502	2,485.97	Employee Expenses	Employee Expenses870
870	3505	904.00	Company Memberships	Company Memberships870
870	3600	1,338.99	Other O&M	Other O&M870
870	3601	1,984.33	Materials & Supplies	Materials & Supplies870
870	3637	8,110.03	Other O&M	Other O&M870
870	3638	8,607.38	Other O&M	Other O&M870
870	3650	89,711.74	Employee Expenses	Employee Expenses870
870	3920	4,447.41	Utilities and Fuel Used in Company Operations	Utilities and Fuel Used in Company Operations870
870	3926	136.57	Utilities and Fuel Used in Company Operations	Utilities and Fuel Used in Company Operations870
870	5020	277,918.40	Fleet & Other Clearing	Fleet & Other Clearing870
870	5030	84,041.86	Fleet & Other Clearing	Fleet & Other Clearing870
870	7001	2,188,243.35	System Services	System Services870
870	9210	753.07	Rent and Leases	Rent and Leases870
870	9235	3,287.25	Rent and Leases	Rent and Leases870
870	9644	44,884.60	PUC, OCA, OSBA Fees	PUC, OCA, OSBA Fees870
871	1000	9,758.83	Labor	Labor871
871	1003	210,311.82	Labor	Labor871
871	1006	23,682.71	Labor	Labor871
871	1007	30,306.49	Labor	Labor871

871	1015	8,885.89	Labor	Labor871
871	2023	1,696.00	Materials & Supplies	Materials & Supplies871
871	3022	2,088.00	Outside Services	Outside Services871
871	3600	70.00	Other O&M	Other O&M871
871	5020	60.93	Fleet & Other Clearing	Fleet & Other Clearing871
871	5030	69,831.96	Fleet & Other Clearing	Fleet & Other Clearing871
871	5040	6,220.59	Fleet & Other Clearing	Fleet & Other Clearing871
874	1000	461,995.70	Labor	Labor874
874	1003	7,474,993.32	Labor	Labor874
874	1006	801,531.53	Labor	Labor874
874	1007	957,582.66	Labor	Labor874
874	1015	364,820.14	Labor	Labor874
874	2001	20,788.37	Materials & Supplies	Materials & Supplies874
874	2003	564.20	Materials & Supplies	Materials & Supplies874
874	2004	652.80	Materials & Supplies	Materials & Supplies874
874	2010	8,738.37	Materials & Supplies	Materials & Supplies874
874	2012	4,808.36	Materials & Supplies	Materials & Supplies874
874	2013	12.77	Materials & Supplies	Materials & Supplies874
874	2015	21.00	Materials & Supplies	Materials & Supplies874
874	2017	828,750.55	Materials & Supplies	Materials & Supplies874
874	2020	1,766.19	Materials & Supplies	Materials & Supplies874
874	2023	127,200.00	Materials & Supplies	Materials & Supplies874
874	2024	101,825.33	Materials & Supplies	Materials & Supplies874
874	2203	158,937.62	Materials & Supplies	Materials & Supplies874
874	2500	11.93	Materials & Supplies	Materials & Supplies874
874	2503	8,347.52	Materials & Supplies	Materials & Supplies874
874	3000	33,339.60	Outside Services	Outside Services874
874	3004	27,006.13	Outside Services	Outside Services874
874	3008	579.26	Outside Services	Outside Services874
874	3015	19,176.44	Outside Services	Outside Services874
874	3016	83,813.78	Outside Services	Outside Services874
874	3021	182,667.47	Outside Services	Outside Services874
874	3025	948.15	Outside Services	Outside Services874
874	3037	1,914.00	Outside Services	Outside Services874
874	3080	61,388.45	Outside Services	Outside Services874
874	3088	838,652.07	Outside Services	Outside Services874
874	3089	3,934,523.37	Outside Services	Outside Services874
874	3091	1,029.00	Outside Services	Outside Services874
874	3092	882,175.53	Outside Services	Outside Services874
874	3099	6,251.26	Outside Services	Outside Services874
874	3100	22,078.53	Employee Expenses	Employee Expenses874
874	3102	4,368.87	Employee Expenses	Employee Expenses874
874	3106	72.66	Employee Expenses	Employee Expenses874
874	3600	10,637.65	Other O&M	Other O&M874
874	3601	43.70	Materials & Supplies	Materials & Supplies874
874	3637	102,344.39	Other O&M	Other O&M874
874	3650	251,148.11	Employee Expenses	Employee Expenses874
874	3667	18,825.00	Other O&M	Other O&M874
874	3671	223.75	Other O&M	Other O&M874
874	3851	154,928.25	Utilities and Fuel Used in Company Operations	Utilities and Fuel Used in Company Operations874
874	3921	1,307.61	Utilities and Fuel Used in Company Operations	Utilities and Fuel Used in Company Operations874
874	4015	0.47	Corporate Insurance	Corporate Insurance874
874	4527	(2,898.14)	Other O&M	Other O&M874
874	4533	267.56	Other O&M	Other O&M874
874	5010	219,060.28	Outside Services	Outside Services874
874	5015	1,786,560.18	Outside Services	Outside Services874
874	5020	109,672.33	Fleet & Other Clearing	Fleet & Other Clearing874
874	5030	1,108,293.28	Fleet & Other Clearing	Fleet & Other Clearing874
874	5040	848,496.80	Fleet & Other Clearing	Fleet & Other Clearing874
874	7001	365,909.74	System Services	System Services874
874	9007	2.34	Other Employee Benefits	Other Employee Benefits874
874	9011	0.36	OPEB	OPEB874
874	9022	5.22	Other Employee Benefits	Other Employee Benefits874
874	9025	0.03	OPEB	OPEB874
874	9210	551.62	Rent and Leases	Rent and Leases874
874	9235	4,710.85	Rent and Leases	Rent and Leases874
874	9629	3.31	PUC, OCA, OSBA Fees	PUC, OCA, OSBA Fees874
875	1000	6,888.78	Labor	Labor875
875	1003	272,508.86	Labor	Labor875
875	1006	28,193.63	Labor	Labor875

875	1007	35,115.96	Labor	Labor875
875	1015	8,372.89	Labor	Labor875
875	2010	6,330.09	Materials & Supplies	Materials & Supplies875
875	2012	66.45	Materials & Supplies	Materials & Supplies875
875	2015	571.21	Materials & Supplies	Materials & Supplies875
875	2017	7,736.87	Materials & Supplies	Materials & Supplies875
875	2018	2,995.88	Materials & Supplies	Materials & Supplies875
875	2203	3,262.50	Materials & Supplies	Materials & Supplies875
875	2503	492.58	Materials & Supplies	Materials & Supplies875
875	3015	217,602.74	Outside Services	Outside Services875
875	3021	332.97	Outside Services	Outside Services875
875	3080	21,339.71	Outside Services	Outside Services875
875	3099	59.86	Outside Services	Outside Services875
875	3100	1,123.78	Employee Expenses	Employee Expenses875
875	3102	206.74	Employee Expenses	Employee Expenses875
875	3600	230.00	Other O&M	Other O&M875
875	3601	504.83	Materials & Supplies	Materials & Supplies875
875	3813	26,027.61	Utilities and Fuel Used in Company Operations	Utilities and Fuel Used in Company Operations875
875	3920	346.89	Utilities and Fuel Used in Company Operations	Utilities and Fuel Used in Company Operations875
875	3921	587.82	Utilities and Fuel Used in Company Operations	Utilities and Fuel Used in Company Operations875
875	5020	(24.95)	Fleet & Other Clearing	Fleet & Other Clearing875
875	5030	66,517.00	Fleet & Other Clearing	Fleet & Other Clearing875
875	5040	9,590.50	Fleet & Other Clearing	Fleet & Other Clearing875
875	7001	83,131.39	System Services	System Services875
875	9210	421.77	Rent and Leases	Rent and Leases875
875	9235	650.00	Rent and Leases	Rent and Leases875
876	1000	5,718.42	Labor	Labor876
876	1003	181,284.52	Labor	Labor876
876	1006	18,720.25	Labor	Labor876
876	1007	23,561.48	Labor	Labor876
876	1015	247.64	Labor	Labor876
876	2010	3,117.81	Materials & Supplies	Materials & Supplies876
876	2017	1,129.96	Materials & Supplies	Materials & Supplies876
876	5020	63.87	Fleet & Other Clearing	Fleet & Other Clearing876
876	5030	42,930.15	Fleet & Other Clearing	Fleet & Other Clearing876
876	5040	1,885.30	Fleet & Other Clearing	Fleet & Other Clearing876
876	7001	68,019.03	System Services	System Services876
876	9001	180.94	Other Employee Benefits	Other Employee Benefits876
878	1000	34,232.95	Labor	Labor878
878	1003	834,510.10	Labor	Labor878
878	1006	88,043.37	Labor	Labor878
878	1007	111,026.08	Labor	Labor878
878	1015	21,642.59	Labor	Labor878
878	2001	785.70	Materials & Supplies	Materials & Supplies878
878	2004	323.41	Materials & Supplies	Materials & Supplies878
878	2010	321.93	Materials & Supplies	Materials & Supplies878
878	2017	188,034.88	Materials & Supplies	Materials & Supplies878
878	2020	3,184.76	Materials & Supplies	Materials & Supplies878
878	2024	2,057.87	Materials & Supplies	Materials & Supplies878
878	2203	30,573.55	Materials & Supplies	Materials & Supplies878
878	3008	3,665.27	Outside Services	Outside Services878
878	3015	48,010.80	Outside Services	Outside Services878
878	3021	139.95	Outside Services	Outside Services878
878	3037	200.00	Outside Services	Outside Services878
878	3092	294.40	Outside Services	Outside Services878
878	3100	1,074.48	Employee Expenses	Employee Expenses878
878	3601	7.70	Materials & Supplies	Materials & Supplies878
878	3621	(23,161.27)	Other O&M	Other O&M878
878	3637	200.00	Other O&M	Other O&M878
878	3650	14,536.30	Employee Expenses	Employee Expenses878
878	4533	(142.51)	Other O&M	Other O&M878
878	5010	2,485.32	Outside Services	Outside Services878
878	5020	137.71	Fleet & Other Clearing	Fleet & Other Clearing878
878	5030	154,625.91	Fleet & Other Clearing	Fleet & Other Clearing878
878	5040	28,832.12	Fleet & Other Clearing	Fleet & Other Clearing878
878	5050	(193.36)	Fleet & Other Clearing	Fleet & Other Clearing878
878	7001	310,807.77	System Services	System Services878
878	9210	1,515.83	Rent and Leases	Rent and Leases878
879	1000	171,633.86	Labor	Labor879
879	1003	3,310,565.87	Labor	Labor879

879	1006	390,975.90	Labor	Labor879
879	1007	477,381.76	Labor	Labor879
879	1015	455,729.82	Labor	Labor879
879	2004	900.32	Materials & Supplies	Materials & Supplies879
879	2010	659.75	Materials & Supplies	Materials & Supplies879
879	2017	49,975.93	Materials & Supplies	Materials & Supplies879
879	2203	21,234.93	Materials & Supplies	Materials & Supplies879
879	2503	106.30	Materials & Supplies	Materials & Supplies879
879	3004	2,780.50	Outside Services	Outside Services879
879	3008	402.11	Outside Services	Outside Services879
879	3015	12,825.68	Outside Services	Outside Services879
879	3037	229.95	Outside Services	Outside Services879
879	3088	267,384.18	Outside Services	Outside Services879
879	3092	2,196.96	Outside Services	Outside Services879
879	3099	(1,532.88)	Outside Services	Outside Services879
879	3100	831.30	Employee Expenses	Employee Expenses879
879	3102	543.36	Employee Expenses	Employee Expenses879
879	3600	424.15	Other O&M	Other O&M879
879	3601	38.51	Materials & Supplies	Materials & Supplies879
879	3621	(12,705.81)	Other O&M	Other O&M879
879	3638	195.00	Other O&M	Other O&M879
879	3667	135.00	Other O&M	Other O&M879
879	4015	26.21	Corporate Insurance	Corporate Insurance879
879	5020	918.32	Fleet & Other Clearing	Fleet & Other Clearing879
879	5030	716,397.76	Fleet & Other Clearing	Fleet & Other Clearing879
879	5040	204,350.33	Fleet & Other Clearing	Fleet & Other Clearing879
879	5050	(14,514.66)	Fleet & Other Clearing	Fleet & Other Clearing879
879	7001	320,327.10	System Services	System Services879
879	9007	28.97	Other Employee Benefits	Other Employee Benefits879
879	9011	4.26	OPEB	OPEB879
879	9022	78.20	Other Employee Benefits	Other Employee Benefits879
879	9025	0.29	OPEB	OPEB879
879	9210	274.38	Rent and Leases	Rent and Leases879
879	9629	46.19	PUC, OCA, OSBA Fees	PUC, OCA, OSBA Fees879
880	1000	35,436.83	Labor	Labor880
880	1003	1,879,847.30	Labor	Labor880
880	1006	187,514.72	Labor	Labor880
880	1007	224,829.45	Labor	Labor880
880	1015	4,295.66	Labor	Labor880
880	2001	1,008.95	Materials & Supplies	Materials & Supplies880
880	2004	17,927.33	Materials & Supplies	Materials & Supplies880
880	2010	35,743.17	Materials & Supplies	Materials & Supplies880
880	2012	669.15	Materials & Supplies	Materials & Supplies880
880	2013	296.40	Materials & Supplies	Materials & Supplies880
880	2015	2,339.46	Materials & Supplies	Materials & Supplies880
880	2016	101.88	Materials & Supplies	Materials & Supplies880
880	2017	110,057.36	Materials & Supplies	Materials & Supplies880
880	2018	27.18	Materials & Supplies	Materials & Supplies880
880	2020	3,448.58	Materials & Supplies	Materials & Supplies880
880	2024	2,152.04	Materials & Supplies	Materials & Supplies880
880	2203	853.05	Materials & Supplies	Materials & Supplies880
880	2500	1,145.42	Materials & Supplies	Materials & Supplies880
880	2501	2,320.13	Materials & Supplies	Materials & Supplies880
880	2503	49,802.31	Materials & Supplies	Materials & Supplies880
880	3000	8.96	Outside Services	Outside Services880
880	3004	10,633.66	Outside Services	Outside Services880
880	3006	132.06	Outside Services	Outside Services880
880	3008	2,332.20	Outside Services	Outside Services880
880	3011	99,515.56	Outside Services	Outside Services880
880	3012	5,556.25	Outside Services	Outside Services880
880	3015	560.00	Outside Services	Outside Services880
880	3021	2,901.39	Outside Services	Outside Services880
880	3037	1,401.00	Outside Services	Outside Services880
880	3080	158,373.16	Outside Services	Outside Services880
880	3087	1,160.25	Outside Services	Outside Services880
880	3090	3,768.00	Outside Services	Outside Services880
880	3091	1,842.05	Outside Services	Outside Services880
880	3094	11,046.61	Outside Services	Outside Services880
880	3099	(163.85)	Outside Services	Outside Services880
880	3100	11,411.37	Employee Expenses	Employee Expenses880

880	3102	25,744.09	Employee Expenses	Employee Expenses880
880	3106	260.55	Employee Expenses	Employee Expenses880
880	3600	2,790.05	Other O&M	Other O&M880
880	3601	1,565.33	Materials & Supplies	Materials & Supplies880
880	3604	4.76	Misc & Other Expenses	Misc & Other Expenses880
880	3637	584.32	Other O&M	Other O&M880
880	3638	(1,830.54)	Other O&M	Other O&M880
880	3650	9,414.32	Employee Expenses	Employee Expenses880
880	3667	1,645.00	Other O&M	Other O&M880
880	3671	613.25	Other O&M	Other O&M880
880	3813	363,196.41	Utilities and Fuel Used in Company Operations	Utilities and Fuel Used in Company Operations880
880	3920	20,695.80	Utilities and Fuel Used in Company Operations	Utilities and Fuel Used in Company Operations880
880	3921	3,674.32	Utilities and Fuel Used in Company Operations	Utilities and Fuel Used in Company Operations880
880	3924	1,102.36	Utilities and Fuel Used in Company Operations	Utilities and Fuel Used in Company Operations880
880	3925	209.16	Utilities and Fuel Used in Company Operations	Utilities and Fuel Used in Company Operations880
880	3926	10,345.01	Utilities and Fuel Used in Company Operations	Utilities and Fuel Used in Company Operations880
880	4015	3.06	Corporate Insurance	Corporate Insurance880
880	4515	1,079.06	Other O&M	Other O&M880
880	4524	200.00	Other O&M	Other O&M880
880	4533	1,712.45	Other O&M	Other O&M880
880	5010	16,783.94	Outside Services	Outside Services880
880	5013	408.50	Outside Services	Outside Services880
880	5020	56,545.97	Fleet & Other Clearing	Fleet & Other Clearing880
880	5030	186,591.56	Fleet & Other Clearing	Fleet & Other Clearing880
880	5040	118,694.92	Fleet & Other Clearing	Fleet & Other Clearing880
880	7001	86,910.33	System Services	System Services880
880	9001	15.36	Other Employee Benefits	Other Employee Benefits880
880	9007	405.29	Other Employee Benefits	Other Employee Benefits880
880	9011	48.99	OPEB	OPEB880
880	9022	1,267.26	Other Employee Benefits	Other Employee Benefits880
880	9025	3.85	OPEB	OPEB880
880	9210	1,072.12	Rent and Leases	Rent and Leases880
880	9215	11,574.42	Rent and Leases	Rent and Leases880
880	9220	(5,534.79)	Building Leases	Building Leases880
880	9231	90,750.03	Other O&M	Other O&M880
880	9235	36,964.57	Rent and Leases	Rent and Leases880
880	9600	13,577.94	Building Leases	Building Leases880
880	9629	658.04	PUC, OCA, OSBA Fees	PUC, OCA, OSBA Fees880
881	4515	5,876.00	Other O&M	Other O&M881
881	9220	(134,852.54)	Building Leases	Building Leases881
881	9231	425.00	Other O&M	Other O&M881
881	9235	116,610.41	Rent and Leases	Rent and Leases881
885	1000	487.35	Labor	Labor885
885	1003	123,417.76	Labor	Labor885
885	1006	11,905.05	Labor	Labor885
885	1007	14,325.21	Labor	Labor885
885	2004	1.84	Materials & Supplies	Materials & Supplies885
885	2017	39.83	Materials & Supplies	Materials & Supplies885
885	2020	29.46	Materials & Supplies	Materials & Supplies885
885	2500	3.04	Materials & Supplies	Materials & Supplies885
885	2503	255.02	Materials & Supplies	Materials & Supplies885
885	3006	4,429.81	Outside Services	Outside Services885
885	3008	12.30	Outside Services	Outside Services885
885	3100	1,198.01	Employee Expenses	Employee Expenses885
885	3102	141.77	Employee Expenses	Employee Expenses885
885	3502	7.03	Employee Expenses	Employee Expenses885
885	3600	27.11	Other O&M	Other O&M885
885	3637	369.84	Other O&M	Other O&M885
885	3650	205.63	Employee Expenses	Employee Expenses885
885	5020	1,062.76	Fleet & Other Clearing	Fleet & Other Clearing885
885	9235	698.99	Rent and Leases	Rent and Leases885
886	1000	19.03	Labor	Labor886
886	1003	5,609.62	Labor	Labor886
886	1006	605.97	Labor	Labor886
886	1007	713.43	Labor	Labor886
886	1015	305.20	Labor	Labor886
886	2010	2,383.92	Materials & Supplies	Materials & Supplies886
886	2017	405.88	Materials & Supplies	Materials & Supplies886
886	2024	575.00	Materials & Supplies	Materials & Supplies886
886	3080	792.45	Outside Services	Outside Services886

886	5015	12,466.04	Outside Services	Outside Services886
886	5030	2,145.21	Fleet & Other Clearing	Fleet & Other Clearing886
886	5040	233.11	Fleet & Other Clearing	Fleet & Other Clearing886
887	1000	212,406.29	Labor	Labor887
887	1003	2,827,313.24	Labor	Labor887
887	1006	303,391.48	Labor	Labor887
887	1007	361,104.11	Labor	Labor887
887	1015	60,252.19	Labor	Labor887
887	2001	9,362.71	Materials & Supplies	Materials & Supplies887
887	2003	5,352.69	Materials & Supplies	Materials & Supplies887
887	2004	53,002.56	Materials & Supplies	Materials & Supplies887
887	2010	75,124.70	Materials & Supplies	Materials & Supplies887
887	2012	373,356.01	Materials & Supplies	Materials & Supplies887
887	2015	11,147.50	Materials & Supplies	Materials & Supplies887
887	2017	880,074.12	Materials & Supplies	Materials & Supplies887
887	2018	263.46	Materials & Supplies	Materials & Supplies887
887	2020	1,273.44	Materials & Supplies	Materials & Supplies887
887	2024	8,778.75	Materials & Supplies	Materials & Supplies887
887	2203	409,719.56	Materials & Supplies	Materials & Supplies887
887	2500	35.74	Materials & Supplies	Materials & Supplies887
887	2501	60,378.09	Materials & Supplies	Materials & Supplies887
887	2503	286.08	Materials & Supplies	Materials & Supplies887
887	2514	3,365.00	Materials & Supplies	Materials & Supplies887
887	3000	870.00	Outside Services	Outside Services887
887	3004	185,119.86	Outside Services	Outside Services887
887	3006	(111,872.25)	Outside Services	Outside Services887
887	3008	1,072.71	Outside Services	Outside Services887
887	3009	56,418.50	Outside Services	Outside Services887
887	3012	2,464.50	Outside Services	Outside Services887
887	3015	72,681.13	Outside Services	Outside Services887
887	3016	2,832,488.44	Outside Services	Outside Services887
887	3021	465,450.57	Outside Services	Outside Services887
887	3080	34,950.49	Outside Services	Outside Services887
887	3086	2,990.43	Outside Services	Outside Services887
887	3087	784.00	Outside Services	Outside Services887
887	3088	158.28	Outside Services	Outside Services887
887	3089	16,820.73	Outside Services	Outside Services887
887	3090	690,579.03	Outside Services	Outside Services887
887	3091	906.21	Outside Services	Outside Services887
887	3092	3,560,959.94	Outside Services	Outside Services887
887	3096	318,315.20	Outside Services	Outside Services887
887	3099	(60,502.50)	Outside Services	Outside Services887
887	3100	2,303.44	Employee Expenses	Employee Expenses887
887	3102	1,780.87	Employee Expenses	Employee Expenses887
887	3501	25,000.00	Company Memberships	Company Memberships887
887	3600	75,297.48	Other O&M	Other O&M887
887	3601	809.35	Materials & Supplies	Materials & Supplies887
887	3621	(237,416.40)	Other O&M	Other O&M887
887	3637	2,799.38	Other O&M	Other O&M887
887	3638	5,973.38	Other O&M	Other O&M887
887	3650	244.09	Employee Expenses	Employee Expenses887
887	3667	100,358.00	Other O&M	Other O&M887
887	3920	1,373.39	Utilities and Fuel Used in Company Operations	Utilities and Fuel Used in Company Operations887
887	3921	64,373.40	Utilities and Fuel Used in Company Operations	Utilities and Fuel Used in Company Operations887
887	3925	174.92	Utilities and Fuel Used in Company Operations	Utilities and Fuel Used in Company Operations887
887	4015	(12.65)	Corporate Insurance	Corporate Insurance887
887	4515	2,500.00	Other O&M	Other O&M887
887	4522	(27.64)	Other O&M	Other O&M887
887	4533	(6,119.05)	Other O&M	Other O&M887
887	5010	625.59	Outside Services	Outside Services887
887	5020	22,941.19	Fleet & Other Clearing	Fleet & Other Clearing887
887	5030	402,205.93	Fleet & Other Clearing	Fleet & Other Clearing887
887	5040	787,299.89	Fleet & Other Clearing	Fleet & Other Clearing887
887	5050	(14,592.97)	Fleet & Other Clearing	Fleet & Other Clearing887
887	7001	135,642.59	System Services	System Services887
887	9007	54.90	Other Employee Benefits	Other Employee Benefits887
887	9011	(3.01)	OPEB	OPEB887
887	9022	145.42	Other Employee Benefits	Other Employee Benefits887
887	9025	(0.19)	OPEB	OPEB887
887	9210	1,022.63	Rent and Leases	Rent and Leases887

887	9235	27,490.21	Rent and Leases	Rent and Leases887
887	9629	78.17	PUC, OCA, OSBA Fees	PUC, OCA, OSBA Fees887
889	1000	24,083.69	Labor	Labor889
889	1003	577,761.89	Labor	Labor889
889	1006	57,663.60	Labor	Labor889
889	1007	64,197.78	Labor	Labor889
889	1015	16,173.92	Labor	Labor889
889	2001	3,906.50	Materials & Supplies	Materials & Supplies889
889	2010	166,381.94	Materials & Supplies	Materials & Supplies889
889	2015	1,742.90	Materials & Supplies	Materials & Supplies889
889	2016	2,094.00	Materials & Supplies	Materials & Supplies889
889	2017	10,835.00	Materials & Supplies	Materials & Supplies889
889	2203	1,657.32	Materials & Supplies	Materials & Supplies889
889	2503	63.98	Materials & Supplies	Materials & Supplies889
889	3016	139,570.90	Outside Services	Outside Services889
889	3017	2,818.51	Outside Services	Outside Services889
889	3080	13,890.45	Outside Services	Outside Services889
889	3099	(29,397.49)	Outside Services	Outside Services889
889	3100	629.24	Employee Expenses	Employee Expenses889
889	3102	888.36	Employee Expenses	Employee Expenses889
889	3601	206.46	Materials & Supplies	Materials & Supplies889
889	3920	156.27	Utilities and Fuel Used in Company Operations	Utilities and Fuel Used in Company Operations889
889	4015	18.38	Corporate Insurance	Corporate Insurance889
889	5020	284.57	Fleet & Other Clearing	Fleet & Other Clearing889
889	5030	134,993.74	Fleet & Other Clearing	Fleet & Other Clearing889
889	5040	11,397.95	Fleet & Other Clearing	Fleet & Other Clearing889
889	7001	83,132.52	System Services	System Services889
889	9007	114.05	Other Employee Benefits	Other Employee Benefits889
889	9011	16.53	OPEB	OPEB889
889	9022	325.32	Other Employee Benefits	Other Employee Benefits889
889	9025	1.40	OPEB	OPEB889
889	9629	155.75	PUC, OCA, OSBA Fees	PUC, OCA, OSBA Fees889
890	1000	2,618.68	Labor	Labor890
890	1003	44,192.82	Labor	Labor890
890	1006	4,867.93	Labor	Labor890
890	1007	6,375.75	Labor	Labor890
890	1015	186.45	Labor	Labor890
890	2001	2,089.75	Materials & Supplies	Materials & Supplies890
890	2010	5,725.00	Materials & Supplies	Materials & Supplies890
890	2203	989.22	Materials & Supplies	Materials & Supplies890
890	5030	9,598.00	Fleet & Other Clearing	Fleet & Other Clearing890
890	5040	1,381.64	Fleet & Other Clearing	Fleet & Other Clearing890
890	7001	79,792.45	System Services	System Services890
892	1000	103,994.40	Labor	Labor892
892	1003	1,096,112.24	Labor	Labor892
892	1006	144,409.53	Labor	Labor892
892	1007	173,829.37	Labor	Labor892
892	1015	66,852.17	Labor	Labor892
892	2004	936.79	Materials & Supplies	Materials & Supplies892
892	2012	2,938.05	Materials & Supplies	Materials & Supplies892
892	2017	331,466.66	Materials & Supplies	Materials & Supplies892
892	2020	69.64	Materials & Supplies	Materials & Supplies892
892	2203	53,336.40	Materials & Supplies	Materials & Supplies892
892	2500	10.69	Materials & Supplies	Materials & Supplies892
892	2501	2.10	Materials & Supplies	Materials & Supplies892
892	2503	67.07	Materials & Supplies	Materials & Supplies892
892	3000	2,639.00	Outside Services	Outside Services892
892	3004	(287,498.10)	Outside Services	Outside Services892
892	3006	1,167.13	Outside Services	Outside Services892
892	3008	81.68	Outside Services	Outside Services892
892	3009	2,574.64	Outside Services	Outside Services892
892	3012	572.40	Outside Services	Outside Services892
892	3015	54,702.31	Outside Services	Outside Services892
892	3016	800.50	Outside Services	Outside Services892
892	3021	6,274.12	Outside Services	Outside Services892
892	3080	6,185.05	Outside Services	Outside Services892
892	3087	53,346.83	Outside Services	Outside Services892
892	3089	589.00	Outside Services	Outside Services892
892	3090	127,310.80	Outside Services	Outside Services892
892	3091	2,604,605.15	Outside Services	Outside Services892

892	3092	724,303.56	Outside Services	Outside Services892
892	3099	48,152.41	Outside Services	Outside Services892
892	3100	698.76	Employee Expenses	Employee Expenses892
892	3102	323.39	Employee Expenses	Employee Expenses892
892	3600	21,117.01	Other O&M	Other O&M892
892	3601	244.45	Materials & Supplies	Materials & Supplies892
892	3621	(112,697.91)	Other O&M	Other O&M892
892	3637	475.40	Other O&M	Other O&M892
892	3638	211.90	Other O&M	Other O&M892
892	3650	75.11	Employee Expenses	Employee Expenses892
892	3667	67,906.00	Other O&M	Other O&M892
892	4533	14.26	Other O&M	Other O&M892
892	5020	6,306.26	Fleet & Other Clearing	Fleet & Other Clearing892
892	5030	135,578.40	Fleet & Other Clearing	Fleet & Other Clearing892
892	5040	298,659.55	Fleet & Other Clearing	Fleet & Other Clearing892
892	5050	(61,575.80)	Fleet & Other Clearing	Fleet & Other Clearing892
892	7001	39,185.26	System Services	System Services892
892	9235	4,577.71	Rent and Leases	Rent and Leases892
893	1000	5,376.61	Labor	Labor893
893	1003	117,585.35	Labor	Labor893
893	1006	11,305.12	Labor	Labor893
893	1007	13,215.04	Labor	Labor893
893	1015	42.51	Labor	Labor893
893	2004	746.25	Materials & Supplies	Materials & Supplies893
893	2010	6,003.00	Materials & Supplies	Materials & Supplies893
893	2017	212,449.08	Materials & Supplies	Materials & Supplies893
893	2203	7,942.81	Materials & Supplies	Materials & Supplies893
893	3015	86,334.00	Outside Services	Outside Services893
893	3099	59.86	Outside Services	Outside Services893
893	3600	130.00	Other O&M	Other O&M893
893	5020	43.79	Fleet & Other Clearing	Fleet & Other Clearing893
893	5030	32,548.65	Fleet & Other Clearing	Fleet & Other Clearing893
893	5040	17,929.55	Fleet & Other Clearing	Fleet & Other Clearing893
893	7001	25,342.62	System Services	System Services893
894	1000	9,472.65	Labor	Labor894
894	1003	439,768.64	Labor	Labor894
894	1006	43,361.82	Labor	Labor894
894	1007	49,336.81	Labor	Labor894
894	1015	802.48	Labor	Labor894
894	2001	11,352.19	Materials & Supplies	Materials & Supplies894
894	2003	3,862.27	Materials & Supplies	Materials & Supplies894
894	2004	2,025.35	Materials & Supplies	Materials & Supplies894
894	2010	104,565.38	Materials & Supplies	Materials & Supplies894
894	2013	1,182.08	Materials & Supplies	Materials & Supplies894
894	2015	919.46	Materials & Supplies	Materials & Supplies894
894	2017	95,939.69	Materials & Supplies	Materials & Supplies894
894	2020	43.84	Materials & Supplies	Materials & Supplies894
894	2022	10,561.81	Materials & Supplies	Materials & Supplies894
894	2024	167,676.98	Materials & Supplies	Materials & Supplies894
894	2203	4,834.75	Materials & Supplies	Materials & Supplies894
894	2501	62,727.20	Materials & Supplies	Materials & Supplies894
894	2503	885.30	Materials & Supplies	Materials & Supplies894
894	3004	5,705.80	Outside Services	Outside Services894
894	3009	(1,557.50)	Outside Services	Outside Services894
894	3022	917.16	Outside Services	Outside Services894
894	3037	105.00	Outside Services	Outside Services894
894	3080	8,703.10	Outside Services	Outside Services894
894	3100	2,348.81	Employee Expenses	Employee Expenses894
894	3600	608.50	Other O&M	Other O&M894
894	3601	63.31	Materials & Supplies	Materials & Supplies894
894	3637	2,527.90	Other O&M	Other O&M894
894	3650	333.07	Employee Expenses	Employee Expenses894
894	3920	5.08	Utilities and Fuel Used in Company Operations	Utilities and Fuel Used in Company Operations894
894	3921	7,858.40	Utilities and Fuel Used in Company Operations	Utilities and Fuel Used in Company Operations894
894	5010	4,410.03	Outside Services	Outside Services894
894	5020	2,223.08	Fleet & Other Clearing	Fleet & Other Clearing894
894	5030	98,961.03	Fleet & Other Clearing	Fleet & Other Clearing894
894	5040	35,828.65	Fleet & Other Clearing	Fleet & Other Clearing894
894	7001	123,794.08	System Services	System Services894
894	9210	557.03	Rent and Leases	Rent and Leases894

894	9215	106.00	Rent and Leases	Rent and Leases894
894	9220	1,200.00	Building Leases	Building Leases894
894	9235	1,311.38	Rent and Leases	Rent and Leases894
901	7001	868.13	System Services	System Services901
902	1000	2,933.06	Labor	Labor902
902	1003	189,759.95	Labor	Labor902
902	1006	18,839.50	Labor	Labor902
902	1007	22,575.26	Labor	Labor902
902	1015	126.72	Labor	Labor902
902	3009	372,205.39	Outside Services	Outside Services902
902	3079	29,403.00	Outside Services	Outside Services902
902	3601	129.10	Materials & Supplies	Materials & Supplies902
902	5020	106.34	Fleet & Other Clearing	Fleet & Other Clearing902
902	5030	26,946.17	Fleet & Other Clearing	Fleet & Other Clearing902
902	5040	10,655.09	Fleet & Other Clearing	Fleet & Other Clearing902
903	1000	39,236.38	Labor	Labor903
903	1003	714,862.26	Labor	Labor903
903	1006	73,342.65	Labor	Labor903
903	1007	88,756.96	Labor	Labor903
903	1015	12,809.56	Labor	Labor903
903	2004	2,125.98	Materials & Supplies	Materials & Supplies903
903	2017	17.80	Materials & Supplies	Materials & Supplies903
903	3000	71,108.99	Outside Services	Outside Services903
903	3008	2,628.48	Outside Services	Outside Services903
903	3009	1,397.48	Outside Services	Outside Services903
903	3011	6,887.82	Outside Services	Outside Services903
903	3025	265,325.30	Outside Services	Outside Services903
903	3078	(2,371.33)	Outside Services	Outside Services903
903	3601	1,687,295.32	Materials & Supplies	Materials & Supplies903
903	3621	(559.86)	Other O&M	Other O&M903
903	5020	2.74	Fleet & Other Clearing	Fleet & Other Clearing903
903	5030	110,325.46	Fleet & Other Clearing	Fleet & Other Clearing903
903	5040	32,758.76	Fleet & Other Clearing	Fleet & Other Clearing903
903	7001	4,573,773.67	System Services	System Services903
903	7033	(98,259.63)	System Services	System Services903
904	3250	9,198,097.31	Uncollectible Accounts	Uncollectible Accounts904
904	3251	21,710,723.59	Uncollectible CAP-Rider USP	Uncollectible CAP-Rider USP904
904	3252	(51,052.84)	Uncollectible Accounts	Uncollectible Accounts904
904	3654	(2,060,776.38)	Uncollectible Accounts	Uncollectible Accounts904
905	3601	9.40	Materials & Supplies	Materials & Supplies905
905	3638	3,022.36	Other O&M	Other O&M905
908	6016	4,267,592.40	Rider USP - LIURP/Energy Efficiency	Rider USP - LIURP/Energy Efficiency908
908	7001	1,877.79	System Services	System Services908
909	2004	14,460.09	Materials & Supplies	Materials & Supplies909
909	3001	95,357.93	Advertising	Advertising909
909	3008	23,584.86	Outside Services	Outside Services909
909	3637	26,250.00	Other O&M	Other O&M909
910	1003	302,216.88	Labor	Labor910
910	1006	29,506.27	Labor	Labor910
910	1007	35,755.19	Labor	Labor910
910	2017	85.74	Materials & Supplies	Materials & Supplies910
910	2503	192.30	Materials & Supplies	Materials & Supplies910
910	3008	125.97	Outside Services	Outside Services910
910	3100	3,738.27	Employee Expenses	Employee Expenses910
910	3102	2,124.01	Employee Expenses	Employee Expenses910
910	3637	206.74	Other O&M	Other O&M910
910	3638	161.07	Other O&M	Other O&M910
910	3924	55.63	Utilities and Fuel Used in Company Operations	Utilities and Fuel Used in Company Operations910
910	5020	2,460.80	Fleet & Other Clearing	Fleet & Other Clearing910
910	7001	908,587.53	System Services	System Services910
912	7001	7,298.81	System Services	System Services912
913	7001	149,652.58	System Services	System Services913
916	3601	28.59	Materials & Supplies	Materials & Supplies916
916	3650	236.24	Employee Expenses	Employee Expenses916
920	1000	649.53	Labor	Labor920
920	1003	1,878,357.81	Labor	Labor920
920	1006	185,829.42	Labor	Labor920
920	1007	224,197.63	Labor	Labor920
920	1015	94.13	Labor	Labor920
920	2004	2,020.99	Materials & Supplies	Materials & Supplies920

920	2503	765.50	Materials & Supplies	Materials & Supplies920
920	3001	2,500.00	Advertising	Advertising920
920	3100	7,873.21	Employee Expenses	Employee Expenses920
920	3102	7,460.40	Employee Expenses	Employee Expenses920
920	3635	351,664.04	Other O&M	Other O&M920
920	3637	1,387.64	Other O&M	Other O&M920
920	3920	114.37	Utilities and Fuel Used in Company Operations	Utilities and Fuel Used in Company Operations920
920	5010	928.98	Outside Services	Outside Services920
920	5020	51,364.07	Fleet & Other Clearing	Fleet & Other Clearing920
920	5030	45.97	Fleet & Other Clearing	Fleet & Other Clearing920
920	5040	55,502.47	Fleet & Other Clearing	Fleet & Other Clearing920
920	7001	19,343,083.92	System Services	System Services920
920	9004	3,636,109.62	Incentive Compensation	Incentive Compensation920
920	9020	228,587.60	Employee Expenses	Employee Expenses920
920	7001	312,134.75	System Services	System Services920
920	7001	2,065,977.60	System Services	System Services920
920	9114	283,685.00	Labor	Labor920
920	9115	74,358.00	Labor	Labor920
920	9185	(30,029.00)	Other Employee Benefits	Other Employee Benefits920
921	1003	531,298.50	Labor	Labor921
921	1006	51,790.41	Labor	Labor921
921	1007	64,044.63	Labor	Labor921
921	2004	7,729.10	Materials & Supplies	Materials & Supplies921
921	2016	560.00	Materials & Supplies	Materials & Supplies921
921	2017	44,631.51	Materials & Supplies	Materials & Supplies921
921	2020	22,253.10	Materials & Supplies	Materials & Supplies921
921	2500	2,517.61	Materials & Supplies	Materials & Supplies921
921	2503	23,717.76	Materials & Supplies	Materials & Supplies921
921	3001	1,982.82	Advertising	Advertising921
921	3008	5,745.67	Outside Services	Outside Services921
921	3012	1,495.63	Outside Services	Outside Services921
921	3021	744.69	Outside Services	Outside Services921
921	3022	3,307.20	Outside Services	Outside Services921
921	3046	162.50	Outside Services	Outside Services921
921	3100	6,170.37	Employee Expenses	Employee Expenses921
921	3102	26,177.22	Employee Expenses	Employee Expenses921
921	3103	1,202.69	Employee Expenses	Employee Expenses921
921	3106	2,841.69	Employee Expenses	Employee Expenses921
921	3300	90,313.08	Amortization	Amortization921
921	3501	142,156.00	Company Memberships	Company Memberships921
921	3502	13,422.64	Employee Expenses	Employee Expenses921
921	3503	454.72	Outside Services	Outside Services921
921	3504	2,134.00	Company Memberships	Company Memberships921
921	3600	1,934.39	Other O&M	Other O&M921
921	3601	1,195.46	Materials & Supplies	Materials & Supplies921
921	3604	1,000.00	Misc & Other Expenses	Misc & Other Expenses921
921	3637	908.59	Other O&M	Other O&M921
921	3638	1,686.33	Other O&M	Other O&M921
921	3650	1,000.58	Employee Expenses	Employee Expenses921
921	3813	20,829.12	Utilities and Fuel Used in Company Operations	Utilities and Fuel Used in Company Operations921
921	3920	24,795.36	Utilities and Fuel Used in Company Operations	Utilities and Fuel Used in Company Operations921
921	3921	181,355.57	Utilities and Fuel Used in Company Operations	Utilities and Fuel Used in Company Operations921
921	3922	11,586.29	Utilities and Fuel Used in Company Operations	Utilities and Fuel Used in Company Operations921
921	3923	776,435.42	Other O&M	Other O&M921
921	3925	28,637.08	Utilities and Fuel Used in Company Operations	Utilities and Fuel Used in Company Operations921
921	3926	1,028,950.18	Utilities and Fuel Used in Company Operations	Utilities and Fuel Used in Company Operations921
921	5008	(355.03)	Outside Services	Outside Services921
921	5010	4,762.22	Outside Services	Outside Services921
921	5013	6,609.27	Outside Services	Outside Services921
921	5020	80,971.90	Fleet & Other Clearing	Fleet & Other Clearing921
921	5030	25,401.63	Fleet & Other Clearing	Fleet & Other Clearing921
921	5040	1,153.93	Fleet & Other Clearing	Fleet & Other Clearing921
921	6015	1,655,043.01	Rider USP - LIURP/Energy Efficiency	Rider USP - LIURP/Energy Efficiency921
921	7001	384,755.78	System Services	System Services921
921	9215	5,310.84	Rent and Leases	Rent and Leases921
921	9220	(85,613.18)	Building Leases	Building Leases921
921	9235	5,765.25	Rent and Leases	Rent and Leases921
921	9257	4.00	Building Leases	Building Leases921
921	2017	10,173.43	Materials & Supplies	Materials & Supplies921
921	2500	25.33	Materials & Supplies	Materials & Supplies921

921	2501	50.00	Materials & Supplies	Materials & Supplies921
921	2503	8,113.51	Materials & Supplies	Materials & Supplies921
921	3008	490.05	Outside Services	Outside Services921
921	3100	75,339.97	Employee Expenses	Employee Expenses921
921	3102	95,783.68	Employee Expenses	Employee Expenses921
921	3106	3,332.81	Employee Expenses	Employee Expenses921
921	3502	295.00	Employee Expenses	Employee Expenses921
921	3600	1,986.10	Other O&M	Other O&M921
921	3601	104.13	Materials & Supplies	Materials & Supplies921
921	3637	9,955.13	Other O&M	Other O&M921
921	3638	331.70	Other O&M	Other O&M921
921	3650	37,265.34	Employee Expenses	Employee Expenses921
921	3925	17.60	Utilities and Fuel Used in Company Operations	Utilities and Fuel Used in Company Operations921
921	5020	7.00	Fleet & Other Clearing	Fleet & Other Clearing921
921	7001	219,952.24	System Services	System Services921
923	1003	3,370.78	Labor	Labor923
923	1006	303.36	Labor	Labor923
923	1007	245.79	Labor	Labor923
923	2001	698.10	Materials & Supplies	Materials & Supplies923
923	2004	3,830.42	Materials & Supplies	Materials & Supplies923
923	2010	1,800.00	Materials & Supplies	Materials & Supplies923
923	2016	15,285.00	Materials & Supplies	Materials & Supplies923
923	2017	6,077.42	Materials & Supplies	Materials & Supplies923
923	2020	83,625.42	Materials & Supplies	Materials & Supplies923
923	2024	195.04	Materials & Supplies	Materials & Supplies923
923	2203	3,254.28	Materials & Supplies	Materials & Supplies923
923	2503	1,504.29	Materials & Supplies	Materials & Supplies923
923	3000	550,289.34	Outside Services	Outside Services923
923	3001	105,996.80	Advertising	Advertising923
923	3002	409,294.86	Outside Services	Outside Services923
923	3003	770,291.04	Outside Services	Outside Services923
923	3004	3,844.19	Outside Services	Outside Services923
923	3008	1,019.26	Outside Services	Outside Services923
923	3011	102,060.38	Outside Services	Outside Services923
923	3012	1,382.80	Outside Services	Outside Services923
923	3014	12,036.24	Outside Services	Outside Services923
923	3015	317,336.40	Outside Services	Outside Services923
923	3021	107,503.32	Outside Services	Outside Services923
923	3046	39,294.72	Outside Services	Outside Services923
923	3083	29,167.51	Outside Services	Outside Services923
923	3089	6,265.13	Outside Services	Outside Services923
923	3100	342.94	Employee Expenses	Employee Expenses923
923	3102	1,605.79	Employee Expenses	Employee Expenses923
923	3106	59.90	Employee Expenses	Employee Expenses923
923	3500	55.00	Charitable Contributions	Charitable Contributions923
923	3503	397,398.22	Outside Services	Outside Services923
923	3504	175,000.00	Company Memberships	Company Memberships923
923	3600	3,606.00	Other O&M	Other O&M923
923	3634	(9,250.00)	Other O&M	Other O&M923
923	3637	512,911.99	Other O&M	Other O&M923
923	3638	286.36	Other O&M	Other O&M923
923	3650	575.79	Employee Expenses	Employee Expenses923
923	3920	2,625.26	Utilities and Fuel Used in Company Operations	Utilities and Fuel Used in Company Operations923
923	3921	3,893.11	Utilities and Fuel Used in Company Operations	Utilities and Fuel Used in Company Operations923
923	3925	3,258.57	Utilities and Fuel Used in Company Operations	Utilities and Fuel Used in Company Operations923
923	3926	980.00	Utilities and Fuel Used in Company Operations	Utilities and Fuel Used in Company Operations923
923	5010	140,394.95	Outside Services	Outside Services923
923	5013	69,966.29	Outside Services	Outside Services923
923	7001	16,533,594.29	System Services	System Services923
923	9215	108,127.88	Rent and Leases	Rent and Leases923
923	9220	44,610.23	Building Leases	Building Leases923
923	9232	5,190.60	Rent and Leases	Rent and Leases923
923	7001	6,975,378.07	System Services	System Services923
924	4016	160,698.37	Corporate Insurance	Corporate Insurance924
924	4018	20,939.16	Corporate Insurance	Corporate Insurance924
924	7001	4,764.72	System Services	System Services924
925	4000	74,675.00	Corporate Insurance	Corporate Insurance925
925	4015	585,795.40	Corporate Insurance	Corporate Insurance925
925	4016	4,204,604.98	Corporate Insurance	Corporate Insurance925
925	4017	307,629.46	Injuries and Damages	Injuries and Damages925

925	4018	1,481,405.17	Corporate Insurance	Corporate Insurance925
925	7001	251,045.38	System Services	System Services925
925	9066	(287,161.60)	Corporate Insurance	Corporate Insurance925
926	3024	541,691.00	Outside Services	Outside Services926
926	3300	844,977.00	Amortization	Amortization926
926	4016	264,619.67	Corporate Insurance	Corporate Insurance926
926	7001	4,976,522.23	System Services	System Services926
926	9005	1,784,234.58	Pension	Pension926
926	9007	3,563,329.06	Other Employee Benefits	Other Employee Benefits926
926	9008	434,968.67	Other Employee Benefits	Other Employee Benefits926
926	9009	293,740.41	Other Employee Benefits	Other Employee Benefits926
926	9010	393,315.24	Other Employee Benefits	Other Employee Benefits926
926	9011	520,516.18	OPEB	OPEB926
926	9012	9,812.87	Other Employee Benefits	Other Employee Benefits926
926	9015	67,428.79	Other Employee Benefits	Other Employee Benefits926
926	9017	396,896.91	Other Employee Benefits	Other Employee Benefits926
926	9018	2,706.61	Other Employee Benefits	Other Employee Benefits926
926	9021	115,000.00	Employee Expenses	Employee Expenses926
926	9022	7,264,814.50	Other Employee Benefits	Other Employee Benefits926
926	9023	(449,393.82)	Other Employee Benefits	Other Employee Benefits926
926	9025	40,252.30	OPEB	OPEB926
926	9026	161,420.00	Other Employee Benefits	Other Employee Benefits926
926	9032	1,349,758.17	Other Employee Benefits	Other Employee Benefits926
926	9033	11,314.17	Pension	Pension926
926	9036	6,089.97	Other Employee Benefits	Other Employee Benefits926
926	9061	(4,904,283.84)	Other Employee Benefits	Other Employee Benefits926
926	9062	(255,845.07)	OPEB	OPEB926
926	9063	(19,881.53)	OPEB	OPEB926
926	9064	(28,250.25)	Pension	Pension926
926	9065	(1,733,470.78)	Other Employee Benefits	Other Employee Benefits926
926	9180	20,718.01	Other Employee Benefits	Other Employee Benefits926
926	9005	(920,018.70)	Pension	Pension926
926	9011	(1,604,104.29)	OPEB	OPEB926
926	9025	(74,026.55)	OPEB	OPEB926
926	9031	(864,155.84)	Other Employee Benefits	Other Employee Benefits926
926	9033	3,973.08	Pension	Pension926
928	2503	12,721.50	Materials & Supplies	Materials & Supplies928
928	3000	121,175.18	Outside Services	Outside Services928
928	3002	99,063.54	Outside Services	Outside Services928
928	7001	5,770.92	System Services	System Services928
928	9617	243,468.81	PUC, OCA, OSBA Fees	PUC, OCA, OSBA Fees928
928	9635	1,641,608.55	PUC, OCA, OSBA Fees	PUC, OCA, OSBA Fees928
928	9636	87,534.57	PUC, OCA, OSBA Fees	PUC, OCA, OSBA Fees928
930	2004	2,523.82	Materials & Supplies	Materials & Supplies930
930	3001	364,342.47	Advertising	Advertising930
930	3008	19,495.29	Outside Services	Outside Services930
930	3501	900.00	Company Memberships	Company Memberships930
930	3505	1,441.00	Company Memberships	Company Memberships930
930	3637	1,500.00	Other O&M	Other O&M930
930	3926	4,040.52	Utilities and Fuel Used in Company Operations	Utilities and Fuel Used in Company Operations930
930	7001	93,145.58	System Services	System Services930
930	2017	8,159.28	Materials & Supplies	Materials & Supplies930
930	2203	25,648.28	Materials & Supplies	Materials & Supplies930
930	2500	27.47	Materials & Supplies	Materials & Supplies930
930	2503	2,934.63	Materials & Supplies	Materials & Supplies930
930	3000	10,270.00	Outside Services	Outside Services930
930	3008	561.76	Outside Services	Outside Services930
930	3037	17.50	Outside Services	Outside Services930
930	3046	324.70	Outside Services	Outside Services930
930	3047	1,604.12	Outside Services	Outside Services930
930	3100	1,582.10	Employee Expenses	Employee Expenses930
930	3102	3,665.50	Employee Expenses	Employee Expenses930
930	3106	586.95	Employee Expenses	Employee Expenses930
930	3501	312,248.20	Company Memberships	Company Memberships930
930	3502	100.00	Employee Expenses	Employee Expenses930
930	3504	800.00	Company Memberships	Company Memberships930
930	3600	52.50	Other O&M	Other O&M930
930	3601	497.19	Materials & Supplies	Materials & Supplies930
930	3637	182,182.05	Other O&M	Other O&M930
930	3638	(3,052.89)	Other O&M	Other O&M930

930	3650	163.86	Employee Expenses	Employee Expenses930
930	3920	660.01	Utilities and Fuel Used in Company Operations	Utilities and Fuel Used in Company Operations930
930	3922	72.61	Utilities and Fuel Used in Company Operations	Utilities and Fuel Used in Company Operations930
930	3926	98.00	Utilities and Fuel Used in Company Operations	Utilities and Fuel Used in Company Operations930
930	7001	125,447.18	System Services	System Services930
930	9215	150.00	Rent and Leases	Rent and Leases930
930	9235	3,295.85	Rent and Leases	Rent and Leases930
931	2004	3,506.40	Materials & Supplies	Materials & Supplies931
931	3102	1,431.26	Employee Expenses	Employee Expenses931
931	3501	59,606.80	Company Memberships	Company Memberships931
931	7001	2,368,084.64	System Services	System Services931
931	9220	461,593.24	Building Leases	Building Leases931
931	9232	214.23	Rent and Leases	Rent and Leases931
931	9256	1,069,619.16	Building Leases	Building Leases931
931	9261	669.78	Rent and Leases	Rent and Leases931
931	9305	1,052,663.71	Building Leases	Building Leases931
931	9600	6,656.03	Building Leases	Building Leases931
932	2020	942.00	Materials & Supplies	Materials & Supplies932
932	3004	3,600.00	Outside Services	Outside Services932
932	3600	92.28	Other O&M	Other O&M932
932	3921	3,632.81	Utilities and Fuel Used in Company Operations	Utilities and Fuel Used in Company Operations932
932	5010	70,721.15	Outside Services	Outside Services932
932	5013	7,554.43	Outside Services	Outside Services932
932	7001	4,349,172.50	System Services	System Services932
932	9220	1,100.00	Building Leases	Building Leases932
		207,142,211.35		

Conversion Table to Convert CE Codes to Budgeted CE Descriptions

Historical CE	CE Description (Exh 104)
1000	Labor
1003	Labor
1006	Labor
1007	Labor
1015	Labor
2001	Materials & Supplies
2002	Materials & Supplies
2003	Materials & Supplies
2004	Materials & Supplies
2008	Materials & Supplies
2009	Materials & Supplies
2010	Materials & Supplies
2012	Materials & Supplies
2013	Materials & Supplies
2015	Materials & Supplies
2016	Materials & Supplies
2017	Materials & Supplies
2018	Materials & Supplies
2019	Materials & Supplies
2020	Materials & Supplies
2022	Materials & Supplies
2023	Materials & Supplies
2203	Materials & Supplies
2024	Materials & Supplies
2500	Materials & Supplies
2501	Materials & Supplies
2502	Materials & Supplies
2503	Materials & Supplies
2514	Materials & Supplies
3000	Outside Services
3001	Advertising
3002	Outside Services
3003	Outside Services
3004	Outside Services
3006	Outside Services
3007	Outside Services
3008	Outside Services
3009	Outside Services
3011	Outside Services
3012	Outside Services
3014	Outside Services
3015	Outside Services
3016	Outside Services
3017	Outside Services
3018	Outside Services
3019	Outside Services
3021	Outside Services
3022	Outside Services
3024	Outside Services
3025	Outside Services
3037	Outside Services
3046	Outside Services
3047	Outside Services
3067	Outside Services
3078	Outside Services
3079	Outside Services
3080	Outside Services
3082	Outside Services
3083	Outside Services
3086	Outside Services
3087	Outside Services
3088	Outside Services
3089	Outside Services
3090	Outside Services

3091 Outside Services
3092 Outside Services
3093 Outside Services
3094 Outside Services
3095 Outside Services
3096 Outside Services
3097 Outside Services
3098 Outside Services
3099 Outside Services
3100 Employee Expenses
3101 Employee Expenses
3102 Employee Expenses
3103 Employee Expenses
3105 Employee Expenses
3106 Employee Expenses
3250 Uncollectible Accounts
3251 Uncollectible CAP-Rider USP
3252 Uncollectible Accounts
3260 Other O&M
3300 Amortization
3500 Charitable Contributions
3501 Company Memberships
3502 Employee Expenses
3503 Outside Services
3504 Company Memberships
3505 Company Memberships
3508 Company Memberships
3515 Company Memberships
3600 Other O&M
3601 Materials & Supplies
3604 Misc & Other Expenses
3608 PUC, OCA, OSBA Fees
3609 PUC, OCA, OSBA Fees
3612 Other O&M
3620 Other O&M
3621 Other O&M
3633 Other O&M
3634 Other O&M
3637 Other O&M
3635 Other O&M
3638 Other O&M
3650 Employee Expenses
3654 Uncollectible Accounts
3660 Other O&M
3667 Other O&M
3668 Other O&M
3669 Other O&M
3671 Other O&M
3801 Gas Cost
3803 Gas Cost
3807 Gas Cost
3808 Gas Cost
3809 Gas Cost
3810 Gas Cost
3811 Gas Cost
3813 Utilities and Fuel Used in Company Operations
3819 Gas Cost
3820 Gas Cost
3821 Gas Cost
3823 Gas Cost
3825 Gas Cost
3828 Gas Cost
3834 Gas Cost
3836 Gas Cost
3837 Gas Cost
3838 Gas Cost
3839 Gas Cost

3840 Gas Cost
3844 Gas Cost
3845 Gas Cost
3847 Gas Cost
3849 Gas Cost
3851 Utilities and Fuel Used in Company Operations
3853 Gas Cost
3856 Gas Cost
3858 Gas Cost
3865 Utilities and Fuel Used in Company Operations
3866 Utilities and Fuel Used in Company Operations
3920 Utilities and Fuel Used in Company Operations
3921 Utilities and Fuel Used in Company Operations
3922 Utilities and Fuel Used in Company Operations
3923 Other O&M
3924 Utilities and Fuel Used in Company Operations
3925 Utilities and Fuel Used in Company Operations
3926 Utilities and Fuel Used in Company Operations
4000 Corporate Insurance
4015 Corporate Insurance
4016 Corporate Insurance
4017 Injuries and Damages
4018 Corporate Insurance
4503 Other O&M
4515 Other O&M
4527 Other O&M
4522 Other O&M
4524 Other O&M
4530 Other O&M
4533 Other O&M
4531 Injuries and Damages
5001 Outside Services
5004 Outside Services
5005 Outside Services
5007 Outside Services
5008 Outside Services
5009 Outside Services
5010 Outside Services
5011 Outside Services
5013 Outside Services
5014 Outside Services
5015 Outside Services
5020 Fleet & Other Clearing
5030 Fleet & Other Clearing
5040 Fleet & Other Clearing
5050 Fleet & Other Clearing
6004 Uncollectible CAP-Rider USP
6015 Rider USP - LIURP/Energy Efficiency
6016 Rider USP - LIURP/Energy Efficiency
7001 System Services
7033 System Services
9000 Labor
9001 Other Employee Benefits
9004 Incentive Compensation
9005 Pension
9006 Other Employee Benefits
9007 Other Employee Benefits
9008 Other Employee Benefits
9009 Other Employee Benefits
9010 Other Employee Benefits
9011 OPEB
9012 Other Employee Benefits
9013 Other Employee Benefits
9014 Other Employee Benefits
9015 Other Employee Benefits
9017 Other Employee Benefits
9018 Other Employee Benefits

9020 Employee Expenses
9021 Employee Expenses
9022 Other Employee Benefits
9023 Other Employee Benefits
9025 OPEB
9026 Other Employee Benefits
9031 Other Employee Benefits
9032 Other Employee Benefits
9033 Pension
9035 Other Employee Benefits
9036 Other Employee Benefits
9061 Other Employee Benefits
9062 OPEB
9063 OPEB
9064 Pension
9065 Other Employee Benefits
9066 Corporate Insurance
9071 Other Employee Benefits
9073 Other Employee Benefits
9114 Labor
9115 Labor
9180 Other Employee Benefits
9185 Other Employee Benefits
9201 Rent and Leases
9210 Rent and Leases
9215 Rent and Leases
9220 Building Leases
9231 Other O&M
9232 Rent and Leases
9235 Rent and Leases
9240 Gas Cost
9256 Building Leases
9257 Building Leases
9261 Rent and Leases
9305 Building Leases
9600 Building Leases
9602 Outside Services
9617 PUC, OCA, OSBA Fees
9629 PUC, OCA, OSBA Fees
9635 PUC, OCA, OSBA Fees
9636 PUC, OCA, OSBA Fees
9644 PUC, OCA, OSBA Fees

<u>Plant</u> <u>Accounting</u>	<u>Rate</u> <u>Case</u>
BLANK	UNDER 3"
2" & UNDER	UNDER 3"
1"	UNDER 3"
2"	UNDER 3"
3"	3"
1/2"	UNDER 3"
5/8"	UNDER 3"
3/4"	UNDER 3"
7/8"	UNDER 3"
1"	UNDER 3"
1-1/4"	UNDER 3"
1-3/8"	UNDER 3"
1-1/2"	UNDER 3"
1-5/8"	UNDER 3"
1-3/4"	UNDER 3"
2"	UNDER 3"
2-3/8"	UNDER 3"
2-1/2"	UNDER 3"
3"	3"
3-1/8"	3-1/8"
3-1/2"	3-1/2"
4"	4"
4-1/4"	4-1/4"
4-1/2"	4-1/2"
4-5/8"	4-5/8"
5"	5"
5-3/16"	5-3/16"
6"	6"
6-5/8"	6-5/8"
7"	7"
7-1/2"	7-1/2"
8"	8"
8-5/8"	8-5/8"
10"	10"
10-1/8"	10-1/8"
10-1/4"	10-1/4"
11"	11"
11-1/8"	11-1/8"
11-1/4"	11-1/4"
12"	12"
12-1/2"	12-1/2"
14"	14"
15-3/8"	15-3/8"
16"	16"
18"	18"
20"	20"

20-1/2"	20-1/2"
22"	22"
24"	24"

Columbia Gas of Pennsylvania, Inc.
Account 380 - Services
As of November 30, 2021

<u>PUN</u>	<u>Desc</u>	<u>Size</u>	<u>Qty</u>	<u>Amt</u>
124000	CIAC	BLANK	1	76.46
288400	GAUGE	BLANK	1	2,924.96
345221	INSULATOR	3"	1	4,430.86
463021	SERV MAINS	3"	36	8,663.32
463026	SERV MAINS	4"	181	16,745.21
463036	SERV MAINS	6"	42	5,302.09
464221	SERV MAINS	3"	42	16,563.13
464516	SERV MAINS	2"	0	652.25
665221	SHUT OFF DEVICE	3"	1	955.37
665721	SHUT OFF DEVICE	3"	5	3,721.17
665726	SHUT OFF DEVICE	4"	2	4,098.31
890921	VALVES	3"	1	1,603.52
892121	VALVES	3"	23	14,732.23
892126	VALVES	4"	4	13,192.52
892136	VALVES	6"	1	1,397.38
655108	SERV MAIN/CURB	3/4"	0	0.00
655110	SERV MAIN/CURB	1"	0	0.00
655112	SERV MAIN/METER	1-1/4"	0	0.00
655115	SERV MAIN/CURB	1-1/2"	0	0.00
655121	SERV MAIN/METER	3"	0	0.00
655126	SERV MAIN/METER	4"	0	0.00
655196	SERV MAIN/METER	2" & UNDER	2	0.00
655206	SERV MAIN/CURB	1/2"	0	0.00
655208	SERV MAIN/CURB	3/4"	0	0.00
655210	SERV MAIN/CURB	1"	0	0.00
655221	SERV MAIN/CURB	3"	0	0.00
655226	SERV MAIN/CURB	4"	0	0.00
655236	SERV MAIN/CURB	6"	0	0.00
655250	SERV MAIN/CURB	12"	0	0.00
655296	SERV MAIN/CURB	2" & UNDER	1,858	(95,542.50)
655408	SERV CURB/METER	3/4"	0	0.00
655410	SERV CURB/METER	1"	0	0.00
655412	SERV CURB/METER	1-1/4"	0	0.00
655416	SERV CURB/METER	2"	0	0.00
655421	SERV CURB/METER	3"	0	0.00
655496	SERV CURB/METER	2" & UNDER	0	0.00
655508	SERV C/M PL	3/4"	0	0.00
655510	SERV C/M PL	1"	0	0.00
655512	SERV C/M PL	1-1/4"	0	0.00
655516	SERV CURB/METER	2"	0	0.00
655521	SERV CURB/METER	3"	0	0.00
655526	SERV CURB/METER	4"	0	0.00
655596	SERV CURB/METER	2" & UNDER	17	0.00

<u>PUN</u>	<u>Desc</u>	<u>Size</u>	<u>Qty</u>	<u>Amt</u>
655821	SERV MAIN/METER	3"	0	0.00
655896	SERV MAIN/METER	2" & UNDER	5	0.00
655996	SERV MAIN/METER	2" & UNDER	0	0.00
657001	SERV PIPE PL	2" & UNDER	#####	#####
657003	SERV PIPE PL	3"	24,972	687,934.68
657004	SERV PIPE PL	3-1/2"	17	676.32
657006	SERV PIPE PL	3-1/8"	62	5,671.61
657007	SERV PIPE PL	4"	7,044	2,679,707.24
657008	SERV PIPE PL	4-1/2"	62	1,641.56
657014	SERV PIPE PL	6"	617	288,716.43
657019	SERV PIPE PL	8"	85	77,410.54
657024	SERV PIPE PL	12"	17	23,800.00
657002	SERV PIPE ST	2" & UNDER	1,874,315	12,493,874.73
657032	SERV PIPE ST	3"	5,431	279,683.28
657033	SERV PIPE ST	3-1/2"	102	1,423.14
657036	SERV PIPE ST	4"	7,561	395,476.41
657037	SERV PIPE ST	4-1/2"	119	4,338.04
657039	SERV PIPE ST	5"	17	138.55
657043	SERV PIPE ST	6"	906	142,095.02
657045	SERV PIPE ST	6-5/8"	51	2,500.69
657048	SERV PIPE ST	8"	119	14,348.25
657049	SERV PIPE ST	8-5/8"	17	251.59
657050	SERV PIPE ST	10"	17	111.64
657053	SERV PIPE ST	12"	102	464,987.75
657058	SERV PIPE ST	20"	17	158.03
658001	SERV VALVE PL	3"	194	16,484.31
658002	SERV VALVE PL	4"	241	72,853.57
658003	SERV VALVE PL	6"	6	803.44
658007	SERV VALVE ST	3"	80	3,322.37
658008	SERV VALVE ST	4"	115	7,074.18
658009	SERV VALVE ST	6"	28	11,095.28
658010	SERV VALVE ST	8"	1	36.50
Total			#####	#####

COLUMBIA GAS OF PENNSYLVANIA, INC.
ACCOUNT 380 - SERVICES
SOURCE - LISTING OF SERVICES BY SIZE AND KIND
As of November 30, 2021

<u>PU#</u>	<u>DESCRIPTION</u>	<u>SIZE</u>	<u>QUANTITY</u>	<u>BOOK COST</u>	<u>AVG UNIT COST</u>
124000	CIAC	OTHER	1	76.46	
288400	GAUGE	OTHER	1	2,924.96	
345221	INSULATOR	OTHER	1	4,430.86	
463021	SERV MAINS	OTHER	36	8,663.32	
463026	SERV MAINS	OTHER	181	16,745.21	
463036	SERV MAINS	OTHER	42	5,302.09	
464221	SERV MAINS	OTHER	42	16,563.13	
464516	SERV MAINS	OTHER	0	652.25	
665221	SHUT OFF DEVICE	OTHER	1	955.37	
665721	SHUT OFF DEVICE	OTHER	5	3,721.17	
665726	SHUT OFF DEVICE	OTHER	2	4,098.31	
890921	VALVES	OTHER	1	1,603.52	
892121	VALVES	OTHER	23	14,732.23	
892126	VALVES	OTHER	4	13,192.52	
892136	VALVES	OTHER	1	1,397.38	
655108	SERV MAIN/CURB	UNDER 3"	0	0.00	
655110	SERV MAIN/CURB	UNDER 3"	0	0.00	
655112	SERV MAIN/METER	UNDER 3"	0	0.00	
655115	SERV MAIN/CURB	UNDER 3"	0	0.00	
655121	SERV MAIN/METER	3"	0	0.00	
655126	SERV MAIN/METER	4"	0	0.00	
655196	SERV MAIN/METER	UNDER 3"	2	0.00	
655206	SERV MAIN/CURB	UNDER 3"	0	0.00	
655208	SERV MAIN/CURB	UNDER 3"	0	0.00	
655210	SERV MAIN/CURB	UNDER 3"	0	0.00	
655221	SERV MAIN/CURB	3"	0	0.00	
655226	SERV MAIN/CURB	4"	0	0.00	
655236	SERV MAIN/CURB	6"	0	0.00	
655250	SERV MAIN/CURB	12"	0	0.00	
655296	SERV MAIN/CURB	UNDER 3"	1,858	(95,542.50)	
655408	SERV CURB/METER	UNDER 3"	0	0.00	
655410	SERV CURB/METER	UNDER 3"	0	0.00	
655412	SERV CURB/METER	UNDER 3"	0	0.00	
655416	SERV CURB/METER	UNDER 3"	0	0.00	
655421	SERV CURB/METER	3"	0	0.00	
655496	SERV CURB/METER	UNDER 3"	0	0.00	
655508	SERV C/M PL	UNDER 3"	0	0.00	
655510	SERV C/M PL	UNDER 3"	0	0.00	
655512	SERV C/M PL	UNDER 3"	0	0.00	
655516	SERV CURB/METER	UNDER 3"	0	0.00	
655521	SERV CURB/METER	3"	0	0.00	
655526	SERV CURB/METER	4"	0	0.00	

655596	SERV CURB/METER UNDER 3"	17	0.00
655821	SERV MAIN/METER 3"	0	0.00
655896	SERV MAIN/METER UNDER 3"	5	0.00
655996	SERV MAIN/METER UNDER 3"	0	0.00
657001	SERV PIPE PL UNDER 3"	#####	#####
657003	SERV PIPE PL 3"	24,972	687,934.68
657004	SERV PIPE PL 3-1/2"	17	676.32
657006	SERV PIPE PL 3-1/8"	62	5,671.61
657007	SERV PIPE PL 4"	7,044	2,679,707.24
657008	SERV PIPE PL 4-1/2"	62	1,641.56
657014	SERV PIPE PL 6"	617	288,716.43
657019	SERV PIPE PL 8"	85	77,410.54
657024	SERV PIPE PL 12"	17	23,800.00
657002	SERV PIPE ST UNDER 3"	1,874,315	12,493,874.73
657032	SERV PIPE ST 3"	5,431	279,683.28
657033	SERV PIPE ST 3-1/2"	102	1,423.14
657036	SERV PIPE ST 4"	7,561	395,476.41
657037	SERV PIPE ST 4-1/2"	119	4,338.04
657039	SERV PIPE ST 5"	17	138.55
657043	SERV PIPE ST 6"	906	142,095.02
657045	SERV PIPE ST 6-5/8"	51	2,500.69
657048	SERV PIPE ST 8"	119	14,348.25
657049	SERV PIPE ST 8-5/8"	17	251.59
657050	SERV PIPE ST 10"	17	111.64
657053	SERV PIPE ST 12"	102	464,987.75
657058	SERV PIPE ST 20"	17	158.03
658001	SERV VALVE PL 3"	194	16,484.31
658002	SERV VALVE PL 4"	241	72,853.57
658003	SERV VALVE PL 6"	6	803.44
658007	SERV VALVE ST 3"	80	3,322.37
658008	SERV VALVE ST 4"	115	7,074.18
658009	SERV VALVE ST 6"	28	11,095.28
658010	SERV VALVE ST 8"	<u>1</u>	<u>36.50</u>
TOTAL ACCOUNT 380		#####	#####

COLUMBIA GAS OF PENNSYLVANIA, INC.
ACCOUNT 380 - SERVICES
SOURCE - LISTING OF SERVICES BY SIZE AND KIND
As of November 30, 2021

<u>PU#</u>	<u>DESCRIPTION</u>	<u>SIZE</u>	<u>QUANTITY</u>	<u>BOOK COST</u>	<u>FOOTAGE PER SERVICE</u>	<u>AVG UNIT COST</u>	<u>MASTER TAP CUSTOMERS BY PIPE SIZE</u>
SUMMARY BY SIZE							
	OTHER		341	95,058.78		N/A	
	UNDER 3"		#####	#####		1,546.77	441,764
	3"		30,677	987,424.64		2,061.43	479
	3-1/8"		62	5,671.61	62	5,671.61	0
	3-1/2"		119	2,099.46	17	299.92	0
	4"		14,961	3,155,111.40		5,384.15	586
	4-1/2"		181	5,979.60	17	561.62	0
	5"		17	138.55	17	138.55	5
	6"		1,557	442,710.17		5,982.57	74
	6-5/8"		51	2,500.69	17	833.56	0
	8"		205	91,795.29	17	7,612.29	22
	8-5/8"		17	251.59	17	251.59	0
	10"		17	111.64	17	111.64	9
	11-1/8"		0	0.00		0.00	1
	12"		119	488,787.75		#####	5
	16"		0	0.00		0.00	1
	20"		17	158.03	17	158.03	0
TOTAL ACCOUNT 380			#####	#####			442,946

Check Total	0	0.00
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Check Total	0	0.00
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Columbia Gas of Pennsylvania, Inc.
Master Code Summation Statistics
As of November, 2021

Master Tap Codes

NAME	RATE SCHEDULE	PIPE SIZE	Pipe Size Description	Classification	BLANK	P	S	*	±	INVALID	TOTAL	KEY	AVG UNIT COST
RESIDENTIAL	RC2	0	UNCLASSIFIED	UNDER 3"	1,125	1	2	178	279	0	1,585	RC2UNDER 3"	1,546.77
RESIDENTIAL	RC2	1	1"	UNDER 3"	1	0	0	0	0	0	1	RC2UNDER 3"	1,546.77
RESIDENTIAL	RC2	5	1/2"	UNDER 3"	551	0	0	41	21	0	613	RC2UNDER 3"	1,546.77
RESIDENTIAL	RC2	7	3/4"	UNDER 3"	382	6	4	29	29	0	450	RC2UNDER 3"	1,546.77
RESIDENTIAL	RC2	8	7/8"	UNDER 3"	2	0	0	0	0	0	2	RC2UNDER 3"	1,546.77
RESIDENTIAL	RC2	10	1"	UNDER 3"	14,743	101	69	1,964	1,878	0	18,755	RC2UNDER 3"	1,546.77
RESIDENTIAL	RC2	12	1-1/4"	UNDER 3"	1,550	19	9	353	414	0	2,345	RC2UNDER 3"	1,546.77
RESIDENTIAL	RC2	15	1-1/2"	UNDER 3"	6	0	0	7	8	0	21	RC2UNDER 3"	1,546.77
RESIDENTIAL	RC2	20	2"	UNDER 3"	19	1	1	67	231	0	319	RC2UNDER 3"	1,546.77
RESIDENTIAL	RC2	25	2-1/2"	UNDER 3"	0	0	0	1	0	0	1	RC2UNDER 3"	1,546.77
RESIDENTIAL	RC2	30	3"	3"	0	1	0	0	1	0	2	RC23"	2,061.43
RESIDENTIAL	RC2	40	4"	4"	3	0	0	0	1	0	4	RC24"	5,384.15
RESIDENTIAL	RC2	60	6"	6"	1	0	0	0	0	0	1	RC26"	5,982.57
RESIDENTIAL	RC2	100	10"	10"	1	0	0	0	1	0	2	RC210"	111.64
RESIDENTIAL	RC2	480	UNCLASSIFIED	UNDER 3"	0	0	0	1	0	0	1	RC2UNDER 3"	1,546.77
RESIDENTIAL	RS	0	UNCLASSIFIED	UNDER 3"	13,062	10	19	805	1,189	0	15,085	RSUNDER 3"	1,546.77
RESIDENTIAL	RS	1	1"	UNDER 3"	42	0	0	0	1	0	43	RSUNDER 3"	1,546.77
RESIDENTIAL	RS	2	2"	UNDER 3"	6	0	0	1	1	0	8	RSUNDER 3"	1,546.77
RESIDENTIAL	RS	4	4"	4"	1	0	0	0	0	0	1	RS4"	5,384.15
RESIDENTIAL	RS	5	1/2"	UNDER 3"	24,596	263	218	600	487	0	26,164	RSUNDER 3"	1,546.77
RESIDENTIAL	RS	7	3/4"	UNDER 3"	9,647	64	83	299	367	0	10,460	RSUNDER 3"	1,546.77
RESIDENTIAL	RS	8	7/8"	UNDER 3"	17	4	2	1	1	0	25	RSUNDER 3"	1,546.77
RESIDENTIAL	RS	10	1"	UNDER 3"	199,618	1,086	916	17,380	22,474	0	241,474	RSUNDER 3"	1,546.77
RESIDENTIAL	RS	11	1-1/8"	UNDER 3"	5	0	0	0	0	0	5	RSUNDER 3"	1,546.77
RESIDENTIAL	RS	12	1-1/4"	UNDER 3"	21,629	94	91	1,902	3,650	0	27,366	RSUNDER 3"	1,546.77
RESIDENTIAL	RS	15	1-1/2"	UNDER 3"	98	0	0	21	53	0	172	RSUNDER 3"	1,546.77
RESIDENTIAL	RS	16	1-5/8"	UNDER 3"	0	0	0	3	5	0	8	RSUNDER 3"	1,546.77
RESIDENTIAL	RS	19	1-7/8"	UNDER 3"	1	0	0	0	0	0	1	RSUNDER 3"	1,546.77
RESIDENTIAL	RS	20	2"	UNDER 3"	743	9	17	489	3,479	0	4,737	RSUNDER 3"	1,546.77
RESIDENTIAL	RS	21	2-1/4"	UNDER 3"	1	0	0	0	1	0	2	RSUNDER 3"	1,546.77
RESIDENTIAL	RS	25	2-1/2"	UNDER 3"	4	0	0	0	0	0	4	RSUNDER 3"	1,546.77
RESIDENTIAL	RS	28	2-3/4"	UNDER 3"	1	0	0	0	0	0	1	RSUNDER 3"	1,546.77
RESIDENTIAL	RS	30	3"	3"	13	0	0	4	43	0	60	RS3"	2,061.43
RESIDENTIAL	RS	40	4"	4"	11	1	1	4	54	0	71	RS4"	5,384.15
RESIDENTIAL	RS	50	5"	5"	2	0	0	0	0	0	2	RS5"	138.55
RESIDENTIAL	RS	60	6"	6"	6	0	0	2	3	0	11	RS6"	5,982.57
RESIDENTIAL	RS	80	8"	8"	8	0	0	0	0	0	8	RS8"	7,612.29
RESIDENTIAL	RS	100	10"	10"	2	0	0	0	1	0	3	RS10"	111.64
RESIDENTIAL	RS	111	11-1/8"	11-1/8"	1	0	0	0	0	0	1	RS11-1/8"	0.00
RESIDENTIAL	RS	480	UNCLASSIFIED	UNDER 3"	10	0	0	1	2	0	13	RSUNDER 3"	1,546.77
RESIDENTIAL	RTC	0	UNCLASSIFIED	UNDER 3"	2,370	0	3	93	151	0	2,617	RTCUNDER 3"	1,546.77
RESIDENTIAL	RTC	1	1"	UNDER 3"	7	0	0	0	0	0	7	RTCUNDER 3"	1,546.77
RESIDENTIAL	RTC	2	2"	UNDER 3"	0	0	0	0	1	0	1	RTCUNDER 3"	1,546.77
RESIDENTIAL	RTC	5	1/2"	UNDER 3"	4,107	21	18	86	41	0	4,273	RTCUNDER 3"	1,546.77
RESIDENTIAL	RTC	7	3/4"	UNDER 3"	2,082	11	12	34	46	0	2,185	RTCUNDER 3"	1,546.77

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<u>NAME</u>	<u>RATE SCHEDULE</u>	<u>PIPE SIZE</u>	<u>Pipe Size Description</u>	<u>Classification</u>	<u>BLANK</u>	<u>P</u>	<u>S</u>	<u>*</u>	<u>±</u>	<u>INVALID</u>	<u>TOTAL</u>	<u>KEY</u>	<u>AVG UNIT COST</u>
RESIDENTIAL	RTC	8	7/8"	UNDER 3"	3	0	2	0	0	0	5	RTCUNDER 3"	1,546.77
RESIDENTIAL	RTC	10	1"	UNDER 3"	32,765	193	132	1,876	1,902	0	36,868	RTCUNDER 3"	1,546.77
RESIDENTIAL	RTC	11	1-1/8"	UNDER 3"	1	0	0	0	1	0	2	RTCUNDER 3"	1,546.77
RESIDENTIAL	RTC	12	1-1/4"	UNDER 3"	4,506	16	15	262	299	0	5,098	RTCUNDER 3"	1,546.77
RESIDENTIAL	RTC	14	1-7/16"	UNDER 3"	1	0	0	0	0	0	1	RTCUNDER 3"	1,546.77
RESIDENTIAL	RTC	15	1-1/2"	UNDER 3"	19	0	0	4	4	0	27	RTCUNDER 3"	1,546.77
RESIDENTIAL	RTC	16	1-5/8"	UNDER 3"	0	0	0	0	1	0	1	RTCUNDER 3"	1,546.77
RESIDENTIAL	RTC	18	1-7/8"	UNDER 3"	1	0	0	0	0	0	1	RTCUNDER 3"	1,546.77
RESIDENTIAL	RTC	20	2"	UNDER 3"	96	5	1	64	267	0	433	RTCUNDER 3"	1,546.77
RESIDENTIAL	RTC	25	2-1/2"	UNDER 3"	1	0	0	0	0	0	1	RTCUNDER 3"	1,546.77
RESIDENTIAL	RTC	30	3"	3"	1	0	0	0	7	0	8	RTC3"	2,061.43
RESIDENTIAL	RTC	40	4"	4"	2	0	0	0	5	0	7	RTC4"	5,384.15
RESIDENTIAL	RTC	302	UNCLASSIFIED	UNDER 3"	0	0	1	0	0	0	1	RTCUNDER 3"	1,546.77
RESIDENTIAL	RTC	480	UNCLASSIFIED	UNDER 3"	1	0	0	0	0	0	1	RTCUNDER 3"	1,546.77
RESIDENTIAL	SGS	10	1"	UNDER 3"	12	0	0	4	0	0	16	SGSUNDER 3"	1,546.77
RESIDENTIAL	SGS	12	1-1/4"	UNDER 3"	0	0	0	0	1	0	1	SGSUNDER 3"	1,546.77
RESIDENTIAL	UNKNOWN	0	UNCLASSIFIED	UNDER 3"	121	0	0	16	30	0	167	UNKNOWNUNDER 3	1,546.77
RESIDENTIAL	UNKNOWN	5	1/2"	UNDER 3"	143	1	0	14	4	0	162	UNKNOWNUNDER 3	1,546.77
RESIDENTIAL	UNKNOWN	7	3/4"	UNDER 3"	57	0	2	5	10	0	74	UNKNOWNUNDER 3	1,546.77
RESIDENTIAL	UNKNOWN	10	1"	UNDER 3"	1,991	6	9	330	533	0	2,869	UNKNOWNUNDER 3	1,546.77
RESIDENTIAL	UNKNOWN	12	1-1/4"	UNDER 3"	171	1	1	38	100	0	311	UNKNOWNUNDER 3	1,546.77
RESIDENTIAL	UNKNOWN	15	1-1/2"	UNDER 3"	2	0	0	0	1	0	3	UNKNOWNUNDER 3	1,546.77
RESIDENTIAL	UNKNOWN	20	2"	UNDER 3"	14	0	0	9	56	0	79	UNKNOWNUNDER 3	1,546.77
RESIDENTIAL	UNKNOWN	40	4"	4"	0	0	0	0	6	0	6	UNKNOWN4"	5,384.15
COMMERCIAL	LG1	0	UNCLASSIFIED	UNDER 3"	1	0	0	0	0	0	1	LG1UNDER 3"	1,546.77
COMMERCIAL	LG1	10	1"	UNDER 3"	1	0	0	0	0	0	1	LG1UNDER 3"	1,546.77
COMMERCIAL	LG1	20	2"	UNDER 3"	18	0	1	3	2	0	24	LG1UNDER 3"	1,546.77
COMMERCIAL	LG1	30	3"	3"	3	0	0	1	0	0	4	LG13"	2,061.43
COMMERCIAL	LG1	40	4"	4"	4	0	0	0	0	0	4	LG14"	5,384.15
COMMERCIAL	LG1	60	6"	6"	0	0	0	1	1	0	2	LG16"	5,982.57
COMMERCIAL	LG2	0	UNCLASSIFIED	UNDER 3"	3	0	0	1	0	0	4	LG2UNDER 3"	1,546.77
COMMERCIAL	LG2	10	1"	UNDER 3"	3	0	0	1	0	0	4	LG2UNDER 3"	1,546.77
COMMERCIAL	LG2	12	1-1/4"	UNDER 3"	17	0	0	0	0	0	17	LG2UNDER 3"	1,546.77
COMMERCIAL	LG2	20	2"	UNDER 3"	18	0	0	2	1	0	21	LG2UNDER 3"	1,546.77
COMMERCIAL	LG2	30	3"	3"	1	0	0	2	0	0	3	LG23"	2,061.43
COMMERCIAL	LG2	40	4"	4"	10	0	0	2	1	0	13	LG24"	5,384.15
COMMERCIAL	LG2	60	6"	6"	1	0	0	1	0	0	2	LG26"	5,982.57
COMMERCIAL	LG3	20	2"	UNDER 3"	1	0	0	0	0	0	1	LG3UNDER 3"	1,546.77
COMMERCIAL	LG4	0	UNCLASSIFIED	UNDER 3"	1	0	0	0	0	0	1	LG4UNDER 3"	1,546.77
COMMERCIAL	NSI	30	3"	3"	1	0	0	0	0	0	1	NSI3"	2,061.43
COMMERCIAL	RS	0	UNCLASSIFIED	UNDER 3"	2	0	0	0	1	0	3	RSUNDER 3"	1,546.77
COMMERCIAL	RS	10	1"	UNDER 3"	2	0	0	0	0	0	2	RSUNDER 3"	1,546.77
COMMERCIAL	RS	20	2"	UNDER 3"	0	0	0	0	1	0	1	RSUNDER 3"	1,546.77
COMMERCIAL	SCC	0	UNCLASSIFIED	UNDER 3"	224	0	0	56	65	0	345	SCCUNDER 3"	1,546.77
COMMERCIAL	SCC	5	1/2"	UNDER 3"	125	2	4	19	13	0	163	SCCUNDER 3"	1,546.77

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COMMERCIAL	SCC	7	3/4"	UNDER 3"	117	3	5	25	19	0	169	SCCUNDER 3"	1,546.77
COMMERCIAL	SCC	8	7/8"	UNDER 3"	1	0	0	0	0	0	1	SCCUNDER 3"	1,546.77
COMMERCIAL	SCC	10	1"	UNDER 3"	3,040	23	25	767	781	0	4,636	SCCUNDER 3"	1,546.77
COMMERCIAL	SCC	12	1-1/4"	UNDER 3"	550	3	3	203	210	0	969	SCCUNDER 3"	1,546.77
COMMERCIAL	SCC	15	1-1/2"	UNDER 3"	2	0	0	2	3	0	7	SCCUNDER 3"	1,546.77
COMMERCIAL	SCC	20	2"	UNDER 3"	527	5	4	281	447	0	1,264	SCCUNDER 3"	1,546.77
COMMERCIAL	SCC	25	2-1/2"	UNDER 3"	1	0	0	0	0	0	1	SCCUNDER 3"	1,546.77
COMMERCIAL	SCC	30	3"	3"	14	1	0	3	16	0	34	SCC3"	2,061.43
COMMERCIAL	SCC	40	4"	4"	13	0	0	3	3	0	19	SCC4"	5,384.15
COMMERCIAL	SCC	50	5"	5"	1	0	0	0	0	0	1	SCC5"	138.55
COMMERCIAL	SCC	60	6"	6"	1	0	0	0	0	0	1	SCC6"	5,982.57
COMMERCIAL	SC2	0	UNCLASSIFIED	UNDER 3"	38	0	0	6	2	0	46	SC2UNDER 3"	1,546.77
COMMERCIAL	SC2	5	1/2"	UNDER 3"	5	0	0	1	0	0	6	SC2UNDER 3"	1,546.77
COMMERCIAL	SC2	7	3/4"	UNDER 3"	12	0	0	0	0	0	12	SC2UNDER 3"	1,546.77
COMMERCIAL	SC2	10	1"	UNDER 3"	264	4	4	34	31	0	337	SC2UNDER 3"	1,546.77
COMMERCIAL	SC2	12	1-1/4"	UNDER 3"	108	0	0	17	3	0	128	SC2UNDER 3"	1,546.77
COMMERCIAL	SC2	15	1-1/2"	UNDER 3"	1	0	0	0	0	0	1	SC2UNDER 3"	1,546.77
COMMERCIAL	SC2	16	1-5/8"	UNDER 3"	1	0	0	0	0	0	1	SC2UNDER 3"	1,546.77
COMMERCIAL	SC2	20	2"	UNDER 3"	361	0	4	55	34	0	454	SC2UNDER 3"	1,546.77
COMMERCIAL	SC2	24	2-5/8"	UNDER 3"	2	0	0	0	0	0	2	SC2UNDER 3"	1,546.77
COMMERCIAL	SC2	30	3"	3"	24	0	0	4	1	0	29	SC23"	2,061.43
COMMERCIAL	SC2	40	4"	4"	26	0	0	2	2	0	30	SC24"	5,384.15
COMMERCIAL	SC2	60	6"	6"	0	0	0	1	0	0	1	SC26"	5,982.57
COMMERCIAL	SGS	0	UNCLASSIFIED	UNDER 3"	707	1	0	193	194	0	1,095	SGSUNDER 3"	1,546.77
COMMERCIAL	SGS	1	1"	UNDER 3"	1	0	0	0	0	0	1	SGSUNDER 3"	1,546.77
COMMERCIAL	SGS	2	2"	UNDER 3"	2	0	0	2	0	0	4	SGSUNDER 3"	1,546.77
COMMERCIAL	SGS	5	1/2"	UNDER 3"	332	6	6	67	61	0	472	SGSUNDER 3"	1,546.77
COMMERCIAL	SGS	7	3/4"	UNDER 3"	226	7	5	86	53	0	377	SGSUNDER 3"	1,546.77
COMMERCIAL	SGS	10	1"	UNDER 3"	8,426	77	48	2,585	2,994	0	14,130	SGSUNDER 3"	1,546.77
COMMERCIAL	SGS	12	1-1/4"	UNDER 3"	1,402	11	7	682	795	0	2,897	SGSUNDER 3"	1,546.77
COMMERCIAL	SGS	15	1-1/2"	UNDER 3"	13	0	0	8	6	0	27	SGSUNDER 3"	1,546.77
COMMERCIAL	SGS	16	1-5/8"	UNDER 3"	3	0	0	0	1	0	4	SGSUNDER 3"	1,546.77
COMMERCIAL	SGS	20	2"	UNDER 3"	1,384	13	12	800	1,642	0	3,851	SGSUNDER 3"	1,546.77
COMMERCIAL	SGS	25	2-1/2"	UNDER 3"	1	0	0	0	1	0	2	SGSUNDER 3"	1,546.77
COMMERCIAL	SGS	30	3"	3"	33	0	0	24	63	0	120	SGS3"	2,061.43
COMMERCIAL	SGS	40	4"	4"	32	1	0	17	45	0	95	SGS4"	5,384.15
COMMERCIAL	SGS	50	5"	5"	0	0	0	1	1	0	2	SGS5"	138.55
COMMERCIAL	SGS	60	6"	6"	2	0	0	1	1	0	4	SGS6"	5,982.57
COMMERCIAL	SGS	80	8"	8"	1	0	0	0	0	0	1	SGS8"	7,612.29
COMMERCIAL	SGS	100	10"	10"	2	0	0	0	0	0	2	SGS10"	111.64
COMMERCIAL	SGS	120	12"	12"	1	0	0	0	0	0	1	SGS12"	0.00
COMMERCIAL	SGS	160	16"	16"	0	0	0	1	0	0	1	SGS16"	0.00
COMMERCIAL	SGS	480	UNCLASSIFIED	UNDER 3"	1	0	0	0	0	0	1	SGSUNDER 3"	1,546.77
COMMERCIAL	SGT	0	UNCLASSIFIED	UNDER 3"	3	0	0	0	0	0	3	SGTUNDER 3"	1,546.77
COMMERCIAL	SGT	10	1"	UNDER 3"	1	0	0	0	0	0	1	SGTUNDER 3"	1,546.77

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COMMERCIAL	SGT	12	1-1/4"	UNDER 3"	1	0	0	0	0	0	1	SGTUNDER 3"	1,546.77
COMMERCIAL	SGT	20	2"	UNDER 3"	9	0	0	2	1	0	12	SGTUNDER 3"	1,546.77
COMMERCIAL	SGT	30	3"	3"	2	0	0	0	0	0	2	SGT3"	2,061.43
COMMERCIAL	SGT	40	4"	4"	0	0	0	1	0	0	1	SGT4"	5,384.15
COMMERCIAL	SG2	0	UNCLASSIFIED	UNDER 3"	129	0	0	21	16	0	166	SG2UNDER 3"	1,546.77
COMMERCIAL	SG2	2	2"	UNDER 3"	2	0	0	0	0	0	2	SG2UNDER 3"	1,546.77
COMMERCIAL	SG2	5	1/2"	UNDER 3"	9	0	0	0	2	0	11	SG2UNDER 3"	1,546.77
COMMERCIAL	SG2	7	3/4"	UNDER 3"	19	0	0	4	1	0	24	SG2UNDER 3"	1,546.77
COMMERCIAL	SG2	10	1"	UNDER 3"	730	3	3	93	87	0	916	SG2UNDER 3"	1,546.77
COMMERCIAL	SG2	12	1-1/4"	UNDER 3"	241	2	0	31	20	0	294	SG2UNDER 3"	1,546.77
COMMERCIAL	SG2	15	1-1/2"	UNDER 3"	2	0	0	0	0	0	2	SG2UNDER 3"	1,546.77
COMMERCIAL	SG2	20	2"	UNDER 3"	861	5	2	127	94	0	1,089	SG2UNDER 3"	1,546.77
COMMERCIAL	SG2	25	2-1/2"	UNDER 3"	2	0	0	1	0	0	3	SG2UNDER 3"	1,546.77
COMMERCIAL	SG2	30	3"	3"	49	0	0	8	6	0	63	SG23"	2,061.43
COMMERCIAL	SG2	40	4"	4"	64	0	0	7	12	0	83	SG24"	5,384.15
COMMERCIAL	SG2	60	6"	6"	5	0	0	3	2	0	10	SG26"	5,982.57
COMMERCIAL	SG2	80	8"	8"	1	0	0	0	0	0	1	SG28"	7,612.29
COMMERCIAL	SG2	120	12"	12"	1	0	0	0	0	0	1	SG212"	0.00
COMMERCIAL	TAG1	0	UNCLASSIFIED	UNDER 3"	18	0	0	2	1	0	21	TAG1UNDER 3"	1,546.77
COMMERCIAL	TAG1	10	1"	UNDER 3"	67	0	0	21	9	0	97	TAG1UNDER 3"	1,546.77
COMMERCIAL	TAG1	12	1-1/4"	UNDER 3"	16	0	0	2	1	0	19	TAG1UNDER 3"	1,546.77
COMMERCIAL	TAG1	20	2"	UNDER 3"	22	0	0	11	10	0	43	TAG1UNDER 3"	1,546.77
COMMERCIAL	TAG1	30	3"	3"	3	0	0	0	1	0	4	TAG13"	2,061.43
COMMERCIAL	TAG2	0	UNCLASSIFIED	UNDER 3"	59	0	0	3	1	1	63	TAG2UNDER 3"	1,546.77
COMMERCIAL	TAG2	5	1/2"	UNDER 3"	1	0	0	1	0	0	2	TAG2UNDER 3"	1,546.77
COMMERCIAL	TAG2	10	1"	UNDER 3"	45	0	0	5	1	0	51	TAG2UNDER 3"	1,546.77
COMMERCIAL	TAG2	12	1-1/4"	UNDER 3"	43	0	0	1	0	0	44	TAG2UNDER 3"	1,546.77
COMMERCIAL	TAG2	20	2"	UNDER 3"	108	1	0	14	3	0	126	TAG2UNDER 3"	1,546.77
COMMERCIAL	TAG2	30	3"	3"	15	0	0	1	0	0	16	TAG23"	2,061.43
COMMERCIAL	TAG2	40	4"	4"	19	0	0	3	1	0	23	TAG24"	5,384.15
COMMERCIAL	TAG2	60	6"	6"	1	0	0	0	0	0	1	TAG26"	5,982.57
COMMERCIAL	TAG5	0	UNCLASSIFIED	UNDER 3"	27	0	0	3	11	0	41	TAG5UNDER 3"	1,546.77
COMMERCIAL	TAG5	5	1/2"	UNDER 3"	7	0	0	0	0	0	7	TAG5UNDER 3"	1,546.77
COMMERCIAL	TAG5	7	3/4"	UNDER 3"	6	1	0	0	0	0	7	TAG5UNDER 3"	1,546.77
COMMERCIAL	TAG5	10	1"	UNDER 3"	285	1	0	20	47	0	353	TAG5UNDER 3"	1,546.77
COMMERCIAL	TAG5	12	1-1/4"	UNDER 3"	72	0	0	7	14	0	93	TAG5UNDER 3"	1,546.77
COMMERCIAL	TAG5	20	2"	UNDER 3"	156	0	0	39	62	0	257	TAG5UNDER 3"	1,546.77
COMMERCIAL	TAG5	30	3"	3"	4	0	0	1	5	0	10	TAG53"	2,061.43
COMMERCIAL	TAG5	40	4"	4"	5	0	0	2	3	0	10	TAG54"	5,384.15
COMMERCIAL	TAG5	60	6"	6"	1	0	0	0	0	0	1	TAG56"	5,982.57
COMMERCIAL	TAG6	0	UNCLASSIFIED	UNDER 3"	54	0	0	7	2	0	63	TAG6UNDER 3"	1,546.77
COMMERCIAL	TAG6	5	1/2"	UNDER 3"	1	0	0	0	0	0	1	TAG6UNDER 3"	1,546.77
COMMERCIAL	TAG6	7	3/4"	UNDER 3"	6	2	0	0	0	0	8	TAG6UNDER 3"	1,546.77
COMMERCIAL	TAG6	10	1"	UNDER 3"	247	1	1	22	13	0	284	TAG6UNDER 3"	1,546.77
COMMERCIAL	TAG6	12	1-1/4"	UNDER 3"	88	0	1	9	6	0	104	TAG6UNDER 3"	1,546.77

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COMMERCIAL	TAG6	20	2"	UNDER 3"	481	4	1	49	27	0	562	TAG6UNDER 3"	1,546.77
COMMERCIAL	TAG6	30	3"	3"	42	0	0	3	1	0	46	TAG63"	2,061.43
COMMERCIAL	TAG6	40	4"	4"	58	0	0	5	5	0	68	TAG64"	5,384.15
COMMERCIAL	TAG6	60	6"	6"	3	0	0	1	0	0	4	TAG66"	5,982.57
COMMERCIAL	TIB	0	UNCLASSIFIED	UNDER 3"	4	0	0	1	0	0	5	TIBUNDER 3"	1,546.77
COMMERCIAL	TIB	5	1/2"	UNDER 3"	0	0	0	1	0	0	1	TIBUNDER 3"	1,546.77
COMMERCIAL	TIB	10	1"	UNDER 3"	7	0	0	1	1	0	9	TIBUNDER 3"	1,546.77
COMMERCIAL	TIB	20	2"	UNDER 3"	61	0	0	4	1	0	66	TIBUNDER 3"	1,546.77
COMMERCIAL	TIB	30	3"	3"	20	0	0	1	0	0	21	TIB3"	2,061.43
COMMERCIAL	TIB	40	4"	4"	35	1	0	7	0	0	43	TIB4"	5,384.15
COMMERCIAL	TIB	60	6"	6"	3	0	0	1	0	0	4	TIB6"	5,982.57
COMMERCIAL	TIF	5	1/2"	UNDER 3"	1	0	0	0	0	0	1	TIFUNDER 3"	1,546.77
COMMERCIAL	TIF	10	1"	UNDER 3"	16	0	1	0	0	0	17	TIFUNDER 3"	1,546.77
COMMERCIAL	TIF	12	1-1/4"	UNDER 3"	3	0	0	1	0	0	4	TIFUNDER 3"	1,546.77
COMMERCIAL	TIF	20	2"	UNDER 3"	20	1	0	2	1	0	24	TIFUNDER 3"	1,546.77
COMMERCIAL	TIF	30	3"	3"	4	0	0	1	0	0	5	TIF3"	2,061.43
COMMERCIAL	TIF	40	4"	4"	5	0	0	0	0	0	5	TIF4"	5,384.15
COMMERCIAL	TIF	60	6"	6"	1	0	0	0	0	0	1	TIF6"	5,982.57
COMMERCIAL	TI4	0	UNCLASSIFIED	UNDER 3"	6	0	0	2	1	0	9	TI4UNDER 3"	1,546.77
COMMERCIAL	TI4	5	1/2"	UNDER 3"	1	0	0	0	0	0	1	TI4UNDER 3"	1,546.77
COMMERCIAL	TI4	7	3/4"	UNDER 3"	1	0	0	0	0	0	1	TI4UNDER 3"	1,546.77
COMMERCIAL	TI4	10	1"	UNDER 3"	10	0	0	1	2	0	13	TI4UNDER 3"	1,546.77
COMMERCIAL	TI4	12	1-1/4"	UNDER 3"	13	0	0	0	0	0	13	TI4UNDER 3"	1,546.77
COMMERCIAL	TI4	20	2"	UNDER 3"	87	0	0	8	2	0	97	TI4UNDER 3"	1,546.77
COMMERCIAL	TI4	30	3"	3"	14	0	0	1	1	0	16	TI43"	2,061.43
COMMERCIAL	TI4	40	4"	4"	24	0	1	1	0	0	26	TI44"	5,384.15
COMMERCIAL	TI4	60	6"	6"	5	0	0	1	0	0	6	TI46"	5,982.57
COMMERCIAL	TI4	120	12"	12"	1	0	0	0	0	0	1	TI412"	97,757.55
COMMERCIAL	TI8	10	1"	UNDER 3"	1	0	0	0	0	0	1	TI8UNDER 3"	1,546.77
COMMERCIAL	TI8	20	2"	UNDER 3"	3	0	0	0	1	0	4	TI8UNDER 3"	1,546.77
COMMERCIAL	TI8	30	3"	3"	2	0	0	0	0	0	2	TI83"	2,061.43
COMMERCIAL	TI8	40	4"	4"	6	0	0	1	0	0	7	TI84"	5,384.15
COMMERCIAL	TI8	60	6"	6"	2	0	0	0	0	0	2	TI86"	5,982.57
COMMERCIAL	TI8	80	8"	8"	0	0	1	0	0	0	1	TI88"	7,612.29
COMMERCIAL	TM2	20	2"	UNDER 3"	1	0	0	0	0	0	1	TM2UNDER 3"	1,546.77
COMMERCIAL	UNKNOWN	0	UNCLASSIFIED	UNDER 3"	5	0	0	2	0	0	7	UNKNOWNUNDER 3	1,546.77
COMMERCIAL	UNKNOWN	5	1/2"	UNDER 3"	1	0	0	1	0	0	2	UNKNOWNUNDER 3	1,546.77
COMMERCIAL	UNKNOWN	7	3/4"	UNDER 3"	2	0	0	1	0	0	3	UNKNOWNUNDER 3	1,546.77
COMMERCIAL	UNKNOWN	10	1"	UNDER 3"	51	2	2	24	31	0	110	UNKNOWNUNDER 3	1,546.77
COMMERCIAL	UNKNOWN	12	1-1/4"	UNDER 3"	12	0	0	5	8	0	25	UNKNOWNUNDER 3	1,546.77
COMMERCIAL	UNKNOWN	15	1-1/2"	UNDER 3"	0	0	0	1	0	0	1	UNKNOWNUNDER 3	1,546.77
COMMERCIAL	UNKNOWN	20	2"	UNDER 3"	12	0	0	8	20	0	40	UNKNOWNUNDER 3	1,546.77
COMMERCIAL	UNKNOWN	30	3"	3"	0	0	0	0	1	0	1	UNKNOWN3"	2,061.43
COMMERCIAL	UNKNOWN	40	4"	4"	4	0	0	0	0	0	4	UNKNOWN4"	5,384.15
COMMERCIAL	847	40	4"	4"	1	0	0	0	0	0	1	8474"	5,384.15

Columbia Gas of Pennsylvania, Inc.
Master Code Summation Statistics
As of November, 2021

Master Tap Codes

<u>NAME</u>	<u>RATE</u> <u>SCHEDULE</u>	<u>PIPE</u> <u>SIZE</u>	<u>Pipe Size</u> <u>Description</u>	<u>Classification</u>	<u>BLANK</u>	<u>P</u>	<u>S</u>	<u>*</u>	<u>±</u>	<u>INVALID</u>	<u>TOTAL</u>	<u>KEY</u>	<u>AVG UNIT COST</u>
COMMERCIAL	848	20	2"	UNDER 3"	1	0	0	0	0	0	1	848UNDER 3"	1,546.77
COMMERCIAL	857	30	3"	3"	1	0	0	0	0	0	1	8573"	2,061.43
COMMERCIAL	875	60	6"	6"	1	0	0	0	0	0	1	8756"	5,982.57
COMMERCIAL	875	80	8"	8"	0	0	0	1	0	0	1	8758"	7,612.29
COMMERCIAL	875	120	12"	12"	1	0	0	0	0	0	1	87512"	97,757.55
COMMERCIAL	876	10	1"	UNDER 3"	1	0	0	0	0	0	1	876UNDER 3"	1,546.77
COMMERCIAL	877	10	1"	UNDER 3"	1	0	0	0	0	0	1	877UNDER 3"	1,546.77
COMMERCIAL	879	20	2"	UNDER 3"	1	0	0	0	0	0	1	879UNDER 3"	1,546.77
INDUSTRIAL	EDSTIB1	60	6"	6"	1	0	0	0	0	0	1	EDSTIB16"	5,982.57
INDUSTRIAL	LG1	20	2"	UNDER 3"	2	0	0	1	0	0	3	LG1UNDER 3"	1,546.77
INDUSTRIAL	LG1	40	4"	4"	1	0	0	0	0	0	1	LG14"	5,384.15
INDUSTRIAL	LG2	12	1-1/4"	UNDER 3"	0	0	0	1	0	0	1	LG2UNDER 3"	1,546.77
INDUSTRIAL	LG2	30	3"	3"	1	0	0	0	0	0	1	LG23"	2,061.43
INDUSTRIAL	LG2	40	4"	4"	2	0	0	0	0	0	2	LG24"	5,384.15
INDUSTRIAL	LG4	60	6"	6"	1	0	0	0	0	0	1	LG46"	5,982.57
INDUSTRIAL	SGT	0	UNCLASSIFIED	UNDER 3"	2	0	0	0	0	0	2	SGTUNDER 3"	1,546.77
INDUSTRIAL	SGT	10	1"	UNDER 3"	1	0	0	0	0	0	1	SGTUNDER 3"	1,546.77
INDUSTRIAL	SGT	20	2"	UNDER 3"	2	0	0	1	0	0	3	SGTUNDER 3"	1,546.77
INDUSTRIAL	SGT	40	4"	4"	1	0	0	0	0	0	1	SGT4"	5,384.15
INDUSTRIAL	SG2	60	6"	6"	1	0	0	0	0	0	1	SG26"	5,982.57
INDUSTRIAL	SG3	0	UNCLASSIFIED	UNDER 3"	3	0	0	0	0	0	3	SG3UNDER 3"	1,546.77
INDUSTRIAL	SG3	10	1"	UNDER 3"	4	0	0	1	0	0	5	SG3UNDER 3"	1,546.77
INDUSTRIAL	SG3	12	1-1/4"	UNDER 3"	0	0	0	1	0	0	1	SG3UNDER 3"	1,546.77
INDUSTRIAL	SG3	20	2"	UNDER 3"	8	1	0	0	0	0	9	SG3UNDER 3"	1,546.77
INDUSTRIAL	SG3	30	3"	3"	1	0	0	0	0	0	1	SG33"	2,061.43
INDUSTRIAL	SG3	40	4"	4"	1	0	0	2	0	0	3	SG34"	5,384.15
INDUSTRIAL	SG3	60	6"	6"	0	0	0	1	0	0	1	SG36"	5,982.57
INDUSTRIAL	SG4	0	UNCLASSIFIED	UNDER 3"	3	0	0	1	1	0	5	SG4UNDER 3"	1,546.77
INDUSTRIAL	SG4	10	1"	UNDER 3"	3	0	0	0	0	0	3	SG4UNDER 3"	1,546.77
INDUSTRIAL	SG4	20	2"	UNDER 3"	19	0	0	3	0	0	22	SG4UNDER 3"	1,546.77
INDUSTRIAL	SG4	30	3"	3"	2	0	0	2	0	0	4	SG43"	2,061.43
INDUSTRIAL	SG4	40	4"	4"	3	0	0	2	0	0	5	SG44"	5,384.15
INDUSTRIAL	SG4	60	6"	6"	2	0	0	0	0	0	2	SG46"	5,982.57
INDUSTRIAL	SG4	100	10"	10"	1	0	0	0	0	0	1	SG410"	111.64
INDUSTRIAL	TAG5	7	3/4"	UNDER 3"	1	0	0	0	0	0	1	TAG5UNDER 3"	1,546.77
INDUSTRIAL	TAG5	10	1"	UNDER 3"	1	0	0	0	0	0	1	TAG5UNDER 3"	1,546.77
INDUSTRIAL	TAG5	12	1-1/4"	UNDER 3"	1	0	0	0	0	0	1	TAG5UNDER 3"	1,546.77
INDUSTRIAL	TAG5	20	2"	UNDER 3"	2	0	0	0	0	0	2	TAG5UNDER 3"	1,546.77
INDUSTRIAL	TAG5	30	3"	3"	1	0	0	0	0	0	1	TAG53"	2,061.43
INDUSTRIAL	TAG5	40	4"	4"	2	0	0	0	0	0	2	TAG54"	5,384.15
INDUSTRIAL	TAG6	0	UNCLASSIFIED	UNDER 3"	2	0	0	1	0	0	3	TAG6UNDER 3"	1,546.77
INDUSTRIAL	TAG6	7	3/4"	UNDER 3"	0	0	0	1	0	0	1	TAG6UNDER 3"	1,546.77
INDUSTRIAL	TAG6	10	1"	UNDER 3"	5	0	0	0	0	0	5	TAG6UNDER 3"	1,546.77
INDUSTRIAL	TAG6	12	1-1/4"	UNDER 3"	2	0	0	0	0	0	2	TAG6UNDER 3"	1,546.77
INDUSTRIAL	TAG6	20	2"	UNDER 3"	15	0	0	1	1	0	17	TAG6UNDER 3"	1,546.77

Columbia Gas of Pennsylvania, Inc.
Master Code Summation Statistics
As of November, 2021

Master Tap Codes

<u>NAME</u>	<u>RATE</u> <u>SCHEDULE</u>	<u>PIPE</u> <u>SIZE</u>	<u>Pipe Size</u> <u>Description</u>	<u>Classification</u>	<u>BLANK</u>	<u>P</u>	<u>S</u>	<u>*</u> <u>-</u>	<u>±</u>	<u>INVALID</u>	<u>TOTAL</u>	<u>KEY</u>	<u>AVG UNIT COST</u>
INDUSTRIAL	TAG6	30	3"	3"	4	0	0	1	0	0	5	TAG63"	2,061.43
INDUSTRIAL	TAG6	40	4"	4"	0	0	0	1	0	0	1	TAG64"	5,384.15
INDUSTRIAL	TIB	0	UNCLASSIFIED	UNDER 3"	5	0	0	1	0	0	6	TIBUNDER 3"	1,546.77
INDUSTRIAL	TIB	10	1"	UNDER 3"	2	0	0	1	0	0	3	TIBUNDER 3"	1,546.77
INDUSTRIAL	TIB	12	1-1/4"	UNDER 3"	3	0	0	0	0	0	3	TIBUNDER 3"	1,546.77
INDUSTRIAL	TIB	20	2"	UNDER 3"	29	0	0	3	3	0	35	TIBUNDER 3"	1,546.77
INDUSTRIAL	TIB	30	3"	3"	7	0	0	1	0	0	8	TIB3"	2,061.43
INDUSTRIAL	TIB	40	4"	4"	19	0	0	3	0	0	22	TIB4"	5,384.15
INDUSTRIAL	TIB	60	6"	6"	2	0	0	0	1	0	3	TIB6"	5,982.57
INDUSTRIAL	TIB	80	8"	8"	1	0	0	0	0	0	1	TIB8"	7,612.29
INDUSTRIAL	TIF	0	UNCLASSIFIED	UNDER 3"	3	0	0	0	0	0	3	TIFUNDER 3"	1,546.77
INDUSTRIAL	TIF	10	1"	UNDER 3"	2	0	0	0	0	0	2	TIFUNDER 3"	1,546.77
INDUSTRIAL	TIF	20	2"	UNDER 3"	5	0	0	0	0	0	5	TIFUNDER 3"	1,546.77
INDUSTRIAL	TIF	30	3"	3"	3	0	0	0	0	0	3	TIF3"	2,061.43
INDUSTRIAL	TIF	40	4"	4"	7	0	0	1	1	0	9	TIF4"	5,384.15
INDUSTRIAL	TIF	60	6"	6"	1	0	0	0	0	0	1	TIF6"	5,982.57
INDUSTRIAL	TIF	80	8"	8"	1	0	0	0	0	0	1	TIF8"	7,612.29
INDUSTRIAL	TIG	10	1"	UNDER 3"	1	0	0	0	0	0	1	TIGUNDER 3"	1,546.77
INDUSTRIAL	TIG	20	2"	UNDER 3"	1	0	0	0	0	0	1	TIGUNDER 3"	1,546.77
INDUSTRIAL	TIG	30	3"	3"	2	0	0	0	0	0	2	TIG3"	2,061.43
INDUSTRIAL	TIG	40	4"	4"	1	0	0	0	0	0	1	TIG4"	5,384.15
INDUSTRIAL	TIG	60	6"	6"	1	0	0	0	0	0	1	TIG6"	5,982.57
INDUSTRIAL	TIG	80	8"	8"	0	0	0	1	0	0	1	TIG8"	7,612.29
INDUSTRIAL	TIH	60	6"	6"	1	0	0	0	0	0	1	TIH6"	5,982.57
INDUSTRIAL	TI4	0	UNCLASSIFIED	UNDER 3"	1	0	0	0	0	0	1	TI4UNDER 3"	1,546.77
INDUSTRIAL	TI4	20	2"	UNDER 3"	6	1	0	0	1	0	8	TI4UNDER 3"	1,546.77
INDUSTRIAL	TI4	30	3"	3"	4	0	0	0	0	0	4	TI43"	2,061.43
INDUSTRIAL	TI8	0	UNCLASSIFIED	UNDER 3"	3	0	0	1	1	0	5	TI8UNDER 3"	1,546.77
INDUSTRIAL	TI8	10	1"	UNDER 3"	4	0	0	0	0	0	4	TI8UNDER 3"	1,546.77
INDUSTRIAL	TI8	12	1-1/4"	UNDER 3"	0	0	0	1	0	0	1	TI8UNDER 3"	1,546.77
INDUSTRIAL	TI8	20	2"	UNDER 3"	11	0	0	2	0	0	13	TI8UNDER 3"	1,546.77
INDUSTRIAL	TI8	30	3"	3"	2	0	0	0	0	0	2	TI83"	2,061.43
INDUSTRIAL	TI8	40	4"	4"	9	0	0	1	1	0	11	TI84"	5,384.15
INDUSTRIAL	TI8	60	6"	6"	2	0	0	0	0	0	2	TI86"	5,982.57
INDUSTRIAL	TI8	80	8"	8"	0	1	0	0	0	0	1	TI88"	7,612.29
INDUSTRIAL	TMA	60	6"	6"	1	0	0	0	0	0	1	TMA6"	5,982.57
INDUSTRIAL	TMB	40	4"	4"	1	0	0	0	0	0	1	TMB4"	5,384.15
INDUSTRIAL	TMB	60	6"	6"	1	0	0	1	0	0	2	TMB6"	5,982.57
INDUSTRIAL	TMB	80	8"	8"	1	0	0	0	0	0	1	TMB8"	7,612.29
INDUSTRIAL	TM1	20	2"	UNDER 3"	1	0	0	0	0	0	1	TM1UNDER 3"	1,546.77
INDUSTRIAL	802	80	8"	8"	0	0	0	1	1	0	2	8028"	7,612.29
INDUSTRIAL	808	40	4"	4"	0	0	0	1	0	0	1	8084"	5,384.15
INDUSTRIAL	809	60	6"	6"	1	0	0	0	0	0	1	8096"	5,982.57
INDUSTRIAL	809	80	8"	8"	0	0	0	1	0	0	1	8098"	7,612.29
INDUSTRIAL	810	40	4"	4"	1	0	0	0	0	0	1	8104"	5,384.15

Columbia Gas of Pennsylvania, Inc.
Master Code Summation Statistics
As of November, 2021

Master Tap Codes

<u>NAME</u>	<u>RATE</u> <u>SCHEDULE</u>	<u>PIPE</u> <u>SIZE</u>	<u>Pipe Size</u> <u>Description</u>	<u>Classification</u>	<u>BLANK</u>	<u>P</u>	<u>S</u>	<u>*</u>	<u>±</u>	<u>INVALID</u>	<u>TOTAL</u>	<u>KEY</u>	<u>AVG UNIT COST</u>
INDUSTRIAL	810	60	6"	6"	1	0	0	0	0	0	1	8106"	5,982.57
INDUSTRIAL	831	0	UNCLASSIFIED	UNDER 3"	1	0	0	0	0	0	1	831UNDER 3"	1,546.77
INDUSTRIAL	833	80	8"	8"	0	0	0	0	1	0	1	8338"	7,612.29
INDUSTRIAL	840	40	4"	4"	1	0	0	0	0	0	1	8404"	5,384.15
INDUSTRIAL	840	40	4"	4"	1	0	0	0	0	0	1	8404"	5,384.15
INDUSTRIAL	845	40	4"	4"	1	0	0	0	0	0	1	8454"	5,384.15
INDUSTRIAL	846	10	10"	10"	0	0	0	1	0	0	1	84610"	111.64
INDUSTRIAL	846	60	6"	6"	0	0	0	0	1	0	1	8466"	5,982.57
INDUSTRIAL	873	60	6"	6"	1	0	0	0	0	0	1	8736"	5,982.57
INDUSTRIAL	880	120	12"	12"	1	0	0	0	0	0	1	88012"	97,757.55
INDUSTRIAL	881	20	2"	UNDER 3"	1	0	0	0	0	0	1	881UNDER 3"	1,546.77
INDUSTRIAL	881	40	4"	4"	1	0	0	0	0	0	1	8814"	5,384.15
INDUSTRIAL	882	80	8"	8"	0	0	0	1	0	0	1	8828"	7,612.29
ELECTRIC GEN	SG3	10	1"	UNDER 3"	1	0	0	0	0	0	1	SG3UNDER 3"	1,546.77
ELECTRIC GEN	TM1	60	6"	6"	1	0	0	0	0	0	1	TM16"	5,982.57
ELECTRIC GEN	868	0	UNCLASSIFIED	UNDER 3"	0	0	0	0	1	0	1	868UNDER 3"	1,546.77
TOTAL					359,297	2,098	1,769	33,599	46,183	1	442,946		

Columbia Gas of Pennsylvania, Inc.
Rate Index

Billing Rate	Volume Billed Rate
802	FLEX MDS
808	FLEX
809	FLEX
810	FLEX
816	FLEX
819	FLEX
820	FLEX
830	FLEX
831	FLEX MDS
833	FLEX
838	FLEX
840	FLEX
841	FLEX
845	FLEX
846	FLEX
847	FLEX
848	FLEX
856	FLEX
857	FLEX
859	FLEX
868	FLEX
872	FLEX
873	FLEX
875	FLEX
876	FLEX
877	FLEX
879	FLEX
880	FLEX
881	FLEX
882	FLEX
EDSTIB1	FLEX
LG1	SDS/LGSS
LG2	SDS/LGSS
LG3	LDS/LGSS
LG4	LDS/LGSS
NSI	MDS/NSS
RCC	RSS/RTS
RC2	RSS/RTS
RGC	RSS/RTS
RGS	RSS/RTS
RS	RSS/RTS
RTC	RSS/RTS
SC2	SGSS2/SCD2/SGDS2
SCC	SGSS1/SCD1/SGDS1
SG2	SGSS2/SCD2/SGDS2
SG3	SGSS1/SCD1/SGDS1
SG4	SGSS2/SCD2/SGDS2
SGS	SGSS1/SCD1/SGDS1
SGT	INACTIVE
TAG1	SGSS1/SCD1/SGDS1
TAG2	SGSS2/SCD2/SGDS2
TAG5	SGSS1/SCD1/SGDS1
TAG6	SGSS2/SCD2/SGDS2
TI4	SDS/LGSS
TI8	LDS/LGSS
TI8-EFACT	LDS/LGSS
TIB	SDS/LGSS
TIF	LDS/LGSS
TIG	LDS/LGSS
TIH	LDS/LGSS
TM1	MDS/NSS
TM2	MDS/NSS
TM3	MDS/NSS
TMB	MDS/NSS
TMC	MDS/NSS

TMA

MDS/NSS

Columbia Gas of Pennsylvania, Inc.

**Increase to Customer Charges Required to Make up Lost Revenue @ Current Rates if Customer Charge is Based on Number of Days of Service
For the 12 Months Ended December 31, 2023**

	Customer Charge <u>Rate²</u> <u>(1)</u>	Forecasted <u>Adjusted Bills¹</u> <u>(2)</u>	Current Revenue <u>From Cust. Charge</u> <u>(3)</u>	Finaled <u>Bills¹</u> <u>(4)</u>	Forecasted	Revised <u>Customer Charge</u> <u>Rate</u> <u>(6=3/5)</u>	Increase In	Current Revenue
					Adjusted		Current	From Revised
					Less Finaled		Customer Charge	Customer Charge
					<u>Bills</u> <u>(5=2-4)</u>		<u>(7=6-1)</u>	<u>(8=6*5)</u>
RS/RDS/RC2	16.75	4,966,131	83,182,694	66,489	4,899,642	16.98	0.23	83,182,694
SGSS1/SCD1/SGDS1	29.92	384,130	11,493,170	2,212	381,918	30.09	0.17	11,493,170
SGSS2/SCD2/SGDS2	57.00	62,656	3,571,392	190	62,466	57.17	0.17	3,571,392
SDS/LGS Block 1	265.00	2,641	699,865	11	2,630	266.11	1.11	699,865
SDS/LGS Block 2	1,050.11	2,911	3,056,870	7	2,904	1,052.64	2.53	3,056,870
LDS/LGS Block 1	2,673.99	516	1,379,779	0	516	2,673.99	0.00	1,379,779
LDS/LGS Block 2	4,159.15	327	1,360,042	1	326	4,171.91	12.76	1,360,042
LDS/LGS Block 3	8,020.79	60	481,247	0	60	8,020.79	0.00	481,247
LDS/LGS Block 4	11,882.42	12	142,589	0	12	11,882.42	0.00	142,589
MDS/NSS Block 1	469.34	36	16,896	0	36	469.34	0.00	16,896
MDS/NSS Block 2	1,149.00	24	27,576	0	24	1,149.00	0.00	27,576
MDS/NSS Block 3	2,050.00	25	51,250	1	24	2,135.42	85.42	51,250
MDS/NSS Block 4	4,096.00	61	249,856	1	60	4,164.27	68.27	249,856
Flex/NCS Rate 1	57.00	36	2,052	0	36	57.00	0.00	2,052
Flex/NCS Rate 2	265.00	12	3,180	0	12	265.00	0.00	3,180
Flex/NCS Rate 3	1,050.11	24	25,203	0	24	1,050.11	0.00	25,203
Flex/NCS Rate 4	2,673.99	12	32,088	0	12	2,673.99	0.00	32,088
Flex/NCS Rate 5	7,322.00	12	87,864	0	12	7,322.00	0.00	87,864
Flex/NCS Rate 6	4,096.00	12	49,152	0	12	4,096.00	0.00	49,152
Flex/NCS Rate 7	Various	<u>156</u>	<u>0</u>	<u>0</u>	<u>156</u>	0.00	0.00	<u>0</u>
		5,419,794	105,912,765	68,912	5,350,882			105,912,765

1 Exhibit 103, Schedule 2, pages 9 -12 of 12

2 Exhibit 3, Schedule 1, pages 1-6 of 6

Columbia Gas of Pennsylvania, Inc
Impact on Monthly Bill of Customer Charge at Proposed Rate (\$25.47) vs. Current Rate (\$16.75)

[1] Line	[2] Year	[3] Month	[4] Normal Usage *1 Dth	[5] Customer Charge \$25.47	[6] Distribution Charge \$8.7254	[7] Gas Supply Charge \$5.4943	[8] Total Bill @ Proposed Rate [5]+[6]+[7]	[9] Normal Usage *1 Dth	[10] Customer Charge \$16.75	[11] Distribution Charge \$9.9593	[12] Gas Supply Charge \$5.4943	[13] Total Bill @ Current Rate [10]+[11]+[12]	[14] Impact on Total Bill [8]-[13]
1	2023	Jan	16.20	\$25.47	\$141.39	\$89.03	\$255.89	16.20	\$16.75	\$161.38	\$89.03	\$267.17	-\$11.27
2	2023	Feb	16.60	\$25.47	\$144.88	\$91.23	\$261.58	16.60	\$16.75	\$165.37	\$91.23	\$273.35	-\$11.77
3	2023	Mar	13.91	\$25.47	\$121.39	\$76.44	\$223.30	13.91	\$16.75	\$138.56	\$76.44	\$231.74	-\$8.45
4	2023	Apr	8.79	\$25.47	\$76.73	\$48.31	\$150.51	8.79	\$16.75	\$87.58	\$48.31	\$152.64	-\$2.13
5	2023	May	4.31	\$25.47	\$37.57	\$23.66	\$86.70	4.31	\$16.75	\$42.88	\$23.66	\$83.29	\$3.41
6	2023	Jun	2.20	\$25.47	\$19.19	\$12.08	\$56.74	2.20	\$16.75	\$21.90	\$12.08	\$50.73	\$6.01
7	2023	Jul	1.30	\$25.47	\$11.32	\$7.13	\$43.92	1.30	\$16.75	\$12.92	\$7.13	\$36.80	\$7.12
8	2023	Aug	1.22	\$25.47	\$10.66	\$6.71	\$42.85	1.22	\$16.75	\$12.17	\$6.71	\$35.64	\$7.21
9	2023	Sep	1.22	\$25.47	\$10.62	\$6.69	\$42.78	1.22	\$16.75	\$12.12	\$6.69	\$35.56	\$7.22
10	2023	Oct	1.99	\$25.47	\$17.34	\$10.92	\$53.72	1.99	\$16.75	\$19.79	\$10.92	\$47.45	\$6.27
11	2023	Nov	5.68	\$25.47	\$49.57	\$31.21	\$106.26	5.68	\$16.75	\$56.58	\$31.21	\$104.55	\$1.71
12	2023	Dec	<u>12.09</u>	<u>\$25.47</u>	<u>\$105.45</u>	<u>\$66.40</u>	<u>\$197.32</u>	<u>12.09</u>	<u>\$16.75</u>	<u>\$120.36</u>	<u>\$66.40</u>	<u>\$203.52</u>	<u>-\$6.19</u>
13	Total	Annual	85.51	\$305.64	\$746.11	\$469.82	\$1,521.57	85.51	\$201.00	\$851.62	\$469.82	\$1,522.44	

Notes:

*1) Refer to Exhibit No. 10, Schedule No. 2, Page 8 of 8; Witness Bartos

Columbia Gas of Pennsylvania, Inc
Potential Conservation Savings with RNA

[1] line	[2] Year	[3] Month	[4] Normal Usage *1 Dth	[5] Customer Charge \$25.47	[6] Distribution Charge \$8.7254	[7] Gas Supply Charge \$5.4943	[8] Total Bill [5]+[6]+[7]	[9] Possible Furnace Replaced	[10] Conservation Attic Insulation	[11] Measures*2 Wall Insulation	[12] Total Sum of [9+10+11]
								<u>Hypothetical Annual Dth Reduction</u>			
								16.2	11.3	16.0	43.5
1	2023	Jan	16.20	\$25.47	\$141.39	\$89.03	\$255.89				
2	2023	Feb	16.60	\$25.47	\$144.88	\$91.23	\$261.58				
3	2023	Mar	13.91	\$25.47	\$121.39	\$76.44	\$223.30				
4	2023	Apr	8.79	\$25.47	\$76.73	\$48.31	\$150.51				
5	2023	May	4.31	\$25.47	\$37.57	\$23.66	\$86.70				
6	2023	Jun	2.20	\$25.47	\$19.19	\$12.08	\$56.74				
7	2023	Jul	1.30	\$25.47	\$11.32	\$7.13	\$43.92				
8	2023	Aug	1.22	\$25.47	\$10.66	\$6.71	\$42.85				
9	2023	Sep	1.22	\$25.47	\$10.62	\$6.69	\$42.78				
10	2023	Oct	1.99	\$25.47	\$17.34	\$10.92	\$53.72				
11	2023	Nov	5.68	\$25.47	\$49.57	\$31.21	\$106.26				
12	2023	Dec	<u>12.09</u>	<u>\$25.47</u>	<u>\$105.45</u>	<u>\$66.40</u>	<u>\$197.32</u>				
13	Total	Annual	85.51	\$305.64	\$746.11	\$469.82	\$1,521.57	\$230.36	\$160.68	\$227.52	\$618.56
14											
15	Scenario A - Hypothetical RNA Rate A =				\$0.25 per Dth			\$17.33	\$18.55	\$17.38	\$10.50
16	Scenario A - Conservation Savings							\$213.03	\$142.13	\$210.14	\$608.05
17											
18	Scenario B - Hypothetical RNA Rate B =				\$0.75 per Dth			\$51.98	\$55.66	\$52.13	\$31.51
19	Scenario B - Conservation Savings							\$178.38	\$105.02	\$175.38	\$587.05

Notes:

*1) Refer to Exhibit No. 10, Schedule No. 2, Page 8 of 8; Witness Bartos

*2) Columns [9], [10] & [11] show three possible conservation measures and related usage reductions.

Row 13 shows the bill reductions that would result and is computed as the distribution rate plus the gas cost rate multiplied by the assumed Dth savings.

Columbia Gas of Pennsylvania, Inc.

COLUMBIA GAS OF PENNSYLVANIA, INC.
2022 RATE CASE PROCEEDING

Docket No. R-2022-3031211

Data Requests

OFFICE OF SMALL BUSINESS ADVOCATE INTERROGATORIES
Set 2

Question No. OSBA 2-001:

Reference Exhibit 111, Schedule 2, Alloc 1:

- a. In MS Excel electronic format, please provide workpapers for the development of the design day demand allocator. If these demands were derived in another proceeding, please provide the workpapers from that proceeding.
- b. Please identify any changes made in the method for deriving design day demands in this proceeding compared to the Company's last base rates case.
- c. To the extent known, please provide the reasons for the material reduction in class load factor for the SGS1 and SGS2 classes since the last base rates case.
- d. In MS Excel electronic format, please provide monthly calendarized loads for each rate class (as defined in the cost allocation study), with the associated heating degree days for each month.

Response:

- a. Please see OSBA-02-001 Attachment A (in MS Excel) that provides the workpapers for the design day allocator. The quantities contained in the design day factor represent the total demand projected to occur at Columbia's design peak day and were based on peak month demands (January 2021) as shown in Attachment A.

REVISED RESPONSE:

- b. There were no changes made in the method for deriving the design day demands in this proceeding compared to the last base rate case. During the rebuttal testimony preparation process, it was determined that the EBS and Standby quantities that were originally discussed in this data request response as being a change in process from the prior rate case, were correctly excluded in prior cases

and were double counted in the current case. The impact of removing this double counting is reflected in the Exhibit KLJ-1R in the Rebuttal Testimony of Kevin Johnson.

ORIGINAL RESPONSE:

There were no changes made in the method for deriving the design day demands in this proceeding compared to the last base rate case. However, the last base rate case did not include firm obligation capacity related to Standby and Elective Balancing Services (“EBS”) in the calculation of the design day allocator. The firm demand quantities are detailed on Page 5 (the tab Sch 9) of OSBA-02-001 Attachment A under the column “Additional Firm Obligation”. The EBS firm obligation capacity amounts are shown on Line 20 on Exhibit 111, Schedule 2, Alloc 1. The Standby amounts (5.8 million) were applied to the SDS/LGSS class (Line 6 on Exhibit 111, Schedule 2, Alloc 1) and the LDS/LGSS (Line 4 on Exhibit 111, Schedule 2, Alloc 1).

These Standby and EBS quantities were inadvertently excluded in the prior base rate cases. However, they were appropriately included in this base rate case because they represent the firm requirements of transportation customers at design day temperatures.

- c. The SGS/DS-1 and SGS/DS-2 demands in the current case were 87,000 and 106,200, respectively. The SGS/DS-1 and SGS/DS-2 demands in the last base rate case were 77,700 and 101,000, respectively. Both rate classes showed increased demands compared to the last case.
- d. Please see OSBA-02-001 Attachment B (in MS Excel) showing the monthly calendarized loads for each rate class as defined in the cost allocation study. The twelve months detailed include monthly throughput for the fully projected future test year (TME 12/2023). Heating Degree Days (“HDD”) for each month are also provided.

OCA-V-2. Reference OCA Statement No. 3, page 24, lines 16-20. What analysis has Mr. Mierzwa done to determine the impacts of the COVID-19 pandemic on customer usage in the FPFTY?

RESPONSE:

The FPFTY utilized by the Company in this proceeding is the annual period ended December 31, 2023. Customer usage data for this period is not yet available. Therefore, the potential impact of COVID-19 on customer usage in the FPFTY cannot yet be analyzed.

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility)	
Commission)	
)	
)	
v.	)	Docket No. R-2022-3031211
)	
)	
Columbia Gas of Pennsylvania, Inc.)	
)	
)	

**REBUTTAL TESTIMONY OF
RAYMOND A. BRUMLEY
ON BEHALF OF
COLUMBIA GAS OF PENNSYLVANIA, INC.**

July 6, 2022

1 **Q. Please state your name and business address.**

2 A. My name is Raymond A. Brumley. My business address is 121 Champion Way,
3 Southpointe, Pennsylvania 15317.

4 **Q. By whom are you employed and in what capacity?**

5 A. I am employed by Columbia Gas of Pennsylvania, Inc. (“Columbia” or the
6 “Company”) as the Director of Construction.

7 **Q. Have you previously filed testimony in this matter?**

8 A. Yes.

9 **Q. What is the purpose of your rebuttal testimony?**

10 A. I will respond to the direct testimony of witness Morgan, filed on behalf of the Office
11 of Consumer Advocate, concerning the adjustment to plant in service.

12 **Q. Do you agree with OCA Witness Morgan’s assertion that the Company**
13 **has demonstrated a consistent pattern where the value of the actual**
14 **capital additions is less than the budgeted amounts?**

15 A. No.

16 **Q. Please explain.**

17 A. The three years identified by Witness Morgan – 2018, 2020 and 2021 - are not
18 representative of the Company’s ability to achieve its capital addition budgets. These
19 three years were unique years for the Company. In 2018, the Company deployed
20 resources to Massachusetts to aid in the restoration of an incident that occurred in
21 Merrimack Valley. As a result, some of the plant addition work scheduled and
22 budgeted to occur in 2018 was completed in 2019. As shown in Company Witness
23 Julie Covert’s rebuttal testimony, as a result of the Company making the 2018 work

1 up in 2019, Columbia's 2019 actual capital addition spend was 14% over budget. In
2 other words, the issue with Columbia's 2018 actual spend being less than the
3 Company's 2018 budget was not due to the Company inaccurately budgeting for the
4 work to occur in that year, the issue was that the Company had to divert resources
5 away from its planned capital projects due to an unforeseen event towards the end of
6 2018, with the Company completing its 2018 capital addition projects in 2019.

7 In 2020, like many other companies, Columbia's planned capital projects
8 were interrupted by the COVID-19 pandemic and the Pennsylvania Governor's
9 restrictions related to construction work. Prior to the COVID-19 pandemic,
10 Columbia had 140 crews working on pipeline replacement projects across its service
11 territory. In response to COVID-19, starting March 23, 2020, Columbia took a two-
12 week work pause throughout the state where only essential projects were worked.
13 Columbia averaged only 12 crews working during this two week period.

14 Per the Governor's order, Columbia continued to work only essential projects
15 throughout the month of April, averaging 25 crews. With the release on restrictions
16 starting May 4, 2020, Columbia began to ramp up its crews throughout the month of
17 May, as follows:

18 May 4th - 49 crews

19 May 11th - 76 crews

20 May 18th - 104 crews

21 By June 8, 2020 Columbia was up to 121 crews and continued to add crews to return
22 to pre COVID-19 levels throughout the year.

1 In 2021, the 4.6% under-run in the Company's budget was largely related to
2 three projects not progressing as the Company anticipated: (1) a \$5 million project
3 known as Innovation Campus was lost to a competing gas utility; (2) the Southern
4 Beltway expansion project was approximately \$6.5 million less than what had been
5 estimated for 2021 due to bid prices coming in less than expected and minimal permit
6 delays; and (3) the New Castle Gas odorization project, which was estimated to be
7 approximately \$10 million, was delayed due to ongoing environmental permitting
8 issues and supply chain material issues, resulting in Columbia only spending \$2
9 million of the budget in 2021.

10 In sum, the years 2018, 2020 and 2021 should not be used as a basis for
11 adjusting the Company's projected plant in service, as the unique circumstances
12 presented in those years are unlikely to repeat.

13 **Q. Does this complete your Prepared Rebuttal Testimony?**

14 A. Yes, it does.

15

COLUMBIA GAS OF PENNSYLVANIA, INC.

Rebuttal Testimony

of

Paul R. Moul, Managing Consultant
P. Moul & Associates

Concerning

Cost of Equity and
Fair Rate of Return

DOCKET NO. R-2022-3031211

July 6, 2022

Columbia Gas of Pennsylvania, Inc.
Rebuttal Testimony of Paul R. Moul
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1 **Introduction and Summary**

2 Q. Please state your name, occupation and business address.

3 A. My name is Paul Ronald Moul. My business address is 251 Hopkins Road,
4 Haddonfield, New Jersey 08033-3062. I am Managing Consultant at the firm P. Moul
5 & Associates, an independent financial and regulatory consulting firm.

6 Q. Did you previously submit testimony in this proceeding on behalf of Columbia Gas of
7 Pennsylvania, Inc. ("Columbia", "CPA" or the "Company")?

8 A. Yes. I submitted my direct testimony, CPA Statement No. 8, on March 18, 2022.

9 Q. What is the purpose of your rebuttal testimony?

10 A. My rebuttal testimony responds to the direct testimony submitted by David J. Garrett, a
11 witness appearing on behalf of the Office of Consumer Advocate ("OCA"), Christopher
12 Keller, a witness appearing on behalf of the Bureau of Investigation and Enforcement
13 ("I&E"), and Mr. James L. Crist, a witness appearing on behalf of The Pennsylvania
14 State University ("PSU").

15 Q. What are the key aspects of the rate of return issue that the Pennsylvania Public Utility
16 Commission ("Commission") should consider when deciding this issue in this case?

17 A. The issues involve the Company's cost of equity and the capital structure. Mr. Keller
18 has accepted the Company's proposed capital structure ratios. Mr. Garrett has
19 opposed the actual capital structure, and instead proposed a hypothetical capital
20 structure. Mr. Crist is silent on these issues. All the witnesses have accepted the
21 embedded cost of debt for CPA.

22 The equity returns proposed by these witnesses are entirely too low to reflect
23 the risks of CPA and the prospective cost of equity. Aside from technical issues that I
24 will discuss later in my rebuttal testimony, the Commission should take into
25 consideration a rate of return that will reflect and be supportive of the Company's

1 financial and risk profile. As I explain below, the opposing parties' recommendations
2 fail to adequately consider this point and thereby understate the required cost of
3 common equity in this proceeding.

4 Q. Please summarize the key points of your rebuttal testimony.

5 A. My key points are:

- 6 ○ Capital Structure Ratios – Mr. Garrett's use of a hypothetical capital
7 structure, rather than the Company's projected actual capital structure for
8 the FPFTY, is improper and contrary to standard practice in Pennsylvania.
- 9 ○ Discounted Cash Flow ("DCF") – A variety of DCF results are clearly too low
10 to provide a reliable measure of the cost of equity. This can be traced to the
11 formulaic approach taken by Mr. Keller in applying this model (see pages
12 27-28 of I&E Statement No. 2). In addition, Mr. Garrett fails to adequately
13 reflect investor expectations of growth that are specific to the natural gas
14 companies included in his proxy group. He errs when using analysts' growth
15 rate forecasts by failing to consider earnings per share growth that is used
16 by Mr. Keller, me, and the Commission.
- 17 ○ DCF Leverage Adjustment – Mr. Keller has not refuted the accuracy of the
18 Company's leverage adjustments to the DCF and beta component of the
19 Capital Asset Pricing Model ("CAPM"). Mr. Garrett claims that my leverage
20 adjustment is "incorrect" (see page 48 of OCA Statement 2). But he has not
21 shown that the capital structure ratios and calculations of the leverage
22 adjustment are in any way incorrect.
- 23 ○ CAPM – A reasonable application of the CAPM mandates using 30-year
24 Treasury bond yields, leverage adjusted betas, and size adjustment and
25 indicates an equity cost rate that is well above 11% in this case. Indeed, Mr.

1 Keller has proposed a 12.14% CAPM result in this case.

2 ○ Additional methods should also be considered when establishing the cost of
3 equity for CPA. This is especially important because FOMC policy and
4 inflation in the last few months indicates a higher cost of equity and that both
5 witnesses have chosen not to even mention this in their testimony.

6 Q. How should the rate of return set by the Commission support the Company's financial
7 profile?

8 A. The Commission should set the Company's return on equity at a level that will attract
9 investment in the Company to ensure the Company's financial ability to render safe and
10 reliable service. Applying this principle, the Commission should reject the proposals by
11 Messrs. Keller and Garrett to cut the Company's return on common equity to 9.61%
12 and 8.75%, respectively. Equity returns of this magnitude would be viewed by investors
13 as unsupportive of the Company's financial condition. In particular, Mr. Garrett's
14 proposed return is completely unreasonable because it is much too low to allow CPA
15 to achieve the level of returns that meet investors' expectations. Indeed, Mr. Garrett
16 actually claims that the CPA cost of equity is just 7.7%, but he "graciously" increases
17 it to 8.75%. Even Mr. Garrett recognizes that setting the ROE at his calculated 7.7%
18 "could have the undesirable effect of notably increasing the Company's risk profile," so
19 he arbitrarily increases his recommendation to 8.75% (see OCA Statement No.2, page
20 7). However, he provides no explanation why 8.75% would be reasonable now when
21 the Commission approved 9.86% in the Columbia rate case in early 2021 and 10.24%
22 in the PECO gas rate case also in 2021, in the midst of the COVID-19 Pandemic
23 ("Pandemic"). Recently, the Commission approved a 10.00% equity return for Aqua
24 Pennsylvania, Inc. There have been dramatic increases in inflation and interest rates,
25 prompting the Federal Open Market Committee ("FOMC") to increase the federal funds

1 rate to combat inflation. This fact has not even been mentioned in their testimony.
2 Further, acceptance of Mr. Garrett's approach would ultimately lead to even lower
3 ROEs in the future since the 8.75% is simply a process to reduce ROEs based on his
4 gradualism approach to ratchet downward the ROE. Rather, based on the factors listed
5 below, and for technical reasons set forth later in my rebuttal testimony, the
6 Commission should adopt a substantially higher ROE.

7 Q. How does Mr. Garrett's 7.7% cost of equity proposal compare to other recognized
8 returns?

9 A. Mr. Garrett determined that the DCF cost of equity is 6.7% with sustainable growth (see
10 page 43 of OCA Statement 2) and the CAPM cost of equity is 7.9%. These returns
11 compare to the 9.30% DCF return and 10.41% CAPM return established in the
12 Commission's Quarterly Earnings report for the same group of companies considered
13 by Mr. Garrett. And as mentioned, the Commission awarded 10.24% in the PECO case
14 last Fall and 10.00% in the Aqua case this Spring. This comparison establishes that
15 Mr. Garrett's position is unreasonable.

16 Q. Are there additional issues that the Commission should consider when setting the
17 Company's return?

18 A. Yes. The investment community would be very concerned if the Commission were to
19 adopt the position of the OCA in this case. If it were to do so, investors would see
20 Pennsylvania regulation as less supportive of the Company at a time of high levels of
21 capital investment and increasing capital cost rates. Over the next five years, CPA
22 expects capital expenditures to be \$2.184 billion. If the Commission were to follow the
23 proposal of reducing the authorized return as proposed by the OCA, Pennsylvania's
24 regulatory support would certainly be viewed by investors as being reduced, particularly
25 in the context of rising capital costs due to inflation. The return on equity used by the

1 Commission to set rates embodies in a single numerical value a clear signal of
2 regulatory support for the financial strength of the utilities that it regulates. Although
3 cost allocations, rate design issues, and regulatory policies relative to the cost of service
4 are important considerations, the opportunity to achieve a reasonable return on equity
5 represents a direct signal to the investment community of regulatory support (or lack
6 thereof) for the utility's financial strength. In a single figure, the return on equity utilized
7 to set rates provides a common and widely understood benchmark that can be
8 compared from one company to another and is the basis by which returns on all
9 financial assets (stocks – both utility and non-regulated, bonds, money market
10 instruments, and so forth) can be measured. So, while varying degrees of
11 sophistication are required to interpret the meaning of specific Commission policies on
12 technical matters, the return on equity figure is universally understood and
13 communicates to investors the types of returns that they can reasonably expect from
14 an investment in utilities operating in Pennsylvania.

15 Q. How does the cost of equity proposal by Mr. Garrett compare to the utility returns
16 recently authorized by the Commission?

17 A. Technical disputes about methodology and data aside, the cost of equity proposed by
18 Mr. Garrett is simply not representative of the returns that the Commission has been
19 awarding. Indeed, the Commission established a 9.85% equity return for the Electric
20 Division rate case for UGI Utilities, Inc. at Docket No. R-2017-2640058. Since that time,
21 the Commission granted equity returns of 9.54% for Citizens' Electric Company at
22 Docket No. R-2019-3008212, 9.31% for Wellsboro Electric Company at Docket No. R-
23 2019-3008208, 9.73% for Valley Energy at Docket No. R-2019-3008209, 9.86% for
24 Columbia Gas of Pennsylvania at Docket No. R-2020-3018835, 10.24% for the Gas
25 Division of PECO Energy at Docket No. R-2020-3018929, and 10.00% for Aqua

1 Pennsylvania at Docket No. R-2021-3027385. Moreover, for purposes of setting the
2 Distribution System Improvement Charge (“DSIC”), the Commission has set a 10.15%
3 equity return for gas utilities at Docket No. M-2022-3032405 (adopted at the Public
4 Meeting held June 16, 2022). In the DSIC proceedings, DSIC recoveries are reconciled
5 and therefore the 10.15% is guaranteed. In a base rate case such as this, a higher
6 equity return is required because that return provides only an opportunity and not a
7 guarantee for the natural gas utilities.

8 The rate of return on common equity of 8.75% proposed by Mr. Garrett is
9 seriously deficient and will not provide CPA with the opportunity to earn its investor
10 required cost of capital for the fully projected future test year ending December 31, 2023
11 (“FPFTY”). As explained below, this is not the time for the Commission to be reducing
12 the Company’s authorized return when there is a compelling need for capital investment
13 to rehabilitate aging infrastructure.

14 Q. Should the Commission consider the future trend in capital costs when deciding the
15 return on equity in this case?

16 A. Yes. Unlike Mr. Garrett, who takes a backward view of interest rates, accommodative
17 policy by the FOMC has ended and higher interest rates have occurred and will continue
18 in the future. Current FOMC policy will produce even higher interest rates prospectively
19 that should be incorporated into the cost of equity now. Indeed, higher inflation
20 expectations are a contributing factor that points to higher interest rates. Higher inflation
21 today is revealed by a 5.9% increase in social security payments announced on October
22 13, 2021, the largest one-year increase in nearly four decades. Subsequently, the
23 annual inflation rate in May 2022 moved up to 8.6%, the highest rate since December
24 1981. After the FOMC ended its bond buying program (i.e., quantitative easing) in
25 March 2022, it now plans to run off its \$9 trillion asset portfolio, which will further boost

1 interest rates. Moreover, the first of several Fed Funds increases occurred on March
2 16, 2022 with an increase of 0.25% and an additional 0.50% increase occurred on May
3 4, 2022. A 50 basis point increase in the Fed Funds rate has not occurred since 2000.
4 Additional increases are expected in 2022 and 2023. Indeed, the Fed Funds rate was
5 increased again on June 15, 2022, when a 0.75% increase occurred. This increase
6 was the largest one since 1994. Higher interest rates clearly point to higher capital
7 costs prospectively. A forward-looking assessment of the capital markets is especially
8 relevant here because the Company's rates will be based on a FPFTY. The yield on
9 10-year Treasury bonds moved above the 3% level on May 2, 2022, the first time since
10 late 2018. By May 2022, the yield on 30-year Treasury bonds moved to 3.07%, or an
11 increase of 1.40% (or 84%) since December 2020. Likewise, the yield on A-rated public
12 utility bonds has increased to 4.75% in May 2022 from 2.77% in December 2020 – a
13 198 basis point (or 71%) increase. Higher interest rates clearly point to higher capital
14 costs prospectively. I will describe the forecasts of interest rates and the trend below.

15 Q. Is there additional evidence that suggests that the cost of capital has been increasing?

16 A. Yes. To gain a consensus view of future interest rates, I tabulated the forecasts of
17 yields on 10-year Treasury notes published by a variety of well recognized and investor-
18 influencing sources. I chose the 10-year Treasury note because it is available on a
19 consistent basis across all sources. The comparisons are:

	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>
<u>Blue Chip</u>	3.50%	3.50%	3.40%	3.50%	3.50%
<u>EIA</u>	2.06%	2.32%	2.62%	2.83%	2.97%
<u>CBO</u>	2.90%	3.10%	3.20%	3.50%	3.70%

1 The general consensus is that interest rates will maintain elevated levels or increase in
2 the future. The rising level of interest rates represents one key factor that adds to the
3 risk of common equity. It is apparent that the trough in interest rates has passed and
4 the forecasts show interest rates will continue to rise in the future. The Commission
5 should take the forecast trend toward higher interest rates into account when it sets the
6 cost of equity for CPA. Mr. Garrett's testimony considers only a 30-day historical
7 average of 30-year Treasury bond yields ended May 19, 2022. It is therefore indicated
8 that a higher authorized return is warranted in the face of higher expected interest rates.

9 Q. Has the stock market reacted to the changes in interest rates?

10 A. Yes. The stock market entered "correction" territory in 2022 and recently approached
11 "bear" market territory. Overall market sentiment is revealed by investor expected
12 volatility, which provides an overall assessment of the risk that prevails in the equity
13 market. The risk associated with common stock investments is revealed by the volatility
14 of the stock market measured by the Chicago Board Options Exchange ("CBOE") VIX.
15 The CBOE VIX is based on real-time prices of options on the S&P 500 Index and is
16 designed to reflect investors' consensus view of future (30-day) expected stock market
17 volatility. It is well-established that greater volatility indicates higher risk, which, all else
18 equal, translates into a higher cost of equity. It is widely accepted that high readings

1 for the CBOE VIX are often accompanied by bearish sentiment and a low CBOE VIX is
2 associated with bullish sentiment. The trading pattern of the CBOE VIX is typically
3 inverse to the level of stock prices. That is to say, the CBOE VIX increases when stock
4 prices are falling, and the CBOE VIX declines when stock prices rise. This situation is
5 sometimes associated with increases in the cost of equity when the CBOE VIX
6 increases and vis-a-versa. For 2022 to date, the CBOE VIX was 28.36. This compares
7 with the CBOE VIX of 16.33 in 2019 prior to the beginning of the financial consequences
8 of the Pandemic. We can see that the CBOE VIX spiked upward with the beginning of
9 the Pandemic. The CBOE VIX has been:

<u>Year</u>	<u>Average VIX</u>
2019	16.33
2020	32.21
2021	22.42
2022 YTD	28.36

10 While volatility in the stock market has subsided since the beginning of the Pandemic
11 in 2020, it continues to significantly exceed pre-Pandemic levels. The current level of
12 risk associated with common stocks, as revealed by the higher CBOE VIX in 2022,
13 warrants a higher equity return at this time because the higher stock market volatility
14 signifies higher risk that requires higher returns in compensation for the higher risk.
15 Hence, the risk for common equity, which translates into the cost of equity, does not
16 support a low equity return as suggested by Mr. Garrett.

17 Q. How is the remainder of your testimony organized?

18 A. I will cover the issues of: (i) capital structure, (ii) the weight to be given to the DCF
19 method, (iii) the DCF growth rate, (iv) the leverage adjustment to the DCF and CAPM
20 methods, (v) the CAPM method, (vi) the Risk Premium analysis, (vii) Comparable
21 Earnings, and (viii) management performance as part of the return on equity
22 consideration.

1 Capital Structure Ratios

2 Q. Is there a difference in the proposed capital structure ratios utilized by the rate of return
3 witnesses in this case?

4 A. Yes. Mr. Garrett is alone in advocating a hypothetical capital structure for CPA. Mr.
5 Keller has accepted the Company's proposed capital structure, as it falls within the
6 range of capital structures of the proxy group. Mr. Garrett's position is clearly contrary
7 to long-standing Commission policy concerning capital structure ratios, most recently
8 articulated in the Gas Division rate case of PECO Energy at Docket No. R-2020-
9 3018929 (Order entered June 22, 2021). In the Commission's Columbia decision at
10 Docket No. R-2020-3018835 (Order entered February 19, 2021), the Commission
11 accepted Columbia's equity ratio of 54.19% (Columbia Order, p. 118). In the
12 Commission's PECO decision, Docket No. R-2020-3018929, (Order entered June 22,
13 2021), the Commission accepted PECO's equity ratio of 53.38% common equity. The
14 Commission also accepted a 53.95% common equity ratio in the Aqua Pennsylvania
15 case at Docket No. R-2021-3027385 (Order Entered May 16, 2022). The Commission's
16 long-standing policy is to accept the Company's actual capital structure for the FPFTY
17 as long as it is within the range of the capital structures employed by the barometer
18 group companies. In a CPA case, the Commission observed that generally hypothetical
19 capital structure ratios usurp the prerogative of management unless it can be
20 demonstrated that management has acted imprudently and the resulting actual capital
21 structure ratios are atypical (1984 Pa. PUC LEXIS 61, *85, 58 Pa. PUC 155, 187 (Pa.
22 P.U.C. January 26, 1984)). Essentially, the Commission will accept a utility's actual
23 capital structure ratios as long as they are reasonable. This is the case for CPA.

24 Q. What capital structure ratios do Mr. Garrett propose?

25 A. Mr. Garrett proposes a hypothetical capital structure for CPA without ever

1 demonstrating that the Company's proposed capital structure is unreasonable. Rather,
2 his proposed capital structure merely lowers the Company's revenue requirements.

3 In reaching his conclusion on capital structure ratios, Mr. Garrett examined (i)
4 the debt ratios of the companies in his proxy group, as well as the Parent Company of
5 CPA, and (ii) the debt ratios of thousands of other companies, which is a position that
6 is inconsistent with his rejection of the Comparable Earnings approach to measuring
7 the cost of equity.

8 His approach essentially involves the use of a hypothetical capital structure that
9 violates Commission precedent on the use of the actual capital structure. Under the
10 facts of this case, the use of the CPA actual capital structure ratios comports with
11 Commission precedent.

12 Q. Is there any basis to deviate from the Company's actual capital structure to set the rate
13 of return in this case?

14 A. No. As Mr. Keller explained (see page 12 of I&E Statement No. 2), the Company's
15 actual capital structure ratios (including the 54.38% common equity ratio) falls within
16 the range of the proxy group. This is sufficient to meet the Commission's standard that
17 makes the actual CPA capital structure appropriate in this case.

18 Q. Does Mr. Garrett provide clear justification for rejecting the Company's actual capital
19 structure and substituting a different capital structure?

20 A. No. In addition to his proxy group comparisons, Mr. Garrett also performs a "quantitative
21 analysis" that he says supports a 48.3% debt ratio with an 8.27% cost of equity
22 calculation (see Exhibit DJG-17). There are a variety of deficiencies with his analysis.
23 First, an 8.27% cost of equity is clearly outside the range of reasonable returns for
24 reasons I explained previously. Second, Mr. Garrett never established that his analysis
25 is applicable for CPA in the FPFTY. I have verified the reasonableness of the

1 Company's common equity ratio by considering the historical capital structure ratios for
2 the Gas Group and analysts' forecasts, which influence investor expectations.
3 Historically, the Gas Group has had a 51.5% common equity ratio (see page 5 of CPA
4 Exhibit No. 400). I have also compared the Company's proposed common equity ratio
5 to that of the Gas Group based upon forecast data widely available to investors from
6 Value Line. Those ratios are:

<u>Company</u>	<u>2025-2027</u>
Atmos Energy Corp.	60.0%
Chesapeake Utilities Corp.	60.0%
New Jersey Resources Corp.	43.5%
NiSource Inc.	39.5%
Northwest Natural Holding Company	52.0%
ONE Gas, Inc.	48.0%
South Jersey Industries, Inc.	43.0%
Southwest Gas Holdings, Inc.	47.5%
Spire, Inc.	45.0%
Range:	
High	60.0%
Low	39.5%

Source: The Value Line Investment Survey, May 27, 2022

7 These ratios are computed based on permanent capital, excluding short-term debt.
8 When considering short-term debt ratios, an analysis using a spot moment in time can
9 be deceptive, particularly for gas utilities, because short-term debt is sometimes used
10 to finance gas in storage that vary substantially between late Spring and early Winter
11 months. Indeed, Mr. Garrett has not considered this issue separately in his testimony.
12 Rather, he accepts the Company's FPFTY ratio of short-term debt and merely
13 substitutes long-term debt for equity in his proposal. When doing so, Mr. Garrett creates
14 a mismatch between the cost of long-term debt and the hypothetical debt ratio he
15 advocates. This mismatch arises because the hypothetical long-term debt ratio
16 contains more debt than the amount of long-term debt that is actually outstanding.

1 Rather the Value Line data shows that CPA has a common equity ratio for the FPFTY
2 that is within the range for the barometer group and that its actual capital structure has
3 adequate support.

4 Q. Mr. Garrett also references the capital structure of NiSource. Is this appropriate?

5 A. No. Just as with his proposal to use a hypothetical capital structure that does not reflect
6 CPA's actual capital structure, use of NiSource's capital structure would result in a
7 mismatch between the applied capital structure and CPA's actual financial risk.
8 Moreover, NiSource is a holding company, and its capital structure thus reflects the
9 financial risk associated with ownership of multiple utilities, a large generation company,
10 and unregulated competitive businesses. It is not appropriate to compare an operating
11 utility capital structure to the capital structure of a parent holding company that holds
12 these diverse utility and non-utility operations. It is noteworthy that there are several
13 significant issues that impact the capital structure of NiSource that have no bearing on
14 the capital structure of CPA. For NiSource, these items include:

- 15 i. A very large retained earnings deficit (i.e., negative retained earnings)
16 that is related to the 2015 divestiture of Columbia Pipeline Group.
- 17 ii. The parent consolidated capital structure contains debt obligations
18 issued directly by other subsidiaries that are not relevant to the rate
19 base or operations of CPA.
- 20 iii. The parent consolidated capital structure contains capitalized leases
21 that for ratesetting purposes in Pennsylvania are considered operating
22 leases.
- 23 iv. The parent capital structure contains accumulated Other
24 Comprehensive Income ("OCI") that relates to pension and OPEB

1 benefits, cash flow hedges, and securities available for sale, which are
2 not related to the manner that the CPA rate base is financed.

3 v. Large amounts of parent company debt was used to finance goodwill,
4 which is not part of the ratesetting process in Pennsylvania.

5 Q. Does Mr. Garrett's consideration of the Parent Company capital structure play any role
6 in this case?

7 A. No. Mr. Garrett's consideration of the Company's parent capital structure is without
8 merit. As CPA represents only roughly 11 percent of its profile, NiSource's capital
9 structure should not be considered for ratemaking purposes in this case. Excluding
10 consideration of the parent capital structure in this case would be consistent with the
11 Commission's policy in other cases for many years.

12 **Cost of Debt**

13 Q. In the response to an interrogatory, you discuss an error in your testimony regarding
14 the cost of short-term debt for the FPFTY. Please explain.

15 A. The response to interrogatory I&E RR-003-D (also are Schedule 4 of I&E Exhibit No. 2)
16 alerted the parties that a typographical error existed in the testimony at page 20. The
17 correct spread over the 3-month LIBOR rate is 0.20% rather than 0.30% as reported
18 there. Nothing additional is necessary related to the Company's claimed cost of short-
19 term debt for the FPFTY. That is to say, the cost of short-term debt actually used was
20 1.65% comprised of the rounded amount comprised of a 1.47% 3-month LIBOR rate
21 and the 0.20% commercial paper spread.

1 **Cost of Common Equity - Discounted Cash Flow (DCF)**

2 Q. The DCF model has been used by Mr. Keller, Mr. Garrett and you as one method to
3 measure the cost of equity. What is your position concerning the usefulness of the DCF
4 method?

5 A. While the results of a DCF analysis should certainly be given weight, the use of more
6 than one method provides a superior foundation for the cost of equity determination.
7 Since all cost of equity methods contain certain unrealistic and overly restrictive
8 assumptions, the use of more than one method will capture the multiplicity of factors
9 that motivate investors to commit capital to an enterprise (i.e., current income, capital
10 appreciation, preservation of capital, level of risk bearing). Mr. Keller makes a
11 remarkable shift from using the results of the CAPM as a check on DCF to the current
12 position of using the CAPM for comparison purposes only (see page 19 of I&E
13 Statement No. 2). The simplified DCF model makes the assumption that there is a
14 single constant growth rate, there is a constant dividend payout ratio, that price-
15 earnings multiples do not change, and that the price of stock, earnings per share,
16 dividends per share, and book value per share all have the same growth rate. We know
17 from experience that those assumptions are not realistic because the stock market
18 reveals performance that is very different from the assumptions of the DCF.¹ The use
19 of multiple methods provides a more comprehensive and reliable basis to establish a
20 reasonable equity return for CPA. The Commission has acknowledged the usefulness
21 of other methods, such as CAPM, as a means of establishing a range of reasonable
22 returns.

23 Indeed, the influence of other methods must have an impact on the

¹ The growth rate variables shown on Schedules 8 and 9 of CPA Exhibit No. 400 shows that the assumption associated with the simplified DCF model are not reasonable.

1 Commission's attitude toward the DCF model because the Commission's selection of
2 the rate of return on equity for use in the DSIC is usually set well above the cost of
3 equity indicated by the DCF model alone. For example, in the Quarterly Earnings
4 Report at Docket No. M-2022-3032405, the Commission set the DSIC return at 10.15%
5 for the Gas Companies, while the DCF returns were 9.27% using current stock prices
6 and 9.34% using 52-week average stock prices. It is clear that the Commission has
7 been guided by the results of other models and other factors aside from DCF when
8 setting the DSIC return. As an apparent input on the reasonableness of the DCF result,
9 the CAPM result was 10.41% for the Gas Company Barometer Group as calculated in
10 the Commission's Quarterly Earnings Report for the year ended December 31, 2021
11 (Docket Number M-2022-3032405). Indeed, the CAPM and RP methods directly reflect
12 the effect of rising interest rates and are an important indicator of higher equity cost
13 rates. There is no interest rate input in the DCF formulation, so we do not know how or
14 if the DCF is responsive to rising interest rates. We know that CAPM and RP directly
15 reflects changes in interest rates. Mr. Keller claims that the DSIC returns that are
16 established in the Quarterly Earnings Report, among other considerations, are
17 designed to reduce regulatory lag and are not a substitute for base rate cases. The
18 DSIC rate is similar to the rate of return on common equity set in base rate cases. This
19 is because the DSIC rate is calculated from the same two models of the cost of equity,
20 i.e., DCF and CAPM, that Mr. Keller used in his direct testimony, and that all of the
21 same risk attributes are contained in those two models in both proceedings.

22 Q. What form of the DCF model has been employed in this case?

23 A. The constant growth form of the DCF model has been used by Mr. Keller, Mr. Garrett,
24 and me.

25 Q. Are there limitations to the application of the DCF that indicates that it should not be

1 used alone to establish the equity return, which Mr. Keller seems to support?

2 A. There are many assumptions associated with the specification of the DCF. These are:

- 3 • The form of the model. A choice must be made whether to employ the
4 continuous or discrete form of the model.
- 5 • Whether a finite or infinite form of the model realistically represents
6 investor's horizon.
- 7 • Whether compounding of the quarterly dividend should be employed.
- 8 • The timing of the dividend payments regarding the interval from the ex-
9 dividend date and the stock measurement date needs to be addressed.
- 10 • A choice is necessary relative to a representative price that would
11 reasonably represent the rate effective period, e.g., 12-month average, 6-
12 month average, 13-week average, spot, etc.
- 13 • Assumptions concerning the structure of returns which under the DCF
14 assumes that the price-earnings multiple, dividend payout ratio, and earned
15 return will be constant.
- 16 • Whether single or multiple growth rates better reflect investor expectations.
- 17 • Choices concerning the use of historical or forecast growth rates.
- 18 • From a historical perspective, whether 10-years, 5-years, or some other
19 historical period is representative of investor expectations.
- 20 • Choice among variables to measure growth, e.g., earnings per share,
21 dividends per share, book value per share, cash flow per share, retention
22 growth, price growth, etc.
- 23 • Choice of investor influencing growth rates that are available from I/B/E/S
24 First Call, Zacks, Morningstar and Value Line.
- 25 • Whether the growth rate if measured by the formula "b x r" should be
26 modified for external growth, i.e., "sv."
- 27 • The potential misspecification of the rate of return applicable to book value
28 when taken directly from DCF if the market price diverges from book value.

29 Many of the assumptions, especially the constant price-earnings multiple, constant
30 payout rate, and constant earned return, are particularly unrealistic. My point is that all
31 models have their strengths and weaknesses, and it is important to rely on more than
32 one model in determining the cost of common equity.

33 Q. Mr. Keller presents a revenue requirements calculation showing the difference

1 associated with using the DCF and CAPM results (see pages 33-34 of I&E Statement
2 No. 2.) What does this comparison reveal?

3 A. This comparison is not relevant to this case. Neither the Company nor I&E are arguing
4 for an equity return of 12.14% shown by the CAPM result and used in his table shown
5 on page 34. The Commission has used the DCF and CAPM models to establish a
6 range, and the authorized return would fall within that range. If any comparison can be
7 made with these inputs, it would be between the midpoint of the range, i.e., 10.875%
8 and the lower end of the range, i.e., 9.61%. That gap is 126.5 basis points. That
9 produces a \$20.4 million difference in revenue requirements, not the \$57.9 million Mr.
10 Keller reports.

11 Q. Do the DCF results proposed by Mr. Keller provide a reasonable representation of the
12 cost of equity?

13 A. Not in my opinion. I&E Witness Keller concludes that the DCF cost of equity is 9.61%
14 and the CAPM cost rate is 12.14% (I&E Statement No. 2, pages 28 and 32). The
15 Commission has stated that it would consider other methods when other methods
16 showed that the DCF method understated the cost of equity. (Columbia Order, pp. 121
17 and 131.) It should be noted that I&E's DCF result in this case is also too low for several
18 reasons. First, there have been significant increases in interest rates and inflation since
19 the Columbia decision in the midst of the Pandemic, indicating a higher cost of equity
20 today. Second, I&E's own CAPM result of 12.14% illustrates its DCF result is too low,
21 in contrast to the lower CAPM return in the Columbia case.

22 The principal purpose of assembling a barometer group is to avoid relying on
23 data for a single company that may not be representative and to thereby smooth out
24 any abnormalities. That said, when some of the DCF results for companies in the
25 barometer group are unreasonable on their face, the reliability of the method being

1 used, or the witness' application of that method, must be questioned. As indicated
2 below, DCF results used by Mr. Keller fall into that category:

<u>Company</u>	<u>Average: 52 wk & Spot Yield</u>	<u>+</u>	<u>Growth</u>	<u>=</u>	<u>Total</u>
Chesapeake Utilities	1.61%	+	6.98%	=	8.59%
ONE Gas	3.16%	+	4.63%	=	7.79%

3 It is a fundamental tenet of finance that the cost of equity must be higher than
4 the cost of debt by a meaningful margin to compensate for the higher risk associated
5 with a common equity investment. Yet, each of the companies listed above have DCF
6 returns calculated by Mr. Keller that fail to provide a sufficient spread over the yield of
7 4.32% on A-rated public utility bonds for May 2022. As I have demonstrated in my
8 direct testimony (CPA Statement No. 8 at pages 36-37), the spread between the cost
9 of debt and cost of equity should be 6.75% in this market environment. As such, none
10 of the returns listed above can come close to meeting this standard.

11 **DCF Growth Rate**

12 Q. As to the DCF growth component, what financial variables should be given greatest
13 weight when assessing investor expectations?

14 A. The theory of the DCF holds that (i) the value of a firm's equity (i.e., share price) will
15 grow at the same rate as earnings per share with a constant P-E ratio, and (ii) dividend
16 growth will equal earnings growth with a constant payout ratio. Therefore, to properly
17 reflect investor expectations within the limitations of the DCF model, earnings per share
18 growth, which is the basis for the capital gains yield and the source of dividend
19 payments, must be given greatest weight. The reason that earnings per share growth
20 is the primary determinant of investor expectations rests with the fact that the capital
21 gains yield (i.e., price appreciation) will track earnings growth with a constant price

1 earnings multiple (a key assumption of the DCF model). It is also important to recognize
2 that analysts' earnings growth rate forecasts significantly influence investor growth
3 expectations. It is for this reason that GDP growth rates submitted by Mr. Garrett are
4 an inappropriate representation of investor growth rate expectations. Moreover, it is
5 instructive to note that Professor Myron Gordon, the foremost proponent of the DCF
6 model in public utility rate cases, has established that the best measure of growth for
7 use in the DCF model are forecasts of earnings per share growth.²

8 Q. Please summarize the DCF growth rate analysis performed by Mr. Keller.

9 A. As shown on page 28 of I&E St. No. 1, Mr. Keller proposes a growth rate based on his
10 review of analysts' projected earnings growth rates. His growth rate (i.e., 6.54%) is only
11 slightly below the 6.75% growth rate that I determined. Referring to Mr. Keller's growth
12 rates, the 4.63% growth rate for ONE Gas appears to be anomalous. The range of
13 growth rates for other companies is 5.80% to 7.33%. The reason for the low ONE Gas
14 growth rate is attributed to the low Yahoo growth rate of 2.90% and no growth rate from
15 Morningstar. Exclusion of the Yahoo growth rate for ONE Gas as an anomaly would
16 raise the average growth rate from 6.54% to 6.68% using a revised average growth
17 rate of 5.50% ($5.00\% + 6.00\% = 11.00\% \div 2$) for ONE Gas. With this revision, his group
18 average DCF return would be 9.75% ($3.07\% + 6.68\%$).

² "Choice Among Methods of Estimating Share Yield," The Journal of Portfolio Management, Spring 1989 by Gordon, Gordon & Gould. "We have compared the accuracy of four methods for estimating the growth component of the discounted cash flow yield on a share: past growth rate in earnings (KEGR), past growth rate in dividends (KDGR), past retention growth rate (KBRG), and forecasts of growth by security analysts (KFRG)...we have three observations to make. First, the superior performance by KFRG should come as no surprise. All four estimates of growth rely upon past data, but in the case of KFRG a larger body of past data is used, filtered through a group of security analysts who adjust for abnormalities that are not considered relevant for future growth."

1 Q. In his testimony, Mr. Garrett proposes to use a “sustainable” growth rate that is not
2 specific to his proxy group of gas companies. Does this follow the traditional approach
3 for applying the DCF model?

4 A. No. The testimony does not follow the normal, or typical, processes for applying the
5 DCF model long used by the Commission and others for determining the return on
6 equity. His approach to looking at GDP growth is certainly alien to all DCF analyses
7 that are familiar to the Commission. On this basis alone, the DCF analysis submitted
8 by Mr. Garrett in this case should be dismissed. I say this because, as I previously
9 explained, Myron Gordon established that analysts' forecast of earnings growth are the
10 correct input for the DCF for each member of the proxy group. And, of course, Mr.
11 Garrett's chart on page 15 of OCA Statement 2 provides an invalid comparison because
12 it rest on Mr. Garrett's view of the cost of equity that is deficient for the reasons I explain
13 in my rebuttal.

14 Q. What DCF growth rate did Mr. Garrett actually use in his DCF?

15 A. On Exhibit DJG-6, Mr. Garrett provides two very different expressions of DCF. One
16 DCF calculation uses Mr. Garrett's unique view of sustainable growth and the second
17 DCF results reflects analysts' growth rates. The most obvious problem with Mr.
18 Garrett's testimony concerns his development of the sustainable growth rate form of
19 the DCF model for determining the ROE. In this regard, he advances the proposition
20 that the growth rate for a utility can never exceed the long-term gross domestic product
21 (“GDP”) of the country. To the contrary, gas utilities are in a long-term growth phase
22 due to the adoption of 20-to-30-year plans for accelerated replacement of mains and
23 services. As I have explained in my direct testimony, companies, including utilities, can
24 cycle through the growth phases. While Mr. Garrett lists other lower criteria for
25 determining the long-term growth rate, he states in his testimony that he is being

1 "charitable" by using his long-term estimate of GDP growth of 3.8%, OCA Statement 2,
2 page 43. This growth rate is well below analysts' projections of earnings growth used
3 by Mr. Keller and me, and it produces a nonsensical DCF cost rate of 6.7%.

4 Mr. Garrett attempts to downplay the growth phase argument by arguing that
5 growth in rate base due to replacement of aging infrastructure is not growth (OCA
6 Statement 2, pages 38-39). The fallacy of his argument rests with the fact that
7 replacement of utility plant at the end of its life occurs at much higher costs than those
8 same facilities installed 20, 30 or 40 years ago. This can only be accomplished today
9 by raising extensive amounts of new capital including equity capital. Attraction of new-
10 capital can only be accomplished with supportive regulation, including a reasonable
11 ROE. His argument that analysts' earnings forecasts are not long term are belied by
12 the long-term life of utility plant. Further, his contention that utilities overinvest in rate
13 base to get excessive returns are refuted by the Commission's review and authorization
14 of Long-Term Infrastructure Improvement Plans that are designed to both encourage
15 and monitor such investments.

16 It seems obvious that imposing a noncompetitive return on replacement of utility
17 facilities by understating the growth rate in the DCF violates the regulatory compact.
18 Utilities accept an obligation to provide reliable and safe service under all situations in
19 exchange for the opportunity to earn a fair return on capital employed. Reducing the
20 ROE during the replacement of aging infrastructure would be counter-productive and
21 place CPA at a disadvantage to other utilities in raising the capital it needs to undertake
22 the replacements.

23 Q. Do the DCF growth rates proposed by Mr. Garrett provide a reasonable input in the cost
24 of equity analysis using the DCF model?

1 A. No. Witness Garrett states that “awarded ROE’s are often based primarily on a
2 comparison with other awarded ROEs around the country,” but he offers no support for
3 or citation for this conclusion. (OCA Statement No 2, p. 15). In contrast, the equity
4 return in the 2020 Columbia case was based specifically on the I&E DCF using analysts’
5 projections of earnings to determine the DCF growth rate. Finally, Mr. Garrett admits
6 that many utility analysts, as well as public utility commissions, use financial analysts’
7 projected growth rates in estimating the ROE. Yet, he offers no evidence that any
8 commission has accepted his calculation of the growth rate. (OCA Statement 2 page
9 42.)

10 Mr. Garrett indicates that his method for analyzing sustainable growth rate rests
11 on: (i) nominal GDP, (ii) real GDP, (iii) inflation, and (iv) the risk-free rate. There are
12 many problems with his approach. First, the combination of the real GDP growth and
13 inflation equals nominal GDP, i.e. $(1.018) * (1.020) = (1.0380 - 1) = 3.8\%$. Hence, two
14 of his input variables are double counted when he separately considers nominal GDP
15 growth. Second, the risk-free rate provides no guide to the growth that a company can
16 realize in its earnings. Earnings growth occurs through revenue growth, net of: O&M,
17 depreciation, taxes, and interest. None of these factors are addressed with the risk-
18 free rate of return. Third, Mr. Garrett is essentially developing a generic growth rate
19 that would apply to any, or all, companies, whether they are regulated or non-regulated
20 companies. However, each company has a unique company-specific growth rate. His
21 approach is simply incompatible with the basic concept of the DCF, where future cash
22 flows for each company are systematically related to one another by a constant growth
23 rate that represents a basic tenant of the single-stage DCF. It is also incompatible with
24 the use of the growth rates of a comparable barometer group of companies to meet the
25 requirement that a utility is to be permitted to earn a return equal to comparable

1 companies. The DCF equation is $P = D / (k-g)$. Mr. Garrett's growth rate does not fit
2 within this equation.

3 Q. Does Mr. Garrett's alternative DCF calculation provide an improvement on his preferred
4 sustainable DCF calculation?

5 A. It is a step in the right direction, but it too is deficient. While using analysts' forecasts,
6 which have been demonstrated to be a superior growth rate measure in the DCF³, it
7 too falls short. This is because Mr. Garrett erroneously used the Value Line forecast
8 growth rate of dividends per share rather than earnings per share. Correcting for this
9 error is shown on Rebuttal Exhibit PRM-1. Had he used this growth rate, he would have
10 then produced a DCF return of 11.0% with the quarterly form of the DCF proposed by
11 Mr. Garrett. This shows that his DCF return is completely inadequate for the reasons
12 explained above.

13 **Leverage Adjustment**

14 Q. At pages 46-51 of I&E Statement No. 2, Mr. Keller responds to your leverage
15 adjustment and argues that it should be rejected. Do you agree?

16 A. No. Mr. Keller states that he opposes the leverage adjustment. In his discussion of my
17 leverage adjustment, Mr. Keller mentions market-to-book ratios ("M/B") (see page 46 of
18 I&E Statement No. 2). I need to be clear that my leverage adjustment is not designed
19 to produce any particular M/B ratio.

20 Q. Please respond to Mr. Keller's criticism of your leverage adjustment.

³ "Choice Among Methods of Estimating Share Yield," The Journal of Portfolio Management, Spring 1989 by Gordon, Gordon & Gould. "We have compared the accuracy of four methods for estimating the growth component of the discounted cash flow yield on a share: past growth rate in earnings (KEGR), past growth rate in dividends (KDGR), past retention growth rate (KBRG), and forecasts of growth by security analysts (KFRG)...we have three observations to make. First, the superior performance by KFRG should come as no surprise. All four estimates of growth rely upon past data, but in the case of KFRG a larger body of past data is used, filtered through a group of security analysts who adjust for abnormalities that are not considered relevant for future growth."

1 A. Mr. Keller offers three reasons for not making a leverage adjustment. First, Mr. Keller
2 notes that the credit rating agencies assess financial risk in terms of a company's
3 booked debt obligations in their analysis of the creditworthiness of a company (see I&E
4 Statement No. 2 page 49). I agree. But this has nothing to do with my leverage
5 adjustment. The credit rating agencies do not measure the market required cost of
6 equity for a company. The credit rating agencies are only concerned with the interests
7 of lenders. They are judging risk associated with a company's ability to make timely
8 payments of principal and interest. Hence, they are not concerned with the cost of
9 equity or how it is applied in the rate-setting context. While Mr. Keller's observation is
10 correct, it has no relevance to my leverage adjustment.

11 Q. Second, Mr. Keller also questions your leverage adjustment by reference to prior
12 Commission orders. Please comment.

13 A. Mr. Keller points to several decisions where the Commission declined to make a
14 leverage adjustment (see I&E Statement No. 2 pages 50-51). The fact that the
15 Commission declined to use the leverage adjustment in the Aqua Pennsylvania case
16 cited by Mr. Keller does not invalidate its use. Notably, the Commission did not
17 repudiate the leverage adjustment in the Aqua case, but instead arrived at an 11.00%
18 return on equity for Aqua by including a separate return increment for management
19 performance. Just like an increment for management performance is not recognized in
20 all rate cases, so too the Commission seems to be taking a similar approach to the
21 leverage adjustment. As to the City of Lancaster decision, the situation there was quite
22 different than the leverage adjustment that I propose in this case. Lancaster proposed
23 a leverage adjustment to the cost of equity measured with the Hamada formula and
24 applied it to the DCF result, the Risk Premium result, and the CAPM. While the Hamada
25 formula plays a role in the CAPM, it is not applicable to the DCF or the Risk Premium

1 measures of the cost of equity. Hence, this distinguishes the City of Lancaster
2 approach to the leverage adjustment from mine in this case. As to the UGI Utilities –
3 Electric Division case, there the Commission granted a management performance
4 increment rather than a leverage adjustment when arriving at a 9.85% equity return.
5 And for Columbia, the Company accepted the I&E's recommendation of the allowed
6 return, which was 9.86%, in a case litigated at the height of the COVID-19 Pandemic.
7 Thus, Columbia chose not to argue the leverage adjustment in Exceptions to the
8 Commission. However, based upon the current inputs to the DCF that indicated a low
9 result, the Commission should now consider using the leverage adjustment, just as it
10 did previously when the DCF was suggesting unusual results. In the PECO - gas rate
11 case, the Commission arrived at a 10.24% return without the leverage adjustment,
12 because that return was already deemed to be on the higher side and no additional
13 adjustment was warranted. Finally, the Commission set the equity return at 10.00% for
14 Aqua Pennsylvania recently without a leverage adjustment, but with an adjustment for
15 management performance.

16 Q. Third, Mr. Keller argues that investors base their decisions on the book value debt and
17 equity ratios for regulated utilities. Please respond.

18 A. Mr. Keller contends that information presented to investors (see page 51 of I&E
19 Statement No. 2), such as that included in the Value Line reports, argues against my
20 leverage adjustment because investors base their investment decisions on book value.
21 However, the Value Line reports clearly show the market capitalization of each
22 company in his barometer group. This means that investors are well aware of the
23 market capitalization of the gas utility stocks that Mr. Keller relies upon for his analysis
24 of the cost of equity. More importantly, I fundamentally disagree that investors base
25 their decisions on book values. To the contrary, it is the future cash flows that investors

1 expect to realize that determines the price they are willing to pay for a share of common
2 equity. Stated differently, investors are concerned with the return that will be earned
3 on the dollars they invest (i.e., their market price) and not some accounting value of
4 little relevance to them. The financial risk associated with the book value capital
5 structure is different from the market value of the capitalization. I clearly demonstrate
6 this point on Schedule 10 of CPA Exhibit No. 400. Hence, the observation of Mr. Keller
7 is misplaced because I have clearly shown the difference in financial risk and that risk
8 difference must be taken into account when arriving at an equity return that is applicable
9 to the weighted average cost of capital using book value weights.

10 Q. Mr. Garrett criticized the leverage adjustment that you propose to account for the
11 divergence of market capitalization and book value capitalization. Please comment.

12 A. At pages 45-48 of OCA Statement 2, Mr. Garrett never really refutes my leverage
13 adjustment. Indeed, he says that I misapplied the Hamada formula leverage
14 adjustment approach. First, in the DCF approach, I did not use the Hamada formula,
15 but rather I used the Modigliani & Miller approach. Second, at page 48 of OCA
16 Statement 2, Mr. Garrett claims that the Hamada formula generates an unlevered beta
17 of 0.52. But what I have shown is that the correct unlevered beta is 0.54 (see page 38
18 of CPA Statement No. 8). The reason for the difference is that I correctly use the market
19 capitalization for my calculation, including the market value of debt, and Mr. Garrett did
20 not because he used the book value capital structure ratios of CPA. Indeed, there, Mr.
21 Garrett used the actual capital structure ratios of CPA, rather than the hypothetical
22 ratios he proposes, which is an inconsistent analysis.

23 **Cost of Common Equity - Capital Asset Pricing Model**

24 Q. Do you have concerns regarding Mr. Keller's and Mr. Garrett's applications of the
25 CAPM?

1 A. Yes. Mr. Keller's CAPM analysis understates the cost of equity for a number of reasons:
2 (i) his use of the yield on 10-year Treasury notes, (ii) his failure to use leveraged
3 adjusted betas, and (iii) his failure to make a size adjustment. Mr. Garrett uses an
4 inappropriate 30-day average yield on 30-year Treasury bonds, a beta that is not
5 leverage adjusted, an unrealistic market risk premium, and ignores the size adjustment.
6 He therefore proposes a totally unrealistic 7.9% CAPM result. This compares with my
7 CAPM of 13.45%, Mr. Keller's CAPM of 12.14%, and the Quarterly Earnings Report
8 CAPM of 10.41%. With regard to Mr. Keller's CAPM analysis, which produces a
9 12.14% cost rate, it can be argued that he has understated the risk-free rate. On
10 Schedule 10 of I&E Exhibit No. 2, he uses a projected 10-year treasury note yield from
11 Blue Chip in December 2021 and April 2022, producing a 2.88% risk-free rate. The
12 actual yield on 10-year Treasury notes was 2.9% in May 2022 according to the Fed
13 H.15 bulletin. With many Fed funds rate increases forthcoming those rates have the
14 potential to increase.

15 Q. How does the use of the yield on 10-year Treasury notes compare with yields on longer-
16 term Treasury bonds?

17 A. The Blue Chip report dated June 1, 2022 shows this comparison. For the first quarter
18 of 2022, the gap was 0.31% (2.25% - 1.94%) between the yields on 30-year and 10-
19 year Treasury obligations. For the period 2023-2027, that gap is projected at 0.50%
20 (3.4% - 2.9%) according to the December 1, 2021 Blue Chip. This shows a systematic
21 understatement of Mr. Keller's CAPM returns. This understatement can be traced to
22 extraordinary monetary policy actions taken by the FOMC to deal with the recession
23 that followed the onset of the Pandemic. Shorter-term rates, such as 10-year notes,
24 respond more to the policy initiatives of monetary officials, while long-term rates, such
25 as 30-year bonds, are more a reflection of investor sentiment of their required returns.

1 For this reason, long-term rates, such as those revealed by 30-year Treasury bonds,
2 should be used to measure the risk-free rate of return. Accordingly, use of 30-year
3 Treasury bond projected yields would increase his CAPM result. Use of shorter-term
4 rates, such as Mr. Keller's 10-year Treasury Notes yields, are more susceptible to Fed
5 policy actions.

6 Q. How has Mr. Keller understated the risk-free rate of return?

7 A. The support for his risk-free rate of return is shown on his Schedule 10 of I&E Exhibit
8 No. 2. There, he incorrectly gives the same weight to the yield on 10-year Treasury
9 notes for the third quarter of 2022 as he does for the entire five-year period from 2023
10 through 2027. This approach leads to a seriously understated risk-free rate of return.
11 Even if 10-year rates are used, it is necessary to correct the weights assigned to the
12 forecast data presented by Mr. Keller. I have revised his forecast below, based upon
13 Blue Chip. Moreover, Blue Chip provides higher yields on Treasury obligations as the
14 forecasts are extended into the future.

15 The resulting risk-free rate of return is 3.4% using the yield on 10-year Treasury
16 Notes and 3.7% using the yield on 30-year Treasury Bonds.

<u>Year</u>	<u>10-Year Treasury Yield</u>	<u>30-Year Treasury Yield</u>
2022	2.8%	3.0%
2023	3.5%	3.8%
2024	3.5%	3.8%
2025	3.4%	3.8%
2026	3.5%	3.9%
2027	3.5%	3.8%
<u>Average</u>	<u>3.4%</u>	<u>3.7%</u>

17 Q. How should these results be used in the CAPM?

1 A. The risk-free rate of return should be calculated with the data that I present above. The
2 size adjustment of 1.02% must also be incorporated into the CAPM. I have corrected
3 Mr. Keller's CAPM as indicated below using those inputs and the forecast yield on 10-
4 year Treasury bond shown above:

$$Rf + \beta (Rm - Rf) + size = K$$

Gas Group 3.40% + 0.82 (14.17% - 3.40%) + 1.02% = 13.25%

5 Q. Mr. Keller questions the need to adjust the CAPM results for size differences. Please
6 comment.

7 A. As a preliminary matter, it is noteworthy that CAPM provides compensation solely for
8 systematic risk, and that the size of the Gas Group must be considered separately. As
9 I indicated with the data presented on Schedules 2, 3 and 4 of CPA Exhibit No. 400,
10 the gas utilities are small as they are just 16% of the size of the electric and gas utilities
11 that comprise the S&P Public Utilities. Indeed, recent Federal Energy Regulatory
12 Commission ("FERC") orders specifically prescribe an adjustment to the CAPM due to
13 the size of an enterprise.⁴ Mr. Keller's arguments revolve around the purported
14 distinction between regulated utilities and unregulated industrial companies (see page
15 55 of I&E Statement No. 2). However, the Wong article that he relies upon was
16 authored twenty (20) years ago, and employed data going back into the 1960s.
17 Enormous changes have occurred in the industry since the 1960s that have
18 fundamentally changed the utility business. The Wong article also noted that betas for
19 the non-regulated companies were larger than the betas of the utilities. This, however,
20 is not a revelation, because utilities continue to have lower betas than many other
21 companies. This fact does not invalidate the additional risk associated with small size.

⁴ See, e.g., Association of Businesses Advocating Tariff Equity, 171 FERC ¶61,154 (May 21, 2020).

1 The Wong article further concludes that size cannot be explained in terms of
2 beta. Again, this should not be a surprise. Beta is not the tool that should be employed
3 to make that determination. Indeed, beta is a measure of systematic risk and it does
4 not provide the means to identify the return necessary to compensate for the additional
5 risk of small size. In contrast, the famous Fama/French study (see “The Cross-Section
6 of Expected Stock Returns,” The Journal of Finance, June 1992) identified size as a
7 separate factor that helps explain returns.

8 Q. How does size affect the financial performance of a small company?

9 A. Examples of the financial consequences of external factors that can influence the
10 financial performance of a small company include loss of a large customer and the
11 effect of unexpected changes in expense.

12 Q. In the recent Gas Division rate case for PECO Energy (Docket No. R-2020-301829),
13 the Commission declined to make a size adjustment to the CAPM. Should the size
14 adjustment be considered here?

15 A. Yes. In that case, the ALJs and Commission concluded the adjustment for size was
16 not necessary in utility rate regulation. In this case, it is worthy to note that the beta
17 measure of systematic risk does not account for the additional risk associated with small
18 size, either for a non-regulated firm or a public utility. In addition, the studies that I have
19 relied upon for the size adjustment utilized market-wide evidence that included public
20 utilities. Likewise, the FERC has incorporated the size adjustment into its CAPM
21 analysis. For these reasons, the Commission should revisit the propriety of including a
22 size adjustment here.

23 Q. At pages 63-66 of OCA Statement 2, Mr. Garrett also challenges the adjustment that
24 you made to the results of the CAPM for the size of the Gas Group. Please respond.

1 A. A size adjustment is necessary because the financial impact of changes in specific
2 dollar amounts of revenues and costs have a magnified influence on a small company
3 because there are fewer dollars over which those revenues or costs can be spread.

4 Q. Mr. Garrett has also performed a CAPM calculation in addition to his DCF analysis. Are
5 the results of his CAPM useful in setting the Company's equity return in this case?

6 A. No. There are a variety of problems with Mr. Garrett's CAPM approach that makes it
7 not useful in this case. He makes CAPM calculations that produce results of 7.9%,
8 which on its face is simply not credible. This is shown by the Commission's Quarterly
9 Earnings Report that produces a CAPM return of 10.41% for the Gas Company
10 barometer Group that exceeded substantially the DCF return. First, Mr. Garrett uses a
11 backward looking 2.98% yield on 30-year Treasury bonds. A 30-day historical average
12 period is not compatible with the Commission's use of forecast Treasury yields (see
13 CPA - Electric Division at Docket No. R-2017-2640058, Order Entered October 25,
14 2018). Second, the 5.8% equity risk premium ("ERP") selected by Mr. Garrett is
15 completely off the mark. The principal departure from the normal input is in his
16 calculation of the ERP. He rejects the use of both historic ERPs and projected ERPs
17 calculated based on projected market returns. Instead, he reviews "Expert Surveys"
18 and his own calculations. He then uses the 2021 survey conducted by IESE Business
19 School, indicating that it provides the highest ERP of 5.8%. There is no evidence that
20 investors use this source of the ERP in their CAPM calculations. Furthermore, the
21 implied total market return using Mr. Garrett's final inputs is just 8.78% (2.98% + 5.8%),
22 which is clearly incompatible with actual stock market returns of 18.40% in 2020,
23 28.71% in 2021, and 12.33% on average for the past 96 years (1926-2021). It is also
24 well off the market given Mr. Keller's determination that the total market return is
25 14.17%.

1 **Cost of Common Equity - Risk Premium Analysis**

2 Q. Do you believe the Risk Premium method provides significant evidence of the cost of
3 equity?

4 A. Yes. In my opinion, the Risk Premium results should be given serious consideration.

5 The Risk Premium method is straight-forward, understandable and has intuitive appeal
6 because it is based on a company's own borrowing rate. The utility's borrowing rate
7 provides the foundation for its cost of equity, which must be higher than the cost of debt
8 in recognition of the higher risk of equity (see CPA Statement No. 8 pages 33-37). So,
9 while Mr. Keller and Mr. Garrett decline to use the Risk Premium approach to measure
10 the Company's cost of equity, it is an approach that provides a direct and complete
11 reflection of a utility's risk and return because it considers additional factors not reflected
12 in the beta measure of systematic risk. It is particularly useful when investors expect
13 changes in the cost of debt prospectively, which is currently the expectation of investors,
14 as I have explained above and in CPA Statement No. 8, pages 34-36. Indeed, the Risk
15 Premium approach provides for direct reflection of prospective interest rates in the
16 model and therefore should be given weight in determining the equity cost rate in this
17 case.

18 Q. Please respond to Mr. Garrett's criticisms of your Risk Premium approach.

19 A. While Mr. Garrett declines to use the Risk Premium approach to measure the
20 Company's cost of equity, it is an approach that provides a direct and complete
21 reflection of a utility's risk and return because it considers additional factors not reflected
22 in the beta measure of systematic risk. In fact, it is precisely because investors consider
23 the results of other methods that they too should be used in addition to the DCF in the
24 development of the cost of equity in this proceeding. As I explained in my direct
25 testimony, we are facing the prospect of increasing interest rates for the future and the

1 market has increased yields on debt instruments. I incorporated the trend toward higher
2 interest rates when I developed my Risk Premium cost of equity of 10.50% (3.75%
3 interest rate on A-rated public utility bonds + 6.75% equity risk premium). The recent
4 increase in interest rates would support a higher rate today.

5 Q. What does Mr. Keller say about your Risk Premium analysis?

6 A. Mr. Keller makes the unfounded assertion that the Risk Premium and CAPM methods
7 should only be used as a comparison to the results of the DCF method because they
8 do not carry over from the investment decision-making process to the utility rate setting
9 process (see page 23 of OCA Statement 2). In fact, it is precisely because investors
10 consider the results of other methods that they too should be used in addition to the
11 DCF in the development of the cost of equity in this proceeding. Mr. Keller's assertion
12 that the Risk Premium method does not measure the current cost of equity as directly
13 as the DCF is similarly without foundation. As I explained in my direct testimony and
14 earlier in this rebuttal testimony, we are facing the prospect of increasing interest rates
15 for the future. I incorporated the trend toward higher interest rates when I developed
16 my Risk Premium cost of equity of 10.50%, although as noted above actual interest
17 rates on A-rated public utility bonds have already exceeded the projection I used for my
18 Risk Premium cost of equity.. Hence, my Risk Premium cost rate is fully responsive to
19 changing market fundamentals and the credit quality of the Gas Group.

20 **Cost of Common Equity - Comparable Earnings Approach**

21 Q. Please respond to the criticism of the Comparable Earnings approach.

22 A. The underlying premise of the Comparable Earnings method is that regulation should
23 emulate results obtained by firms operating in competitive markets and that a utility
24 must be given an opportunity cost of capital equal to that which could be earned if one
25 invested in firms of comparable risk. For non-regulated firms, the cost of capital concept

1 is used to determine whether the expected marginal returns on new projects will be
2 greater than the cost of capital, i.e., the cost of capital provides the hurdle rate at which
3 new projects can be justified, and therefore undertaken. Further, given the 10-year time
4 frame (i.e., five years historical and five years projected) considered by my study, it is
5 unlikely that the earned returns of non-regulated firms would diverge significantly from
6 their cost of capital.

7 The Comparable Earnings approach satisfies the comparability standard
8 established in the *Hope* case. In addition, the financial community has expressed the
9 view that the regulatory process must consider the returns that are being achieved in
10 the non-regulated sector to ensure that regulated companies can compete effectively
11 in the capital markets. Moreover, in a 1994 study that addressed the ROE issue, John
12 Olson (then with Merrill Lynch) established that equity returns from non-regulated
13 companies provide better assessment of investor requirements than those available for
14 regulated utilities.⁵

15 Management Performance

16 Q. Both Mr. Keller and Mr. Garrett oppose any recognition for management performance
17 in the determination of the return on equity. Mr. Keller and Mr. Garrett assert that CPA
18 has only done what it is required to by law. How do you respond?

19 A. As I stated in my direct testimony, I believe CPA has performed in an exemplary
20 manner, as explained by CPA Witness Kempic, and that performance should be
21 recognized in this case. Mr. Keller simply disagrees, without addressing any of the
22 items highlighted by Mr. Kempic as examples of CPA's excellent performance. Mr.
23 Garrett's position regarding management performance is that the models of the cost of

⁵ "Natural Gas: The Case for ROE Reform," John E. Olson First Vice President, Merrill Lynch & Co., October 11, 1994.

1 equity already incorporate management effectiveness. In each case, neither Messrs.
2 Keller nor Garrett have shown that CPA is not entitled to some form of management
3 performance recognition by the Commission. Mr. Kempic's direct and rebuttal
4 testimony establish that the Company's management performance warrants
5 recognition by the Commission.

6 **Firm-Specific Business Risk**

7 Q. Is Mr. Garrett's position correct that investors should not be compensated for business
8 risk because use of a diversified portfolio eliminates business risk? OCA Statement 2,
9 p. 68.

10 A. No. He is incorrect to argue that..."[n]either [DCF or CAPM] model includes an input
11 for business risks due to the well-known truth that investors do not expect a return for
12 such risks." (OCA Statement No 2., page 67). It is well accepted that higher returns are
13 expected from more-risky businesses. Stated another way, companies with higher
14 returns are associated with the more-risky members of the barometer group and lower
15 returns go with the less risky ones. Through diversification, the barometer group has
16 an average risk profile. This is important because a business risk adjustment is
17 necessary for the higher risks of CPA as compared to the barometer group companies
18 as a whole. With higher business risk, a company, including utilities, would offset higher
19 business risk with a lower debt ratio.

20 **PSU Proposal**

21 Q. **PSU witness Mr. Crist argues that the cost of capital for CPA is lower, which can**
22 **be traced to the availability of the DSIC. Do you agree?**

23 A. No. As I explained at page 9 of CPA Statement No. 8, all of my Gas Group companies
24 already have a DSIC. So, whatever the benefit of the DSIC to CPA and the members
25 of the Gas Group, it is already reflected in the results of the models that I use to measure

1 the cost of equity. To consider it again, would result in double-counting the benefits of
2 the DSIC.

3 **Summary**

4 Q. Please summarize your rebuttal testimony.

5 A. It is my opinion that the equity allowances proposed by Mr. Keller and Mr. Garrett
6 understate the cost of common equity for CPA. This is particularly true for Mr. Garrett's
7 proposal. In an environment of prospectively higher interest rates and Company-
8 specific risk factors, an opportunity to earn a cost of equity of 11.20% is reasonable for
9 CPA.

10 Q. Does this conclude your rebuttal testimony at this time?

11 A. Yes, it does.

DCF Results

Rebuttal Exhibit PRM-1

		[1]	[2]	[4]
Company	Ticker	Dividend Yield	Analyst Growth	DCF Result (Analyst Growth)
Atmos Energy Corp	ATO	2.4%	7.5%	10.0%
Chesapeake Utilities Corp	CPK	1.6%	7.5%	9.3%
New Jersey Resources Corporation	NJR	3.2%	5.0%	8.4%
NiSource Inc	NI	3.1%	9.5%	12.9%
Northwest Natural Holding Company	NWN	3.9%	6.5%	10.6%
ONE Gas Inc	OGS	2.9%	6.5%	9.5%
South Jersey Industries Inc	SJI	3.6%	10.5%	14.5%
Southwest Gas Holdings Inc	SWX	2.8%	10.0%	13.1%
Spire Inc.	SR	3.6%	9.0%	13.0%
Average		3.0%	8.0%	11.0%

[1] Dividend Yield from Exhibit DJG-4

[2] Forecasted **Earnings** growth rates - Value Line

[3] Sustainable growth rate from Exhibit DJG-5

[4] Annual Compounding DCF = $D_0 (1 + g) / P_0 + g$ (using sustainable growth rate)

[5] Annual Compounding DCF = $D_0 (1 + g) / P_0 + g$ (using analyst growth rate)

R-2022-3031211
8/3/22 JK

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility)
Commission)
)
)
v.)
)
)
Columbia Gas of Pennsylvania, Inc.)
)
)
)

Docket No. R-2022-3031211

REBUTTAL TESTIMONY OF
NICOLE M. PALONEY
ON BEHALF OF
COLUMBIA GAS OF PENNSYLVANIA, INC.

July 6, 2022

PUBLIC VERSION

1 **I. Introduction**

2 **Q. Please state your name and business address.**

3 A. Nicole Paloney, 121 Champion Way, Suite 100, Canonsburg, PA 15317.

4 **Q. By whom are you employed and in what capacity?**

5 A. I am employed by Columbia Gas of Pennsylvania, Inc. (“Columbia” or the
6 “Company”) as Director of Rates and Regulatory Affairs.

7 **Q. Have you previously filed testimony in this matter?**

8 A. Yes.

9 **Q. What is the purpose of your rebuttal testimony?**

10 A. The purpose of my testimony is to respond to portions of the direct testimonies of
11 witnesses Crist filed on behalf of the Pennsylvania State University (“PSU”), Patel
12 filed on behalf of the Bureau of Investigation and Enforcement (“I&E”), Morgan filed
13 on behalf of the Office of Consumer Advocate (“OCA”) and Ewen and Knecht filed on
14 behalf of the Office of the Small Business Advocate (“OSBA”).

15 **Q. How will your rebuttal testimony be organized?**

16 A. I will discuss the following topics: Columbia’s use of its Distribution System
17 Improvement Charge (“DSIC”), O&M Adjustments and Observations offered by
18 other parties’ witnesses and my revisions, and the performance of a competitive
19 analysis every two years for flex customers. I will address the testimony of each of
20 the witnesses listed above as they relate to those topics.

DSIC

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Q. What testimony regarding DSIC will you discuss?

A. Mr. Crist, beginning at page 5 of his testimony, references Columbia’s initial DSIC filing at Docket P-2012-2338282, and asserts that in that filing the Company “claimed that if a DSIC were in place there would be a reduced need to file base rate cases.”

Q. Are there statements in Mr. Crist’s testimony regarding the DSIC that you would like to discuss?

A. Yes, there are several. First, I have reviewed the Company’s filing at Docket No. R-2012-2338282, and have been unable to identify any assertion by Columbia that the DSIC would reduce the frequency of the Company’s rate filings. Further, in 2016, Columbia filed a request with the Commission to increase the 5% rate cap under the DSIC, arguing that the cap could not support even a single year of DSIC-eligible plant investment by Columbia. The Commission denied the requested increase to the rate cap, concluding in part that an increase was unnecessary because “the Company effectively utilized base rate cases including the FPFTY to adequately address its main replacement efforts.” Petition of Columbia Gas, Docket No. P-2016-2521993, Order entered December 22, 2016, at page 50. On page 6, beginning at line 6 of his testimony, Mr. Crist states that “in this case the DSIC amount would be \$26.6 million.” This appears to be the mathematical application of 5.0% to the annualized FPFTY distribution (non-gas) revenue at present rates of \$533,536,411. Mr. Crist

1 compares the \$26.6 million to the initial requested revenue requirement increase in
2 this case of \$82.4 million, seemingly to suggest that using a DSIC could have replaced
3 the outcome of the rate case.

4 **Q. What portion of projected 2022 investment could be recovered through**
5 **a DSIC had it been utilized instead of the instant proceeding?**

6 **A.** As shown in Confidential Exhibit NP 1-R, a DSIC would reach the 5% cap at \$17.3
7 million, which only supports \$215 million in plant investments, at the 10.15% DSIC
8 return on equity authorized by the Pennsylvania Public Utility Commission. This is
9 well short of the \$359.2 Million in projected 2023 capital investment claimed by
10 Columbia in this case. A DSIC also fails to consider increases in expenses that can
11 only be recovered in a base rate case. Mr. Crist's statement that "having a DSIC
12 provides Columbia the ability to receive revenue of a similar magnitude as what it
13 may receive in this case" is fundamentally incorrect.

14
15 **II. Voluntary Delay of Rate Implementation**

16 **Q. What is Witness Patel recommending regarding implementation of rates**
17 **related to the FPFTY?**

18 **A.** He is recommending the Company voluntarily delay implementing rates until
19 January 1, 2023 as compared to December 17, 2022 to avoid any unreasonable and
20 unjustified rate impact on ratepayers.

21 **Q. Do you agree with this recommendation?**

1 **A.** No. Witness Patel states that recovery in the amount of \$3.3 million associated with
2 rates effective between December 17, 2022 and January 1, 2023 are unsupported and
3 unreasonable. It is not clear to the Company how costs associated in this time period
4 can be considered unsupported and unreasonable as they were subject to the same
5 prudence review for costs that may be incurred after January 1, 2023. Additionally,
6 the Company's data for the FTY ended November 30, 2022 produces a revenue
7 deficiency at the Company's proposed rate of return, as shown on Exhibit No. 102,
8 Schedule 3, page 3. Further, I am advised by counsel that the Company has filed the
9 case in compliance with statutory and regulatory guidelines, in particular Section
10 315(e) of the Public Utility Code, with a timeline supported by precedent set in
11 previous cases and is under no obligation to delay the implementation of rates in the
12 case as filed beyond the effective date mandated by Section 1308(d) of the Public
13 Utility Code.

14 **III.O&M Adjustments and Observations**

15 **Q. Please summarize the items you will be addressing regarding other**
16 **parties positions and adjustments to the Company's claim for O&M**
17 **Expenses in the Fully Projected Future Test Year (FPFTY).**

18 **A.** I will be addressing budgetary issues resulting in proposed reductions to the
19 Company's FPFTY revenue requirement.

20 **Q. What adjustments of Office of Consumer Advocate (OCA) Witness**
21 **Morgan will you be responding to?**

1 **A.** I will be responding to the adjustment proposed to decrease O & M expenses related
2 to union contracts ratified subsequent to the filing of this instant case, and prior to
3 the resolution of this case. I will also be responding to the proposal to reduce outside
4 services to remove the effect of inflation from the Company's cost of service.

5 **Q. What adjustments of Bureau of Investigation and Enforcement (I & E)**
6 **Witness Patel will you be responding to?**

7 **A.** I will be responding to several issues from Witness Patel. I will be responding to his
8 proposed vacancy adjustment, as well as the labor adjustment relating to union
9 contracts ratified subsequent to the filing of this instant case, and prior to the
10 resolution of this case. I will also be responding to the proposal to reduce outside
11 services to remove the effect of inflation from the Company's cost of service. Finally,
12 I will be responding to his proposal to reduce advertising expense.

13 **Q. Please summarize the vacancy adjustments proposed by Witness Patel.**

14 **A.** Witness Patel is proposing a reduction to Labor Expense in the amount of \$626,292
15 related to employee vacancies. To calculate the adjustment, a three-year average
16 vacancy rate is calculated and a three-month average payroll rate is applied to the
17 number of vacant positions. The three-month average time a position is vacant is
18 based on the timing of the Company's hiring process as described in I & E RE 13-D.
19 Witness Patel further states that such vacancies will result in a three-month period
20 of savings in payroll costs, which need to be reflected for ratemaking to eliminate and
21 unreasonable impact on rates.

1 **Q. Do you agree with this adjustment?**

2 **A.** No. The vacancy adjustment calculated by Witness Patel is erroneous because it is
3 based on an incorrect assumption that the Company's payroll expense claim is based
4 upon a full authorized complement of employees, as stated in response to discovery
5 attached as Exhibit NP 2-R. In past cases, the Company has made its labor expense
6 claim based upon its full authorized complement of employees, and thus had
7 included vacant positions in the employee complement. However, in this case, the
8 Company changed its approach. As I explained in my direct testimony, at page 8, in
9 this case the Company began with the 782 active full time employee count at the end
10 of the HTY, and held that count flat through the FTY and FPFTY. In the discovery
11 response provided as Exhibit NP-2, Witness Patel acknowledges that the FPFTY
12 headcount included in the current case is 782, which is the actual headcount at the
13 end of the historic test year. In further response to discovery, CPA-I&E-III-3 Revised,
14 included as Exhibit NP- 3R, Mr. Patel acknowledged that he did not consider actual
15 employee count information in developing his proposal. Thus, the adjustment as
16 proposed is not comparative to that in past cases, as the headcount in the current
17 case is not inclusive of vacancies, whereas in past cases, the headcount in the case
18 included vacancies. Stated otherwise, Mr. Patel is improperly double-counting
19 vacancies, which were already removed from the Company's labor count in this case.
20 Accordingly, the Company rejects the vacancy adjustments and all other adjustments
21 to labor resulting from the impact of this adjustment.

1 **Q. Do you agree with Mr. Patel's assertion that vacant positions will result**
2 **in payroll savings?**

3 **A.** No. Because budgeted labor expenses already take into consideration employee
4 vacancies, vacant authorized positions will not result in savings to budget. I note that
5 budgeted labor expenses are driven largely by the Field Operations Work Plan and
6 work not done by existing full time employees will be accomplished via overtime or
7 the use of contracted labor recorded in Outside Services.

8 **Q. Please summarize the adjustments proposed to labor and benefits**
9 **increases resulting from union negotiations proposed by Witness Patel**
10 **and Witness Morgan.**

11 **A.** Witness Patel is recommending disallowance of the entire amount of labor and
12 benefits related to the new union agreements because the union agreements had not
13 been finalized at the time the case was filed. Mr. Patel also states that should the
14 company be able to provide specific details of the effective dates of each contract, he
15 would be willing to consider an update to his recommendation.

16 Witness Morgan has proposed the following adjustments:

- 17 ○ Application of the \$.50 increase to UWUA 475 and 479 only
- 18 ○ Removal of the Company's claim for 1/2 percent increase to merit
19 adjustments
- 20 ○ Removal of the one-time signing bonus of \$1,200 from the United Steel
21 Worker Local 13836-14

- 1 ○ Reduction of 70% of incentive plan compensation
- 2 ○ Removal of 20% associated with the benefits to labor expense ratio

3 **Q. Have the respective union agreements been signed and does the**
4 **Company have a revised proposal based on the newly effective**
5 **agreements?**

6 **A.** Yes. Confidential Exhibit NP 4-R consists of the signed MOUs, while Exhibit NP 5-R
7 supports the Company’s proposed adjustment of \$483,442 of labor and \$94,705 of
8 benefits related to the newly signed union contracts. The table below provides a
9 comparison of the labor as filed compared to the proposed revision subsequent to the
10 completion of negotiations.

FPFTY	As Filed	Revised Amount
Labor	672,181	483,442
Benefits	212,340	94,705
Total	884,521	578,147

11

12 **Q. Do you agree with Witness Morgan’s adjustment to apply the \$.50**
13 **increase to UWUA 475 and 479 only?**

14 **A.** No. The signed MOUs for three unions at Confidential Exhibit NP 4-R, UWUA 475
15 and 479, as well as USW Local 1852-17, all reflect that members in the union will
16 receive a \$.50 increase. This has been reflected Column H of Exhibit NP 5-R.

17 **Q. Do you agree with Witness Morgan’s adjustment to remove the 0.5%**
18 **merit increase to all three unions who have new contracts?**

1 **A.** No. The basis of the Company's labor starts with annualized labor adjustments at the
2 end of the Historic Test Year (HTY), November 30, 2021. In order to reflect the
3 budgeted labor for the FPFTY, annualized wages as of November 30, 2021 must be
4 adjusted to reflect the increase between the 3.5% in the MOU compared to the 3%
5 budgeted for annual merit increases by the Company. The signed MOUs for all three
6 unions reflect that a merit increase of 3.5% was to be awarded to each union, as
7 compared to the 3% annual increase budgeted by the Company. Therefore, inclusion
8 of 0.5% of merit increase in the Company's adjustment is appropriate to properly
9 reflect the agreed to level of base wages for these employees for the FPFTY and is
10 reflected in Column F of Exhibit NP 5-R.

11 **Q.** **Is the Company seeking recovery of a one-time signing bonus of \$1,200**
12 **from the United Steel Worker Local 13836-14?**

13 **A.** The Company is not. These bonuses were paid out in 2021, and removed from labor
14 via the annualization adjustment to labor made by Company Witness Miller within
15 Exhibit 4. Therefore, these bonuses are not reflected anywhere in the Company's
16 labor in this case.

17 **Q.** **Will you be addressing the adjustment made to Incentive**
18 **Compensation?**

19 **A.** No. This will be addressed by Company Witness Cartella at Columbia Statement No.
20 17-R. As noted above, the Company opposes any adjustment to incentive

1 compensation resulting from proposed adjustments to labor expense that are not
2 accepted.

3 **Q. Do you agree with Witness Morgan's adjustment to remove benefits**
4 **from the Company's proposed labor increase?**

5 **A.** No. In his testimony, Witness Morgan states that benefits are not linearly tied to
6 wages and that not all benefits are impacted by wage increases. However, there are
7 certain benefit expenses, such as 401k, Group Life, Long Term Disability and Profit
8 Sharing that are tied to wages. Accordingly, the Company has recalculated the benefit
9 percentage to reflect the portion of benefits impacted by wage increases. The revised
10 percentage of 8% has been reflected in the Company's proposed adjustment at
11 Exhibit NP 5-R.

12 **Q. Please summarize the adjustments proposed to outside services by**
13 **Witness Patel and Witness Morgan.**

14 **A.** Witness Morgan proposes to decrease outside services expense by \$2,414,867 in the
15 FPPTY, as it is his position that escalating historical amounts by an inflation factor is
16 not a method of cost projections for rate making purpose because it bears no
17 relationship to the activities planned for the rate year. The amount of the adjustment
18 for inflation is calculated by Mr. Morgan on his Schedule LKM-11.

19 Witness Patel is proposing to decrease outside services expense by removing
20 three adjustments. The first is an inflation adjustment of \$742,535 for the FTY. The
21 second is an inflation adjustment for the FPPTY of \$856,504. The third is a correction

1 of \$400,000 identified by the Company in response to discovery. He accepts the
2 Company's known and measurable increase in expenses related to six programs
3 identified by the Company, but has concluded that the Company's historic
4 underspend in outside services will result in underspend in the FPFTY and is
5 therefore proposing to remove the inflation adjustment applied to outside services in
6 the FPFTY.

7 **Q. Please refer to OCA Statement No. 1 (Direct Testimony of Lafayette**
8 **Morgan), page 20, lines 29 through 31. Do you agree with witness**
9 **Morgan's recommendation to decrease O&M expense by \$2,414,867 to**
10 **remove the effect of inflation related to Outside Services from the cost of**
11 **service?**

12 **A.** No. I disagree with witness Morgan's decrease to O&M expense related to Outside
13 Services for two primary reasons. First, Witness Morgan asserts in his testimony that
14 the Company's budget for outside services is based upon historical spend escalated
15 by inflation. This is not an accurate statement. As explained below, in response to
16 discovery at OCA 4-031, attached at NP Exhibit 6-R, the Company quantifies
17 increases to Outside Services expenses totaling \$2,570,000 of the \$3,398,969
18 increase from the HTY to the FTY, and \$77,100 of the \$1,100,056 increase from FTY
19 to the FPFTY. Further, Witness Morgan's assertion that adjusting some O&M
20 expenses by inflation to reflect future year expenses is not a reasonable method of
21 budget development is not logical.

1 Q. **Explain the Company's adjustment to Outside Services expense.**

2 A. Refer to Exhibit NP 6-R for the Company's response to OCA 4-031. Page 3 of Exhibit
3 NP 6-R provides a listing of the planned activities driving the Outside Service budget
4 increase from the HTY to the FTY and the FTY to the FPFTY. The FTY planned
5 incremental activities, totaling \$2,570,000 are listed below:

- 6 • MAOP will increase by \$850,000, as a result of data migration from a tabular
7 database to a spatial database, which will begin in 2022.
- 8 • Risers have increased by \$700,000 as a result of Contractors are readily
9 available for work.
- 10 • The Corrosion preventive maintenance program has been increased by
11 \$500,000 (which includes \$150,000 for station assessments) Columbia's
12 corrosion preventative maintenance program to remain compliant
- 13 • Turn backs have been budgeted for an additional \$180,000 due to contract
14 increases.
- 15 • The new maintenance agreement includes \$160,000 (\$40,000 per Op
16 Center) as the result of increase costs in the maintenance agreement in the
17 FTY for annual heater inspection and servicing, odorizers, and slam shuts.
- 18 • A \$180,000 increase in Serviced Order Inside Inspections (SOII) is included
19 to stay compliant on inspecting own accounts with inside meters.

20 In calculating his adjustment to Outside Services expense, Mr. Morgan recognizes
21 these planned activities, with the exception that he only allows \$150,000 for

1 corrosion preventative maintenance. He offers no basis for disallowing the
2 remainder of this important maintenance project. In addition, Mr. Morgan disallows
3 \$125,842 in what he describes as Lobbying expenses. (Schedule LKM-11). However,
4 the Company already removed \$133,795 in Lobbying expense in determining its
5 FPPTY claim of \$29,660,205 for Outside Services. Thus this further adjustment is
6 improper double-counting.

7 **Q. What is the remaining increase from the HTY to FTY and is this amount**
8 **primarily related to inflationary growth?**

9 A. The remaining increase in Outside Services is \$828,969, and this amount is primarily
10 related to inflationary growth of 3.3%, per Exhibit NP 5-R.

11 **Q. What is the total O&M related to the planned incremental activities from**
12 **the FTY to the FPPTY?**

13 A. As shown on lines 2 through 7 of column 4 on Exhibit NP 6-R, the O&M related to
14 the planned incremental activities from the FTY to the FPPTY is \$77,100.

15 **Q. What is the remaining expense increase from the FTY to the FPPTY that**
16 **is primarily related to inflationary growth?**

17 A. The remaining increase in Outside Services of \$1,032,956, is primarily related to
18 inflationary growth of 4%, per Exhibit NP 6-R.

19 **Q. Are the inflationary growth increases from the HTY to the FTY and FTY**
20 **to the FPPTY reasonable?**

1 A. Yes. The inflationary growth increases in the budget represent 3.3% for the HTY to
2 the FTY and 4% for the FTY to the FPFTY.

3 Q. **Please elaborate.**

4 A. Refer to Exhibit No. 104 Schedule No. 2 Page 19 of 19, which is sponsored by
5 Company witness Miller. As noted in the footer of this schedule, the source for this
6 inflation information is January 2022 Global Insight. The annual inflation rates
7 shown on lines 6 and 12 are 3.98% and 2.25%. If Global Insight information is
8 updated through June 2022, these inflation rates grow to 6.73% and 3.60%.
9 Therefore, using inflationary growth rates of 3.3% and 4.0% is reasonable.

10 Q. **Please provide examples of some of the budget increases included in the**
11 **\$828,969 and \$1,032,956.**

12 A. Expense increases included in these amounts include outside services for HR, IT and
13 Finance, along with Fleet expenses, including gasoline and leases.

14 Q. **Why does the Company estimate that these expenses will grow at a rate**
15 **consistent with inflation?**

16 A. Outside services for HR, IT and Finance include consulting services, while the Fleet
17 expenses include gasoline. For these expense items, inflation is the best
18 approximation that the Company has available and using an inflation rate is
19 consistent with the Company's past rate case filings that were either settled or
20 litigated and approved by the Commission. It is unreasonable to assume that the
21 Company can contract for the same level of work at rates paid in 2021, particularly

1 given the Global Insight projections noted above and the over 8% current inflation
2 rates being experienced, as identified by Columbia Witness Mr. Moul.

3 **Q. Do you agree with witness Patel's recommended expense adjustment of**
4 **(\$2,085,474) to outside services?**

5 A. I do not agree with witness Patel's proposed outside services adjustment to remove
6 the recognition of inflation included in the outside services budget. During
7 preparation of rebuttal testimony, the company determined that changes were
8 needed to update the amount of outside services in Exhibit NP-1 attached to my direct
9 testimony at Columbia Statement No. 9. A revised exhibit has been attached as
10 Exhibit NP 7-R. The changes were the result of incorrect data pulled from the system
11 at the time the schedule was created.

12 The table on page 38 of I & E Statement No. 1, as shown below, reflects budget to
13 actual comparison based on the exhibit attached in my direct testimony.

	Budgeted	Actual Expense	Underspent	% Underspent
2018	22,634,000	21,352,000	(1,282,000)	-5.66%
2019	23,453,000	22,850,000	(603,000)	-2.57%
2020	22,167,000	15,615,000	(6,552,000)	-29.56%
2021	29,086,000	24,677,000	(4,409,000)	-15.16%

14
15 The following table reflects the revised budget to actual comparisons to outside
16 services based on Exhibit NP 7-R. Per the table below, the only year of actual costs
17 for outside services being significantly lower than budgeted costs for outside services
18 was 2021.

	Budgeted	Actual Expense	Underspent	% Underspent
2018	22,634,000	21,352,000	(1,282,000)	-5.66%
2019	23,453,000	22,850,000	(603,000)	-2.57%
2020	22,167,000	21,453,000	(714,000)	-3.22%
2021	26,529,000	24,677,000	(1,852,000)	-6.98%

1
2 **Q. Please explain why actual spend in 2021 is lower than the budget.**

3 A. The primary reason for the difference is that the 2021 budget included costs that were
4 disallowed in the outcome of the 2020 case at Docket R-2020-3018835. Specifically,
5 in that case, the company was disallowed \$1,757,000 in outside services, as well as a
6 disallowance of \$800,000 related to customer owned field assembled riser
7 replacement to be performed by outside contractors. As a result of the order, the
8 Company subsequently removed these dollars from the budget.

9 The 2021 budget was also impacted by certain items that were budgeted based on
10 2019 actuals (pre-covid), including \$214k in Operations Technology Development
11 and \$162k for expenses related to the triennial letter mailing for the Choice program,
12 for a total of \$376k. Further, \$240k relates to less expenses than budgeted for rate
13 case expenses, as well as \$378k that was originally budgeted for in Outside Services
14 that were reclassified to outside expenses.

15 **Q. Please refer to I&E Statement No. 1 (Direct Testimony of D.C. Patel),**
16 **page 44, lines 1 through 3. Do you agree with witness Patel's**
17 **recommendation to reduce advertisement expense by \$247,646 to**
18 **smooth out highs and lows over the last three fiscal years of actuals?**

19 A. No. The three years of historic data (2019, 2020, 2021) within Mr. Patel's table on

1 page 44, lines 8 through 9 are not comparable to FTY and FPFTY data because of
2 changes in the way certain costs are being budgeted and booked by cost element.
3 The table reflects data that is not comparable due to accounting changes for actual
4 costs incurred. Further, budgeted FTY and FPFTY data includes amounts that align
5 with other categories in the historic years, in addition to advertisement expenses,
6 specifically for Public Awareness, whereas the actuals in the table do not. Also, the
7 data in the table are inconsistent in presenting the adjustment for non-recoverable
8 expenses, which the Company removes for ratemaking purposes.

9 **Q. Have you put together an updated table with appropriate comparative**
10 **information?**

11 **A.** Yes. The data in Table NP R-1 below presents comparative information. With this
12 alignment, the FTY and FPFTY Expenses on lines 8 through 10 are in line with
13 actual spending from 2019 to 2021.

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Table NP R-1

<u>Line No.</u>	<u>Description</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>FTY</u>	<u>FPFTY</u>
1	Advertising - General	193,037	293,472	228,211	276,000	276,000
2	Advertising - PHMSA RP 1162 Public Awareness	-	139,578	145,322	290,000	290,000
3	Advertising - Count on Columbia	-	281,617	197,590	300,000	300,000
4	Total Per books (or Per Budget) Advertising	193,037	714,668	571,123	866,000	866,000
5	PHMSA RP1162 Public Awareness in NCSC (1)	213,479	61,851	55,836	-	-
6	PHMSA RP1162 Public Awareness in Other Categories (1)	-	39,888	101,107	-	-
7	Count on Columbia - Outside Services/Known Shortage (2)	320,011	-	100,000	-	-
8	Total Comparative Information	726,527	816,407	828,065	866,000	866,000
9	Adjustment to Remove Non-Recoverable	(138,756)	(115,010)	(171,829)	(178,668)	(182,688)
10	Net Advertising (with Public Awareness)	587,771	701,397	656,236	687,332	683,312

(1) Accounting for Public Awareness changed from 2019 to 2020 and beyond with the majority of expenses going from NCSC to CPA direct expense. All categories of Public Awareness are needed to provide comparative information to Budget Amounts.

(2) Accounting for "Count on Columbia", educational campaign for informing customers about Columbia's pipeline replacement program, changed from 2019 to 2020 and beyond, moving the associated expense to Advertising from Outside Services, also 2021 expenses for this program were less than expected due not producing an educational commercial that was planned to occur in 2021.

2

3 **Q. Please explain why 2019 Per Books Advertising Expense of \$193,037 is**
4 **lower than other years.**

5 **A.** In 2019, advertising for education costs for pipeline replacement (referred to as
6 "Count on Columbia") and Public Awareness were accounted for in other cost
7 categories. Changes to the accounting began in 2020, with a portion of these two
8 advertising programs included in CPA's advertising. Beginning in 2022, all of the
9 costs of these two programs are included in Columbia's Advertising budget.

10 **Q. Please explain PHMSA RP1162 Public Awareness expenses in TABLE**
11 **NP R-1 on Line No 5.**

12 **A.** The costs on line 5 represents NCSC allocated costs to CPA related to PHMSA
13 RP1162 Public Awareness, however these costs are included in the Budgeted
14 amounts for the FTY and the FPFTY on Line 2. Columbia now budgets for PHMSA

1 RP1162 Public Awareness in one category and includes associated expenses for
2 postage, materials & supplies, etc., as well as costs that may be allocated to
3 Columbia from NCSC.

4 **Q. Please explain PHMSA RP1162 Public Awareness expenses in TABLE**
5 **NP R-1 on Line No 6.**

6 **A.** The costs on line 6 represents the PHMSA RP1162 Public Awareness costs that are
7 accounted for in other cost categories for Actual Expense but are included in the
8 Budgeted amounts for the FTY and the FPFTY on Line 2.

9 **Q. Please explain Count on Columbia expenses in TABLE NP R-1 on line 7.**

10 **A.** For 2019, expenses relating to “Count on Columbia” were not accounted for as
11 Advertising, however starting in 2020, the Company started to classify as
12 Advertising to better align with the nature of the costs. These expenses are needed
13 to provide a true apples-to-apples comparison to the Budget for Advertising for the
14 FTY and the FPFTY. Also, in 2021, there was a known cause for lower-than-
15 expected expenses for a planned educational commercial that was not produced in
16 time to be included in the 2021 HTY period.

17 **Q. Please summarize Columbia’s claim for Advertising.**

18 **A.** Columbia rejects I&E’s proposed adjustment to Advertising Expense for the FPFTY
19 based upon an average of inconsistent historical information. Columbia’s claim
20 remains at \$683,312, noting that this amount includes recoverable Advertising
21 Expense, as well as all recoverable expenses for Public Awareness (not included in

1 other categories of expense for the FTY and the FPFTY).

2 **IV. Flex Agreements**

3 **Q. OSBA Witnesses Ewen and Knecht recommend on page 11 of their**
4 **direct testimony that the Company conduct competitive alternative**
5 **analysis for each flex customer every two years. Do you agree such a**
6 **mandate should be adopted?**

7 A. No. There should not be a mandate or requirement as to the type of analysis or
8 information Columbia develops to support granting a flex rate. There is no filing
9 requirement as to what information is necessary to meet the Company's burden of
10 proof on this issue.

11 Flex agreements are based on the unique circumstances of the customer, with the
12 economic analysis for the bypass performed based on the market conditions at the
13 time the contract is entered into. The facts and circumstances regarding economic
14 analysis may change over time, however, absent specific contractual agreements to
15 update the contract, the rate will remain the same throughout the duration of the
16 contract as facts and circumstances dictate at the time the agreement was entered
17 into. For example, if I obtained a fixed 30-year mortgage at the time when the
18 market supported a 3% interest rate, the lender would not be permitted to raise
19 that rate in the future, even if circumstances warranted a different rate. Any
20 analysis performed would not impact Columbia's ability to change the terms of the
21 contract, and therefore, such an analysis is not necessary. Columbia currently

1 undertakes an analysis of competitive alternatives at the time it negotiates new flex
2 agreements. Interim analyses serve no purpose and should not be required.

3 **Q. Does this complete your Prepared Rebuttal Testimony?**

4 **A. Yes, it does.**

5

**Pennsylvania Public Utility Commission v.
Columbia Gas of Pennsylvania, Inc., - Base Rate Case
Docket No. R-2022-3031211**

**Responses of the Bureau of Investigation and Enforcement to the
Data Requests of Columbia Gas of Pennsylvania, Inc. - Set III
Witness: D.C. Patel**

CPA-I&E-III-2 Reference I&E Statement No. 1, pp. 21-22:

- A) Is it Witness Patel's understanding that vacancies represent the difference between authorized and filled employee positions?
- B) Does Witness Patel believe that the Company's labor claim is based upon authorized positions?

Response

- A) Mr. Patel clearly states that he reviewed the history of actual monthly vacant positions for two full years and the FTY's first quarter to calculate a monthly vacancy rate (based on the actual vacancy information provided by the Company in its response to I&E-RE-13-D, Attachment B (I&E Exhibit No. 1, Schedule 4, p. 8).**
- B) Yes. The FPFTY labor expense claim is based on the projected 782 employee count (Columbia Statement No. 9, p. 8, ln. 12).**

**Pennsylvania Public Utility Commission v.
Columbia Gas of Pennsylvania, Inc., - Base Rate Case
Docket No. R-2022-3031211**

**Responses of the Bureau of Investigation and Enforcement to the
Data Requests of Columbia Gas of Pennsylvania, Inc. - Set III
Witness: D.C. Patel**

CPA-I&E-III-3 Reference I&E Statement No. 1, pages 23, lines 11-12. Reconcile the assertion that the Company has an average month vacancy of 55 employees in the first quarter of the FTY with the employee counts shown on I&E Exhibit 1, Schedule 4, page 7.

Response-Revised: Mr. Patel relied on I&E Exhibit 1, Schedule 4, page 8, (Columbia's response (in Excel file) to I&E-RE-13-D, Attachment B) for calculating the average monthly employee vacancies of 55 $(60 + 53 + 51) \div 3$ in the first quarter of the FTY, which reconciles with I&E Statement No. 1, page 23, line 12 and also with the data produced in the table (I&E Statement No. 1, page 22, lines 8-9). Mr. Patel did not rely on employee count information shown on I&E Exhibit 1, Schedule 4, page 7, and therefore, he is unable to reconcile as requested.

FPFTY	As Filed	Revised Amount
Labor	672,181	483,442
Benefits	212,340	94,705
Total	884,521	578,147

Annual Hours	2080
50 cent raise	\$ 0.50
	\$ 1,040

	Annual Wages at Nov 30, 2021	Number of Employees	50 Cent Raise Total	New Annual Rate	Increase % Not in Budget	Increase \$ Not in Budget	3% increase on 50 cent Raise	FTY 2022 Total Not In Budget	FPFTY 2023 Total Not In Budget
37-USW 13836	-	82	\$ -					-	-
37-USW 1852	\$ 8,760,752.00	117	\$ 121,680.00	\$ 8,882,432.00	0.50%	44,412.16	3,650.40	169,742.56	300,165.24
37-USW 7139	\$ -	57	\$ -	\$ -	0.00%	-	-	-	-
37-UWA 475-Manual	\$ 12,156,892.80	159	\$ 165,360.00	\$ 12,322,252.80	0.50%	61,611.26	4,960.80	231,932.06	409,210.83
37-Uwa 479	\$ 6,219,241.60	82	\$ 85,280.00	\$ 6,304,521.60	0.50%	31,522.61	2,558.40	119,361.01	210,780.24
Grand Total	\$ 27,136,886.40	497	\$ 372,320.00	\$ 27,509,206.40		137,546.03	11,169.60	521,035.63	920,156.30
								52.54%	52.54%
							O&M Only	273,748	483,442
								53,626	94,705

I & E RE 18D			
Hyperion Account	Twelve Months Ended November 30, 2022		
	Gross	Capital	Net
Other Benefits	(87,045)	5,124	(92,169)
Employee Medical Health	7,775,033	3,445,409	4,329,624
401K	3,560,564	1,556,410	2,004,154
Dental	455,187	174,085	281,102
Group Life Active	284,453	111,155	173,298
Long Term Disability	377,257	147,813	229,445
Profit Sharing	687,902	296,453	391,449
Vision	79,297	31,928	47,370
Moving Expense	7,500	-	7,500
Total	13,140,148	5,768,376	7,371,772
Hyperion Account	Twelve Months Ended December 31, 2023		
	Gross	Capital	Net
Other Benefits	13,000	5,590	7,410
Employee Medical Health	8,371,462	3,599,729	4,771,733
401K	3,648,000	1,568,640	2,079,360
Dental	454,000	195,220	258,780
Group Life Active	290,000	124,700	165,300
Long Term Disability	386,000	165,980	220,020
Profit Sharing	656,000	282,080	373,920
Vision	81,000	34,830	46,170
Moving Expense	-	-	-
Total	13,899,462	5,976,769	7,922,693
			2,838,600

Support for Lines Payroll Taxes, Benefits and Incentive Compensation		
	FTY	FPFTY
Additional Labor	273,748	483,442
CIP	10,950	19,338
	284,698	502,780
Per Ex 6, Sch 2, P 3, Ln 3	7.2978%	7.2978%
Payroll Tax	20,777	36,692
	273,748	483,442
	8.00%	8.00%
Benefits	21,900	38,675
	273,748	483,442
	4.00%	4.00%
CIP	10,950	19,338
Total	53,626	94,705

36,719,966 36,719,966

22% 8%

Columbia Gas of Pennsylvania, Inc.

COLUMBIA GAS OF PENNSYLVANIA, INC.
2022 RATE CASE PROCEEDING

Docket No. R-2022-3031211

Data Requests

OFFICE OF CONSUMER ADVOCATE INTERROGATORIES
Set 4

Question No. OCA 4-031

Reference Ms. Paloney's testimony at page 9 related to the Outside Services budget.

- a. Please provide all supporting workpapers (preferably in Excel format) and documentation showing the derivation of the FPFTY Outside Services amount, separately identifying planned work activities and work volume and the cost that are based on historical information.
- b. Please provide all supporting workpapers (preferably in Excel format) and documentation showing the derivation and application of the inflation escalation to determine the FPFTY amount.

Response:

- a. Page 9 of Ms. Paloney's testimony describes a high-level explanation of how outside services are forecasted by each individual department.

The budget is produced primarily in the planning system rather than through supporting workpapers. Supporting workpapers would be used only for interactions with budget owners and/or for review with management, and the budget numbers could go through numerous reiterations before being finalized. Therefore, no supporting workpapers are available, please refer to Attachment A.

As demonstrated within Attachment A, when the planned activities that are driving the budget increase are subtracted from the remaining net outside service balances from HTY to FTY, the inflationary growth percentage in the FTY is 3.3 percent, which is consistent with the inflationary growth percentage calculated for non-labor expenses in OCA 4-030. The inflationary growth percentage computed in the FPFTY for outside services is 4.0 percent, which is also consistent with the inflationary growth percentage calculated in OCA 4-030 for non-labor expenses. Please see attachment A.

b. Please see part A response.

Line No.	Cost Element Description	Normalized HTY Twelve Months Ended November 30, 2021 (1)	Budget & Rate Making Adjustments (2)	Normalized FTY Twelve Months Ended November 30, 2022 (3)	Budget & Rate Making Adjustments (4)	Normalized FPFTY Twelve Months Ended December 31, 2023 (5)
1	Outside Services ^[1]	\$ 25,151,180	\$ 3,398,969	\$ 28,550,149	\$ 1,110,056	\$ 29,660,205
2	Less: Field Ops - MAOP ^[2]		850,000	850,000	25,500	875,500
3	Less: Field Ops - Risers ^[2]		700,000	700,000	21,000	721,000
4	Less: Field Ops - Corrosion Preventive Maintenance Program ^[2]		500,000	500,000	15,000	515,000
5	Less: Field Ops - Turnbacks ^[2]		180,000	180,000	5,400	185,400
6	Less: Field Ops - Heater Inspection & Servicing ^[2]		160,000	160,000	4,800	164,800
7	Less: Field Ops - Serviced Order Inside Inspections (SOII) ^[2]		180,000	180,000	5,400	185,400
8	Net Outside Services	<u>\$ 25,151,180</u>	<u>\$ 828,969</u>	<u>\$ 25,980,149</u>	<u>\$ 1,032,956</u>	<u>\$ 27,013,105</u>
9	Outside Services Inflationary Growth %		<u>3.3%</u>		<u>4.0%</u>	

[1]. Exhibit No. 104, Schedule No. 1, Page 2, Line No. 7

[2]. Detailed in I&E-RE-021-D response

CE	Budget												
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Labor	23,873	23,108	22,910	23,693	25,709	25,251	28,309	29,646	31,181	31,534	32,271	36,572	38,028
Incentive Compensation	293	1,171	1,149	1,249	1,238	1,333	1,584	1,642	1,742	2,150	1,133	2,676	2,946
Pension	2,119	6,005	6,598	-	3	1,137	-	6	549	-	-	-	-
OPEB	715	1,065	492	(154)	(284)	(550)	(1,378)	(810)	(514)	(1,109)	(730)	(678)	(1,420)
Other Employee Benefits	5,076	6,363	6,509	6,184	6,454	4,584	4,791	5,635	5,975	6,445	6,851	7,302	7,973
Outside Services	15,636	15,175	13,094	12,123	12,104	22,311	26,079	23,977	25,458	22,634	23,453	22,167	29,086
Rent and Leases	1,314	1,374	1,458	1,615	1,887	2,273	4,791	3,607	3,873	3,203	3,296	2,857	2,658
Corporate Insurance	3,116	3,574	3,413	3,048	3,004	3,087	4,516	3,481	3,705	3,495	3,631	5,861	7,860
Injuries and Damages	1,209	944	795	630	630	500	500	400	-	400	400	400	300
Employee Expenses	1,109	1,046	1,163	1,142	1,295	1,305	1,640	1,452	1,501	1,584	1,483	1,642	1,622
Company Memberships	347	345	249	292	262	256	256	332	491	491	563	560	523
Utilities and Fuel Used in Company Operations	675	570	567	503	1,167	1,303	1,310	1,370	1,102	1,709	1,715	2,142	1,959
Advertising	500	185	170	170	470	170	170	170	170	170	174	174	170
Fleet	4,663	4,104	4,421	5,046	5,452	5,708	5,728	5,797	5,879	6,255	5,673	6,671	6,434
Materials & Supplies	4,929	4,767	4,775	4,899	4,649	5,024	5,067	5,962	5,366	5,865	5,568	5,755	6,159
Other O&M	(3,987)	(3,780)	(116)	(783)	60	(1,906)	(434)	393	1,050	646	1,381	193	2,495
PUC, OCA, OSBA Fees	1,673	1,953	1,354	1,454	1,699	1,583	2,161	2,330	2,460	2,262	2,341	2,262	2,262
NCSC Shared Services & NGD Shared Operations	31,889	38,399	37,740	39,742	44,597	47,962	49,533	57,719	67,158	66,049	64,185	59,051	78,913
Amortization	82	75	(243)	(1,446)	(1,455)	185	267	496	511	409	845	935	935
Lobbying (Amount included in above Cost Elements)	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Operation and Maintenance Expense	95,231	106,443	106,498	99,407	108,941	121,516	134,890	143,604	157,656	154,193	154,233	156,541	188,903

CE	Revised												
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
	Actuals												
Labor	23,153	23,577	22,845	23,996	25,124	25,818	27,980	29,093	30,019	32,456	36,471	36,742	35,673
Incentive Compensation	1,303	1,628	1,649	1,690	1,845	1,816	1,791	1,981	2,590	1,381	1,246	1,687	2,676
Pension	392	5,799	13,088	91	2,489	1,131	14	21	8,538	(8,420)	0	13	(12)
OPEB	1,683	775	(213)	88	(454)	(1,298)	(1,336)	(583)	(410)	(843)	(325)	(693)	(1,459)
Other Employee Benefits	4,995	7,472	6,210	5,880	5,635	5,432	5,992	5,924	6,099	6,023	6,786	6,742	7,011
Outside Services	15,180	15,440	13,244	12,133	14,113	22,070	22,951	25,361	28,246	21,812	22,879	21,453	24,345
Rent and Leases	1,306	1,207	1,348	1,485	1,699	1,699	2,252	2,831	3,453	3,376	3,503	2,712	2,861
Corporate Insurance	3,045	3,241	2,926	2,763	2,734	2,796	2,899	3,024	3,176	3,239	4,363	6,281	6,421
Injuries and Damages	605	545	340	241	305	(185)	381	363	337	270	512	317	260
Employee Expenses	1,405	1,450	1,553	1,465	1,376	1,264	1,415	1,381	1,545	1,400	1,706	1,073	1,711
Company Memberships	295	250	293	262	249	313	479	563	599	504	565	858	697
Utilities and Fuel Used in Company Operations	451	417	487	1,094	1,247	1,244	1,287	1,460	1,679	2,463	2,608	2,586	2,738
Advertising	389	281	167	133	243	236	207	226	283	146	224	719	551
Fleet	4,650	4,726	5,092	5,357	5,780	6,106	5,956	6,206	6,320	6,338	6,906	6,389	6,263
Materials & Supplies	4,741	4,967	4,412	4,353	5,171	5,343	5,873	5,461	6,327	5,627	6,320	6,643	6,960
Other O&M	(3,527)	(3,005)	157	(63)	31	512	306	367	647	238	510	2,796	1,375
PUC, OCA, OSBA Fees	1,721	1,539	1,348	1,523	1,585	1,815	2,161	1,960	1,846	2,145	2,032	1,908	2,199
NCSC Shared Services & NGD Shared Operations	34,023	36,457	38,899	40,164	43,374	50,760	53,169	56,264	68,727	63,166	64,148	62,456	68,907
Amortization	82	0	(489)	(1,446)	(594)	185	267	396	511	440	845	845	845
Lobbying (Amount included in above Cost Elements)	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Operation and Maintenance Expense	95,892	106,766	113,356	101,209	111,952	127,057	134,044	142,299	170,532	141,760	161,299	161,528	170,021

CE	Variance												
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Labor	(720)	469	(65)	303	(585)	567	(329)	(553)	(1,162)	922	4,200	171	(2,355)
Incentive Compensation	1,010	457	500	441	607	484	207	339	848	(769)	113	(989)	(270)
Pension	(1,727)	(206)	6,490	91	2,486	(6)	14	15	7,989	(8,420)	0	13	(12)
OPEB	968	(290)	(705)	242	(170)	(748)	42	227	104	266	405	(15)	(38)
Other Employee Benefits	(81)	1,109	(299)	(304)	(819)	848	1,201	289	124	(422)	(65)	(560)	(963)
Outside Services	(456)	265	150	10	2,009	(241)	(3,128)	1,384	2,788	(822)	(574)	(714)	(4,741)
Rent and Leases	(8)	(167)	(110)	(130)	(188)	(574)	(2,539)	(776)	(420)	172	207	(146)	203
Corporate Insurance	(71)	(333)	(487)	(285)	(270)	(291)	(1,617)	(457)	(529)	(255)	732	420	(1,439)
Injuries and Damages	(604)	(399)	(455)	(389)	(325)	(685)	(119)	(37)	337	(130)	112	(83)	(40)
Employee Expenses	296	404	390	323	81	(41)	(225)	(71)	44	(184)	223	(569)	89
Company Memberships	(52)	(95)	44	(30)	(13)	57	223	231	108	12	2	298	174
Utilities and Fuel Used in Company Operations	(224)	(153)	(80)	591	80	(59)	(23)	90	577	753	893	444	778
Advertising	(111)	96	(3)	(37)	(227)	66	37	56	113	(24)	51	546	381
Fleet	(13)	622	671	311	328	398	228	409	441	83	1,233	(283)	(171)
Materials & Supplies	(188)	200	(363)	(546)	522	319	806	(501)	961	(238)	752	889	801
Other O&M	460	774	272	720	(29)	2,418	740	(26)	(403)	(408)	(870)	2,602	(1,120)
PUC, OCA, OSBA Fees	48	(413)	(5)	69	(114)	232	-	(370)	(614)	(117)	(309)	(354)	(63)
NCSC Shared Services & NGD Shared Operations	2,134	(1,942)	1,159	422	(1,223)	2,798	3,636	(1,455)	1,569	(2,883)	(37)	3,406	(10,006)
Amortization	(0)	(74)	(246)	(0)	861	-	-	(100)	-	31	(0)	(90)	(90)
Lobbying (Amount included in above Cost Elements)	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Operation and Maintenance Expense	661	324	6,858	1,802	3,011	5,542	(846)	(1,305)	12,876	(12,433)	7,067	4,986	(18,882)

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility)	
Commission)	
)	
v.	)	Docket No. R-2022-3031211
)	
)	
Columbia Gas of Pennsylvania, Inc.)	
)	
)	

**REBUTTAL TESTIMONY OF
JENNIFER HARDING
ON BEHALF OF
COLUMBIA GAS OF PENNSYLVANIA, INC.**

July 6, 2022

1 **I. Introduction**

2 **Q. Please state your name and business address.**

3 A. My name is Jennifer Harding. My business address is 290 W. Nationwide Blvd,
4 Columbus, Ohio 43215.

5 **Q. By whom are you employed and in what capacity?**

6 A. I am employed by NiSource Corporate Services Company (“NCSC”), a management
7 and services subsidiary of NiSource Inc. (“NiSource”). My current title is Director,
8 Income Tax Operations at NCSC.

9 **Q. Have you previously filed testimony in this matter?**

10 A. Yes.

11 **Q. What is the purpose of your rebuttal testimony?**

12 A. I will respond to the testimony served in this proceeding by Office of the Consumer
13 Advocate (“OCA”) Witness Morgan and by the Bureau of Investigation &
14 Enforcement (“I&E”) Witness Patel.

15 **Q. What issues will you be addressing in your rebuttal testimony?**

16 A. I will address the exclusion of a correlating reduction in Accumulated Deferred
17 Income Tax (“ADIT”) adjustment that related to OCA Witness Morgan’s proposed
18 adjustment to Plant in Service. I will also address OCA Witness Morgan’s and I&E
19 Witness Patel’s proposed adjustments to payroll tax, as well as OCA Witness
20 Morgan’s increase in tax-deductible interest resulting in a decrease in Federal and
21 state income taxes.

1 **Q. Do you agree with OCA Witness Morgan's exclusion of a corresponding**
2 **reduction in ADIT related to his proposed Plant in Service adjustment?**

3 A. No, I do not. As indicated in Columbia Witness Covert's rebuttal testimony, the
4 Company disputes the reduction of forecasted plant additions for FTY and FPFTY by
5 6.24 percent as proposed by OCA Witness Morgan. However, in presenting his
6 adjustment to forecasted plant additions, OCA Witness Morgan did not include a
7 corresponding adjustment to ADIT. The Company's claim in this case reflects
8 accelerated tax depreciation deductions on plant additions. The Company notes that
9 accelerated tax depreciation deductions are normalized, resulting in current
10 deduction offset by a future taxable temporary difference creating a deferred tax
11 liability and net zero tax expense. The deferred tax liability is a reduction to rate base
12 as ADIT. Mr. Morgan's proposed reduction of plant additions will result in a
13 reduction to both accelerated tax depreciation expense and book depreciation
14 expense, which reduces deferred income tax expense and the offsetting future taxable
15 temporary difference. Any adjustment, or reduction in ADIT, associated with a
16 change to the plant in service claimed by the Company should represent the adjusted
17 book/tax difference tax effected at the Federal income tax rate of 21%. A failure to
18 adjust ADIT associated with a reduction to plant additions would violate the
19 normalization requirements of the Internal Revenue Code, which require a matching
20 of plant, deferred income taxes and ADIT. Therefore, to the extent that the
21 Company's forecasted plant additions are reduced, the Company has prepared a

1 computation to determine the correlating reduction in ADIT of approximately \$1.7
2 million on Schedule JH-1R, pages 1 and 2, attached hereto.

3 **Q. Do you agree with OCA Witness Morgan's or I&E Witness Patel's**
4 **adjustments to payroll taxes?**

5 A. No, I do not. As indicated in Columbia Witness Miller's rebuttal testimony, the
6 Company disputes the decrease in payroll expense proposed by OCA Witness Morgan
7 and I&E Witness Patel. Consequently, the Company also disputes the associated
8 decrease in payroll tax expense which represents the product of the payroll expense
9 multiplied by the HTY payroll tax experience factor.

10 **Q. Do you agree with OCA Witness Morgan's adjustment to increase**
11 **synchronized tax-deductible interest expense and decrease Federal and**
12 **state income taxes?**

13 A. No, I do not. OCA computed an increase of synchronized tax-deductible interest
14 expense of approximately \$5.75 million as a result of a proposed decrease in rate base
15 of approximately \$47.47 million and an increased weighted cost of debt rate of 2.22%.
16 As indicated in Columbia Witness Covert's rebuttal testimony, the Company disputes
17 the reduction to rate base attributed to reduced capital additions and materials &
18 supplies proposed by OCA Witness Morgan. Furthermore, Columbia Witness Moul's
19 rebuttal testimony disputes the proposed increase to the weighted cost of debt from
20 1.99% to 2.22% included in the capital structure adjustments proposed by OCA
21 Witness Garrett. Consequently, the Company disputes the resulting decrease of

1 Federal and state income tax proposed by OCA Witness Morgan of approximately
2 \$1.09 million and \$.57 million, respectively.

3 **Q. Does this complete your Prepared Rebuttal Testimony?**

4 A. Yes, it does.

COLUMBIA GAS OF PENNSYLVANIA, INC.
PLANT ADDITIONS
COMPUTATION OF ADIT ADJUSTMENT
(\$000)

Line No.	Description	Ref	2022 (1)	2023 (2)	Total (3)
Computation by OCA					
1	Plant Additions, per OCA		\$ 344,127	\$ 414,292	\$ 758,419
2	Plant Additions, per Company		366,857	441,656	808,513
3	Adjustment to Plant in Service	OCA LKM - 5	(22,730)	(27,364)	(50,094)
4	Adjustment to Depreciation Reserve	OCA LKM - 5	(1,334)	(1,606)	(2,940)
5	Adjustment to ADIT	OCA LKM - 5	-	-	-
6	Net Rate Base Adjustment	OCA LKM - 5	<u>(21,396)</u>	<u>(25,758)</u>	<u>\$ (47,154)</u>
Computation of ADIT by Columbia					
7	Reduction in Plant in Service	= Line 3	\$ (22,730)	\$ (27,364)	\$ (50,094)
8	Bonus Depre	= Line 28	-	-	-
9	Plant in Service Basis after Bonus		(22,730)	(27,364)	(50,094)
10	Repairs Deduction	= Line 27	(3,411)	(4,725)	(8,136)
11	Plant in Service Basis after Repairs		(19,318)	(22,639)	(41,957)
12	MSC Deduction	= Line 29	(78)	(85)	(162)
13	Plant in Service Basis after MSC		(19,241)	(22,554)	(41,795)
14	MACRS Depreciation (20yr) - 1st Year	3.75%	(722)	(846)	(1,567)
15	Plant in Service Basis after MSC		(18,519)	(21,708)	(40,228)
16	MACRS Depreciation (20yr) - 2nd Year	7.22%	(1,337)		(1,337)
17	Remaining Plant in Service Basis		(17,182)	(21,708)	(38,891)
18	Total Tax Deduction	= Sum Lines 8, 10, 12, 14, 16	(5,547)	(5,656)	(11,203)
19	Total Book Depreciation Addback	= Line 4	1,334	1,606	2,940
20	Net Book/Tax Difference	= Sum Line 18 and 19	(4,213)	(4,050)	(8,263)
21	Federal Tax Rate		21.00%	21.00%	21.00%
22	Reduction in ADIT	= Line 21 * Line 22	\$ (885)	\$ (850)	\$ (1,735)
23	Difference between OCA Proposed Adjustment and the Company				(1,735)
Computation of Repairs and MCS % by Columbia					
24	Repairs on Gas Pipeline	Exhibit 107, Page 16, Line 18	(55,057)	(76,263)	
25	Bonus Depreciation	Exhibit 107, Page 16, Line 19	-	-	
26	Sec 263A Mixed Service Costs	Exhibit 107, Page 16, Line 20	(1,475)	(1,655)	
27	Repairs on Gas Pipeline	= Line 24 / Line 2	15.01%	17.27%	
28	Bonus Depreciation	= Line 25 / Line 2	0.00%	0.00%	
29	Sec 263A Mixed Service Costs	= Line 26 / Line 2	0.40%	0.37%	

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility)	
Commission)	
)	
v.	)	Docket No. R-2022-3031211
)	
Columbia Gas of Pennsylvania, Inc.)	
)	
)	

**REBUTTAL TESTIMONY OF
JULIE COVERT
ON BEHALF OF
COLUMBIA GAS OF PENNSYLVANIA, INC.**

July 6, 202

1 **Q. Please state your name and business address.**

2 A. My name is Julie E. Covert and my business address is 290 West Nationwide
3 Boulevard, Columbus, Ohio 43215.

4 **Q. By whom are you employed and in what capacity?**

5 A. I am employed by NiSource Corporate Services Company ("NCSC"), as Lead
6 Regulatory Analyst.

7 **Q. Have you previously filed testimony in this matter?**

8 A. Yes.

9 **Q. What is the purpose of your rebuttal testimony?**

10 A. I will respond to the direct testimony of Witness Lafayette Morgan, filed on behalf of
11 the Office of Consumer Advocate ("OCA") concerning recommended adjustments to
12 the Company's Plant in Service, Materials and Supplies, and Prepayments. I will also
13 address the recommendation of Witness Ethan Cline, filed on behalf of the Bureau of
14 Investigation and Enforcement ("I&E"), that the Company provide future updates to
15 Columbia Exhibit No. 108, Schedule 1.

16 **Q. Please summarize Mr. Morgan's adjustment to Plant in Service.**

17 A. Mr. Morgan recommends reducing Plant in Service based on his theory that the
18 Company has experienced a historic pattern where the value of actual capital
19 additions is less than the budgeted amounts. As such, Mr. Morgan recommends that
20 the Company's forecasted plant additions for 2022 and 2023 be reduced by 6.24
21 percent.

1 **Q. What evidence did Mr. Morgan provide to support the proposed**
2 **adjustment to Plant in Service?**

3 **A.** Mr. Morgan uses the response provided to OCA's discovery request OCA 5-002 to
4 support his recommended adjustment to Plant in Service. OCA 5-002 compares the
5 projected additions filed in Docket No. R-2018-3003567, R-2020-3018835, and R-
6 2021-3024296 to actual plant additions as of December 2018, 2020 and 2021,
7 respectively. Based upon OCA 5-002, on average the actual capital additions is
8 approximately 6.24 percent less than budgeted.

9 **Q. Do you agree with Mr. Morgan's recommended adjustment to Plant in**
10 **Service? Please explain.**

11 **A.** No. The discovery asked by Mr. Morgan was limited in the information it provided,
12 and thus does not present a full view of Columbia's efforts to add the level of plant
13 that it budgets. It is also important to note that the discovery provided cumulative
14 balances as of December 2018, 2020 and 2021 for plant additions rather than net
15 plant additions. In addition, the 2021 rate case budget was provided incorrectly. To
16 provide a more accurate presentation, I have compared actual to budgeted net plant
17 additions for calendar years 2016 through 2021, and projected and actual net plant
18 additions for the months of January through May, 2022. All of the calendar year data
19 is taken from the reports that Columbia has filed with the Commission in response
20 to commitments made in prior cases, similar to the commitment requested in this
21 case by I&E Witness Cline that I will address later in my testimony. The information
22 is provided in Exhibit No. JEC-1R. As shown in the Exhibit, from January 1, 2016

1 through May 21, 2022, Columbia's actual net plant additions have exceeded
2 Columbia's budget. This demonstrates the accuracy of Columbia's projections. Even
3 if data from 2022 were excluded, the average percentage under-budget for the years
4 2016-2021 is 0.867%, which is well below Mr. Morgan's 6.24% adjustment:

5 2016	5.3%
6 2017	2.1%
7 2018	-18.1%
8 2019	14.0%
9 2020	-3.9%
10 2021	-4.6%
11 Average	-0.867%

12
13 Based upon this information, Mr. Morgan's plant adjustment should be rejected.

14 **Q. Can Columbia explain the reasons for the years in which actual net plant**
15 **additions were below projections?**

16 **A.** Yes. Columbia Witness Brumley will provide an explanation in his rebuttal.

17 **Q. Mr. Morgan also asserts that, because Columbia files frequent rate cases,**
18 **his adjustment can be adopted without "significant risk" that the**
19 **Company will not recover its capital costs in the future. Please comment.**

20 **A.** Mr. Morgan's adjustment, which reflects incomplete data, will deny Columbia
21 recovery in this case of amounts permitted to be claimed by statute. As a result,
22 Columbia will be deprived of at least one year's worth of return and depreciation,

1 which by his own testimony at page 26 is nearly \$5.2 million. This cannot be
2 recouped in the future.

3 **Q. Please explain Mr. Morgan's adjustment to Materials and Supplies and**
4 **Prepayments.**

5 **A.** Mr. Morgan uses an actual 13-month average (April 2021 – April 2022) to calculate
6 Materials and Supplies and Prepayments. This methodology reduces Materials and
7 Supplies by \$49,094 and Prepayments by \$269,071.

8 **Q. Do you agree with Mr. Morgan's adjustment to Materials and Supplies**
9 **and Prepayments?**

10 **A.** No, I do not. Using an actual 13-month average does not take into consideration the
11 rising costs of Materials and Supplies or Prepayments.

12 **Q. How does the Company's Exhibit 108, Schedule 5 compare to actuals**
13 **through May 2022?**

14 **A.** On average, actual Materials and Supplies were \$59,300 higher than what the
15 Company filed using inflationary escalation. Please see the table below.

	Exhibit 108	Actuals	
	Schedule 5	M&S	Difference
Jan-22	1,280,643	1,342,789	62,146
Feb-22	1,275,662	1,321,170	45,508
Mar-22	1,280,876	1,328,397	47,521
Apr-22	1,283,271	1,357,051	73,780
May-22	1,288,311	1,355,858	67,547
		Average	59,300

21 **Q. How does the Company's Exhibit 108, Schedule 6 compare to actuals**
22 **through May 2022?**

1 **A.** On average, actual Prepayments were \$122,183 higher than what the Company filed
2 using inflationary escalation. Please see the table below.

	Exhibit 108	Actual		
	Schedule 6	Prepayments	Difference	
3				
4	Jan-22	4,400,496	4,960,004	559,508
5	Feb-22	3,497,908	4,143,116	645,208
6	Mar-22	3,729,203	3,409,531	(319,672)
7	Apr-22	2,801,371	2,623,622	(177,749)
8	May-22	2,028,267	1,931,890	(96,377)
9		Average	122,183	

10 Inflation is having a substantial impact on Columbia cost of service. Materials and
11 Supplies cost more, which raises the cost of inventory. Columbia used GNP price
12 deflator data that predated the substantial rise in inflation that is actually being
13 experienced. The inflation factor assumed for 2022 is 3.98%, and for 2023 is 2.25%.
14 As indicated in the rebuttal testimony of Columbia Witness Moul, the recent annual
15 inflation rate is 8.6%. As can be seen in the table above, the actual Material &
16 Supplies balance has been about 4.6% above Columbia's projection, which included
17 a 3.98% inflation factor. Clearly, inflation has had a major effect on the cost of
18 Columbia's Materials & Supplies inventory. Columbia's conservative projection
19 should be accepted.

20 **Q. Earlier you stated that you will address I&E witness Cline's**
21 **recommendation that the Company update Columbia Exhibit No. 108,**
Schedule 1. What is your position regarding Mr. Cline's
recommendation?

1 **A.** Mr. Cline recommends that the Company update Exhibit 108, Schedule 1 no later
2 than April 1, 2023, to include actual capital expenditures, plant additions, and
3 retirements by month for the twelve months ending November 30, 2022, as well as
4 provide an additional update for actuals through December 31, 2023 by April 1, 2024.
5 The Company is agreeable to providing such updates to Exhibit 108, as it has in prior
6 rate cases.

7 **Q.** **Does this complete your Prepared Rebuttal Testimony?**

8 **A.** Yes, it does.

Columbia Gas of Pennsylvania, Inc.
Net Plant Additions - Budget to Actual Comparison
2016 - 2021

Year	Net Plant Additions Projections	Net Plant Additions Actuals	Over/Under	% Over/Under
2016	201,484,582	212,091,161	10,606,580	5.2642%
2017	241,193,780	246,180,352	4,986,572	2.0675%
2018	256,289,120	209,983,896	(46,305,224)	-18.0676%
2019	258,343,265	294,610,057	36,266,792	14.0382%
2020	288,945,858	277,795,194	(11,150,663)	-3.8591%
2021	338,558,967	322,821,714	(15,737,253)	-4.6483%
2022	65,010,868	95,266,763	30,255,895	46.5397%
		Average Over/Under		5.9050%

COLUMBIA STATEMENT NO. 13-R

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility)	
Commission)	
)	
)	
v.	)	Docket No. R-2022-3031211
)	
)	
Columbia Gas of Pennsylvania, Inc.)	
)	
)	

**REBUTTAL TESTIMONY OF
DEBORAH A. DAVIS
ON BEHALF OF
COLUMBIA GAS OF PENNSYLVANIA, INC.**

July 6, 2022

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1 **I. Introduction**

2 **Q. Please state your name and business address.**

3 A. Deborah Davis, 121 Champion Way, Suite 100, Canonsburg, PA 15317.

4 **Q. By whom are you employed and in what capacity?**

5 A. I am employed by Columbia Gas of Pennsylvania, Inc. (“Columbia” or the
6 “Company”) as Manager, Universal Services.

7 **Q. Have you previously filed testimony in this matter?**

8 A. Yes. My Direct Testimony was submitted as Columbia Statement No. 13 on March
9 18, 2022.

10 **Q. What is the purpose of your rebuttal testimony?**

11 A. I will respond to the direct testimony served in this proceeding from Pennsylvania
12 Weatherization Providers Task Force (“WPTF”), The Coalition for Affordable Utility
13 Services and Energy Efficiency in Pennsylvania (“CAUSE-PA”), and the Office of the
14 Consumer Advocate (“OCA”). My testimony will focus on the issues raised related to
15 low-income customers, as well as the Company’s Universal Service Programs.

16 **II. Issues raised by Multiple Parties**

17 **Q. WPTF witness Mr. Brady states on page 3 of his testimony that the**
18 **Company’s general rate increase proposal offers nothing in the way of**
19 **changes or increases in funding to its low-income programs. CAUSE-PA**
20 **witness Mr. Geller states on page 18 of his testimony that Columbia has**

1 **not proposed a single mitigation measure to help alleviate the impact of**
2 **the proposed rate increase. Please address these statements.**

3 A. The Company’s Universal Service Programs, specifically its Customer Assistance
4 Program (“CAP”), Low Income Usage Reduction Program (“LIURP”), Emergency
5 Repair Program (“ERP”) and Hardship Funds are open year-round and available to
6 all low-income customers, offering immediate and long-term relief to payment
7 problems. The Company believes the current structure and funding is sufficient to
8 assist the Company’s customers that need and want assistance. Columbia recognizes
9 that more outreach in the form of one-on-one intervention may be needed to assist
10 its most vulnerable customers. To address this need, Columbia has implemented a
11 program this year to reach out to these customers on an individualized basis. In
12 addition, the Company has increased its media campaigns to remind and educate
13 customers that programs are available. Finally, the Company has increased its grass
14 roots efforts to expand outreach in areas not previously targeted. These efforts have
15 been discussed in detail during the Company’s Universal Service Advisory Council
16 (“USAC”) meetings. See Exhibit DAD-1R for an excerpt from the most recent USAC
17 presentation.

18 **Q. Mr. Brady recommends raising the annual LIURP budget by \$846,000**
19 **beginning in the 2023 program year. Mr. Colton recommends**
20 **increasing the LIURP budget to serve an additional 932 households per**
21 **year over the next ten years. Mr. Geller recommends Columbia should**

1 **be required to increase its overall LIURP budget by a percentage equal**
2 **to the percentage increase of any approved residential rate increase. Do**
3 **you agree with these recommendations?**

4 A. No, for the reasons that I will explain in my rebuttal testimony, I do not agree with
5 the recommendations to increase LIURP funding.

6 **Q. Please provide a current summary of Columbia’s LIURP spend in 2022.**

7 A. As stated in my direct testimony, the Company canvassed existing contractors to
8 determine how much they could reasonably spend in 2022. All contractors that
9 provide county weatherization services could not commit to a greater spend than
10 what was spent in 2021, which was much lower than the 2022 budget. As of May 30,
11 2022, the Company has spent \$2, 350,000 of its \$8,930,000 budget. The Company
12 expects to have a carryover again in 2022 which may exceed \$3,000,000 based on
13 current spending levels.

14 **Q. What is the level of spending for Columbia’s LIURP program compared**
15 **to other Pennsylvania gas utilities?**

16 A. The 2020 Universal Service Reporting Requirement (“USRR”) reported Columbia’s
17 budget was higher than every PA gas utility except Philadelphia Gas Works (“PGW”).
18 Notably, the cost of LIURP per residential customer is significantly different from
19 one utility to another. Columbia’s non- CAP customers paid over \$19.00 annually,
20 higher than customers of any other Pennsylvania gas utility customer based on
21 reports. Based on USRR reports, customers of other western Pennsylvania natural

1 gas utilities paid \$6 to \$12 less annually than Columbia's customers for their
2 providers' LIURP.

3 **Q. What is the current default rate (i.e. the rate of contractors having to**
4 **cancel a job) for the LIURP?**

5 **A.** Since January 2022, contractors have completed 350 jobs and have defaulted 231
6 jobs, resulting in a default rate of approximately 40%.

7 **Q. What do you attribute this default rate to?**

8 **A.** Customers are still very reluctant to be weatherized. When considering the needs
9 assessment, one must consider that almost 50% of the homes eligible for
10 weatherization will not be weatherized. The Company has taken unprecedented steps
11 to reduce the number of defaults due to structural issues by proposing and
12 implementing its Health and Safety pilot. Structural issues currently being addressed
13 through the Health & Safety pilot include leaking roofs, moisture in basements, knob
14 and tube wiring, as well as other barriers to weatherization. However, in many cases,
15 defaults are due to a lack of cooperation from the customer. The Company remains
16 lenient with all customers, even CAP customers, if they provide a reason for not
17 wanting to be weatherized. These reasons have often included that: 1) the customer
18 cannot take time off from work; 2) the customer has a household member that may
19 have adverse reactions to weatherization; 3) the customer is reluctant to have people
20 in their homes due to the COVID-19 pandemic or for other reasons; and/or 4); the
21 customer has an unpredictable schedule. Indeed, some customers have scheduled

1 weatherization appointments and have not been home when the contractor arrives
2 at the scheduled time. Unfortunately, the needs assessment cannot predict the level
3 of interest or motivation for weatherization.

4 **Q. Why is it important to recognize the default rate?**

5 A. The Company reported in its most recent LIURP needs assessment that there were
6 18,647 homes that need to be weatherized. Considering that the default rate is
7 roughly 40% even with an active Health & Safety Pilot program, the number of homes
8 the Company may weatherize is likely closer to 11,000.

9 **Q. Does the Company support increasing the LIURP budget at this time?**

10 A. No. Columbia has a history of increasing its LIURP budget, as evidenced by the fact
11 the Company has the second highest LIURP budget of all Pennsylvania gas utilities
12 behind PGW. However, the Company has been carrying over unspent LIURP funds
13 since 2020 and expects to carry over a portion of its 2022 LIURP budget into 2023
14 based on current spending levels. Moreover, weatherization providers have reported
15 a shortage of workers and an increase of money from other sources, such as the
16 federal weatherization program creating an inability to meet the existing production
17 levels. At this time, it would be imprudent for the Company to agree to an increase in
18 LIURP funding given the current levels of production by existing contractors. This
19 issue is not as simple as engaging new contractors. The new contractors need to be
20 able to expand their current project capacity; otherwise, the Company would be
21 expanding one program while risking the production of another. As such, the issue

1 is largely the shortage of trained weatherization auditors and crews, and not LIURP
2 Funding.

3 **Q. Please address Mr. Colton's recommendation to raise the LIURP budget**
4 **to serve an additional 932 homes per year over the next ten years.**

5 A. The primary problem with Mr. Colton's recommendation is the ability for the
6 Company and its contractors to complete that many additional jobs. At this time, the
7 infrastructure simply does not exist to do so. Significant investments by the industry
8 as a whole need to be made in recruitment and training of qualified personnel in
9 order to expand the LIURP to the level that Mr. Colton recommends. The 2021
10 average cost per LIURP job of \$6,216 was lower than prior year averages. The
11 Company believes a primary driver was fewer measures installed in homes due to
12 customer lack of participation and lack of contractor staff which drove the average
13 down. In 2022, costs for everything from labor to materials are increasing
14 significantly. To incent new workers to enter the field will take even more funding
15 than previously provided by the Company. In short, Mr. Colton's \$5,795,798
16 estimate to weatherize 932 jobs annually is significantly understated. Based on 2022
17 average spend to date, the cost would be \$8,131,700. This would mean an increase of
18 approximately \$3,000,000 annually to the rider, which would impact non-CAP
19 customers, including non-CAP low-income customers, by an additional \$10 per year
20 on top of the \$19 they are currently paying. This would be substantially higher as
21 compared to customers of other natural gas utilities in Pennsylvania.

1 **Q. Mr. Colton states on page 34 of his direct testimony that the proposed**
2 **Energy Efficiency program will not serve low-income customers.**
3 **Similarly, on page 30 of his direct testimony, Mr. Geller states the**
4 **program does not specifically address low-income customers. Do you**
5 **agree?**

6 A. No, I do not agree. Low-income customers will have both components of the
7 proposed Energy Efficiency program available to them. The online audit program
8 (“OAK”) will benefit all customers, including renters. One of the primary benefits of
9 the proposed Energy Efficiency program will be the marketing of energy efficiency
10 which will increase referrals to the LIURP and Audits and Rebates (“A&R”)
11 programs. All customers that request information about the Energy Efficiency
12 program will be screened for the LIURP and A&R programs first to maximize the
13 benefits they may be eligible to receive. Moreover, as explained on page 8 of my
14 rebuttal testimony, lower income, low usage customers can benefit more when the
15 A&R and Energy Efficiency programs are leveraged to combine applicable rebates.

16 **Q. What energy efficiency services does the Company currently provide to**
17 **low-income customers?**

18 A. The Company’s LIURP program is the second largest gas utility LIURP program in
19 Pennsylvania and provides comprehensive energy efficiency measures at no cost to
20 low-income customers with high usage. Moreover, the Company has offered the A&R
21 program since 2009. Mr. Geller referenced UGI Utilities, Inc. – Gas Division (“UGI

1 Gas”) and PGW as two utilities that have a low-income component as part of their
2 residential program in response to data request CAUSE-PA-8. Like UGI and PGW,
3 the A&R program offers a free audit, smart thermostats, and rebates on specific
4 energy efficiency measures.

5 **Q. Please describe the A&R program in more detail.**

6 A. The A&R program offers a free audit, a free programmable or smart thermostat, and
7 up to \$1,800 in audit recommended energy efficiency measures. The primary
8 measures installed as a result of the A&R program are furnace/boiler upgrades, as
9 well as insulation and air sealing measures. To be eligible, the customer(s) must be
10 earning 250% or less of the Federal Poverty Income Guidelines (“FPIG”). There are
11 no usage requirements. Additionally, renters can receive a free audit if the owner of
12 the home is present for the audit.

13 **Q. How would the proposed Energy Efficiency program and existing LIURP
14 and A&R programs be leveraged to assist customers?**

15 A. The Company’s Universal Services staff will continue to screen customers for LIURP
16 or A&R and offer the most beneficial program to the customer. If a customer is over
17 the maximum income level, the Company will refer them to Columbia’s Energy
18 Efficiency Program.

19 The Energy Efficiency program will notify all interested customers of the
20 existence of other programs and those programs’ respective income guidelines.
21 When appropriate, the Company will send a referral to the Universal Service team

1 for further screening to determine which program (i.e., LIURP or A&R) they are
2 eligible for.

3 Customers with income less than 200% of the FPIG with an average usage of
4 170 therms per month during the winter months would be referred to and served
5 through the LIURP program.

6 Customers with incomes below 250% FPIG and not eligible for LIURP would
7 be eligible for A&R benefits. In addition, A&R participants could also receive the
8 rebates for installed measures through the Energy Efficiency program if the measure
9 is eligible. This would substantially increase the rebate amount of some measures.

10 **Q. Does the Company offer any additional programs that assist low-income**
11 **customers with purchasing a new heating system?**

12 A. Yes. The Emergency Repair program, currently funded at \$700,000 annually, assists
13 low-income homeowners with unsafe or faulty heating equipment, gas lines and hot
14 water tanks. Homeowners with incomes less than 200% of the FPIG that have
15 equipment that is deemed unsafe or faulty can have a participating contractor repair
16 or replace the equipment for free. The Emergency Repair program operates on a
17 first-come, first-serve basis and typically exhausts its annual budget. Though not
18 identified as an energy efficiency program, the program does install energy efficient
19 appliances when replacing equipment in most cases.

20 **Q. Please summarize the Company's position as it relates to providing**

1 **energy efficiency options for low-income customers.**

2 A. The Company's comprehensive LIURP program provides the most benefits for low-
3 income, high-usage customers. The A&R program offers a free audit, free smart
4 thermostat, and installed measures up to \$1,800 for customers that are at or below
5 200% of the FPIG with usage below the LIURP minimum requirements, as well as
6 customers between 200% and 250% regardless of usage. The proposed Energy
7 Efficiency programs offer new options for all residential customers including low-
8 income customers. The Energy Efficiency program staff will work with the Universal
9 Service team to ensure all customers maximize their benefit level leveraging all
10 available programs. An advantage to the proposed Energy Efficiency program is the
11 marketing of energy efficiency savings potential which will increase referrals to the
12 LIURP and A&R programs and may improve customer motivation and acceptance of
13 the programs.

14 **III. Pennsylvania Weatherization Providers Task Force**

15 **Q. What issues will you address specific to Mr. Brady's testimony on behalf**
16 **of WPTF?**

17 **A. I would like to address the following recommendations from Mr. Brady, in addition**
18 **to those discussed above:**

- 19 ○ Partnering with WPTF member agencies;
- 20 ○ Increase in Hardship Funds; and
- 21 ○ Disbursing Hardship Funds by geographical areas.

1 **Q. Please address Mr. Brady's recommendation to partner with more**
2 **WPTF members.**

3 **A.** To date this year, the Company has spent \$1.4 million on weatherization measures,
4 not including heating equipment costs or the Health & Safety pilot spending. Of that
5 \$1.4 million, \$1.3 million has been spent by for-profit contractors. The six
6 weatherization providers that operate county programs and presumably WPTF
7 members have spent \$165,000 combined to date in 2022, equaling 24% of
8 Columbia's total allocation to these contractors and less than 2% of the Company's
9 weatherization budget. The Company also reached out to a prior county provider to
10 request they participate in Columbia's 2022 program. That provider told the
11 Company that it did not have the staffing capacity to increase production. Similarly,
12 the Company has been unable to secure any additional contractors. The primary
13 reasons for this, according to the providers, is that there are not enough trained staff,
14 and that the existing state allocations have been accounted for.

15 **Q. Does the Company oppose Mr. Brady's recommendation that it partner**
16 **with more WPTF members?**

17 **A.** No. The Company is not opposed to contracting with more WPTF members and has
18 actively sought out new contractors in its service territory. However, the reality is that
19 the Company already uses the WPTF member providers in its service territory, and
20 those members are unwilling or unable to increase their production. As an example,
21 in one case, an agency is unwilling to do any work for the Company. In another case,

1 the agency has not billed for a single job this year and did not weatherize any homes
2 in 2021 despite allocated funds being available. The Company is actively seeking new
3 contractors to perform work through its LIURP program.

4 **Q. What other issues did Mr. Brady raise that you would like to address?**

5 A. Mr. Brady recommended the Company increase its Hardship Fund contribution and
6 disburse the funds based on geographic regions.

7 **Q. Do you agree with these recommendations?**

8 A. No. The Company currently has over \$800,000 remaining in its Hardship Fund
9 program. This program year, there are fewer customers applying for the program,
10 and the grant amounts are lower compared to the prior year. The Company believes
11 this is due to the additional Emergency Rental Assistance Program funds and higher
12 Low-Income Home Energy Assistance Programs (“LIHEAP”) grants that have been
13 available.

14 Since the program is fully funded and is not at risk of closing before the end of
15 the program year, the Company does not see a need to allocate and target funding to
16 specific geographic areas. The Company continues to reach out to all customers
17 through many outreach channels, and actively refers payment troubled customers to
18 the Hardship Fund with all phone contacts.

19 **IV. Office of Consumer Advocate – Roger Colton**

20 **Q. What issues raised by Mr. Colton will you be addressing?**

21 A. I will focus my testimony on two areas of Mr. Colton’s testimony. Specifically, I will

1 address his proposed measurable outcome objectives and the connection between
2 low-income customers and the proposed Energy Efficiency program. I will also
3 address Mr. Colton's assessment that only 13% of the Company's low-income
4 customers are protected from a rate increase.

5 **Q. Please summarize Mr. Colton's recommendation for measurable**
6 **outcome objectives.**

7 A Mr. Colton recommends three objectives to measure the Company's Universal
8 Service Program performance. He further recommends that "rather than reviewing
9 the universal activities of Columbia Gas (what the Company says it *does*), [the
10 Pennsylvania Public Utility Commission ("Commission")] should instead review
11 what Columbia Gas *accomplishes*."

12 Mr. Colton's proposed objectives:

- 13 • Outcome Objective #1: Columbia Gas should achieve a Confirmed Low-
14 Income identification rate, as a percentage of estimated low-income
15 customers, for the utilities as a whole, no less than the Confirmed Low-
16 Income identification rate of the top quartile of Pennsylvania natural gas
17 utilities as a whole (excluding Columbia Gas).
- 18 • Outcome Objective #2: Columbia Gas should achieve a CAP participation
19 rate, as a percentage of Confirmed Low-Income customers, no less than the
20 CAP participation rate of the top quartile of Pennsylvania natural gas utilities
21 as a whole (excluding Columbia Gas).

- 1 • Outcome Objective #3: Columbia Gas should achieve a CAP participation
2 rate, as a percentage of its Confirmed Low-Income customers, in the lowest
3 poverty level range that is no less than the proportion of households in that
4 poverty level 1 range for the Columbia Gas service territory as a whole.

5 **Q. Do you agree with the recommendation that the Commission should**
6 **evaluate Columbia based on outcomes rather than performed activities?**

7 A. No. The Company has been transparent in its outreach efforts and has provided
8 substantial documentation of its procedures related to referrals to low-income
9 programs. In recent years, based on recommendations from parties in prior rate case
10 proceedings, the Company has expanded its outreach efforts and is currently
11 implementing a new initiative to provide one-on-one intervention for its most
12 vulnerable and lowest income customers. However, customers cannot be forced to
13 sign up for programs, regardless of how beneficial they might be. Columbia should be
14 measured based on the Company's efforts and not on customer behavior, which is
15 outside of the Company's control. Additionally, the Company continues to offer
16 payment arrangements to customers identifying as level one (150% or below the
17 FPIG) without requiring any verification of income. Currently, there are over 6,500
18 customers self-identifying as level one who are on a payment plan. Every customer
19 that identifies as level one is referred to the CAP and, where applicable, referred to
20 other programs like Emergency Renter Assistance Program, LIHEAP, Housing
21 Assistance Program and Hardship Funds that might assist that particular customer.

1 The Company attempts to make CAP enrollment as easy as possible, and offers over
2 the phone, on-line, in person, and mailed paper applications for CAP enrollment. The
3 Company only requires proof of income when the customer has not received LIHEAP
4 or Hardship Funds in the last twelve months. The Company has relaxed requirements
5 for income documentation and has the lowest CAP payment plan of all gas utilities in
6 Pennsylvania. Despite this, the Company is aware of more than 6,500 customers in its
7 service territory that have not followed through with CAP enrollment, despite
8 appearing to be eligible. To base the Company's performance on whether or not a
9 customer takes steps to apply for programs is effectively measuring the Company's
10 customer's actions and not the Company's performance. As noted previously, the
11 Company cannot force its customers to enroll in CAP

12 **Q. Do you agree with Mr. Colton's recommended Objectives?**

13 A. No, I do not. In general, the measures are based on data reported on the USRR
14 Comparing certain metrics that do not have a standardized definition would be
15 flawed and lead to erroneous conclusions. The confirmed and estimated low-income
16 counts are two metrics that are highly inconsistent between different utilities as those
17 classes are defined by each utility in unique ways. Columbia considers any customer
18 that self declares their income as level one as low-income, no matter how old that
19 declaration is, as long as it is the most recent indication of income level. These
20 customers, in addition to those that prove income through program participation,
21 make up the Company's confirmed low-income count. As noted, there are many

1 customers that do not follow through with CAP enrollment but self-declare they are
2 low income. It is conceivable some of these customers are not low income.

3 Other utilities limit how old the self-declaration of income can be to be
4 counted as low-income. For instance, some utilities may expire low-income
5 declarations after two or three years. Thus, under a two-year expiration system,
6 customers that declared income as level one prior to July 2020 would no longer be
7 counted as low income when reported at present, absent a redeclaration within the
8 most recent two-year period.

9 Moreover, other utilities interpret “confirmed low-income” to be customers
10 that have provided documentation of income through program participation. In this
11 case, a customer self-declaring as low-income would not qualify. Of course, a utility
12 defining “confirmed low-income” in this way would have a much higher percentage
13 of confirmed low-income customers as CAP is one of the main ways a customer
14 documents income to a utility.

15 The estimated low-income count also can lead to erroneous conclusions. This
16 count uses census data to estimate the low-income customers a utility serves. That
17 data is reported on a county-wide basis, however. Columbia Gas does not serve many
18 counties in their entirety. Indeed, Columbia Gas shares every county it serves with
19 other natural gas utilities. In these cases, Columbia reports an equal percentage of
20 low-income to the percentage of total customers Columbia serves in the county.
21 While at present, the Company cannot identify a better approach, this approach is

1 not perfect. For instance, different towns in the same county can have varied levels
2 of affluence. One town served by Columbia in a particular county may be more or
3 less affluent than a town served by a different natural gas utility in the same county.
4 However, under the current system, Columbia is reporting each town it serves within
5 a specific county similarly, with the uniform estimate of low-income population to
6 the county as a whole. Because of these inconsistencies and estimations, the
7 Company does not support being compared to other utilities using the metrics
8 proposed in Objectives one and two.

9 In addition, Mr. Colton recommends that Columbia be in the top quartile for
10 both objectives. However, the Company that performs the best in objective 2 is the
11 worst performer, based on the chart provided by Mr. Colton, in objective 1. (See OCA
12 St. No. 4, page 27). Moreover, the companies that Mr. Colton claims that Columbia
13 is chasing in relation to Objective 1 perform worse in Objective 2 than Columbia does.
14 This suggests that the more lenient a utility is in reporting confirmed low-income
15 customers, the more difficult it becomes to have a high percentage of low-income
16 customers enrolled in CAP.

17 **Q. Do you agree with Mr. Colton's recommended objective three?**

18 A. Mr. Colton's recommended objective 3 is intended to ensure that the number of
19 customers participating in CAP be an equal representation of all customers from 0 –
20 50% FPIG. Based on my understanding of Mr. Colton's recommendation, if
21 Columbia has 25% of its low-income customers between 0 – 50% of the FPIG, then

1 at least 25% of its CAP customers should be 0 – 50% of the FPIG. Mr. Colton points
2 out that the Company is roughly 4% lower than the desired goal. However, Mr. Colton
3 does not acknowledge the possibility that these customers receive the highest
4 LIHEAP grants, which may be all the payment assistance they need. Moreover, given
5 that these customers have the lowest income level, it is possible that they live in
6 subsidized housing that may provide an additional grant for utilities. Factors such as
7 these may contribute to why these customers are not participating in CAP, as
8 compared to customers with higher incomes, lower LIHEAP grants, and less
9 additional funding sources.

10 **Q. Please summarize your position as it relates to Mr. Colton's three**
11 **outcome objectives.**

12 A. The Company's Universal Service department works to continuously improve its low-
13 income customer engagement. The Company responds to feedback in regulatory
14 proceedings, USAC meetings, and direct customer and agency feedback. The
15 Company does not believe additional metrics added as part of a base rate proceeding
16 are necessary. Further, the metrics Mr. Colton identifies are appropriate only if and
17 when reporting definitions and subsequent analyses and outcomes are standardized
18 across all utilities in Pennsylvania.

19 **Q. Mr. Colton also recommends that all confirmed low-income customers**
20 **be exempted from the Energy Efficiency Rider. Do you agree?**

1 A. No. The Energy Efficiency program will provide benefits to low-income customers,
2 as well as all customers that Columbia serves. Given these benefits, low-income
3 customers should not be excluded from the Rider. Additionally, Columbia's
4 confirmed low-income customer count includes customers that have not self-
5 declared for many years and those that self-declare but have not documented proof
6 of income. In order to exempt this group from a charge, the Company would need to
7 verify the income on a regular basis which could result in some eligible customers not
8 providing such verification and then having to pay for the charge. It would also
9 drastically increase administration costs to operate the program, due to tracking and
10 following up with customers to receive income and code their accounts for
11 exemption.

12 **Q. Please address Mr. Colton's statement on page 8 of his testimony that**
13 **only a small percentage of low income customers are protected from the**
14 **rate increase.**

15 A. Mr. Colton states that the only customers protected from a rate increase are
16 customers on the CAP percent of income payment plan. These customers are
17 effectively immune from the entirety of any rate increase. While customers on a CAP
18 percent of bill payment plan may see an increase in their CAP payment plan, such
19 increase will not occur until May after the rate increases take effect. Further, those
20 customers will not experience the full potential rate increase as they pay 50% of their
21 calculated budget; thus, they will experience an increase of half of the overall rate

1 increase if everything else remains stagnant. In addition, all CAP customers have the
2 ability to contact the Company to request a lower payment option. If the percent of
3 income payment option would be lower than the percentage of bill payment option,
4 those customers can be switched to the percent of income payment option.

5 **V. CAUSE- PA**

6 **Q. What issue raised by CAUSE-PA witness Mr. Geller will you be**
7 **addressing first?**

8 A. Mr. Geller states the estimated low-income count is the most accurate picture of the
9 Company's low-income population. I want to reiterate that the estimated low-
10 income count is not accurate as it uses county wide data, as discussed previously.
11 The Company does not serve all parts of all counties equally and, therefore, the
12 estimated low-income customer count can only be considered as an estimate or, at
13 best, a potential low-income count. Columbia does not agree that the estimated low-
14 income customer count is a more accurate picture of the Company's low-income
15 customer base. Therefore, such metric(s) should not be used for the purposes of
16 evaluating the effectiveness of Columbia's low-income programs.

17 **Q. Does Columbia agree that it is reaching only a small percentage of its**
18 **confirmed low- income customers?**

19 A. No. In reality, every customer that is confirmed low income has either participated
20 in or been referred to Columbia's low-income programs. The Company's contact
21 center refers customers identifying as level one income with every contact with those

1 eligible customers. Once a customer identifies with the Company as qualifying as
2 level one income, emails and letters are sent when appropriate explaining what
3 programs are available to them To suggest the Company is not reaching a customer
4 simply because the customer has not actively signed up for a low-income program
5 is inaccurate, and Mr. Geller does not provide the basis for such an assertion.

6 **Q. Do you agree with Mr. Geller's recommendation that the Company ask**
7 **for income information for all customers connecting service or**
8 **transferring service to a different service address?**

9 A. No. I do not agree with this recommendation for several reasons. First, connection
10 request calls and transfer of service calls are already time-consuming calls for the
11 Company and the customer. Ninety-six (96%) percent of Columbia's customers are
12 not payment troubled. Thus, this recommendation would incur unnecessary time
13 and expense for the majority of customers, as well as the Company. Moreover, some
14 customers may be offended or annoyed if personal income information is requested
15 when they are trying to connect or transfer service.

16 **Q. When does the Company request income information from its**
17 **customers?**

18 A. There are several instances when the Company would request income information
19 from its customers. Below are some high-level examples of when these requests
20 would be made:

- 1 • On a connect call when customers are charged a security deposit, they are provided
2 information on the Security Deposit Assistance Fund (SDAF) program and are
3 asked for income if the customer is interested;
- 4 • When customers are moving, and there are arrears associated with their previous
5 account; and
- 6 • If at any time when speaking with a Company representative, a customer expresses
7 a hardship or inability to pay.

8 Columbia's processes for requesting income information are compliant with all
9 applicable regulations. Moreover, the Company's scripting and policies for these
10 instances demonstrate that income information is asked for on a regular basis.

11 **Q, Do you agree with Mr. Geller's recommendation that the Company**
12 **provide on-line opportunities for customers to update financial**
13 **information and for the Company to request income information on a**
14 **yearly basis?**

15 A. No. This functionality does not currently exist. The Company's website offers an
16 income calculator that provides all programs available to a customer based on their
17 declared income. In addition, descriptions of all programs are listed, and
18 customers are encouraged to call the Company to request a payment arrangement
19 should they qualify. Any time a customer calls to request a payment arrangement,
20 income information is requested by the Company. Currently, customers cannot
21 sign up for a payment plan on-line, rather must speak with a Company agent over
22 the phone to ensure all payment options are provided and all appropriate referrals

1 are made. Accepting income information on-line could lead to a situation where
2 the Company is “notified” of a low-income customer but does not provide
3 appropriate referrals because they never spoke to the Customer.

4 The Company does not believe programming the ability for customers to
5 update their income on-line would be cost-effective or a regulatory compliant
6 enhancement.

7 **Q On page 13 of Mr. Geller’s testimony, he states “many of Columbia’s low-**
8 **income customers still face high energy burdens - with average energy**
9 **burdens still exceeding 7% of household income.” Do you agree?**

10 A. In part. Mr. Geller’s use of “many” is a relative term. 75% of Columbia’s CAP
11 customers are at or below 7% of energy burden. All customers with income at or
12 below 150% of the FPIG can apply to Columbia’s CAP program. However, as
13 explained earlier, many choose not to apply. The Commission’s latest guidelines
14 suggest that natural gas customers should pay 4% of their income if less than 50%
15 FPIG or 6% if greater than 50% FPIG. Mr. Geller incorrectly uses the guidelines for
16 electric utilities on page 13 of his direct testimony but clarifies the correct guidelines
17 later in testimony on page 24. Columbia’s CAP payment plan, on average, is the
18 second lowest in the state of all regulated utilities. Indeed, Columbia’s CAP payment
19 plan amounts are lower than all Pennsylvania electric utilities’ average CAP bills, and
20 only \$3 higher than the lowest natural gas utility’s CAP plan according to the 2020
21 USRR.

1 **Q. Mr. Geller states a rate increase will increase the energy burden to**
2 **existing CAP customers, thereby making bills more unaffordable. Do you**
3 **agree?**

4 **A.** No. 53% of the Company's CAP customers are on payment option 3, the percent of
5 budget payment arrangement. The average energy burden for these customers is
6 4.29% of their income, including co-pays and CAP plus. This is considered affordable,
7 even by Commission recommendations. Any increase to customers' bills
8 participating in the Company's payment plans will be delayed and would be roughly
9 50% of any overall rate increase, at most for this group. Additionally, those on
10 average of payments and/or percentage of income payment plans will not see an
11 increase in their CAP bill as a result of a rate increase. In 2019, the Company reported
12 involuntary terminations for just over 1,000 CAP customers. This is less than 4% of
13 the Company's CAP customers. This demonstrates the affordability of Columbia's
14 current CAP program as designed.

15 **Q. Mr. Geller recommends the Company establish benchmarking goals to**
16 **increase CAP enrollment by 5% every year. Do you agree?**

17 **A.** No. The Company strives to enroll every eligible customer that wants to be enrolled
18 in the CAP program. The Company also develops and implements outreach
19 strategies and plans with the assistance of its USAC, to increase awareness of the low-
20 income programs within the communities Columbia serves. In addition, the
21 Company has continued to take advantage of new technology to simplify the process

1 of CAP applications and recertifications by adding an on-line option and accepting
2 electronic proof of income. The Company is also developing additional
3 communication channels via email and text to encourage customers to provide
4 income information and to follow up with CAP applications should they be eligible.
5 As discussed in detail earlier, the Company does not agree that the effectiveness of its
6 low-income programs should be measured on how many low-income customers
7 follow through with CAP. Customer apathy towards the Company's low-income
8 offerings is addressed through the various marketing materials and strategies with
9 those programs. However, as noted above, customers cannot be forced to enroll in
10 CAP.

11 As a comparison, in 2020, 34.6% of Columbia's confirmed low-income
12 customers are enrolled in CAP. Pennsylvania LIHEAP assistance reached 20.8% of
13 low-income households in their 2020/2021 program year. Columbia's enrollment
14 rate is 13.8% higher.

15 **Q. Please address Mr. Geller's recommendation to permanently relax**
16 **income documentation for CAP.**

17 A. In the Company's most recent Universal Service and Energy Conservation Plan
18 ("USECP") proceeding, the Commission required the Company to make verification
19 of income stricter, not more relaxed. The Company believes the intent of the
20 Commission at that time was to ensure all customers participating in CAP are eligible
21 for CAP. Permanently relaxing income verification procedures outside of a USECP

1 proceeding may conflict with the Commission's intent and, therefore, would be better
2 addressed in the Company's next USECP proceeding.

3 **Q. Mr. Geller recommends the Company reduce its CAP plans so that**
4 **energy burdens will be at 4% and 6%, respectively. Do you agree?**

5 A. This issue has been discussed in prior rate case proceedings. The Company believes
6 that this issue is better addressed in the Company's USECP proceeding which will be
7 filed in 2023. The decision to reduce energy burdens should not be made in a
8 vacuum, only addressing a reduction in one payment plan option. Other factors such
9 as maximum CAP credits, minimum payments, default rates, and affordability for
10 non-CAP customers should also be considered. On page 23 of his testimony, Mr.
11 Geller references a statement by the Commission that every natural gas utility has
12 voluntarily complied with the Commission's recommendation. Columbia's
13 customers' average CAP payment is lower than most other gas utilities according to
14 the 2020 USRR. If all other Companies are at 4% and 6% of household income,
15 respectively, it is clear that lowering percentage of income plans alone does not
16 necessarily equate to bill affordability. For example, if a Company lowers payment
17 plans to 4% or 6% of income but has a maximum CAP credit of \$850 or \$1,000, many
18 customers will be over the 4% or 6% guidelines well before the end of the year and
19 would then be required to pay the full bill. With that in mind, while the Company
20 has satisfied CAUSE-PA's percentage of income payment objectives, it appears that
21 the overall goal is still missed.

1 The fact that LIHEAP is used to further reduce the required CAP payment
2 should also be considered. The minimum CASH grant this year was \$500, but in past
3 years it was \$200. If every customer received a minimum CASH grant of \$200, the
4 average energy burden of the Company's CAP customers in 2021 would have been
5 3.98% of their income, including co-pays and CAP plus. Indeed, some customers
6 receive higher than the minimum CASH grant payment, thereby lowering their
7 percentage of income payments further. In addition, the Pennsylvania Department
8 of Human Services has proposed a minimum grant for the upcoming program year
9 of \$250, making the monthly CAP energy burdens even lower. It would be a
10 disservice to the non- CAP ratepayers to offer lower payment plans when other
11 resources are available to assist customers with their non-utility related financial
12 needs. Columbia must continue to weigh the benefits and costs for all of its
13 customers and should not overcompensate for one population segment to the
14 detriment of another. Importantly, Columbia already has one of the highest CAP
15 credits in Pennsylvania at almost \$200 more than the annual average for other gas
16 utilities in Pennsylvania. Any reduction in payment plans will increase CAP credits
17 even higher.

18 Another important consideration is the CAP default rate for non-payment
19 remains low. Further, when comparing default rates based on energy burden, there
20 is no clear indication that higher energy burdens equate to higher default rates. I

1 believe non-payment rates are a valid consideration when determining whether a
2 change needs to be made.

3 Lowering the energy burdens to 4% for customers with income 0 – 50% of the
4 FPIG and 6% for customers with income of 51% – 150% of the FPIG will increase the
5 cost of the program by \$1.5 million annually, all else remaining equal. This is a
6 substantial cost in light of the low nonpayment default rate.

7 **Q. Mr. Geller recommends the Company conduct a review of all CAP**
8 **customers on a monthly basis to determine if there is a lower payment**
9 **option available. Do you agree with this recommendation?**

10 A. No. The Company currently performs the recommended review twice a year. At a
11 recent USAC, it was determined that the Company would adjust the timing of the
12 review to begin following the percentage of budget changes after the May billing
13 cycle. This will allow the Company to adjust to lower monthly payments if the
14 customer's plan changed at the earliest time possible. In addition, the Company
15 receives automated memos on a daily basis alerting Company representative that a
16 customer has moved and may need to adjust their payment plan. Further, a
17 customer can call Columbia at any time and ask that their payment plan be reviewed
18 to see if there is a lower payment option available. The Company enters customers
19 on the lowest payment option available when a customer enters into CAP. Therefore,
20 the number of accounts that need to be reviewed gets smaller and smaller with each
21 review.

1 The biannual review is a manual process. The Company does not lower
2 customers that refused to cooperate with weatherization efforts. The Company also
3 does not adjust payment amounts if the LIHEAP grant satisfies that particular
4 customer's annual CAP bill. Further, the Company does not adjust payments if the
5 customer receives stipends for utility assistance and has already amassed a large
6 credit on their bill. Therefore, Mr. Geller's recommendation to perform such a review
7 on a monthly basis would be costly to undertake. Currently each review consumes
8 roughly twenty hours of labor to review accounts and send follow up letters.
9 Moreover, Mr. Geller's recommendation would cause significant redundancies as
10 every account is already being reviewed and, in many instances adjusted, during the
11 bi-annual review.

12 **Q. Mr. Geller states the number of payment troubled customers is**
13 **disproportionately low compared to all residential customers. Do you**
14 **agree?**

15 A. Mr. Geller's numbers are correct. However, I do not agree that these statistics are
16 surprising, unexpected, or inaccurate. It is logical to expect that a higher percentage
17 of customers with low-income would-be payment troubled. However, a more
18 illustrative statistic is that only 3.5% of all Columbia residential customers, including
19 low-income, are payment troubled. As Mr. Geller points out, 17.5% of the Company's
20 customer base is low income. Of the roughly 68,000 low-income customers on the
21 Company's system, only 12.5% are considered payment troubled. The remaining

1 approximately 60,000 identified low-income customers are not payment troubled
2 and are either on payment arrangements, including CAP, or are able to afford their
3 bill without further assistance from the Company.

4 **Q. Mr. Geller recommends the Company be required to reduce the gap**
5 **between its residential and confirmed low-income payment troubled**
6 **and termination rates by at least 5% per year. Do you agree?**

7 A. No. Columbia witness Mr. Kempic will address the recommendation that the
8 Company be required to attain metrics as a provision of future rate cases in his
9 testimony. As I have stated previously in this testimony, the Company can offer
10 programs and payment plans and can inform a customer of the benefits of the
11 program and how to apply, however the Company cannot force a customer to apply
12 for a program any more than it can force a customer to make a payment. Customers
13 have a choice to prioritize their debts as they wish. In 2020, the Company along
14 with all other Pennsylvania utilities saw a lack of payments and low-income
15 program participation in much greater numbers than prior to the COVID-19
16 pandemic. This is clear evidence that the lack of a threat of termination for non-
17 payment reduces the motivation for payments and low-income program
18 participation. With this in mind, it appears that when a customer does not have
19 enough money to pay all of their bills every month, they prioritize the ones with
20 the biggest threat. Due to the termination moratorium during the COVID-19
21 pandemic, customers appeared to deprioritize payments for utility service.

1 I disagree with Mr. Geller that the Company should be required to reduce
2 service terminations. It's likely that such requirement would lead to increased debt
3 on low-income customers' accounts. In fact, in its Final Policy Statement and
4 Order entered on November 5, 2019, at Docket No. M-2019-3012599, page 73, the
5 Commission encouraged utilities to terminate service for non-payment faster for
6 CAP customers in an effort to control the growth of arrears so customers can
7 overcome the deficit easier and faster:

8 The rationale for timely collection for CAP participants is that a low-
9 income CAP participant is more likely to be able to pay a catch-up
10 amount if the utility pursues collections in a prompt manner. For a
11 utility to allow more than two CAP payments in arrears without taking
12 any collection action is counterproductive and inconsistent with the
13 General Assembly's declaration of policy that utilities are to increase
14 timely collections. Section 1402(3). When a utility fails to take timely
15 collection action, it increases the likelihood that a low-income
16 customer will accrue a balance it cannot pay back or satisfy through
17 available energy assistance grants or donations.
18

19 I also disagree with Mr. Geller that the Company should be required to
20 reduce the gap between the percentage of payment troubled customers that are
21 confirmed low income as compared to all residential. It is my understanding Mr.
22 Geller is suggesting the Company should strive for a higher percentage of payment
23 troubled customers to be non-low income, thus reducing the percentage of low-
24 income customers that are payment troubled by 5% annually. As explained
25 previously, roughly 12.5% of the Company's confirmed low-income customers are
26 payment troubled. Any measure should aim to reduce the number of low-income

1 customers that are payment troubled; as a percentage of confirmed low-income,
2 rather than a percentage of all customers that are payment troubled. When the
3 current rate is 12.5%, reducing terminations by 5% per year would be unrealistic.

4 **Q. Mr. Geller recommends adding tankless water heaters and smart**
5 **thermostats as installed measures of the LIURP program. Do you agree?**

6 A. No. LIURP contractors, with the oversight of the Company's Quality Assurance
7 Coordinator, determine what measures will be installed based on cost-effective
8 measures to respond to that individual household need. Each household looks
9 different and is used differently. Developing individualized implementation plans
10 maximizes resources to provide the highest energy savings.

11 There are many pros and cons to installing tankless water heaters. The cost is
12 still largely prohibitive in that it will not meet even a twelve-year payback. On top of
13 the cost of the tank and depending on existing conditions, a water softener or a new
14 larger gas line may need to be installed. Additionally, tankless water heaters are not
15 recommended by some experts for larger families that will need to draw on hot water
16 for multiple needs simultaneously. For these reasons, I do not agree with Mr. Geller's
17 recommendation to include tankless water heaters as installed measures of the
18 LIURP program. Additionally, as noted previously, the Company already provides
19 free smart thermostats as part of the A&R program. This benefit is not widely valued
20 by A &R customers. Because of this lack of interest, the Company has not expanded
21 to offer smart thermostats as part of the LIURP program. However, I do note that

1 Columbia's LIURP program does install programmable thermostats for households
2 that agree to be provided with the benefit.

3 **Q. Does this complete your prepared Rebuttal Testimony?**

4 A. Yes, it does.

Outreach

ALEXA MAPSTONE

724.880.2995

AMAPSTONE@NISOURCE.COM



What have we been up to since October?

Type of Outreach	Amount
Trainings (Virtual & In – Person)	16
Community Events	16
Community Meetings	23
Information/Brochure Distributions	27
Total	82



Who have we been interacting with since October?

Target Audience	Outreach Events/Info Distribution
Veterans	3
Low-Income Individuals/Families (0%-50% and 51%-150%)	16
0 – 50% Communities	27
Seniors	11
Agencies who work with target audiences	52



Trainings:

Career-link
Westmoreland)

Private Industry Council (Fayette &

Senior Centers

United Way

Pit Genesis

Big Brothers Big Sisters of Laurel Region

Mothers Making More

Early Interventions

Allegheny County Senior Presentation

FOR – McKees Rocks Community Outreach

PA Link

Be Utility Wise Virtual Conference





Community Events:

Trunk or Treats

Fayette County Human Service Wellness Conference

Beverly's Birthday's Baby Showers

Senior Expos

Veteran Expos

Family Fairs

Community Meetings:

Washington
County Local
Housing Options
Team

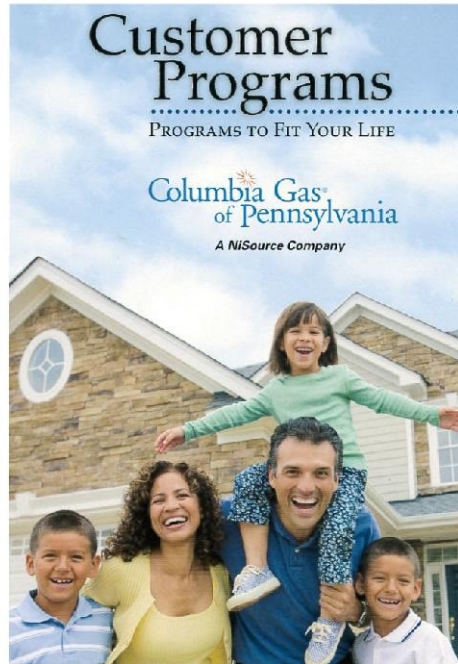
Fayette County
Human Service
Council

Housing and
Homeless
Association Beaver

York County
Hispanic Coalition



Information/ Brochure Distributions



FOR MORE INFORMATION
Call us at 1-800-637-7431
Visit ColumbiaGasPA.com/Assistance
Contact us on Facebook, Twitter or Nextdoor

Columbia Gas of Pennsylvania offers a variety of customer assistance programs. You can increase your home's energy efficiency, need an affordable payment plan, or apply for assistance with overdue balances. To find out which programs fit your needs, SCAN THE QR CODE on this page to enter your information into the eligibility calculator or CALL US AT 1-800-637-7431.

ENERGY EFFICIENCY	AFFORDABLE PAYMENT PLANS	ASSISTANCE WITH OVERDUE BALANCES
<ul style="list-style-type: none">• WarmWise Low Income Usage Reduction Program• WarmWise Audits and Rebates• WarmWise Energy Efficiency Information	<ul style="list-style-type: none">• Customer Assistance Referral & Evaluation Services (CARES)• Customer Assistance Program (CAP)• Budget Payment Plan• Budget Plus	<ul style="list-style-type: none">• Low Income Home Energy Assistance Program (LIHEAP)• CRISIS Program• Emergency Rental Assistance Program (ERAP)• Dollar Energy Fund

Public Libraries

Children and Youth Services

Western Nurse Association

Cornerstone Beaver County

Counseling Agencies



Future Outreach:



Community Outreach Days (Targeting one service area per month)



Outreach to School Districts & Food Banks starting Fall 2022



Researching and Attending Community Events



Researching and Becoming Part of Community Councils / Groups



Any Ideas? I WOULD LOVE TO HEAR THEM!

amapstone@nisource.com

Media Campaigns





Are you or someone you know having trouble paying energy bills?

We know there are times when paying energy bills may be difficult for you or someone in your life and we offer options to help our customers get back on track.

Please be aware, many programs have time restrictions and limited funding.

[Get Help Today](#)



Income-Eligible Programs

People who qualify for federal, state or local income-eligible payment assistance programs could receive help paying their bills.

[Find Programs](#)



Payment Plans

Our payment plans allow customers to spread past due balances across multiple months.

[Find a Plan](#)



Rental Assistance Programs

The Commonwealth of Pennsylvania Emergency Rental Assistance Program (ERAP) was created to help renters dealing with financial challenges related to the COVID-19 pandemic. For eligible households, the program offers rental and utility assistance to help Pennsylvanians avoid eviction or loss of utility service.

[Apply Today](#)



Energy Efficiency Programs

We make it easy to save energy and lower your energy bills with savings tips and income-eligible energy efficiency offerings.

[Start Saving](#)

Customer Email – General Assistance



Are you in need of assistance?

Beginning February 1, 2022, the Pennsylvania Department of Human Services provided utility companies the ability to request crisis monies on behalf of their customers. You may be eligible for assistance toward your Columbia Gas account.

Program grants range from \$25 to \$1,200.

If you would like Columbia Gas to submit a request to obtain a grant on your behalf, please apply by Thursday, May 5, 2022 by clicking the blue "Yes, I'm interested" button below. Please be advised this is not a guaranteed payment. The Pennsylvania Department of Human Services (DHS) will make the final decision regarding eligibility.

If you prefer to speak directly with one of our specialized customer service agents, please feel free to contact our Universal Services Department at 1-800-537-7431.

[Yes, I'm interested](#)

Customer E-Mail

CRISIS Utility File Transfer

Homeowner Assistance Fund E-Mail

Are you a homeowner and need assistance with your mortgage or utility costs?

The Pennsylvania Housing Finance Agency (PHFA) is currently accepting applications for the Pennsylvania Homeowner Assistance Fund (PAHAF).

Do not delay and apply today!

[See if You Qualify](#)

PAHAF is a program to assist eligible households with the following delinquent payments:

- Utility bills
- Mortgage reinstatements
- Future mortgage payments
- Various property charges associated with homeownership



Low Income Home Energy Assistance Program (LIHEAP) funding is still available through May 6. To learn more and apply, visit: www.columbiagaspa.com/energy-assistance-resource-center

Low Income Home Energy Assistance Program (LIHEAP) funding is still available through May 6. This federal program helps eligible households maintain utility service during the winter months.

To learn more and apply, visit:

www.columbiagaspa.com/energy-assistance-resource-center



LIHEAP Social Media Posts

SPRING ENERGY ASSISTANCE+ CAROUSEL



TAKE CONTROL OF YOUR BILL

You Have Options

In these difficult times, you may find yourself in a difficult financial situation – maybe for the first time. **Options are available for assistance, payment plans, efficiency and managing your usage.**

WHAT CAN I DO BUTTON

Media Outreach



Columbia Gas of PA - CUSTOMER ASSISTANCE 2022 Media Plan

		Mar.	Apr.	May	Jun.	Jul.	Aug.	Sept.	Oct.	Nov.	Dec.	GRP's	Reach	Freq.	Gross Imp./	
		26 7 14 21 28	4 11 18 25	2 9 16 23 30	6 13 20 27 4 11 18 25	1 8 15 22 29 6 13 20 27	3 10 17 24 31 7 14 21 28	5 12 19 26 3 10 17 24 31	12 19 26 3 10 17 24 31	19 26 3 10 17 24 31	12 19				Clicks	
TELEVISION																
Comcast - Pittsburgh Interconnect	TV/Cable	■	■	■					■	■	■		2,529.7			7,661,803
KDKA-TV (CBS)		■	■	■					■	■	■		531.2	83.0%	6.4	4,670,540
WPCW-TV (CW)		■	■	■					■	■	■		70.7	35.2%	2.0	788,000
WPGH-TV (FOX)		■	■	■					■	■	■		40.0	26.6%	1.4	319,000
WPXI-TV (NBC)		■	■	■					■	■	■		26.1	22.3%	1.2	216,300
WTAE-TV (ABC)		■	■	■					■	■	■		70.2	31.4%	2.2	630,048
York, PA - Comcast Cable	Cable	■	■	■					■	■	■		15.4	15.1%	1.0	192,600
Gettysburg, PA - Comcast Cable	Cable	■	■	■					■	■	■		897.6	96.0%	5.6	820,427
State College, PA - Comcast Cable	Cable	■	■	■					■	■	■		428.4	95.2%	4.5	180,075
Bradford/Warren, PA - Spectrum Reach	Cable	■	■	■					■	■	■		305.6	91.2%	3.4	85,109
		■	■	■					■	■	■		504.5	81.5%	9.5	55,704
DIGITAL																
- Premium OTT/CTV																
Pittsburgh, PA	OTT/CTV	■	■	■					■	■	■					2,240,000
York, PA	OTT/CTV	■	■	■					■	■	■					1,000,000
Gettysburg, PA	OTT/CTV	■	■	■					■	■	■					760,000
State College, PA	OTT/CTV	■	■	■					■	■	■					240,000
Warren/Bradford, PA	OTT/CTV	■	■	■					■	■	■					160,000
		■	■	■					■	■	■					80,000
- SEM	PPC	■	■	■					■	■	■					13,600
- Paid Social Media Ads	Facebook	■	■	■					■	■	■					8,500
Totals:													2,529.7			9,923,903

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility)	
Commission)	
)	
)	
v.	)	Docket No. R-2022-3031211
)	
)	
Columbia Gas of Pennsylvania, Inc.)	
)	
)	

**REBUTTAL TESTIMONY OF
C.J. ANSTEAD ON BEHALF OF
COLUMBIA GAS OF PENNSYLVANIA, INC.**

July 6, 2022

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1 **I. Introduction**

2 **Q. Please state your name and business address.**

3 A. C.J. Anstead, 121 Champion Way, Suite 100, Canonsburg, Pennsylvania.

4 **Q. By whom are you employed and in what capacity?**

5 A. I am employed by Columbia Gas of Pennsylvania, Inc., (“Columbia” or “the
6 Company”) as the Vice President of Gas Operations.

7 **Q. Have you previously filed testimony in this matter?**

8 A. Yes.

9 **Q. What is the purpose of your rebuttal testimony?**

10 A. I will respond to the testimony served in this proceeding by Office of the Consumer
11 Advocate’s (“OCA”) Witness Morgan and by the Bureau of Investigation &
12 Enforcement (“I&E”) witnesses Patel and Merritt.

13 **Q. What issues will you be addressing in your rebuttal testimony?**

14 A. I will address the proposed adjustments to O&M related to safety initiatives made by
15 OCA Witness Morgan and I&E Witness Patel. I will also respond to claims and
16 recommendations made by I&E Witness Merritt.

17 **II. Adjustments to O&M Related to Safety Initiatives**

18 **Q. Please explain OCA Witness Morgan’s adjustment to the O&M costs
19 related to the safety initiatives presented in your testimony.**

1 **A.** Witness Morgan recommends an adjustment to remove approximately \$14.2 million
2 in O&M costs for cross bores inspections, abnormal operating conditions
3 remediation, and the Company's Picarro Leak Detection Program.

4 **Q. Is Witness Morgan's adjustment due to his belief that these safety**
5 **initiatives are not necessary?**

6 **A.** No. In response to a data request issued by the Company (OCA-III-12, attached as
7 Exhibit CJA 1-R), Witness Morgan stated that his adjustment to remove the O&M
8 related to these safety initiatives is not based on safety concerns or a lack of safety
9 concerns.

10 **Q. What is the basis for Witness Morgan's adjustment?**

11 **A.** Witness Morgan relies on two arguments for making his adjustment to remove \$14.2
12 million for O&M safety initiatives. First, he asserts that the Company has failed to
13 show justification for these initiatives. Second, he asserts that the O&M for the safety
14 initiatives has not been approved by management.

15 **Q. Do you agree with OCA Witness Morgan's adjustment? Please explain.**

16 **A.** No. Columbia believes that these initiatives, and the associated costs, are justified
17 and prudent to continue to improve the safety of the system.

18 I'll start with the Company's proposal to accelerate the pace of its cross bores
19 program so that it is completed in 16 years as opposed to 31 years. Witness Morgan
20 states in testimony that Columbia has not adequately shown that accelerating the
21 pace of this program is justified. However, as the Company explained in its response

1 to OCA 8-001, which asked the Company to explain the reason for accelerating the
2 pace of the cross bore program, cross bores have been identified as a high risk across
3 the natural gas utility industry and have been identified as a high risk within
4 Columbia's DIMP evaluations. Columbia has implemented a number of risk
5 reduction efforts, but the only action that will find existing cross bores and remediate
6 them is the work through the Company's Cross Bore Program. Due to the potential
7 severity of cross bore damage creating a gas leak within a sewer (conduit) connected
8 directly to a customer's home, the Company has determined that it should increase
9 the pace of its program to more quickly identify and remediate any potential cross
10 bore. In terms of why the Company selected a 16 year period, as the Company
11 explained in its response to OCA 8-002, which asked the Company to provide a
12 narrative explaining the advantages and disadvantages of retaining the current 31-
13 year completion target, if the program is reduced to 16 years, this could potentially
14 reduce the overall cost of the total program due to inflationary impacts over a longer
15 period of time. A shorter timeframe would also see a greater risk reduction annually
16 by allowing for the identification and remediation of any additional cross bores
17 identified through the accelerated timeframe, thus minimizing the potential of a
18 cross bore incident. Further, the proposal to complete the Cross Bore Program in 16
19 years was based on the associated risk along with Columbia's ability to accelerate and
20 manage its program.

1 Moving to the Company's Abnormal Operating Conditions (AOCs) claim, the
2 purpose of this claim is to address the backlog of identified AOCs. As explained in my
3 direct testimony, the AOC Program is designed to proactively address identified
4 AOCs across Columbia's system and the additional \$600,000 O&M being requested
5 would provide the Company with additional resources to systematically work
6 identified AOCs which are often closest to customer's homes and will help to prevent
7 potential future failures on service lines and meter sets resulting in hazardous leaks.

8 Regarding Columbia's Picarro Leak Detection program, this program is an
9 advancement in technology and will greatly advance the Company's leak detection
10 capabilities. Columbia has a responsibility to identify and remediate leaks on its
11 system. The Company is dedicated to the implementation of advance leakage
12 detection, which is demonstrated by the purchase of several Picarro units. NiSource
13 performed a pilot program and based on this pilot, Columbia expects to find an
14 increased number of leaks with Picarro when compared to traditional leak
15 inspection. The pilot ran the Picarro surveyor shortly after walking a leak survey map
16 through traditional means. There was a 2 1/2 times increase in the number of below
17 ground leaks found with Picarro. In developing its cost estimate for inclusion in this
18 rate case, the Company scaled back the multiplier to an anticipated 2 times the
19 normal number of leaks found for Columbia because of an anticipated reduction
20 resulting from the Company's annual leak surveys on bare steel. Based on this
21 information, Columbia prepared a breakdown of the associated cost for additional

1 leak detection and repairs for inclusion in the Company’s cost of service in this case.

2 This breakdown is as follows:

3

PA Picarro Impact	Avg Leaks Found (survey)	Projected Leaks Found (Picarro)	Estimated Leaks going to O&M	Incremental O&M Leaks	Cost Per Unit	Increment Cost	Incremental Labor Hours	Incremental FTEs	New Employee Cost	Training Hours	Training Center Cost	Total Cost
Count Columbia Gas PA	2724	5448	4358	1867	\$ 4,113	\$ 7,678,569	52,125	29	\$ 3,057,586	10,440	\$ 200,000	\$ 10,936,155

4

5 The Company plans to begin transitioning its leak surveying from traditional walking
6 routes to surveying with Picarro in 2022 and will continue this transition through
7 2023. Columbia’s focus on the Picarro Surveyor technology has been on the safety
8 benefit associated with finding additional leaks on our systems. Finding these leaks
9 will provide an added layer of safety and system reliability for our customers.

10 **Q. How do you respond to Witness Morgan’s assertion that management**
11 **has not approved the additional O&M spend associated with these safety**
12 **initiatives?**

13 **A.** As Vice President of Gas Operations for Columbia, I am an officer of the Company
14 and I participated in reviewing and approving the safety initiatives and the associated
15 costs for inclusion in the rate case. It has never been the Company’s practice to create
16 formal documentation noting approval of safety initiatives (or other sorts of
17 initiatives) for the purpose of including those initiatives and associated costs into the
18 Company’s rate case filing, nor am I aware of any Commission requirement that the
19 Company do so.

1 **Q. I&E Witness Patel recommends the Company reduce the Picarro Leak**
2 **Detection System expense by \$620k to remove the one-time start-up**
3 **costs. Do you agree?**

4 **A.** Columbia agrees that there will be \$620,000 in one-time start-up costs associated
5 with the implementation of the Picarro Leak Detection program and accepts the
6 adjustment to the FPFTY. Columbia Witness Miller incorporates this adjustment
7 into the Company's updated revenue requirement deficiency (see, Exhibit KKM-1R,
8 attached to Columbia Statement No. 4-R).

9 **III. Response to I&E Witness Merritt**

10 **Q. What issues will you address in Witness Merritt's direct testimony?**

11 **A.** Witness Merritt recommends that the Company should focus on replacing the
12 riskiest pipe first, which he states is bare steel and cast iron, not pre-1982 plastic.
13 Witness Merritt acknowledges that the removal of pre-1982 plastic pipe is beneficial
14 for the safety and risk reduction of the system but asserts that focusing too many
15 resources in this area will prevent the Company from replacing higher risk pipe that
16 was determined by Columbia's DIMP.

17 **Q. Do you have a response to this?**

18 **A.** Yes. The Company intends to continue replacement of bare steel, cast iron and
19 wrought iron pipe at an accelerated pace in order to retire its remaining facilities as
20 soon as possible. However, as described in my response to I&E's Data Request PS –
21 019, Columbia has also identified first generation plastic as a high asset category risk

1 within its DIMP due to the current and potential increased risk of brittle like cracking.

2 The Company utilizes a systematic approach to ensure that its aging pipelines
3 are replaced in a cost-effective manner; but first and foremost, pipeline sections are
4 selected for replacement based on *risk*. Once a pipeline section or sections in a
5 particular area have been selected, Columbia's engineers analyze the surrounding
6 pipelines for various criteria including, but not limited to, age and condition, leakage
7 history, system pressures, pipeline material type, planned street improvements by
8 the municipality, and overall risk. The scope of the replacement project is then
9 determined to maximize risk elimination to the extent possible and to minimize the
10 occurrence of returning to the same location in the near term to replace adjacent
11 pipelines. This approach, combined with competitive contract pricing, allows the
12 Company to replace aging infrastructure in an efficient and cost-effective manner.
13 Though the Company's infrastructure replacement program is primarily focused on
14 replacing bare steel, cast iron, and wrought iron - first generation plastic (Pre-1982
15 Plastic), as well as Pre-1971 Coated Steel, as described in testimony, have been and
16 will continue to be a part of the evaluation process.

17 **Q. On page 19 of his direct testimony, I&E Witness Merritt notes that over**
18 **the past 5 years the Company's leak rate per mile of bare steel has not**
19 **significantly declined and that one explanation for this is that Columbia**
20 **may not have been replacing the sections of main with the highest leak**
21 **rates. Do you agree with Witness Merritt's opinion?**

1 **A.** No. Columbia does not expect to see a significant reduction in leaks per mile of bare
2 steel because the remaining miles of bare steel mains continue to age and deteriorate
3 even though the overall mileage of bare steel pipe is reduced year over year. However,
4 the leaks per total miles of all main is expected to continue to decline as bare steel is
5 retired and Columbia’s overall number of leaks found continues to trend down. To
6 further address his concern, Columbia not only looked at the asset classes of bare
7 steel and cast iron in its DIMP program to assess risk and determine to replace those
8 first, but Columbia also uses a risk model to assess individual segments of the
9 pipeline system to determine the relative risk associated with each pipeline segment
10 so that Columbia may prioritize the riskiest segments for the earliest replacement.
11 Columbia disagrees with his conclusion.

12 **Q.** **Do you agree with I&E Witness Merritt’s recommendations to increase**
13 **its pipeline replacement effort based on its DIMP which has shown that**
14 **bare steel and cast iron are among the riskiest pipe materials and should**
15 **be a priority for replacement?**

16 **A.** The Company will continue to look at opportunities to increase the reduction of risk
17 which includes the replacement of its bare steel and cast iron pipe. The Company is
18 replacing the last section of cast iron pipe this year and will continue to aggressively
19 replace bare steel and wrought iron. Columbia will also continue to identify and
20 address risks through its Distribution Integrity Management Program (DIMP). This
21 year, the asset category of “pre-1982 plastic” entered the DIMP top 10 risks. The

1 synchronization of these efforts with the enhanced focus on pipeline safety is an
2 integral part of Columbia's DIMP plan and essential for ongoing efforts to enhance
3 natural gas pipeline integrity and thus provide a safe, reliable distribution system for
4 our customers and the general public.

5 **Q. I&E Witness Merritt recommends that Columbia include 1982 plastic**
6 **pipe in the definition of first-generation plastic pipe. Do you agree with**
7 **this recommendation?**

8 **A.** Columbia utilizes pre-1982 plastic pipe to refer to first generation plastic as a general
9 term and risk type instead of listing out specific manufacturers or material types. The
10 primary concern is related to plastic pipe that was manufactured with a resin which
11 has been identified as being more susceptible to premature brittle-like cracking. This
12 resin used in pre-1982 plastic was known to be manufactured through the end of
13 1981. Due to a number of factors such as material delivery timelines, inventory
14 storage and burn down rates, pre-82 manufactured plastic pipe could have been
15 installed in subsequent years. The likelihood of installing pre-82 plastic is reduced in
16 each subsequent year. Columbia will continue to evaluate this and will incorporate
17 any identified plastic pipe manufactured prior to 1982 including that which may have
18 been installed in subsequent years.

19 **Q. I&E Witness Merritt notes that Columbia is unable to determine a leak**
20 **per mile rate of pr-1982 plastic. Is this accurate?**

1 **A.** The original installation date of the pipe has not been a required data field for the
2 execution of a leak and therefore Columbia is unable to segregate pre 1982 plastic
3 within its leak reporting. However, it is important to note that the metric “leaks per
4 mile” is not the optimal metric to evaluate the risk associated with pre-1982 plastic
5 pipe. Failure of this type of pipe – similar to cast iron - does not always exhibit a leak
6 history prior to failure. The failure on this pipe is not due to corrosion like that of
7 bare steel and it is not as predictable, but instead pre-1982 plastic with no leak history
8 can fail due to premature brittle-like cracking caused by rock impingement,
9 shear/bending or squeeze-off stress.

10 **Q.** **I&E Witness Merritt recommends that the installation year of plastic**
11 **pipe should be tracked when a leak is discovered, asserting that this**
12 **would allow Columbia to determine an accurate leak rate on first**
13 **generation plastic and identify which years or generations of plastic have**
14 **a higher risk of failing. Do you agree?**

15 **A.** When a leak is discovered, it may not be possible to identify the installation year since
16 the below grade leaking material may not be able to be identified at the time of
17 discovery. With this said and with first generation plastic an increasing risk within
18 the DIMP plan. Columbia will be educating employees on the importance of
19 capturing all available data including date of installation when completing the leak
20 clearance information. As noted above, the leak rate is not the optimal metric to
21 evaluate the risk associated with pre-1982 plastic pipe.

1 **Q. Do you agree with I&E witness Merritt on page 12 of his direct testimony**
2 **that it will take an average of 15 years for Columbia to remove all bare**
3 **steel, cast iron, and wrought iron from the system and that it should**
4 **focus on its original commitment set in the LTIIP?**

5 **A.** No. As stated above in my testimony, Columbia will replace the remaining mileage
6 of its cast iron by the end of this year. Cast iron was a risky general asset category in
7 Columbia's DIMP. Cast iron's failure rate is not as predictable as the failure rate of
8 bare steel which adds a layer of complexity to the risk analysis and therefore adds
9 additional risk. Due to the relatively small number of miles of cast iron remaining,
10 Columbia advanced the removal of cast iron to eliminate the risk from this asset
11 category entirely. In the meantime, the asset category of pre-1982 plastic is growing
12 in risk as that pipe category continues to age and become more brittle. In fact, the
13 "pre-1982" asset category now appears in Columbia's DIMP as one of the top 10 risks.
14 My point is that risk is relative and ever changing, and the purpose of the annual
15 DIMP reviews - as well as the analytical tools Columbia continually uses to evaluate
16 risk on individual segments of pipe - is to constantly compare risks to each other so
17 as to take the appropriate risk reduction measure based on the best information
18 currently available and based on the totality of risk on the system. Columbia believes
19 it is more important to replace the riskiest assets rather than adhering to a plan
20 focused solely on cast iron and bare steel that might no longer be the optimal plan to
21 reduce risk. Having said that, I note that Columbia plans to continue accelerating its

1 capital investment in replacing its aging distribution system. As explained in Figure
2 1 of Columbia witness Kempic's testimony, Columbia plans to increase its overall
3 capital budget by 12% between 2022 and 2023, by an additional 3% between 2023
4 and 2024, by an additional 7% between 2024 and 2025, and by an additional 6
5 percent between 2025 and 2026. Columbia's goal is to eliminate as much risk as is
6 reasonably possible.

7 **Q. Does this complete your Prepared Rebuttal Testimony?**

8 **A.** Yes, it does.

OCA-III-12: Does Witness Morgan have any formal training, education or professional experience in the area of natural gas safety? If yes, please identify.

Response:

No. Mr. Morgan does not object to any expenditure based on safety concerns or the lack thereof.

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility)	
Commission)	
)	
v.	)	Docket No. R-2022-3031211
)	
)	
Columbia Gas of Pennsylvania, Inc.)	
)	
)	

**REBUTTAL TESTIMONY OF
NICHOLAS BLY
ON BEHALF OF
COLUMBIA GAS OF PENNSYLVANIA, INC.**

July 6, 2022

1 **Q. Please state your name and business address.**

2 A. Nicholas Bly, 290 West Nationwide Boulevard, Columbus, Ohio 43215.

3 **Q. By whom are you employed and in what capacity?**

4 A. I am employed by NiSource Corporate Services Company (“NCSC”) as Manager of
5 Corporate O&M and Consolidation in the Financial Planning and Analysis (“FP&A”)
6 department.

7 **Q. Have you previously filed testimony in this matter?**

8 A. Yes.

9 **Q. What is the purpose of your rebuttal testimony?**

10 A. The purpose of my testimony is to respond to portions of the direct testimony filed
11 by Witness Patel on behalf of the Bureau of Investigation and Enforcement (“I&E”);
12 specifically, the second adjustment to benefits expense based on a benefits expense
13 to payroll expense ratio. Additionally, I am co-sponsoring an update to Rents &
14 Leases expense.

15 **Q. Please summarize Mr. Patel’s proposed adjustment to benefits expense.**

16 A. Witness Patel asserts that the Company’s benefits expense budget was underspent by
17 less than 1% in 2019, 7% in 2020, and 14% in 2021. Additionally, Witness Patel notes
18 the ratio of benefits to payroll was approximately 19% in each of 2019, 2020, and
19 2021, however the ratios produced by the FTY and FPFTY budgets are higher. Based
20 upon this information, Mr. Patel proposes to adjust benefits expense by \$419,338, by
21 applying a 20% benefits expense factor to his proposed payroll allowance of

1 \$35,648,708.

2 **Q. Do you agree with the benefits expense adjustment proposed by Witness**
3 **Patel?**

4 A. No, for several reasons. First, benefits expense is predominantly comprised of health
5 benefits which are budgeted by the independent actuarial firm AON Hewitt. The
6 actual to budget differentials for 2020 and 2021 should be disregarded due to the
7 unique and unpredictable impacts from the COVID-19 pandemic, which resulted in
8 lower expense than budgeted in periods impacted and a bounce back in claim activity
9 post-pandemic coupled with the highest rates of broad inflation experienced in
10 decades. Please refer to Exhibit NB 1-R – AON COVID Impact Summary for
11 NiSource for more information on the impacts of COVID on healthcare costs.
12 Columbia's healthcare costs changes during and following COVID match the pattern
13 described by AON Hewitt.

14 Second, Mr. Patel's asserted benefits expense ratios appear to be misstated. For
15 example, he computes the HTY ratio by comparing normalized payroll expense and
16 normalized benefits expense derived from Exhibit 104, Schedule 1, page 3. The same
17 calculation, using normalized FPPTY data, produces a ratio of 21.57%, ($\$7,923,000$
18 \div $\$36,719,966$)

19 Third, roughly half of Mr. Patel's proposed adjustment is due to his proposed payroll
20 expense adjustments totaling of $(\$1,071,258)$. ($\$1,071,258 \times 20\% = \$214,252$).
21 Columbia Witnesses Paloney and Miller explain why these adjustments should be

1 rejected.

2 **Q. What are your updates to the FPFTY budget for Rents & Leases?**

3 A. The original filing unintentionally excluded \$1,370,000 related to capital lease
4 depreciation and interest. See details in the table below.

FPFTY Rents & Leases			
	As Filed	As Corrected	Difference
Building Leases	2,525,000	1,288,000	(1,237,000)
Other Leases	444,000	444,000	-
Fleet Leases	-	2,607,000	2,607,000
Total Rents & Leases	2,969,000	4,339,000	1,370,000

5
6 **Q. How were capital leases unintentionally excluded from the filing?**

7 A. It was a “bad throw, bad catch” problem. First, the budgeting team that handles asset
8 planning miscategorized the leases as company owned assets, which from a non-
9 regulatory perspective is not problematic as a similar amount of depreciation expense
10 was included in our depreciation budgets; however, for regulatory filings, capital
11 lease depreciation and interest for leased facilities are mapped to O&M as opposed to
12 their categories under Generally Accepted Accounting Principles (“GAAP”). Second,
13 during the creation of Exhibit 104 for the original filing, the schedule preparers did
14 not identify the missing capital leases due to a change in budgeting methodology for
15 Fleet & Clearing, which masked the problem. Please refer to Exhibit NB 2-R –
16 Response to I&E RE-40-D Attachment A to see the entire mapping changes with
17 Fleet.

18 **Q. How did the mapping for Fleet expense change in the Company’s budget?**

1 A. Historically, Fleet Expenses had been budgeted to a single cost category “Fleet and
2 Other Clearing” which matched how actual expenses for Fleet are recorded. In the
3 current budget, a process changed so that Fleet was budgeted amongst other
4 categories of expense such as Employee Expenses, Materials and Supplies, Rents &
5 Leases, and Other O&M. This change was done to provide the finance team a more
6 detailed cost element view to assist with the monthly budget reporting processes. The
7 (\$4,342,041) budget adjustment in Exhibit 104 Schedule 1 Page 2 Line 16 is offset
8 amongst other categories of expense. The FPFTY Budget for Rents & Leases included
9 \$2.6 million for Fleet, however Company witness Miller misinterpreted the expense
10 to be only for building and other smaller leases and consequently made a ratemaking
11 adjustment that effectively eliminated the expenses for Fleet. Please see Statement
12 No. 4-R for witness Miller’s Rebuttal Testimony for an explanation of the correction
13 needed for the associated ratemaking adjustment.

14 **Q. Does this complete your Prepared Rebuttal Testimony?**

15 A. Yes, it does.

16

COVID Impact to Healthcare Costs

Prepared for NiSource
6/23/22



COVID Impact to Healthcare Costs

- **Employer health plan costs, primarily medical costs were suppressed for most employers in 2020 as a result of the COVID-19 pandemic**
 - Aon's historical client base data showed a *decrease* in medical costs from 2019 to 2020 for the first time in history
 - This suppression of claims can be attributed to a variety of reasons including:
 - Avoidance of care due to lockdowns and patient comfortability with seeking non-emergent care
 - Cancellation of elective procedures to free up hospital capacity for COVID patients
 - Social distancing and masking resulted in the reduced spread of other communicable diseases, such as the flu
 - Increase in telehealth care which can be more efficient and less costly in most instances
- **As a result of the suppression in 2020, a bounce back in medical claim activity beyond 'pre-pandemic' levels has been observed and is expected to continue as a result of:**
 - Rebound of deferred care, although there may be a small amount of deferred care that never returns
 - Spending around chronic conditions, in terms of prevalence and increasing costs
 - Missed preventative screenings resulting in discovery of illnesses, such as cancers at later stages and involving more extensive/expensive treatment
 - On-going testing, treatment and vaccinations for COVID-19, including to expanded eligibility classes or new treatment options
 - Growth of significant demand for behavioral health services
 - Continued provider consolidation in the market that may continue to drive healthcare costs higher
 - Economy-wide inflation that will likely drive-up wages in the healthcare sector and may drive up negotiated prices as contracts are renegotiated

Columbia Gas of Pennsylvania, Inc.

COLUMBIA GAS OF PENNSYLVANIA, INC.
2022 RATE CASE PROCEEDING

Docket No. R-2022-3031211

Data Requests

BUREAU OF INVESTIGATION AND ENFORCEMENT INTERROGATORIES
Set RE

Question No. I & E RE-040-D:

Reference Columbia Exhibit 104, Schedule 1, pp. 3-4 concerning fleet and other clearing:

- A. Provide an explanation and supporting workpapers including detailed calculations for the FTY budget adjustment of (\$4,342,041).
- B. Provide an explanation and supporting workpapers, including detailed calculations for the FPFTY budget adjustment of (\$281,000).
- C. Provide a detailed breakdown by category of items making up the FTY claim of \$2,059,000 and FPFTY claim of \$1,778,000.

Response:

- A. B. & C.

Prior to filing this case, NiSource changed the methodology for budgeting "Fleet & Other Clearing" to provide a more detailed cost category view of costs associated with Fleet. Historically, the total fleet budget was planned to a single cost category (Fleet & Other Clearing) which matched how actual expenses for Fleet are recorded. The (\$4,342,041) budget adjustment is offset amongst other categories of expense such as Employee Expenses, Materials and Supplies, Rents & Leases, and Other O&M.

Please refer to Attachment A. The total budget for Fleet is comparable between the HTY, FTY, and FPFTY as detailed in Attachment A, Lines 1- 9. However, during the preparation of this response it was discovered that Columbia's

Budget for Rents and Leases were understated (missing expenses relating to Capital Leases) and were adjusted to reflect Normalized Building Lease Expense and Other Lease Expense only, and thereby eliminating the Fleet portion of rents and leases in the FTY and FPFTY of \$2,393,156 and \$2,607,417, respectively. As a part of Rebuttal Testimony, Columbia will update the amount included in Rents and Leases, in the Cost of Service, to correctly include the Fleet portion of Rents and Leases.

Line No.	Department	Cost Category	Normalized HTY Twelve Months Ended November 30, 2021 (1)	Budget & Rate Making Adjustments (2) = (3) - (1)	Normalized FTY Twelve Months Ended November 30, 2022 (3)	Budget & Rate Making Adjustments (4) = (5) - (3)	Normalized FPFTY Twelve Months Ended December 31, 2023 (5)
1	Fleet	Employee Expenses	\$ -	\$ 383,198	\$ 383,198	\$ 34,015	\$ 417,213
2	Fleet	Materials and Supplies	-	1,347,268	1,347,268	111,634	1,458,902
3	Fleet	Rents & Leases	-	2,393,156	2,393,156 [1]	214,260	2,607,417 [1]
4	Fleet	Other O&M	-	261,160	261,160	24,973	286,133
5		Subtotal	-	4,384,783	4,384,783	384,882	4,769,664
6	Fleet	Fleet & Clearing	-	1,633,097	1,633,097	145,026	1,778,123
7	Various	Fleet & Clearing	6,401,041	(5,975,138)	425,903	(426,026)	(123)
8		Subtotal	6,401,041	(4,342,041)	2,059,000	(281,000)	1,778,000
9		Subtotal	\$ 6,401,041	\$ 42,742	\$ 6,443,783	\$ 103,882	\$ 6,547,664
10		Less: FTY & FPFTY Fleet Expenses Inadvertantly Omitted	-		\$ 2,393,156		\$ 2,607,417
11		Net Fleet Expenses	\$ 6,401,041		\$ 4,050,626		\$ 3,940,248

[1]. Fleet portion of Rents & Leases were inadvertently omitted from Total Rents & Leases as the Budget for Rents & Leases were understated (missing expenses relating to Capital Leases) and were adjusted to reflect Normalized Building Lease Expense and Other Lease Expense only, and thereby eliminating the Fleet portion of rents & leases in the FTY and FPFTY.

Note: In the FTY and FPFTY, the Fleet expenses are budgeted by cost categories (i.e. Employee Expenses, Outside Services, Materials & Supplies, Rents & Leases, Other O&M, and Fleet & Clearing) to provide a more detailed view of the fleet budget.

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility)	
Commission)	
)	
)	
v.	)	Docket No. R-2022-3031211
)	
)	
Columbia Gas of Pennsylvania, Inc.)	
)	
)	

**REBUTTAL TESTIMONY OF
THEODORE M. LOVE
ON BEHALF OF
COLUMBIA GAS OF PENNSYLVANIA, INC.**

July 6, 2022

1 **Introduction**

2 **Q. Please state your name, occupation, and business address.**

3 A. My name is Theodore M. Love, and I am a Partner at Green Energy Economics
4 Group, Inc. ("GEEG"), an energy consulting firm founded in 2005. My business
5 address is 2534 Downingsville Road, Lincoln, Vermont 05443.

6 **Q. On whose behalf are you testifying?**

7 A. My rebuttal testimony is submitted on behalf of Columbia Gas of Pennsylvania, Inc.
8 ("Columbia" or the "Company").

9 **Q. Have you previously filed testimony in this matter?**

10 A. Yes.

11 **Q. What is the purpose of your rebuttal testimony?**

12 A. My testimony responds to certain portions of the following direct testimony
13 submitted by other parties: (1) I&E Statement No. 1, the direct testimony of D.C.
14 Patel on behalf of the Bureau of Investigation and Enforcement ("I&E"); (2) OCA
15 Statement No. 4, the direct testimony of Roger D. Colton submitted on behalf of
16 the Office of Consumer Advocate ("OCA"); and (3) CAUSE-PA Statement No. 1,
17 the direct testimony of Harry S. Geller submitted on behalf of the Coalition for
18 Affordable utility Services and Energy Efficiency in Pennsylvania ("CAUSE-PA").

19 **I&E Witness D.C. Patel**

20 **Q. What is Mr. Patel's position on the proposed EE Plan?**

21 A. Mr. Patel recommends that the EE Plan be disallowed in its entirety.¹

¹ I&E Statement 1, pg. 61

1 **Q. What does Mr. Patel base this recommendation on?**

2 A. He provides five reasons on pages 61 through 63 of his direct testimony which I
3 have summarized below:

- 4 1) Columbia PA does not currently have an EE Plan and does not specifically state
5 that the plan is based on measurable success or results of other NGDCs energy
6 efficiency plans.
- 7 2) Act 129 does not mandate Natural Gas Distribution companies (“NGDC”) to
8 develop a plan, and so there are no penalties for failing to meet stated goals.
- 9 3) EE Plans are not essential to the provision of safe and reliable natural gas
10 service.
- 11 4) It is not appropriate to put additional burdens on customer rates via the EE
12 Plan in light of Columbia’s history of rate increases related to pipeline
13 infrastructure replacement and operation and maintenance (“O&M”) expenses.
- 14 5) There is uncertainty around the success of the proposed EE Plan as the plan is
15 based on speculative calculations and it is speculative to rely on the
16 performance data of other NGDC’s EE&C Plans.

17 **Q. Mr. Patel’s first and fifth reasons for disallowing the EE Plan assert**
18 **that the plan is speculative because it is based on other NGDCs efforts**
19 **and should be disallowed. Do you agree?**

20 A. No. Mr. Patel makes several statements along these lines that I disagree with. To
21 begin with, Mr. Patel’s direct testimony states that “Columbia has proposed EE
22 plan for the first time and has no experience or data and does not specifically state
23 that this plan is based on the measurable success or result of other NGDCs’ energy

1 efficiency plans.” (pg. 61, lines 14 to 16). There are a number of problems with this
2 statement. First, the assertion that Columbia PA has no energy efficiency program
3 experience is false since the Company has been running its Low-Income Usage
4 Reduction Program (“LIURP”) and Audit and Rebate Program (“A&R Program”) for
5 years. Next, while the specific programs proposed in the EE Plan are new for
6 Columbia PA, they are not new in Pennsylvania or in other states. Moreover, I have
7 15 years of experience with natural gas energy efficiency programs in Pennsylvania
8 and across North America, and I was responsible for the development and design
9 of the Proposed EE Plan in conjunction with the Company. Finally, it is clearly
10 stated on page 16 of my direct testimony and in Section 1.2 of Exhibit TML-2 that
11 the proposed programs are based on successful programs from other NGDCs.

12 Mr. Patel then seems to contradict himself immediately by stating that
13 “Columbia’s proposed RP program design **is** based on UGI’s EE&C Plan design...”
14 (pg. 61, line 17, emphasis added). He goes on to state that while the design is based
15 on UGI’s plan, it “appears” that it did not rely on plan performance data or analysis.
16 It is unclear what Mr. Patel means by the program design following UGI’s but not
17 its data. The underlying data for a new program should be based on the service
18 territory for that program. It would be inappropriate, for example, to use the same
19 number of participants for Columbia PA’s proposed RP programs as for UGI’s RP
20 program, but it would make sense to have similar levels of participation relative to
21 the size of their service territory population. As discussed in both my direct
22 testimony and Section 1.2 of Exhibit TML-2, program assumptions have been
23 modified to conform to Columbia PA’s specific utility territory. This is both

1 prudent and necessary to provide accurate projections. Mr. Patel is splitting hairs
2 in his distinction between design assumptions and performance data in a manner
3 that is misleading to the accuracy and appropriateness of the proposed EE Plan
4 projections.

5 **Q. What does Mr. Patel say about the basis for the OAK Program?**

6 A. On page 62 of his direct testimony Mr. Patel states:

7 “The OAK program is designed on the basis of Columbia Gas Virginia’s EE
8 program, which is influenced by the region-specific program parameters of
9 another state’s NGDC, jurisdictional customers’ gas usage, state regulation,
10 etc. Therefore, Columbia Gas Virginia’s EE program should not be a reliable
11 basis for Columbia’s OAK program.” (lines 1 – 6)

12
13 **Q. Did you use another state’s regional parameters or customer gas usage
14 for the proposed OAK Program?**

15 A. No. Savings and participation figures were updated to account for Columbia PA’s
16 climate and customer base.

17 **Q. Did you evaluate the proposed OAK under Virginia’s state regulations?**

18 A. No. I utilized the process that has been established in Pennsylvania for voluntary
19 natural gas efficiency programs, including evaluation under a total resource cost.
20 (“TRC”) test which found the program to be extremely cost effective with a benefit-
21 cost ratio of 4.32²

22 **Q. Do you agree with Mr. Patel’s position on the OAK Program?**

² Exhibit TML-2, pg. 6

1 A. No. As stated previously, Columbia Gas of Virginia's EE programs, including the
2 OAK Program, has been successfully implemented in Virginia for over a decade.
3 Columbia's proposed OAK Program is designed based on Columbia Gas of
4 Virginia's program, but like the RP Program, projection assumptions were
5 adjusted to account for Columbia PA's territory. The implication that utilizing best
6 practices from other jurisdictions is somehow not "reliable" is a troubling position
7 to take.

8 **Q. Mr. Patel continues to criticize the "speculative" nature of the**
9 **proposed EE Plan in his fifth reason for disallowing it. What does he**
10 **say specifically?**

11 A. Mr. Patel states on page 63 of his direct testimony that:

12 "There is uncertainty about the success of Columbia's proposed EE
13 plan as this plan is based on a speculative calculation about the number of
14 customers' participation, gas savings, additional employment generation,
15 environmental or societal benefits, and the cost-benefit ratio (achieving
16 Total Resource Cost test results). I reiterate that it is speculative to rely on
17 the performance data of other NGDCs' EE&C plans." (lines 2 - 7)

18
19 By this statement, Mr. Patel provides no specific critique of the assumptions that
20 have gone into the EE Plan, other than to dismiss the whole plan since it utilizes
21 designs from successful programs from other NGDCs. Mr. Patel is essentially
22 saying that Columbia PA should not have an EE Plan because it has not had these
23 exact programs in the past and it is not reasonable to utilize the experience of other
24 program administrators to design new programs going forward. By Mr. Patel's

1 standard, it would be impossible to provide any new energy efficiency program in
2 Pennsylvania.

3 **Q. Please explain Mr. Patel's second reason for disallowing the EE Plan.**

4 A. Mr. Patel states on page 62 of his direct testimony that:

5 "Act 129 does not mandate NGDCs to introduce or develop and implement
6 EE plans and there is no mandated requirement for the NGDC's EE plan
7 performance parameters. Therefore, NGDCs are not subject to any civil
8 penalties for a failure to meet stated goals. In such a situation, if an
9 NGDC's EE Plan fails to achieve targeted goals, the expenses incurred
10 (funded by the ratepayers) would be unproductive." (lines 7 – 12)

11
12 **Q. Should it be necessary for NGDCs to be subject to civil penalties for
13 failing to meet goals for voluntary energy efficiency plans?**

14 A. No. Performance penalties are not necessary for ensuring voluntary plans meet
15 goals. The existing gas energy efficiency programs in Pennsylvania have been in
16 place for more than a decade without such penalties. If penalties were established
17 for missing stated goals in voluntary plans, then that would lead to the elimination
18 of any "voluntary" program, since they provide no direct monetary benefit to the
19 administrator and would have the threat of potential monetary penalties. Penalties
20 have not been required by the Commission in the past for voluntary programs and
21 it would be unfair to require it for Columbia PA's EE Plan, or any other voluntary
22 EE&C Plans.

23 **Q. Mr. Patel argues as his third reason that the EE Plan should be
24 disallowed because it is not essential to the provision of safe and
25 reliable natural gas service. How do you respond?**

1 A. To my knowledge, no Pennsylvania public utility has had to meet this standard for
2 its EE or EE&C Plan (whether it is voluntary or mandated by statute) to be
3 approved by the Commission. Indeed, this standard is not listed in Act 129 or in
4 the Commission's December 2009 Secretarial Letter issued at Docket No. M-
5 2009-2142851. Therefore, I do not consider this to be an appropriate standard by
6 which to evaluate Columbia PA's EE Plan.

7 **Q. In his fourth reason, Mr. Patel states Columbia PA is “focused on a**
8 **capital-intensive pipeline infrastructure project”³ and that this is**
9 **somehow a reason to disallow the EE Plan. Do you agree?**

10 A. No. I disagree with the implication that Columbia PA is unable to both pursue
11 energy efficiency and its pipeline replacement programs. In fact, the Company's
12 efforts to increase energy efficiency and to replace its aging natural gas
13 infrastructure are complementary. Pipeline replacement programs and EE Plans
14 are not mutually exclusive, and can both address burdens placed on aging
15 infrastructure. There may even be some pipeline replacements projects that could
16 be delayed or avoided due to energy efficiency efforts. Columbia PA can
17 simultaneously strive to achieve the goals of increased energy efficiency as well as
18 infrastructure replacement without doing a disservice to either initiative.

19 **Q. Do you agree with Mr. Patel's assertion that it is “not appropriate at**
20 **this time to put an additional burden on customers' rates via the**

³ I&E Statement 1, pg. 62, lines 19-20

1 **proposed EE rider in light of the current inflationary trends in the cost**
2 **of living”⁴?**

3 A. No. I believe that now is an extremely appropriate time to provide an EE Plan to
4 Columbia PA’s customers because it is designed to specifically help ratepayers
5 combat rising energy prices through conservation. Saving energy saves money. The
6 long-term reduction in bills from energy savings will outweigh any short-term rate
7 impacts. In fact, denying the program would deprive Columbia PA’s customers of
8 programs that would provide essential services to combat rising inflation at a time
9 when they need it the most.

10 **Q. In summary, how do you address Mr. Patel’s arguments against the EE**
11 **Plan?**

12 A. Mr. Patel provides no specific critique of the substance of the EE Plan. Mr. Patel’s
13 criticisms are not in line with Commission precedent for voluntary NGDC EE&C
14 Plans, and if established would have a complete chilling effect on any new energy
15 efficiency investment. The proposed EE Plan follows the same format as
16 established and approved plans in Pennsylvania for UGI and PGW, while also
17 taking into account data specific to Columbia, and should be approved.

18 Ultimately, all EE&C plans are built on forward-looking projections, and
19 denying Columbia PA’s customers programs that their neighbors in UGI Gas’
20 territory enjoy access to simply because they have not had those programs in the
21 past is unjust. Now is the time to increase investment in energy efficiency. At a

⁴ I&E Statement 1, pg. 62 - 63

1 time when energy costs are rising, conserving energy is a guaranteed way to offset
2 the rising costs.

3 **OCA Witness Roger D. Colton**

4 **Q. Does Mr. Colton oppose the EE Plan?**

5 A. No. His testimony regarding the proposed EE Plan addresses the barriers that low-
6 income customers face in Columbia PA's service territory and recommends how
7 these barriers would be best overcome, not through the proposed EE Plan, but
8 through the Company's LIURP. I will defer to Columbia Witness Deborah Davis's
9 rebuttal testimony to address Mr. Colton's recommendations regarding LIURP.

10 **CAUSE-PA Witness Harry S. Geller**

11 **Q. Does Mr. Geller oppose the EE Plan?**

12 A. No. He does express concern that the plan does not include a "targeted low income
13 program"⁵, and he provides several recommendations on how Columbia can
14 provide additional benefits to low-income customers.

15 **Q. What does Mr. Geller recommend?**

16 A. Mr. Geller has two specific recommendations regarding the EE&C Plan. First, he
17 recommends that 11.4% of the proposed budget should be carved out to establish
18 a targeted low income program that services customers that are at or below 200%
19 of the Federal Poverty Level ("FPL") and do not participate in the Company's
20 Customer Assistance Program ("CAP"). Second, he has some recommendations

⁵ CAUSE-PA Statement 1, pg. 31

1 related to improving coordination between the EE&C Program and the LIURP
2 Program.

3 **Q. Does the Company already offer a program such as described by Mr.**
4 **Geller?**

5 A. Yes. The Company provides the A&R Program for customers who are not eligible
6 for LIURP, including non-CAP customers, and are at or below 250% of FPL. These
7 criteria are more generous than Mr. Geller's recommended eligibility
8 requirements. In addition, the A&R Program's current annual budget of \$750,000
9 is 52% of the proposed 2023 EE Plan budget.

10 **Q. Do you support Mr. Geller's recommendations for a "warm transfer"**
11 **between the EE Programs and LIURP?**

12 A. Yes, as I understand the process to be in line with that described by Columbia
13 Witness Deborah Davis on pages 8 and 9 of her rebuttal testimony.

14 **Q. Does this complete your Prepared Rebuttal Testimony?**

15 A. Yes, it does.

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility)	
Commission)	
)	
)	
v.	)	Docket No. R-2022-3031211
)	
)	
Columbia Gas of Pennsylvania, Inc.)	
)	
)	

**REBUTTAL TESTIMONY OF
KIMBERLY CARTELLA
ON BEHALF OF
COLUMBIA GAS OF PENNSYLVANIA, INC.**

July 6, 2022

PUBLIC VERSION

1 **Q. Please state your name and business address.**

2 **A.** My name is Kimberly Cartella, and my business address is 3101 North Ridge Road
3 East, Lorain, OH 44055.

4 **Q. By whom are you employed and in what capacity?**

5 **A.** I am employed by NiSource Corporate Service Company (“NCSC”) as Director of
6 Compensation. I develop and implement strategies for broad based compensation
7 and incentive programs provided to the employees of NiSource Inc. (“NiSource”) and
8 its subsidiaries, including Columbia Gas of Pennsylvania (“Columbia” or the
9 “Company”).

10 **Q. Have you previously filed testimony in this matter?**

11 **A.** No.

12 **Q. Have you previously submitted testimony in matters before the**
13 **Pennsylvania Public Utility Commission (“Commission”)?**

14 **A.** Yes. I previously submitted rebuttal testimony in CPA’s base rate proceedings at
15 Docket No. R-2015-2468056, Docket No. R-2016-2529660, Docket No. 2018-
16 2647577, Docket No. 2020-3018835, and Docket No. 2021-3024296.

17 **Q. What is the purpose of your rebuttal testimony?**

18 **A.** I will respond to the testimony served in this proceeding by the Bureau of
19 Investigation and Enforcement (“I&E”) witness D.C. Patel and Office of Consumer
20 Advocate (“OCA”) witness Lafayette Morgan regarding employee incentive
21 compensation, profit sharing awards, and stock awards.

1 **Q. Please describe NiSource's total rewards philosophy.**

2 **A.** NiSource's total rewards philosophy is to compensate employees and provide
3 benefits that are competitive in comparison to the utility industry, as well as general
4 industry (non-utility) employers, to attract, retain and motivate employees who are
5 qualified to perform the functions needed by the Company. This philosophy enables
6 the Company to meet its obligations to provide safe, reliable and affordable service
7 to its customers. This philosophy is consistent across all NiSource companies.

8 **Q. Please briefly describe Mr. Patel's position regarding incentive**
9 **compensation.**

10 **A.** Mr. Patel proposes that the Company use a three-year historic average of incentive
11 compensation paid to total O&M payroll expense for determining incentive
12 compensation expense and states that such a proposal is justified in anticipating
13 future results. Mr. Patel calculates an historic average payout factor of 3.95% for
14 Columbia and proposes to use a 4.00% factor (I&E Statement 1, p. 27). The
15 Company's normalized FPFTY claim (twelve months ended December 31, 2023) for
16 incentive compensation is \$2,570,000. Mr. Patel applies his 4.00% factor to his
17 proposed level of payroll expense to disallow \$1,144,052 in FPFTY incentive
18 compensation to be paid by the Company. For NCSC, Mr. Patel computes an
19 incentive compensation payout factor of 1.12% for NCSC and applies this to the NCSC
20 FPFTY base payroll expense to disallow \$1,173,130 of incentive compensation
21 expense for NCSC. The Company's normalized FPFTY claim (twelve months ended

1 December 31, 2023) for NCSC incentive compensation is \$3,500,000, which Mr.
2 Patel computes to be a 1.68% payout factor (I&E Statement 1, page 47). In further
3 support for his recommended disallowances, Mr. Patel also references the financial
4 criteria, or trigger, included in the Cash-Based award program and asserts that it is
5 “speculative” that the financial performance trigger would be met. In that regard, he
6 cites to the inability of the Company to achieve the financial trigger in 2020 due to
7 COVID-19. He also cites to the Company’s use of a 4% factor for incentive
8 compensation for new employees.

9 **Q. Do you agree with Mr. Patel’s recommendation?**

10 **A.** No. His proposal reverts to the use of historical ratemaking principles rather than
11 the use of a FPFTY which is the basis for this case and the past seven base rate cases
12 that the Company has filed. The proposed disallowance should be disregarded. The
13 Company’s annual budget projects Incentive Program expense calculated on the
14 anticipated base salary of employees during the period and the assumption of
15 achieving the target performance levels described in the Incentive Plan which is the
16 anticipated level of achievement.

17 **Q. Should the inability to achieve the financial trigger amount in 2020 be**
18 **used as a basis to contend that the financial trigger is “speculative”?**

19 **A.** No. The Year 2020 was clearly affected by an unusual and non-recurring event –
20 COVID-19. Prospective ratemaking should not be based upon the results of such an
21 event.

1 **Q. Is the Company's use of a 4% incentive compensation factor for new**
2 **employees determinative for the level of incentive compensation**
3 **expense for Columbia?**

4 **A.** No. A 4% incentive compensation factor was used due to the level of positions that
5 were included in the additional labor calculation as provided by Witness Patel in
6 the response to I&E RE-66-D Attachment A and also as included in I&E Exhibit 1
7 Sch 5 page 6. This 4% level should not be assumed for total Company. Each
8 position is assigned an incentive level, which is based generally on the
9 responsibility level within the organization. New employees reflected in the roles
10 in these attachments are at an associated target percentage incentive level of 4%.

11 **Q. Do you have further objections to Mr. Patel's calculations?**

12 **A.** Yes. In determining his incentive compensation to payroll ratios for incentive
13 compensation, Witness Patel incorrectly reflected the 2021 amount as provided in
14 I&E RE-016-D Table A. The table below reflects the impact to Mr. Patel's proposed
15 adjustments, had actual payouts been applied correctly. Mr. Patel proposed using a
16 4% payout factor for Columbia's incentive compensation as described above.
17 Although Columbia does not support Mr. Patel's approach, the corrected historic
18 three year average for the Company is 4.92% if using his approach. This amount,
19 when applied to Mr. Patel's proposed payroll expense of \$35,648,708, produces an
20 incentive compensation amount of \$1,753,916.

Rebuttal Calculation for Columbia			
Year	Total O & M Payroll Expense	Total O&M Actual Incentive Compensation Paid	Payout Factor
11/30/2019	36,130,190	1,634,650	4.52%
11/30/2020	36,383,823	1,272,524	3.50%
11/30/2021	36,507,407	2,464,604	6.75%
			4.92%

Mr. Patel also made errors in his calculation for NCSC incentive compensation, which he computed based upon total NCSC payroll. He relied upon I&E RE-54D pages 1-3 but incorrectly aligned the numbers to the wrong years. Total incentive compensation paid in 2021 was for 2020, and total incentive compensation paid in 2020 was for 2019. The 2021 number was not included in this data request. The corrected numbers are reflected in the table below. When corrected, the resulting payout factor is 1.97%, which is greater than the 1.68% payout factor that Mr. Patel presents as the FPFTY incentive compensation payout factor. As such, Mr. Patel's adjustment to NCSC incentive compensation should be rejected.

Rebuttal Calculation for NCSC			
Year	Total Payroll Expense	Total Incentive Compensation	Payout Factor
11/30/2019	164,112,582	2,860,519	1.74%
11/30/2020	165,772,955	2,166,291	1.31%
11/30/2021	166,635,538	4,779,533*	2.87%
			1.97%

* Represents 17% CPA allocation of total NCSC actually paid

Q. Do you have any further comments regarding Mr. Patel's incentive compensation adjustment?

1 **A.** Incentive compensation is based upon achievement of performance metrics
2 including customer service, safety, and financial as well as individual employee
3 contributions and performance which is all supported by NiSource's total rewards
4 philosophy. FPFTY expenses include incentive plan achievement at target and does
5 not use historical information including COVID-19 impacts to determine the budget.
6 Finally, I note that Mr. Patel's incentive compensation adjustment is calculated, in
7 part, based upon his proposed adjustments to the Company's pro forma payroll
8 expense. Columbia witnesses Miller and Paloney respond to those proposed
9 adjustments and explain why they should be rejected. Similarly, Mr. Patel's incentive
10 compensation adjustments based upon those incorrect payroll adjustments should
11 be rejected.

12 **Q.** **Please briefly describe the position of Mr. Patel on stock rewards (long-**
13 **term incentives or "LTI").**

14 **A.** Mr. Patel proposes 100% disallowance of the NCSC LTI cost, which equates to
15 \$2,665,000. He claims LTI rewards are linked to financial goals such as earnings per
16 share, return on equity, or appreciation of the parent company's stock and that they
17 are limited to certain top-level executives.

18 **Q.** **Do you agree with Mr. Patel's recommendation?**

19 **A.** No, the Company rejects Mr. Patel's recommendation to disallow 100% of LTI
20 rewards. These rewards are not based upon return on equity or appreciation of the
21 parent company's stock. LTI rewards are based on achievement of metrics that

1 include safety, customer perception, employee culture, environmental, financial and
2 employee diversity. See Exhibit KKC-1R and Exhibit KKC-2R (CONFIDENTIAL) for
3 goals and measures for the LTI rewards. The proposed disallowance should be
4 disregarded.

5 **Q. Mr. Patel further asserts, at page 25 of his testimony, that LTI rewards**
6 **are limited to executives, and that it is not clear to him how LTI rewards**
7 **are related to safe and reliable service. Please comment.**

8 **A.** LTI rewards are part of the Company's design of its total rewards program to remain
9 competitive with other employers, retain employees, and further drive requirements
10 to provide safe, reliable and cost-effective service to its customers. These rewards are
11 provided to leaders in positions at the Director level and above. An individual's LTI
12 reward could be reduced if safety or customer goals are not achieved. The Company
13 recognizes that the LTI rewards should not be based upon financial metrics alone but
14 should also include the achievement of goals that are beneficial to customers.

15 **Q. Please briefly describe Mr. Patel's position regarding profit sharing**
16 **awards.**

17 **A.** Mr. Patel proposes that the entire amount of the profit sharing expense of \$373,920
18 for the Company and \$215,000 for NCSC be removed. He states that the amount is
19 determined based upon criteria in the Omnibus Incentive Plan and that ratepayers
20 should not be responsible for paying a benefit available to only certain high-level
21 executive positions.

1 **Q. Do you agree with Mr. Patel's recommendation?**

2 **A.** No. As part of the total rewards package, profit sharing is an element of the
3 Company's 401(k)/ Retirement Savings Plan, not the Omnibus Incentive Plan as
4 Witness Patel stated, and supports employees' saving for retirement. See GAS-RR-
5 024 for the NiSource Retirement Savings Plan document – Attachment R. All
6 employees, not just certain high-level executives as Witness Patel states, are eligible
7 for the 401(k)/Retirement Savings Plan. Company contributions for Profit Sharing
8 are deposited into employees' 401(k) accounts, which provide an important element
9 of employee savings. Profit sharing supplements employees' contributions to their
10 retirement accounts. These contributions have become even more important as
11 more traditional elements of retirement savings, including defined benefit plans, are
12 no longer offered to exempt new hires on or after January 1, 2010, and non-exempt
13 new hires on or after January 1, 2013. Absent these contributions, the Company
14 would have to make other adjustments to its total compensation package, such as
15 increases to base pay, to remain competitive in the market for quality employees. As
16 an element of a balanced competitive benefits program, the entire profit sharing
17 expense of \$373,920 for the Company and \$215,000 for NCSC should be allowed.

18 **Q. Please briefly describe Mr. Morgan's position regarding incentive**
19 **compensation.**

20 **A.** Mr. Morgan is recommending to remove the portion of the cash-based incentive
21 compensation that is related to achieving a net operating earnings per share goal.

1 This equates to 70%, or \$4,249,000 (\$1,799,000 for Columbia and \$2,450,000 for
2 NCSC amounts allocated to Columbia), of the requested amount. He states that these
3 goals benefit shareholders and not customers. He further recommends removing an
4 additional \$2,700,000 related to the NiSource Omnibus Incentive Plan because he
5 states its goals benefit shareholders. Please note that the NiSource Omnibus
6 Incentive Plan that he is referencing includes oversight of the long-term
7 incentive/stock rewards (“LTI”) program.

8 **Q. Do you agree with Mr. Morgan’s proposed adjustments?**

9 A. No, the Company rejects these proposed adjustments for reasons explained
10 below.

11 **Q. Why does NiSource provide cash-based incentive compensation and LTI**
12 **rewards?**

13 A. Incentive compensation and LTI rewards are part of the Company’s design of its total
14 rewards program to remain competitive with other employers, retain employees, and
15 further drive requirements to provide safe, reliable and cost-effective service to its
16 customers. An individual’s incentive compensation could be reduced if safety or
17 customer service goals are not achieved.

18 In addition, LTI rewards are a common element of compensation at certain levels of
19 organizations throughout the U.S. and, as such, these costs should be allowed. LTI
20 rewards allow Columbia and NCSC to attract and retain individuals at executive
21 levels and doing so would be difficult to accomplish without this element of

1 compensation.

2 **Q. From a policy perspective, why is it important that LTI rewards be**
3 **recovered in base rates?**

4 **A.** If the Commission disallows recovery of stock rewards (also known as LTI), it sends
5 the message that variable incentive compensation is not valued as a viable tool to
6 encourage company efficiencies and promote customer service and safety goals.
7 Further, denial of recovery of LTI rewards means that fixed base pay without
8 incentives would become the preferable means to attract, motivate, and retain
9 talented employees while retaining a reasonable opportunity for full recovery of that
10 compensation. Incentive compensation is an element of competitive total
11 compensation in the labor market both within the utility industry and within the
12 broader employer base.

13 **Q. Does the LTI program include achievement of customer performance**
14 **metrics?**

15 **A.** Yes, as I explained above with respect to Mr. Patel's proposed disallowance, customer
16 performance metrics are an integral part of the LTI program. I am advised by counsel
17 that the Commission has allowed recovery of LTI reward costs where customer
18 performance factors are involved in the grant of the LTI rewards.

19 **Q. Do customers also benefit from retaining existing quality leadership and**
20 **attracting new corporate leaders?**

21 **A.** Yes. Retaining key leaders and attracting new talented individuals is critical to

1 maintaining high quality of service, efficiency, and safety; therefore, offering LTI
2 rewards is an appropriate cost of providing reliable service to Columbia's customers.
3 If the Company did not provide LTI rewards, it would be at high risk of losing talent
4 to competitors. The potential departure of Company leadership would create a loss
5 of valuable skills and would have a significant financial impact in the form of turnover
6 costs, including recruiting, relocation, and training costs. In addition, leadership sets
7 the tone and direction for the Company. Failure to retain and attract experienced,
8 skilled leaders can adversely affect Columbia's ability to continue to provide safe and
9 reliable service for its customers.

10 **Q. Do you have any further comments with respect to Mr. Patel's and Mr.**
11 **Morgan's testimony on incentive compensation and stock rewards?**

12 **A.** Yes. Incentive compensation and goal setting process are designed to support safety,
13 customer, and financial goals. Also, I am advised by counsel that the Commission
14 has allowed recovery of incentive compensation as a part of payroll where the
15 compensation plan includes provisions that are designed to provide benefits to
16 customers, as the Company's plan does. I am further advised that the Commission
17 has allowed full recovery of incentive compensation amounts even where financial
18 performance is a trigger to payment of the rewards. Moreover, I am aware of the PPL
19 Electric Utilities decision that permitted incentive compensation consistent with
20 prior Commission decisions when such compensation programs are focused on

1 improving operations effectiveness. *Pa. PUC v. PPL Electric Utilities Corp., R-2102-*
2 *2290597*, (Order entered Dec. 28, 2012).

3 **Q. Should the full level of FTY and FPFTY incentive compensation be**
4 **allowed?**

5 **A.** Yes, the full level of FTY and the FPFTY incentive compensation should be permitted
6 as explained above.

7 **Q. Does this complete your Prepared Rebuttal Testimony?**

8 **A.** Yes, it does.

Performance Shares/ Weighting		2019-2021 Goals		2020-2022 Goals	
Cumulative NOEPS	81%	Stretch - 200%	\$4.35	Stretch - 200%	\$4.47
		Target - 100%	\$4.14	Target - 100%	\$4.25
		Trigger - 50%	\$3.93	Trigger - 50%	\$4.03
Cumulative NOEPS Modifier: Relative Total Shareholder Return		First Quartile	25%	First Quartile	25%
		Second Quartile	0	Second Quartile	0
		Third Quartile	0	Third Quartile	0
		Fourth Quartile	-25%	Fourth Quartile	-25%
Safety	19%	National Safety Council Barometer Survey		National Safety Council Barometer Survey	
Customer		J.D. Power Gas Utility and Electric Residential Customer Satisfaction Studies		J.D. Power Gas Utility and Electric Residential Customer Satisfaction Studies	
Financial		O&M Budget		Employee Engagement Survey: Culture Index	
Culture		Employee Engagement Survey: Continuous Improvement Index		Greenhouse Gas Emissions Reductions	
Environmental		Greenhouse Gas Emissions Reductions			

Performance Shares/ Weighting		2021-2023 Goals	
Cumulative NOEPS	50%	Stretch - 200%	\$4.50
		Target - 100%	\$4.28
		Trigger - 50%	\$4.06
rTSR (percentile)	50%	Stretch - 200%	80
		Target - 100%	50
		Trigger - 25%	30
Safety: Scorecard	+/-20% Magnifier	+20% - 20%	120
		Goal - 0%	100
		-20% - -20%	80
Environmental: Greenhouse Gas Emission Reduction	+/-10% Magnifier	+10% - 10%	182,373
		Goal - 0%	147,569
		-10% - -10%	N/A
DEI: Diversity of Workforce	+/-10% Magnifier	+10% - 10%	12
		Goal - 0%	10
		-10% - -10%	8

Performance Shares	Weight	2021-2023 Goals		
Relative Total Shareholder Return (over two and three year performance period ¹)	100%	Stretch -	200%	90
		Target -	100%	55
		Trigger -	50%	50
Safety: Scorecard	+/-20% Magnifier	Stretch -	20%	120
		Target -	0%	100
		Trigger -	-20%	80

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility)	
Commission)	
)	
v.	)	Docket No. R-2022-3031211
)	
Columbia Gas of Pennsylvania, Inc.)	
)	
)	

**REBUTTAL TESTIMONY OF
KYLIA J. DAVIS
ON BEHALF OF
COLUMBIA GAS OF PENNSYLVANIA, INC.**

July 6, 2022

1 **I. Introduction**

2 **Q. Please state your name and business address.**

3 **A.** My name is Kylia J. Davis, and my business address is 290 West Nationwide
4 Boulevard, Columbus, Ohio 43215.

5 **Q. By whom are you employed and in what capacity?**

6 **A.** I am employed by NiSource Corporate Services Company ("NCSC") as Manager,
7 CHOICE® and Transportation Support Services. My principal responsibilities
8 include the oversight and administration of the following programs: Customer
9 CHOICE® programs for five of the NiSource Inc., ("NiSource") gas distribution
10 companies, which include Columbia Gas of Kentucky, Inc., Columbia Gas of Ohio,
11 Inc., Columbia Gas of Pennsylvania Inc. ("Company" or "Columbia"), Columbia Gas
12 of Virginia, Inc., and Northern Indiana Public Service Company LLC ("NIPSCO"). I
13 am also responsible for the billing services to Natural Gas Suppliers ("NGSS" or
14 "suppliers") servicing customers under the Customer CHOICE® programs, and to
15 customers and suppliers serving customers under the Distribution Service Programs
16 for five NiSource gas distribution companies, which include Columbia Gas of
17 Kentucky, Inc., Columbia Gas of Ohio, Inc., Columbia Gas of Maryland, Inc.,
18 Columbia Gas of Pennsylvania, Inc., and Columbia Gas of Virginia, Inc. In addition,
19 I manage all onboarding activities for suppliers and IT projects related to the
20 Customer CHOICE® and Gas Distribution programs.

21 **Q. What is your educational and professional background?**

1 **A.** I graduated from Ohio Dominican University in 2005 with a Bachelor of Science
2 degree in Business Administration. I have been employed by NiSource Inc. or its
3 affiliates since 1996. From 1996 to 2004, I held various positions within the Columbia
4 gas distribution companies and NiSource, including: 1) Customer Contact Center --
5 as a Customer Service Representative and 2) Accounting-- Financial Associate. Since
6 2003, I have held various positions within the NiSource Customer Operations
7 organization including: 1) Gas Transportation and Customer CHOICE® -- as an
8 Analyst; 2) Projects & Compliance -- as an Analyst; 3) Transportation Support
9 Services -- as a Team Leader and 4) CHOICE® Program Management -- as a Team
10 Leader. In 2019, I was promoted to Manager, CHOICE® and Transportation
11 Support Services. I have extensive knowledge and experience in gas distribution
12 billing and the Customer CHOICE® programs as well as working relationships with
13 suppliers.

14 **Q.** **Have you previously filed testimony in this matter?**

15 **A.** No.

16 **Q.** **What is the purpose of your rebuttal testimony?**

17 **A.** I will respond to certain parts of testimony served in this proceeding by Anthony
18 Cusati, III on behalf of the Retail Energy Supply Association, Shipley CHOICE, LLC
19 and NRG Energy, Inc. ("RESA/NGS Parties").

20 **II. Columbia's CHOICE Program and Billing Options**

21 **Q.** **Please describe the Company's CHOICE program.**

1 **A.** The Company’s Customer CHOICE® Program offers residential and commercial
2 customers (using less than or equal to 64,440 therms annually) the option to receive
3 natural gas supply services from a natural gas supplier (“NGS” or “supplier”).

4 **Q. For customers who receive their natural gas supply service from an NGS,
5 how are the customers billed?**

6 **A.** The NGS has two billing options – issue its own bill for the gas supply service charges
7 (billing option 1) and rate ready billing/consolidated billing (billing option 2). NGSs
8 can choose either billing option or a combination of both. Under Billing Option 2, an
9 NGS provides to Columbia the commodity charge per unit of gas and assigns a rate
10 code to each customer. Based on Columbia-metered customer consumption and the
11 NGS-assigned rate code, Columbia calculates and prepares the customer bill
12 inclusive of the gas supply charge and Columbia delivery charge.

13 **Q. Please explain the purpose of a “rate code”.**

14 **A.** A “rate code” is used by the supplier to identify the gas supply charge (expressed in
15 dollars and cents per Thm) that is to be billed to a customer (or group of customers)
16 by Columbia.

17 **Q. Witness Cusati, III, on behalf of the RESA/NGS Parties’, states that the
18 Company limits NGSs to 50 rate codes, and asserts that this is
19 unreasonable. Please respond.**

20 **A.** Witness Cusati seems to imply that Columbia’s 50 rate code limit is unreasonable
21 because if or when a supplier has reached the maximum number of rate codes

1 allotted, they have no ability to assign additional rates for newly acquired customers.
2 This is not the case though. Columbia will provide suppliers with additional rate
3 codes when needed. Of the 40 actively participating suppliers serving Columbia
4 customers, three suppliers have more than 50 rate codes assigned to them already.
5 Columbia assigned these three suppliers additional rate codes upon their request.
6 Also, suppliers have opportunities to recycle rate codes. Recycling a rate code simply
7 means that if a supplier has active rate codes with no customers assigned, the supplier
8 can reuse the rate code for new enrollments, campaigns or offers. There are rate
9 codes that have been active since 2002, of which 36% have no customers assigned
10 and 22% have approximately 1-5 customers assigned. Of the 36% of rate codes that
11 have no customers assigned, 14% have never been used for customer contracts.

12 **Q. Witness Cusati also states that Columbia requires suppliers to provide**
13 **45-days advance notice for requests for additional rate codes. Please**
14 **respond.**

15 **A.** The 45-day advance notice is necessary to manage new rate code requests from
16 suppliers across all Columbia-affiliate jurisdictions. The process for new rate codes
17 is not automated; it is a manual process that is managed by two internal teams. When
18 suppliers provide Columbia a new rate code request form, which includes pricing in
19 dollars and cents, Columbia performs a review of active rate codes to assess whether
20 there are existing rate codes that can be used before new rate codes are created.
21 Columbia manually enters each rate code in its customer billing system and manually

1 uploads the new rate codes into the gas distribution system for the CHOICE
2 enrollment process and supplier billing. Columbia then uploads the pricing values
3 into its rate system, which creates pre-billing information that is emailed to suppliers
4 providing them the opportunity to review for accuracy and confirmation that the
5 rates have been processed. Despite this process being manual and lengthy, Columbia
6 has accepted late rate code requests received from suppliers within 30 business days
7 or less.

8 In other words, Columbia does not refuse to provide additional rate codes to
9 suppliers operating on its system. Suppliers can submit a request for additional rate
10 codes. Columbia simply requests that suppliers manage rate codes in a prudent cost-
11 effective way and be diligent in utilizing existing rate codes that have already been
12 established. The number of rate codes that can be assigned to suppliers across the
13 Columbia jurisdictions is not unlimited. The rate code process is transparent and
14 outlined in the CHOICE® Program reference manual and training materials located
15 on the Company's page via the NiSourceSuppliers.com website and attached to my
16 rebuttal testimony as Exhibit KJD-01.

17 **Q. Witness Cusati implies that a supplier on Columbia's system was not**
18 **provided the necessary rate codes to serve customers acquired from**
19 **another supplier. Please respond.**

20 **A.** Witness Cusati claims that a supplier recently acquired the customer book of another
21 supplier and was not provided the necessary rate codes to serve the acquired

1 customers. Upon review of a recent NGS acquisition (effective July 2022 revenue
2 billing cycle), the purchasing supplier had 19 unused rate codes available, of which
3 16 were established in 2021 and three were established a few years prior. Columbia
4 worked with the supplier to make sure that the unused active rate codes could be used
5 for the newly acquired customer, and also created eight additional rate codes for the
6 supplier.

7 **Q. Does Columbia have a position regarding Witness Cusati's critiques of**
8 **the Company's rate codes practices?**

9 **A.** Yes. It is Columbia's position that its practices of assigning 50 rate codes per supplier,
10 while providing suppliers with the option of requesting additional rate codes, is
11 reasonable. Columbia works with suppliers to ensure that they have sufficient rate
12 codes to serve their current customers, and future customers. Per Witness Custati's
13 response to Columbia Gas of Pennsylvania, Inc., Set I-5, which is attached to my
14 rebuttal testimony as Exhibit KJD-02, there are no known instances where an NGS's
15 request for additional rate codes was denied.

16 **III. Bill Ready Billing**

17 **Q. What is Bill Ready billing?**

18 **A.** With Bill Ready billing, a utility such as Columbia provides the supplier the
19 customer's usage, and based on that usage, the supplier then calculates the total
20 charge for gas supplied to that customer. The supplier then provides the utility with
21 the total charge for gas supply to be included on the customer's bill along with the

1 customer's distribution charges. In other words, Bill Ready means that the supplier
2 calculates its portion of the customer's bill instead of the utility doing so on behalf of
3 the supplier (which is how Rate Ready billing works). In terms of how this would
4 work in practice, on the day after the customer's meter is read by Columbia, a 3-day
5 bill preparation period would begin. For every customer in each of the 21-unit billing
6 cycles, Columbia would provide to the supplier the customer's consumption data,
7 and in return the supplier would provide to Columbia a total gas supply charge for
8 inclusion on the customer's bill. Columbia would then bill the customer using the
9 supplier-provided gas supply charge and Columbia delivery charge. If a supplier fails
10 to provide the charge and rate by the deadline, a gas supply charge of zero would be
11 presented on the customer bill for the current revenue billing cycle.

12 **Q. Please explain why Columbia does not offer Bill Ready billing as a billing**
13 **option.**

14 **A.** Offering Bill Ready is not necessary, nor is it in the customers' best interest. There
15 are disadvantages to customers associated with Bill Ready billing. When a total
16 charge is presented without the rate, as it may be with Bill Ready, customers could
17 have issues with understanding how the commodity costs were calculated. Also, if
18 commodity charges are not received from suppliers within the 3-day bill preparation
19 period, a customer could receive a bill with gas commodity charges in the amount of
20 zero for that billing month. If this were to occur, the gas commodity charge would

1 need to be added to the customer's next bill, resulting in the customer being billed
2 for two months of gas commodity charges in a single billing statement.

3 **Q. Has Bill Ready Been utilized in other jurisdictions?**

4 **A.** Although Bill Ready Billing is offered in Ohio, the majority of customers are assigned
5 and billed using the Rate Ready billing option. Upon review of the four companies
6 that make up the NGS Parties, all have been certified to utilize Bill Ready Billing in
7 Ohio yet only 3% of CHOICE customers are billed with this option. Bill Ready is not
8 a necessary billing option that should be implemented at the expense of distribution
9 customers.

10 **Q. Witness Cusati asserts that the cost to implement would be minimal.**
11 **Please respond.**

12 **A.** A cost study has not been performed to determine costs associated for the Company
13 to implement Bill Ready billing. With that said, at a minimum additional logic¹ and
14 new transaction files would need to be developed along with bill formatting changes.
15 Testing is also required to implement this enhancement. Columbia's current rate
16 case filing does not include recovery for costs associated with implementing Bill
17 Ready billing. Specifically, a review of the existing logic along with regression testing
18 would be needed, including but not limited to updates to some of the logic,
19 confirmation of the ability to enroll with a Bill Ready rate code within the existing

¹ Logic refers to the billing logic/coding that IT created and that is required for the Bill Ready functionality.

1 CPA CHOICE® Program Enrollment process, and verification that the Interactive
2 Voice Response (IVR) and the Customer Web Account Portal provides the correct
3 account balance during 3-day bill preparation period. Columbia would also need to
4 enable Bill Ready transaction files that will transmit data between the supplier and
5 Columbia (e.g. Columbia Billing Request file and Customer Billing Response file). In
6 addition, updates to existing payment plan processing would be needed, as well as
7 bill format changes to include the additional Bill Ready supplier charge presentation
8 and Bill Ready standard bill messaging. There would also need to be stand-alone
9 termination notices for Bill Ready customers, since Columbia could no longer print
10 the termination notice on the customer's utility service bill for Bill Ready accounts.

11 **Q. Witness Cusati asserts that any implementation costs will be offset by**
12 **future savings associated with Bill Ready billing. Please respond.**

13 **A.** There is no evidence to support the claim that implementation costs will be offset by
14 future savings associated with Bill Ready billing. The Company would still need to
15 maintain and support Rate Ready billing and Bill Ready is an optional election. If a
16 supplier chooses to become certified to use Bill Ready, they may use Bill Ready billing
17 for all customers, or a combination of both Rate Ready and Bill Ready billing.

18 **Q. Does Columbia have an overall position on Witness Cusati's**
19 **recommendation that Columbia be required to implement Bill Ready**
20 **billing as an additional billing option for suppliers?**

1 **A.** Yes, it is Columbia's position that Witness Cusati's recommendation should be
2 rejected because Bill Ready billing is not necessary for suppliers to serve their
3 customers, offers no advantages to customers, and any costs incurred to implement
4 this billing option would not be prudent. Further, Columbia has a history of
5 implementing enhancements aimed at supporting suppliers serving the Company's
6 service territory, but often these enhancements have not been utilized by suppliers
7 after implementation. For example, Columbia eliminated the NGS logo set-up fee,
8 included space on the customer bill for an NGS message and a shopping information
9 box. Columbia also implemented a mechanism for NGSs to access customer account
10 numbers in a public venue, when the account number is not available from the
11 customer or Eligible Choice Customer List. Comments submitted to the Commission
12 by interested parties (including RESA) stated that these changes would result in
13 greater customer awareness of the supplier through the inclusion of NGSs logos and
14 other pertinent product information. In addition, RESA recommended password-
15 protected portals citing they are beneficial, and the tool would streamline the
16 enrollment process and alleviate the need for a customer to take additional steps later
17 to complete the transaction. These enhancements were implemented in August 2016.
18 Only 8 out of 40 NGSs have submitted their logos to be included on customer bills,
19 which represents 8% of customers currently enrolled in the Company's Customer
20 CHOICE® Program. There has not been significant engagement of the NGS bill
21 messaging option after its deployment. To date, no NGS has utilized the Account

1 Access portal. The costs associated with these changes were more than \$900,000 and
2 recovered at the expense of distribution customers. It is unreasonable to continue to
3 promote enhancements as an option for suppliers that are not used once instituted,
4 especially when they are not necessary for the supplier to serve its customers and
5 offer no benefit to the customer.

6 **Q. Does this complete your Prepared Rebuttal Testimony?**

7 A. Yes, it does.

Supplier Rate Codes – New Rates

Suppliers will receive 5 initial rate codes

- Suppliers can request rate codes once a month, no more than 5 at a time (lifetime max of 100 in COH, 50 in CKY, CVA, and CPA)

Suppliers will request new rates by completing a Rate Statement form

- Rate Statement form provided by your Choice Account Specialist
- New rate requests must be submitted 45 days in advance
- No new rates will be issued until existing ones are in use

Suppliers can change the value of an existing rate through the 20th of the month

- If the 20th falls on a weekend, change must be requested on last business day prior to the 20th
- \$420 fee per rate for any rate changes made after the 20th

COH

- NYMEX +/-
- Flat Amount
- Fixed value per Mcf
- Bill Ready (must complete training and certification)

CPA

- Rate per Dth

CVA

- Rate per Dth

CKY

- Rate per Mcf

**RESPONSES OF
ANTHONY CUSATI, III
ON BEHALF OF THE RETAIL ENERGY SUPPLY ASSOCIATION,
SHIPLEY CHOICE, LLC AND NRG ENERGY, INC.
TO INTERROGATORIES AND REQUESTS FOR PRODUCTION OF DOCUMENTS
TO COLUMBIA GAS OF PENNSYLVANIA, INC., SET I**

DOCKET NO. R-2022-3031211

RESA/NGS Parties-5 Please reference RESA/NGS Parties' St. No. 1, page 4, lines 8-10. Identify all instances known to the RESA/NGS Parties where an NGS request for additional rate codes was denied.

RESPONSE:

Mr. Cusati does not state in his testimony that Columbia has ever refused to provide additional rate codes. Rather, he does state that Columbia has the discretion to deny the allocation of rate codes. He also states that Columbia to his knowledge only doles out 5 or 6 additional rate codes at a time, thus creating a very real scenario where suppliers are unable to provide service to a customer due to lack of rate codes.

Provided By: Anthony Cusati, III

1 **I. Introduction**

2 **Q. Please state your name, business address and title.**

3 A. My name is Stacy Djukic. I am the Manager of Scheduling & Accounting in the
4 Energy Supply and Optimization Department for Northern Indiana Public Service
5 Company LLC (NIPSCO). My business address is 1500 165th Street, Hammond,
6 Indiana 46324.

7 **Q. Please describe your educational and employment background.**

8 A. I graduated from Purdue University Calumet in Hammond, Indiana with a
9 Bachelor of Science in Business Management in 1991. I have been employed at
10 NIPSCO for the last 30 years. I began my career at NIPSCO spending one year in
11 Auditing and one year in General Accounting. The remaining 28 years I have held
12 various positions within Energy Supply and Optimization. I have been in my
13 current role as Manager of Scheduling & Accounting for the last 22 years.

14 **Q. What are your responsibilities as Manager of Scheduling and**
15 **Accounting?**

16 A. As Manager of Scheduling and Accounting, I am responsible for a team that
17 schedules on upstream interstate pipelines and confirms nominations at the city
18 gates for the six NiSource local distribution companies, including Columbia Gas of
19 Pennsylvania, Inc. ("CPA"). I also manage a team that reconciles and prepares for
20 payment of pipeline, storage and supplier invoices, as well as, preparing purchase
21 gas estimates for the monthly accounting close.

1 **Q. Have you previously testified before the Pennsylvania Public Utility**
2 **Commission (“Commission”)?**

3 A. No.

4 **Q. Have you previously testified before any other state utility**
5 **commission?**

6 A. Yes. I have previously submitted testimony before the Indiana Utility Regulatory
7 Commission on behalf of Northern Indiana Public Service Company LLC.

8 **Q. What is the purpose of your rebuttal testimony?**

9 A. The purpose of my rebuttal testimony is to respond to recommendations made by
10 Retail Energy Supply Association, Shipley Choice, LLC and NRG Energy, Inc.
11 (RESA/NGS Parties) witness Caravetta that Columbia Gas of Pennsylvania confirm
12 all five North American Energy Standards Board (“NAESB”) nomination cycles. I
13 will address witness Caravetta’s concerns about notice to suppliers and penalty costs
14 to suppliers. I will also address Columbia Gas of Pennsylvania’s confirmation process
15 and the impact to confirming all five NAESB cycles.

16 **II. NOTICE AND RECOURSE AVAILABLE TO SUPPLIERS**

17 **Q. Have you reviewed witness Caravetta’s direct testimony in this**
18 **proceeding?**

19 A. Yes.

20 **Q. Please describe witness Caravetta’s assertions.**

21 A. Mr. Caravetta claims the following:

22 1) When a supplier arranges for a purchase of gas at Columbia Gas of Pennsylvania’s
23 city gate and Columbia Gas of Pennsylvania confirms only the timely and intraday 2

1 cycles this leaves a void of information regarding supply cuts so the supplier cannot
2 act when the seller cannot perform as contracted.

3 2) Because the supplier would not be aware of non-performance by the counter party
4 they are buying from, this lack of knowledge can lead to penalties to the supplier.

5 **Q. Are there other ways a supplier can get notice of supply impacts when**
6 **purchasing gas at the city gate?**

7 A. Yes. Section 4.2 of the NAESB Base Contract for Sale and Purchase of Natural Gas
8 (NAESB contract), which is attached as Exhibit SD-1R, provides clear language on
9 notice responsibilities for the parties. The last sentence of section 4.2 reads, “Should
10 either party become aware that actual deliveries at the Delivery Point(s) are greater
11 or lesser than the Scheduled Gas, such party shall promptly notify the other party.”
12 As the seller to the supplier is scheduling on the upstream pipeline and the upstream
13 pipeline provides notices of cuts, the seller to the supplier has or should have the
14 information about supply cuts and is obligated to provide it to the supplier (the
15 buyer). Furthermore, section 11.5 covers notice obligations during force majeure
16 events. Section 11.5 contains the following language, “The party whose performance
17 is prevented by Force Majeure must provide Notice to the other party. Initial Notice
18 may be given orally; however, written Notice with reasonably full particulars of the
19 event or occurrence is required as soon as reasonably possible.”

20 **Q. Does the NAESB contract provide any protection for the supplier for**
21 **costs resulting from non-performance by the seller?**

22 A. Yes. Section 4.3 provides clear recourse for the supplier (the buyer) to recover
23 charges due to non-performance. Section 4.3 contains the following language, “If the
24 Imbalance Charges were incurred as a result of Seller’s delivery of quantities of Gas

1 greater than or less than the Scheduled Gas, then Seller shall pay for such Imbalance
2 Charges or reimburse Buyer for such Imbalance Charges paid by Buyer.”

3 **Q. Would penalties from Columbia Gas of Pennsylvania to the supplier be**
4 **considered an Imbalance Charge?**

5 A. Yes. Section 2.22 of the NAESB contract reads: "Imbalance Charges" shall mean any
6 fees, penalties, costs or charges (in cash or in kind) assessed by a Transporter for
7 failure to satisfy the Transporter's balance and/or nomination requirements. And,
8 section 2.35 of the NAESB contracts reads: "Transporter(s)" shall mean all Gas
9 gathering or pipeline companies, or local distribution companies, acting in the
10 capacity of a transporter, transporting Gas for Seller or Buyer upstream or
11 downstream, respectively, of the Delivery Point pursuant to a particular transaction.

12 **Q. Does the NAESB contract provide the notice and cost mitigation**
13 **provisions to address the concerns witness Caravetta expresses?**

14 A. Yes. As discussed above, Sections 4.2 and 11.5 obligate the seller to provide notices to
15 supplier (the buyer). Sections 4.3, 2.22 and 2.35 provide recourse for the supplier to
16 recover penalties issued by Columbia Gas of Pennsylvania if the seller does not
17 perform.

18 **III. Columbia Gas of Pennsylvania's Confirmation Cycles & Process**

19 **Q. What does Mr. Caravetta propose in his testimony?**

20 A. Mr. Caravetta proposes that CPA be required to provide the same confirmations for
21 the Evening, Intraday-1 and Intraday-3 cycles as the Company does for Timely and
22 Intraday-2 cycles.

23 **Q. Do you agree with Mr. Caravetta's proposal?**

1 A. No. For the reasons explained in my testimony, CPA's current practice of
2 confirming the Timely and Intraday-2 cycles is reasonable, and confirming the
3 Intraday-1 and Intraday-3 cycles is unnecessary.

4 **Q. Why is it reasonable for Columbia Gas of Pennsylvania's to confirm**
5 **only the Timely and Intraday 2 cycles?**

6 A. The suppliers have rights to get actionable information about supply cuts whether
7 they are using their capacity to schedule to the gate or purchasing gas at the city
8 gate. If the supplier is using their capacity to deliver gas to CPA, the upstream
9 pipelines delivering to CPA confirm every cycle and have abilities to get notices
10 from the upstream pipelines independent of CPA's notices. I would also note that
11 for the Choice program the supplier's nomination requirement is the same every
12 day of the month and CPA releases upstream pipeline capacity to the suppliers to
13 facilitate the delivery of this gas. If the supplier is buying gas at the city gate, the
14 seller has the obligation to the supplier (the buyer) to provide notice when the
15 seller cannot perform and the NAESB contract provides the buyer the right to
16 recover penalties and other costs caused by non-performance of the seller.

17 **Q. What does witness Caravetta assert about the cost for Columbia Gas of**
18 **Pennsylvania to confirm all five NAESB cycles?**

19 A. Witness Caravetta estimates the incremental cost would be minimal since
20 Columbia would use the same automated method it currently uses.

21 **Q. Is Columbia Gas of Pennsylvania's confirmation process fully**
22 **automated?**

1 A. No. Most of the confirmation is a manual process while there are a few processes
2 that are automated. Every day for the timely and intra-day 2 cycles, a Columbia
3 employee will download pipeline scheduled quantities from the pipeline's
4 Electronic Bulletin Board ("EBB") thru a file transfer process and import that file
5 into Aviator. A report from Aviator is then manually run comparing the pipeline
6 scheduled quantities to the supplier nominations entered into Aviator. If there are
7 nomination differences between Aviator and the pipeline scheduled quantities, the
8 Columbia employee will manually enter the lower volume in either Aviator or on
9 the upstream pipeline so that the quantities match completing the confirmation
10 process.

11 **Q. What would be needed for Columbia Gas of Pennsylvania to confirm all**
12 **five NAESB cycles?**

13 A. As described above, CPA's confirmation process is a manual process with some
14 elements of automation. Employees performing confirmation processes are also
15 responsible for performing other duties such as scheduling CPA system supplies.
16 Adding three confirmation cycles per day every day of the year would require CPA
17 to add additional staff at a substantial cost. CPA would need to hire two additional
18 full-time employees at a cost of approximately \$100,000 in annual salary and
19 benefits for each individual employee or approximately \$200,000 for two full time
20 employees to cover all 5 NAESB cycles 365 days of the year.

21 **Q. Is Columbia in favor of confirming all five NAESB cycles?**

22 A. No. Confirming all five NAESB cycles is unnecessary. The suppliers have sufficient
23 notice mechanisms through the upstream pipelines or via NAESB contracts.
24 NAESB contracts also provide protection from penalties due to a seller's non-

1 performance of gas sales (deliveries) at the city gate. CPA and therefore its
2 customers would incur additional costs to provide an additional set of notices that
3 suppliers have through other means and do not represent a necessary expense.

4 **Q. Does this conclude your rebuttal testimony?**

5 A. Yes.

Base Contract for Sale and Purchase of Natural Gas

This Base Contract is entered into as of the following date: _____.

The parties to this Base Contract are the following:

PARTY A	PARTY NAME	PARTY B
	<i>ADDRESS</i>	
	<i>BUSINESS WEBSITE</i>	www. _____
	<i>CONTRACT NUMBER</i>	
	<i>D-U-N-S® NUMBER</i>	
<input type="checkbox"/> US FEDERAL: <input type="checkbox"/> OTHER:	<i>TAX ID NUMBERS</i>	<input type="checkbox"/> US FEDERAL: <input type="checkbox"/> OTHER:
Indiana	<i>JURISDICTION OF ORGANIZATION</i>	
<input type="checkbox"/> Corporation <input type="checkbox"/> LLC <input type="checkbox"/> Limited Partnership <input type="checkbox"/> Partnership <input type="checkbox"/> LLP <input type="checkbox"/> Other: _____	<i>COMPANY TYPE</i>	<input type="checkbox"/> Corporation <input type="checkbox"/> LLC <input type="checkbox"/> Limited Partnership <input type="checkbox"/> Partnership <input type="checkbox"/> LLP <input type="checkbox"/> Other: _____
None	<i>GUARANTOR (IF APPLICABLE)</i>	
CONTACT INFORMATION		
ATTN: _____ TEL#: _____ FAX#: _____ EMAIL: _____	▪ <i>COMMERCIAL</i>	ATTN: _____ TEL#: _____ FAX#: _____ EMAIL: _____
ATTN: _____ TEL#: _____ FAX#: _____ EMAIL: _____	▪ <i>SCHEDULING</i>	ATTN: _____ TEL#: _____ FAX#: _____ EMAIL: _____
ATTN: _____ TEL#: _____ FAX#: _____ EMAIL: _____	▪ <i>CONTRACT AND LEGAL NOTICES</i>	ATTN: _____ TEL#: _____ FAX#: _____ EMAIL: _____
ATTN: _____ TEL#: _____ FAX#: _____ EMAIL: _____	▪ <i>CREDIT</i>	ATTN: _____ TEL#: _____ FAX#: _____ EMAIL: _____
ATTN: _____ TEL#: _____ FAX#: _____ EMAIL: _____	▪ <i>TRANSACTION CONFIRMATIONS</i>	ATTN: _____ TEL#: _____ FAX#: _____ EMAIL: _____
ACCOUNTING INFORMATION		
ATTN: _____ TEL#: _____ FAX#: _____ EMAIL: _____	▪ <i>INVOICES</i> ▪ <i>PAYMENTS</i> ▪ <i>SETTLEMENTS</i>	ATTN: _____ TEL#: _____ FAX#: _____ EMAIL: _____
BANK: _____ ABA: _____ ACCT: _____ OTHER DETAILS: _____	<i>WIRE TRANSFER NUMBERS (IF APPLICABLE)</i>	BANK: _____ ABA: _____ ACCT: _____ OTHER DETAILS: _____
BANK: _____ ABA: _____ ACCT: _____ OTHER DETAILS: _____	<i>ACH NUMBERS (IF APPLICABLE)</i>	BANK: _____ ABA: _____ ACCT: _____ OTHER DETAILS: _____
ATTN: _____ ADDRESS: _____	<i>CHECKS (IF APPLICABLE)</i>	ATTN: _____ ADDRESS: _____

Base Contract for Sale and Purchase of Natural Gas

* (Continued)

This Base Contract incorporates by reference for all purposes the General Terms and Conditions for Sale and Purchase of Natural Gas published by the North American Energy Standards Board. The parties hereby agree to the following provisions offered in said General Terms and Conditions. In the event the parties fail to check a box, the specified default provision shall apply. Select the appropriate box(es) from each section:

Section 1.2 Transaction Procedure <input type="checkbox"/> Oral (default) OR <input type="checkbox"/> Written	Section 10.2 Additional Events of Default <input type="checkbox"/> No Additional Events of Default (default) <input type="checkbox"/> Indebtedness Cross Default <input type="checkbox"/> Party A: <input type="checkbox"/> Party B: <input type="checkbox"/> Transactional Cross Default <u>Specified Transactions:</u> Please see definition of Specified Transactions in the Special Provisions
Section 2.7 Confirm Deadline <input type="checkbox"/> 2 Business Days after receipt (default) OR <input type="checkbox"/> _____ Business Days after receipt	
Section 2.8 Confirming Party <input type="checkbox"/> Seller (default) OR <input type="checkbox"/> Buyer <input type="checkbox"/> <u>NiSource LDC</u>	
Section 3.2 Performance Obligation <input type="checkbox"/> Cover Standard (default) OR <input type="checkbox"/> Spot Price Standard	Section 10.3.1 Early Termination Damages <input type="checkbox"/> Early Termination Damages Apply (default) OR <input type="checkbox"/> Early Termination Damages Do Not Apply
Note: The following Spot Price Publication applies to both of the immediately preceding.	
Section 2.31 Spot Price Publication <input type="checkbox"/> Gas Daily Midpoint (default) OR <input type="checkbox"/> _____	Section 10.3.2 Other Agreement Setoffs <input type="checkbox"/> Other Agreement Setoffs Apply (default) <input type="checkbox"/> Bilateral (default) <input type="checkbox"/> Triangular OR <input type="checkbox"/> Other Agreement Setoffs Do Not Apply
Section 6 Taxes <input type="checkbox"/> Buyer Pays At and After Delivery Point (default) OR <input type="checkbox"/> Seller Pays Before and At Delivery Point	
Section 7.2 Payment Date <input type="checkbox"/> 25 th Day of Month following Month of delivery (default) OR <input type="checkbox"/> Day of Month following Month of delivery	Section 15.5 Choice Of Law
Section 7.2 Method of Payment <input type="checkbox"/> Wire transfer (default) Or <input type="checkbox"/> Automated Clearinghouse Credit (ACH) <input type="checkbox"/> Check	Section 15.10 Confidentiality <input type="checkbox"/> Confidentiality applies (default) OR <input type="checkbox"/> Confidentiality does not apply
Section 7.7 Netting <input type="checkbox"/> Netting applies (default) OR <input type="checkbox"/> Netting does not apply	
<input type="checkbox"/> Special Provisions Number of sheets attached: _____ <input type="checkbox"/> Addendum(s): _____	

IN WITNESS WHEREOF, the parties hereto have executed this Base Contract in duplicate.

	<i>PARTY NAME</i>	
By: _____	<i>SIGNATURE</i>	By: _____
	<i>PRINTED NAME</i>	
	<i>TITLE</i>	

General Terms and Conditions Base Contract for Sale and Purchase of Natural Gas

SECTION 1. PURPOSE AND PROCEDURES

1.1. These General Terms and Conditions are intended to facilitate purchase and sale transactions of Gas on a Firm or Interruptible basis. "Buyer" refers to the party receiving Gas and "Seller" refers to the party delivering Gas. The entire agreement between the parties shall be the Contract as defined in Section 2.9.

The parties have selected either the "Oral Transaction Procedure" or the "Written Transaction Procedure" as indicated on the Base Contract.

Oral Transaction Procedure:

1.2. The parties will use the following Transaction Confirmation procedure. Any Gas purchase and sale transaction may be effectuated in an EDI transmission or telephone conversation with the offer and acceptance constituting the agreement of the parties. The parties shall be legally bound from the time they so agree to transaction terms and may each rely thereon. Any such transaction shall be considered a "writing" and to have been "signed". Notwithstanding the foregoing sentence, the parties agree that Confirming Party shall, and the other party may, confirm a telephonic transaction by sending the other party a Transaction Confirmation by facsimile, EDI or mutually agreeable electronic means within three Business Days of a transaction covered by this Section 1.2 (Oral Transaction Procedure) provided that the failure to send a Transaction Confirmation shall not invalidate the oral agreement of the parties. Confirming Party adopts its confirming letterhead, or the like, as its signature on any Transaction Confirmation as the identification and authentication of Confirming Party. If the Transaction Confirmation contains any provisions other than those relating to the commercial terms of the transaction (i.e., price, quantity, performance obligation, delivery point, period of delivery and/or transportation conditions), which modify or supplement the Base Contract or General Terms and Conditions of this Contract (e.g., arbitration or additional representations and warranties), such provisions shall not be deemed to be accepted pursuant to Section 1.3 but must be expressly agreed to by both parties; provided that the foregoing shall not invalidate any transaction agreed to by the parties.

Written Transaction Procedure:

1.2. The parties will use the following Transaction Confirmation procedure. Should the parties come to an agreement regarding a Gas purchase and sale transaction for a particular Delivery Period, the Confirming Party shall, and the other party may, record that agreement on a Transaction Confirmation and communicate such Transaction Confirmation by facsimile, EDI or mutually agreeable electronic means, to the other party by the close of the Business Day following the date of agreement. The parties acknowledge that their agreement will not be binding until the exchange of nonconflicting Transaction Confirmations or the passage of the Confirm Deadline without objection from the receiving party, as provided in Section 1.3.

1.3. If a sending party's Transaction Confirmation is materially different from the receiving party's understanding of the agreement referred to in Section 1.2, such receiving party shall notify the sending party via facsimile, EDI or mutually agreeable electronic means by the Confirm Deadline, unless such receiving party has previously sent a Transaction Confirmation to the sending party. The failure of the receiving party to so notify the sending party in writing by the Confirm Deadline constitutes the receiving party's agreement to the terms of the transaction described in the sending party's Transaction Confirmation. If there are any material differences between timely sent Transaction Confirmations governing the same transaction, then neither Transaction Confirmation shall be binding until or unless such differences are resolved including the use of any evidence that clearly resolves the differences in the Transaction Confirmations. In the event of a conflict among the terms of (i) a binding Transaction Confirmation pursuant to Section 1.2, (ii) the oral agreement of the parties which may be evidenced by a recorded conversation, where the parties have selected the Oral Transaction Procedure of the Base Contract, (iii) the Base Contract, and (iv) these General Terms and Conditions, the terms of the documents shall govern in the priority listed in this sentence.

1.4. The parties agree that each party may electronically record all telephone conversations with respect to this Contract between their respective employees, without any special or further notice to the other party. Each party shall obtain any necessary consent of its agents and employees to such recording. Where the parties have selected the Oral Transaction Procedure in Section 1.2 of the Base Contract, the parties agree not to contest the validity or enforceability of telephonic recordings entered into in accordance with the requirements of this Base Contract.

SECTION 2. DEFINITIONS

The terms set forth below shall have the meaning ascribed to them below. Other terms are also defined elsewhere in the Contract and shall have the meanings ascribed to them herein.

2.1. "Additional Event of Default" shall mean Transactional Cross Default or Indebtedness Cross Default, each as and if selected by the parties pursuant to the Base Contract.

2.2. "Affiliate" shall mean, in relation to any person, any entity controlled, directly or indirectly, by the person, any entity that controls, directly or indirectly, the person or any entity directly or indirectly under common control with the person. For this purpose, "control" of any entity or person means ownership of at least 50 percent of the voting power of the entity or person.

- 2.3. "Alternative Damages" shall mean such damages, expressed in dollars or dollars per MMBtu, as the parties shall agree upon in the Transaction Confirmation, in the event either Seller or Buyer fails to perform a Firm obligation to deliver Gas in the case of Seller or to receive Gas in the case of Buyer.
- 2.4. "Base Contract" shall mean a contract executed by the parties that incorporates these General Terms and Conditions by reference; that specifies the agreed selections of provisions contained herein; and that sets forth other information required herein and any Special Provisions and addendum(s) as identified on page one.
- 2.5. "British thermal unit" or "Btu" shall mean the International BTU, which is also called the Btu (IT).
- 2.6. "Business Day(s)" shall mean Monday through Friday, excluding Federal Banking Holidays for transactions in the U.S.
- 2.7. "Confirm Deadline" shall mean 5:00 p.m. in the receiving party's time zone on the second Business Day following the Day a Transaction Confirmation is received or, if applicable, on the Business Day agreed to by the parties in the Base Contract; provided, if the Transaction Confirmation is time stamped after 5:00 p.m. in the receiving party's time zone, it shall be deemed received at the opening of the next Business Day.
- 2.8. "Confirming Party" shall mean the party designated in the Base Contract to prepare and forward Transaction Confirmations to the other party.
- 2.9. "Contract" shall mean the legally-binding relationship established by (i) the Base Contract, (ii) any and all binding Transaction Confirmations and (iii) where the parties have selected the Oral Transaction Procedure in Section 1.2 of the Base Contract, any and all transactions that the parties have entered into through an EDI transmission or by telephone, but that have not been confirmed in a binding Transaction Confirmation, all of which shall form a single integrated agreement between the parties.
- 2.10. "Contract Price" shall mean the amount expressed in U.S. Dollars per MMBtu to be paid by Buyer to Seller for the purchase of Gas as agreed to by the parties in a transaction.
- 2.11. "Contract Quantity" shall mean the quantity of Gas to be delivered and taken as agreed to by the parties in a transaction.
- 2.12. "Cover Standard", as referred to in Section 3.2, shall mean that if there is an unexcused failure to take or deliver any quantity of Gas pursuant to this Contract, then the performing party shall use commercially reasonable efforts to (i) if Buyer is the performing party, obtain Gas, (or an alternate fuel if elected by Buyer and replacement Gas is not available), or (ii) if Seller is the performing party, sell Gas, in either case, at a price reasonable for the delivery or production area, as applicable, consistent with: the amount of notice provided by the nonperforming party; the immediacy of the Buyer's Gas consumption needs or Seller's Gas sales requirements, as applicable; the quantities involved; and the anticipated length of failure by the nonperforming party.
- 2.13. "Credit Support Obligation(s)" shall mean any obligation(s) to provide or establish credit support for, or on behalf of, a party to this Contract such as cash, an irrevocable standby letter of credit, a margin agreement, a prepayment, a security interest in an asset, guaranty, or other good and sufficient security of a continuing nature.
- 2.14. "Day" shall mean a period of 24 consecutive hours, coextensive with a "day" as defined by the Receiving Transporter in a particular transaction.
- 2.15. "Delivery Period" shall be the period during which deliveries are to be made as agreed to by the parties in a transaction.
- 2.16. "Delivery Point(s)" shall mean such point(s) as are agreed to by the parties in a transaction.
- 2.17. "EDI" shall mean an electronic data interchange pursuant to an agreement entered into by the parties, specifically relating to the communication of Transaction Confirmations under this Contract.
- 2.18. "EFP" shall mean the purchase, sale or exchange of natural Gas as the "physical" side of an exchange for physical transaction involving gas futures contracts. EFP shall incorporate the meaning and remedies of "Firm", provided that a party's excuse for nonperformance of its obligations to deliver or receive Gas will be governed by the rules of the relevant futures exchange regulated under the Commodity Exchange Act.
- 2.19. "Firm" shall mean that either party may interrupt its performance without liability only to the extent that such performance is prevented for reasons of Force Majeure; provided, however, that during Force Majeure interruptions, the party invoking Force Majeure may be responsible for any Imbalance Charges as set forth in Section 4.3 related to its interruption after the nomination is made to the Transporter and until the change in deliveries and/or receipts is confirmed by the Transporter.
- 2.20. "Gas" shall mean any mixture of hydrocarbons and noncombustible gases in a gaseous state consisting primarily of methane.
- 2.21. "Guarantor" shall mean any entity that has provided a guaranty of the obligations of a party hereunder.
- 2.22. "Imbalance Charges" shall mean any fees, penalties, costs or charges (in cash or in kind) assessed by a Transporter for failure to satisfy the Transporter's balance and/or nomination requirements.
- 2.23. "Indebtedness Cross Default" shall mean if selected on the Base Contract by the parties with respect to a party, that it or its Guarantor, if any, experiences a default, or similar condition or event however therein defined, under one or more agreements or instruments, individually or collectively, relating to indebtedness (such indebtedness to include any obligation whether present or future, contingent or otherwise, as principal or surety or otherwise) for the payment or repayment of borrowed money in an aggregate amount greater than the threshold specified in the Base Contract with respect to such party or its Guarantor, if any, which results in such indebtedness becoming immediately due and payable.

- 2.24. "Interruptible" shall mean that either party may interrupt its performance at any time for any reason, whether or not caused by an event of Force Majeure, with no liability, except such interrupting party may be responsible for any Imbalance Charges as set forth in Section 4.3 related to its interruption after the nomination is made to the Transporter and until the change in deliveries and/or receipts is confirmed by Transporter.
- 2.25. "MMBtu" shall mean one million British thermal units, which is equivalent to one dekatherm.
- 2.26. "Month" shall mean the period beginning on the first Day of the calendar month and ending immediately prior to the commencement of the first Day of the next calendar month.
- 2.27. "Payment Date" shall mean a date, as indicated on the Base Contract, on or before which payment is due Seller for Gas received by Buyer in the previous Month.
- 2.28. "Receiving Transporter" shall mean the Transporter receiving Gas at a Delivery Point, or absent such receiving Transporter, the Transporter delivering Gas at a Delivery Point.
- 2.29. "Scheduled Gas" shall mean the quantity of Gas confirmed by Transporter(s) for movement, transportation or management.
- 2.30. "Specified Transaction(s)" shall mean any other transaction or agreement between the parties for the purchase, sale or exchange of physical Gas, and any other transaction or agreement identified as a Specified Transaction under the Base Contract.
- 2.31. "Spot Price" as referred to in Section 3.2 shall mean the price listed in the publication indicated on the Base Contract, under the listing applicable to the geographic location closest in proximity to the Delivery Point(s) for the relevant Day; provided, if there is no single price published for such location for such Day, but there is published a range of prices, then the Spot Price shall be the average of such high and low prices. If no price or range of prices is published for such Day, then the Spot Price shall be the average of the following: (i) the price (determined as stated above) for the first Day for which a price or range of prices is published that next precedes the relevant Day; and (ii) the price (determined as stated above) for the first Day for which a price or range of prices is published that next follows the relevant Day.
- 2.32. "Transaction Confirmation" shall mean a document, similar to the form of Exhibit A, setting forth the terms of a transaction formed pursuant to Section 1 for a particular Delivery Period.
- 2.33. "Transactional Cross Default" shall mean if selected on the Base Contract by the parties with respect to a party, that it shall be in default, however therein defined, under any Specified Transaction.
- 2.34. "Termination Option" shall mean the option of either party to terminate a transaction in the event that the other party fails to perform a Firm obligation to deliver Gas in the case of Seller or to receive Gas in the case of Buyer for a designated number of days during a period as specified on the applicable Transaction Confirmation.
- 2.35. "Transporter(s)" shall mean all Gas gathering or pipeline companies, or local distribution companies, acting in the capacity of a transporter, transporting Gas for Seller or Buyer upstream or downstream, respectively, of the Delivery Point pursuant to a particular transaction.

SECTION 3. PERFORMANCE OBLIGATION

- 3.1. Seller agrees to sell and deliver, and Buyer agrees to receive and purchase, the Contract Quantity for a particular transaction in accordance with the terms of the Contract. Sales and purchases will be on a Firm or Interruptible basis, as agreed to by the parties in a transaction.

The parties have selected either the "Cover Standard" or the "Spot Price Standard" as indicated on the Base Contract.

Cover Standard:

3.2. The sole and exclusive remedy of the parties in the event of a breach of a Firm obligation to deliver or receive Gas shall be recovery of the following: (i) in the event of a breach by Seller on any Day(s), payment by Seller to Buyer in an amount equal to the positive difference, if any, between the purchase price paid by Buyer utilizing the Cover Standard and the Contract Price, adjusted for commercially reasonable differences in transportation costs to or from the Delivery Point(s), multiplied by the difference between the Contract Quantity and the quantity actually delivered by Seller for such Day(s) excluding any quantity for which no replacement is available; or (ii) in the event of a breach by Buyer on any Day(s), payment by Buyer to Seller in the amount equal to the positive difference, if any, between the Contract Price and the price received by Seller utilizing the Cover Standard for the resale of such Gas, adjusted for commercially reasonable differences in transportation costs to or from the Delivery Point(s), multiplied by the difference between the Contract Quantity and the quantity actually taken by Buyer for such Day(s) excluding any quantity for which no sale is available; and (iii) in the event that Buyer has used commercially reasonable efforts to replace the Gas or Seller has used commercially reasonable efforts to sell the Gas to a third party, and no such replacement or sale is available for all or any portion of the Contract Quantity of Gas, then in addition to (i) or (ii) above, as applicable, the sole and exclusive remedy of the performing party with respect to the Gas not replaced or sold shall be an amount equal to any unfavorable difference between the Contract Price and the Spot Price, adjusted for such transportation to the applicable Delivery Point, multiplied by the quantity of such Gas not replaced or sold. Imbalance Charges shall not be recovered under this Section 3.2, but Seller and/or Buyer shall be responsible for Imbalance Charges, if any, as provided in Section 4.3. The amount of such unfavorable difference shall be payable five Business Days after presentation of the performing party's invoice, which shall set forth the basis upon which such amount was calculated.

Spot Price Standard:

3.2. The sole and exclusive remedy of the parties in the event of a breach of a Firm obligation to deliver or receive Gas shall be recovery of the following: (i) in the event of a breach by Seller on any Day(s), payment by Seller to Buyer in an amount equal to the difference between the Contract Quantity and the actual quantity delivered by Seller and received by Buyer for such Day(s), multiplied by the positive difference, if any, obtained by subtracting the Contract Price from the Spot Price; or (ii) in the event of a breach by Buyer on any Day(s), payment by Buyer to Seller in an amount equal to the difference between the Contract Quantity and the actual quantity delivered by Seller and received by Buyer for such Day(s), multiplied by the positive difference, if any, obtained by subtracting the applicable Spot Price from the Contract Price. Imbalance Charges shall not be recovered under this Section 3.2, but Seller and/or Buyer shall be responsible for Imbalance Charges, if any, as provided in Section 4.3. The amount of such unfavorable difference shall be payable five Business Days after presentation of the performing party's invoice, which shall set forth the basis upon which such amount was calculated.

3.3. Notwithstanding Section 3.2, the parties may agree to Alternative Damages in a Transaction Confirmation executed in writing by both parties.

3.4. In addition to Sections 3.2 and 3.3, the parties may provide for a Termination Option in a Transaction Confirmation executed in writing by both parties. The Transaction Confirmation containing the Termination Option will designate the length of nonperformance triggering the Termination Option and the procedures for exercise thereof, how damages for nonperformance will be compensated, and how liquidation costs will be calculated.

SECTION 4. TRANSPORTATION, NOMINATIONS, AND IMBALANCES

4.1. Seller shall have the sole responsibility for transporting the Gas to the Delivery Point(s). Buyer shall have the sole responsibility for transporting the Gas from the Delivery Point(s).

4.2. The parties shall coordinate their nomination activities, giving sufficient time to meet the deadlines of the affected Transporter(s). Each party shall give the other party timely prior Notice, sufficient to meet the requirements of all Transporter(s) involved in the transaction, of the quantities of Gas to be delivered and purchased each Day. Should either party become aware that actual deliveries at the Delivery Point(s) are greater or lesser than the Scheduled Gas, such party shall promptly notify the other party.

4.3. The parties shall use commercially reasonable efforts to avoid imposition of any Imbalance Charges. If Buyer or Seller receives an invoice from a Transporter that includes Imbalance Charges, the parties shall determine the validity as well as the cause of such Imbalance Charges. If the Imbalance Charges were incurred as a result of Buyer's receipt of quantities of Gas greater than or less than the Scheduled Gas, then Buyer shall pay for such Imbalance Charges or reimburse Seller for such Imbalance Charges paid by Seller. If the Imbalance Charges were incurred as a result of Seller's delivery of quantities of Gas greater than or less than the Scheduled Gas, then Seller shall pay for such Imbalance Charges or reimburse Buyer for such Imbalance Charges paid by Buyer.

SECTION 5. QUALITY AND MEASUREMENT

All Gas delivered by Seller shall meet the pressure, quality and heat content requirements of the Receiving Transporter. The unit of quantity measurement for purposes of this Contract shall be one MMBtu dry. Measurement of Gas quantities hereunder shall be in accordance with the established procedures of the Receiving Transporter.

SECTION 6. TAXES

The parties have selected either "Buyer Pays At and After Delivery Point" or "Seller Pays Before and At Delivery Point" as indicated on the Base Contract.

Buyer Pays At and After Delivery Point:

Seller shall pay or cause to be paid all taxes, fees, levies, penalties, licenses or charges imposed by any government authority ("Taxes") on or with respect to the Gas prior to the Delivery Point(s). Buyer shall pay or cause to be paid all Taxes on or with respect to the Gas at the Delivery Point(s) and all Taxes after the Delivery Point(s). If a party is required to remit or pay Taxes that are the other party's responsibility hereunder, the party responsible for such Taxes shall promptly reimburse the other party for such Taxes. Any party entitled to an exemption from any such Taxes or charges shall furnish the other party any necessary documentation thereof.

Seller Pays Before and At Delivery Point:

Seller shall pay or cause to be paid all taxes, fees, levies, penalties, licenses or charges imposed by any government authority ("Taxes") on or with respect to the Gas prior to the Delivery Point(s) and all Taxes at the Delivery Point(s). Buyer shall pay or cause to be paid all Taxes on or with respect to the Gas after the Delivery Point(s). If a party is required to remit or pay Taxes that are the other party's responsibility hereunder, the party responsible for such Taxes shall promptly reimburse the other party for such Taxes. Any party entitled to an exemption from any such Taxes or charges shall furnish the other party any necessary documentation thereof.

SECTION 7. BILLING, PAYMENT, AND AUDIT

7.1. Seller shall invoice Buyer for Gas delivered and received in the preceding Month and for any other applicable charges, providing supporting documentation acceptable in industry practice to support the amount charged. If the actual quantity delivered is not known by the billing date, billing will be prepared based on the quantity of Scheduled Gas. The invoiced quantity will then be adjusted to the actual quantity on the following Month's billing or as soon thereafter as actual delivery information is available.

7.2. Buyer shall remit the amount due under Section 7.1 in the manner specified in the Base Contract, in immediately available funds, on or before the later of the Payment Date or 10 Days after receipt of the invoice by Buyer; provided that if the Payment Date is not a Business Day, payment is due on the next Business Day following that date. In the event any payments are due Buyer hereunder, payment to Buyer shall be made in accordance with this Section 7.2.

7.3. In the event payments become due pursuant to Sections 3.2 or 3.3, the performing party may submit an invoice to the nonperforming party for an accelerated payment setting forth the basis upon which the invoiced amount was calculated. Payment from the nonperforming party will be due five Business Days after receipt of invoice.

7.4. If the invoiced party, in good faith, disputes the amount of any such invoice or any part thereof, such invoiced party will pay such amount as it concedes to be correct; provided, however, if the invoiced party disputes the amount due, it must provide supporting documentation acceptable in industry practice to support the amount paid or disputed without undue delay. In the event the parties are unable to resolve such dispute, either party may pursue any remedy available at law or in equity to enforce its rights pursuant to this Section.

7.5. If the invoiced party fails to remit the full amount payable when due, interest on the unpaid portion shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under "Money Rates" by The Wall Street Journal, plus two percent per annum; or (ii) the maximum applicable lawful interest rate.

7.6. A party shall have the right, at its own expense, upon reasonable Notice and at reasonable times, to examine and audit and to obtain copies of the relevant portion of the books, records, and telephone recordings of the other party only to the extent reasonably necessary to verify the accuracy of any statement, charge, payment, or computation made under the Contract. This right to examine, audit, and to obtain copies shall not be available with respect to proprietary information not directly relevant to transactions under this Contract. All invoices and billings shall be conclusively presumed final and accurate and all associated claims for under- or overpayments shall be deemed waived unless such invoices or billings are objected to in writing, with adequate explanation and/or documentation, within two years after the Month of Gas delivery. All retroactive adjustments under Section 7 shall be paid in full by the party owing payment within 30 Days of Notice and substantiation of such inaccuracy.

7.7. Unless the parties have elected on the Base Contract not to make this Section 7.7 applicable to this Contract, the parties shall net all undisputed amounts due and owing, and/or past due, arising under the Contract such that the party owing the greater amount shall make a single payment of the net amount to the other party in accordance with Section 7; provided that no payment required to be made pursuant to the terms of any Credit Support Obligation or pursuant to Section 7.3 shall be subject to netting under this Section. If the parties have executed a separate netting agreement, the terms and conditions therein shall prevail to the extent inconsistent herewith.

SECTION 8. TITLE, WARRANTY, AND INDEMNITY

8.1. Unless otherwise specifically agreed, title to the Gas shall pass from Seller to Buyer at the Delivery Point(s). Seller shall have responsibility for and assume any liability with respect to the Gas prior to its delivery to Buyer at the specified Delivery Point(s). Buyer shall have responsibility for and assume any liability with respect to said Gas after its delivery to Buyer at the Delivery Point(s).

8.2. Seller warrants that it will have the right to convey and will transfer good and merchantable title to all Gas sold hereunder and delivered by it to Buyer, free and clear of all liens, encumbrances, and claims. EXCEPT AS PROVIDED IN THIS SECTION 8.2 AND IN SECTION 15.8, ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR OF FITNESS FOR ANY PARTICULAR PURPOSE, ARE DISCLAIMED.

8.3. Seller agrees to indemnify Buyer and save it harmless from all losses, liabilities or claims including reasonable attorneys' fees and costs of court ("Claims"), from any and all persons, arising from or out of claims of title, personal injury (including death) or property damage from said Gas or other charges thereon which attach before title passes to Buyer. Buyer agrees to indemnify Seller and save it harmless from all Claims, from any and all persons, arising from or out of claims regarding payment, personal injury (including death) or property damage from said Gas or other charges thereon which attach after title passes to Buyer.

8.4. The parties agree that the delivery of and the transfer of title to all Gas under this Contract shall take place within the Customs Territory of the United States (as defined in general note 2 of the Harmonized Tariff Schedule of the United States 19 U.S.C. §1202, General Notes, page 3); provided, however, that in the event Seller took title to the Gas outside the Customs Territory of the United States, Seller represents and warrants that it is the importer of record for all Gas entered and delivered into the United States, and shall be responsible for entry and entry summary filings as well as the payment of duties, taxes and fees, if any, and all applicable record keeping requirements.

8.5. Notwithstanding the other provisions of this Section 8, as between Seller and Buyer, Seller will be liable for all Claims to the extent that such arise from the failure of Gas delivered by Seller to meet the quality requirements of Section 5.

SECTION 9. NOTICES

9.1. All Transaction Confirmations, invoices, payment instructions, and other communications made pursuant to the Base Contract ("Notices") shall be made to the addresses specified in writing by the respective parties from time to time.

9.2. All Notices required hereunder shall be in writing and may be sent by facsimile or mutually acceptable electronic means, a nationally recognized overnight courier service, first class mail or hand delivered.

9.3. Notice shall be given when received on a Business Day by the addressee. In the absence of proof of the actual receipt date, the following presumptions will apply. Notices sent by facsimile shall be deemed to have been received upon the sending party's receipt of its facsimile machine's confirmation of successful transmission. If the day on which such facsimile is received is

not a Business Day or is after five p.m. on a Business Day, then such facsimile shall be deemed to have been received on the next following Business Day. Notice by overnight mail or courier shall be deemed to have been received on the next Business Day after it was sent or such earlier time as is confirmed by the receiving party. Notice via first class mail shall be considered delivered five Business Days after mailing.

9.4. The party receiving a commercially acceptable Notice of change in payment instructions or other payment information shall not be obligated to implement such change until ten Business Days after receipt of such Notice.

SECTION 10. FINANCIAL RESPONSIBILITY

10.1. If either party ("X") has reasonable grounds for insecurity regarding the performance of any obligation under this Contract (whether or not then due) by the other party ("Y") (including, without limitation, the occurrence of a material change in the creditworthiness of Y or its Guarantor, if applicable), X may demand Adequate Assurance of Performance. "Adequate Assurance of Performance" shall mean sufficient security in the form, amount, for a term, and from an issuer, all as reasonably acceptable to X, including, but not limited to cash, a standby irrevocable letter of credit, a prepayment, a security interest in an asset or guaranty. Y hereby grants to X a continuing first priority security interest in, lien on, and right of setoff against all Adequate Assurance of Performance in the form of cash transferred by Y to X pursuant to this Section 10.1. Upon the return by X to Y of such Adequate Assurance of Performance, the security interest and lien granted hereunder on that Adequate Assurance of Performance shall be released automatically and, to the extent possible, without any further action by either party.

10.2. In the event (each an "Event of Default") either party (the "Defaulting Party") or its Guarantor shall: (i) make an assignment or any general arrangement for the benefit of creditors; (ii) file a petition or otherwise commence, authorize, or acquiesce in the commencement of a proceeding or case under any bankruptcy or similar law for the protection of creditors or have such petition filed or proceeding commenced against it; (iii) otherwise become bankrupt or insolvent (however evidenced); (iv) be unable to pay its debts as they fall due; (v) have a receiver, provisional liquidator, conservator, custodian, trustee or other similar official appointed with respect to it or substantially all of its assets; (vi) fail to perform any obligation to the other party with respect to any Credit Support Obligations relating to the Contract; (vii) fail to give Adequate Assurance of Performance under Section 10.1 within 48 hours but at least one Business Day of a written request by the other party; (viii) not have paid any amount due the other party hereunder on or before the second Business Day following written Notice that such payment is due; or ix) be the affected party with respect to any Additional Event of Default; then the other party (the "Non-Defaulting Party") shall have the right, at its sole election, to immediately withhold and/or suspend deliveries or payments upon Notice and/or to terminate and liquidate the transactions under the Contract, in the manner provided in Section 10.3, in addition to any and all other remedies available hereunder.

10.3. If an Event of Default has occurred and is continuing, the Non-Defaulting Party shall have the right, by Notice to the Defaulting Party, to designate a Day, no earlier than the Day such Notice is given and no later than 20 Days after such Notice is given, as an early termination date (the "Early Termination Date") for the liquidation and termination pursuant to Section 10.3.1 of all transactions under the Contract, each a "Terminated Transaction". On the Early Termination Date, all transactions will terminate, other than those transactions, if any, that may not be liquidated and terminated under applicable law ("Excluded Transactions"), which Excluded Transactions must be liquidated and terminated as soon thereafter as is legally permissible, and upon termination shall be a Terminated Transaction and be valued consistent with Section 10.3.1 below. With respect to each Excluded Transaction, its actual termination date shall be the Early Termination Date for purposes of Section 10.3.1.

The parties have selected either "Early Termination Damages Apply" or "Early Termination Damages Do Not Apply" as indicated on the Base Contract.

Early Termination Damages Apply:

10.3.1. As of the Early Termination Date, the Non-Defaulting Party shall determine, in good faith and in a commercially reasonable manner, (i) the amount owed (whether or not then due) by each party with respect to all Gas delivered and received between the parties under Terminated Transactions and Excluded Transactions on and before the Early Termination Date and all other applicable charges relating to such deliveries and receipts (including without limitation any amounts owed under Section 3.2), for which payment has not yet been made by the party that owes such payment under this Contract and (ii) the Market Value, as defined below, of each Terminated Transaction. The Non-Defaulting Party shall (x) liquidate and accelerate each Terminated Transaction at its Market Value, so that each amount equal to the difference between such Market Value and the Contract Value, as defined below, of such Terminated Transaction(s) shall be due to the Buyer under the Terminated Transaction(s) if such Market Value exceeds the Contract Value and to the Seller if the opposite is the case; and (y) where appropriate, discount each amount then due under clause (x) above to present value in a commercially reasonable manner as of the Early Termination Date (to take account of the period between the date of liquidation and the date on which such amount would have otherwise been due pursuant to the relevant Terminated Transactions).

For purposes of this Section 10.3.1, "Contract Value" means the amount of Gas remaining to be delivered or purchased under a transaction multiplied by the Contract Price, and "Market Value" means the amount of Gas remaining to be delivered or purchased under a transaction multiplied by the market price for a similar transaction at the Delivery Point determined by the Non-Defaulting Party in a commercially reasonable manner. To ascertain the Market Value, the Non-Defaulting Party may consider, among other valuations, any or all of the settlement prices of NYMEX Gas futures contracts, quotations from leading dealers in energy swap contracts or physical gas trading markets, similar sales or purchases and any other bona fide third-party offers, all adjusted for the length of the term and differences in transportation costs. A party shall not be required to enter into a replacement transaction(s) in order to determine the Market Value. Any extension(s) of the term of a transaction to which parties are not bound as of the Early Termination Date (including but not limited to "evergreen provisions") shall not be considered in determining Contract Values and

Market Values. For the avoidance of doubt, any option pursuant to which one party has the right to extend the term of a transaction shall be considered in determining Contract Values and Market Values. The rate of interest used in calculating net present value shall be determined by the Non-Defaulting Party in a commercially reasonable manner.

Early Termination Damages Do Not Apply:

10.3.1. As of the Early Termination Date, the Non-Defaulting Party shall determine, in good faith and in a commercially reasonable manner, the amount owed (whether or not then due) by each party with respect to all Gas delivered and received between the parties under Terminated Transactions and Excluded Transactions on and before the Early Termination Date and all other applicable charges relating to such deliveries and receipts (including without limitation any amounts owed under Section 3.2), for which payment has not yet been made by the party that owes such payment under this Contract.

The parties have selected either "Other Agreement Setoffs Apply" or "Other Agreement Setoffs Do Not Apply" as indicated on the Base Contract.

Other Agreement Setoffs Apply:

Bilateral Setoff Option:

10.3.2. The Non-Defaulting Party shall net or aggregate, as appropriate, any and all amounts owing between the parties under Section 10.3.1, so that all such amounts are netted or aggregated to a single liquidated amount payable by one party to the other (the "Net Settlement Amount"). At its sole option and without prior Notice to the Defaulting Party, the Non-Defaulting Party is hereby authorized to setoff any Net Settlement Amount against (i) any margin or other collateral held by a party in connection with any Credit Support Obligation relating to the Contract; and (ii) any amount(s) (including any excess cash margin or excess cash collateral) owed or held by the party that is entitled to the Net Settlement Amount under any other agreement or arrangement between the parties.

Triangular Setoff Option:

10.3.2. The Non-Defaulting Party shall net or aggregate, as appropriate, any and all amounts owing between the parties under Section 10.3.1, so that all such amounts are netted or aggregated to a single liquidated amount payable by one party to the other (the "Net Settlement Amount"). At its sole option, and without prior Notice to the Defaulting Party, the Non-Defaulting Party is hereby authorized to setoff (i) any Net Settlement Amount against any margin or other collateral held by a party in connection with any Credit Support Obligation relating to the Contract; (ii) any Net Settlement Amount against any amount(s) (including any excess cash margin or excess cash collateral) owed by or to a party under any other agreement or arrangement between the parties; (iii) any Net Settlement Amount owed to the Non-Defaulting Party against any amount(s) (including any excess cash margin or excess cash collateral) owed by the Non-Defaulting Party or its Affiliates to the Defaulting Party under any other agreement or arrangement; (iv) any Net Settlement Amount owed to the Defaulting Party against any amount(s) (including any excess cash margin or excess cash collateral) owed by the Defaulting Party to the Non-Defaulting Party or its Affiliates under any other agreement or arrangement; and/or (v) any Net Settlement Amount owed to the Defaulting Party against any amount(s) (including any excess cash margin or excess cash collateral) owed by the Defaulting Party or its Affiliates to the Non-Defaulting Party under any other agreement or arrangement.

Other Agreement Setoffs Do Not Apply:

10.3.2. The Non-Defaulting Party shall net or aggregate, as appropriate, any and all amounts owing between the parties under Section 10.3.1, so that all such amounts are netted or aggregated to a single liquidated amount payable by one party to the other (the "Net Settlement Amount"). At its sole option and without prior Notice to the Defaulting Party, the Non-Defaulting Party may setoff any Net Settlement Amount against any margin or other collateral held by a party in connection with any Credit Support Obligation relating to the Contract.

10.3.3. If any obligation that is to be included in any netting, aggregation or setoff pursuant to Section 10.3.2 is unascertained, the Non-Defaulting Party may in good faith estimate that obligation and net, aggregate or setoff, as applicable, in respect of the estimate, subject to the Non-Defaulting Party accounting to the Defaulting Party when the obligation is ascertained. Any amount not then due which is included in any netting, aggregation or setoff pursuant to Section 10.3.2 shall be discounted to net present value in a commercially reasonable manner determined by the Non-Defaulting Party.

10.4. As soon as practicable after a liquidation, Notice shall be given by the Non-Defaulting Party to the Defaulting Party of the Net Settlement Amount, and whether the Net Settlement Amount is due to or due from the Non-Defaulting Party. The Notice shall include a written statement explaining in reasonable detail the calculation of the Net Settlement Amount, provided that failure to give such Notice shall not affect the validity or enforceability of the liquidation or give rise to any claim by the Defaulting Party against the Non-Defaulting Party. The Net Settlement Amount as well as any setoffs applied against such amount pursuant to Section 10.3.2, shall be paid by the close of business on the second Business Day following such Notice, which date shall not be earlier than the Early Termination Date. Interest on any unpaid portion of the Net Settlement Amount as adjusted by setoffs, shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under "Money Rates" by The Wall Street Journal, plus two percent per annum; or (ii) the maximum applicable lawful interest rate.

10.5. The parties agree that the transactions hereunder constitute a "forward contract" within the meaning of the United States Bankruptcy Code and that Buyer and Seller are each "forward contract merchants" within the meaning of the United States Bankruptcy Code.

10.6. The Non-Defaulting Party's remedies under this Section 10 are the sole and exclusive remedies of the Non-Defaulting Party with respect to the occurrence of any Early Termination Date. Each party reserves to itself all other rights, setoffs, counterclaims and other defenses that it is or may be entitled to arising from the Contract.

10.7. With respect to this Section 10, if the parties have executed a separate netting agreement with close-out netting provisions, the terms and conditions therein shall prevail to the extent inconsistent herewith.

SECTION 11. FORCE MAJEURE

11.1. Except with regard to a party's obligation to make payment(s) due under Section 7, Section 10.4, and Imbalance Charges under Section 4, neither party shall be liable to the other for failure to perform a Firm obligation, to the extent such failure was caused by Force Majeure. The term "Force Majeure" as employed herein means any cause not reasonably within the control of the party claiming suspension, as further defined in Section 11.2.

11.2. Force Majeure shall include, but not be limited to, the following: (i) physical events such as acts of God, landslides, lightning, earthquakes, fires, storms or storm warnings, such as hurricanes, which result in evacuation of the affected area, floods, washouts, explosions, breakage or accident or necessity of repairs to machinery or equipment or lines of pipe; (ii) weather related events affecting an entire geographic region, such as low temperatures which cause freezing or failure of wells or lines of pipe; (iii) interruption and/or curtailment of Firm transportation and/or storage by Transporters; (iv) acts of others such as strikes, lockouts or other industrial disturbances, riots, sabotage, insurrections or wars, or acts of terror; and (v) governmental actions such as necessity for compliance with any court order, law, statute, ordinance, regulation, or policy having the effect of law promulgated by a governmental authority having jurisdiction. Seller and Buyer shall make reasonable efforts to avoid the adverse impacts of a Force Majeure and to resolve the event or occurrence once it has occurred in order to resume performance.

11.3. Neither party shall be entitled to the benefit of the provisions of Force Majeure to the extent performance is affected by any or all of the following circumstances: (i) the curtailment of interruptible or secondary Firm transportation unless primary, in-path, Firm transportation is also curtailed; (ii) the party claiming excuse failed to remedy the condition and to resume the performance of such covenants or obligations with reasonable dispatch; or (iii) economic hardship, to include, without limitation, Seller's ability to sell Gas at a higher or more advantageous price than the Contract Price, Buyer's ability to purchase Gas at a lower or more advantageous price than the Contract Price, or a regulatory agency disallowing, in whole or in part, the pass through of costs resulting from this Contract; (iv) the loss of Buyer's market(s) or Buyer's inability to use or resell Gas purchased hereunder, except, in either case, as provided in Section 11.2; or (v) the loss or failure of Seller's gas supply or depletion of reserves, except, in either case, as provided in Section 11.2. The party claiming Force Majeure shall not be excused from its responsibility for Imbalance Charges.

11.4. Notwithstanding anything to the contrary herein, the parties agree that the settlement of strikes, lockouts or other industrial disturbances shall be within the sole discretion of the party experiencing such disturbance.

11.5. The party whose performance is prevented by Force Majeure must provide Notice to the other party. Initial Notice may be given orally; however, written Notice with reasonably full particulars of the event or occurrence is required as soon as reasonably possible. Upon providing written Notice of Force Majeure to the other party, the affected party will be relieved of its obligation, from the onset of the Force Majeure event, to make or accept delivery of Gas, as applicable, to the extent and for the duration of Force Majeure, and neither party shall be deemed to have failed in such obligations to the other during such occurrence or event.

11.6. Notwithstanding Sections 11.2 and 11.3, the parties may agree to alternative Force Majeure provisions in a Transaction Confirmation executed in writing by both parties.

SECTION 12. TERM

This Contract may be terminated on 30 Day's written Notice, but shall remain in effect until the expiration of the latest Delivery Period of any transaction(s). The rights of either party pursuant to Section 7.6, Section 10, Section 13, the obligations to make payment hereunder, and the obligation of either party to indemnify the other, pursuant hereto shall survive the termination of the Base Contract or any transaction.

SECTION 13. LIMITATIONS

FOR BREACH OF ANY PROVISION FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY. A PARTY'S LIABILITY HEREUNDER SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED HEREIN OR IN A TRANSACTION, A PARTY'S LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY. SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. UNLESS EXPRESSLY PROVIDED, NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS HEREIN IMPOSED ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID HEREUNDER ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED HEREUNDER CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS.

SECTION 14. MARKET DISRUPTION

If a Market Disruption Event has occurred then the parties shall negotiate in good faith to agree on a replacement price for the Floating Price (or on a method for determining a replacement price for the Floating Price) for the affected Day, and if the parties have not so agreed on or before the second Business Day following the affected Day then the replacement price for the Floating Price shall be determined within the next two following Business Days with each party obtaining, in good faith and from non-affiliated market participants in the relevant market, two quotes for prices of Gas for the affected Day of a similar quality and quantity in the geographical location closest in proximity to the Delivery Point and averaging the four quotes. If either party fails to provide two quotes then the average of the other party's two quotes shall determine the replacement price for the Floating Price. "Floating Price" means the price or a factor of the price agreed to in the transaction as being based upon a specified index. "Market Disruption Event" means, with respect to an index specified for a transaction, any of the following events: (a) the failure of the index to announce or publish information necessary for determining the Floating Price; (b) the failure of trading to commence or the permanent discontinuation or material suspension of trading on the exchange or market acting as the index; (c) the temporary or permanent discontinuance or unavailability of the index; (d) the temporary or permanent closing of any exchange acting as the index; or (e) both parties agree that a material change in the formula for or the method of determining the Floating Price has occurred. For the purposes of the calculation of a replacement price for the Floating Price, all numbers shall be rounded to three decimal places. If the fourth decimal number is five or greater, then the third decimal number shall be increased by one and if the fourth decimal number is less than five, then the third decimal number shall remain unchanged.

SECTION 15. MISCELLANEOUS

15.1. This Contract shall be binding upon and inure to the benefit of the successors, assigns, personal representatives, and heirs of the respective parties hereto, and the covenants, conditions, rights and obligations of this Contract shall run for the full term of this Contract. No assignment of this Contract, in whole or in part, will be made without the prior written consent of the non-assigning party (and shall not relieve the assigning party from liability hereunder), which consent will not be unreasonably withheld or delayed; provided, either party may (i) transfer, sell, pledge, encumber, or assign this Contract or the accounts, revenues, or proceeds hereof in connection with any financing or other financial arrangements, or (ii) transfer its interest to any parent or Affiliate by assignment, merger or otherwise without the prior approval of the other party. Upon any such assignment, transfer and assumption, the transferor shall remain principally liable for and shall not be relieved of or discharged from any obligations hereunder.

15.2. If any provision in this Contract is determined to be invalid, void or unenforceable by any court having jurisdiction, such determination shall not invalidate, void, or make unenforceable any other provision, agreement or covenant of this Contract.

15.3. No waiver of any breach of this Contract shall be held to be a waiver of any other or subsequent breach.

15.4. This Contract sets forth all understandings between the parties respecting each transaction subject hereto, and any prior contracts, understandings and representations, whether oral or written, relating to such transactions are merged into and superseded by this Contract and any effective transaction(s). This Contract may be amended only by a writing executed by both parties.

15.5. The interpretation and performance of this Contract shall be governed by the laws of the jurisdiction as indicated on the Base Contract, excluding, however, any conflict of laws rule which would apply the law of another jurisdiction.

15.6. This Contract and all provisions herein will be subject to all applicable and valid statutes, rules, orders and regulations of any governmental authority having jurisdiction over the parties, their facilities, or Gas supply, this Contract or transaction or any provisions thereof.

15.7. There is no third party beneficiary to this Contract.

15.8. Each party to this Contract represents and warrants that it has full and complete authority to enter into and perform this Contract. Each person who executes this Contract on behalf of either party represents and warrants that it has full and complete authority to do so and that such party will be bound thereby.

15.9. The headings and subheadings contained in this Contract are used solely for convenience and do not constitute a part of this Contract between the parties and shall not be used to construe or interpret the provisions of this Contract.

15.10. Unless the parties have elected on the Base Contract not to make this Section 15.10 applicable to this Contract, neither party shall disclose directly or indirectly without the prior written consent of the other party the terms of any transaction to a third party (other than the employees, lenders, royalty owners, counsel, accountants and other agents of the party, or prospective purchasers of all or substantially all of a party's assets or of any rights under this Contract, provided such persons shall have agreed to keep such terms confidential) except (i) in order to comply with any applicable law, order, regulation, or exchange rule, (ii) to the extent necessary for the enforcement of this Contract, (iii) to the extent necessary to implement any transaction, (iv) to the extent necessary to comply with a regulatory agency's reporting requirements including but not limited to gas cost recovery proceedings; or (v) to the extent such information is delivered to such third party for the sole purpose of calculating a published index. Each party shall notify the other party of any proceeding of which it is aware which may result in disclosure of the terms of any transaction (other than as permitted hereunder) and use reasonable efforts to prevent or limit the disclosure. The existence of this Contract is not subject to this confidentiality obligation. Subject to Section 13, the parties shall be entitled to all remedies available at law or in equity to enforce, or seek relief in connection with this confidentiality obligation. The terms of any transaction hereunder shall be kept confidential by the parties hereto for one year from the expiration of the transaction.

In the event that disclosure is required by a governmental body or applicable law, the party subject to such requirement may disclose the material terms of this Contract to the extent so required, but shall promptly notify the other party, prior to disclosure,

and shall cooperate (consistent with the disclosing party's legal obligations) with the other party's efforts to obtain protective orders or similar restraints with respect to such disclosure at the expense of the other party.

15.11. The parties may agree to dispute resolution procedures in Special Provisions attached to the Base Contract or in a Transaction Confirmation executed in writing by both parties

15.12. Any original executed Base Contract, Transaction Confirmation or other related document may be digitally copied, photocopied, or stored on computer tapes and disks (the "Imaged Agreement"). The Imaged Agreement, if introduced as evidence on paper, the Transaction Confirmation, if introduced as evidence in automated facsimile form, the recording, if introduced as evidence in its original form, and all computer records of the foregoing, if introduced as evidence in printed format, in any judicial, arbitration, mediation or administrative proceedings will be admissible as between the parties to the same extent and under the same conditions as other business records originated and maintained in documentary form. Neither Party shall object to the admissibility of the recording, the Transaction Confirmation, or the Imaged Agreement on the basis that such were not originated or maintained in documentary form. However, nothing herein shall be construed as a waiver of any other objection to the admissibility of such evidence.

DISCLAIMER: The purposes of this Contract are to facilitate trade, avoid misunderstandings and make more definite the terms of contracts of purchase and sale of natural gas. Further, NAESB does not mandate the use of this Contract by any party. **NAESB DISCLAIMS AND EXCLUDES, AND ANY USER OF THIS CONTRACT ACKNOWLEDGES AND AGREES TO NAESB'S DISCLAIMER OF, ANY AND ALL WARRANTIES, CONDITIONS OR REPRESENTATIONS, EXPRESS OR IMPLIED, ORAL OR WRITTEN, WITH RESPECT TO THIS CONTRACT OR ANY PART THEREOF, INCLUDING ANY AND ALL IMPLIED WARRANTIES OR CONDITIONS OF TITLE, NON-INFRINGEMENT, MERCHANTABILITY, OR FITNESS OR SUITABILITY FOR ANY PARTICULAR PURPOSE (WHETHER OR NOT NAESB KNOWS, HAS REASON TO KNOW, HAS BEEN ADVISED, OR IS OTHERWISE IN FACT AWARE OF ANY SUCH PURPOSE), WHETHER ALLEGED TO ARISE BY LAW, BY REASON OF CUSTOM OR USAGE IN THE TRADE, OR BY COURSE OF DEALING. EACH USER OF THIS CONTRACT ALSO AGREES THAT UNDER NO CIRCUMSTANCES WILL NAESB BE LIABLE FOR ANY DIRECT, SPECIAL, INCIDENTAL, EXEMPLARY, PUNITIVE OR CONSEQUENTIAL DAMAGES ARISING OUT OF ANY USE OF THIS CONTRACT.**

TRANSACTION CONFIRMATION
FOR IMMEDIATE DELIVERY

EXHIBIT A

Letterhead/Logo	Date: _____, ____ Transaction Confirmation #: _____	
This Transaction Confirmation is subject to the Base Contract between Seller and Buyer dated _____. The terms of this Transaction Confirmation are binding unless disputed in writing within 2 Business Days of receipt unless otherwise specified in the Base Contract.		
SELLER: _____ _____ _____ Attn: _____ Phone: _____ Fax: _____ Base Contract No. _____ Transporter: _____ Transporter Contract Number: _____	BUYER: _____ _____ _____ Attn: _____ Phone: _____ Fax: _____ Base Contract No. _____ Transporter: _____ Transporter Contract Number: _____	
Contract Price: \$ _____/MMBtu or _____		
Delivery Period: Begin: _____, ____ End: _____, ____		
Performance Obligation and Contract Quantity: (Select One)		
Firm (Fixed Quantity): _____ MMBtus/day <input type="checkbox"/> EFP	Firm (Variable Quantity): _____ MMBtus/day Minimum _____ MMBtus/day Maximum subject to Section 4.2. at election of <input type="checkbox"/> Buyer or <input type="checkbox"/> Seller	Interruptible: Up to _____ MMBtus/day
Delivery Point(s): _____ (If a pooling point is used, list a specific geographic and pipeline location):		
Special Conditions: 		
Seller: _____ By: _____ Title: _____ Date: _____	Buyer: _____ By: _____ Title: _____ Date: _____	