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June 29, 2023

Adam J. Teitzman, Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Re: Docket No. 20230023 - GU

Dear Mr. Teitzman,

Please find enclosed for filing in the above-referenced docket the Direct Testimony and Exhibits of David J. Garrett. This filing was designated confidential when it was originally submitted to the clerk's office on June 22, 2023. Upon inspection by Peoples Gas System, Inc., this filing has now been deemed non-confidential. Attached, please find the Direct Testimony and Exhibits of David J. Garrett as it was filed on June 22, 2023, but with the "confidential" designation on the cover page removed. Please substitute the attached, non-confidential version with the version designated as confidential filed on June 22, 2023.

If you have any questions or concerns, please do not hesitate to contact me. Thank you for your assistance in this matter.

Sincerely,

Walter Trierweiler
Public Counsel

/s/ Mary A. Wessling
Mary A. Wessling
Associate Public Counsel
Florida Bar No. 093590

CERTIFICATE OF SERVICE
DOCKET NO. 20230023-GU

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished by electronic mail on this 29th day of June 2023, to the following:

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

Petition for Rate Increase by Peoples Gas System, Inc.	DOCKET NO: 20230023-GU
Peoples Gas System's Petition for Rate Approval of 2022 Depreciation Study	DOCKET NO: 20220219-GU
Peoples Gas System's Petition for Approval of Depreciation Rate and Subaccount for Renewable Natural Gas Facilities Leased to Others	DOCKET NO: 20220212-GU

DIRECT TESTIMONY
OF
DAVID J. GARRETT

ON BEHALF OF

FLORIDA OFFICE OF PUBLIC COUNSEL

JUNE 22, 2023

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<u>Part Two: Depreciation</u>

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I. INTRODUCTION

Q. Please state your name and occupation.

A. My name is David J. Garrett. I am a consultant specializing in public utility regulation. I am the managing member of Resolve Utility Consulting PLLC.

Q. Please summarize your educational background and professional experience.

A. I received a B.B.A. with a major in Finance, an M.B.A., and a Juris Doctor from the University of Oklahoma. I worked in private legal practice for several years before accepting a position as assistant general counsel at the Oklahoma Corporation Commission in 2011. At the Oklahoma commission, I worked in the Office of General Counsel in regulatory proceedings. In 2012, I began working for the Public Utility Division as a regulatory analyst providing testimony in regulatory proceedings. After leaving the Oklahoma commission, I formed Resolve Utility Consulting PLLC, where I have represented various consumer groups and state agencies in utility regulatory proceedings, primarily in the areas of cost of capital and depreciation. I am a Certified Depreciation Professional with the Society of Depreciation Professionals. I am also a Certified Rate of Return Analyst with the Society of Utility and Regulatory Financial Analysts. I am a member of the Oklahoma Bar, but I am not providing legal advice in this proceeding or the State of Florida. A more complete description of my qualifications and regulatory experience is included in my curriculum vitae.[1]

[1] Exhibit DJG-1.

Q. Describe the purpose and scope of your testimony in this proceeding.

A. I am testifying on behalf of the Florida Office of Public Counsel ("OPC") in response to the petitions for rate increase and approval of the depreciation study and depreciation rates by Peoples Gas System ("PGS" or the "Company"). Specifically, I address the cost of capital and fair rate of return for PGS in response to the direct testimony of Company witness Dylan D'Ascendis. I also address the Company's proposed depreciation rates in response to the direct testimony of Company witness Dane A. Watson, who conducted the Company's depreciation study.

II. <u>EXECUTIVE SUMMARY</u>

A. <u>Part One: Cost of Capital</u>

Q. Describe PGS's position regarding the awarded rate of return in this case.

A. PGS proposes an awarded ROE of 11.0%.[2] PGS also proposes a capital structure consisting of approximately 55% equity and 45% debt.[3] Mr. D'Ascendis relies on the Discounted Cash Flow Model ("DCF Model"), the Capital Asset Pricing Model ("CAPM"), and other risk premium models as part of his recommendation.

Q. Please summarize your analyses and conclusions regarding PGS's cost of equity.

A. PGS has proposed an excessive awarded ROE in this case. Analysis of an appropriate awarded ROE for a utility should begin with a reasonable estimation of the utility's

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[2] Direct Testimony of Dylan W. D'Ascendis, p. 5, lines 1-12.

[3] *Id*. PGS is proposing a capital structure consisting of 40.48% long-term debt, 4.84% short-term debt, and 54.68% equity. Throughout my testimony, I refer to these figures in rounded numbers, and I refer to the Company's proposed total debt ratio as 45% and equity ratio as 55% from investor-supplied sources.

cost of equity. In estimating PGS's cost of equity, I performed a cost of equity analysis on a proxy group of utility companies with relatively similar risk profiles. Based on this proxy group, I evaluated the results of the two most widely used and widely accepted financial models for calculating cost of equity in utility rate proceedings: the CAPM and DCF Model. I conducted two variations of both the CAPM and DCF Model. The results are shown in the figure below.

Figure 1:
Cost of Equity Model Results

Model	Cost of Equity
CAPM (at Proxy Debt Ratio)	8.5%
Hamada CAPM (at Company-Proposed Debt Ratio)	8.1%
DCF Model (Analyst Growth)	8.3%
DCF Model (Sustainable Growth)	7.5%
Average	**8.1%**
Range	**7.5% - 8.5%**

As shown in this figure, the results of my modeling range from 7.5% - 8.5%.[4]

Q. Please provide further explanation about your cost of equity range.

A. The range of cost of equity estimates is relatively wide in this case because of the discrepancy between PGS's proposed debt and equity ratios and the proxy group's average debt and equity ratios. PGS's proposed debt ratio of 45% is notably lower than

[4] Exhibit DJG-13.

the average debt ratio of the proxy group, which is 51%, and conversely the Company's requested equity ratio of 55% is higher than the average equity ratio of the proxy group of 49%. This means that PGS has less financial risk relative to the proxy group. Thus, in order for the indicated cost of equity under the CAPM to be correct, we must adjust the result based on PGS's lower risk profile. We can accomplish this through a mathematical model called the Hamada model (described below in more detail in Section IX. B). Application of the Hamada model shows that PGS's cost of equity under its equity-rich capital structure is only 8.1%. However, if we impute a ratemaking capital structure for PGS that is equal to the proxy group average, then PGS's cost of equity estimate is 8.5%.

Q. Based on the results of your cost of equity analyses, what is your recommendation to the Commission PGS's authorized rate of return.

A. I recommend the Commission adopt a 9.0% awarded ROE for PGS. I also recommend the Commission adopt a ratemaking capital structure for PGS consisting of a total equity ratio that is equal to the average debt ratio of the proxy group – 49%. Despite the fact that the indicated cost of equity for PGS under my CAPM analyses is only 8.5%, it is my opinion that a 9.0% awarded ROE for PGS could be considered reasonable under the circumstances. This is primarily due to the fact that PGS's current awarded ROE of 9.9% significantly exceeds any reasonable estimate of the Company's market-based cost of equity. One could argue that it is preferable for awarded ROEs to gradually change, rather than abruptly. An awarded ROE of 9.0% would partially mitigate the excess transfer of wealth from Florida customers to shareholders while gradually moving the Company toward an actual market based ROE. My recommendations are presented in the following figure.[5]

Figure 2:
Awarded Return Recommendation

Capital Component	Proposed Ratio	Cost Rate	Weighted Cost
Long-Term Debt	46.0%	5.54%	2.55%
Short-Term Debt	4.8%	4.85%	0.23%
Common Equity	49.2%	9.00%	4.43%
Total	100.0%		7.21%

As shown in this figure, adopting my proposed ROE and capital structure (and adopting the Company's proposed cost of equity) results in an authorized rate of return of 7.21%.

B. <u>Part Two: Depreciation</u>

Q. Summarize the key points of your testimony regarding depreciation.

A. In this case, Mr. Watson is proposing depreciation rates based on projected plant and reserve balances as of December 31, 2024. The depreciation rates proposed by Mr. Watson result in a proposed annual depreciation accrual increase of $9.0 million.[6] In addition, Mr. Watson calculates a reserve surplus of $120 million as of this depreciation

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[5] Exhibit DJG-2. This weighted average cost of capital is based on investor-supplied sources of capital and reflects PGS's requested costs of short-term and long-term debt. For OPC's recommended cost of debt and consolidation of all OPC cost of capital adjustments, please see the direct testimony of OPC witness Lane Kollen, who presents a recommended weighted average cost of capital based on all capital components..

[6] Direct Testimony of Dane A. Watson, p. 10, lines 12-17.

study date.[7] I analyzed Mr. Watson's depreciation study as of December 31, 2024 (the "2024 Study"), and I recommend service life adjustments for several accounts. Including OPC's service life adjustments, OPC's primary recommendation for depreciation rates and the reserve surplus are based on plant and reserve balances as of December 31, 2023 (the "2023 Study").

Q. Please summarize the results of your analyses under the 2023 Study and 2024 Study.

A. Adopting my proposed service life adjustments under the 2023 Study results in an annual depreciation accrual of $77.9 million and equates to an adjustment reducing the Company's proposed annual depreciation accrual by $16 million, as summarized in the table below.

Figure 3:
Primary Recommendation – Adjusted 2023 Study Results

Plant	Company Proposal (2024)		OPC Proposal (2023)		OPC Adjustment	
Function	Rate	Accrual	Rate	Proposal	Rate	Adjustment
Intangible	6.60%	$ 8,287,773	6.39%	$ 7,119,431	-0.20%	$ (1,168,342)
Distribution	2.50%	79,497,074	2.23%	65,901,840	-0.26%	(13,595,235)
General	6.85%	5,520,935	6.35%	4,261,768	-0.50%	(1,259,167)
RNG/LNG	3.44%	605,050	3.45%	606,895	0.01%	1,845
Total Plant Studied	2.76%	$ 93,910,832	2.47%	$ 77,889,934	-0.28%	**$ (16,020,898)**

[7] I calculate a substantially similar reserve surplus of $120 million - *see* Exhibit DJG-23; see also Exhibit DJG-36 for reserve development.

This approach results in an adjustment reducing the Company's proposed depreciation accrual by $16 million.[8] In addition, my adjusted service life parameters under the 2023 Study results in a calculated depreciation surplus of $221 million.[9] It is OPC's recommendation to amortize the reserve surplus adopted by the Commission over 10 years, as explained in more detail in the direct testimony of OPC witness Lane Kollen. The depreciation rates and reserve surplus based on my adjustments under the 2023 Study represent OPC's primary recommendation to the Commission.

Q. Are you also proposing to the Commission any alternative recommendations regarding these issues?

A. Yes. It is OPC's position that the most reasonable approach to take regarding these issues is outlined in our primary recommendation. However, in the event the Commission does not adopt my primary recommendation, the Commission can consider two alternative approaches. The first alternative approach would be to adopt all of Mr. Watson's proposed service lives and net salvage rates, but still have the depreciation rate and reserve surplus calculations based on plant and reserve balances at December 31, 2023. The results of this first alternative approach are summarized in the following figure.

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[8] *See* Exhibit DJG-18; *see also* Exhibits DJG-24 for rate calculations; *see also* DJG-40 for 2023 adjusted remaining life development.

[9] Exhibit DJG-27. This amount assumes that the Dade City Connector Project will be in-service pursuant to Paragraph 4(c)(ii) of the 2020 Settlement Agreement approved in Order No. PSC-2020-0485-FOF-GU. To the extent that PGS fails to demonstrate that it will be in-service before December 31, 2023, I reserve the right to amend my testimony accordingly.

Figure 4:
First Alternative Recommendation – Unadjusted 2023 Study Results

Plant	Company Proposal (2024)		OPC Proposal (2023)		OPC Adjustment	
Function	Rate	Accrual	Rate	Proposal	Rate	Adjustment
Intangible	6.60%	$ 8,287,773	6.39%	$ 7,119,431	-0.20%	$ (1,168,342)
Distribution	2.50%	79,497,074	2.46%	72,749,052	-0.03%	(6,748,022)
General	6.85%	5,520,935	6.35%	4,261,768	-0.50%	(1,259,167)
RNG/LNG	3.44%	605,050	3.45%	606,895	0.01%	1,845
Total Plant Studied	2.76%	$ 93,910,832	2.69%	$ 84,737,146	-0.06%	**$ (9,173,686)**

This approach results in an adjustment reducing the Company's proposed depreciation accrual by $9.2 million.[10] In addition, adopting the Company's unadjusted service lives and net salvage rates based on 2023 plant and reserve balances results in a calculated depreciation surplus of $159 million.[11]

OPC's second alternative for consideration is to apply my service life adjustments to calculate the depreciation rate and reserve surplus to 2024 plant and reserve balances. The results of this approach are summarized in the following table.

[10] *See* Exhibit DJG-26; *see also* Exhibit DJG-41 for 2023 unadjusted remaining life development.

[11] Exhibit DJG-28.

Figure 5:
Second Alternative Recommendation – Adjusted 2024 Study Results

Plant Function	Company Proposal Rate	Company Proposal Accrual	OPC Proposal Rate	OPC Proposal Proposal	OPC Adjustment Rate	OPC Adjustment Adjustment
Intangible	6.60%	$ 8,287,773	6.60%	$ 8,287,773	0.00%	$ -
Distribution	2.50%	79,497,074	2.26%	71,968,327	-0.24%	(7,528,747)
General	6.85%	5,520,935	6.85%	5,520,935	0.00%	-
RNG/LNG	3.44%	605,050	3.44%	605,050	0.00%	-
Total Plant Studied	2.76%	$ 93,910,832	2.53%	$ 86,382,085	-0.22%	**$ (7,528,747)**

This approach results in an adjustment reducing the Company's proposed depreciation accrual by $7.5 million.[12] In addition, this approach results in a calculated depreciation surplus of $187 million.[13]

My primary recommendation and the alternative recommendations are summarized in the following table.

[12] *See also* Exhibits DJG-18, DJG-19, and DJG-20 for rate calculations and adjustments; see also Exhibit DJG-37 for remaining life development.

[13] Exhibit DJG-22; *see also* Exhibit DJG-35 for reserve development.

Figure 6:
OPC's Primary Recommendation and Alternatives

	Recommendation and Alternatives	Accrual Adjustment	Reserve Surplus
1	• Adopt depreciation rates based on plant at 12-31-23 • Adopt OPC's proposed service life adjustments	$ (16,020,898)	$ 221,024,192
2	• Adopt depreciation rates based on plant at 12-31-23 • Adopt PGS's proposed service lives	$ (9,173,686)	$ 159,474,313
3	• Adopt depreciation rates based on plant at 12-31-24 • Adopt OPC's proposed service lives	$ (7,528,747)	$ 186,552,361

My service life adjustments are discussed in more detail in the depreciation section of my testimony.

Q. Please explain why it is OPC's primary recommendation to use year-end 2023 plant and reserve balances to determine the appropriate depreciation rates.

A. As explained in the direct testimony of OPC witness Lane Kollen, it is not appropriate to use a depreciation study date of December 31, 2024 to develop depreciation rates that will be effective on January 1, 2024. Doing so creates a mismatch in plant that effectively results in excessive depreciation expense in the test year. As discussed above, the difference in the annual accrual amount between the 2024 Study and 2023 Study using unadjusted parameters is more than $9 million.[14]

[14] Please see the direct testimony of OPC witness Lane Kollen for further discussion.

PART ONE: COST OF CAPITAL

III. REGULATORY STANDARDS

Q. Discuss the legal standards governing the awarded rate of return on capital investments for regulated utilities.

A. In *Wilcox v. Consolidated Gas Co. of New York*, [15] the United States Supreme Court first addressed the meaning of a fair rate of return for public utilities. The Court found that "the amount of risk in the business is a most important factor" in determining the appropriate allowed rate of return.[16] Later in two landmark cases, the Court set forth the standards by which public utilities are allowed to earn a return on capital investments. In *Bluefield Water Works & Improvement Co. v. Public Service Commission of West Virginia*, [17] the Court held:

> A public utility is entitled to such rates as will permit it to earn a return on the value of the property which it employs for the convenience of the public . . . but it has no constitutional right to profits such as are realized or anticipated in highly profitable enterprises or speculative ventures. The return should be reasonably sufficient to assure confidence in the financial soundness of the utility and should be adequate, under efficient and economical management, to maintain and support its credit and enable it to raise the money necessary for the proper discharge of its public duties.

In *Federal Power Commission v. Hope Natural Gas Company*,[18] the Court expanded on the guidelines set forth in *Bluefield* and stated:

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[15] *Wilcox v. Consolidated Gas Co. of New York*, 212 U.S. 19 (1909).

[16] *Id*. at 48.

[17] *Bluefield Water Works & Improvement Co. v. Public Service Commission of West Virginia*, 262 U.S. 679, 692-93 (1923).

[18] *Federal Power Commission v. Hope Natural Gas Co*., 320 U.S. 591, 603 (1944) (emphasis added).

> From the investor or company point of view it is important that there be enough revenue not only for operating expenses *but also for the capital costs of the business*. These include service on the debt and dividends on the stock. By that standard the return to the equity owner should be commensurate with returns on investments in other enterprises having corresponding risks. That return, moreover, should be sufficient to assure confidence in the financial integrity of the enterprise, so as to maintain its credit and to attract capital.

The cost of capital models I have employed in this case are in accordance with the foregoing legal standards.

Q. Is it important that the awarded rate of return be based on the Company's actual cost of capital?

A. Yes. The *Hope* Court makes it clear that the allowed return should be based on the actual cost of capital. Under the rate base, rate of return model, a utility should be allowed to recover all its reasonable expenses, its capital investments through depreciation, and a return on its capital investments sufficient to satisfy the required return of its investors. The "required return" from the investors' perspective is synonymous with the "cost of capital" from the utility's perspective. Scholars agree that the allowed rate of return should be based on the actual cost of capital:

> Since by definition the cost of capital of a regulated firm represents precisely the expected return that investors could anticipate from other investments while bearing no more or less risk, and since investors will not provide capital unless the investment is expected to yield its opportunity cost of capital, the correspondence of the definition of the cost of capital with the court's definition of legally required earnings appears clear.[19]

[19] A. Lawrence Kolbe, James A. Read, Jr. & George R. Hall, *The Cost of Capital: Estimating the Rate of Return for Public Utilities* 21 (The MIT Press 1984).

The models I have employed in this case closely estimate the Company's true cost of equity. If the Commission sets the awarded return based on my lower, and more reasonable rate of return, it will comply with the U.S. Supreme Court's standards, allow the Company to maintain its financial integrity, and satisfy the claims of its investors. On the other hand, if the Commission sets the allowed rate of return much *higher* than the true cost of capital, it arguably results in an inappropriate transfer of wealth from ratepayers to shareholders. As Dr. Morin notes:

> [I]f the allowed rate of return is greater than the cost of capital, capital investments are undertaken and investors' opportunity costs are more than achieved. Any excess earnings over and above those required to service debt capital accrue to the equity holders, and the stock price increases. In this case, the wealth transfer occurs from ratepayers to shareholders.[20]

Thus, it is important to understand that the *awarded* return and the *cost* of capital are different but related concepts. The two concepts are related in that the legal and technical standards encompassing this issue require that the awarded return reflect the true cost of capital. On the other hand, the two concepts are different in that the legal standards do not mandate that awarded returns exactly match the cost of capital. Awarded returns are set through the regulatory process and may be influenced by factors other than objective market drivers. The cost of capital, on the other hand, should be evaluated objectively and be closely tied to economic realities. In other words, the cost of capital is driven by stock prices, dividends, growth rates, and — most importantly — it is driven by risk. The cost of capital can be estimated by financial

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[20] Roger A. Morin, *New Regulatory Finance* 23-24 (Public Utilities Reports, Inc. 2006) (1994).

models used by firms, investors, and academics around the world for decades. The problem is, with respect to regulated utilities, there has been a trend in which awarded returns fail to closely track with actual market-based cost of capital as further discussed below. To the extent this occurs, the results are detrimental to ratepayers and the state's economy.

Q. Describe the economic impact that occurs when the awarded return strays too far from the U.S. Supreme Court's cost of equity standard.

A. As discussed further in the sections below, Mr. D'Ascendis's recommended awarded ROE is much higher than the Company's actual cost of capital based on objective market data. When the awarded ROE is set far above the *cost* of equity, it is contrary to the U.S. Supreme Court's standards that the awarded return should be *based on the cost of capital*. If the Commission were to adopt the Company's position in this case, it would be permitting an excess transfer of wealth from Florida customers to Company shareholders. Moreover, establishing an awarded return that far exceeds the true cost of capital effectively prevents the awarded returns from changing along with economic conditions. This is especially true given the fact that regulators tend to be influenced by the awarded returns in other jurisdictions, regardless of the various unknown factors influencing those awarded returns. This is yet another reason why it is crucial for regulators to focus on the target utility's actual *cost* of equity, rather than awarded returns from other jurisdictions which may be higher and slow to adapt to lower ROEs based on market conditions. Moreover, awarded returns may be influenced by settlements and other political factors not based on true market conditions. In contrast, the true cost of equity as estimated through objective models is not influenced by these factors but is instead driven by market-based factors. If regulators rely too heavily on the awarded returns from other jurisdictions, it can create a cycle over time that bears little relation to the market-based cost of equity. In fact, this is exactly what we have observed since 1990.

Q. Please illustrate and compare the relationship between awarded utility returns and market cost of equity since 1990.

A. As shown in the figure below, awarded returns for public utilities have been above the average required market return since 1990.[21] Because utility stocks are consistently far less risky than the average stock in the marketplace, the cost of equity for utility companies is *less* than the market cost of equity. This is a fact, not an opinion. The graph below shows two trend lines. The top line is the average annual awarded returns since 1990 for U.S. regulated utilities. The bottom line is the required market return over the same period. As discussed in more detail later in my testimony, the required market return is essentially the return that investors would require if they invested in the entire market. In other words, the required market return is essentially the entire market's cost of equity. Since it is undisputed (even by utility witnesses) that utility stocks are less risky than the average stock in the market, then the utilities' cost of equity must be less than the market cost of equity.[22] Thus, awarded returns (the solid line) should generally be *below* the market cost of equity (the dotted line), since awarded returns are supposed to be based on the actual market cost of equity.

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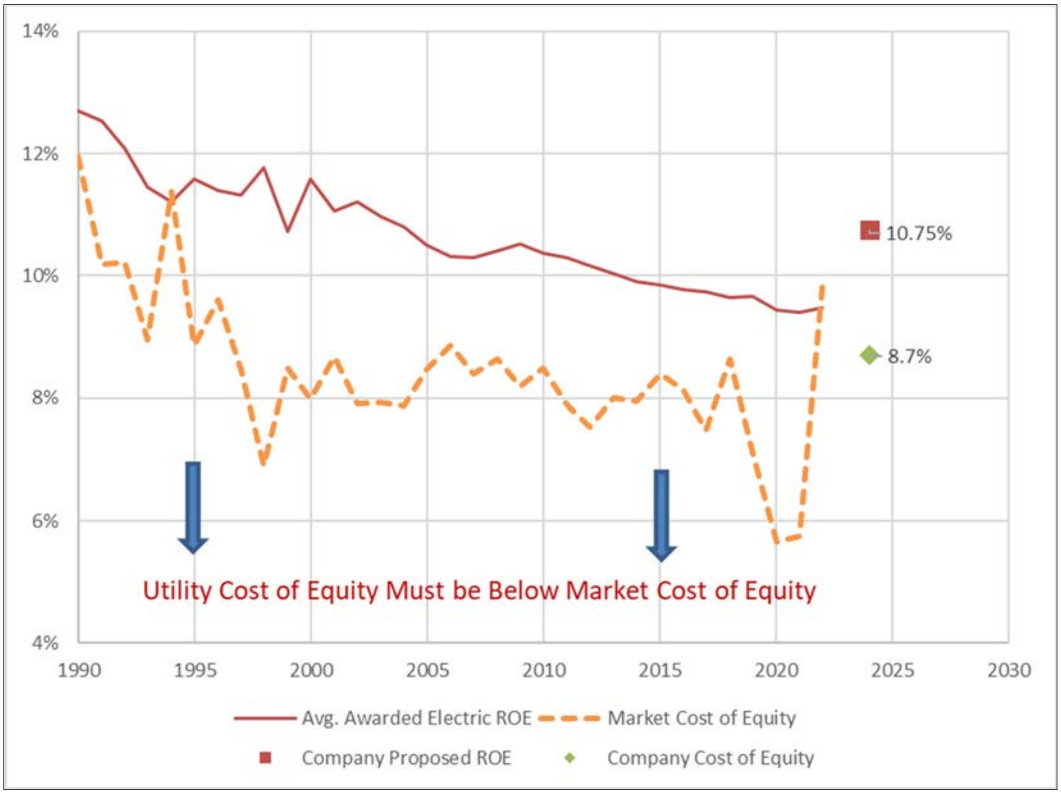
[21] *See* Exhibit DJG-14.

[22] This fact can be objectively measured through a term called "beta," as discussed later in the testimony. Utility betas are less than one, which means utility stocks are less risky than the "average" stock in the market.

Figure 7:
Awarded ROEs vs. Market Cost of Equity



Because utility stocks are less risky than the average stock in the market, utility cost of equity is below market cost of equity (the dotted line in this graph). However, as shown in this graph, awarded ROEs have been consistently above the market cost of equity for many years. The recent increase in the year-end market cost of equity estimate for 2022 resulted in the average awarded ROEs for 2022 to fall slightly below the market cost of equity. As discussed in more detail later in my testimony, my current estimate for the market cost of equity is 9.3%.[23] Thus, PGS's cost of equity estimate should be lower than 9.3%. Regardless, it is important for the Commission to focus primarily on

[23] *See* Exhibit DJG-10.

the results of the cost of equity models when considering a fair awarded ROE, even when considering the average of past awarded ROEs.

Q. Have other analysts commented on this national phenomenon of awarded ROEs exceeding the market-based cost equity for utilities?

A. Yes. In his article published in Public Utilities Fortnightly in 2016, Steve Huntoon observed that even though utility stocks are less risky than the stocks of competitive industries, utility stocks have nonetheless outperformed the broader market.[24] Specifically, Huntoon notes the following three points which lead to a problematic conclusion:

> 1. Jack Bogle, the founder of Vanguard Group and a Wall Street legend, provides rigorous analysis that the long-term total return for the broader market will be around 7 percent going forward. Another Wall Street legend, Professor Burton Malkiel, corroborates that 7 percent in the latest edition of his seminal work, *A Random Walk Down Wall Street*.
>
> 2. Institutions like pension funds are validating [the first point] by piling on risky investments to try and get to a 7.5 percent total return, as reported by the Wall Street Journal.
>
> 3. Utilities are being granted returns on equity around 10 percent.[25]

In a follow-up article analyzing and agreeing with Mr. Huntoon's findings, Leonard Hyman and William Tilles found that utility equity investors expect about a 7.5% annual return.[26]

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[24] Steve Huntoon, "Nice Work If You Can Get It," Public Utilities Fortnightly (Aug. 2016).

[25] *Id*.

[26] Leonard Hyman & William Tilles, "Don't Cry for Utility Shareholders, America," Public Utilities Fortnightly (October 2016).

Q. Summarize the legal standards governing the awarded ROE issue.

A. The Commission should strive to move the awarded return to a level more closely aligned with the Company's actual, market-derived cost of capital while keeping in mind the following legal principles discussed below.

1. Risk is the most important factor when determining the awarded return. The awarded return should be commensurate with those on investments of corresponding risk.

The legal standards articulated in *Hope* and *Bluefield* demonstrate that the Court understands one of the most basic, fundamental concepts in financial theory: the more (less) risk an investor assumes, the more (less) return the investor requires. Since utility stocks are very low risk, the return required by equity investors should be relatively low. I have used financial models in this case to closely estimate PGS's cost of equity, and these financial models account for risk. The public utility industry is one of the least risky industries in the entire country. The cost of equity models confirm this fact in that they produce relatively low cost of equity results. In turn, the awarded ROE in this case should reflect the fact that PGS is a relatively low-risk company.

2. The awarded return should be sufficient to assure financial soundness under efficient management.

Because awarded returns in the regulatory environment have not closely tracked market-based trends and commensurate risk, utility companies have been able to remain more than financially sound, perhaps despite management inefficiencies. In fact, the transfer of wealth from ratepayers to shareholders has been so far removed from actual cost-based drivers that even under relatively inefficient management a utility could remain financially sound. Therefore, regulatory commissions should strive to set the awarded return to a regulated utility at a level based on accurate market conditions to promote prudent and efficient management and minimize economic waste.

IV. GENERAL CONCEPTS AND METHODOLOGY

Q. Discuss your approach to estimating the cost of equity in this case.

A. While a competitive firm must estimate its own cost of capital to assess the profitability of competing capital projects, regulators determine a utility's cost of capital to establish a fair rate of return. The legal standards set forth above do not include specific guidelines regarding the models that must be used to estimate the cost of equity. Over the years, however, regulatory commissions have consistently relied on several models. The models I have employed in this case have been the two most widely used and accepted in regulatory proceedings for many years. These models are the DCF Model and the CAPM. The specific inputs and calculations for these models are described in more detail below.

Q. Please explain why multiple models are used to estimate the cost of equity.

A. The models used to estimate the cost of equity attempt to measure the return on equity required by investors by estimating several different inputs. It is preferable to use multiple models because the results of any one model may contain a degree of imprecision, especially depending on the reliability of the inputs used at the time of running the model. By using multiple models, the analyst can compare the results of the models and look for outlying results and inconsistencies. Likewise, if multiple models produce a similar result, it may indicate a narrower range for the cost of equity estimate.

Q. Please discuss the benefits of choosing a proxy group of companies in conducting cost of capital analyses.

A. The cost of equity models in this case can be used to estimate the cost of capital of any individual, publicly traded company. There are advantages, however, to conducting cost of capital analysis on a "proxy group" of companies that are comparable to the target company. First, it is better to assess the financial soundness of a utility by comparing it to a group of other financially sound utilities. Second, using a proxy group provides more reliability and confidence in the overall results because there is a larger sample size. Finally, the use of a proxy group is often a pure necessity when the target company is a subsidiary that is not publicly traded. This is because the financial models used to estimate the cost of equity require information from publicly traded firms, such as stock prices and dividends.

Q. Describe the proxy group you selected in this case.

A. In this case, I chose to use the same proxy group used by Mr. D'Ascendis. There could be reasonable arguments made for the inclusion or exclusion of a particular company in a proxy group; however, the cost of equity results are influenced far more by the underlying assumptions and inputs to the various financial models than the composition of the proxy groups.[27] By using the same proxy group, we can remove a relatively

[27] *See* Exhibit DJG-3.

insignificant variable from the equation and focus on the primary factors driving the Company's excessive cost of equity estimate in this case.

V. <u>RISK AND RETURN CONCEPTS</u>

Q. Discuss the general relationship between risk and return.

A. As discussed above, risk is the most important factor for the Commission to consider when determining the allowed return and there is a direct relationship between risk and return: the more (or less) risk an investor assumes, the larger (or smaller) return the investor will demand. There are two primary types of risk: firm-specific risk and market risk. Firm-specific risk affects individual companies, while market risk affects all companies in the market to varying degrees.

Q. Discuss the differences between firm-specific risk and market risk.

A. Firm-specific risk affects individual companies, rather than the entire market. For example, a competitive firm might overestimate customer demand for a new product, resulting in reduced sales revenue. This is an example of a firm-specific risk called "project risk."[28] There are several other types of firm-specific risks, including: (1) "financial risk" — the risk that equity investors of leveraged firms face as residual claimants on earnings; (2) "default risk" — the risk that a firm will default on its debt securities; and (3) "business risk" — which encompasses all other operating and managerial factors that may result in investors realizing less than their expected return

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[28] Aswath Damodaran, *Investment Valuation: Tools and Techniques for Determining the Value of Any Asset* 62-63 (3rd ed., John Wiley & Sons, Inc. 2012).

in that particular company. While firm-specific risk affects individual companies, market risk affects all companies in the market to varying degrees. Examples of market risk include interest rate risk, inflation risk, and the risk of major socio-economic events. When there are changes in these risk factors, they affect all firms in the market to some extent.[29]

Analysis of the U.S. market in 2001 provides a good example for contrasting firm-specific risk and market risk. During 2001, Enron Corp.'s stock fell from $80 per share to less than $1 per share, and the company filed for bankruptcy at the end of the year. If an investor's portfolio had held only Enron stock at the beginning of 2001, this irrational investor would have lost the entire investment by the end of the year due to assuming the full exposure of Enron's firm-specific risk (in that case, imprudent management). On the other hand, a rational, diversified investor who invested the same amount of capital in a portfolio holding every stock in the S&P 500 would have had a much different result that year. The rational investor would have been relatively unaffected by the fall of Enron because her portfolio included about 499 other stocks. Each of those stocks, however, would have been affected by various *market* risk factors that occurred that year, including the terrorist attacks on September 11th, which affected all stocks in the market. Thus, the rational investor would have incurred a relatively minor loss due to market risk factors, while the irrational investor would have lost everything due to firm-specific risk factors.

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[29] *See* Zvi Bodie, Alex Kane & Alan J. Marcus, *Essentials of Investments* 149 (9th ed., McGraw-Hill/Irwin 2013).

Q. Can investors minimize firm-specific risk?

A. Yes. A fundamental concept in finance is that firm-specific risk can be eliminated through diversification.[30] If someone irrationally invested all their funds in one firm (such as Enron), they would be exposed to all the firm-specific risk *and* the market risk inherent in that single firm. Rational investors, however, are risk-averse and seek to eliminate risk they can control. Investors can essentially eliminate firm-specific risk by adding more stocks to their portfolio through a process called "diversification." There are two reasons why diversification eliminates firm-specific risk. First, each stock in a diversified portfolio represents a much smaller percentage of the overall portfolio than it would in a portfolio of just one or a few stocks. Thus, any firm-specific action that changes the stock price of one stock in the diversified portfolio will have only a small impact on the entire portfolio.[31]

The second reason why diversification eliminates firm-specific risk is that the effects of firm-specific actions on stock prices can be either positive or negative for each stock. Thus, in large, diversified portfolios, the net effect of these positive and negative firm-specific risk factors will be essentially zero and will not affect the value of the overall portfolio.[32] Firm-specific risk is also called "diversifiable risk" because it can be easily eliminated through diversification.

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[30] *See* John R. Graham, Scott B. Smart & William L. Megginson, *Corporate Finance: Linking Theory to What Companies Do* 179-80 (3rd ed., South Western Cengage Learning 2010).

[31] *See* Aswath Damodaran, *Investment Valuation: Tools and Techniques for Determining the Value of Any Asset* 64 (3rd ed., John Wiley & Sons, Inc. 2012).

[32] *Id*.

Q. Is it well-known and accepted that, because firm-specific risk can be easily eliminated through diversification, the market does not reward such risk through higher returns?

A. Yes. Because investors eliminate firm-specific risk through diversification, they know they cannot expect a higher return for assuming the firm-specific risk in any one company. Thus, the risks associated with an individual firm's operations are not rewarded by the market. In fact, firm-specific risk is also called "unrewarded" risk for this reason. Market risk, on the other hand, cannot be eliminated through diversification. Because market risk cannot be eliminated through diversification, investors expect a return for assuming this type of risk. Market risk is also called "systematic risk." Scholars recognize the fact that market risk, or "systematic risk," is the only type of risk for which investors expect a return for bearing:

> If investors can cheaply eliminate some risks through diversification, then we should not expect a security to earn higher returns for risks that can be eliminated through diversification. Investors can expect compensation *only* for bearing systematic risk (i.e., risk that cannot be diversified away).[33]

These important concepts are illustrated in the figure below. Some form of this figure is found in many financial textbooks.

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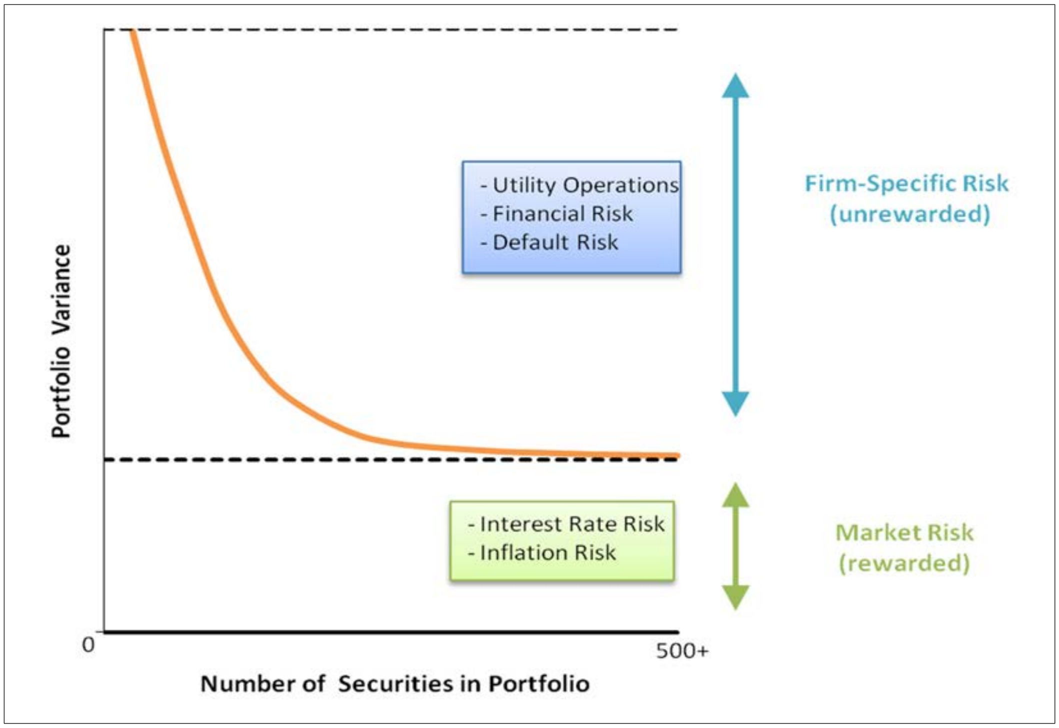
[33] *See* John R. Graham, Scott B. Smart & William L. Megginson, *Corporate Finance: Linking Theory to What Companies Do* 180 (3rd ed., South Western Cengage Learning 2010).

Figure 8:
Effects of Portfolio Diversification



This figure shows that as stocks are added to a portfolio, the amount of firm-specific risk is reduced until it is essentially eliminated. No matter how many stocks are added, however, there remains a certain level of fixed market risk. The level of market risk will vary from firm to firm. Market risk is the only type of risk that is rewarded by the market and is thus the type of risk the Commission should consider when determining the allowed return.

Q. Describe how market risk is measured.

A. Investors who want to eliminate firm-specific risk must hold a fully diversified portfolio. To determine the amount of risk that a single stock adds to the overall market portfolio, investors measure the covariance between a single stock and the market portfolio. The result of this calculation is called "beta."[34] Beta represents the sensitivity of a given security to the market as a whole. The market portfolio of all stocks has a beta equal to one. Stocks with betas greater than one are relatively more sensitive to market risk than the average stock. For example, if the market increases (decreases) by 1.0%, a stock with a beta of 1.5 will, on average, increase (decrease) by 1.5%. In contrast, stocks with betas of less than one are less sensitive to market risk, such that if the market increases (decreases) by 1.0%, a stock with a beta of 0.5% will, on average, only increase (decrease) by 0.5%. Thus, stocks with low betas are relatively insulated from market conditions. The beta term is used in the CAPM to estimate the cost of equity, which is discussed in more detail later.[35]

Q. Are public utilities characterized as defensive firms that have low betas, low market risk, and are relatively insulated from overall market conditions?

A. Yes. Although market risk affects all firms in the market, it affects different firms to varying degrees. Firms with high betas are affected more than firms with low betas, which is why firms with high betas are riskier. Stocks with betas greater than one are generally known as "cyclical stocks." Firms in cyclical industries are sensitive to recurring patterns of recession and recovery known as the "business cycle."[36] Thus, cyclical firms are exposed to a greater level of market risk. Securities with betas less than one, on the other hand, are known as "defensive stocks." Companies in defensive

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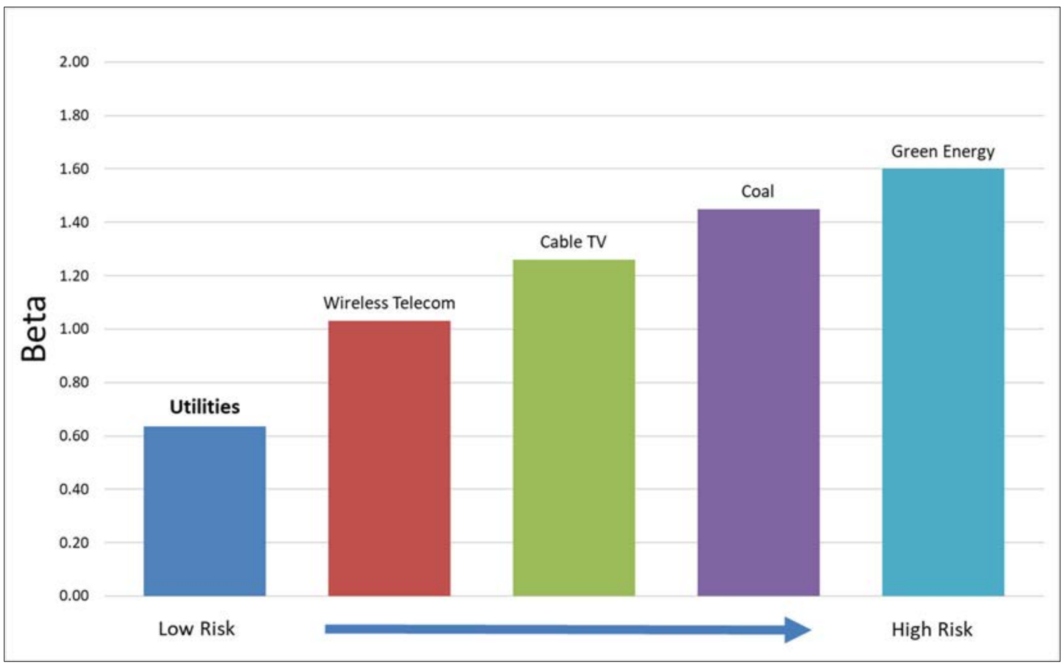
[34] *Id*. at 180-81.

[35] Though it will be discussed in more detail later, Exhibit DJG-9 shows that the average beta of the proxy group was less than 1.0. This confirms the well-known concept that utilities are relatively low-risk firms.

[36] *See* Zvi Bodie, Alex Kane & Alan J. Marcus, *Essentials of Investments* 382 (9th ed., McGraw-Hill/Irwin 2013).

industries, such as public utility companies, "will have low betas and performance that is comparatively unaffected by overall market conditions."[37] In fact, financial textbooks often use utility companies as prime examples of low-risk, defensive firms. The figure below compares the betas of several industries and illustrates that the utility industry is one of the least risky industries in the U.S. market.[38]

Figure 9:
Beta by Industry



The fact that utilities are defensive firms that are exposed to little market risk is beneficial to society. When the business cycle enters a recession, consumers can be

[37] *Id*. at 383.

[38] *See* Betas by Sector (US) available at http://pages.stern.nyu.edu/~adamodar/ (2018). (After clicking the link, click "Data" then "Current Data" then "Risk / Discount Rate" from the drop down menu, then "Total Beta by Industry Sector"). The exact beta calculations are not as important as illustrating the well-known fact that utilities are very low-risk companies. The fact that the utility industry is one of the lowest risk industries in the country should not change from year to year.

assured that their utility companies will be able to maintain normal business operations and provide safe and reliable service under prudent management. Likewise, utility investors can be confident that utility stock prices will not widely fluctuate. So, while it is recognized and accepted that utilities are defensive firms that experience little market risk and are relatively insulated from market conditions, this fact should also be appropriately reflected in the Company's awarded return.

VI. DISCOUNTED CASH FLOW ANALYSIS

Q. Describe the DCF Model.

A. The DCF Model is based on a fundamental financial model called the "dividend discount model," which maintains that the value of a security is equal to the present value of the future cash flows it generates. Cash flows from common stock are paid to investors in the form of dividends. There are several variations of the DCF Model. These versions, along with other formulas and theories related to the DCF Model are discussed in more detail in Appendix A.[39]

Q. Describe the inputs to the DCF Model.

A. There are three primary inputs in the DCF Model: (1) stock price; (2) dividend; and (3) the long-term growth rate. The stock prices and dividends are known inputs based on recorded data, while the growth rate projection must be estimated. I discuss each of these inputs separately below.

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[39] *See* Exhibit DJG-42 for all appendices.

A. Stock Price

Q. How did you determine the stock price input of the DCF Model?

A. For the stock price (P_0), I used a 30-day average of stock prices for each company in the proxy group.[40] Analysts sometimes rely on average stock prices for longer periods (*e.g.*, 60, 90, or 180 days). According to the efficient market hypothesis, however, markets reflect all relevant information available at a particular time, and prices adjust instantaneously to the arrival of new information.[41] Past stock prices, in essence, reflect outdated information. The DCF Model used in utility rate cases is a derivation of the dividend discount model, which is used to determine the current value of an asset. Thus, according to the dividend discount model and the efficient market hypothesis, the value for the "P_0" term in the DCF Model should technically be the current stock price, rather than an average.

Q. Why did you use a 30-day average for the current stock price input?

A. Using a short-term average of stock prices for the current stock price input adheres to market efficiency principles while avoiding any irregularities that may arise from using a single current stock price. In the context of a utility rate proceeding, there is a significant length of time from when an application is filed, and testimony is due. Choosing a current stock price for one particular day could raise a separate issue

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[40] Exhibit DJG-4.

[41] *See* Eugene F. Fama, *Efficient Capital Markets: A Review of Theory and Empirical Work*, Vol. 25, No. 2 The Journal of Finance 383 (1970); *see also* John R. Graham, Scott B. Smart & William L. Megginson, *Corporate Finance: Linking Theory to What Companies Do* 357 (3rd ed., South Western Cengage Learning 2010). The efficient market hypothesis was formally presented by Eugene Fama in 1970 and is a cornerstone of modern financial theory and practice.

concerning which day was chosen to be used in the analysis. In addition, a single stock price on a particular day may be unusually high or low. It is arguably ill-advised to use a single stock price in a model that is ultimately used to set rates for several years, especially if a stock is experiencing some volatility. Thus, it is preferable to use a short-term average of stock prices, which represents a good balance between adhering to well-established principles of market efficiency while avoiding any unnecessary contentions that may arise from using a single stock price on a given day. The stock prices I used in my DCF analysis are based on 30-day averages of adjusted closing stock prices for each company in the proxy group.[42]

B. Dividend

Q. Describe how you determined the dividend input of the DCF Model.

A. The dividend term in the DCF Model represents dividends per share (d_0). I used forward-looking annualized dividends published by Yahoo! Finance for the dividend input to my constant growth DCF Model.[43] Dividing these dividends by the stock prices for each proxy company results in the dividend yield for each company.[44]

Q. Are the stock price and dividend inputs for each proxy company a significant issue in this case?

A. No. Although my stock price and dividend inputs are more recent than those used by Mr. D'Ascendis, there is not a statistically significant difference between them because

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[42] Exhibit DJG-4. Adjusted closing prices, rather than actual closing prices, are ideal for analyzing historical stock prices. The adjusted price provides an accurate representation of the firm's equity value beyond the mere market price because it accounts for stock splits and dividends.

[43] Exhibit DJG-5.

[44] *Id*.

utility stock prices and dividends are generally quite stable. This is another reason that cost of capital models such as the CAPM and the DCF Model are well-suited to be conducted on utilities. The differences between my DCF Model and Mr. D'Ascendis's DCF Model are primarily driven by differences in our growth rate estimates, which are further discussed below.

C. <u>Growth Rate</u>

Q. Please summarize the growth rate input in the DCF Model.

A. The most critical input in the DCF Model is the growth rate. Unlike the stock price and dividend inputs, the growth rate input (g) must be estimated. As a result, the growth rate is often the most contentious issue related to DCF Model inputs in utility rate cases. The DCF Model used in this case is based on the sustainable growth valuation model. Under this model, a stock is valued by the present value of its future cash flows in the form of dividends. Before future cash flows are discounted by the cost of equity, however, they must be "grown" into the future by a sustainable growth rate. As stated above, one of the inherent assumptions of this model is that these cash flows in the form of dividends grow at a sustainable rate forever. For young, high-growth firms, estimating the growth rate to be used in the model can be especially difficult, and may require the use of multi-stage growth models. For mature, low-growth firms such as utilities, however, estimating the sustainable growth rate is more transparent. The growth term of the DCF Model is one of the most important, yet least understood, aspects of cost of equity estimations in utility regulatory proceedings. Therefore, I will provide a more detailed explanation on the various determinants of growth below.

Q. Describe the various determinants of growth that can be considered for the growth rate input in the DCF Model.

A. Although the DCF Model directly considers the growth of dividends, there are a variety of growth determinants that should be considered when estimating growth rates. It should be noted that these various growth determinants are used primarily to determine the short-term growth rates in multi-stage DCF models. For utility companies, it is necessary to focus primarily on a long-term growth rate in dividends. This is also known as a "sustainable" growth rate, since this is the growth rate assumed for the company's dividends in perpetuity. That is not to say that these growth determinants cannot be considered when estimating sustainable growth; however, as discussed below, sustainable growth must be constrained much more than short-term growth for young firms with high growth opportunities. Additionally, I briefly discuss these growth determinants here because it may reveal some of the source of confusion in this area.

1. Historical Growth

Looking at a firm's actual historical experience may theoretically provide a good starting point for estimating short-term growth. However, past growth is not always a good indicator of future growth. Some metrics that might be considered here are a historical growth in revenues, operating income, and net income. Since dividends are paid from earnings, estimating historical earnings growth may provide an indication of future earnings and dividend growth. In general, however, revenue growth tends to be more consistent and predictable than earnings growth because it is less likely to be influenced by accounting adjustments.[45]

2. Analyst Growth Rates

Analyst growth rates refer to short-term projections of earnings growth published by institutional research analysts such as Value Line and Bloomberg. Analyst growth rates, including the limitations with using them in the DCF Model to estimate utility cost of equity, are discussed in more detail below.

3. Sustainable Growth Rates

To make the DCF Model a viable, practical model, an infinite stream of future cash flows must be estimated and then discounted back to the present. Otherwise, each annual cash flow would have to be estimated separately. Some analysts use "multi-stage" DCF Models to estimate the value of high-growth firms through two or more stages of growth, with the final stage of growth being sustainable. However, it is not necessary to use multi-stage DCF Models to analyze the cost of equity of regulated utility companies. This is because regulated utilities are already in their "sustainable," low growth stage. Unlike most competitive firms, the growth of regulated utilities is constrained by physical service territories and limited primarily by ratepayer and load growth within those territories. The figure below illustrates the well-known business/industry life-cycle pattern.

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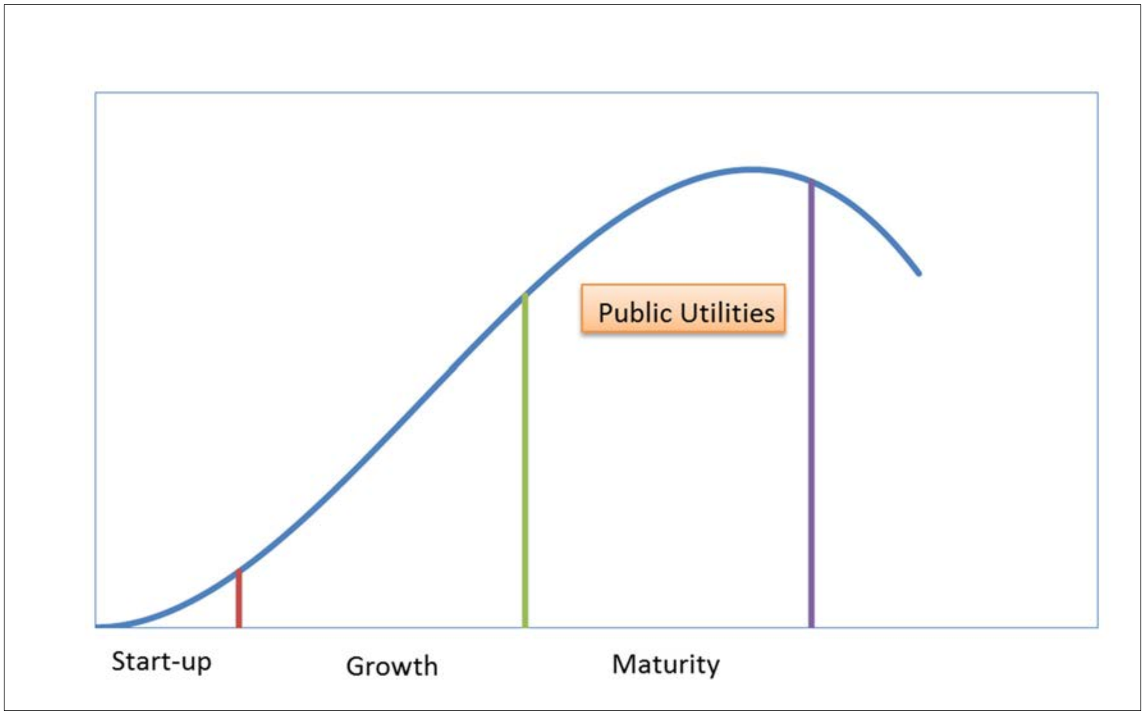
[45] *See* Aswath Damodaran, *Investment Valuation: Tools and Techniques for Determining the Value of Any Asset*, p. 279 (3rd ed., John Wiley & Sons, Inc. 2012).

Figure 10:
Industry Life Cycle



In an industry's early stages, there are ample opportunities for growth and profitable reinvestment. In the maturity stage however, growth opportunities diminish, and firms choose to pay out a larger portion of their earnings in the form of dividends instead of reinvesting them in operations to pursue further growth opportunities. Once a firm is in the maturity stage, it is not necessary to consider higher short-term growth metrics in multi-stage DCF Models; rather, it is sufficient to analyze the cost of equity using a stable growth DCF Model with one sustainable growth rate.

Q. Should the annual sustainable growth rate used in the DCF Model exceed the annual growth rate of the aggregate economy?

A. No. A fundamental concept in finance is that no firm can grow forever at a rate higher than the growth rate of the economy in which it operates.[46] Thus, the sustainable growth rate used in the DCF Model should not exceed the aggregate economic growth rate. This is especially true when the DCF Model is conducted on public utilities because these firms have defined service territories. As stated by Dr. Damodaran: "[i]f a firm is a purely domestic company, either because of internal constraints . . . or external constraints (such as those imposed by a government), the growth rate in the domestic economy will be the limiting value."[47]

In fact, it is reasonable to assume that a regulated utility would grow at a rate that is <u>less</u> than the U.S. economic growth rate. Unlike competitive firms, which might increase their growth by launching a new product line, franchising, or expanding into new and developing markets, utility operating companies with defined service territories cannot do any of these things to grow. Gross Domestic Product ("GDP") is one of the most widely used measures of economic production and is used to measure aggregate economic growth. According to the Congressional Budget Office's 2022 Long-Term Budget Outlook, the long-term forecast for nominal U.S. GDP growth is 3.9%.[48]

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[46] *See Id.* at p. 306.

[47] *Id.*

[48] Congressional Budget Office, The 2022 Long-Term Budget Outlook, https://www.cbo.gov/system/files/2022-07/57971-LTBO.pdf.

Q. Please illustrate the sustainable growth rate determinants you considered for your DCF Models.

A. The following figure compares the growth rate determinants I considered in my DCF analysis in this case.[49]

Figure 11:
Sustainable Growth Rate Determinants

Terminal Growth Determinants	Rate
Nominal GDP	3.9%
Real GDP	1.7%
Long-Term Growth Ceiling	**3.9%**

Each of these growth determinants avoids the circular reference problem inherent in other growth determinants such as dividends and earnings growth when conducting a DCF Model on a regulated utility for purposes of setting a fair awarded ROE (because the awarded ROE more directly impacts earnings and dividends).

Q. Please describe the growth rates you used in your DCF Models.

A. For my "sustainable growth" variation of the DCF Model, I used the projected long-term GDP growth rate of 3.9%. As discussed above, it is reasonable to conclude that the long-term growth of a domestic firm cannot outpace the growth rate of the aggregate economy in which it operates (as measured by U.S. GDP in this case). For the "analyst growth" variation of the DCF Model, I considered projected short-term dividend growth rate estimates published by Value Line.[50] I show this variation of the

[49] Exhibit DJG-6.

[50] Exhibit DJG-7.

DCF Model because it is often presented in rate cases by ROE witnesses and considered by regulators when assessing the awarded ROE.

Q. What are the final results of your DCF Models?

A. For my DCF Models, I considered two variations: one using a sustainable growth rate and one using analysts' growth rates. The sustainable growth rate DCF Model produced a cost of equity indication of 7.5%. The analyst growth variation of the DCF produced a result of 8.3%.[51]

Q. Why do analyst growth variations of the DCF Model not reflect an accurate estimate of PGS's cost of equity?

A. To understand why analyst growth rates unreasonably inflate cost of equity estimates in the DCF Model, it is important to understand the difference between "quantitative" and "qualitative" growth determinants. Assessing "quantitative" growth simply involves mathematically calculating a historic metric for growth (such as revenues or earnings) or calculating various fundamental growth determinants using various figures from a firm's financial statements (such as ROE and the retention ratio). However, any thorough assessment of company growth should also be based upon a "qualitative" analysis. Such an analysis would consider specific strategies that company management will implement to achieve sustainable growth in earnings. Therefore, it is important to begin the analysis of PGS's growth rate with this simple, qualitative question: how is this regulated utility going to achieve a sustained growth in earnings? If this question were asked of a competitive firm, there could be several answers

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[51] Exhibit DJG-7.

depending on the type of business model, such as launching a new product line, franchising, rebranding to target a new demographic, or expanding into a developing market. Regulated utilities, however, cannot effectively and sustainably engage in these types of potential growth opportunities.

Q. Why is it important to emphasize real, qualitative growth determinants when analyzing the growth rates of regulated utilities?

A. While qualitative growth analysis is important regardless of the entity being analyzed, it is especially important in the context of utility ratemaking. This is because the "return on rate base" model inherently possesses two factors that can contribute to distorted views of utility growth when considered exclusively from a quantitative perspective. These two factors are (1) rate base, and (2) the awarded ROE.

Q. How does rate base distort growth projections for utilities?

A. Under the return on rate base model, a utility's rate base is multiplied by its awarded rate of return to produce the required level of operating income. Therefore, increases to rate base generally result in increased earnings. Thus, utilities have a natural financial incentive to increase rate base regardless of whether such increases are driven by a corresponding increase in demand. In other words, utilities can "grow" their earnings by simply retiring old assets and replacing them with new assets. Likewise, if a competitive, unregulated firm announced plans to close production plants and replace them with new plants, it would not be considered a real determinant of growth unless analysts believed this decision would directly result in increased market share for the company and a real opportunity for sustained increases in revenues and earnings. In the case of utilities, the mere replacement of old plant with new plant does not increase market share, attract new customers, create franchising opportunities, or allow utilities to penetrate developing markets, but may result in short-term, quantitative earnings growth. However, this growth in earnings was merely the quantitative byproduct of the return on rate base model, and not an indication of real, fair, or qualitative growth. Of course, utilities might sometimes add new plant to meet a modest growth in customer demand. However, as the foregoing discussion demonstrates, it would be more appropriate to consider load growth projections and other qualitative indicators, rather than mere increases to rate base or earnings, to attain a fair assessment of growth.

Q. How does the awarded ROE often distort growth projections for utilities?

A. If we give undue weight to analysts' projections for utilities' earnings growth, it will not provide an accurate reflection of real, qualitative growth because a utility's earnings are heavily influenced by the ultimate figure that all this analysis is supposed to help us estimate: the awarded return on equity. This creates a circular reference problem or feedback loop. In other words, if a regulator awards an ROE that is above market-based cost of capital (which is often the case, as discussed above), this could lead to higher short-term growth rate projections from analysts. If these same inflated, short-term growth rate estimates are used in the DCF Model (as they often are by utility witnesses), it could lead to higher awarded ROEs; and the cycle of inflated awarded ROE continues. Therefore, it is not advisable to simply consider the quantitative growth projections published by analysts, as this practice will not necessarily provide fair indications of real utility growth.

Q. Are there any other problems with relying on analyst growth projections?

A. Yes. While the foregoing discussion shows two reasons why we cannot rely on analysts' growth rate projections to provide fair, qualitative indicators of utility growth in a stable growth DCF Model, the third reason is perhaps the most obvious and undisputable. Various institutional analysts, such as Zacks, Value Line, and Bloomberg, publish estimated projections of earnings growth for utilities. These estimates are short-term growth rate projections, ranging from 3–10 years. However, many utility ROE analysts (including Mr. D'Ascendis here) inappropriately insert these short-term growth projections into the DCF Model as if they were long-term growth rate projections. For example, assume that an analyst at Bloomberg estimates that a utility's earnings will grow by 7% per year over the next three years. This analyst may have based this short-term forecast on a utility's plans to replace depreciated rate base or on an anticipated awarded return that is above market-based cost of equity (*i.e.*, the "circular reference" problem). When a utility witness uses this figure in a DCF Model, however, it is the witness, not the Bloomberg analyst, that is testifying to the regulator that the utility's earnings will qualitatively grow by 7% per year over the long-term, which is an unrealistic assumption and a fundamentally different conclusion from that of the analyst.

A. Response to Mr. D'Ascendis's DCF Model

Q. Please summarize the results of Mr. D'Ascendis's DCF analyses.

A. Mr. D'Ascendis's DCF analyses produced several results. His traditional constant growth DCF Model produced an average result of 10.12%,[52] which is notably higher than my estimate.

Q. Do you agree with Mr. D'Ascendis's DCF results?

A. No. A cost of equity above 10% is significantly higher than any reasonable estimate for a low-beta security under current market conditions (discussed in more detail in the CAPM section). Mr. D'Ascendis's DCF Model incorporates numerous growth rates that are unreasonably high and are not sustainable. For example, Mr. D'Ascendis assumes a long-term growth of 7.7% for Atmos Energy Corp., which is about two times greater than the projected, long-term nominal U.S. GDP growth. This means Mr. D'Ascendis's growth rate assumption violates the basic principle that no company can grow at a greater rate than the economy in which it operates over the long term, especially a regulated utility company with a defined service territory. Furthermore, Mr. D'Ascendis used short-term, quantitative growth estimates published by analysts. As discussed above, these analysts' estimates are inappropriate to use in the DCF Model as long-term growth rates because they are estimates for short-term growth. While an analyst at Value Line might believe that Atmos's earnings will grow by more than 7% each year over the next *several* years, it is Mr. D'Ascendis, not the Value Line analyst, who is suggesting to the Commission that Atmos's earnings will grow by more

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[52] Direct Testimony of Dylan W. D'Ascendis, Exhibit DWD-1, Document No. 3.

than 7.5% each year, every year, for many decades into the future.[53] This assumption is simply not realistic, and it contradicts fundamental concepts of long-term growth. Further, it is unreasonable to use short-term growth estimates from third party analyst in a long-term analysis which should use long-term grown rate assumptions. Essentially, Mr. D'Ascendis used the incorrect inputs for his DCF Model. Short-term growth rates published by analysts are not long-term growth rates by definition. The growth rate assumptions used by Mr. D'Ascendis for many of the proxy companies suffer from the same unrealistic assumptions, and they are not sustainable.[54] As a result, his DCF cost of equity estimates are generally overstated. Therefore, if his DCF cost of equity estimates are accepted and relied on to establish the award ROE, it produces an unreasonable result and, thus, would result in customers paying unnecessarily high rates.

VII. <u>CAPITAL ASSET PRICING MODEL ANALYSIS</u>

Q. Describe the Capital Asset Pricing Model.

A. The CAPM is a market-based model founded on the principle that investors expect higher returns for incurring additional risk.[55] The CAPM estimates this expected return. The various assumptions, theories, and equations involved in the CAPM are

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[53] *Id*. Technically, the constant growth rate in the DCF Model grows dividends each year to "infinity." Yet, even if we assumed that the growth rate applied to only a few decades, the annual growth rate would still be too high to be considered realistic.

[54] *Id*.

[55] William F. Sharpe, *A Simplified Model for Portfolio Analysis* 277-93 (Management Science IX 1963); *see also* John R. Graham, Scott B. Smart & William L. Megginson, *Corporate Finance: Linking Theory to What Companies Do* 208 (3rd ed., South Western Cengage Learning 2010).

discussed further in Appendix B. Using the CAPM to estimate the cost of equity of a regulated utility is consistent with the legal standards governing the fair rate of return. The U.S. Supreme Court has recognized that "the amount of *risk* in the business is a most important factor" in determining the allowed rate of return,[56] and that "the return to the equity owner should be commensurate with returns on investments in other enterprises having corresponding *risks*."[57] The CAPM is a useful model because it directly considers the amount of risk inherent in a business and directly measures the most important component of a fair rate of return analysis: Risk.

Q. Describe the inputs for the CAPM.

A. The basic CAPM equation requires only three inputs to estimate the cost of equity: (1) the risk-free rate; (2) the beta coefficient; and (3) the equity risk premium. Each input is discussed separately below.

A. <u>The Risk-Free Rate</u>

Q. Please explain the risk-free rate.

A. The first term in the CAPM is the risk-free rate (R_F). The risk-free rate is simply the level of return investors can achieve without assuming any risk. The risk-free rate represents the bare minimum return that any investor would require on a risky asset. Even though no investment is technically void of risk, investors often use U.S. Treasury securities to represent the risk-free rate because they accept that those securities

[56] *Wilcox*, 212 U.S. at 48 (emphasis added).

[57] *Hope Natural Gas Co*., 320 U.S. at 603 (emphasis added).

essentially contain no default risk. The Treasury issues securities with different maturities, including short-term Treasury Bills, intermediate-term Treasury Notes, and long-term Treasury Bonds.

Q. Is it preferable to use the yield on long-term Treasury bonds for the risk-free rate in the CAPM?

A. Yes. In valuing an asset, investors estimate cash flows over long periods of time. Common stock is viewed as a long-term investment, and the cash flows from dividends are assumed to last indefinitely. As a result, short-term Treasury bill yields are rarely used in the CAPM to represent the risk-free rate. Short-term rates are subject to greater volatility and thus can lead to unreliable estimates. Instead, long-term Treasury bonds are usually used to represent the risk-free rate in the CAPM. I considered a 30-day average of daily Treasury yield curve rates on 30-year Treasury bonds in my risk-free rate estimate, which resulted in a risk-free rate of 3.81%.[58]

B. <u>The Beta Coefficient</u>

Q. How is the beta coefficient used in this model?

A. As discussed above, beta represents the sensitivity of a given security to movements in the overall market. The CAPM states that in efficient capital markets, the expected risk premium on each investment is proportional to its beta. Recall that a security with a beta greater (less) than one is more (less) risky than the market portfolio. An index such as the S&P 500 Index is used as a proxy for the market portfolio. The historical betas for publicly traded firms are published by various institutional analysts. Beta

[58] Exhibit DJG-8.

may also be calculated through a linear regression analysis, which provides additional statistical information about the relationship between a single stock and the market portfolio. The market portfolio of all stocks has a beta equal to one. Stocks with betas greater than one are relatively more sensitive to market risk than the average stock. In contrast, stocks with betas of less than one are less sensitive to market risk.

Q. Describe the source for the betas you used in your CAPM analysis.

A. I used betas recently published by Value Line Investment Survey. The beta for each proxy company is less than 1.0, and the average beta for the proxy group is only 0.84.[59] Thus, we have an objective measure to prove the well-known concept that utility stocks are less risky than the average stock in the market. While there is evidence suggesting that betas published by sources such as Value Line may actually overestimate the risk of utilities (and thus overestimate the CAPM), I used the betas published by Value Line in the interest of minimizing controversy.[60]

C. <u>The Equity Risk Premium</u>

Q. Describe the equity risk premium.

A. The final term of the CAPM is the equity risk premium ("ERP"), which is the required return on the market portfolio less the risk-free rate ($R_M - R_F$). In other words, the ERP is the level of return investors expect above the risk-free rate in exchange for investing in risky securities. Many experts agree that "the single most important variable for

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[59] Exhibit DJG-9.

[60] *See* Appendix B for a more detailed discussion of raw beta calculations and adjustments.

making investment decisions is the equity risk premium."[61] Likewise, the ERP is arguably the single most important factor in estimating the cost of capital in this matter. There are three basic methods that can be used to estimate the ERP: (1) calculating a historical average; (2) taking a survey of experts; and (3) calculating the implied ERP. I will discuss each method in turn, noting advantages and disadvantages of these methods.

1. Historical Average

Q. Describe the historical equity risk premium.

A. The historical ERP may be calculated by simply taking the difference between returns on stocks and returns on government bonds over a certain period of time. Many practitioners rely on the historical ERP as an estimate for the forward-looking ERP because it is easy to obtain. However, there are disadvantages to relying on the historical ERP.

Q. What are the limitations of relying solely on a historical average to estimate the current or forward-looking ERP?

A. As I mentioned, many investors use the historic ERP because it is convenient and easy to calculate. But what matters in the CAPM model is the current and forward-looking risk premium.[62] Some investors may think that a historic ERP provides some indication of what the prospective risk premium is; however, there is empirical evidence to

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[61] Elroy Dimson, Paul Marsh & Mike Staunton, *Triumph of the Optimists: 101 Years of Global Investment Returns* 4 (Princeton University Press 2002).

[62] John R. Graham, Scott B. Smart & William L. Megginson, *Corporate Finance: Linking Theory to What Companies Do* 330 (3rd ed., South Western Cengage Learning 2010).

suggest the prospective, forward-looking ERP is actually *lower* than the historical ERP. In a landmark publication on risk premiums around the world, *Triumph of the Optimists*, the authors suggest through extensive empirical research that the prospective ERP is lower than the historical ERP.[63] This is due in large part to what is known as "survivorship bias" or "success bias" — a tendency for failed companies to be excluded from historical indices.[64] From their extensive analysis, the authors make the following conclusion regarding the prospective ERP:

> The result is a forward-looking, geometric mean risk premium for the United States . . . of around 2½ to 4 percent and an arithmetic mean risk premium . . . that falls within a range from a little below 4 to a little above 5 percent.[65]

Indeed, these results are lower than many reported historical risk premiums. Other noted experts agree:

> The historical risk premium obtained by looking at U.S. data is biased upwards because of survivor bias. . . . The true premium, it is argued, is much lower. This view is backed up by a study of large equity markets over the twentieth century (*Triumph of the Optimists*), which concluded that the historical risk premium is closer to 4%.[66]

Regardless of the variations in historic ERP estimates, many leading scholars and practitioners agree that simply relying on a historic ERP to estimate the risk premium

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[63] Elroy Dimson, Paul Marsh & Mike Staunton, *Triumph of the Optimists: 101 Years of Global Investment Returns* 194 (Princeton University Press 2002).

[64] *Id*. at 34.

[65] *Id*. at 194.

[66] Aswath Damodaran, *Equity Risk Premiums: Determinants, Estimation and Implications – The 2015 Edition* 17 (New York University 2015).

going forward is not ideal. Fortunately, "a naïve reliance on long-run historical averages is not the only approach for estimating the expected risk premium."[67]

Q. Did you rely on the historical ERP as part of your CAPM analysis in this case?

A. No. Due to the limitations of this approach, I primarily relied on the ERP reported in expert surveys and the implied ERP method discussed below.

2. Expert Surveys

Q. Describe the expert survey approach to estimating the ERP.

A. As its name implies, the expert survey approach to estimating the ERP involves conducting a survey of experts including professors, analysts, chief financial officers, and other executives around the country and asking them what they think the ERP is. The IESE Business School conducts such a survey each year. Their 2023 expert survey reported an average ERP of 5.7%.[68]

3. Implied Equity Risk Premium

Q. Describe the implied equity risk premium approach.

A. The third method of estimating the ERP is arguably the best. The implied ERP relies on the stable growth model proposed by Gordon, often called the "Gordon Growth Model," which is a basic stock valuation model widely used in finance for many

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[67] John R. Graham, Scott B. Smart & William L. Megginson, *Corporate Finance: Linking Theory to What Companies Do* 330 (3rd ed., South Western Cengage Learning 2010).

[68] Pablo Fernandez, et al., *Survey: market Risk Premium and Risk-Free Rate used for 80 countries in 2023* (IESE Business School 2020), copy available at https://papers.ssrn.com/sol3/papers.cfm?abstract_id=4407839 IESE Business School is the graduate business school of the University of Navarra. IESE offers Master of Business Administration (MBA), Executive MBA and Executive Education programs. IESE is consistently ranked among the leading business schools in the world.

years.[69] This model is a mathematical derivation of the DCF Model. In fact, the underlying concept in both models is the same: The current value of an asset is equal to the present value of its future cash flows. Instead of using this model to determine the discount rate of one company, we can use it to determine the discount rate for the entire market by substituting the inputs of the model. Specifically, instead of using the current stock price (P_0), we will use the current value of the S&P 500 (V_{500}). Instead of using the dividends of a single firm, we will consider the dividends paid by the entire market. Additionally, we should consider potential dividends. In other words, stock buybacks should be considered in addition to paid dividends, as stock buybacks represent another way for the firm to transfer free cash flow to shareholders. Focusing on dividends alone without considering stock buybacks could understate the cash flow component of the model, and ultimately understate the implied ERP. The market dividend yield plus the market buyback yield gives us the gross cash yield to use as our cash flow in the numerator of the discount model. This gross cash yield is increased each year over the next five years by the growth rate. These cash flows must be discounted to determine their present value. The discount rate in each denominator is the risk-free rate (R_F) plus the discount rate (K). Equation 1 below shows how the implied return is calculated. Since the current value of the S&P is known, we can solve for K: The implied market return.[70]

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[69] Myron J. Gordon and Eli Shapiro, *Capital Equipment Analysis: The Required Rate of Profit* 102-110 (Management Science Vol. 3, No. 1 Oct. 1956).

[70] *See* Exhibit DJG-10 for detailed calculation.

Equation 1:
Implied Market Return

$$V_{500} = \frac{CY_1(1+g)^1}{(1+R_F+K)^1} + \frac{CY_2(1+g)^2}{(1+R_F+K)^2} + \cdots + \frac{CY_5(1+g)^5 + TV}{(1+R_F+K)^5}$$

where:	V_{500}	=	*current value of index (S&P 500)*
	$CY_{1\text{-}5}$	=	*average cash yield over last five years (includes dividends and buybacks)*
	g	=	*compound growth rate in earnings over last five years*
	R_F	=	*risk-free rate*
	K	=	*implied market return (this is what we are solving for)*
	TV	=	*terminal value* $= CY_5\,(1+R_F)\,/\,K$

The discount rate is called the "implied" return because it is based on the current value of the index as well as the value of free cash flow to investors projected over the next five years. Thus, based on these inputs, the market is "implying" the expected return; or in other words, based on the current value of all stocks (the index price) and the projected value of future cash flows, the market is telling us the return expected by investors for investing in the market portfolio. After solving for the implied market return (K), we simply subtract the risk-free rate from it to arrive at the implied ERP as shown in Equation 2.

Equation 2:
Implied Equity Risk Premium

$$Implied\ Expected\ Market\ Return - R_F = Implied\ ERP$$

Q. Discuss the results of your implied ERP calculation.

A. After collecting data for the index value, operating earnings, dividends, and buybacks for the S&P 500 over the past six years, I calculated the dividend yield, buyback yield, and gross cash yield for each year. I also calculated the compound annual growth rate (g) from operating earnings. I used these inputs, along with the risk-free rate and current value of the index to calculate a current expected return on the entire market of

9.3%. I subtracted the risk-free rate of 3.81% to arrive at the implied equity risk premium of 5.5%.[71] Dr. Damodaran, one of the world's leading experts on the ERP, promotes the implied ERP method discussed above. He calculates monthly and annual implied ERPs with this method and publishes his results. Dr. Damodaran's average ERP estimate for May 2023 using several implied ERP variations was 5.1%.[72] Similarly, Kroll (formerly Duff & Phelps) publishes estimates of ERP, the most recent of which was 6.0%.[73]

Q. What are the results of your final ERP estimate?

A. For the final ERP estimate I used in my CAPM analysis, I considered the results of the ERP surveys, the estimated ERP reported by Kroll, the estimated ERP calculated by Dr. Damodaran, and the implied ERP based on my calculations.[74] The results are presented in the following figure:

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[71] *Id*.

[72] http://pages.stern.nyu.edu/~adamodar/.

[73] Kroll, Kroll Recommended U.S. Equity Risk Premium and Corresponding Risk-Free Rates to be Used in Computing Cost of Capital: January 2008 – Present (Oct. 2022).

[74] *See also* Exhibit DJG-11.

Figure 12:
Equity Risk Premium Results

IESE Business School Survey	5.7%
Kroll (Duff & Phelps) Report	6.0%
Damodaran (average)	5.1%
Garrett	5.5%
Average	**5.6%**

I used the average ERP result of 5.6% in my CAPM.[75]

Q. Please explain the final results of your CAPM analysis.

A. Using the inputs for the risk-free rate, beta coefficient, and equity risk premium discussed above, I estimate that the Company's CAPM cost of equity is 8.5% (but only if imputing the average capital structure of the proxy group for PGS).[76] The CAPM can be displayed graphically through what is known as the Security Market Line ("SML"). The figure below shows the expected return (cost of equity) on the y-axis, and the average beta for the proxy group on the x-axis. The SML intercepts the y-axis at the level of the risk-free rate. The slope of the SML is the equity risk premium.

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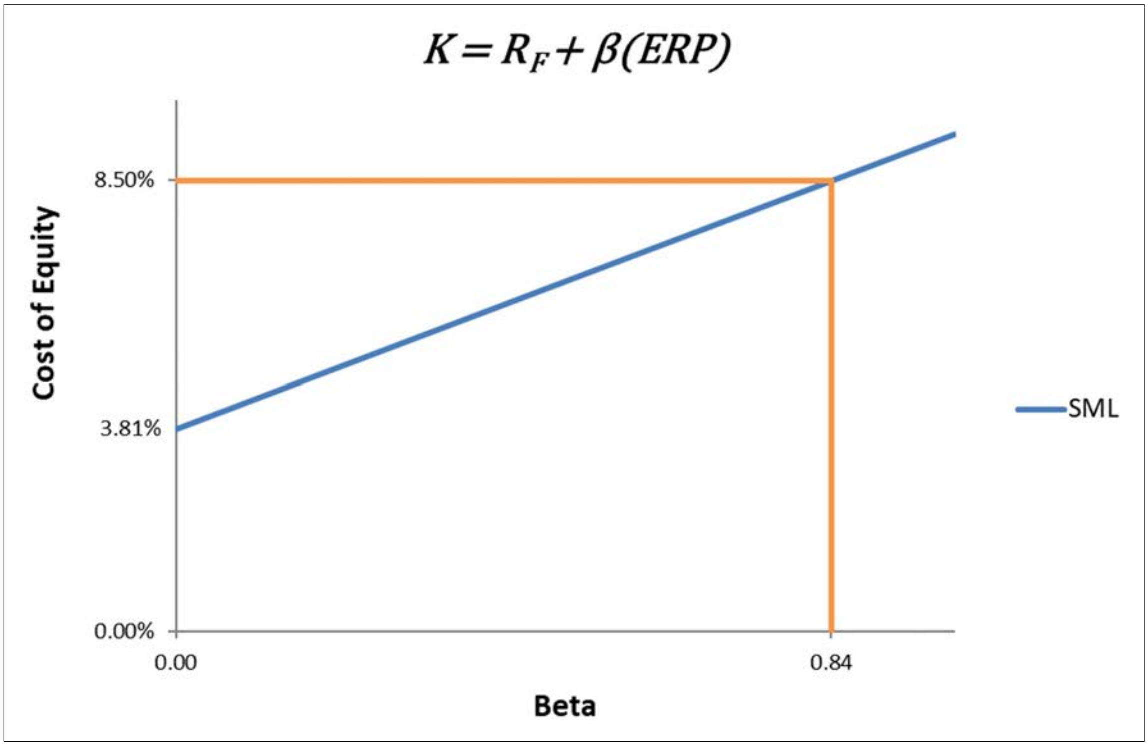
[75] Exhibit DJG-11.

[76] Exhibit DJG-12.

Figure 13:
CAPM Graph



The SML provides the rate of return that will compensate investors for the beta risk of that investment. Thus, at an average beta of 0.84 for the proxy group, the estimated CAPM cost of equity for the Company is 8.5%.

D. <u>Response to Mr. D'Ascendis's CAPM Analysis and Other Issues</u>

Q. Please summarize the results of Mr. D'Ascendis's CAPM analysis.

A. Mr. D'Ascendis's CAPM returned an average result of 11.5%.[77]

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[77] Direct Testimony of Dylan W. D'Ascendis, p. 55, lines 12-21.

Q. Do you believe the results of Mr. D'Ascendis's CAPM indicate a reasonable cost of equity estimate for PGS?

A. No. The main problem with Mr. D'Ascendis's CAPM cost of equity result stems primarily from his estimate of the ERP. In my response to Mr. D'Ascendis's CAPM results, I also address his other risk premium model and his empirical CAPM analysis.

1. <u>Equity Risk Premium</u>

Q. Did Mr. D'Ascendis rely on a reasonable measure for the ERP?

A. No. Mr. D'Ascendis used an ERP of 9.75% in his CAPM, which is significantly higher than the estimates reported in expert surveys and estimated by other analysts. As part of Mr. D'Ascendis's EPR analysis, he considered market data as old as 1926.[78] Treasury yields nearly a century old have no bearing on the current and forward-looking ERP, which is what matters when conducting an accurate CAPM analysis. The ERP is one of three inputs in the CAPM equation, and it is one of the most single important factors for estimating the cost of equity in this case. As discussed above, I used three widely accepted methods for estimating the ERP, including consulting expert surveys, calculating the implied ERP based on aggregate market data, and considering the ERPs published by reputable analysts. The average ERP produced from my various sources is only 5.6%.[79] This means that Mr. D'Ascendis's ERP estimate is nearly twice as high as the average ERP from reputable sources.

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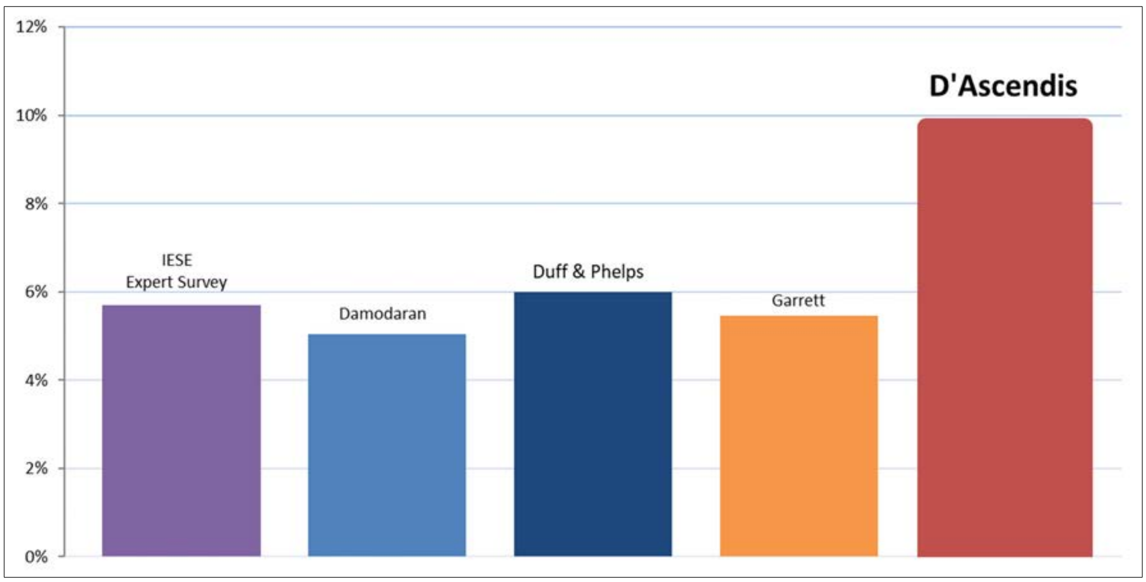
[78] Direct Testimony of Dylan W. D'Ascendis, Exhibit DWD-1, Document No. 5.

[79] Exhibit DJG-11.

Q. Please discuss and illustrate how Mr. D'Ascendis's ERP compares with other estimates for the ERP.

A. As discussed above, the 2022 IESE Business School expert survey reports an average ERP of 5.6%. Similarly, Kroll recently estimated an ERP of 6.0%. The following figure illustrates that Mr. D'Ascendis's ERP estimate is far out of line with industry norms.[80]

Figure 14:
Equity Risk Premium Comparison



When compared with other independent sources for the ERP (as well as my estimate), which do not have a wide variance, Mr. D'Ascendis's ERP estimate is clearly not within the range of reasonableness. As a result, his CAPM cost of equity estimate is overstated and unreliable.

[80] The ERP estimated by Dr. Damodaran is the average of several ERP estimates under slightly differing assumptions.

2. Other Risk Premium Analyses

Q. Did you review Mr. D'Ascendis's other risk premium analyses?

A. Yes. I am addressing Mr. D'Ascendis's other risk premium analyses in this section because the CAPM itself is a risk premium model. In this case, Mr. D'Ascendis conducted his own "risk premium model," which includes several variations with different assumptions.[81]

Q. Do you agree with the results of Mr. D'Ascendis's risk premium analysis?

A. No. Mr. D'Ascendis's risk premium models rely in part on Utility bond yields dating back to 1928.[82] However, data that old is of questionable relevance because cost of equity estimation is essentially a forward-looking process. Analysts can look to the recent past in order to arrive at reasonable forward-looking projections. For example, I use a recent 30-day average of stock prices and Treasury bond yields in my CAPM and DCF models. In contrast, it is unreasonable to consider data nearly 100 years old as having any meaningful impact on the current and forward-looking cost of equity for PGS. In addition, another one of Mr. D'Ascendis's risk premium model variations considers authorized ROEs from other jurisdictions dating back to 1980. As discussed earlier in my testimony, awarded ROEs are consistently higher than market-based cost of equity, and they have been for many years. Thus, these types of risk premium "models" effectively perpetuate the discrepancy between awarded ROEs and market-based cost of equity. Since awarded ROEs are consistently higher than market-based

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[81] Direct Testimony of Dylan W. D'Ascendis, pp. 28-48.

[82] Id. at p. 40, lines 1-6.

cost, a model that simply compares the discrepancy between awarded ROEs and any market-based factor (such as bond yields) will simply ensure that the discrepancy continues.

Furthermore, the risk premium analysis offered by Mr. D'Ascendis is completely unnecessary when we already have a real risk premium model to use: the CAPM. The CAPM itself is a "risk premium" model; it takes the bare minimum return any investor would require for assuming no risk (the risk-free rate), then adds a *premium* to compensate the investor for the extra risk he or she assumes by buying a stock rather than a riskless U.S. Treasury security. The CAPM has been utilized by companies around the world for decades for the same purpose we are using it in this case – to estimate cost of equity.

Unlike the CAPM, which is found in almost every comprehensive financial textbook, the types of risk premium models used by Mr. D'Ascendis in this case are almost exclusively found in the texts and testimonies of utility witnesses. Specifically, these risk premium models attempt to create an inappropriate link between market-based factors, such as interest rates, with awarded returns on equity. Inevitably, this type of model is used to justify a cost of equity that is much higher than one that would be dictated by market forces.

3. <u>Empirical CAPM</u>

Q. Please summarize Mr. D'Ascendis's Empirical CAPM ("ECAPM") analysis.

A. Mr. D'Ascendis offers another version of the CAPM called ECAPM. The premise of the ECAPM is that the standard CAPM underestimates the return required from low-beta securities, such as those of the proxy group. Mr. D'Ascendis's ECAPM produced an average result of 11.8%.[83]

Q. Do you agree with Mr. D'Ascendis's ECAPM results?

A. No. The premise of Mr. D'Ascendis's ECAPM is that the standard CAPM underestimates the return required from low-beta securities. There are several problems with this concept, however. First, the Value Line betas both Mr. D'Ascendis and I used in the real CAPM have already been adjusted upward to account for the theory that low-beta stocks might have a tendency to be underestimated. Second, there is empirical evidence suggesting that the type of beta-adjustment method used by Value Line actually <u>overstates</u> betas from consistently low-beta industries like utilities. According to this research, it is better to employ an adjustment method that adjusts raw betas toward an industry average, rather than the market average, which ultimately results in betas that are <u>lower</u> than those published in Value Line.[84] Finally (and most pertinently), Mr. D'Ascendis's ECAPM still suffers from the same overestimated ERP input discussed above. Regardless of the differing theories regarding the mean reversion tendencies of low-beta securities, Mr. D'Ascendis's ECAPM should be disregarded for its ERP inputs alone which were based on old, out-of-date data resulting in unreasonable ERP twice that of industry experts.

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[83] Direct Testimony of Dylan W. D'Ascendis, Exhibit DWD-1, Document No. 5.

[84] *See* Appendix B for further discussion on these theories.

VIII. OTHER ISSUES

Q. Are there other issues raised by Mr. D'Ascendis in his testimony that you would like to respond to.

A. Yes. In his testimony, Mr. D'Ascendis suggests that several other factors should have increasing effects on the cost of equity estimate, including business risks, PGS's relative size, and flotation costs. Mr. D'Ascendis also conducted a cost of equity analysis on a group of non-utility companies.

A. Firm-Specific Business Risks

Q. Please describe Mr. D'Ascendis's testimony regarding business risks.

A. In his direct testimony, Mr. D'Ascendis suggests that various firm-specific risk factors should have an increasing effect on PGS's cost of equity, including the risks associated with the regulatory environment, environmental compliance, and other business risks.[85]

Q. Do you agree with Mr. D'Ascendis that these firm-specific risk factors should influence PGS's cost of equity or awarded ROE?

A. No. The Commission should not consider these firm-specific business risk factors in making their decision on a fair awarded ROE for PGS. As discussed above, it is a well-known concept in finance that firm-specific risks are unrewarded by the market. Scholars widely recognize the fact that market risk, or "systematic risk," is the only type of risk for which investors expect a return for bearing.[86] Unlike interest rate risk, inflation risk, and other market risks that affect all companies in the stock market, the

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[85] See Direct Testimony of Dylan W. D'Ascendis, pp. 13-15.

[86] *See* John R. Graham, Scott B. Smart & William L. Megginson, *Corporate Finance: Linking Theory to What Companies Do* 180 (3rd ed., South Western Cengage Learning 2010).

risk factors discussed by Mr. D'Ascendis are merely business risks specific to PGS. Investors do not require additional compensation for assuming these firm-specific business risks. Moreover, the financial models themselves do not include inputs for business risk.

B. Small Size Effect

Q. Please describe Mr. D'Ascendis's position regarding the size effect.

A. Mr. D'Ascendis suggests that PGS's size should somehow have an increasing effect on its cost of equity estimate.[87] Mr. D'Ascendis proposes an upward adjustment of 20 basis points basis points to account for the size effect (as well as other business risks).[88]

Q. Do you agree with Mr. D'Ascendis regarding the size effect?

A. No. The "size effect" phenomenon arose from a 1981 study conducted by Banz, which found that "in the 1936 – 1975 period, the common stock of small firms had, on average, higher risk-adjusted returns than the common stock of large firms."[89] According to Ibbotson, Banz's size effect study was "[o]ne of the most remarkable discoveries of modern finance."[90] Perhaps there was some merit to this idea at the time, but the size effect phenomenon was short lived. Banz's 1981 publication generated much interest in the size effect and spurred the launch of significant new small cap investment funds. However, this "honeymoon period lasted for

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[87] *See* Direct Testimony of Dylan W. D'Ascendis, pp. 65-70.

[88] *Id*. at Exhibit DWD-1, Document No. 1.

[89] Rolf W. Banz, *The Relationship Between Return and Market Value of Common Stocks* 3-18 (Journal of Financial Economics 9 (1981)).

[90] 2015 Ibbotson Stocks, Bonds, Bills, and Inflation Classic Yearbook 99 (Morningstar 2015).

approximately two years. . . ."[91] After 1983, U.S. small-cap stocks actually underperformed relative to large cap stocks. In other words, the size effect essentially reversed. In *Triumph of the Optimists*, the authors conducted an extensive empirical study of the size effect phenomenon around the world. They found that after the size effect phenomenon was discovered in 1981, it disappeared within a few years:

> It is clear . . . that there was a global reversal of the size effect in virtually every country, with the size premium not just disappearing but going into reverse. Researchers around the world universally fell victim to Murphy's Law, with the very effect they were documenting – and inventing explanations for – promptly reversing itself shortly after their studies were published.[92]

In other words, the authors assert that the very discovery of the size effect phenomenon likely caused its own demise. The authors ultimately concluded that it is "inappropriate to use the term 'size effect' to imply that we should automatically expect there to be a small-cap premium," yet, this is exactly what utility witnesses often do in attempting to artificially inflate the cost of equity with a size premium. Other prominent sources have agreed that the size premium is a dead phenomenon. According to Ibbotson:

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[91] Elroy Dimson, Paul Marsh & Mike Staunton, *Triumph of the Optimists: 101 Years of Global Investment Returns* 131 (Princeton University Press 2002).

[92] *Id*. at 133.

> The unpredictability of small-cap returns has given rise to another argument against the existence of a size premium: that markets have changed so that the size premium no longer exists. As evidence, one might observe the last 20 years of market data to see that the performance of large-cap stocks was basically equal to that of small cap stocks. In fact, large-cap stocks have outperformed small-cap stocks in five of the last 10 years.[93]

In addition to the studies discussed above, other scholars have concluded similar results. According to Kalesnik and Beck:

> Today, more than 30 years after the initial publication of Banz's paper, the empirical evidence is extremely weak even before adjusting for possible biases. . . . The U.S. long-term size premium is driven by the extreme outliers, which occurred three-quarters of a century ago. . . . Finally, adjusting for biases . . . makes the size premium vanish. If the size premium were discovered today, rather than in the 1980s, it would be challenging to even publish a paper documenting that small stocks outperform large ones.[94]

For all of these reasons, the Commission should reject the arbitrary size premium proposed by the Company.

C. Non-Regulated Cost of Equity Model

Q. Please describe Mr. D'Ascendis's cost of equity model conducted on non-price regulated companies.

In addition to conducting a cost of equity analysis on the utility proxy group, Mr. D'Ascendis also conducted a similar type of analysis on a group of non-utility

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[93] 2015 Ibbotson Stocks, Bonds, Bills, and Inflation Classic Yearbook 112 (Morningstar 2015).

[94] Vitali Kalesnik and Noah Beck, *Busting the Myth About Size* (Research Affiliates 2014), available at https://www.google.com/url?sa=t&rct=j&q=&esrc=s&source=web&cd=&ved=2ahUKEwic84ykqNL_AhWmmWoFHbwzCpcQFnoECAsQAQ&url=https%3A%2F%2Fwww.researchaffiliates.com%2Fcontent%2Fdam%2Fra%2Fpublications%2Fpdf%2F284-busting-the-myth-about-size.pdf&usg=AOvVaw3Yw7SggIT0R8KvzGmYkuAp&opi=89978449 (emphasis added).

companies. The indicated cost of equity produced by this model is 12.36% - the highest of all of Mr. D'Ascendis's models.[95]

Q. Do you agree with the results of Mr. D'Ascendis's non-utility cost of equity model?

No. In fact, I disagree with the entire premise of the model. Non-utility companies are relatively incomparable to PGS compared with the utility proxy group. Thus, the results obtained from this model will be inferior to the results obtained from any model (conducted properly) on the utility proxy group. The risk profiles of competitive firms will tend to be higher than those of low-risk utilities; thus, their cost of equity estimates will generally be higher. Not surprisingly, the results of Mr. D'Ascendis's non-utility model produce the highest cost of equity out of all of his various models.[96] There is simply no marginal value added to the process of estimating utility cost of equity by using non-utility, non-regulated firms in a proxy group instead of firms with relatively similar risk profiles to the regulated utility being analyzed.

D. Flotation Costs

Q. Please summarize Mr. D'Ascendis's flotation cost adjustment.

A. Mr. D'Ascendis adds an additional 12 basis points to his overall cost of equity estimate to account for flotation costs.[97]

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[95] Direct Testimony of Dylan W. D'Ascendis, Exhibit DWD-1, Document No. 1.

[96] *Id*.

[97] *Id*.

Q. Do you agree with Mr. D'Ascendis's flotation cost adjustment?

A. No. When companies issue equity securities, they typically hire at least one investment bank as an underwriter for the securities. "Flotation costs" generally refer to the underwriter's compensation for the services it provides in connection with the securities offering. However, Mr. D'Ascendis's flotation cost allowance is inappropriate for several reasons, as discussed further below.

1. Flotation costs are not actual "out-of-pocket" costs.

The Company has not experienced any out-of-pocket costs for flotation. Underwriters are not compensated in this fashion. Instead, underwriters are compensated through an "underwriting spread." An underwriting spread is the difference between the price at which the underwriter purchases the shares from the firm, and the price at which the underwriter sells the shares to investors.[98] Accordingly, the Company has not experienced any out-of-pocket flotation costs, and if it has, those costs should be included in the Company's expense schedules.

2. The market already accounts for flotation costs.

When an underwriter markets a firm's securities to investors, the investors are aware of the underwriter's fees. The investors know that a portion of the price they are paying for the shares does not go directly to the company, but instead goes to compensate the underwriter for its services. In fact, federal law requires that the

[98] *See* John R. Graham, Scott B. Smart & William L. Megginson, *Corporate Finance: Linking Theory to What Companies Do*, p. 509 (3rd ed., South Western Cengage Learning 2010).

underwriter's compensation be disclosed on the front page of the prospectus.[99] Thus, investors have already considered and accounted for flotation costs when making their decision to purchase shares at the quoted price. As a result, there is no need for shareholders to receive additional compensation to account for costs they have already considered and agreed to. Similar compensation structures are in other kinds of business transactions. For example, a homeowner may hire a realtor and sell a home for $100,000. After the realtor takes a six percent commission, the seller nets $94,000. The buyer and seller agreed to the transaction notwithstanding the realtor's commission. Obviously, it would be unreasonable for the buyer or seller to demand additional funds from anyone after the deal is completed to reimburse them for the realtor's fees. Likewise, investors of competitive firms do not expect additional compensation for flotation costs. Thus, it would not be appropriate for a commission standing in the place of competition to award a utility's investors with this additional compensation.

3. It is inappropriate to add any additional basis points to an awarded ROE proposal that is already far above the Company's cost of equity.

For the reasons discussed above, flotation costs should be disallowed from a technical standpoint; they should also be disallowed from a policy standpoint. The Company is asking this Commission to award it a cost of equity that is more than 150 basis points above its market-based cost of equity. Under these circumstances, it is

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[99] *See* Regulation S-K, 17 C.F.R. § 229.501(b)(3) (requiring that the underwriter's discounts and commissions be disclosed on the outside cover page of the prospectus). A prospectus is a legal document that provides details about an investment offering.

especially inappropriate to suggest that flotation costs should be considered in any way to increase an already inflated ROE proposal.

IX. CAPITAL STRUCTURE

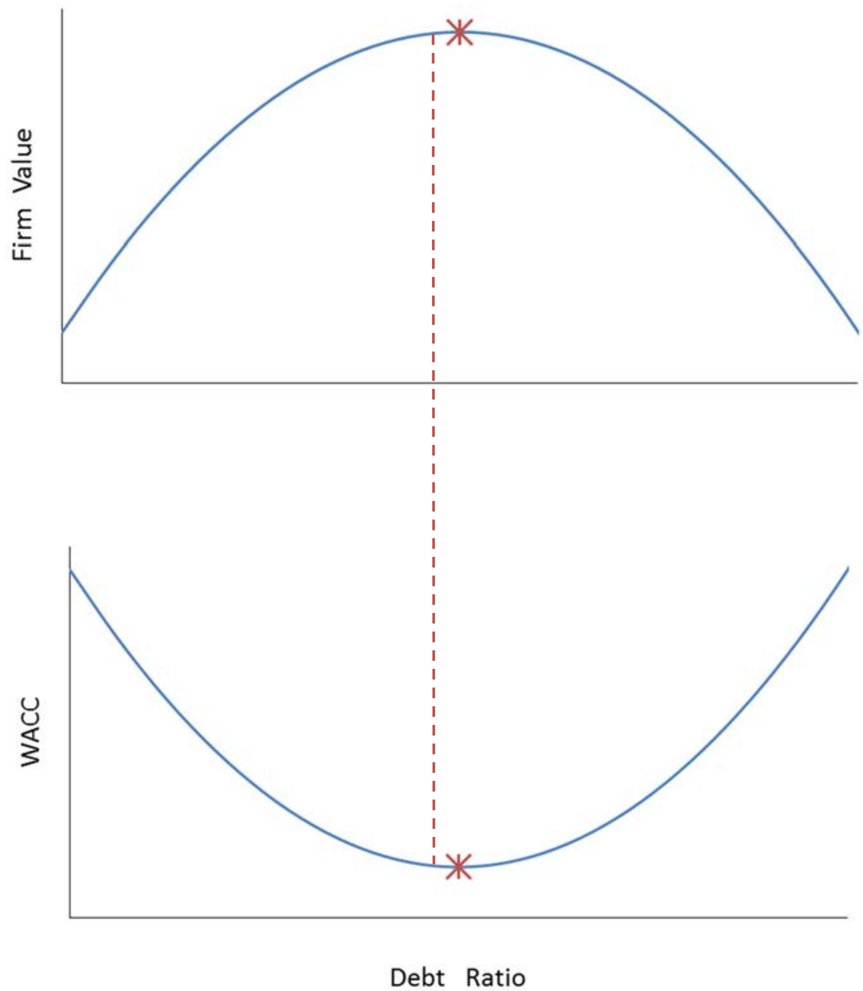
Q. Describe in general the concept of a company's capital structure.

A. "Capital structure" refers to the way a company finances its overall operations through external financing. The primary sources of long-term, external financing are debt capital and equity capital. Debt capital usually comes in the form of contractual bond issuances that require the firm to make payments, while equity capital represents an ownership interest in the form of stock. Because a firm cannot pay dividends on common stock until it satisfies its debt obligations to bondholders, stockholders are referred to as "residual claimants." The fact that stockholders have a lower priority to claims on company assets increases their risk and the required return relative to bondholders. Thus, equity capital has a higher cost than debt capital. Firms can reduce their weighted average cost of capital ("WACC") by recapitalizing and increasing their debt financing. In addition, because interest expense is deductible, increasing debt also adds value to the firm by reducing the firm's tax obligation.

Q. Is it true that, by increasing debt, competitive firms can add value and reduce their WACC?

A. Yes, it is. A competitive firm can add value by increasing debt. After a certain point, however, the marginal cost of additional debt outweighs its marginal benefit. This is because the more debt the firm uses, the higher interest expense it must pay, and the likelihood of loss increases. This also increases the risk of non-recovery for both bondholders and shareholders, causing both groups of investors to demand a greater return on their investment. Thus, if debt financing is too high, the firm's WACC will increase instead of decrease. The following figure illustrates these concepts.

Figure 15:
Optimal Debt Ratio



As shown in this figure, a competitive firm's value is maximized when the WACC is minimized. In both graphs, the debt ratio is shown on the x-axis. By increasing its debt ratio, a competitive firm can minimize its WACC and maximize its value. At a certain point, however, the benefits of increasing debt do not outweigh the costs of the additional risks to both bondholders and shareholders, as each type of investor will demand higher returns for the additional risk they have assumed.[100]

Q. Does the rate base rate of return model effectively incentivize utilities to operate at the optimal capital structure?

A. No. While it is true that competitive firms maximize their value by minimizing their WACC, this is not the case for regulated utilities. Under the rate base, rate of return model, a higher WACC results in higher rates, all else held constant. The basic revenue requirement equation is as follows:

Equation 3:
Revenue Requirement for Regulated Utilities

$$RR = O + d + T + \boldsymbol{r}(A - D)$$

where:	*RR*	=	*revenue requirement*
	O	=	*operating expenses*
	d	=	*depreciation expense*
	T	=	*corporate tax*
	r	=	***weighted average cost of capital (WACC)***
	A	=	*plant investments*
	D	=	*accumulated depreciation*

As shown in Equation 3, utilities can increase their revenue requirement by <u>increasing</u> their WACC, not by minimizing it. Thus, because there is no incentive for a regulated utility to minimize its WACC, a commission standing in the place of competition must ensure that the regulated utility is operating at the lowest reasonable WACC.

[100] *See* John R. Graham, Scott B. Smart & William L. Megginson, *Corporate Finance: Linking Theory to What Companies Do* 440-41 (3rd ed., South Western Cengage Learning 2010).

Q. Can utilities generally afford to have higher debt levels than other industries?

A. Yes. Because regulated utilities have large amounts of fixed assets, stable earnings, and low risk relative to other industries, they can afford to have relatively higher debt ratios (or "leverage"). As aptly stated by Dr. Damodaran:

> Since financial leverage multiplies the underlying business risk, it stands to reason that firms that have high business risk should be reluctant to take on financial leverage. It also stands to reason that firms that operate in stable businesses should be much more willing to take on financial leverage. Utilities, for instance, have historically had high debt ratios but have not had high betas, mostly because their underlying businesses have been stable and fairly predictable.[101]

Note that the author explicitly contrasts utilities with firms that have high underlying business risk. Because utilities have low levels of risk and operate a stable business, they should generally operate with relatively high levels of debt to achieve their optimal capital structure.

Q. Describe the approach you used to assess the reasonableness of PGS's capital structure for ratemaking purposes?

A. To assess a reasonable capital structure for PGS, I examined the capital structures of the proxy group. The cost of equity indicated under the CAPM is inseparable from the proxy group capital structures. For comparative purposes, I also looked at debt ratios observed in other industries. I discuss each of these approaches in more detail below.

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[101] Aswath Damodaran, *Investment Valuation: Tools and Techniques for Determining the Value of Any Asset* 196 (3rd ed., John Wiley & Sons, Inc. 2012).

A. <u>Proxy and Industry Debt Ratios</u>

Q. Please describe the debt and equity ratios of the proxy group.

A. According to the debt ratios recently reported in Value Line for the utility proxy group (the same proxy group used by Mr. D'Ascendis), the average debt ratio of the proxy group is 51%.[102] This is notably higher than PGS's proposed debt ratio of only 45%. Conversely, the equity ratio of the proxy group is 49% and PGS's proposed equity ratio is considerably higher at 55%.

Q. Why is it critical to consider the capital structures of the proxy group when assessing a fair capital structure for PGS?

A. The cost of equity of any particular company is necessarily connected with its capital structure. This is because there is a direct relationship between risk and return. That is, the higher (lower) risk, the higher (lower) expected return. All else held constant, companies with higher amounts of leverage have higher levels of financial risk. Since we are using a proxy group of companies to assess a fair cost of equity estimate for PGS, we must also factor in the capital structures of those companies into the analysis – failing to do so is an analytical error. Since PGS's debt ratio is lower and the equity ratio is higher than the proxy group average, it has less financial risk than the proxy group. This discrepancy in debt ratio and equity ratio must be accounted for. This issue will be discussed in more detail below in my Hamada model analysis.

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[102] Exhibit DJG-15.

Q. Please describe the debt ratios recently observed in competitive U.S. industries.

A: There are nearly 2,000 companies in the U.S. with debt ratios higher than 50% and equity ratios lower than 50%.[103] The following figure shows a sample of these industries with debt ratios higher than 56% and equity ratios lower than 44%.

[103] Exhibit DJG-16.

Figure 16:
Industries with Debt Ratios Greater than 56%

Industry	# Firms	Debt Ratio
Air Transport	21	84%
Hotel/Gaming	69	82%
Hospitals/Healthcare Facilities	34	82%
Retail (Automotive)	30	78%
Brokerage & Investment Banking	30	76%
Computers/Peripherals	42	71%
Bank (Money Center)	7	68%
Cable TV	10	68%
Food Wholesalers	14	67%
Advertising	58	67%
Oil/Gas Distribution	23	66%
Rubber& Tires	3	65%
Transportation (Railroads)	4	65%
Real Estate (Operations & Services)	60	64%
Retail (Grocery and Food)	13	64%
Retail (Special Lines)	78	64%
Recreation	57	62%
Insurance (Life)	27	61%
Trucking	35	61%
Packaging & Container	25	61%
Power	48	60%
Telecom. Services	49	60%
Telecom (Wireless)	16	60%
R.E.I.T.	223	60%
Auto & Truck	31	59%
Utility (General)	15	59%
Household Products	127	58%
Office Equipment & Services	16	58%
Environmental & Waste Services	62	57%
Utility (Water)	16	57%
Retail (Distributors)	69	57%
Transportation	18	57%
Green & Renewable Energy	19	57%
Total / Average	**1,349**	**65%**

Many of the industries shown here, like public utilities, are generally well-established industries with large amounts of capital assets. The shareholders of these industries generally prefer these higher debt ratios to maximize their profits. There are several notable industries that are relatively comparable to public utilities. For example, the Cable TV, Telecom, Power, and Water Utility industries have debt ratios of at least 60% and equity ratios of 40% or lower.

Q. Please summarize the results of your capital structure analyses and your recommendation regarding capital structure.

A. The results of my analyses are summarized in the following figure:

Figure 17:
Capital Structure Analysis – Summary of Results

Source	Debt Ratio	Equity Ratio
Cable TV	68%	32%
Power	60%	40%
Telecom (Wireless)	60%	40%
Proxy Group of Utilities	**51%**	**49%**
PGS Proposed	**45%**	**55%**

As shown in this figure, PGS's proposed debt ratio is clearly too low (and its equity ratio is too high). This results in excessively high capital costs and utility rates. My analysis indicates that PGS's total debt ratio for ratemaking should be 51%, and the equity ratio should be no more than 49%.

B. <u>The Hamada Model: Capital Structure's Effect on ROE</u>

Q. Have you considered the impact that your capital structure recommendation could have on the company's indicated cost of equity?

A. Yes. I assessed the impact of my capital structure proposal on the Company's cost of equity estimate by using the Hamada model.

Q. What is the premise of the Hamada model?

A. The Hamada formula can be used to analyze changes in a firm's cost of capital as it adds or reduces financial leverage, or debt, in its capital structure by starting with an "unlevered" beta and then "relevering" the beta at different debt ratios. As leverage increases, equity investors bear increasing amounts of risk, leading to higher betas. Before the effects of financial leverage can be accounted for, however, the effects of leverage must first be removed, which is accomplished through the Hamada formula. The Hamada formula for unlevering beta is stated as follows:[104]

Equation 4:
Hamada Formula

$$\beta_U = \frac{\beta_L}{\left[1 + (1 - T_c)\left(\frac{D}{E}\right)\right]}$$

where:	β_U	=	*unlevered beta (or "asset" beta)*
	β_L	=	*average levered beta of proxy group*
	T_C	=	*corporate tax rate*
	D	=	*book value of debt*
	E	=	*book value of equity*

Using Equation 4, the beta for the firm can be unlevered, and then "relevered" based on various debt ratios (by rearranging this equation to solve for β_L).

Q. Please summarize the results of the Hamada formula based on your proposed capital structure for the company.

A. The average capital structure of the proxy group consists of 51% debt and 49% equity. Because PGS's debt ratio is so much lower than that of the proxy group, when we "relever" PGS relative to the proxy group, it results in a much lower ROE than if PGS

[104] Damodaran *supra* n. 18, at 197. This formula was originally developed by Hamada in 1972.

had been operating with a capital structure equal to that of the proxy group. This makes sense because PGS is much less risky relative to the proxy group due to the decreased amount of debt in its capital structure. The results of my Hamada model are presented in the figure below.[105]

Figure 18:
Hamada Model ROE

Unlevering Beta		
Proxy Debt Ratio	51%	[1]
Proxy Equity Ratio	49%	[2]
Proxy Debt / Equity Ratio	1.0	[3]
Tax Rate	25%	[4]
Equity Risk Premium	5.6%	[5]
Risk-free Rate	3.8%	[6]
Proxy Group Beta	0.84	[7]
Unlevered Beta	0.47	[8]

[9]	[10]	[11]	[12]
Relevered Betas and Cost of Equity Estimates			
Debt Ratio	D/E Ratio	Levered Beta	Cost of Equity
0%	0.0	0.47	6.4%
20%	0.3	0.56	6.9%
30%	0.4	0.63	7.3%
40%	0.7	0.71	7.8%
45%	0.8	0.77	8.1%
51%	1.0	0.84	8.5%
60%	1.5	1.01	9.4%

[105] Exhibit DJG-17.

According to the results of the Hamada model, if the Commission adopts my capital structure recommendation, PGS's indicated cost of equity estimate (under the CAPM) would be 8.5%. However, if the Commission accepts PGS's proposed capital structure, the Company's cost of equity estimate would be 8.1%.

PART TWO: DEPRECIATION

X. DEPRECIATION STANDARDS AND SYSTEMS

Q. Discuss the standard by which regulated utilities are allowed to recover depreciation expense.

A. In *Lindheimer v. Illinois Bell Telephone Co.*, the U.S. Supreme Court stated that "depreciation is the loss, not restored by current maintenance, which is due to all the factors causing the ultimate retirement of the property. These factors embrace wear and tear, decay, inadequacy, and obsolescence."[106] The *Lindheimer* Court also recognized that the original cost of plant assets, rather than present value or some other measure, is the proper basis for calculating depreciation expense.[107] Moreover, the *Lindheimer* Court found:

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[106] *Lindheimer v. Illinois Bell Tel. Co.*, 292 U.S. 151, 167 (1934).

[107] *Id*. (Referring to the straight-line method, the *Lindheimer* Court stated that "[a]ccording to the principle of this accounting practice, the loss is computed upon the actual cost of the property as entered upon the books, less the expected salvage, and the amount charged each year is one year's pro rata share of the total amount."). The original cost standard was reaffirmed by the Court in *Federal Power Commission v. Hope Natural Gas Co.*, 320 U.S. 591, 606 (1944). The *Hope* Court stated: "Moreover, this Court recognized in [*Lindheimer*], supra, the propriety of basing annual depreciation on cost. By such a procedure the utility is made whole and the integrity of its investment maintained. No more is required."

> [T]he company has the burden of making a convincing showing that the amounts it has charged to operating expenses for depreciation have not been excessive. That burden is not sustained by proof that its general accounting system has been correct. The calculations are mathematical, but the predictions underlying them are essentially matters of opinion.[108]

Thus, the Commission must ultimately determine if the Company has met its burden of proof by making a convincing showing that its proposed depreciation rates are not excessive.

Q. Should depreciation represent an allocated cost of capital to operation, rather than a mechanism to determine loss of value?

A. Yes. While the *Lindheimer* case and other early literature recognized depreciation as a necessary expense, the language indicated that depreciation was primarily a mechanism to determine loss of value.[109] Adoption of this "value concept" would require annual appraisals of extensive utility plant, and thus, is not practical in this context. Rather, the "cost allocation concept" recognizes that depreciation is a cost of providing service, and that in addition to receiving a "return on" invested capital through the allowed rate of return, a utility should also receive a "return of" its invested capital in the form of recovered depreciation expense. The cost allocation concept also satisfies several fundamental accounting principles, including verifiability, neutrality, and the matching principle.[110] The definition of "depreciation accounting" published by (a predecessor to) the American Institute of Certified Public Accountants ("AICPA") properly reflects the cost allocation concept:

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[108] *Id*. at 169.

[109] *See* Frank K. Wolf & W. Chester Fitch, *Depreciation Systems* 71 (Iowa State University Press 1994).

[110] National Association of Regulatory Utility Commissioners, *Public Utility Depreciation Practices* 12 (NARUC 1996).

> Depreciation accounting is a system of accounting that aims to distribute cost or other basic value of tangible capital assets, less salvage (if any), over the estimated useful life of the unit (which may be a group of assets) in a systematic and rational manner. It is a process of allocation, not of valuation.[111]

Thus, the concept of depreciation as "the allocation of cost has proven to be the most useful and most widely used concept."[112]

Q. Discuss the definition and purpose of a depreciation system, as well as the depreciation system you employed in this case.

A. The legal standards set forth above do not mandate a specific procedure for conducting a depreciation analysis. These standards, however, direct that analysts use a system for estimating depreciation rates that will result in the "systematic and rational" allocation of capital recovery for the utility. Over the years, analysts have developed "depreciation systems" designed to analyze grouped property in accordance with this standard. A depreciation system may be defined by several primary parameters: 1) a *method* of allocation; 2) a *procedure* for applying the method of allocation; 3) a *technique* of applying the depreciation rate; and 4) a *model* for analyzing the characteristics of vintage property groups.[113] In this case, I used the straight line method, the average life procedure, the remaining life technique, and the broad group model to analyze the Company's actuarial data; this system would be denoted as an "SL-AL-RL-BG" system. This depreciation system conforms to the legal standards set forth above and is commonly used by depreciation analysts in regulatory proceedings.

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[111] American Institute of Accountants, *Accounting Terminology Bulletins Number 1: Review and Résumé* 25 (American Institute of Accountants 1953).

[112] Frank K. Wolf & W. Chester Fitch, *Depreciation Systems* 73 (Iowa State University Press 1994).

[113] Frank K. Wolf & W. Chester Fitch, *Depreciation Systems* 70 (Iowa State University Press 1994).

I provide a more detailed discussion of depreciation system parameters, theories, and equations in Appendix C.

XI. SERVICE LIFE ANALYSIS

Q. Describe the process you used to estimate service lives for the Company's accounts.

A. The study of retirement patterns of industrial property is derived from the actuarial process used to study human mortality. Just as actuarial analysts study historical human mortality data in order to predict how long a group of people will live, depreciation analysts study historical plant data in order to estimate the average lives of property groups. The most common actuarial method used by depreciation analysts is called the "retirement rate method." In the retirement rate method, original property data, including additions, retirements, transfers, and other transactions, are organized by vintage and transaction year.[114] The retirement rate method is ultimately used to develop an "observed life table," ("OLT") which shows the percentage of property surviving at each age interval.

An OLT curve by itself, however, is rarely a smooth curve, and is often not a "complete" curve (i.e., it does not end at zero percent surviving). To calculate average life (the area under a curve), a complete survivor curve is needed. The Iowa curves are empirically derived curves based on the extensive studies of the actual mortality patterns of many different types of industrial property. The curve-fitting process

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[114] The "vintage" year refers to the year that a group of property was placed in service (aka "placement" year). The "transaction" year refers to the accounting year in which a property transaction occurred, such as an addition, retirement, or transfer (aka "experience" year).

involves selecting the best Iowa curve to fit the OLT curve. This can be accomplished through a combination of visual and mathematical curve-fitting techniques, as well as professional judgment. The first step of my approach to curve-fitting involves visually inspecting the OLT curve for any irregularities. For example, if the “tail” end of the curve is erratic and shows a sharp decline over a short period of time, it may indicate that this portion of the data is less reliable, as further discussed below. After inspecting the OLT curve, I use a mathematical curve-fitting technique which essentially involves measuring the distance between the OLT curve and the selected Iowa curve in order to get an objective, mathematical assessment of how well the curve fits. After selecting an Iowa curve, I observe the OLT curve along with the Iowa curve on the same graph to determine how well the curve fits. I may repeat this process several times for any given account to ensure that the most reasonable Iowa curve is selected.[115]

Q. Do you always select the mathematically best-fitting curve?

A. No. Mathematical curve fitting is an important part of the curve-fitting process because it promotes objective, unbiased results. While mathematical curve fitting is important, however, it may not always yield the optimum result; therefore, it should not necessarily be adopted without further analysis.

Q. Should every portion of the OLT curve be given equal weight?

A. Not necessarily. Many analysts have observed that the points comprising the “tail end” of the OLT curve may often have less analytical value than other portions of the curve.

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[115] *See* Appendix D for a more detailed discussion of Iowa curves; *see* Appendix E for a more detailed discussion of actuarial analysis.

In fact, "[p]oints at the end of the curve are often based on fewer exposures and may be given less weight than points based on larger samples. The weight placed on those points will depend on the size of the exposures."[116] In accordance with this standard, an analyst may decide to truncate the tail end of the OLT curve at a certain percent of initial exposures, such as one percent. Using this approach puts a greater emphasis on the most valuable portions of the curve. For my analysis in this case, I not only considered the entirety of the OLT curve, but I also conducted further analyses that involved fitting Iowa curves to the most significant part of the OLT curve for certain accounts. In other words, to verify the accuracy of my curve selection, I narrowed the focus of my additional calculation to consider the top 99% of the "exposures" (*i.e.*, dollars exposed to retirement) and to eliminate the tail end of the curve representing the bottom 1% of exposures.

Q. Please describe the data bands you considered in your service life analysis.

A. In service life analysis, data "bands" refer to the period of placement and experience years being analyzed. According to Mr. Watson, "[p]lacement bands were used to illustrate the composite history over a specific era, and experience bands were used to focus on retirement history for all vintages during a set period."[117] In his workpapers, Mr. Watson presents the results of several different banding periods for each account in the depreciation studies as part of his service life analysis. Generally, I reviewed and considered all of this information, as well as the other information presented in the

[116] Frank K. Wolf & W. Chester Fitch, *Depreciation Systems* 46 (Iowa State University Press 1994).

[117] Direct Testimony of Dane A. Watson, Exhibit No. DAW-1, Document No. 2.

depreciation studies and Mr. Watson's testimony. In the account-specific graphs below, I present OLT curves that are comprised of placement and experience years from 1983-2021, which is also one of the banding periods Mr. Watson apparently considered.[118] While I also considered the other banding periods Mr. Watson presented, I focused on OLT curves under the 1983-2021 placement and experience bands because this time period strikes a good balance between considering a sufficient amount of data for analysis and considering relatively newer data. In this particular case, most of the accounts discussed below have been affected by asset replacement programs in which relatively newer assets may have different life characteristics than older assets. Thus, it can be instructive to focus on relatively newer vintage years when conducting analyses.

Q. Is there a trade-off from an analytical perspective from focusing on relatively newer vintage years?

A. Yes. While analyzing relatively newer vintages may give better indications of remaining life for a group of assets, the trade-off is that the OLT curves derived from the data are relatively shorter. This means that a wider range of Iowa curves may provide relatively close fits to the OLT curve.

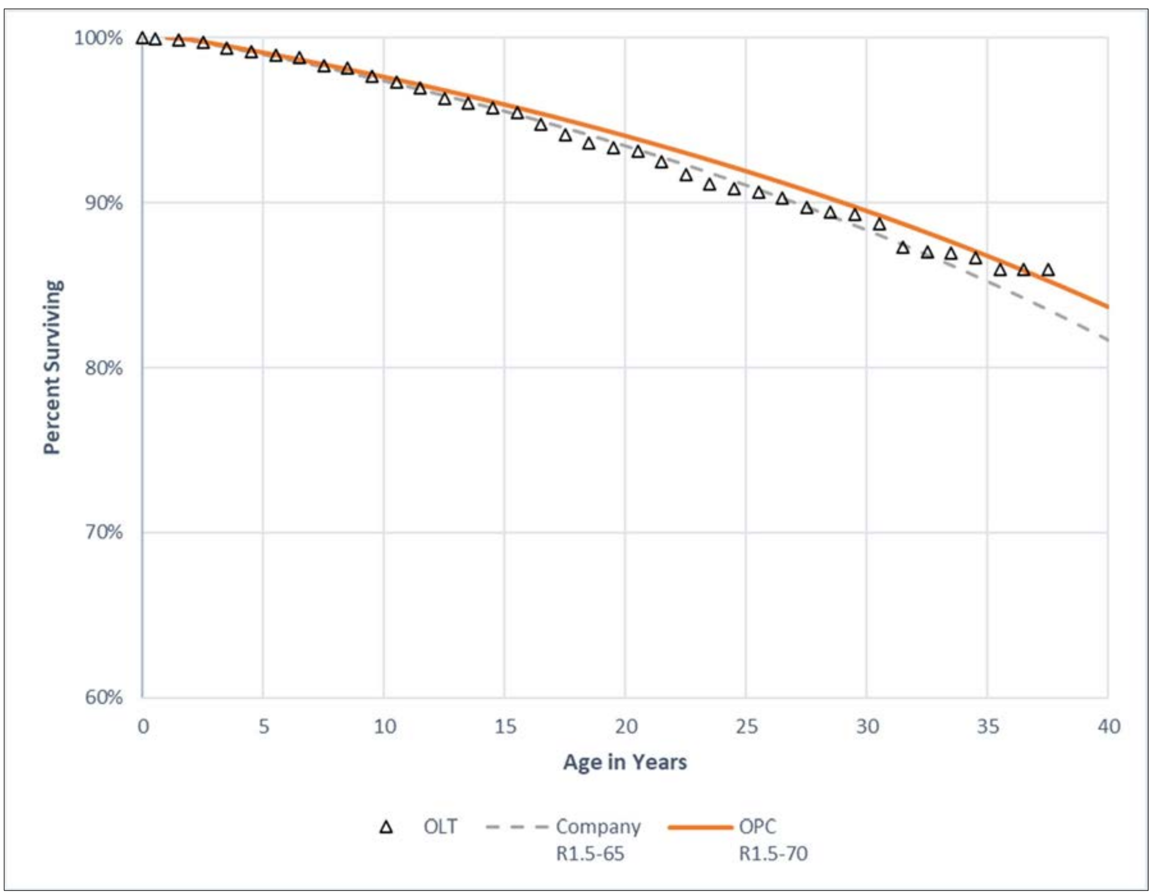
[118] *See* Exhibit DJG-34 for OLTs considered from the depreciation study workpapers and used in the following graphs to compare Iowa curves.

A. <u>Account 376.00 – Steel Mains</u>

Q. Describe your service life estimate for this account and compare it with the Company's estimate.

A. The observed survivor curve is derived from the OLT calculated from the Company's aged plant data. Thus, as set forth above, the OLT curve is not an estimate; rather, it represents actual data and retirement experience. The OLT curve is represented by the black triangles in each of the following figures. Mr. Watson selected the R1.5-65 Iowa curve for this account, and I selected the R1.5-70 Iowa curve. Both Iowa curves are displayed in the graph below, along with the OLT curve.

Figure 19:
Account 376 – Steel Mains



As shown in the graph, both Iowa curves provide relatively close fits throughout the OLT curve. As discussed in the depreciation study, a cast iron and bare steel replacement program "ramped up" beginning in 2013, and the assets retired came from vintages from the 1930s – 1960s.[119] Thus, it can be instructive to focus on relatively newer vintages in this account for statistical analyses.

Q. Does the Iowa curve you selected provide a better mathematical fit to the OLT curve for this account?

A. Yes. While it is sometimes clear from a visual perspective which Iowa curve provides a closer fit to the observed data, the results can also be verified mathematically. Mathematical curve fitting essentially involves measuring the distance between the OLT curve and the selected Iowa curve. The best mathematically-fitted curve is the one that minimizes the distance between the OLT curve and the Iowa curve, thus providing the closest fit. The "distance" between the curves is calculated using the "sum-of-squared differences" ("SSD") technique. Specifically, the SSD between the Company's curve and the OLT curve is 0.0047, and the SSD between the R1.5-70 curve I selected and the OLT curve is 0.0008, which means it results in a closer mathematical fit to the OLT curve.[120]

[119] Direct Testimony of Dane A. Watson, Exhibit DAW-1, Document 2, p. 34.

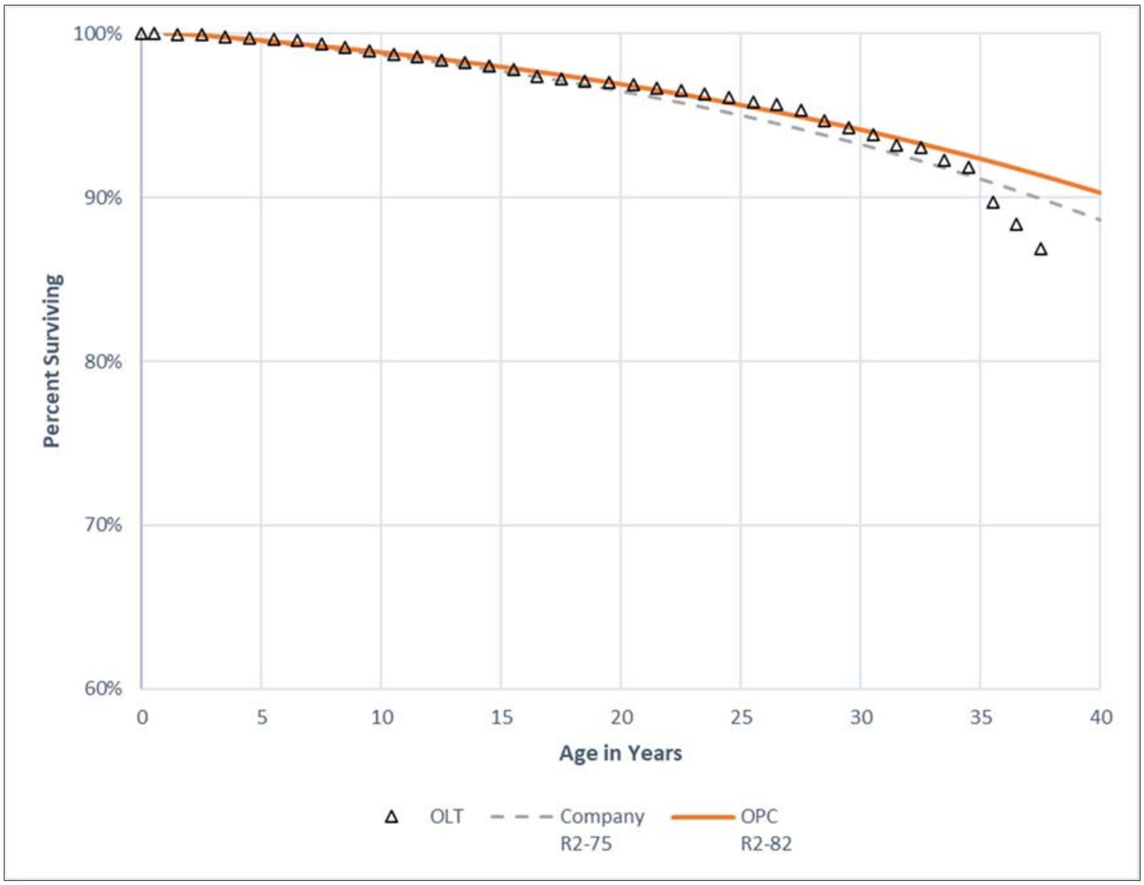
[120] Exhibit DJG-29.

B. Account 376.02 – Plastic Mains

Q. Describe your service life estimate for this account and compare it with the Company's estimate.

A. For this account, Mr. Watson selected the R2-75 curve, and I selected the R2-82 curve. Both curves are shown in the graph below, along with the OLT curve.

Figure 20:
Account 376.02 – Plastic Mains



As shown in this graph, both Iowa curves provide relatively close fits to the OLT curve. According to the depreciation study, the Company's Problematic Plastic Pipe replacement program that began around since 2015 focused on early 1970s vintage pipe.[121] Thus, it can be instructive to focus on relatively newer vintages in this account for statistical analyses.

Q. Does the Iowa curve you selected provide a better mathematical fit to the OLT curve for this account?

A. Yes. The SSD between the Company's Iowa curve and the OLT curve is 0.0039, and the SSD between the R2-82 Iowa curve I selected and the OLT curve is 0.0032, which means it results in a slightly closer fit.[122]

C. <u>Account 379 – Measuring and Regulating Station Equipment – City Gate</u>

Q. Describe your service life estimate for this account and compare it with the Company's estimate.

A. For this account, Mr. Watson selected the R2-52 curve, and I selected the R2-60 curve. Both Iowa curves are shown in the graph below, along with the OLT curve.

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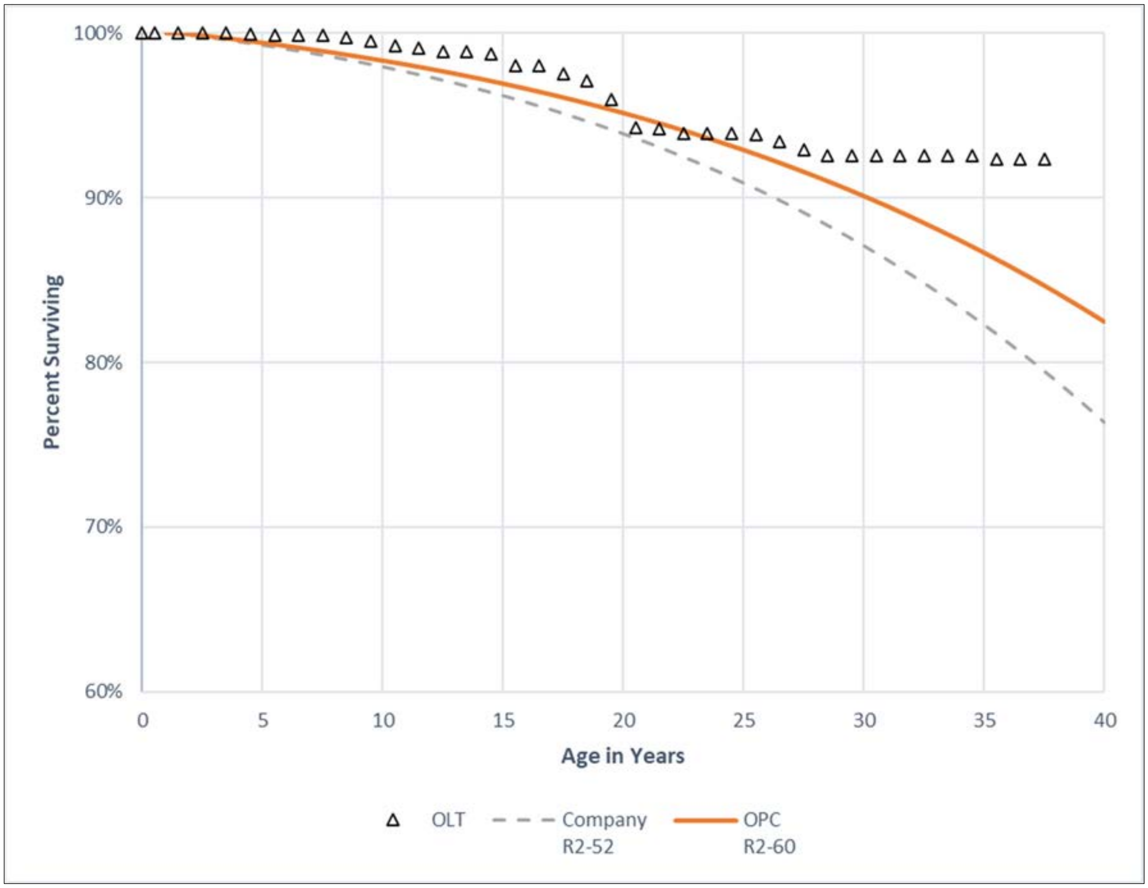
[121] Direct Testimony of Dane A. Watson, Exhibit DAW-1, Document 2, p. 37.

[122] Exhibit DJG-30.

Figure 21:
Account 379 – M&R Station Equipment – City Gate



Due to the shape of the OLT curve for Account 379, selecting an Iowa curve that results in a very close fit (as with the two accounts discussed above) results in an unreasonably long service life estimate for this account. Thus, both Iowa curves do not give much statistical weight to the data towards the end of the OLT curve. However, the Iowa curve selected by Mr. Watson is notably shorter than the curve shape the data points otherwise indicate throughout the majority of this OLT curve. According to the depreciation study, the Company is beginning to build new city gates and is doing more capital improvements than in the past. In addition, the depreciation study acknowledges that newer stations are expected to last longer than older ones, and that "[a]ctuarial analysis also shows a longer life for this account [123] While I agree with Mr. Watson that the service life should be longer for this account, I do not believe that his proposed average life of 52 years is long enough given the data presented at this time.

Q. Does the Iowa curve you selected provide a better mathematical fit to the OLT curve for this account?

A. Yes. The SSD between the Company's Iowa curve and the OLT curve is 0.1242, and the SSD between the R2-60 Iowa curve I selected and the OLT curve is 0.0417, which means it results in a slightly closer fit.[124]

D. <u>Account 380.02 – Plastic Services</u>

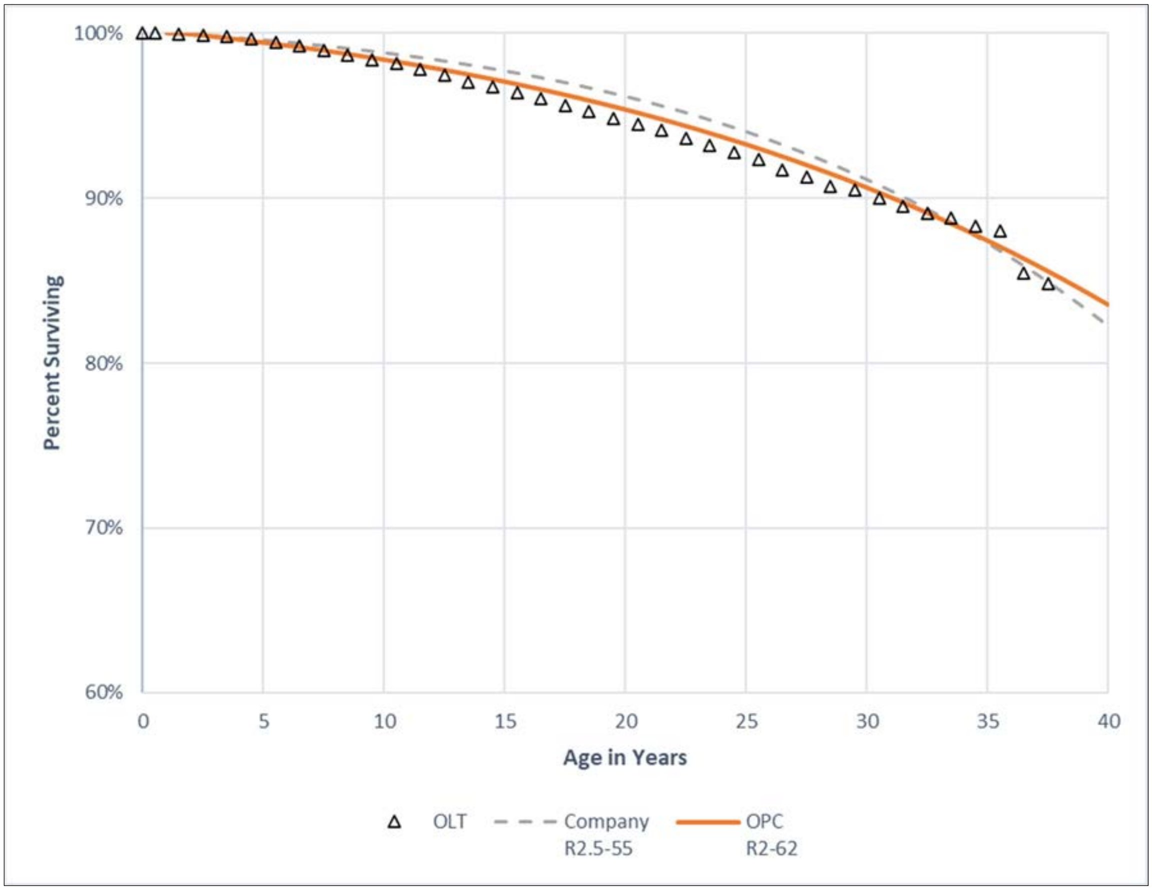
Q. Describe your service life estimate for this account and compare it with the Company's estimate.

A. For this account, Mr. Watson selected the R2.5-55 curve, and I selected the R2-62 curve. Both Iowa curves are shown in the graph below, along with the OLT curve.

[123] Direct Testimony of Dane A. Watson, Exhibit DAW-1, Document 2, pp. 42-43.

[124] Exhibit DJG-31.

Figure 22:
Account 380.02 – Plastic Services



As shown in this graph, both Iowa curves result in relatively close fits to this OLT curve. According to the depreciation study, when steel mains are replaced, where there is a plastic service, they will replace with a plastic service. Mr. Watson also believes that the actuarial analysis for this account supports a 55-year average life, but the graph presented in the depreciation study for this account considers placement years dating back to 1959. The more recent placement band used in my graph above indicates a slightly longer service life (albeit based on a shorter OLT curve).

Q. Does the Iowa curve you selected provide a better mathematical fit to the OLT curve for this account?

A. Yes. The SSD between the Company's Iowa curve and the OLT curve is 0.0028, and the SSD between the R2-62 Iowa curve I selected and the OLT curve is 0.0012, which means it results in a slightly closer fit.[125]

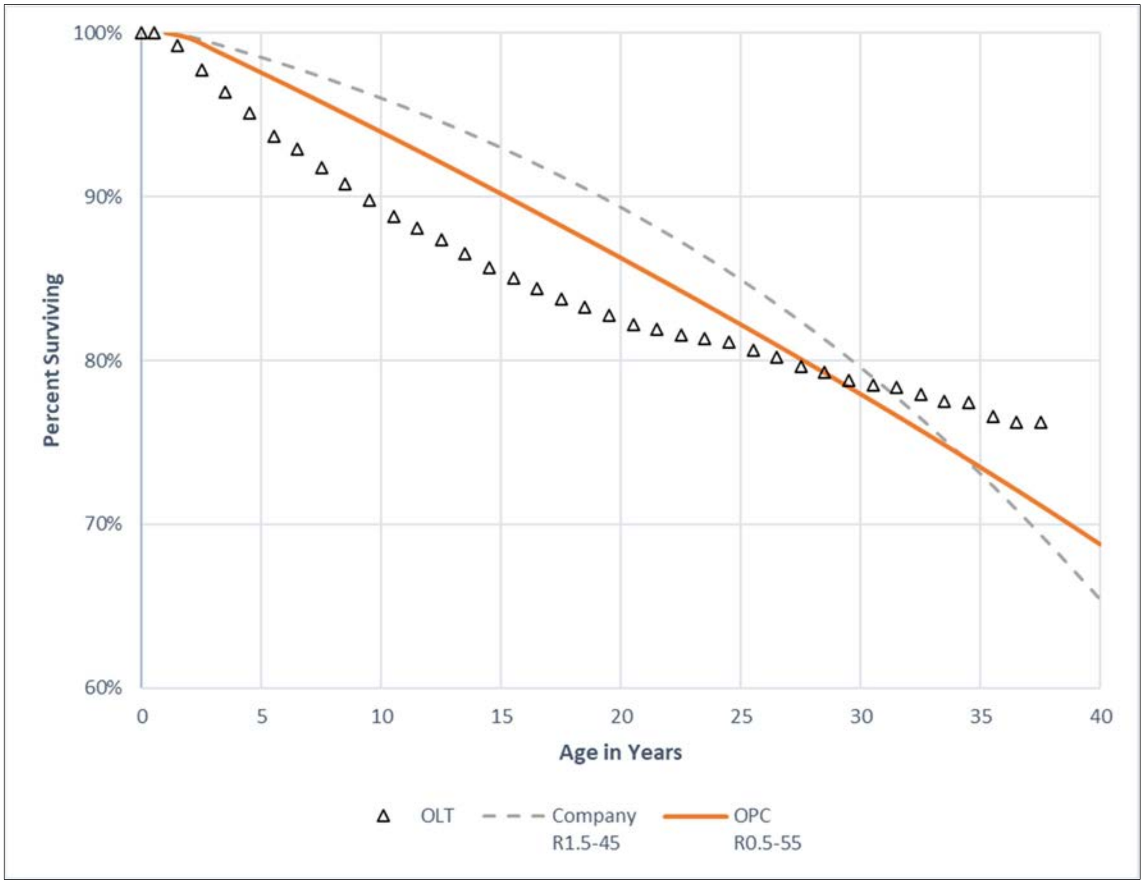
E. Account 382 – Meter Installations

Q. Describe your service life estimate for this account and compare it with the Company's estimate.

A. For this account, Mr. Watson selected the R1.5-45 curve, and I selected the R0.5-55 curve. Both of these Iowa curves are shown in the graph below, along with the OLT curve.

[125] Exhibit DJG-32.

Figure 23:
Account 382 – Meter Installations



The unusual shape of the OLT curve for this account makes it impractical to find an Iowa curve that provides as close a fit compared with the other accounts presented above. Nonetheless, the relevant retirement data comprising the OLT curve should be considered in the curve-fitting process to a greater extent than what is suggested by Mr. Watson's Iowa curve selection. The R1.5 curve-type does not have a sufficiently flat shape and trajectory to reflect the retirement pattern displayed in the OLT curve (albeit an unusual one).

Q. Does the Iowa curve you selected provide a better mathematical fit to the OLT curve for this account?

A. Yes. The SSD between the Company's Iowa curve and the OLT curve is 0.0892, and the SSD between the R0.5-55 Iowa curve I selected and the OLT curve is 0.0345, which means it results in a slightly closer fit.[126]

XII. THEORETICAL RESERVE SURPLUS

Q. Please describe the theoretical reserve.

A. In contrast to the book reserve, the theoretical reserve represents the accumulated depreciation balance that would currently exist, in theory, if the currently-approved depreciation parameters (i.e. life and net salvage) had been implemented throughout the life of the assets being studied. There is almost always a difference between the book reserve and theoretical reserve, particularly because both calculations are always changing. If the book reserve exceeds the theoretical reserve, this imbalance is called a reserve deficiency (since, in theory, the utility should have a higher accumulated depreciation balance). In contrast, if the theoretical reserve exceeds the book reserve, it creates a reserve surplus.

Q. Do remaining life depreciation rates allocate the reserve imbalance over the remaining life o plant?

A. Yes. The key feature of remaining life depreciation rates (as opposed to whole life depreciation rates), is that the perpetual imbalance between the book and theoretical reserve is mathematically allocated over the remaining life of plant. Thus, in most

[126] Exhibit DJG-33.

cases a separate or manual reserve imbalance allocation or amortization is not conducted. However, the greater the reserve imbalance is, the more appropriate it arguably becomes to consider a manual reserve amortization over a period of time that is shorter than the composite remaining life of plant in order to rectify the imbalance more quickly.

Q. Is the reserve imbalance significant in this case?

A. Yes. To be clear, the amount of the reserve imbalance will depend on the depreciation parameters authorized by the Commission. However, even if the Commission adopts Mr. Watson's proposed depreciation parameters without any adjustment, it will still result in a reserve surplus of about $120 million.[127] This represents a reserve variation percentage of 15% (which is calculated by dividing the total reserve variation by the total theoretical reserve). In this case, the amount of the reserve imbalance will also depend on whether the Commission adopts OPC's primary recommendation to authorize depreciation rates based on plant and reserve balances at year-end 2023 instead of year-end 2024.

Q. How many reserve imbalance calculations are available depending on the Commission's decisions?

A. There are at least four reserve surplus calculations the Commission can consider, depending on its findings regarding the appropriate depreciation study date and

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[127] Mr. Watson and I calculated a substantially similar reserve surplus under the Company's proposed depreciation parameters. *See* Direct Testimony of Dane A. Watson, p. 24, line 9 (in which he calculates a reserve surplus of $119.6 million); *see also* Exhibit DJG-23 (which shows my calculated reserve surplus of $120.2 million).

depreciation parameters.[128] The total reserve surplus calculations are presented in the following figure:[129]

Figure 24:
Reserve Surplus Amount by Scenario

	Recommendation and Alternatives	Reserve Surplus
1	• Adopt depreciation rates based on plant at 12-31-23 • Adopt OPC's proposed service life adjustments	$ 221,024,192
2	• Adopt depreciation rates based on plant at 12-31-23 • Adopt PGS's proposed service lives	$ 159,474,313
3	• Adopt depreciation rates based on plant at 12-31-24 • Adopt OPC's proposed service lives	$ 186,552,361

The fourth outcome would be based on adopting Mr. Watson's proposed depreciation parameters without adjustment (resulting in a reserve surplus of about $120 million).

Q. Regardless of the ultimate amount of the reserve surplus, what is OPC's position regarding the amortization period?

A. As discussed in the direct testimony of OPC witness Lane Kollen, it is OPC's recommendation that the reserve imbalance be amortized over a period of 10 years.

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[128] Since other intervenors may recommend various service life and net salvage adjustments, and the Commission may adopt such adjustments on an account-by account basis, there are many possible reserve surplus outcomes. However, the different scenarios presented in my testimony essentially result in four primary outcomes.

[129] *See* Exhibits DJG-22, DJG-27, and DJG-28; *see also* Exhibits DJG-38 and DJG-39 for 2023 adjusted and unadjusted reserve development, respectively.

Q. Have you also presented depreciation rates based on using your adjusted theoretical reserve balances instead of the book reserve?

A. Yes. I have calculated two additional scenarios which use my theoretical reserve surplus calculations as the reserve balances used to calculate remaining life depreciation rates (one for the 2023 Study, and one for the 2024 study.[130] Under these scenarios, the reserve surplus itself would not be used to directly reduce the annual depreciation rate accrual, but instead could be treated entirely separate from the annual accrual amount.[131]

Q. Does this conclude your testimony?

A. Yes. To the extent I have not addressed an issue, method, calculation, account, or other matter relevant to the Company's proposals in this proceeding, it should not be construed that I agree with the same.

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[130] *See* Exhibit DJG-21 and Exhibit DJG-25.

[131] See the direct testimony of OPC witness Lane Kollen for further discussion.

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EDUCATION

University of Oklahoma — Norman, OK
Master of Business Administration — 2014
Areas of Concentration: Finance, Energy

University of Oklahoma College of Law — Norman, OK
Juris Doctor — 2007
Member, American Indian Law Review

University of Oklahoma — Norman, OK
Bachelor of Business Administration — 2003
Major: Finance

PROFESSIONAL DESIGNATIONS

Society of Depreciation Professionals
Certified Depreciation Professional (CDP)

Society of Utility and Regulatory Financial Analysts
Certified Rate of Return Analyst (CRRA)

WORK EXPERIENCE

Resolve Utility Consulting PLLC — Oklahoma City, OK
Managing Member — 2016 – Present
Provide expert analysis and testimony specializing in depreciation and cost of capital issues for clients in utility regulatory proceedings.

Oklahoma Corporation Commission — Oklahoma City, OK
Public Utility Regulatory Analyst — 2012 – 2016
Assistant General Counsel — 2011 – 2012
Represented commission staff in utility regulatory proceedings and provided legal opinions to commissioners. Provided expert analysis and testimony in depreciation, cost of capital, incentive compensation, payroll and other issues.

Perebus Counsel, PLLC — Oklahoma City, OK
Managing Member — 2009 – 2011
Represented clients in the areas of family law, estate planning, debt negotiations, business organization, and utility regulation.

Moricoli & Schovanec, P.C. — Oklahoma City, OK
Associate Attorney — 2007 – 2009
Represented clients in the areas of contracts, oil and gas, business structures and estate administration.

TEACHING EXPERIENCE

University of Oklahoma — Norman, OK
Adjunct Instructor – "Conflict Resolution" — 2014 – 2021
Adjunct Instructor – "Ethics in Leadership"

Rose State College — Midwest City, OK
Adjunct Instructor – "Legal Research" — 2013 – 2015
Adjunct Instructor – "Oil & Gas Law"

PROFESSIONAL ASSOCIATIONS

Oklahoma Bar Association — 2007 – Present

Society of Depreciation Professionals — 2014 – Present
Board Member – President — 2017
Participate in management of operations, attend meetings, review performance, organize presentation agenda.

Society of Utility Regulatory Financial Analysts — 2014 – Present

Utility Regulatory Proceedings

Regulatory Agency	Utility Applicant	Docket Number	Issues Addressed	Parties Represented
Oklahoma Corporation Commission	Public Service Company of Oklahoma	PUD 2022-000093	Cost of capital, depreciation rates, net salvage	Oklahoma Industrial Energy Consumers
Public Service Commission of the State of Montana	NorthWestern Energy	2022.07.078	Cost of capital, depreciation rates, net salvage	Montana Consumer Counsel and Montana Large Customer Group
Indiana Utility Regulatory Commission	Northern Indiana Public Service Company	45772	Cost of capital, depreciation rates, net salvage	Indiana Office of Utility Consumer Counselor
Public Service Commission of South Carolina	Duke Energy Progress	2022-254-E	Depreciation rates, service lives, net salvage	South Carolina Office of Regulatory Staff
Wyoming Public Service Commission	Cheyenne Light, Fuel and Power Company D/B/A Black Hills Energy	20003-214-ER-22	Depreciation rates, service lives, net salvage	Wyoming Office of Consumer Advocate
Railroad Commission of Texas	Texas Gas Services Company	OS-22-00009896	Depreciation rates, service lives, net salvage	The City of El Paso
Public Utilities Commission of Nevada	Sierra Pacific Power Company	22-06014	Depreciation rates, service lives, net salvage	Bureau of Consumer Protection
Washington Utilities & Transportation Commission	Puget Sound Energy	UE-220066 UG-220067 UG-210918	Depreciation rates, service lives, net salvage	Washington Office of Attorney General
Public Utility Commission of Texas	Oncor Electric Delivery Company LLC	PUC 53601	Depreciation rates, service lives, net salvage	Alliance of Oncor Cities
Florida Public Service Commission	Florida Public Utilities Company	20220067-GU	Cost of capital, depreciation rates	Florida Office of Public Counsel
Public Utility Commission of Texas	Entergy Texas, Inc.	PUC 53719	Depreciation rates, decommissioning costs	Texas Municipal Group
Florida Public Service Commission	Florida City Gas	2020069-GU	Cost of capital, depreciation rates	Florida Office of Public Counsel
Connecticut Public Utilities Regulatory Authority	Aquarion Water Company of Connecticut	22-07-01	Depreciation rates, service lives, net salvage	PURA Staff
Washington Utilities & Transportation Commission	Avista Corporation	UE-220053 UG-220054 UE-210854	Cost of capital, awarded rate of return, capital structure	Washington Office of Attorney General

Utility Regulatory Proceedings

Regulatory Agency	Utility Applicant	Docket Number	Issues Addressed	Parties Represented
Federal Energy Regulatory Commission	ANR Pipeline Company	RP22-501-000	Depreciation rates, service lives, net salvage	Ascent Resources - Utica, LLC
Pennsylvania Public Utility Commission	Columbia Gas of Pennsylvania, Inc.	R-2022-3031211	Cost of capital, awarded rate of return, capital structure	Pennsylvania Office of Consumer Advocate
Public Service Commission of South Carolina	Piedmont Natural Gas Company	2022-89-G	Depreciation rates, service lives, net salvage	South Carolina Office of Regulatory Staff
Pennsylvania Public Utility Commission	UGI Utilities, Inc. - Gas Division	R-2021-3030218	Cost of capital, awarded rate of return, capital structure	Pennsylvania Office of Consumer Advocate
Public Utilities Commission of the State of California	Pacific Gas & Electric Company	A.21-06-021	Depreciation rates, service lives, net salvage	The Utility Reform Network
Pennsylvania Public Utility Commission	PECO Energy Company - Gas Division	R-2022-3031113	Cost of capital, awarded rate of return, capital structure	Pennsylvania Office of Consumer Advocate
Oklahoma Corporation Commission	Oklahoma Gas & Electric Company	PUD 202100164	Cost of capital, depreciation rates, net salvage	Oklahoma Industrial Energy Consumers
Massachusetts Department of Public Utilities	NSTAR Electric Company D/B/A Eversource Energy	D.P.U. 22-22	Depreciation rates, service lives, net salvage	Massachusetts Office of the Attorney General, Office of Ratepayer Advocacy
Michigan Public Service Company	DTE Electric Company	U-20836	Cost of capital, awarded rate of return, capital structure	Michigan Environmental Council and Citizens Utility Board of Michigan
New York State Public Service Commission	Consolidated Edison Company of New York, Inc.	22-E-0064 22-G-0065	Depreciation rates, service lives, net salvage, depreciation reserve	The City of New York
Pennsylvania Public Utility Commission	Aqua Pennsylvania Wastewater / East Whiteland Township	A-2021-3026132	Fair market value estimates for wastewater assets	Pennsylvania Office of Consumer Advocate
Public Service Commission of South Carolina	Kiawah Island Utility, Inc.	2021-324-WS	Cost of capital, awarded rate of return, capital structure	South Carolina Office of Regulatory Staff
Pennsylvania Public Utility Commission	Aqua Pennsylvania Wastewater / Willistown Township	A-2021-3027268	Fair market value estimates for wastewater assets	Pennsylvania Office of Consumer Advocate
Indiana Utility Regulatory Commission	Northern Indiana Public Service Company	45621	Depreciation rates, service lives, net salvage	Indiana Office of Utility Consumer Counselor

Utility Regulatory Proceedings

Regulatory Agency	Utility Applicant	Docket Number	Issues Addressed	Parties Represented
Arkansas Public Service Commission	Southwestern Electric Power Company	21-070-U	Cost of capital, depreciation rates, net salvage	Western Arkansas Large Energy Consumers
Federal Energy Regulatory Commission	Southern Star Central Gas Pipeline	RP21-778-002	Depreciation rates, service lives, net salvage	Consumer-Owned Shippers
Railroad Commission of Texas	Participating Texas gas utilities in consolidated proceeding	OS-21-00007061	Securitization of extraordinary gas costs arising from winter storms	The City of El Paso
Public Service Commission of South Carolina	Palmetto Wastewater Reclamation, Inc.	2021-153-S	Cost of capital, awarded rate of return, capital structure, ring-fencing	South Carolina Office of Regulatory Staff
Public Utilties Commission of the State of Colorado	Public Service Company of Colorado	21AL-0317E	Cost of capital, depreciation rates, net salvage	Colorado Energy Consumers
Pennsylvania Public Utility Commission	City of Lancaster - Water Department	R-2021-3026682	Cost of capital, awarded rate of return, capital structure	Pennsylvania Office of Consumer Advocate
Public Utility Commission of Texas	Southwestern Public Service Company	PUC 51802	Depreciation rates, service lives, net salvage	The Alliance of Xcel Municipalities
Pennsylvania Public Utility Commission	The Borough of Hanover - Hanover Municipal Waterworks	R-2021-3026116	Cost of capital, awarded rate of return, capital structure	Pennsylvania Office of Consumer Advocate
Maryland Public Service Commission	Delmarva Power & Light Company	9670	Cost of capital and authorized rate of return	Maryland Office of People's Counsel
Oklahoma Corporation Commission	Oklahoma Natural Gas Company	PUD 202100063	Cost of capital, awarded rate of return, capital structure	Oklahoma Industrial Energy Consumers
Indiana Utility Regulatory Commission	Indiana Michigan Power Company	45576	Depreciation rates, service lives, net salvage	Indiana Office of Utility Consumer Counselor
Public Utility Commission of Texas	El Paso Electric Company	PUC 52195	Depreciation rates, service lives, net salvage	The City of El Paso
Pennsylvania Public Utility Commission	Aqua Pennsylvania	R-2021-3027385	Cost of capital, awarded rate of return, capital structure	Pennsylvania Office of Consumer Advocate
Public Service Commission of the State of Montana	NorthWestern Energy	D2021.02.022	Cost of capital, awarded rate of return, capital structure	Montana Consumer Counsel

Utility Regulatory Proceedings

Regulatory Agency	Utility Applicant	Docket Number	Issues Addressed	Parties Represented
Pennsylvania Public Utility Commission	PECO Energy Company	R-2021-3024601	Cost of capital, awarded rate of return, capital structure	Pennsylvania Office of Consumer Advocate
New Mexico Public Regulation Commission	Southwestern Public Service Company	20-00238-UT	Cost of capital and authorized rate of return	The New Mexico Large Customer Group; Occidental Permian
Oklahoma Corporation Commission	Public Service Company of Oklahoma	PUD 202100055	Cost of capital, depreciation rates, net salvage	Oklahoma Industrial Energy Consumers
Pennsylvania Public Utility Commission	Duquesne Light Company	R-2021-3024750	Cost of capital, awarded rate of return, capital structure	Pennsylvania Office of Consumer Advocate
Maryland Public Service Commission	Columbia Gas of Maryland	9664	Cost of capital and authorized rate of return	Maryland Office of People's Counsel
Indiana Utility Regulatory Commission	Southern Indiana Gas Company, d/b/a Vectren Energy Delivery of Indiana, Inc.	45447	Depreciation rates, service lives, net salvage	Indiana Office of Utility Consumer Counselor
Public Utility Commission of Texas	Southwestern Electric Power Company	PUC 51415	Depreciation rates, service lives, net salvage	Cities Advocating Reasonable Deregulation
New Mexico Public Regulatory Commission	Avangrid, Inc., Avangrid Networks, Inc., NM Green Holdings, Inc., PNM, and PNM Resources	20-00222-UT	Ring fencing and capital structure	The Albuquerque Bernalillo County Water Utility Authority
Indiana Utility Regulatory Commission	Indiana Gas Company, d/b/a Vectren Energy Delivery of Indiana, Inc.	45468	Depreciation rates, service lives, net salvage	Indiana Office of Utility Consumer Counselor
Public Utilities Commission of Nevada	Nevada Power Company and Sierra Pacific Power Company, d/b/a NV Energy	20-07023	Construction work in progress	MGM Resorts International, Caesars Enterprise Services, LLC, and the Southern Nevada Water Authority
Massachusetts Department of Public Utilities	Boston Gas Company, d/b/a National Grid	D.P.U. 20-120	Depreciation rates, service lives, net salvage	Massachusetts Office of the Attorney General, Office of Ratepayer Advocacy
Public Service Commission of the State of Montana	ABACO Energy Services, LLC	D2020.07.082	Cost of capital and authorized rate of return	Montana Consumer Counsel
Maryland Public Service Commission	Washington Gas Light Company	9651	Cost of capital and authorized rate of return	Maryland Office of People's Counsel
Florida Public Service Commission	Utilities, Inc. of Florida	20200139-WS	Cost of capital and authorized rate of return	Florida Office of Public Counsel

Utility Regulatory Proceedings

Regulatory Agency	Utility Applicant	Docket Number	Issues Addressed	Parties Represented
New Mexico Public Regulatory Commission	El Paso Electric Company	20-00104-UT	Cost of capital, depreciation rates, net salvage	City of Las Cruces and Doña Ana County
Public Utilities Commission of Nevada	Nevada Power Company	20-06003	Cost of capital, awarded rate of return, capital structure, earnings sharing	MGM Resorts International, Caesars Enterprise Services, LLC, Wynn Las Vegas, LLC, Smart Energy Alliance, and Circus Circus Las Vegas, LLC
Wyoming Public Service Commission	Rocky Mountain Power	20000-578-ER-20	Cost of capital and authorized rate of return	Wyoming Industrial Energy Consumers
Florida Public Service Commission	Peoples Gas System	20200051-GU 20200166-GU	Cost of capital, depreciation rates, net salvage	Florida Office of Public Counsel
Wyoming Public Service Commission	Rocky Mountain Power	20000-539-EA-18	Depreciation rates, service lives, net salvage	Wyoming Industrial Energy Consumers
Public Service Commission of South Carolina	Dominion Energy South Carolina	2020-125-E	Depreciation rates, service lives, net salvage	South Carolina Office of Regulatory Staff
Pennsylvania Public Utility Commission	The City of Bethlehem	2020-3020256	Cost of capital, awarded rate of return, capital structure	Pennsylvania Office of Consumer Advocate
Railroad Commission of Texas	Texas Gas Services Company	GUD 10928	Depreciation rates, service lives, net salvage	Gulf Coast Service Area Steering Committee
Public Utilities Commission of the State of California	Southern California Edison	A.19-08-013	Depreciation rates, service lives, net salvage	The Utility Reform Network
Massachusetts Department of Public Utilities	NSTAR Gas Company	D.P.U. 19-120	Depreciation rates, service lives, net salvage	Massachusetts Office of the Attorney General, Office of Ratepayer Advocacy
Georgia Public Service Commission	Liberty Utilities (Peach State Natural Gas)	42959	Depreciation rates, service lives, net salvage	Public Interest Advocacy Staff
Florida Public Service Commission	Florida Public Utilities Company	20190155-EI 20190156-EI 20190174-EI	Depreciation rates, service lives, net salvage	Florida Office of Public Counsel
Illinois Commerce Commission	Commonwealth Edison Company	20-0393	Depreciation rates, service lives, net salvage	The Office of the Illinois Attorney General
Public Utility Commission of Texas	Southwestern Public Service Company	PUC 49831	Depreciation rates, service lives, net salvage	Alliance of Xcel Municipalities

Utility Regulatory Proceedings

Regulatory Agency	Utility Applicant	Docket Number	Issues Addressed	Parties Represented
Public Service Commission of South Carolina	Blue Granite Water Company	2019-290-WS	Depreciation rates, service lives, net salvage	South Carolina Office of Regulatory Staff
Railroad Commission of Texas	CenterPoint Energy Resources	GUD 10920	Depreciation rates and grouping procedure	Alliance of CenterPoint Municipalities
Pennsylvania Public Utility Commission	Aqua Pennsylvania Wastewater / East Norriton Township	A-2019-3009052	Fair market value estimates for wastewater assets	Pennsylvania Office of Consumer Advocate
New Mexico Public Regulation Commission	Southwestern Public Service Company	19-00170-UT	Cost of capital and authorized rate of return	The New Mexico Large Customer Group; Occidental Permian
Indiana Utility Regulatory Commission	Duke Energy Indiana	45253	Cost of capital, depreciation rates, net salvage	Indiana Office of Utility Consumer Counselor
Maryland Public Service Commission	Columbia Gas of Maryland	9609	Depreciation rates, service lives, net salvage	Maryland Office of People's Counsel
Washington Utilities & Transportation Commission	Avista Corporation	UE-190334	Cost of capital, awarded rate of return, capital structure	Washington Office of Attorney General
Indiana Utility Regulatory Commission	Indiana Michigan Power Company	45235	Cost of capital, depreciation rates, net salvage	Indiana Office of Utility Consumer Counselor
Public Utilities Commission of the State of California	Pacific Gas & Electric Company	18-12-009	Depreciation rates, service lives, net salvage	The Utility Reform Network
Oklahoma Corporation Commission	The Empire District Electric Company	PUD 201800133	Cost of capital, authorized ROE, depreciation rates	Oklahoma Industrial Energy Consumers and Oklahoma Energy Results
Arkansas Public Service Commission	Southwestern Electric Power Company	19-008-U	Cost of capital, depreciation rates, net salvage	Western Arkansas Large Energy Consumers
Public Utility Commission of Texas	CenterPoint Energy Houston Electric	PUC 49421	Depreciation rates, service lives, net salvage	Texas Coast Utilities Coalition
Massachusetts Department of Public Utilities	Massachusetts Electric Company and Nantucket Electric Company	D.P.U. 18-150	Depreciation rates, service lives, net salvage	Massachusetts Office of the Attorney General, Office of Ratepayer Advocacy
Oklahoma Corporation Commission	Oklahoma Gas & Electric Company	PUD 201800140	Cost of capital, authorized ROE, depreciation rates	Oklahoma Industrial Energy Consumers and Oklahoma Energy Results

Utility Regulatory Proceedings

Regulatory Agency	Utility Applicant	Docket Number	Issues Addressed	Parties Represented
Public Service Commission of the State of Montana	Montana-Dakota Utilities Company	D2018.9.60	Depreciation rates, service lives, net salvage	Montana Consumer Counsel and Denbury Onshore
Indiana Utility Regulatory Commission	Northern Indiana Public Service Company	45159	Depreciation rates, grouping procedure, demolition costs	Indiana Office of Utility Consumer Counselor
Public Service Commission of the State of Montana	NorthWestern Energy	D2018.2.12	Depreciation rates, service lives, net salvage	Montana Consumer Counsel
Oklahoma Corporation Commission	Public Service Company of Oklahoma	PUD 201800097	Depreciation rates, service lives, net salvage	Oklahoma Industrial Energy Consumers and Wal-Mart
Nevada Public Utilities Commission	Southwest Gas Corporation	18-05031	Depreciation rates, service lives, net salvage	Nevada Bureau of Consumer Protection
Public Utility Commission of Texas	Texas-New Mexico Power Company	PUC 48401	Depreciation rates, service lives, net salvage	Alliance of Texas-New Mexico Power Municipalities
Oklahoma Corporation Commission	Oklahoma Gas & Electric Company	PUD 201700496	Depreciation rates, service lives, net salvage	Oklahoma Industrial Energy Consumers and Oklahoma Energy Results
Maryland Public Service Commission	Washington Gas Light Company	9481	Depreciation rates, service lives, net salvage	Maryland Office of People's Counsel
Indiana Utility Regulatory Commission	Citizens Energy Group	45039	Depreciation rates, service lives, net salvage	Indiana Office of Utility Consumer Counselor
Public Utility Commission of Texas	Entergy Texas, Inc.	PUC 48371	Depreciation rates, decommissioning costs	Texas Municipal Group
Washington Utilities & Transportation Commission	Avista Corporation	UE-180167	Depreciation rates, service lives, net salvage	Washington Office of Attorney General
New Mexico Public Regulation Commission	Southwestern Public Service Company	17-00255-UT	Cost of capital and authorized rate of return	HollyFrontier Navajo Refining; Occidental Permian
Public Utility Commission of Texas	Southwestern Public Service Company	PUC 47527	Depreciation rates, plant service lives	Alliance of Xcel Municipalities
Public Service Commission of the State of Montana	Montana-Dakota Utilities Company	D2017.9.79	Depreciation rates, service lives, net salvage	Montana Consumer Counsel

Utility Regulatory Proceedings

Regulatory Agency	Utility Applicant	Docket Number	Issues Addressed	Parties Represented
Florida Public Service Commission	Florida City Gas	20170179-GU	Cost of capital, depreciation rates	Florida Office of Public Counsel
Washington Utilities & Transportation Commission	Avista Corporation	UE-170485	Cost of capital and authorized rate of return	Washington Office of Attorney General
Wyoming Public Service Commission	Powder River Energy Corporation	10014-182-CA-17	Credit analysis, cost of capital	Private customer
Oklahoma Corporation Commission	Public Service Co. of Oklahoma	PUD 201700151	Depreciation, terminal salvage, risk analysis	Oklahoma Industrial Energy Consumers
Public Utility Commission of Texas	Oncor Electric Delivery Company	PUC 46957	Depreciation rates, simulated analysis	Alliance of Oncor Cities
Nevada Public Utilities Commission	Nevada Power Company	17-06004	Depreciation rates, service lives, net salvage	Nevada Bureau of Consumer Protection
Public Utility Commission of Texas	El Paso Electric Company	PUC 46831	Depreciation rates, interim retirements	City of El Paso
Idaho Public Utilities Commission	Idaho Power Company	IPC-E-16-24	Accelerated depreciation of North Valmy plant	Micron Technology, Inc.
Idaho Public Utilities Commission	Idaho Power Company	IPC-E-16-23	Depreciation rates, service lives, net salvage	Micron Technology, Inc.
Public Utility Commission of Texas	Southwestern Electric Power Company	PUC 46449	Depreciation rates, decommissioning costs	Cities Advocating Reasonable Deregulation
Massachusetts Department of Public Utilities	Eversource Energy	D.P.U. 17-05	Cost of capital, capital structure, and rate of return	Sunrun Inc.; Energy Freedom Coalition of America
Railroad Commission of Texas	Atmos Pipeline - Texas	GUD 10580	Depreciation rates, grouping procedure	City of Dallas
Public Utility Commission of Texas	Sharyland Utility Company	PUC 45414	Depreciation rates, simulated analysis	City of Mission
Oklahoma Corporation Commission	Empire District Electric Company	PUD 201600468	Cost of capital, depreciation rates	Oklahoma Industrial Energy Consumers

Utility Regulatory Proceedings

Regulatory Agency	Utility Applicant	Docket Number	Issues Addressed	Parties Represented
Railroad Commission of Texas	CenterPoint Energy Texas Gas	GUD 10567	Depreciation rates, simulated plant analysis	Texas Coast Utilities Coalition
Arkansas Public Service Commission	Oklahoma Gas & Electric Company	160-159-GU	Cost of capital, depreciation rates, terminal salvage	Arkansas River Valley Energy Consumers; Wal-Mart
Florida Public Service Commission	Peoples Gas	160-159-GU	Depreciation rates, service lives, net salvage	Florida Office of Public Counsel
Arizona Corporation Commission	Arizona Public Service Company	E-01345A-16-0036	Cost of capital, depreciation rates, terminal salvage	Energy Freedom Coalition of America
Nevada Public Utilities Commission	Sierra Pacific Power Company	16-06008	Depreciation rates, net salvage, theoretical reserve	Northern Nevada Utility Customers
Oklahoma Corporation Commission	Oklahoma Gas & Electric Co.	PUD 201500273	Cost of capital, depreciation rates, terminal salvage	Public Utility Division
Oklahoma Corporation Commission	Public Service Co. of Oklahoma	PUD 201500208	Cost of capital, depreciation rates, terminal salvage	Public Utility Division
Oklahoma Corporation Commission	Oklahoma Natural Gas Company	PUD 201500213	Cost of capital, depreciation rates, net salvage	Public Utility Division

Weighted Average Rate of Return Proposal

Capital Component	Proposed Ratio	Cost Rate	Weighted Cost
Long-Term Debt	46.0%	5.54%	2.55%
Short-Term Debt	4.8%	4.85%	0.23%
Common Equity	49.2%	9.00%	4.43%
Total	100.0%		7.21%

Proxy Group Summary

Company	Ticker	Market Cap. ($ millions)	Market Category	Value Line Safety Rank	Financial Strength
Atmos Energy Corporation	ATO	17,000	Large Cap	1	A+
New Jersey Resources Corporation	NJR	4,800	Mid Cap	2	A+
NiSource Inc.	NI	11,600	Large Cap	3	B+
Northwest Natural Holding Company	NWN	1,600	Small Cap	3	A
ONE Gas, Inc.	OGS	4,500	Mid Cap	2	B++
Spire Inc.	SR	3,600	Mid Cap	2	B++

Value Line Investment Survey

DCF Stock and Index Prices

Ticker	^GSPC	ATO	NJR	NI	NWN	OGS	SR
30-day Average	4135	115.29	51.07	28.03	46.11	79.47	68.34
Standard Deviation	34.3	1.89	1.67	0.49	1.17	1.34	1.11
04/14/23	4138	112.32	53.34	27.60	46.56	78.98	68.01
04/17/23	4151	113.37	53.89	28.05	47.03	79.99	69.66
04/18/23	4155	112.88	53.42	27.94	46.55	78.76	69.02
04/19/23	4155	114.01	53.71	28.30	47.13	80.02	69.95
04/20/23	4130	115.03	53.53	28.34	47.12	79.94	69.78
04/21/23	4134	114.64	53.32	28.39	47.23	80.06	69.91
04/24/23	4137	115.48	53.18	28.28	47.20	79.98	69.63
04/25/23	4072	115.53	52.45	28.40	47.30	79.41	69.83
04/26/23	4056	113.12	51.16	28.04	46.42	76.48	67.65
04/27/23	4135	114.21	51.58	28.55	47.27	77.57	68.74
04/28/23	4169	113.41	51.64	28.46	46.96	76.33	67.73
05/01/23	4168	113.82	51.67	28.51	46.85	76.67	67.64
05/02/23	4120	111.58	51.32	27.91	45.97	77.68	66.64
05/03/23	4091	112.19	52.05	28.12	46.14	79.11	67.70
05/04/23	4061	117.21	51.15	28.37	48.33	79.01	68.39
05/05/23	4136	116.81	50.88	28.54	47.05	80.09	69.56
05/08/23	4138	117.11	50.21	28.45	46.76	79.81	68.32
05/09/23	4119	117.74	50.09	28.45	46.30	80.26	68.44
05/10/23	4138	118.55	50.39	28.89	46.48	80.94	69.32
05/11/23	4131	117.35	49.84	28.16	45.96	80.51	68.61
05/12/23	4124	118.39	50.30	28.49	45.67	81.10	69.09
05/15/23	4136	116.84	49.72	28.04	45.00	79.92	68.03
05/16/23	4110	115.25	49.20	27.54	44.08	79.00	67.24
05/17/23	4159	116.04	49.40	27.43	44.90	79.90	68.05
05/18/23	4198	115.37	48.97	27.36	44.50	79.72	67.79
05/19/23	4192	116.56	49.33	27.36	44.67	80.30	68.00
05/22/23	4193	116.37	49.45	27.39	44.70	80.73	67.89
05/23/23	4146	116.40	49.46	27.36	45.04	81.64	68.03
05/24/23	4115	116.41	48.69	27.25	44.23	80.62	66.04
05/25/23	4151	114.84	48.87	27.01	43.80	79.65	65.65

All prices are adjusted closing prices reported by Yahoo! Finance, http://finance.yahoo.com

DCF Dividend Yields

Company	Ticker	[1] Annualized Dividend	[2] Stock Price	[3] Dividend Yield
Atmos Energy Corporation	ATO	2.96	115.29	2.57%
New Jersey Resources Corporation	NJR	1.56	51.07	3.05%
NiSource Inc.	NI	1.00	28.03	3.57%
Northwest Natural Holding Company	NWN	1.94	46.11	4.21%
ONE Gas, Inc.	OGS	2.60	79.47	3.27%
Spire Inc.	SR	2.88	68.34	4.21%
Average		**$2.16**	**$64.72**	**3.48%**

[1] Yahoo Finance
[2] Average stock price from Exhibit DJG-4
[3] = [1] / [2]

DCF Terminal Growth Rate Determinants

Terminal Growth Determinants	Rate
Nominal GDP	3.9%
Real GDP	1.7%
Long-Term Growth Ceiling	**3.9%**

CBO, The 2022 Long-Term Budget Outlook, p. 40

DCF Final Result

Company	Ticker	[1] Dividend Yield	[2] Analyst Growth	[3] Sustainable Growth	[4] DCF Result (Analyst Growth)	[5] DCF Result (Sustainable Growth)
Atmos Energy Corporation	ATO	2.6%	7.5%	3.9%	10.3%	6.6%
New Jersey Resources Corporation	NJR	3.1%	5.0%	3.9%	8.2%	7.1%
NiSource Inc.	NI	3.6%	4.5%	3.9%	8.2%	7.6%
Northwest Natural Holding Company	NWN	4.2%	0.5%	3.9%	4.7%	8.3%
ONE Gas, Inc.	OGS	3.3%	5.5%	3.9%	9.0%	7.3%
Spire Inc.	SR	4.2%	5.0%	3.9%	9.4%	8.3%
Average		**3.5%**	**4.7%**	**3.9%**	**8.3%**	**7.5%**

[1] Dividend Yield from Exhibit DJG-5
[2] Forecasted dividend growth rates - Value Line
[3] Sustainable growth rate from Exhibit DJG-6
[4] Annual Compounding DCF = D_0 (1 + g) / P_0 + g (using analyst short-term growth rates)
[5] Annual Compounding DCF = D_0 (1 + g) / P_0 + g (using sustainable growth rate)

CAPM Risk-Free Rate

Date	Rate
04/14/23	3.74%
04/17/23	3.81%
04/18/23	3.79%
04/19/23	3.79%
04/20/23	3.75%
04/21/23	3.78%
04/24/23	3.73%
04/25/23	3.65%
04/26/23	3.70%
04/27/23	3.76%
04/28/23	3.67%
05/01/23	3.84%
05/02/23	3.72%
05/03/23	3.70%
05/04/23	3.73%
05/05/23	3.76%
05/08/23	3.84%
05/09/23	3.85%
05/10/23	3.80%
05/11/23	3.73%
05/12/23	3.78%
05/15/23	3.84%
05/16/23	3.87%
05/17/23	3.88%
05/18/23	3.91%
05/19/23	3.95%
05/22/23	3.97%
05/23/23	3.96%
05/24/23	3.97%
05/25/23	4.01%
Average	**3.81%**

*Daily Treasury Yield Curve Rates on 30-year T-bonds, http://www.treasury.gov/resources-center/data-chart-center/interest-rates/

CAPM Beta Coefficient

Company	Ticker	Beta
Atmos Energy Corporation	ATO	0.85
New Jersey Resources Corporation	NJR	0.95
NiSource Inc.	NI	0.85
Northwest Natural Holding Company	NWN	0.80
ONE Gas, Inc.	OGS	0.80
Spire Inc.	SR	0.80
Average		0.84

Betas from Value Line Investment Survey

CAPM Implied
Equity Risk Premium Estimate

	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]
Year	Market Value	Operating Earnings	Dividends	Buybacks	Earnings Yield	Dividend Yield	Buyback Yield	Gross Cash Yield
2012	12,742	870	281	399	6.83%	2.20%	3.13%	5.33%
2013	16,495	956	312	476	5.80%	1.89%	2.88%	4.77%
2014	18,245	1,004	350	553	5.50%	1.92%	3.03%	4.95%
2015	17,900	885	382	572	4.95%	2.14%	3.20%	5.33%
2016	19,268	920	397	536	4.77%	2.06%	2.78%	4.85%
2017	22,821	1,066	420	519	4.67%	1.84%	2.28%	4.12%
2018	21,027	1,282	456	806	6.10%	2.17%	3.84%	6.01%
2019	26,760	1,305	485	729	4.88%	1.81%	2.72%	4.54%
2020	31,659	1,019	480	520	3.22%	1.52%	1.64%	3.16%
2021	40,356	1,739	511	882	4.31%	1.27%	2.18%	3.45%
2022	32,133	1,656	565	923	5.15%	1.76%	2.87%	4.63%

Cash Yield	4.65%	[9]
Growth Rate	6.64%	[10]
Risk-free Rate	3.81%	[11]
Current Index Value	4,135	[12]

	[13]	[14]	[15]	[16]	[17]
Year	1	2	3	4	5
Expected Dividends	205	219	233	249	265
Expected Terminal Value					5047
Present Value	188	183	179	174	3411
Intrinsic Index Value	4135	[18]			
Required Return on Market	9.3%	[19]			
Implied Equity Risk Premium	**5.5%**	[20]			

[1-4] S&P Quarterly Press Releases, data found at https://us.spindices.com/indices/equity/sp-500 (additional info tab) (all dollar figures are in $ billions)
[1] Market value of S&P 500
[5] = [2] / [1]
[6] = [3] / [1]
[7] = [4] / [1]
[8] = [6] + [7]
[9] = Average of [8]
[10] = Compund annual growth rate of [2] = (end value / beginning value)^ $^{1/10}$-1
[11] Risk-free rate from DJG risk-free rate exhibit
[12] 30-day average of closing index prices from DJG stock price exhibit
[13-16] Expected dividends = [9]*[12]*(1+[10]) ^{n} ; Present value = expected dividend / (1+[11]+[19]) ^{n}
[17] Expected terminal value = expected dividend * (1+[11]) / [19] ; Present value = (expected dividend + expected terminal value) / (1+[11]+[19]) ^{n}
[18] = Sum([13-17]) present values.
[19] = [20] + [11]
[20] Internal rate of return calculation setting [18] equal to [12] and solving for the discount rate

CAPM Equity Risk Premium Results

IESE Business School Survey	5.7%	[1]
Kroll (Duff & Phelps) Report	6.0%	[2]
Damodaran (average)	5.1%	[3]
Garrett	5.5%	[4]
Average	**5.6%**	

CAPM Results

Company	Ticker	[1] Beta	[2] CAPM Result
Atmos Energy Corporation	ATO	0.85	8.5%
New Jersey Resources Corporation	NJR	0.95	9.1%
NiSource Inc.	NI	0.85	8.5%
Northwest Natural Holding Company	NWN	0.80	8.3%
ONE Gas, Inc.	OGS	0.80	8.3%
Spire Inc.	SR	0.80	8.3%
Average			**8.5%**

Risk-free Rate	[3]	3.8%
Equity Risk Premium	[4]	5.6%

[1] From Exhibit DJG-9
[2] = [3] + [1] * [4]
[3] From Exhibit DJG-8
[4] From Exhibit DJG-11

Cost of Equity Summary

Model	Cost of Equity
CAPM (at Proxy Debt Ratio)	8.5%
Hamada CAPM (at Company-Proposed Debt Ratio)	8.1%
DCF Model (Analyst Growth)	8.3%
DCF Model (Sustainable Growth)	7.5%
Average	**8.1%**
Range	**7.5% - 8.5%**

Market Cost of Equity vs. Awarded Returns

	[1]		[2]		[3]		[4]	[5]	[6]	[7]
	Electric Utilities		Gas Utilities		Total Utilities		S&P 500	T-Bond	Risk	Market
Year	ROE	#	ROE	#	ROE	#	Returns	Rate	Premium	COE
1990	12.70%	38	12.68%	33	12.69%	71	-3.06%	8.07%	3.89%	11.96%
1991	12.54%	42	12.45%	31	12.50%	73	30.23%	6.70%	3.48%	10.18%
1992	12.09%	45	12.02%	28	12.06%	73	7.49%	6.68%	3.55%	10.23%
1993	11.46%	28	11.37%	40	11.41%	68	9.97%	5.79%	3.17%	8.96%
1994	11.21%	28	11.24%	24	11.22%	52	1.33%	7.82%	3.55%	11.37%
1995	11.58%	28	11.44%	13	11.54%	41	37.20%	5.57%	3.29%	8.86%
1996	11.40%	18	11.12%	17	11.26%	35	22.68%	6.41%	3.20%	9.61%
1997	11.33%	10	11.30%	12	11.31%	22	33.10%	5.74%	2.73%	8.47%
1998	11.77%	10	11.51%	10	11.64%	20	28.34%	4.65%	2.26%	6.91%
1999	10.72%	6	10.74%	6	10.73%	12	20.89%	6.44%	2.05%	8.49%
2000	11.58%	9	11.34%	13	11.44%	22	-9.03%	5.11%	2.87%	7.98%
2001	11.07%	15	10.96%	5	11.04%	20	-11.85%	5.05%	3.62%	8.67%
2002	11.21%	14	11.17%	19	11.19%	33	-21.97%	3.81%	4.10%	7.91%
2003	10.96%	20	10.99%	25	10.98%	45	28.36%	4.25%	3.69%	7.94%
2004	10.81%	21	10.63%	22	10.72%	43	10.74%	4.22%	3.65%	7.87%
2005	10.51%	24	10.41%	26	10.46%	50	4.83%	4.39%	4.08%	8.47%
2006	10.32%	26	10.40%	15	10.35%	41	15.61%	4.70%	4.16%	8.86%
2007	10.30%	38	10.22%	35	10.26%	73	5.48%	4.02%	4.37%	8.39%
2008	10.41%	37	10.39%	32	10.40%	69	-36.55%	2.21%	6.43%	8.64%
2009	10.52%	40	10.22%	30	10.39%	70	25.94%	3.84%	4.36%	8.20%
2010	10.37%	61	10.15%	39	10.28%	100	14.82%	3.29%	5.20%	8.49%
2011	10.29%	42	9.92%	16	10.19%	58	2.10%	1.88%	6.01%	7.89%
2012	10.17%	58	9.94%	35	10.08%	93	15.89%	1.76%	5.78%	7.54%
2013	10.03%	49	9.68%	21	9.93%	70	32.15%	3.04%	4.96%	8.00%
2014	9.91%	38	9.78%	26	9.86%	64	13.52%	2.17%	5.78%	7.95%
2015	9.85%	30	9.60%	16	9.76%	46	1.38%	2.27%	6.12%	8.39%
2016	9.77%	42	9.54%	26	9.68%	68	11.77%	2.45%	5.69%	8.14%
2017	9.74%	53	9.72%	24	9.73%	77	21.61%	2.41%	5.08%	7.49%
2018	9.64%	37	9.62%	26	9.63%	63	-4.23%	2.68%	5.96%	8.64%
2019	9.66%	67	9.71%	32	9.68%	99	31.22%	1.92%	5.20%	7.12%
2020	9.44%	43	9.46%	34	9.45%	77	18.01%	0.93%	4.72%	5.65%
2021	9.40%	55	9.52%	29	9.44%	84	18.01%	1.51%	4.24%	5.75%
2022	9.47%	59	9.53%		9.47%	59	-18.01%	3.88%	5.94%	9.82%

[1], [2], [3] Average annual authorized ROE for electric and gas utilities, RRA Regulatory Focus: Major Rate Case Decisions; EEI Rate Review

[3] = [1] + [2]

[4], [5], [6] Annual S&P 500 return, 10-year T-bond Rate, and equity risk premium published by NYU Stern School of Business

[7] = [5] + [6] ; Market cost of equity represents the required return for investing in all stocks in the market for a given year

Proxy Company Debt Ratios

Company	Ticker	Debt Ratio
Atmos Energy Corporation	ATO	38%
New Jersey Resources Corporation	NJR	58%
NiSource Inc.	NI	56%
Northwest Natural Holding Company	NWN	52%
ONE Gas, Inc.	OGS	51%
Spire Inc.	SR	51%
Average		51%

Debt ratios from Value Line Investment Survey, Year-end 2022

Competitive Industry Debt Ratios

Industry	# Firms	Debt Ratio
Air Transport	21	84%
Hotel/Gaming	69	82%
Hospitals/Healthcare Facilities	34	82%
Retail (Automotive)	30	78%
Brokerage & Investment Banking	30	76%
Computers/Peripherals	42	71%
Bank (Money Center)	7	68%
Cable TV	10	68%
Food Wholesalers	14	67%
Advertising	58	67%
Oil/Gas Distribution	23	66%
Rubber& Tires	3	65%
Transportation (Railroads)	4	65%
Real Estate (Operations & Services)	60	64%
Retail (Grocery and Food)	13	64%
Retail (Special Lines)	78	64%
Recreation	57	62%
Insurance (Life)	27	61%
Trucking	35	61%
Packaging & Container	25	61%
Power	48	60%
Telecom. Services	49	60%
Telecom (Wireless)	16	60%
R.E.I.T.	223	60%
Auto & Truck	31	59%
Utility (General)	15	59%
Household Products	127	58%
Office Equipment & Services	16	58%
Environmental & Waste Services	62	57%
Utility (Water)	16	57%
Retail (Distributors)	69	57%
Transportation	18	57%
Green & Renewable Energy	19	57%
Computer Services	80	56%
Broadcasting	26	56%
Retail (Online)	63	56%
Apparel	39	56%
Aerospace/Defense	77	56%
Paper/Forest Products	7	55%
Beverage (Soft)	31	55%
Farming/Agriculture	39	54%
Reinsurance	1	53%
Chemical (Diversified)	4	52%
Construction Supplies	49	52%
Retail (General)	15	52%
Business & Consumer Services	164	52%
Real Estate (Development)	18	51%
Furn/Home Furnishings	32	51%
Total / Average	**1,994**	**61%**

http://pages.stern.nyu.edu/~adamodar/New_Home_Page/datafile/dbtfund.htm

Hamada Model

Unlevering Beta

Proxy Debt Ratio	51%	[1]
Proxy Equity Ratio	49%	[2]
Proxy Debt / Equity Ratio	1.0	[3]
Tax Rate	25%	[4]
Equity Risk Premium	5.6%	[5]
Risk-free Rate	3.8%	[6]
Proxy Group Beta	0.84	[7]
Unlevered Beta	0.47	[8]

Relevered Betas and Cost of Equity Estimates

[9] Debt Ratio	[10] D/E Ratio	[11] Levered Beta	[12] Cost of Equity
0%	0.0	0.47	6.4%
20%	0.3	0.56	6.9%
30%	0.4	0.63	7.3%
40%	0.7	0.71	7.8%
45%	0.8	0.77	8.1%
51%	1.0	0.84	8.5%
60%	1.5	1.01	9.4%

[1] Company proposed debt ratio

[2] Company proposed equity ratio

[3] = [1] / [2]

[4] Company assumed tax rate

[5] Equity risk premium from Exhibit DJG-12

[6] Risk-free rate from Exhibit DJG-12

[7] Average proxy beta from Exhibit DJG-12

[8] = [7] / (1 + (1 - [4]) * [3])

[9] Various debt ratios (proposed ratios highlighted)

[10] = [9] / (1 - [9])

[11] = [8] * (1 + (1 - [4]) * [10])

[12] = [6] + [11] * [5]

Summary Accrual Adjustment

2024 Depreciation Study Adjustment

Plant Function	Plant Balance 12/31/2024	Company Proposal Rate	Company Proposal Accrual	OPC Proposal Rate	OPC Proposal Proposal	OPC Adjustment Rate	OPC Adjustment Adjustment
Intangible	$ 125,645,014	6.60%	$ 8,287,773	6.60%	$ 8,287,773	0.00%	$ -
Distribution	3,184,550,513	2.50%	79,497,074	2.26%	71,968,327	-0.24%	(7,528,747)
General	80,620,735	6.85%	5,520,935	6.85%	5,520,935	0.00%	-
RNG/LNG	17,613,002	3.44%	605,050	3.44%	605,050	0.00%	-
Total Plant Studied	$ 3,408,429,265	2.76%	$ 93,910,832	2.53%	$ 86,382,085	-0.22%	**$ (7,528,747)**

2023 Depreciation Study Proposal

Plant Function	Plant Balance 12/31/2023	OPC Proposal Rate	OPC Proposal Accrual
Intangible	$ 111,341,969	6.39%	$ 7,119,431
Distribution	2,952,112,246	2.23%	65,901,840
General	67,134,160	6.35%	4,261,768
RNG/LNG	17,595,026	3.45%	606,895
Total Plant Studied	$ 3,148,183,401	2.47%	$ 77,889,934

Detailed Rate Comparison - 2024 Study

		[1]	[2]		[3]		[4]	
			Company Proposal		OPC Proposal		OPC Adjustment	
Account No.	Description	Plant Balance 12/31/2024	Rate	Annual Accrual	Rate	Annual Accrual	Rate	Annual Accrual
	INTANGIBLE PLANT							
303.00	Misc Intangible Plant	815,325	4.00%	0	4.00%	0	0.00%	0
303.01	Custom Intangible Plant	124,829,689	6.60%	8,287,773	6.60%	8,287,773	0.00%	0
	Total Intangible Plant	125,645,014	6.60%	8,287,773	6.60%	8,287,773	0	0
	DISTRIBUTION PLANT							
374.02	Land Rights	4,268,873	1.30%	56,084	1.30%	56,084	0.00%	0
375.00	Structures & Improvements	42,540,042	2.90%	1,228,744	2.90%	1,228,744	0.00%	0
376.00	Mains Steel	839,424,835	2.40%	20,553,640	2.20%	18,850,169	-0.20%	-1,703,472
376.02	Mains Plastic	1,076,321,266	1.80%	19,418,120	1.60%	17,595,201	-0.20%	-1,822,920
377.00	Compressor Equipment	19,187,298	3.00%	573,290	3.00%	573,290	0.00%	0
378.00	Meas & Reg Station Eqp Gen	22,828,790	3.00%	681,401	3.00%	681,401	0.00%	0
379.00	Meas & Reg Station Eqp City	122,736,793	2.20%	2,759,778	1.90%	2,351,707	-0.30%	-408,071
380.00	Services Steel	68,085,342	4.30%	2,903,414	4.30%	2,903,414	0.00%	0
380.02	Services Plastic	667,590,895	3.10%	20,654,294	2.70%	17,811,449	-0.40%	-2,842,845
381.00	Meters	113,411,738	4.70%	5,375,222	4.70%	5,375,222	0.00%	0
382.00	Meter Installations	119,185,919	2.70%	3,174,052	2.00%	2,422,612	-0.70%	-751,440
383.00	House Regulators	21,662,897	2.10%	445,265	2.10%	445,265	0.00%	0
384.00	House Regulator Installs	38,677,155	2.40%	933,994	2.40%	933,994	0.00%	0
385.00	Meas & Reg Station Eqp Ind	15,196,827	2.20%	336,674	2.20%	336,674	0.00%	0
387.00	Other Equipment	13,431,843	3.00%	403,103	3.00%	403,103	0.00%	0
	Total Distribution Plant	3,184,550,513	2.50%	79,497,074	2.26%	71,968,327	-0.24%	-7,528,747
	GENERAL PLANT							
390.00	Structures & Improvements	663,069	4.10%	26,993	4.10%	26,993	0.00%	0
391.00	Office Furniture	2,192,450	6.30%	138,199	6.30%	138,199	0.00%	0
391.01	Computer Equipment	6,423,957	8.10%	521,827	8.10%	521,827	0.00%	0
391.02	Office Equipment	1,529,674	6.20%	94,182	6.20%	94,182	0.00%	0

Detailed Rate Comparison - 2024 Study

		[1]	[2]		[3]		[4]	
			Company Proposal		OPC Proposal		OPC Adjustment	
Account No.	Description	Plant Balance 12/31/2024	Rate	Annual Accrual	Rate	Annual Accrual	Rate	Annual Accrual
392.01	Vehicles up to 1/2 Tons	23,701,575	10.10%	2,387,454	10.10%	2,387,454	0.00%	0
392.02	Vehicles from 1/2 - 1 Tons	17,803,655	7.10%	1,268,443	7.10%	1,268,443	0.00%	0
392.04	Trailers & Other	4,681,567	2.40%	111,826	2.40%	111,826	0.00%	0
392.05	Vehicles over 1 Ton	2,564,139	5.60%	142,377	5.60%	142,377	0.00%	0
393.00	Stores Equipment	1,283	4.30%	55	4.30%	55	0.00%	0
394.00	Tools, Shop & Garage Equip	9,345,098	4.90%	456,973	4.90%	456,973	0.00%	0
394.01	CNC Station Equipment	3,241,793	5.10%	163,872	5.10%	163,872	0.00%	0
396.00	Power Operated Equipment	4,522,729	3.70%	167,099	3.70%	167,099	0.00%	0
397.00	Communication Equipment	3,026,304	7.70%	0	7.70%	0	0.00%	0
398.00	Miscellaneous Equipment	923,442	4.50%	41,634	4.50%	41,634	0.00%	0
	Total General Plant	80,620,735	6.85%	5,520,935	6.85%	5,520,935	0.00%	0
	RNG/LNG PLANT							
336.00	Renewable Natural Gas (RNG)	16,109,646	3.40%	552,749	3.40%	552,749	0.00%	0
336.01	RNG Plant Leased- 15 Years		6.70%	0	6.70%	0	0.00%	0
364.00	Liquified Natural Gas (LNG)	1,503,356	3.50%	52,301	3.50%	52,301	0.00%	0
	Total RNG/LNG Plant	17,613,002	3.44%	605,050	3.44%	605,050	0	0
	TOTAL PLANT STUDIED	**3,408,429,265**	**2.76%**	**93,910,832**	**2.53%**	**86,382,085**	**-0.22%**	**-7,528,747**

[1], [2] From Company depreciation study
[3] From Exhibit DJG-20
[4] = [3] - [2]

Depreciation Rate Development - 2024 Study
(With Book Reserve)

		[1]	[2]		[3]	[4]	[5]	[6]	[7]	[8]	[9]
Account No.	Description	Plant Balance 12/31/2024	Iowa Curve Type	AL	Net Salvage	Depreciable Base	Book Reserve	Future Accruals	Remaining Life	Total Accrual	Total Rate
	INTANGIBLE PLANT										
303.00	Misc Intangible Plant	815,325	SQ	25	0%	815,325	815,325	0			**4.00%**
303.01	Custom Intangible Plant	124,829,689	SQ	15	0%	124,829,689	37,523,501	87,306,188	10.5	8,287,773	**6.60%**
	Total Intangible Plant	125,645,014			0%	125,645,014	38,338,826	87,306,188	10.5	8,287,773	**6.60%**
	DISTRIBUTION PLANT										
374.02	Land Rights	4,268,873	SQ	75	0%	4,268,873	1,135,966	3,132,907	55.9	56,084	**1.30%**
375.00	Structures & Improvements	42,540,042	L0	33	0%	42,540,042	8,327,025	34,213,016	27.8	1,228,744	**2.90%**
376.00	Mains Steel	839,424,835	R1.5	70	-60%	1,343,079,736	219,421,191	1,123,658,545	59.6	18,850,169	**2.20%**
376.02	Mains Plastic	1,076,321,266	R2	82	-40%	1,506,849,772	199,350,416	1,307,499,356	74.3	17,595,201	**1.60%**
377.00	Compressor Equipment	19,187,298	R2	35	-5%	20,146,663	1,872,819	18,273,844	31.9	573,290	**3.00%**
378.00	Meas & Reg Station Eqp Gen	22,828,790	R1.5	40	-20%	27,394,548	6,391,147	21,003,402	30.8	681,401	**3.00%**
379.00	Meas & Reg Station Eqp City	122,736,793	R2	60	-20%	147,284,152	20,597,694	126,686,458	53.9	2,351,707	**1.90%**
380.00	Services Steel	68,085,342	R0.5	52	-130%	156,596,287	44,097,347	112,498,940	38.7	2,903,414	**4.30%**
380.02	Services Plastic	667,590,895	R2	62	-75%	1,168,284,067	212,877,942	955,406,125	53.6	17,811,449	**2.70%**
381.00	Meters	113,411,738	R2	20	0%	113,411,738	44,575,768	68,835,970	12.8	5,375,222	**4.70%**
382.00	Meter Installations	119,185,919	R0.5	55	-30%	154,941,695	36,161,018	118,780,677	49.0	2,422,612	**2.00%**
383.00	House Regulators	21,662,897	S1.5	42	0%	21,662,897	9,132,325	12,530,572	28.1	445,265	**2.10%**
384.00	House Regulator Installs	38,677,155	R1.5	47	-30%	50,280,301	15,584,500	34,695,802	37.1	933,994	**2.40%**
385.00	Meas & Reg Station Eqp Ind	15,196,827	R2.5	39	0%	15,196,827	7,287,259	7,909,567	23.5	336,674	**2.20%**
387.00	Other Equipment	13,431,843	L1.5	27	0%	13,431,843	5,670,672	7,761,171	19.3	403,103	**3.00%**
	Total Distribution Plant	3,184,550,513			-50%	4,785,369,441	832,483,088	3,952,886,353	54.9	71,968,327	**2.26%**
	GENERAL PLANT										
390.00	Structures & Improvements	663,069	L0	25	0%	663,069	45,568	617,501	22.9	26,993	**4.10%**
391.00	Office Furniture	2,192,450	SQ	17	0%	2,192,450	1,250,877	941,573	6.8	138,199	**6.30%**
391.01	Computer Equipment	6,423,957	SQ	9	0%	6,423,957	3,887,201	2,536,757	4.9	521,827	**8.10%**
391.02	Office Equipment	1,529,674	SQ	15	0%	1,529,674	1,057,060	472,614	5.0	94,182	**6.20%**
392.01	Vehicles up to 1/2 Tons	23,701,575	L2	8	11%	21,094,402	8,222,729	12,871,672	5.4	2,387,454	**10.10%**
392.02	Vehicles from 1/2 - 1 Tons	17,803,655	L3	10	11%	15,845,253	9,635,072	6,210,181	4.9	1,268,443	**7.10%**
392.04	Trailers & Other	4,681,567	R1.5	30	20%	3,745,254	932,594	2,812,660	25.2	111,826	**2.40%**
392.05	Vehicles over 1 Ton	2,564,139	L2	13	7%	2,384,649	1,395,539	989,110	6.9	142,377	**5.60%**
393.00	Stores Equipment	1,283	SQ	24	0%	1,283	647	636	11.5	55	**4.30%**
394.00	Tools, Shop & Garage Equip	9,345,098	SQ	18	0%	9,345,098	4,783,405	4,561,693	10.0	456,973	**4.90%**
394.01	CNC Station Equipment	3,241,793	SQ	20	0%	3,241,793	958,073	2,283,719	13.9	163,872	**5.10%**
396.00	Power Operated Equipment	4,522,729	L1.5	18	10%	4,070,456	2,148,335	1,922,121	11.5	167,099	**3.70%**
397.00	Communication Equipment	3,026,304	SQ	13	0%	3,026,304	3,012,752	13,553	1.7	0	**7.70%**
398.00	Miscellaneous Equipment	923,442	SQ	20	0%	923,442	236,138	687,304	16.5	41,634	**4.50%**

Depreciation Rate Development - 2024 Study
(With Book Reserve)

		[1]	[2]		[3]	[4]	[5]	[6]	[7]	[8]	[9]
			Iowa Curve							Total	
Account No.	**Description**	**Plant Balance 12/31/2024**	**Type**	**AL**	**Net Salvage**	**Depreciable Base**	**Book Reserve**	**Future Accruals**	**Remaining Life**	**Accrual**	**Rate**
	Total General Plant	80,620,735			8%	74,487,084	37,565,989	36,921,095	6.7	5,520,935	**6.85%**
	RNG/LNG PLANT										
336.00	Renewable Natural Gas (RNG)	16,109,646	R2	30	-5%	16,915,129	1,079,309	15,835,820	28.6	552,749	**3.40%**
336.01	RNG Plant Leased- 15 Years		SQ	15	0%	0		0			**6.70%**
364.00	Liquified Natural Gas (LNG)	1,503,356	R2	30	-5%	1,578,524	79,585	1,498,939	28.7	52,301	**3.50%**
	Total RNG/LNG Plant	17,613,002			-5%	18,493,652	1,158,893	17,334,759	28.7	605,050	**3.44%**
	TOTAL PLANT STUDIED	**3,408,429,265**			**-47%**	**5,003,995,191**	**909,546,797**	**4,094,448,395**	**47.4**	**86,382,085**	**2.53%**

[1] From Company depreciation study
[2] Average life and Iowa curve shape developed through actuarial analysis and professional judgment
[3] Company proposed net salvage rates - see depreciation study
[4] = [1]*(1-[3])
[5] From Company depreciation study
[6] = [4] - [5]
[7] Composite remaining life based on Iowa cuve in [2]; see remaining life exhibit for detailed calculations
[8] = [6] / [7]
[9] = [8] / [1].

Depreciation Rate Development - 2024 Study
(With Theoretical Reserve)

		[1]	[2]		[3]	[4]	[5]	[6]	[7]	[8]	[9]
Account No.	Description	Plant Balance 12/31/2024	Iowa Curve Type	AL	Net Salvage	Depreciable Base	Theoretical Reserve	Future Accruals	Remaining Life	Total Accrual	Total Rate
	INTANGIBLE PLANT										
303.00	Misc Intangible Plant	815,325	SQ	25	0%	815,325	815,325	0			**4.00%**
303.01	Custom Intangible Plant	124,829,689	SQ	15	0%	124,829,689	37,163,157	87,666,532	10.5	8,321,979	**6.70%**
	Total Intangible Plant	125,645,014			0%	125,645,014	37,978,482	87,666,532	10.5	8,321,979	**6.62%**
	DISTRIBUTION PLANT										
374.02	Land Rights	4,268,873	SQ	75	0%	4,268,873	1,089,359	3,179,514	55.9	56,918	**1.30%**
375.00	Structures & Improvements	42,540,042	L0	33	0%	42,540,042	6,653,106	35,886,935	27.8	1,288,862	**3.00%**
376.00	Mains Steel	839,424,835	R1.5	70	-60%	1,343,079,736	199,414,820	1,143,664,916	59.6	19,185,790	**2.30%**
376.02	Mains Plastic	1,076,321,266	R2	82	-40%	1,506,849,772	141,398,901	1,365,450,871	74.3	18,375,062	**1.70%**
377.00	Compressor Equipment	19,187,298	R2	35	-5%	20,146,663	1,798,552	18,348,111	31.9	575,620	**3.00%**
378.00	Meas & Reg Station Eqp Gen	22,828,790	R1.5	40	-20%	27,394,548	6,284,375	21,110,174	30.8	684,865	**3.00%**
379.00	Meas & Reg Station Eqp City	122,736,793	R2	60	-20%	147,284,152	15,049,159	132,234,993	53.9	2,454,706	**2.00%**
380.00	Services Steel	68,085,342	R0.5	52	-130%	156,596,287	39,910,154	116,686,134	38.7	3,011,478	**4.40%**
380.02	Services Plastic	667,590,895	R2	62	-75%	1,168,284,067	157,592,037	1,010,692,030	53.6	18,842,133	**2.80%**
381.00	Meters	113,411,738	R2	20	0%	113,411,738	40,795,119	72,616,619	12.8	5,670,444	**5.00%**
382.00	Meter Installations	119,185,919	R0.5	55	-30%	154,941,695	16,810,974	138,130,721	49.0	2,817,269	**2.40%**
383.00	House Regulators	21,662,897	S1.5	42	0%	21,662,897	7,148,083	14,514,814	28.1	515,773	**2.40%**
384.00	House Regulator Installs	38,677,155	R1.5	47	-30%	50,280,301	10,539,827	39,740,475	37.1	1,069,794	**2.80%**
385.00	Meas & Reg Station Eqp Ind	15,196,827	R2.5	39	0%	15,196,827	6,042,465	9,154,362	23.5	389,659	**2.60%**
387.00	Other Equipment	13,431,843	L1.5	27	0%	13,431,843	3,853,759	9,578,084	19.3	497,470	**3.70%**
	Total Distribution Plant	3,184,550,513			-50%	4,785,369,441	654,380,690	4,130,988,751	54.8	75,435,843	**2.37%**
	GENERAL PLANT										
390.00	Structures & Improvements	663,069	L0	25	0%	663,069	56,368	606,701	22.9	26,521	**4.00%**
391.00	Office Furniture	2,192,450	SQ	17	0%	2,192,450	1,079,695	1,112,754	6.8	163,325	**7.40%**
391.01	Computer Equipment	6,423,957	SQ	9	0%	6,423,957	2,954,097	3,469,860	4.9	713,773	**11.10%**
391.02	Office Equipment	1,529,674	SQ	15	0%	1,529,674	1,017,935	511,738	5.0	101,978	**6.70%**
392.01	Vehicles up to 1/2 Tons	23,701,575	L2	8	11%	21,094,402	6,130,613	14,963,789	5.4	2,775,503	**11.70%**
392.02	Vehicles from 1/2 - 1 Tons	17,803,655	L3	10	11%	15,845,253	8,088,027	7,757,225	4.9	1,584,430	**8.90%**
392.04	Trailers & Other	4,681,567	R1.5	30	20%	3,745,254	907,795	2,837,459	25.2	112,812	**2.40%**
392.05	Vehicles over 1 Ton	2,564,139	L2	13	7%	2,384,649	1,110,403	1,274,247	6.9	183,420	**7.20%**
393.00	Stores Equipment	1,283	SQ	24	0%	1,283	668	615	11.5	53	**4.20%**
394.00	Tools, Shop & Garage Equip	9,345,098	SQ	18	0%	9,345,098	4,162,505	5,182,593	10.0	519,172	**5.60%**
394.01	CNC Station Equipment	3,241,793	SQ	20	0%	3,241,793	982,914	2,258,878	13.9	162,090	**5.00%**
396.00	Power Operated Equipment	4,522,729	L1.5	18	10%	4,070,456	1,352,627	2,717,829	11.5	236,274	**5.20%**
397.00	Communication Equipment	3,026,304	SQ	13	0%	3,026,304	2,630,400	395,904	1.7	0	**7.70%**
398.00	Miscellaneous Equipment	923,442	SQ	20	0%	923,442	161,215	762,227	16.5	46,172	**5.00%**

Depreciation Rate Development - 2024 Study
(With Theoretical Reserve)

		[1]	[2]		[3]	[4]	[5]	[6]	[7]	[8]	[9]
			Iowa Curve							Total	
Account No.	Description	Plant Balance 12/31/2024	Type	AL	Net Salvage	Depreciable Base	Theoretical Reserve	Future Accruals	Remaining Life	Accrual	Rate
	Total General Plant	80,620,735			8%	74,487,084	30,635,264	43,851,820	6.6	6,625,524	**8.22%**
	RNG/LNG PLANT										
336.00	Renewable Natural Gas (RNG)	16,109,646	R2	30	-5%	16,915,129	761,620	16,153,509	28.6	563,838	**3.50%**
336.01	RNG Plant Leased- 15 Years		SQ	15	0%	0		0			**6.70%**
364.00	Liquified Natural Gas (LNG)	1,503,356	R2	30	-5%	1,578,524	70,509	1,508,014	28.7	52,617	**3.50%**
	Total RNG/LNG Plant	17,613,002			-5%	18,493,652		17,661,523	28.7	616,455	**3.50%**
	TOTAL PLANT STUDIED	**3,408,429,265**			**-47%**	**5,003,995,191**	**722,994,436**	**4,280,168,626**	**47.0**	**90,999,802**	**2.67%**

[1] From Company depreciation study
[2] Average life and Iowa curve shape developed through actuarial analysis and professional judgment
[3] Company proposed net salvage rates - see depreciation study
[4] = [1]*(1-[3])
[5] From Exhibit DJG-22
[6] = [4] - [5]
[7] Composite remaining life based on Iowa cuve in [2]; see remaining life exhibit for detailed calculations
[8] = [6] / [7]
[9] = [8] / [1].

Reserve Surplus Calculation - 2024 Study (Adjusted Parameters)

Account No.	Description	[1] Plant Balance 12/31/2024	[2] Book Reserve	[3] Theoretical Reserve	[4] Reserve Variation
	INTANGIBLE PLANT				
303.00	Misc Intangible Plant	815,325	815,325	815,325	0
303.01	Custom Intangible Plant	124,829,689	37,523,501	37,163,157	360,344
	Total Intangible Plant	125,645,014	38,338,826	37,978,482	360,344
	DISTRIBUTION PLANT				
374.02	Land Rights	4,268,873	1,135,966	1,089,359	46,607
375.00	Structures & Improvements	42,540,042	8,327,025	6,653,106	1,673,919
376.00	Mains Steel	839,424,835	219,421,191	199,414,820	20,006,371
376.02	Mains Plastic	1,076,321,266	199,350,416	141,398,901	57,951,515
377.00	Compressor Equipment	19,187,298	1,872,819	1,798,552	74,267
378.00	Meas & Reg Station Eqp Gen	22,828,790	6,391,147	6,284,375	106,772
379.00	Meas & Reg Station Eqp City	122,736,793	20,597,694	15,049,159	5,548,535
380.00	Services Steel	68,085,342	44,097,347	39,910,154	4,187,193
380.02	Services Plastic	667,590,895	212,877,942	157,592,037	55,285,905
381.00	Meters	113,411,738	44,575,768	40,795,119	3,780,649
382.00	Meter Installations	119,185,919	36,161,018	16,810,974	19,350,045
383.00	House Regulators	21,662,897	9,132,325	7,148,083	1,984,242
384.00	House Regulator Installs	38,677,155	15,584,500	10,539,827	5,044,673
385.00	Meas & Reg Station Eqp Ind	15,196,827	7,287,259	6,042,465	1,244,794
387.00	Other Equipment	13,431,843	5,670,672	3,853,759	1,816,913
	Total Distribution Plant	3,184,550,513	832,483,088	654,380,690	178,102,399
	GENERAL PLANT				
390.00	Structures & Improvements	663,069	45,568	56,368	-10,800
391.00	Office Furniture	2,192,450	1,250,877	1,079,695	171,182
391.01	Computer Equipment	6,423,957	3,887,201	2,954,097	933,104
391.02	Office Equipment	1,529,674	1,057,060	1,017,935	39,124
392.01	Vehicles up to 1/2 Tons	23,701,575	8,222,729	6,130,613	2,092,116
392.02	Vehicles from 1/2 - 1 Tons	17,803,655	9,635,072	8,088,027	1,547,045
392.04	Trailers & Other	4,681,567	932,594	907,795	24,799
392.05	Vehicles over 1 Ton	2,564,139	1,395,539	1,110,403	285,136
393.00	Stores Equipment	1,283	647	668	-21
394.00	Tools, Shop & Garage Equip	9,345,098	4,783,405	4,162,505	620,900
394.01	CNC Station Equipment	3,241,793	958,073	982,914	-24,841
396.00	Power Operated Equipment	4,522,729	2,148,335	1,352,627	795,708
397.00	Communication Equipment	3,026,304	3,012,752	2,630,400	382,351
398.00	Miscellaneous Equipment	923,442	236,138	161,215	74,923
	Total General Plant	80,620,735	37,565,989	30,635,264	6,930,725
	RNG/LNG PLANT				
336.00	Renewable Natural Gas (RNG)	16,109,646	1,079,309	761,620	317,689
336.01	RNG Plant Leased- 15 Years				
364.00	Liquified Natural Gas (LNG)	1,503,356	79,585	70,509	9,075

Reserve Surplus Calculation - 2024 Study (Adjusted Parameters)

		[1]	[2]	[3]	[4]
Account No.	**Description**	**Plant Balance 12/31/2024**	**Book Reserve**	**Theoretical Reserve**	**Reserve Variation**
	Total RNG/LNG Plant	17,613,002	1,158,893		1,158,893
	TOTAL PLANT STUDIED	**3,408,429,265**	**909,546,797**	**722,994,436**	**186,552,361**
	RESERVE VARIATION PERCENTAGE				**26%**

[1], [2] From depreciation study
[3] From Exhibit DJG-32
[4] = [2] - [3]

Reserve Surplus Calculation - 2024 Study
(Unadjusted Parameters)

		[1]	[2]	[3]	[4]
Account No.	**Description**	**Plant Balance 12/31/2024**	**Book Reserve**	**Theoretical Reserve**	**Reserve Variation**
	INTANGIBLE PLANT				
303.00	Misc Intangible Plant	815,325	815,325	815,325	0
303.01	Custom Intangible Plant	124,829,689	37,523,501	37,163,157	360,344
	Total Intangible Plant	125,645,014	38,338,826	37,978,482	360,344
	DISTRIBUTION PLANT				
374.02	Land Rights	4,268,873	1,135,966	1,089,359	46,607
375.00	Structures & Improvements	42,540,042	8,327,025	6,653,106	1,673,919
376.00	Mains Steel	839,424,835	219,421,191	213,457,094	5,964,097
376.02	Mains Plastic	1,076,321,266	199,350,416	154,026,780	45,323,636
377.00	Compressor Equipment	19,187,298	1,872,819	1,798,552	74,267
378.00	Meas & Reg Station Eqp Gen	22,828,790	6,391,147	6,284,375	106,772
379.00	Meas & Reg Station Eqp City	122,736,793	20,597,694	17,265,536	3,332,158
380.00	Services Steel	68,085,342	44,097,347	39,910,154	4,187,193
380.02	Services Plastic	667,590,895	212,877,942	185,720,210	27,157,732
381.00	Meters	113,411,738	44,575,768	40,795,119	3,780,649
382.00	Meter Installations	119,185,919	36,161,018	26,090,961	10,070,057
383.00	House Regulators	21,662,897	9,132,325	7,148,083	1,984,242
384.00	House Regulator Installs	38,677,155	15,584,500	10,539,827	5,044,673
385.00	Meas & Reg Station Eqp Ind	15,196,827	7,287,259	6,042,465	1,244,794
387.00	Other Equipment	13,431,843	5,670,672	3,853,759	1,816,913
	Total Distribution Plant	3,184,550,513	832,483,088	720,675,380	111,807,708
	GENERAL PLANT				
390.00	Structures & Improvements	663,069	45,568	56,368	-10,800
391.00	Office Furniture	2,192,450	1,250,877	1,079,695	171,182
391.01	Computer Equipment	6,423,957	3,887,201	2,954,097	933,104
391.02	Office Equipment	1,529,674	1,057,060	1,017,935	39,124
392.01	Vehicles up to 1/2 Tons	23,701,575	8,222,729	6,130,613	2,092,116

Reserve Surplus Calculation - 2024 Study
(Unadjusted Parameters)

		[1]	[2]	[3]	[4]
Account No.	**Description**	**Plant Balance 12/31/2024**	**Book Reserve**	**Theoretical Reserve**	**Reserve Variation**
392.02	Vehicles from 1/2 - 1 Tons	17,803,655	9,635,072	8,088,027	1,547,045
392.04	Trailers & Other	4,681,567	932,594	907,795	24,799
392.05	Vehicles over 1 Ton	2,564,139	1,395,539	1,110,403	285,136
393.00	Stores Equipment	1,283	647	668	-21
394.00	Tools, Shop & Garage Equip	9,345,098	4,783,405	4,162,505	620,900
394.01	CNC Station Equipment	3,241,793	958,073	982,914	-24,841
396.00	Power Operated Equipment	4,522,729	2,148,335	1,352,627	795,708
397.00	Communication Equipment	3,026,304	3,012,752	2,630,400	382,351
398.00	Miscellaneous Equipment	923,442	236,138	161,215	74,923
	Total General Plant	80,620,735	37,565,989	30,635,264	6,930,725
	RNG/LNG PLANT				
336.00	Renewable Natural Gas (RNG)	16,109,646	1,079,309	761,620	317,689
336.01	RNG Plant Leased- 15 Years				
364.00	Liquified Natural Gas (LNG)	1,503,356	79,585	70,509	9,075
	Total RNG/LNG Plant	17,613,002	1,158,893		1,158,893
	TOTAL PLANT STUDIED	**3,408,429,265**	**909,546,797**	**789,289,126**	**120,257,670**
	RESERVE VARIATION PERCENTAGE				**15%**

[1], [2] From depreciation study
[3] From Exhibit DJG-33
[4] = [2] - [3]

Depreciation Rate Development - 2023 Study
(With Book Reserve and Adjusted Parameters)

Account No.	Description	[1] Plant Balance 12/31/2023	[2] Iowa Curve Type	AL	[3] Net Salvage	[4] Depreciable Base	[5] Book Reserve	[6] Future Accruals	[7] Remaining Life	[8] Total Accrual	[9] Rate
	INTANGIBLE PLANT										
303.00	Misc Intangible Plant	815,325	SQ	25	0%	815,325	815,325	0			**4.00%**
303.01	Custom Intangible Plant	110,526,644	SQ	15	0%	110,526,644	30,148,269	80,378,375	11.3	7,119,431	**6.40%**
	Total Intangible Plant	111,341,969			0%	111,341,969	30,963,594	80,378,375	11.3	7,119,431	**6.39%**
	DISTRIBUTION PLANT										
374.02	Land Rights	4,268,873	SQ	75	0%	4,268,873	1,094,629	3,174,243	56.9	55,826	**1.30%**
375.00	Structures & Improvements	31,386,680	L0	33	0%	31,386,680	8,889,159	22,497,521	26.1	861,644	**2.70%**
376.00	Mains Steel	826,292,081	R1.5	70	-60%	1,322,067,330	202,174,503	1,119,892,827	60.2	18,612,146	**2.30%**
376.02	Mains Plastic	961,474,233	R2	82	-40%	1,346,063,926	211,166,626	1,134,897,300	74.0	15,334,378	**1.60%**
377.00	Compressor Equipment	19,187,298	R2	35	-5%	20,146,663	1,345,774	18,800,889	32.8	573,898	**3.00%**
378.00	Meas & Reg Station Eqp Gen	22,151,057	R1.5	40	-20%	26,581,268	5,803,971	20,777,296	31.2	665,726	**3.00%**
379.00	Meas & Reg Station Eqp City	116,022,317	R2	60	-20%	139,226,780	19,487,317	119,739,463	54.3	2,205,959	**1.90%**
380.00	Services Steel	68,085,342	R0.5	52	-130%	156,596,287	42,441,602	114,154,685	39.3	2,903,222	**4.30%**
380.02	Services Plastic	610,080,538	R2	62	-75%	1,067,640,942	211,877,748	855,763,195	53.5	16,001,556	**2.60%**
381.00	Meters	99,270,694	R2	20	0%	99,270,694	41,990,333	57,280,361	12.4	4,634,333	**4.70%**
382.00	Meter Installations	105,820,491	R0.5	55	-30%	137,566,639	38,080,014	99,486,624	48.6	2,045,366	**1.90%**
383.00	House Regulators	20,766,817	S1.5	42	0%	20,766,817	9,389,571	11,377,246	28.2	403,163	**1.90%**
384.00	House Regulator Installs	38,677,155	R1.5	47	-30%	50,280,301	16,188,801	34,091,501	37.9	899,512	**2.30%**
385.00	Meas & Reg Station Eqp Ind	15,196,827	R2.5	39	0%	15,196,827	7,331,118	7,865,709	24.3	324,225	**2.10%**
387.00	Other Equipment	13,431,843	L1.5	27	0%	13,431,843	5,833,154	7,598,689	20.0	380,887	**2.80%**
	Total Distribution Plant	2,952,112,246			-51%	4,450,491,869	823,094,320	3,627,397,549	55.0	65,901,840	**2.23%**
	GENERAL PLANT										
390.00	Structures & Improvements	528,909	L0	25	0%	528,909	-18,293	547,202	23.5	23,246	**4.40%**
391.00	Office Furniture	2,151,950	SQ	17	0%	2,151,950	1,114,167	1,037,782	9.8	106,113	**4.90%**
391.01	Computer Equipment	5,932,306	SQ	9	0%	5,932,306	3,431,578	2,500,728	6.0	416,094	**7.00%**
391.02	Office Equipment	1,529,674	SQ	15	0%	1,529,674	965,279	564,395	6.7	83,863	**5.50%**
392.01	Vehicles up to 1/2 Tons	15,381,575	L2	8	11%	13,689,602	6,058,634	7,630,968	5.3	1,429,020	**9.30%**
392.02	Vehicles from 1/2 - 1 Tons	17,803,655	L3	10	11%	15,845,253	8,353,209	7,492,044	5.6	1,337,865	**7.50%**
392.04	Trailers & Other	4,611,626	R1.5	30	20%	3,689,301	821,141	2,868,160	25.9	110,911	**2.40%**
392.05	Vehicles over 1 Ton	2,564,139	L2	13	7%	2,384,649	1,267,332	1,117,317	7.5	148,579	**5.80%**
393.00	Stores Equipment	1,283	SQ	24	0%	1,283	592	692	12.5	55	**4.30%**
394.00	Tools, Shop & Garage Equip	8,587,697	SQ	18	0%	8,587,697	4,420,844	4,166,853	10.4	401,818	**4.70%**
394.01	CNC Station Equipment	714,791	SQ	20	0%	714,791	11,536	703,255	14.9	47,072	**6.60%**
396.00	Power Operated Equipment	3,562,013	L1.5	18	10%	3,205,812	2,121,059	1,084,753	10.7	101,190	**2.80%**
397.00	Communication Equipment	3,015,264	SQ	13	0%	3,015,264	2,936,320	78,944	3.1	25,222	**0.80%**
398.00	Miscellaneous Equipment	749,277	SQ	20	0%	749,277	211,979	537,298	17.5	30,720	**4.10%**

Depreciation Rate Development - 2023 Study
(With Book Reserve and Adjusted Parameters)

		[1]	[2]		[3]	[4]	[5]	[6]	[7]	[8]	[9]
Account No.	**Description**	**Plant Balance 12/31/2023**	**Iowa Curve Type**	**AL**	**Net Salvage**	**Depreciable Base**	**Book Reserve**	**Future Accruals**	**Remaining Life**	**Total Accrual**	**Rate**
	Total General Plant	67,134,160			8%	62,025,768	31,695,378	30,330,390	7.1	4,261,768	**6.35%**
	RNG/LNG PLANT										
336.00	Renewable Natural Gas (RNG)	16,109,646	R2	- 30	-5%	16,915,129	515,471	16,399,658	29.6	554,980	**3.40%**
336.01	RNG Plant Leased- 15 Years		SQ	- 15	0%						**6.70%**
364.00	Liquified Natural Gas (LNG)	1,485,380	R2	- 30	-5%	1,559,649	25,561	1,534,088	29.6	51,915	**3.50%**
	Total RNG/LNG Plant	17,595,026			-5%	18,474,778	541,032	17,933,745	29.6	606,895	**3.45%**
	TOTAL PLANT STUDIED	**3,148,183,401**			**-47%**	**4,642,334,385**	**886,294,325**	**3,756,040,060**	**48.2**	**77,889,934**	**2.47%**

[1], [5] Respone to OPC Interrogatories 232-234
[2] Average life and Iowa curve shape developed through actuarial analysis and professional judgment
[3] Company proposed net salvage rates - see depreciation study
[4] = [1]*(1-[3])
[6] = [4] - [5]
[7] Composite remaining life based on Iowa cuve in [2]; see Exhibit DJG-37 for detailed calculations
[8] = [6] / [7]
[9] = [8] / [1].

Depreciation Rate Development - 2023 Study
(With Theoretical Reserve and Adjusted Parameters)

Account No.	Description	[1] Plant Balance 12/31/2023	[2] Iowa Curve Type	Iowa Curve AL	[3] Net Salvage	[4] Depreciable Base	[5] Theoretical Reserve	[6] Future Accruals	[7] Remaining Life	[8] Total Accrual	[9] Total Rate
	INTANGIBLE PLANT										
303.00	Misc Intangible Plant	815,325	SQ	25	0%	815,325	815,325	0			**4.00%**
303.01	Custom Intangible Plant	110,526,644	SQ	15	0%	110,526,644	29,628,972	80,897,672	11.3	7,165,427	**6.50%**
	Total Intangible Plant	111,341,969			0%	111,341,969	30,444,297	80,897,672	11.3	7,165,427	**6.44%**
	DISTRIBUTION PLANT										
374.02	Land Rights	4,268,873	SQ	75	0%	4,268,873	1,032,441	3,236,432	56.9	56,919	**1.30%**
375.00	Structures & Improvements	31,386,680	L0	33	0%	31,386,680	6,551,084	24,835,596	26.1	951,191	**3.00%**
376.00	Mains Steel	826,292,081	R1.5	70	-60%	1,322,067,330	185,575,404	1,136,491,926	60.2	18,888,016	**2.30%**
376.02	Mains Plastic	961,474,233	R2	82	-40%	1,346,063,926	131,189,463	1,214,874,462	74.0	16,415,004	**1.70%**
377.00	Compressor Equipment	19,187,298	R2	35	-5%	20,146,663	1,289,317	18,857,345	32.8	575,621	**3.00%**
378.00	Meas & Reg Station Eqp Gen	22,151,057	R1.5	40	-20%	26,581,268	5,840,335	20,740,933	31.2	664,560	**3.00%**
379.00	Meas & Reg Station Eqp City	116,022,317	R2	60	-20%	139,226,780	13,264,358	125,962,422	54.3	2,320,605	**2.00%**
380.00	Services Steel	68,085,342	R0.5	52	-130%	156,596,287	38,184,588	118,411,699	39.3	3,011,488	**4.40%**
380.02	Services Plastic	610,080,538	R2	62	-75%	1,067,640,942	146,716,257	920,924,685	53.5	17,219,983	**2.80%**
381.00	Meters	99,270,694	R2	20	0%	99,270,694	37,917,971	61,352,723	12.4	4,963,813	**5.00%**
382.00	Meter Installations	105,820,491	R0.5	55	-30%	137,566,639	15,909,080	121,657,559	48.6	2,501,183	**2.40%**
383.00	House Regulators	20,766,817	S1.5	42	0%	20,766,817	6,811,720	13,955,097	28.2	494,511	**2.40%**
384.00	House Regulator Installs	38,677,155	R1.5	47	-30%	50,280,301	9,730,533	40,549,768	37.9	1,069,915	**2.80%**
385.00	Meas & Reg Station Eqp Ind	15,196,827	R2.5	39	0%	15,196,827	5,742,847	9,453,980	24.3	389,694	**2.60%**
387.00	Other Equipment	13,431,843	L1.5	27	0%	13,431,843	3,505,831	9,926,012	20.0	497,544	**3.70%**
	Total Distribution Plant	2,952,112,246			-51%	4,450,491,869	609,261,229	3,841,230,640	54.9	70,020,048	**2.37%**
	GENERAL PLANT										
390.00	Structures & Improvements	528,909	L0	25	0%	528,909	38,658	490,251	23.5	20,826	**3.90%**
391.00	Office Furniture	2,151,950	SQ	17	0%	2,151,950	960,077	1,191,872	9.8	121,868	**5.70%**
391.01	Computer Equipment	5,932,306	SQ	9	0%	5,932,306	2,365,045	3,567,261	6.0	593,554	**10.00%**
391.02	Office Equipment	1,529,674	SQ	15	0%	1,529,674	928,731	600,943	6.7	89,293	**5.80%**
392.01	Vehicles up to 1/2 Tons	15,381,575	L2	8	11%	13,689,602	4,566,757	9,122,845	5.3	1,708,398	**11.10%**
392.02	Vehicles from 1/2 - 1 Tons	17,803,655	L3	10	11%	15,845,253	6,988,760	8,856,493	5.6	1,581,517	**8.90%**
392.04	Trailers & Other	4,611,626	R1.5	30	20%	3,689,301	763,820	2,925,481	25.9	113,128	**2.50%**
392.05	Vehicles over 1 Ton	2,564,139	L2	13	7%	2,384,649	1,004,832	1,379,817	7.5	183,486	**7.20%**
393.00	Stores Equipment	1,283	SQ	24	0%	1,283	615	668	12.5	53	**4.20%**
394.00	Tools, Shop & Garage Equip	8,587,697	SQ	18	0%	8,587,697	3,741,180	4,846,518	10.4	467,359	**5.40%**
394.01	CNC Station Equipment	714,791	SQ	20	0%	714,791	11,536	703,255	14.9	47,072	**6.60%**
396.00	Power Operated Equipment	3,562,013	L1.5	18	10%	3,205,812	1,296,841	1,908,971	10.7	178,076	**5.00%**
397.00	Communication Equipment	3,015,264	SQ	13	0%	3,015,264	2,482,364	532,900	3.1	170,256	**5.60%**
398.00	Miscellaneous Equipment	749,277	SQ	20	0%	749,277	136,680	612,597	17.5	35,026	**4.70%**

Depreciation Rate Development - 2023 Study
(With Theoretical Reserve and Adjusted Parameters)

Account No.	Description	[1] Plant Balance 12/31/2023	[2] Iowa Curve Type	Iowa Curve AL	[3] Net Salvage	[4] Depreciable Base	[5] Theoretical Reserve	[6] Future Accruals	[7] Remaining Life	[8] Total Accrual	[9] Total Rate
	Total General Plant	67,134,160			8%	62,025,768	25,285,896	36,739,872	6.9	5,309,912	**7.91%**
	RNG/LNG PLANT										
336.00	Renewable Natural Gas (RNG)	16,109,646	R2	30	-5%	16,915,129	255,180	16,659,948	29.6	563,788	**3.50%**
336.01	RNG Plant Leased- 15 Years		SQ	15	0%						**6.70%**
364.00	Liquified Natural Gas (LNG)	1,485,380	R2	30	-5%	1,559,649	23,529	1,536,120	29.6	51,984	**3.50%**
	Total RNG/LNG Plant	17,595,026			-5%	18,474,778	278,709	18,196,069	29.6	615,772	**3.50%**
	TOTAL PLANT STUDIED	**3,148,183,401**			**-47%**	**4,642,334,385**	**665,270,132**	**3,977,064,252**	**47.9**	**83,111,159**	**2.64%**

[1] Respone to OPC Interrogatories 232-234
[2] Average life and Iowa curve shape developed through actuarial analysis and professional judgment
[3] Company proposed net salvage rates - see depreciation study
[5] From Exhibit DJG-27
[4] = [1]*(1-[3])
[6] = [4] - [5]
[7] Composite remaining life based on Iowa cuve in [2]; see Exhibit DJG-37 for detailed calculations
[8] = [6] / [7]
[9] = [8] / [1].

Depreciation Rate Development - 2023 Study
(Unadjusted Parameters)

		[1]	[2]		[3]	[4]	[5]	[6]	[7]	[8]	[9]
Account No.	Description	Plant Balance 12/31/2023	Iowa Curve Type	AL	Net Salvage	Depreciable Base	Book Reserve	Future Accruals	Remaining Life	Total Accrual	Total Rate
	INTANGIBLE PLANT										
303.00	Misc Intangible Plant	815,325	SQ	- 25	0%	815,325	815,325	0			**4.00%**
303.01	Custom Intangible Plant	110,526,644	SQ	- 15	0%	110,526,644	30,148,269	80,378,375	11.3	7,119,431	**6.40%**
	Total Intangible Plant	111,341,969			0%	111,341,969	30,963,594	80,378,375	11.3	7,119,431	**6.39%**
	DISTRIBUTION PLANT										
374.02	Land Rights	4,268,873	SQ	- 75	0%	4,268,873	1,094,629	3,174,243	56.9	55,826	**1.30%**
375.00	Structures & Improvements	31,386,680	L0	- 33	0%	31,386,680	8,889,159	22,497,521	26.1	861,644	**2.70%**
376.00	Mains Steel	826,292,081	R1.5	- 65	-60%	1,322,067,330	202,174,503	1,119,892,827	55.2	20,273,223	**2.50%**
376.02	Mains Plastic	961,474,233	R2	- 75	-40%	1,346,063,926	211,166,626	1,134,897,300	67.0	16,928,659	**1.80%**
377.00	Compressor Equipment	19,187,298	R2	- 35	-5%	20,146,663	1,345,774	18,800,889	32.8	573,898	**3.00%**
378.00	Meas & Reg Station Eqp Gen	22,151,057	R1.5	- 40	-20%	26,581,268	5,803,971	20,777,296	31.2	665,726	**3.00%**
379.00	Meas & Reg Station Eqp City	116,022,317	R2	- 52	-20%	139,226,780	19,487,317	119,739,463	46.3	2,585,049	**2.20%**
380.00	Services Steel	68,085,342	R0.5	- 52	-130%	156,596,287	42,441,602	114,154,685	39.3	2,903,222	**4.30%**
380.02	Services Plastic	610,080,538	R2.5	- 55	-75%	1,067,640,942	211,877,748	855,763,195	46.1	18,567,221	**3.00%**
381.00	Meters	99,270,694	R2	- 20	0%	99,270,694	41,990,333	57,280,361	12.4	4,634,333	**4.70%**
382.00	Meter Installations	105,820,491	R1.5	- 45	-30%	137,566,639	38,080,014	99,486,624	37.0	2,692,466	**2.50%**
383.00	House Regulators	20,766,817	S1.5	- 42	0%	20,766,817	9,389,571	11,377,246	28.2	403,163	**1.90%**
384.00	House Regulator Installs	38,677,155	R1.5	- 47	-30%	50,280,301	16,188,801	34,091,501	37.9	899,512	**2.30%**
385.00	Meas & Reg Station Eqp Ind	15,196,827	R2.5	- 39	0%	15,196,827	7,331,118	7,865,709	24.3	324,225	**2.10%**
387.00	Other Equipment	13,431,843	L1.5	- 27	0%	13,431,843	5,833,154	7,598,689	20.0	380,887	**2.80%**
	Total Distribution Plant	2,952,112,246			-51%	4,450,491,869	823,094,320	3,627,397,549	49.9	72,749,052	**2.46%**
	GENERAL PLANT										
390.00	Structures & Improvements	528,909	L0	- 25	0%	528,909	-18,293	547,202	23.5	23,246	**4.40%**
391.00	Office Furniture	2,151,950	SQ	- 17	0%	2,151,950	1,114,167	1,037,782	9.8	106,113	**4.90%**
391.01	Computer Equipment	5,932,306	SQ	- 9	0%	5,932,306	3,431,578	2,500,728	6.0	416,094	**7.00%**
391.02	Office Equipment	1,529,674	SQ	- 15	0%	1,529,674	965,279	564,395	6.7	83,863	**5.50%**
392.01	Vehicles up to 1/2 Tons	15,381,575	L2	- 8	11%	13,689,602	6,058,634	7,630,968	5.3	1,429,020	**9.30%**
392.02	Vehicles from 1/2 - 1 Tons	17,803,655	L3	- 10	11%	15,845,253	8,353,209	7,492,044	5.6	1,337,865	**7.50%**
392.04	Trailers & Other	4,611,626	R1.5	- 30	20%	3,689,301	821,141	2,868,160	25.9	110,911	**2.40%**
392.05	Vehicles over 1 Ton	2,564,139	L2	- 13	7%	2,384,649	1,267,332	1,117,317	7.5	148,579	**5.80%**
393.00	Stores Equipment	1,283	SQ	- 24	0%	1,283	592	692	12.5	55	**4.30%**
394.00	Tools, Shop & Garage Equip	8,587,697	SQ	- 18	0%	8,587,697	4,420,844	4,166,853	10.4	401,818	**4.70%**
394.01	CNC Station Equipment	714,791	SQ	- 20	0%	714,791	11,536	703,255	14.9	47,072	**6.60%**
396.00	Power Operated Equipment	3,562,013	L1.5	- 18	10%	3,205,812	2,121,059	1,084,753	10.7	101,190	**2.80%**
397.00	Communication Equipment	3,015,264	SQ	- 13	0%	3,015,264	2,936,320	78,944	3.1	25,222	**0.80%**
398.00	Miscellaneous Equipment	749,277	SQ	- 20	0%	749,277	211,979	537,298	17.5	30,720	**4.10%**

Depreciation Rate Development - 2023 Study
(Unadjusted Parameters)

		[1]	[2]		[3]	[4]	[5]	[6]	[7]	[8]	[9]
Account No.	Description	Plant Balance 12/31/2023	Iowa Curve Type	Iowa Curve AL	Net Salvage	Depreciable Base	Book Reserve	Future Accruals	Remaining Life	Total Accrual	Total Rate
	Total General Plant	67,134,160			8%	62,025,768	31,695,378	30,330,390	7.1	4,261,768	**6.35%**
	RNG/LNG PLANT										
336.00	Renewable Natural Gas (RNG)	16,109,646	R2	- 30	-5%	16,915,129	515,471	16,399,658	29.6	554,980	**3.40%**
336.01	RNG Plant Leased- 15 Years		SQ	- 15	0%						**6.70%**
364.00	Liquified Natural Gas (LNG)	1,485,380	R2	- 30	-5%	1,559,649	25,561	1,534,088	29.6	51,915	**3.50%**
	Total RNG/LNG Plant	17,595,026			-5%	18,474,778	541,032	17,933,745	29.6	606,895	**3.45%**
	TOTAL PLANT STUDIED	**3,148,183,401**			**-47%**	**4,642,334,385**	**886,294,325**	**3,756,040,060**	**44.3**	**84,737,146**	**2.69%**

[1], [5] Respone to OPC Interrogatories 232-234
[2] Company proposed Iowa curves - see depreciation study
[3] Company proposed net salvage rates - see depreciation study
[4] = [1]*(1-[3])
[6] = [4] - [5]
[7] Composite remaining life based on Iowa cuve in [2]; see Exhibit DJG-38 for detailed calculations
[8] = [6] / [7]
[9] = [8] / [1].

Reserve Surplus Calculation - 2023 Study
(Adjusted Parameters)

Account No.	Description	[1] Plant Balance 12/31/2023	[2] Book Reserve	[3] Theoretical Reserve	[4] Reserve Variation
	INTANGIBLE PLANT				
303.00	Misc Intangible Plant	815,325	815,325	815,325	0
303.01	Custom Intangible Plant	110,526,644	30,148,269	29,628,972	519,296
	Total Intangible Plant	111,341,969	30,963,594	30,444,297	519,296
	DISTRIBUTION PLANT				
374.02	Land Rights	4,268,873	1,094,629	1,032,441	62,188
375.00	Structures & Improvements	31,386,680	8,889,159	6,551,084	2,338,075
376.00	Mains Steel	826,292,081	202,174,503	185,575,404	16,599,099
376.02	Mains Plastic	961,474,233	211,166,626	131,189,463	79,977,162
377.00	Compressor Equipment	19,187,298	1,345,774	1,289,317	56,457
378.00	Meas & Reg Station Eqp Gen	22,151,057	5,803,971	5,840,335	-36,364
379.00	Meas & Reg Station Eqp City	116,022,317	19,487,317	13,264,358	6,222,959
380.00	Services Steel	68,085,342	42,441,602	38,184,588	4,257,014
380.02	Services Plastic	610,080,538	211,877,748	146,716,257	65,161,491
381.00	Meters	99,270,694	41,990,333	37,917,971	4,072,362
382.00	Meter Installations	105,820,491	38,080,014	15,909,080	22,170,935
383.00	House Regulators	20,766,817	9,389,571	6,811,720	2,577,851
384.00	House Regulator Installs	38,677,155	16,188,801	9,730,533	6,458,267
385.00	Meas & Reg Station Eqp Ind	15,196,827	7,331,118	5,742,847	1,588,271
387.00	Other Equipment	13,431,843	5,833,154	3,505,831	2,327,323
	Total Distribution Plant	2,952,112,246	823,094,320	609,261,229	213,833,091
	GENERAL PLANT				
390.00	Structures & Improvements	528,909	-18,293	38,658	-56,951
391.00	Office Furniture	2,151,950	1,114,167	960,077	154,090
391.01	Computer Equipment	5,932,306	3,431,578	2,365,045	1,066,533
391.02	Office Equipment	1,529,674	965,279	928,731	36,549
392.01	Vehicles up to 1/2 Tons	15,381,575	6,058,634	4,566,757	1,491,877
392.02	Vehicles from 1/2 - 1 Tons	17,803,655	8,353,209	6,988,760	1,364,449
392.04	Trailers & Other	4,611,626	821,141	763,820	57,321
392.05	Vehicles over 1 Ton	2,564,139	1,267,332	1,004,832	262,500
393.00	Stores Equipment	1,283	592	615	-23
394.00	Tools, Shop & Garage Equip	8,587,697	4,420,844	3,741,180	679,665
394.01	CNC Station Equipment	714,791	11,536	11,536	0
396.00	Power Operated Equipment	3,562,013	2,121,059	1,296,841	824,218
397.00	Communication Equipment	3,015,264	2,936,320	2,482,364	453,956
398.00	Miscellaneous Equipment	749,277	211,979	136,680	75,299
	Total General Plant	67,134,160	31,695,378	25,285,896	6,409,482
	RNG/LNG PLANT				
336.00	Renewable Natural Gas (RNG)	16,109,646	515,471	255,180	260,291
336.01	RNG Plant Leased- 15 Years				
364.00	Liquified Natural Gas (LNG)	1,485,380	25,561	23,529	2,032

Reserve Surplus Calculation - 2023 Study
(Adjusted Parameters)

Account No.	Description	[1] Plant Balance 12/31/2023	[2] Book Reserve	[3] Theoretical Reserve	[4] Reserve Variation
	Total RNG/LNG Plant	17,595,026	541,032	278,709	262,323
	TOTAL PLANT STUDIED	**3,148,183,401**	**886,294,325**	**665,270,132**	**221,024,192**
	RESERVE VARIATION PERCENTAGE				**33%**

[1], [2] Respone to OPC Interrogatories 232-234
[3] From Exhibit DJG-35
[4] = [2] - [3]

Reserve Surplus Calculation - 2023 Study
(Unadjusted Parameters)

Account No.	Description	[1] Plant Balance 12/31/2023	[2] Book Reserve	[3] Theoretical Reserve	[4] Reserve Variation
	INTANGIBLE PLANT				
303.00	Misc Intangible Plant	815,325	815,325	815,325	0
303.01	Custom Intangible Plant	110,526,644	30,148,269	29,628,972	519,296
	Total Intangible Plant	111,341,969	30,963,594	30,444,297	519,296
	DISTRIBUTION PLANT				
374.02	Land Rights	4,268,873	1,094,629	1,032,441	62,188
375.00	Structures & Improvements	31,386,680	8,889,159	6,551,084	2,338,075
376.00	Mains Steel	826,292,081	202,174,503	198,621,731	3,552,772
376.02	Mains Plastic	961,474,233	211,166,626	142,878,626	68,288,000
377.00	Compressor Equipment	19,187,298	1,345,774	1,289,317	56,457
378.00	Meas & Reg Station Eqp Gen	22,151,057	5,803,971	5,840,335	-36,364
379.00	Meas & Reg Station Eqp City	116,022,317	19,487,317	15,215,389	4,271,928
380.00	Services Steel	68,085,342	42,441,602	38,184,588	4,257,014
380.02	Services Plastic	610,080,538	211,877,748	172,876,886	39,000,862
381.00	Meters	99,270,694	41,990,333	37,917,971	4,072,362
382.00	Meter Installations	105,820,491	38,080,014	24,611,809	13,468,206
383.00	House Regulators	20,766,817	9,389,571	6,811,720	2,577,851
384.00	House Regulator Installs	38,677,155	16,188,801	9,730,533	6,458,267
385.00	Meas & Reg Station Eqp Ind	15,196,827	7,331,118	5,742,847	1,588,271
387.00	Other Equipment	13,431,843	5,833,154	3,505,831	2,327,323
	Total Distribution Plant	2,952,112,246	823,094,320	670,811,109	152,283,212
	GENERAL PLANT				
390.00	Structures & Improvements	528,909	-18,293	38,658	-56,951
391.00	Office Furniture	2,151,950	1,114,167	960,077	154,090
391.01	Computer Equipment	5,932,306	3,431,578	2,365,045	1,066,533
391.02	Office Equipment	1,529,674	965,279	928,731	36,549
392.01	Vehicles up to 1/2 Tons	15,381,575	6,058,634	4,566,757	1,491,877
392.02	Vehicles from 1/2 - 1 Tons	17,803,655	8,353,209	6,988,760	1,364,449
392.04	Trailers & Other	4,611,626	821,141	763,820	57,321
392.05	Vehicles over 1 Ton	2,564,139	1,267,332	1,004,832	262,500
393.00	Stores Equipment	1,283	592	615	-23
394.00	Tools, Shop & Garage Equip	8,587,697	4,420,844	3,741,180	679,665
394.01	CNC Station Equipment	714,791	11,536	11,536	0
396.00	Power Operated Equipment	3,562,013	2,121,059	1,296,841	824,218
397.00	Communication Equipment	3,015,264	2,936,320	2,482,364	453,956
398.00	Miscellaneous Equipment	749,277	211,979	136,680	75,299
	Total General Plant	67,134,160	31,695,378	25,285,896	6,409,482
	RNG/LNG PLANT				
336.00	Renewable Natural Gas (RNG)	16,109,646	515,471	255,180	260,291
336.01	RNG Plant Leased- 15 Years				
364.00	Liquified Natural Gas (LNG)	1,485,380	25,561	23,529	2,032

Reserve Surplus Calculation - 2023 Study (Unadjusted Parameters)

		[1]	[2]	[3]	[4]
Account No.	**Description**	**Plant Balance 12/31/2023**	**Book Reserve**	**Theoretical Reserve**	**Reserve Variation**
	Total RNG/LNG Plant	17,595,026	541,032	278,709	262,323
	TOTAL PLANT STUDIED	**3,148,183,401**	**886,294,325**	**726,820,012**	**159,474,313**
	RESERVE VARIATION PERCENTAGE				**22%**

[1], [2] Respone to OPC Interrogatories 232-234
[3] From Exhibit DJG-36
[4] = [2] - [3]

Account 376 Curve Fitting

[1]	[2]	[3]	[4]	[5]	[6]	[7]
Age (Years)	**Exposures (Dollars)**	**Observed Life Table (OLT)**	**Company R1.5-65**	**OPC R1.5-70**	**Company SSD**	**OPC SSD**
0.0	648,321,407	100.00%	100.00%	100.00%	0.0000	0.0000
0.5	541,573,339	99.93%	99.86%	99.87%	0.0000	0.0000
1.5	456,961,203	99.84%	99.59%	99.62%	0.0000	0.0000
2.5	427,017,929	99.72%	99.30%	99.35%	0.0000	0.0000
3.5	401,134,299	99.41%	99.01%	99.08%	0.0000	0.0000
4.5	374,975,524	99.16%	98.71%	98.80%	0.0000	0.0000
5.5	344,828,866	98.95%	98.39%	98.52%	0.0000	0.0000
6.5	335,681,175	98.82%	98.07%	98.22%	0.0001	0.0000
7.5	317,175,655	98.29%	97.74%	97.92%	0.0000	0.0000
8.5	280,675,080	98.16%	97.41%	97.61%	0.0001	0.0000
9.5	264,374,661	97.65%	97.06%	97.30%	0.0000	0.0000
10.5	250,957,326	97.30%	96.70%	96.97%	0.0000	0.0000
11.5	222,269,979	96.97%	96.33%	96.63%	0.0000	0.0000
12.5	194,423,486	96.29%	95.95%	96.29%	0.0000	0.0000
13.5	188,875,290	96.05%	95.57%	95.94%	0.0000	0.0000
14.5	184,094,925	95.74%	95.17%	95.58%	0.0000	0.0000
15.5	177,566,600	95.47%	94.76%	95.21%	0.0001	0.0000
16.5	172,693,446	94.76%	94.34%	94.83%	0.0000	0.0000
17.5	167,889,335	94.09%	93.91%	94.44%	0.0000	0.0000
18.5	160,439,387	93.66%	93.46%	94.05%	0.0000	0.0000
19.5	152,719,526	93.35%	93.01%	93.64%	0.0000	0.0000
20.5	134,159,854	93.15%	92.54%	93.22%	0.0000	0.0000
21.5	116,013,669	92.52%	92.07%	92.80%	0.0000	0.0000
22.5	86,785,615	91.68%	91.58%	92.36%	0.0000	0.0000
23.5	73,337,570	91.16%	91.07%	91.91%	0.0000	0.0001
24.5	67,985,927	90.87%	90.56%	91.45%	0.0000	0.0000
25.5	64,426,511	90.65%	90.03%	90.98%	0.0000	0.0000
26.5	56,501,901	90.29%	89.48%	90.50%	0.0001	0.0000
27.5	52,476,845	89.71%	88.93%	90.01%	0.0001	0.0000
28.5	48,838,582	89.47%	88.35%	89.50%	0.0001	0.0000
29.5	45,558,921	89.27%	87.76%	88.99%	0.0002	0.0000
30.5	31,547,787	88.70%	87.16%	88.45%	0.0002	0.0000
31.5	27,396,912	87.30%	86.53%	87.91%	0.0001	0.0000
32.5	24,038,588	87.03%	85.90%	87.35%	0.0001	0.0000
33.5	18,523,815	86.92%	85.24%	86.78%	0.0003	0.0000
34.5	15,671,978	86.64%	84.57%	86.19%	0.0004	0.0000
35.5	7,758,560	85.94%	83.87%	85.59%	0.0004	0.0000
36.5	5,525,313	85.94%	83.16%	84.98%	0.0008	0.0001
37.5	2,585,506	85.94%	82.43%	84.34%	0.0012	0.0003
38.5			81.68%	83.70%		

Sum of Squared Differences	[8]	0.0047	0.0008
Up to 1% of Beginning Exposures	[9]	0.0027	0.0005

Account 376 Curve Fitting

[1]	[2]	[3]	[4]	[5]	[6]	[7]
Age (Years)	**Exposures (Dollars)**	**Observed Life Table (OLT)**	**Company R1.5-65**	**OPC R1.5-70**	**Company SSD**	**OPC SSD**

[1] Age in years using half-year convention

[2] Dollars exposed to retirement at the beginning of each age interval

[3] Observed life table based on the Company's property records. These numbers form the original survivor curve.

[4] The Company's selected Iowa curve to be fitted to the OLT.

[5] My selected Iowa curve to be fitted to the OLT.

[6] = ([4] - [3])^2. This is the squared difference between each point on the Company's curve and the observed survivor curve.

[7] = ([5] - [3])^2. This is the squared difference between each point on my curve and the observed survivor curve.

[8] = Sum of squared differences. The smallest SSD represents the best mathematical fit.

Account 376.02 Curve Fitting

[1] Age (Years)	[2] Exposures (Dollars)	[3] Observed Life Table (OLT)	[4] Company R2-75	[5] OPC R2-82	[6] Company SSD	[7] OPC SSD
0.0	718,317,647	100.00%	100.00%	100.00%	0.0000	0.0000
0.5	686,946,183	99.99%	99.94%	99.94%	0.0000	0.0000
1.5	607,707,363	99.95%	99.81%	99.82%	0.0000	0.0000
2.5	554,375,087	99.91%	99.67%	99.70%	0.0000	0.0000
3.5	480,125,145	99.83%	99.53%	99.57%	0.0000	0.0000
4.5	434,413,125	99.75%	99.38%	99.44%	0.0000	0.0000
5.5	395,438,698	99.63%	99.22%	99.30%	0.0000	0.0000
6.5	363,804,229	99.56%	99.06%	99.15%	0.0000	0.0000
7.5	334,909,140	99.41%	98.89%	99.00%	0.0000	0.0000
8.5	307,738,057	99.14%	98.72%	98.85%	0.0000	0.0000
9.5	292,167,211	98.92%	98.53%	98.68%	0.0000	0.0000
10.5	267,609,272	98.77%	98.34%	98.51%	0.0000	0.0000
11.5	240,466,945	98.58%	98.14%	98.34%	0.0000	0.0000
12.5	221,021,390	98.40%	97.93%	98.15%	0.0000	0.0000
13.5	212,658,129	98.24%	97.72%	97.96%	0.0000	0.0000
14.5	205,324,043	98.06%	97.49%	97.77%	0.0000	0.0000
15.5	199,334,008	97.79%	97.25%	97.56%	0.0000	0.0000
16.5	192,206,325	97.39%	97.01%	97.35%	0.0000	0.0000
17.5	183,742,823	97.26%	96.76%	97.13%	0.0000	0.0000
18.5	174,553,830	97.14%	96.49%	96.90%	0.0000	0.0000
19.5	162,451,972	97.03%	96.22%	96.67%	0.0001	0.0000
20.5	141,111,418	96.92%	95.93%	96.42%	0.0001	0.0000
21.5	112,895,133	96.69%	95.64%	96.17%	0.0001	0.0000
22.5	93,134,319	96.57%	95.33%	95.91%	0.0002	0.0000
23.5	77,886,438	96.31%	95.01%	95.64%	0.0002	0.0000
24.5	69,680,459	96.11%	94.68%	95.36%	0.0002	0.0001
25.5	64,141,335	95.85%	94.34%	95.07%	0.0002	0.0001
26.5	56,534,958	95.68%	93.98%	94.77%	0.0003	0.0001
27.5	49,781,639	95.32%	93.61%	94.46%	0.0003	0.0001
28.5	43,254,415	94.70%	93.23%	94.14%	0.0002	0.0000
29.5	39,728,308	94.27%	92.83%	93.80%	0.0002	0.0000
30.5	36,041,415	93.82%	92.42%	93.46%	0.0002	0.0000
31.5	28,227,148	93.22%	92.00%	93.11%	0.0001	0.0000
32.5	23,693,437	93.03%	91.56%	92.74%	0.0002	0.0000
33.5	18,382,108	92.26%	91.10%	92.36%	0.0001	0.0000
34.5	14,098,699	91.83%	90.64%	91.98%	0.0001	0.0000
35.5	8,632,382	89.75%	90.15%	91.57%	0.0000	0.0003
36.5	5,391,567	88.39%	89.65%	91.16%	0.0002	0.0008
37.5	2,206,621	86.87%	89.13%	90.73%	0.0005	0.0015
38.5			88.59%	90.29%		

Sum of Squared Differences	[8]	0.0039	0.0032
Up to 1% of Beginning Exposures	[9]	0.0032	0.0006

Account 376.02 Curve Fitting

[1]	[2]	[3]	[4]	[5]	[6]	[7]
Age (Years)	**Exposures (Dollars)**	**Observed Life Table (OLT)**	**Company R2-75**	**OPC R2-82**	**Company SSD**	**OPC SSD**

[1] Age in years using half-year convention

[2] Dollars exposed to retirement at the beginning of each age interval

[3] Observed life table based on the Company's property records. These numbers form the original survivor curve.

[4] The Company's selected Iowa curve to be fitted to the OLT.

[5] My selected Iowa curve to be fitted to the OLT.

[6] = ([4] - [3])^2. This is the squared difference between each point on the Company's curve and the observed survivor curve.

[7] = ([5] - [3])^2. This is the squared difference between each point on my curve and the observed survivor curve.

[8] = Sum of squared differences. The smallest SSD represents the best mathematical fit.

Account 379 Curve Fitting

[1]	[2]	[3]	[4]	[5]	[6]	[7]
Age (Years)	**Exposures (Dollars)**	**Observed Life Table (OLT)**	**Company R2-52**	**OPC R2-60**	**Company SSD**	**OPC SSD**
0.0	85,002,255	100.00%	100.00%	100.00%	0.0000	0.0000
0.5	71,266,018	100.00%	99.91%	99.92%	0.0000	0.0000
1.5	64,775,833	100.00%	99.72%	99.76%	0.0000	0.0000
2.5	59,044,730	100.00%	99.51%	99.58%	0.0000	0.0000
3.5	50,711,570	99.99%	99.30%	99.40%	0.0000	0.0000
4.5	40,794,252	99.97%	99.06%	99.20%	0.0001	0.0001
5.5	34,544,747	99.89%	98.82%	99.00%	0.0001	0.0001
6.5	33,265,036	99.89%	98.56%	98.78%	0.0002	0.0001
7.5	32,338,795	99.87%	98.28%	98.56%	0.0003	0.0002
8.5	25,852,064	99.72%	97.98%	98.32%	0.0003	0.0002
9.5	20,499,356	99.54%	97.67%	98.06%	0.0003	0.0002
10.5	18,685,184	99.26%	97.34%	97.80%	0.0004	0.0002
11.5	16,968,658	99.07%	96.99%	97.52%	0.0004	0.0002
12.5	11,551,896	98.91%	96.62%	97.22%	0.0005	0.0003
13.5	9,354,860	98.86%	96.23%	96.92%	0.0007	0.0004
14.5	7,911,883	98.76%	95.81%	96.59%	0.0009	0.0005
15.5	7,682,536	98.01%	95.37%	96.25%	0.0007	0.0003
16.5	7,109,142	98.01%	94.91%	95.90%	0.0010	0.0004
17.5	6,222,900	97.54%	94.43%	95.52%	0.0010	0.0004
18.5	5,411,483	97.09%	93.91%	95.13%	0.0010	0.0004
19.5	5,279,233	96.00%	93.37%	94.72%	0.0007	0.0002
20.5	4,461,163	94.24%	92.81%	94.29%	0.0002	0.0000
21.5	3,880,402	94.19%	92.21%	93.84%	0.0004	0.0000
22.5	3,430,619	93.91%	91.58%	93.37%	0.0005	0.0000
23.5	3,363,203	93.89%	90.92%	92.88%	0.0009	0.0001
24.5	2,512,489	93.88%	90.23%	92.37%	0.0013	0.0002
25.5	2,484,172	93.86%	89.50%	91.84%	0.0019	0.0004
26.5	2,420,508	93.39%	88.74%	91.28%	0.0022	0.0004
27.5	2,224,447	92.93%	87.94%	90.69%	0.0025	0.0005
28.5	1,276,540	92.57%	87.11%	90.09%	0.0030	0.0006
29.5	892,341	92.57%	86.23%	89.45%	0.0040	0.0010
30.5	805,855	92.57%	85.31%	88.79%	0.0053	0.0014
31.5	713,961	92.57%	84.35%	88.10%	0.0068	0.0020
32.5	443,075	92.57%	83.35%	87.39%	0.0085	0.0027
33.5	438,401	92.57%	82.31%	86.64%	0.0105	0.0035
34.5	434,300	92.54%	81.21%	85.87%	0.0128	0.0045
35.5	306,350	92.36%	80.08%	85.06%	0.0151	0.0053
36.5	306,063	92.36%	78.89%	84.22%	0.0181	0.0066
37.5	98,170	92.36%	77.65%	83.35%	0.0216	0.0081
38.5			76.37%	82.45%		

Sum of Squared Differences	[8]	0.1242	0.0417
Up to 1% of Beginning Exposures	[9]	0.0255	0.0075

Account 379 Curve Fitting

[1]	[2]	[3]	[4]	[5]	[6]	[7]
Age (Years)	**Exposures (Dollars)**	**Observed Life Table (OLT)**	**Company R2-52**	**OPC R2-60**	**Company SSD**	**OPC SSD**

[1] Age in years using half-year convention

[2] Dollars exposed to retirement at the beginning of each age interval

[3] Observed life table based on the Company's property records. These numbers form the original survivor curve.

[4] The Company's selected Iowa curve to be fitted to the OLT.

[5] My selected Iowa curve to be fitted to the OLT.

[6] = ([4] - [3])^2. This is the squared difference between each point on the Company's curve and the observed survivor curve.

[7] = ([5] - [3])^2. This is the squared difference between each point on my curve and the observed survivor curve.

[8] = Sum of squared differences. The smallest SSD represents the best mathematical fit.

Account 380.02 Curve Fitting

[1] Age (Years)	[2] Exposures (Dollars)	[3] Observed Life Table (OLT)	[4] Company R2.5-55	[5] OPC R2-62	[6] Company SSD	[7] OPC SSD
0.0	492,869,276	100.00%	100.00%	100.00%	0.0000	0.0000
0.5	438,319,473	100.00%	99.95%	99.92%	0.0000	0.0000
1.5	388,385,844	99.95%	99.84%	99.76%	0.0000	0.0000
2.5	346,837,446	99.89%	99.73%	99.60%	0.0000	0.0000
3.5	304,479,342	99.80%	99.61%	99.42%	0.0000	0.0000
4.5	278,797,174	99.69%	99.47%	99.23%	0.0000	0.0000
5.5	253,523,991	99.48%	99.33%	99.04%	0.0000	0.0000
6.5	235,127,088	99.20%	99.18%	98.83%	0.0000	0.0000
7.5	218,471,268	98.94%	99.01%	98.61%	0.0000	0.0000
8.5	204,170,954	98.64%	98.84%	98.38%	0.0000	0.0000
9.5	192,254,447	98.39%	98.65%	98.14%	0.0000	0.0000
10.5	182,642,503	98.14%	98.44%	97.89%	0.0000	0.0000
11.5	173,774,250	97.80%	98.22%	97.62%	0.0000	0.0000
12.5	167,035,660	97.47%	97.99%	97.34%	0.0000	0.0000
13.5	158,372,617	97.06%	97.74%	97.05%	0.0000	0.0000
14.5	148,304,325	96.75%	97.47%	96.75%	0.0001	0.0000
15.5	136,928,479	96.40%	97.18%	96.42%	0.0001	0.0000
16.5	126,160,595	96.03%	96.87%	96.09%	0.0001	0.0000
17.5	114,818,585	95.61%	96.54%	95.74%	0.0001	0.0000
18.5	103,741,894	95.27%	96.19%	95.37%	0.0001	0.0000
19.5	93,699,353	94.83%	95.81%	94.98%	0.0001	0.0000
20.5	90,698,114	94.46%	95.41%	94.58%	0.0001	0.0000
21.5	67,964,001	94.09%	94.99%	94.16%	0.0001	0.0000
22.5	60,131,529	93.60%	94.53%	93.72%	0.0001	0.0000
23.5	54,089,701	93.20%	94.05%	93.26%	0.0001	0.0000
24.5	48,063,016	92.80%	93.53%	92.78%	0.0001	0.0000
25.5	42,844,094	92.34%	92.99%	92.28%	0.0000	0.0000
26.5	37,877,819	91.73%	92.41%	91.76%	0.0000	0.0000
27.5	32,711,229	91.27%	91.80%	91.21%	0.0000	0.0000
28.5	27,637,593	90.74%	91.15%	90.65%	0.0000	0.0000
29.5	23,938,867	90.47%	90.46%	90.06%	0.0000	0.0000
30.5	20,163,181	90.02%	89.73%	89.44%	0.0000	0.0000
31.5	16,211,476	89.52%	88.96%	88.80%	0.0000	0.0001
32.5	13,200,221	89.08%	88.15%	88.14%	0.0001	0.0001
33.5	9,925,354	88.79%	87.29%	87.45%	0.0002	0.0002
34.5	7,207,777	88.30%	86.38%	86.73%	0.0004	0.0002
35.5	4,719,916	88.01%	85.43%	85.98%	0.0007	0.0004
36.5	2,827,923	85.44%	84.42%	85.21%	0.0001	0.0000
37.5	1,420,038	84.84%	83.36%	84.40%	0.0002	0.0000
38.5			82.25%	83.57%		

Sum of Squared Differences	[8]	0.0028	0.0012
Up to 1% of Beginning Exposures	[9]	0.0018	0.0007

Account 380.02 Curve Fitting

[1]	[2]	[3]	[4]	[5]	[6]	[7]
Age (Years)	**Exposures (Dollars)**	**Observed Life Table (OLT)**	**Company R2.5-55**	**OPC R2-62**	**Company SSD**	**OPC SSD**

[1] Age in years using half-year convention

[2] Dollars exposed to retirement at the beginning of each age interval

[3] Observed life table based on the Company's property records. These numbers form the original survivor curve.

[4] The Company's selected Iowa curve to be fitted to the OLT.

[5] My selected Iowa curve to be fitted to the OLT.

[6] = ([4] - [3])^2. This is the squared difference between each point on the Company's curve and the observed survivor curve.

[7] = ([5] - [3])^2. This is the squared difference between each point on my curve and the observed survivor curve.

[8] = Sum of squared differences. The smallest SSD represents the best mathematical fit.

Account 382 Curve Fitting

[1] Age (Years)	[2] Exposures (Dollars)	[3] Observed Life Table (OLT)	[4] Company R1.5-45	[5] OPC R0.5-55	[6] Company SSD	[7] OPC SSD
0.0	87,523,752	100.00%	100.00%	100.00%	0.0000	0.0000
0.5	79,101,492	99.99%	99.80%	99.66%	0.0000	0.0000
1.5	71,411,446	99.22%	99.40%	98.96%	0.0000	0.0000
2.5	64,604,275	97.77%	98.98%	98.26%	0.0001	0.0000
3.5	58,496,833	96.40%	98.53%	97.56%	0.0005	0.0001
4.5	54,359,525	95.14%	98.07%	96.85%	0.0009	0.0003
5.5	49,950,306	93.71%	97.60%	96.13%	0.0015	0.0006
6.5	47,087,399	92.93%	97.10%	95.40%	0.0017	0.0006
7.5	44,166,391	91.76%	96.58%	94.67%	0.0023	0.0008
8.5	41,871,506	90.81%	96.04%	93.94%	0.0027	0.0010
9.5	39,474,362	89.77%	95.48%	93.20%	0.0033	0.0012
10.5	36,860,190	88.82%	94.90%	92.45%	0.0037	0.0013
11.5	34,554,002	88.09%	94.29%	91.70%	0.0038	0.0013
12.5	32,237,416	87.36%	93.66%	90.94%	0.0040	0.0013
13.5	29,789,375	86.51%	93.01%	90.17%	0.0042	0.0013
14.5	27,385,975	85.71%	92.33%	89.40%	0.0044	0.0014
15.5	24,627,017	85.07%	91.63%	88.63%	0.0043	0.0013
16.5	21,533,374	84.37%	90.90%	87.85%	0.0043	0.0012
17.5	19,191,190	83.76%	90.15%	87.06%	0.0041	0.0011
18.5	16,716,151	83.24%	89.36%	86.27%	0.0037	0.0009
19.5	14,690,210	82.79%	88.54%	85.47%	0.0033	0.0007
20.5	14,587,915	82.22%	87.70%	84.66%	0.0030	0.0006
21.5	10,980,951	81.93%	86.81%	83.85%	0.0024	0.0004
22.5	7,971,910	81.56%	85.90%	83.03%	0.0019	0.0002
23.5	7,039,025	81.32%	84.94%	82.21%	0.0013	0.0001
24.5	6,313,879	81.11%	83.95%	81.38%	0.0008	0.0000
25.5	5,875,777	80.63%	82.92%	80.54%	0.0005	0.0000
26.5	5,087,687	80.24%	81.84%	79.69%	0.0003	0.0000
27.5	4,157,653	79.61%	80.73%	78.83%	0.0001	0.0001
28.5	3,592,193	79.29%	79.57%	77.97%	0.0000	0.0002
29.5	3,146,266	78.79%	78.36%	77.10%	0.0000	0.0003
30.5	2,779,304	78.52%	77.11%	76.21%	0.0002	0.0005
31.5	2,372,321	78.36%	75.81%	75.32%	0.0006	0.0009
32.5	2,048,625	77.91%	74.47%	74.42%	0.0012	0.0012
33.5	1,753,213	77.49%	73.07%	73.51%	0.0020	0.0016
34.5	1,474,509	77.43%	71.62%	72.59%	0.0034	0.0023
35.5	1,208,405	76.60%	70.12%	71.66%	0.0042	0.0024
36.5	736,051	76.23%	68.57%	70.72%	0.0059	0.0030
37.5	403,951	76.23%	66.97%	69.77%	0.0086	0.0042
38.5			65.32%	68.81%		

Sum of Squared Differences	[8]	0.0892	0.0345
Up to 1% of Beginning Exposures	[9]	0.0747	0.0273

Account 382 Curve Fitting

[1]	[2]	[3]	[4]	[5]	[6]	[7]
Age (Years)	**Exposures (Dollars)**	**Observed Life Table (OLT)**	**Company R1.5-45**	**OPC R0.5-55**	**Company SSD**	**OPC SSD**

[1] Age in years using half-year convention
[2] Dollars exposed to retirement at the beginning of each age interval
[3] Observed life table based on the Company's property records. These numbers form the original survivor curve.
[4] The Company's selected Iowa curve to be fitted to the OLT.
[5] My selected Iowa curve to be fitted to the OLT.
[6] = ([4] - [3])^2. This is the squared difference between each point on the Company's curve and the observed survivor curve.
[7] = ([5] - [3])^2. This is the squared difference between each point on my curve and the observed survivor curve.
[8] = Sum of squared differences. The smallest SSD represents the best mathematical fit.

Observed Life Table

Scenario: **Peoples Gas @ 2021**
Account: **37600**
Placement Band: **1983 - 2021**
Observation Band: **1983 - 2021**

Age at Beginning of Interval	Exposures at Beginning of Interval	Retirements During Interval	Retirement Ratio	Survivor Ratio	Percent Surv at Beginning of Interval
0	648,321,407.21	482,166.50	0.00074	0.99926	100.00
0.5	541,573,338.85	463,588.68	0.00086	0.99914	99.93
1.5	456,961,202.70	538,288.35	0.00118	0.99882	99.84
2.5	427,017,929.25	1,328,658.10	0.00311	0.99689	99.72
3.5	401,134,299.07	1,039,001.69	0.00259	0.99741	99.41
4.5	374,975,524.05	763,501.43	0.00204	0.99796	99.16
5.5	344,828,866.29	464,423.48	0.00135	0.99865	98.95
6.5	335,681,175.31	1,811,543.42	0.00540	0.99460	98.82
7.5	317,175,655.23	392,071.39	0.00124	0.99876	98.29
8.5	280,675,079.96	1,464,765.79	0.00522	0.99478	98.16
9.5	264,374,660.59	940,597.30	0.00356	0.99644	97.65
10.5	250,957,326.25	854,270.09	0.00340	0.99660	97.30
11.5	222,269,978.80	1,555,358.73	0.00700	0.99300	96.97
12.5	194,423,486.26	495,588.64	0.00255	0.99745	96.29
13.5	188,875,290.28	598,040.57	0.00317	0.99683	96.05
14.5	184,094,924.84	528,359.29	0.00287	0.99713	95.74
15.5	177,566,600.32	1,325,327.88	0.00746	0.99254	95.47
16.5	172,693,446.19	1,215,876.72	0.00704	0.99296	94.76
17.5	167,889,335.10	773,711.42	0.00461	0.99539	94.09
18.5	160,439,386.77	526,969.37	0.00328	0.99672	93.66
19.5	152,719,525.70	320,549.01	0.00210	0.99790	93.35
20.5	134,159,854.23	913,061.18	0.00681	0.99319	93.15
21.5	116,013,669.11	1,053,951.28	0.00908	0.99092	92.52
22.5	86,785,614.83	495,420.39	0.00571	0.99429	91.68
23.5	73,337,569.59	227,857.79	0.00311	0.99689	91.16
24.5	67,985,926.84	168,062.00	0.00247	0.99753	90.87
25.5	64,426,510.72	253,411.25	0.00393	0.99607	90.65
26.5	56,501,901.24	365,972.64	0.00648	0.99352	90.29
27.5	52,476,844.86	136,991.02	0.00261	0.99739	89.71
28.5	48,838,581.83	113,124.38	0.00232	0.99768	89.47
29.5	45,558,921.01	291,024.24	0.00639	0.99361	89.27
30.5	31,547,786.78	495,526.53	0.01571	0.98429	88.70
31.5	27,396,911.65	84,088.06	0.00307	0.99693	87.30
32.5	24,038,587.78	30,425.97	0.00127	0.99873	87.03
33.5	18,523,815.24	60,543.80	0.00327	0.99673	86.92
34.5	15,671,978.37	126,426.93	0.00807	0.99193	86.64
35.5	7,758,559.63	0.00	0.00000	1.00000	85.94
36.5	5,525,313.40	0.00	0.00000	1.00000	85.94
37.5	2,585,506.30	0.00	0.00000	1.00000	85.94
38.5	0.00	0.00	0.00000	0.00000	85.94

Observed Life Table

Scenario: **Peoples Gas @ 2021**
Account: **37602**
Placement Band: **1983 - 2021** **Observation Band:** **1983 - 2021**

Age at Beginning of Interval	Exposures at Beginning of Interval	Retirements During Interval	Retirement Ratio	Survivor Ratio	Percent Surv at Beginning of Interval
0	718,317,647.45	104,072.62	0.00014	0.99986	100.00
0.5	686,946,183.15	261,344.57	0.00038	0.99962	99.99
1.5	607,707,363.11	249,635.18	0.00041	0.99959	99.95
2.5	554,375,086.93	439,874.47	0.00079	0.99921	99.91
3.5	480,125,145.35	399,322.21	0.00083	0.99917	99.83
4.5	434,413,124.59	521,753.10	0.00120	0.99880	99.75
5.5	395,438,698.14	275,689.20	0.00070	0.99930	99.63
6.5	363,804,228.66	542,235.24	0.00149	0.99851	99.56
7.5	334,909,140.29	901,204.16	0.00269	0.99731	99.41
8.5	307,738,057.25	697,818.49	0.00227	0.99773	99.14
9.5	292,167,210.91	445,159.90	0.00152	0.99848	98.92
10.5	267,609,272.25	505,860.16	0.00189	0.99811	98.77
11.5	240,466,944.56	443,354.12	0.00184	0.99816	98.58
12.5	221,021,389.76	359,153.19	0.00162	0.99838	98.40
13.5	212,658,129.15	377,637.74	0.00178	0.99822	98.24
14.5	205,324,043.04	580,010.97	0.00282	0.99718	98.06
15.5	199,334,008.11	805,643.10	0.00404	0.99596	97.79
16.5	192,206,324.96	269,861.92	0.00140	0.99860	97.39
17.5	183,742,822.90	215,364.56	0.00117	0.99883	97.26
18.5	174,553,829.59	191,218.94	0.00110	0.99890	97.14
19.5	162,451,971.50	190,526.21	0.00117	0.99883	97.03
20.5	141,111,418.03	340,872.69	0.00242	0.99758	96.92
21.5	112,895,133.45	130,003.63	0.00115	0.99885	96.69
22.5	93,134,319.03	256,013.46	0.00275	0.99725	96.57
23.5	77,886,437.70	161,447.82	0.00207	0.99793	96.31
24.5	69,680,458.79	186,182.34	0.00267	0.99733	96.11
25.5	64,141,334.64	118,915.56	0.00185	0.99815	95.85
26.5	56,534,957.78	209,261.18	0.00370	0.99630	95.68
27.5	49,781,638.93	326,171.42	0.00655	0.99345	95.32
28.5	43,254,414.86	196,444.90	0.00454	0.99546	94.70
29.5	39,728,307.62	187,448.71	0.00472	0.99528	94.27
30.5	36,041,415.49	229,419.28	0.00637	0.99363	93.82
31.5	28,227,148.24	57,882.59	0.00205	0.99795	93.22
32.5	23,693,436.62	197,461.28	0.00833	0.99167	93.03
33.5	18,382,108.39	85,265.54	0.00464	0.99536	92.26
34.5	14,098,698.80	319,831.07	0.02269	0.97731	91.83
35.5	8,632,381.74	130,057.42	0.01507	0.98493	89.75
36.5	5,391,566.60	92,973.34	0.01724	0.98276	88.39
37.5	2,206,621.15	0.00	0.00000	1.00000	86.87
38.5	0.00	0.00	0.00000	0.00000	86.87

Observed Life Table

Scenario: **Peoples Gas @ 2021**
Account: **37900**
Placement Band: **1983 - 2021**
Observation Band: **1983 - 2021**

Age at Beginning of Interval	Exposures at Beginning of Interval	Retirements During Interval	Retirement Ratio	Survivor Ratio	Percent Surv at Beginning of Interval
0	85,002,255.15	0.00	0.00000	1.00000	100.00
0.5	71,266,017.54	2,894.25	0.00004	0.99996	100.00
1.5	64,775,833.01	0.00	0.00000	1.00000	100.00
2.5	59,044,730.27	3,771.99	0.00006	0.99994	100.00
3.5	50,711,569.87	12,283.86	0.00024	0.99976	99.99
4.5	40,794,252.13	32,417.01	0.00079	0.99921	99.97
5.5	34,544,747.41	0.00	0.00000	1.00000	99.89
6.5	33,265,036.32	4,513.78	0.00014	0.99986	99.89
7.5	32,338,795.48	49,058.55	0.00152	0.99848	99.87
8.5	25,852,063.58	47,226.14	0.00183	0.99817	99.72
9.5	20,499,356.17	56,608.62	0.00276	0.99724	99.54
10.5	18,685,184.24	35,671.66	0.00191	0.99809	99.26
11.5	16,968,658.09	27,350.97	0.00161	0.99839	99.07
12.5	11,551,895.56	6,425.59	0.00056	0.99944	98.91
13.5	9,354,859.51	9,816.11	0.00105	0.99895	98.86
14.5	7,911,883.40	59,326.57	0.00750	0.99250	98.76
15.5	7,682,536.21	0.00	0.00000	1.00000	98.01
16.5	7,109,142.26	34,437.40	0.00484	0.99516	98.01
17.5	6,222,899.96	28,810.44	0.00463	0.99537	97.54
18.5	5,411,483.17	60,632.95	0.01120	0.98880	97.09
19.5	5,279,232.50	96,759.07	0.01833	0.98167	96.00
20.5	4,461,162.74	2,635.15	0.00059	0.99941	94.24
21.5	3,880,402.17	11,345.83	0.00292	0.99708	94.19
22.5	3,430,618.57	784.95	0.00023	0.99977	93.91
23.5	3,363,203.16	125.06	0.00004	0.99996	93.89
24.5	2,512,488.83	586.97	0.00023	0.99977	93.88
25.5	2,484,172.43	12,614.00	0.00508	0.99492	93.86
26.5	2,420,507.85	11,834.25	0.00489	0.99511	93.39
27.5	2,224,447.17	8,655.42	0.00389	0.99611	92.93
28.5	1,276,540.04	0.00	0.00000	1.00000	92.57
29.5	892,341.27	0.00	0.00000	1.00000	92.57
30.5	805,855.47	0.00	0.00000	1.00000	92.57
31.5	713,961.42	0.00	0.00000	1.00000	92.57
32.5	443,074.97	0.00	0.00000	1.00000	92.57
33.5	438,401.26	152.62	0.00035	0.99965	92.57
34.5	434,300.12	808.95	0.00186	0.99814	92.54
35.5	306,349.54	0.00	0.00000	1.00000	92.36
36.5	306,062.54	0.00	0.00000	1.00000	92.36
37.5	98,169.98	0.00	0.00000	1.00000	92.36
38.5	0.00	0.00	0.00000	0.00000	92.36

Observed Life Table

Scenario: **Peoples Gas @ 2021**
Account: **38002**
Placement Band: **1983 - 2021** **Observation Band:** **1983 - 2021**

Age at Beginning of Interval	Exposures at Beginning of Interval	Retirements During Interval	Retirement Ratio	Survivor Ratio	Percent Surv at Beginning of Interval
0	492,869,276.42	6,071.24	0.00001	0.99999	100.00
0.5	438,319,472.83	195,515.12	0.00045	0.99955	100.00
1.5	388,385,844.39	269,083.03	0.00069	0.99931	99.95
2.5	346,837,445.76	287,572.94	0.00083	0.99917	99.89
3.5	304,479,341.72	356,298.20	0.00117	0.99883	99.80
4.5	278,797,173.50	566,786.28	0.00203	0.99797	99.69
5.5	253,523,990.59	729,236.48	0.00288	0.99712	99.48
6.5	235,127,087.77	615,981.40	0.00262	0.99738	99.20
7.5	218,471,267.68	659,616.39	0.00302	0.99698	98.94
8.5	204,170,954.08	515,700.54	0.00253	0.99747	98.64
9.5	192,254,446.93	491,060.40	0.00255	0.99745	98.39
10.5	182,642,502.67	632,800.35	0.00346	0.99654	98.14
11.5	173,774,250.49	579,670.78	0.00334	0.99666	97.80
12.5	167,035,660.44	701,377.78	0.00420	0.99580	97.47
13.5	158,372,616.57	498,279.56	0.00315	0.99685	97.06
14.5	148,304,324.94	542,634.31	0.00366	0.99634	96.75
15.5	136,928,478.99	525,658.19	0.00384	0.99616	96.40
16.5	126,160,594.89	556,260.23	0.00441	0.99559	96.03
17.5	114,818,585.09	401,276.47	0.00349	0.99651	95.61
18.5	103,741,894.47	481,525.23	0.00464	0.99536	95.27
19.5	93,699,352.93	364,906.18	0.00389	0.99611	94.83
20.5	90,698,113.54	359,414.17	0.00396	0.99604	94.46
21.5	67,964,001.07	349,014.52	0.00514	0.99486	94.09
22.5	60,131,528.66	257,854.40	0.00429	0.99571	93.60
23.5	54,089,701.36	233,071.27	0.00431	0.99569	93.20
24.5	48,063,016.35	240,230.14	0.00500	0.99500	92.80
25.5	42,844,093.77	279,793.54	0.00653	0.99347	92.34
26.5	37,877,819.37	193,065.95	0.00510	0.99490	91.73
27.5	32,711,229.44	187,261.94	0.00572	0.99428	91.27
28.5	27,637,593.45	82,339.74	0.00298	0.99702	90.74
29.5	23,938,867.42	120,942.56	0.00505	0.99495	90.47
30.5	20,163,181.47	112,330.81	0.00557	0.99443	90.02
31.5	16,211,476.05	79,488.33	0.00490	0.99510	89.52
32.5	13,200,220.73	42,775.61	0.00324	0.99676	89.08
33.5	9,925,353.65	54,237.72	0.00546	0.99454	88.79
34.5	7,207,777.06	24,176.02	0.00335	0.99665	88.30
35.5	4,719,915.58	137,539.05	0.02914	0.97086	88.01
36.5	2,827,922.94	19,836.35	0.00701	0.99299	85.44
37.5	1,420,038.07	13,800.57	0.00972	0.99028	84.84
38.5	0.00	0.00	0.00000	0.00000	84.02

Observed Life Table

Scenario: **Peoples Gas @ 2021**
Account: **38200**
Placement Band: **1983 - 2021** **Observation Band:** **1983 - 2021**

Age at Beginning of Interval	Exposures at Beginning of Interval	Retirements During Interval	Retirement Ratio	Survivor Ratio	Percent Surv at Beginning of Interval
0	87,523,752.32	11,729.15	0.00013	0.99987	100.00
0.5	79,101,491.54	604,262.17	0.00764	0.99236	99.99
1.5	71,411,446.26	1,046,797.32	0.01466	0.98534	99.22
2.5	64,604,274.58	901,403.61	0.01395	0.98605	97.77
3.5	58,496,832.72	766,808.13	0.01311	0.98689	96.40
4.5	54,359,525.10	818,527.48	0.01506	0.98494	95.14
5.5	49,950,306.31	412,201.35	0.00825	0.99175	93.71
6.5	47,087,399.24	593,758.32	0.01261	0.98739	92.93
7.5	44,166,390.71	460,832.58	0.01043	0.98957	91.76
8.5	41,871,506.13	478,431.57	0.01143	0.98857	90.81
9.5	39,474,361.97	416,304.46	0.01055	0.98945	89.77
10.5	36,860,189.89	304,262.70	0.00825	0.99175	88.82
11.5	34,554,001.63	286,461.23	0.00829	0.99171	88.09
12.5	32,237,416.05	311,057.39	0.00965	0.99035	87.36
13.5	29,789,374.83	277,030.25	0.00930	0.99070	86.51
14.5	27,385,975.10	204,442.10	0.00747	0.99253	85.71
15.5	24,627,016.74	201,879.07	0.00820	0.99180	85.07
16.5	21,533,374.45	157,201.25	0.00730	0.99270	84.37
17.5	19,191,189.74	118,796.26	0.00619	0.99381	83.76
18.5	16,716,150.55	89,919.17	0.00538	0.99462	83.24
19.5	14,690,210.15	101,434.87	0.00690	0.99310	82.79
20.5	14,587,914.98	51,274.27	0.00351	0.99649	82.22
21.5	10,980,951.24	48,897.33	0.00445	0.99555	81.93
22.5	7,971,910.27	23,604.37	0.00296	0.99704	81.56
23.5	7,039,025.27	18,847.88	0.00268	0.99732	81.32
24.5	6,313,878.64	37,288.03	0.00591	0.99409	81.11
25.5	5,875,776.79	28,382.21	0.00483	0.99517	80.63
26.5	5,087,686.94	39,810.89	0.00782	0.99218	80.24
27.5	4,157,652.67	16,506.79	0.00397	0.99603	79.61
28.5	3,592,192.95	22,973.32	0.00640	0.99360	79.29
29.5	3,146,265.90	10,763.49	0.00342	0.99658	78.79
30.5	2,779,304.31	5,528.47	0.00199	0.99801	78.52
31.5	2,372,321.04	13,631.81	0.00575	0.99425	78.36
32.5	2,048,625.33	11,077.95	0.00541	0.99459	77.91
33.5	1,753,213.02	1,309.08	0.00075	0.99925	77.49
34.5	1,474,509.03	15,760.20	0.01069	0.98931	77.43
35.5	1,208,404.52	5,966.00	0.00494	0.99506	76.60
36.5	736,050.84	0.00	0.00000	1.00000	76.23
37.5	403,951.26	0.00	0.00000	1.00000	76.23
38.5	0.00	0.00	0.00000	0.00000	76.23

PGS
Gas Division
303.00 Misc. Intangible Plant

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % **Average Service Life:** 25 **Survivor Curve:** SQ

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1993	280,914.31	0.00	0.00	1.00000	280,914
1995	246,442.67	0.00	0.00	1.00000	246,443
1997	287,968.09	0.00	0.00	1.00000	287,968
Total	815,325.07				815,325.07

PGS

Gas Division

303.01 Custom Intangible Plant

Original Cost Of Utility Plant In Service

And Development Of Calculated Depr Reserve as of December 31, 2024

Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % Average Service Life: 15 Survivor Curve: SQ

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2001	802,351.27	0.00	0.00	1.00000	802,351
2002	1,434,764.12	0.00	0.00	1.00000	1,434,764
2003	29,233.07	0.00	0.00	1.00000	29,233
2004	130,041.41	0.00	0.00	1.00000	130,041
2005	173,913.05	0.00	0.00	1.00000	173,913
2006	371,049.12	0.00	0.00	1.00000	371,049
2007	122,538.29	0.00	0.00	1.00000	122,538
2009	3,203,016.29	0.00	0.00	1.00000	3,203,016
2010	1,703,606.70	0.50	15.00	0.96667	1,646,820
2011	2,758,629.14	1.50	15.00	0.90000	2,482,766
2012	7,542,446.68	2.50	15.00	0.83333	6,285,372
2013	720,847.71	3.50	15.00	0.76667	552,650
2014	1,362,236.89	4.50	15.00	0.70000	953,566
2015	4,290,931.54	5.50	15.00	0.63333	2,717,590
2016	1,962,769.57	6.50	15.00	0.56667	1,112,236
2017	404,501.34	7.50	15.00	0.50000	202,251
2018	2,495,160.72	8.50	15.00	0.43333	1,081,236
2019	2,714,500.03	9.50	15.00	0.36667	995,317
2020	16,288,279.03	10.50	15.00	0.30000	4,886,484
2021	6,333,965.16	11.50	15.00	0.23333	1,477,925
2022	6,856,246.60	12.50	15.00	0.16667	1,142,708
2023	48,825,616.26	13.50	15.00	0.10000	4,882,562
2024	14,303,044.80	14.50	15.00	0.03333	476,768
Total	124,829,688.79				37,163,156.81

PGS
Gas Division
336.00 Renewable Natural Gas (RNG)

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -5 % *Average Service Life:* 30 *Survivor Curve:* R2

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2023	16,109,646.34	28.65	30.00	0.04728	761,620
Total	16,109,646.34				761,619.95

PGS
Gas Division
336.01 RNG Plant Leased - 15 Years

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % **Average Service Life:** 15 **Survivor Curve:** SQ

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2023	35,668,591.62	13.50	15.00	0.10000	3,566,859
Total	35,668,591.62				3,566,859.16

PGS
Gas Division
364.00 Liquified Natural Gas (LNG)

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -5 % **Average Service Life:** 30 **Survivor Curve:** R2

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2023	1,485,380.05	28.65	30.00	0.04728	70,225
2024	17,975.92	29.55	30.00	0.01584	285
Total	1,503,355.97				70,509.44

PGS
Gas Division
374.02 Land Rights

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % **Average Service Life:** 75 **Survivor Curve:** SQ

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1959	8,763.01	9.50	75.00	0.87333	7,653
1960	1,079.04	10.50	75.00	0.86000	928
1962	1,233.71	12.50	75.00	0.83333	1,028
1963	8,082.60	13.50	75.00	0.82000	6,628
1964	8,772.19	14.50	75.00	0.80667	7,076
1965	35,291.61	15.50	75.00	0.79333	27,998
1966	10,891.57	16.50	75.00	0.78000	8,495
1967	27,128.87	17.50	75.00	0.76667	20,799
1968	76,841.25	18.50	75.00	0.75333	57,887
1969	127,678.07	19.50	75.00	0.74000	94,482
1970	116,665.02	20.50	75.00	0.72667	84,777
1971	98,904.72	21.50	75.00	0.71333	70,552
1972	124,757.77	22.50	75.00	0.70000	87,330
1973	15,101.53	23.50	75.00	0.68667	10,370
1974	14,682.24	24.50	75.00	0.67333	9,886
1975	10,955.04	25.50	75.00	0.66000	7,230
1981	54.26	31.50	75.00	0.58000	31
1991	12,084.68	41.50	75.00	0.44667	5,398
1993	12,037.50	43.50	75.00	0.42000	5,056
1994	6,611.77	44.50	75.00	0.40667	2,689
1996	227,583.17	46.50	75.00	0.38000	86,482
1999	122,559.84	49.50	75.00	0.34000	41,670
2000	16,248.02	50.50	75.00	0.32667	5,308
2002	62,802.66	52.50	75.00	0.30000	18,841
2004	109,828.54	54.50	75.00	0.27333	30,020
2005	46,539.37	55.50	75.00	0.26000	12,100
2006	12,725.40	56.50	75.00	0.24667	3,139
2008	54,867.33	58.50	75.00	0.22000	12,071

PGS
Gas Division
374.02 Land Rights

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % *Average Service Life:* 75 *Survivor Curve:* SQ

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2009	121,055.42	59.50	75.00	0.20667	25,018
2010	67,325.50	60.50	75.00	0.19333	13,016
2012	70,879.62	62.50	75.00	0.16667	11,813
2013	30,114.25	63.50	75.00	0.15333	4,618
2014	267,914.88	64.50	75.00	0.14000	37,508
2015	895,642.50	65.50	75.00	0.12667	113,448
2016	1,072,853.70	66.50	75.00	0.11333	121,590
2017	311,775.23	67.50	75.00	0.10000	31,178
2018	60,540.78	68.50	75.00	0.08667	5,247
Total	4,268,872.66				1,089,359.11

PGS
Gas Division
375.00 Structures & Improvements

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % **Average Service Life:** 33 **Survivor Curve:** L0

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1986	1,956,113.22	17.39	33.00	0.47298	925,201
1987	60,992.18	17.67	33.00	0.46464	28,339
1988	44,231.55	17.95	33.00	0.45617	20,177
1989	10,310.76	18.23	33.00	0.44759	4,615
1990	261,229.83	18.52	33.00	0.43888	114,650
1991	34,420.61	18.81	33.00	0.43005	14,803
1992	74,776.08	19.10	33.00	0.42110	31,488
1993	579,915.72	19.40	33.00	0.41201	238,929
1994	522,640.75	19.71	33.00	0.40277	210,507
1995	198,793.97	20.02	33.00	0.39341	78,207
1996	124,991.81	20.33	33.00	0.38390	47,984
1997	195,678.27	20.65	33.00	0.37424	73,231
1998	50,657.11	20.97	33.00	0.36444	18,462
1999	385,489.97	21.30	33.00	0.35450	136,655
2000	451,653.38	21.63	33.00	0.34440	155,548
2001	2,041,211.79	21.97	33.00	0.33414	682,057
2002	1,449,154.67	22.32	33.00	0.32373	469,135
2003	1,299,753.91	22.67	33.00	0.31316	407,026
2004	87,478.33	23.02	33.00	0.30242	26,455
2005	113,895.84	23.38	33.00	0.29151	33,202
2006	1,110,118.65	23.75	33.00	0.28044	311,318
2007	1,060,829.90	24.12	33.00	0.26919	285,562
2008	260,913.77	24.49	33.00	0.25776	67,253
2009	397,892.62	24.88	33.00	0.24615	97,941
2010	964,875.45	25.27	33.00	0.23432	226,088
2011	197,577.82	25.67	33.00	0.22223	43,907
2012	130,812.33	26.08	33.00	0.20983	27,448
2013	27,683.14	26.50	33.00	0.19708	5,456

PGS
Gas Division
375.00 Structures & Improvements

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % **Average Service Life:** 33 **Survivor Curve:** L0

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2014	100,117.90	26.93	33.00	0.18393	18,415
2015	415,971.22	27.38	33.00	0.17034	70,858
2016	6,223,006.58	27.84	33.00	0.15626	972,376
2017	980,589.42	28.33	33.00	0.14161	138,859
2018	488,977.42	28.83	33.00	0.12633	61,771
2019	1,536,081.73	29.36	33.00	0.11032	169,465
2020	317,815.47	29.91	33.00	0.09348	29,710
2021	275,473.39	30.50	33.00	0.07565	20,839
2022	706,644.96	31.13	33.00	0.05660	40,000
2023	5,278,050.99	31.81	33.00	0.03600	189,990
2024	12,123,219.00	32.57	33.00	0.01313	159,181
Total	42,540,041.51				6,653,106.47

PGS
Gas Division
376.00 Mains - Steel

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -60 % **Average Service Life:** 70 **Survivor Curve:** R1.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1957	136,975.85	23.70	70.00	1.05828	144,958
1958	1,637,628.63	24.19	70.00	1.04704	1,714,659
1959	1,864,660.07	24.69	70.00	1.03564	1,931,124
1960	2,271,714.20	25.20	70.00	1.02402	2,326,288
1961	488,769.68	25.71	70.00	1.01229	494,775
1962	586,111.82	26.24	70.00	1.00033	586,306
1963	688,981.37	26.76	70.00	0.98825	680,888
1964	900,359.68	27.30	70.00	0.97597	878,724
1965	1,031,992.36	27.84	70.00	0.96355	994,379
1966	864,612.42	28.39	70.00	0.95099	822,237
1967	1,654,475.77	28.95	70.00	0.93820	1,552,223
1968	2,399,997.00	29.52	70.00	0.92530	2,220,725
1969	1,680,713.46	30.09	70.00	0.91220	1,533,142
1970	2,280,716.86	30.67	70.00	0.89898	2,050,321
1971	1,731,354.86	31.26	70.00	0.88557	1,533,234
1972	1,826,425.84	31.85	70.00	0.87204	1,592,709
1973	2,967,031.95	32.45	70.00	0.85837	2,546,808
1974	3,379,567.11	33.05	70.00	0.84448	2,853,987
1975	2,327,388.00	33.67	70.00	0.83051	1,932,922
1976	1,782,562.20	34.29	70.00	0.81634	1,455,177
1977	1,523,530.52	34.91	70.00	0.80207	1,221,982
1978	3,089,228.06	35.54	70.00	0.78762	2,433,150
1979	3,198,732.22	36.18	70.00	0.77307	2,472,841
1980	2,603,156.43	36.82	70.00	0.75839	1,974,219
1981	4,298,462.59	37.47	70.00	0.74352	3,195,987
1982	2,316,681.39	38.13	70.00	0.72857	1,687,866
1983	2,577,191.76	38.79	70.00	0.71344	1,838,676
1984	2,912,319.08	39.45	70.00	0.69823	2,033,468

PGS
Gas Division
376.00 Mains - Steel

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -60 % Average Service Life: 70 Survivor Curve: R1.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1985	2,225,592.44	40.13	70.00	0.68286	1,519,761
1986	7,785,582.62	40.80	70.00	0.66739	5,196,036
1987	2,781,812.57	41.48	70.00	0.65182	1,813,248
1988	5,462,988.12	42.17	70.00	0.63608	3,474,873
1989	3,272,556.61	42.86	70.00	0.62027	2,029,863
1990	3,606,303.17	43.56	70.00	0.60430	2,179,297
1991	13,714,329.25	44.26	70.00	0.58827	8,067,689
1992	3,164,410.09	44.97	70.00	0.57209	1,810,336
1993	3,468,298.06	45.68	70.00	0.55584	1,927,820
1994	3,643,372.72	46.40	70.00	0.53950	1,965,601
1995	7,665,962.38	47.12	70.00	0.52301	4,009,357
1996	3,389,592.79	47.84	70.00	0.50647	1,716,714
1997	5,123,444.37	48.57	70.00	0.48979	2,509,410
1998	12,946,362.83	49.30	70.00	0.47306	6,124,363
1999	28,143,824.90	50.04	70.00	0.45621	12,839,375
2000	17,050,968.49	50.78	70.00	0.43929	7,490,335
2001	18,221,210.97	51.52	70.00	0.42230	7,694,868
2002	7,192,891.70	52.27	70.00	0.40518	2,914,451
2003	6,676,236.91	53.02	70.00	0.38803	2,590,560
2004	3,582,034.99	53.78	70.00	0.37075	1,328,052
2005	3,502,683.06	54.54	70.00	0.35343	1,237,960
2006	5,975,408.91	55.30	70.00	0.33601	2,007,778
2007	4,182,324.87	56.07	70.00	0.31852	1,332,172
2008	5,045,352.28	56.83	70.00	0.30098	1,518,526
2009	26,291,133.81	57.61	70.00	0.28331	7,448,428
2010	27,833,077.36	58.38	70.00	0.26560	7,392,387
2011	12,473,481.30	59.16	70.00	0.24778	3,090,658
2012	14,835,653.58	59.94	70.00	0.22991	3,410,883

PGS
Gas Division
376.00 Mains - Steel

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -60 % Average Service Life: 70 Survivor Curve: R1.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2013	36,108,503.88	60.73	70.00	0.21194	7,652,973
2014	16,693,976.66	61.52	70.00	0.19392	3,237,281
2015	8,681,159.00	62.31	70.00	0.17583	1,526,398
2016	29,365,010.20	63.10	70.00	0.15762	4,628,567
2017	25,014,029.72	63.90	70.00	0.13937	3,486,330
2018	24,548,208.26	64.71	70.00	0.12102	2,970,857
2019	29,404,985.10	65.51	70.00	0.10262	3,017,515
2020	84,148,547.47	66.32	70.00	0.08412	7,078,517
2021	106,265,901.86	67.13	70.00	0.06556	6,967,085
2022	59,588,526.22	67.95	70.00	0.04694	2,797,151
2023	91,298,946.50	68.77	70.00	0.02821	2,575,252
2024	14,028,807.66	69.59	70.00	0.00943	132,320
Total	839,424,834.86				199,414,819.92

PGS
Gas Division
376.02 Mains - Plastic

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -40 % *Average Service Life:* 82 *Survivor Curve:* R2

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1988	4,353,452.48	51.31	82.00	0.52396	2,281,024
1989	4,475,620.18	52.08	82.00	0.51085	2,286,374
1990	7,581,835.62	52.85	82.00	0.49771	3,773,529
1991	3,499,272.57	53.62	82.00	0.48448	1,695,342
1992	3,329,178.01	54.40	82.00	0.47118	1,568,655
1993	6,142,817.81	55.19	82.00	0.45776	2,811,939
1994	6,542,540.91	55.98	82.00	0.44429	2,906,793
1995	7,486,976.82	56.77	82.00	0.43075	3,224,993
1996	5,350,740.22	57.57	82.00	0.41713	2,231,948
1997	8,036,782.17	58.37	82.00	0.40344	3,242,340
1998	14,972,124.22	59.18	82.00	0.38962	5,833,485
1999	19,584,429.75	59.99	82.00	0.37577	7,359,290
2000	27,576,457.64	60.81	82.00	0.36185	9,978,577
2001	21,121,786.01	61.63	82.00	0.34786	7,347,429
2002	11,905,807.55	62.45	82.00	0.33376	3,973,698
2003	8,943,896.33	63.28	82.00	0.31962	2,858,638
2004	8,146,684.54	64.11	82.00	0.30541	2,488,072
2005	6,249,606.44	64.95	82.00	0.29113	1,819,466
2006	5,378,166.44	65.79	82.00	0.27679	1,488,629
2007	6,910,147.34	66.63	82.00	0.26234	1,812,825
2008	7,944,717.09	67.48	82.00	0.24786	1,969,168
2009	18,994,275.92	68.33	82.00	0.23331	4,431,596
2010	26,634,303.50	69.19	82.00	0.21870	5,825,003
2011	24,071,220.66	70.05	82.00	0.20400	4,910,555
2012	14,871,441.94	70.92	82.00	0.18926	2,814,537
2013	26,258,034.18	71.78	82.00	0.17446	4,580,850
2014	28,285,033.16	72.65	82.00	0.15959	4,514,114
2015	31,357,194.48	73.53	82.00	0.14467	4,536,579

PGS
Gas Division
376.02 Mains - Plastic

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -40 % **Average Service Life:** 82 **Survivor Curve:** R2

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2016	38,451,693.17	74.41	82.00	0.12966	4,985,776
2017	45,276,685.23	75.29	82.00	0.11462	5,189,588
2018	73,780,577.07	76.17	82.00	0.09952	7,342,679
2019	53,082,641.00	77.06	82.00	0.08437	4,478,406
2020	78,977,475.47	77.95	82.00	0.06913	5,460,040
2021	31,267,391.68	78.85	82.00	0.05386	1,684,183
2022	38,039,872.81	79.74	82.00	0.03854	1,466,136
2023	227,207,007.89	80.64	82.00	0.02317	5,264,239
2024	124,233,377.75	81.55	82.00	0.00775	962,405
Total	1,076,321,266.05				141,398,901.19

PGS
Gas Division
377.00 Compressor Equipment

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -5 % *Average Service Life:* 35 *Survivor Curve:* R2

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2021	19,091,947.57	31.87	35.00	0.09387	1,792,132
2022	95,350.33	32.76	35.00	0.06733	6,420
Total	19,187,297.90				1,798,551.91

PGS
Gas Division
378.00 Meas. & Reg. Sta. Eq - General

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -20 % Average Service Life: 40 Survivor Curve: R1.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1968	282.08	6.70	40.00	0.99898	282
1969	10,152.27	7.00	40.00	0.98986	10,049
1970	2,281.93	7.31	40.00	0.98063	2,238
1971	4,116.25	7.63	40.00	0.97113	3,997
1972	4,904.64	7.95	40.00	0.96147	4,716
1973	11,865.37	8.28	40.00	0.95152	11,290
1974	12,521.18	8.62	40.00	0.94134	11,787
1975	13,009.55	8.97	40.00	0.93085	12,110
1976	34,048.38	9.33	40.00	0.92008	31,327
1977	21,624.56	9.70	40.00	0.90897	19,656
1978	725.61	10.08	40.00	0.89753	651
1979	26,955.36	10.48	40.00	0.88574	23,875
1980	24,918.38	10.88	40.00	0.87358	21,768
1981	30,905.24	11.30	40.00	0.86106	26,611
1982	18,096.58	11.73	40.00	0.84814	15,349
1983	11,984.00	12.17	40.00	0.83486	10,005
1984	113,815.57	12.63	40.00	0.82116	93,461
1985	28,594.60	13.10	40.00	0.80709	23,078
1986	63,250.70	13.58	40.00	0.79260	50,132
1987	80,532.61	14.08	40.00	0.77774	62,634
1988	23,149.66	14.58	40.00	0.76246	17,651
1989	60,319.96	15.11	40.00	0.74683	45,049
1990	88,392.95	15.64	40.00	0.73077	64,595
1991	65,295.08	16.19	40.00	0.71437	46,645
1992	78,841.10	16.75	40.00	0.69756	54,997
1993	152,375.45	17.32	40.00	0.68042	103,679
1994	178,216.59	17.90	40.00	0.66288	118,136
1995	123,989.87	18.50	40.00	0.64502	79,976

PGS
Gas Division
378.00 Meas. & Reg. Sta. Eq - General

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -20 % **Average Service Life:** 40 **Survivor Curve:** R1.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1996	102,023.78	19.11	40.00	0.62678	63,947
1997	98,561.99	19.73	40.00	0.60824	59,949
1998	254,246.31	20.36	40.00	0.58933	149,836
1999	487,152.63	21.00	40.00	0.57014	277,747
2000	164,900.43	21.65	40.00	0.55061	90,795
2001	774,670.69	22.31	40.00	0.53081	411,200
2002	344,875.97	22.98	40.00	0.51068	176,121
2003	352,362.69	23.66	40.00	0.49031	172,765
2004	129,549.57	24.35	40.00	0.46963	60,840
2005	217,180.49	25.04	40.00	0.44872	97,454
2006	121,820.04	25.75	40.00	0.42754	52,082
2007	366,208.40	26.46	40.00	0.40614	148,732
2008	142,509.41	27.18	40.00	0.38449	54,793
2009	517,632.34	27.91	40.00	0.36264	187,716
2010	321,507.76	28.65	40.00	0.34056	109,493
2011	666,370.71	29.39	40.00	0.31831	212,111
2012	2,369,059.25	30.14	40.00	0.29584	700,852
2013	1,294,693.44	30.89	40.00	0.27320	353,713
2014	1,387,932.14	31.66	40.00	0.25036	347,487
2015	1,366,134.00	32.42	40.00	0.22737	310,616
2016	1,293,894.37	33.19	40.00	0.20417	264,176
2017	1,222,336.23	33.97	40.00	0.18082	221,022
2018	1,427,896.11	34.76	40.00	0.15727	224,562
2019	1,486,548.86	35.55	40.00	0.13356	198,547
2020	2,207,938.55	36.35	40.00	0.10966	242,121
2021	732,413.23	37.15	40.00	0.08560	62,697
2022	934,794.95	37.96	40.00	0.06135	57,352
2023	21,743.29	38.77	40.00	0.03695	803

PGS
Gas Division
378.00 Meas. & Reg. Sta. Eq - General
Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -20 % **Average Service Life:** 40 **Survivor Curve:** R1.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2024	736,667.00	39.59	40.00	0.01235	9,100
Total	22,828,790.15				6,284,374.61

PGS
Gas Division
379.00 Meas. & Reg. - City Gate

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -20 % *Average Service Life:* 60 *Survivor Curve:* R2

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1993	730,150.27	33.97	60.00	0.52065	380,150
1994	184,226.43	34.70	60.00	0.50596	93,212
1995	33,548.79	35.44	60.00	0.49115	16,477
1996	20,975.94	36.19	60.00	0.47620	9,989
1997	850,589.27	36.94	60.00	0.46114	392,238
1998	66,630.46	37.70	60.00	0.44591	29,711
1999	438,437.77	38.47	60.00	0.43059	188,785
2000	578,125.42	39.25	60.00	0.41508	239,969
2001	721,310.69	40.03	60.00	0.39945	288,131
2002	71,617.72	40.81	60.00	0.38371	27,480
2003	782,606.35	41.61	60.00	0.36786	287,887
2004	851,804.90	42.41	60.00	0.35185	299,711
2005	573,393.95	43.21	60.00	0.33577	192,527
2006	170,020.62	44.02	60.00	0.31952	54,324
2007	1,433,160.00	44.84	60.00	0.30316	434,470
2008	2,190,610.46	45.66	60.00	0.28671	628,079
2009	5,389,411.56	46.49	60.00	0.27012	1,455,768
2010	1,680,854.49	47.33	60.00	0.25341	425,951
2011	1,757,563.31	48.17	60.00	0.23664	415,901
2012	5,305,481.27	49.01	60.00	0.21971	1,165,656
2013	6,437,673.35	49.87	60.00	0.20268	1,304,800
2014	921,727.06	50.72	60.00	0.18556	171,033
2015	1,279,711.09	51.58	60.00	0.16835	215,433
2016	6,217,087.71	52.45	60.00	0.15101	938,862
2017	9,905,033.88	53.32	60.00	0.13361	1,323,434
2018	8,329,388.41	54.20	60.00	0.11608	966,876
2019	5,731,102.74	55.08	60.00	0.09846	564,284
2020	6,487,290.28	55.96	60.00	0.08075	523,868

PGS
Gas Division
379.00 Meas. & Reg. - City Gate

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -20 % **Average Service Life:** 60 **Survivor Curve:** R2

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2021	13,736,237.61	56.85	60.00	0.06297	864,938
2022	11,129,230.19	57.75	60.00	0.04508	501,676
2023	21,433,447.27	58.64	60.00	0.02713	581,407
2024	7,298,344.00	59.55	60.00	0.00906	66,132
Total	122,736,793.26				15,049,158.90

PGS
Gas Division
380.00 Services - Steel

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -130 % Average Service Life: 52 Survivor Curve: R0.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1930	1,242.38	4.52	52.00	2.10028	2,609
1932	1,402.61	5.39	52.00	2.06166	2,892
1933	157.80	5.82	52.00	2.04277	322
1934	84.24	6.24	52.00	2.02412	171
1935	103.11	6.65	52.00	2.00570	207
1936	2,038.16	7.07	52.00	1.98748	4,051
1937	59.60	7.47	52.00	1.96942	117
1938	2,962.28	7.88	52.00	1.95151	5,781
1939	1,710.51	8.28	52.00	1.93373	3,308
1940	81.07	8.68	52.00	1.91595	155
1941	4,729.75	9.08	52.00	1.89836	8,979
1942	8,296.66	9.48	52.00	1.88083	15,605
1943	17,809.83	9.87	52.00	1.86333	33,186
1944	5,546.35	10.27	52.00	1.84584	10,238
1945	127.48	10.66	52.00	1.82835	233
1946	17,282.78	11.06	52.00	1.81084	31,296
1947	4,023.91	11.46	52.00	1.79331	7,216
1948	40,407.84	11.85	52.00	1.77573	71,753
1949	16,287.73	12.25	52.00	1.75809	28,635
1950	11,168.13	12.65	52.00	1.74038	19,437
1951	8,833.85	13.05	52.00	1.72259	15,217
1952	17,254.91	13.46	52.00	1.70471	29,415
1953	7,647.47	13.87	52.00	1.68674	12,899
1954	18,214.09	14.27	52.00	1.66863	30,393
1955	18,368.15	14.69	52.00	1.65044	30,316
1956	65,169.81	15.10	52.00	1.63212	106,365
1957	102,028.47	15.52	52.00	1.61367	164,641
1958	197,644.32	15.94	52.00	1.59508	315,259

PGS
Gas Division
380.00 Services - Steel

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -130 % Average Service Life: 52 Survivor Curve: R0.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1959	1,055,736.48	16.36	52.00	1.57635	1,664,211
1960	420,949.10	16.79	52.00	1.55747	655,614
1961	169,007.38	17.22	52.00	1.53843	260,005
1962	173,420.77	17.65	52.00	1.51922	263,465
1963	181,908.15	18.09	52.00	1.49986	272,836
1964	251,214.54	18.53	52.00	1.48032	371,878
1965	213,189.43	18.98	52.00	1.46061	311,386
1966	585,399.57	19.43	52.00	1.44073	843,400
1967	625,501.99	19.88	52.00	1.42066	888,623
1968	454,367.57	20.34	52.00	1.40040	636,297
1969	473,081.02	20.80	52.00	1.37996	652,833
1970	358,544.46	21.27	52.00	1.35933	487,379
1971	568,804.89	21.74	52.00	1.33850	761,348
1972	718,089.58	22.21	52.00	1.31749	946,074
1973	1,103,856.42	22.69	52.00	1.29627	1,430,901
1974	1,002,722.32	23.18	52.00	1.27487	1,278,337
1975	650,802.50	23.67	52.00	1.25326	815,626
1976	448,302.96	24.16	52.00	1.23146	552,067
1977	377,370.85	24.66	52.00	1.20946	456,414
1978	715,074.81	25.16	52.00	1.18726	848,980
1979	633,218.64	25.66	52.00	1.16487	737,615
1980	255,934.82	26.17	52.00	1.14230	292,354
1981	555,812.49	26.69	52.00	1.11951	622,237
1982	470,461.40	27.21	52.00	1.09652	515,873
1983	422,534.67	27.73	52.00	1.07335	453,527
1984	466,380.12	28.26	52.00	1.04998	489,692
1985	674,867.18	28.79	52.00	1.02643	692,706
1986	517,340.04	29.33	52.00	1.00270	518,736

PGS
Gas Division
380.00 Services - Steel

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -130 % Average Service Life: 52 Survivor Curve: R0.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1987	592,113.65	29.87	52.00	0.97878	579,551
1988	692,496.56	30.42	52.00	0.95469	661,121
1989	762,659.44	30.96	52.00	0.93043	709,601
1990	842,641.67	31.52	52.00	0.90600	763,432
1991	1,137,030.36	32.07	52.00	0.88141	1,002,185
1992	960,446.61	32.63	52.00	0.85669	822,801
1993	870,876.44	33.20	52.00	0.83178	724,375
1994	946,759.92	33.76	52.00	0.80672	763,773
1995	601,123.08	34.33	52.00	0.78153	469,795
1996	556,872.81	34.90	52.00	0.75620	421,109
1997	922,458.66	35.48	52.00	0.73075	674,086
1998	1,140,921.68	36.06	52.00	0.70518	804,551
1999	1,130,735.10	36.64	52.00	0.67949	768,324
2000	2,148,333.76	37.22	52.00	0.65370	1,404,363
2001	43,906.43	37.81	52.00	0.62781	27,565
2002	1,232,262.96	38.39	52.00	0.60183	741,608
2003	744,756.26	38.98	52.00	0.57576	428,800
2004	626,229.59	39.57	52.00	0.54961	344,184
2005	712,481.44	40.17	52.00	0.52340	372,909
2006	745,953.09	40.76	52.00	0.49713	370,834
2007	1,142,254.01	41.36	52.00	0.47078	537,747
2008	1,100,388.30	41.95	52.00	0.44437	488,980
2009	884,794.49	42.55	52.00	0.41791	369,764
2010	873,693.91	43.15	52.00	0.39140	341,961
2011	816,752.87	43.75	52.00	0.36483	297,977
2012	1,424,623.53	44.35	52.00	0.33821	481,822
2013	2,136,022.76	44.96	52.00	0.31153	665,439
2014	1,827,716.68	45.56	52.00	0.28479	520,522

PGS

Gas Division

380.00 Services - Steel

Original Cost Of Utility Plant In Service

And Development Of Calculated Depr Reserve as of December 31, 2024

Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -130 % Average Service Life: 52 Survivor Curve: R0.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2015	1,643,450.00	46.17	52.00	0.25799	424,000
2016	2,914,108.93	46.78	52.00	0.23113	673,540
2017	2,566,769.58	47.38	52.00	0.20420	524,139
2018	2,092,595.06	47.99	52.00	0.17723	370,863
2019	3,084,133.29	48.61	52.00	0.15016	463,108
2020	4,322,446.40	49.22	52.00	0.12302	531,750
2021	3,452,917.57	49.83	52.00	0.09581	330,829
2022	5,277,037.96	50.45	52.00	0.06853	361,635
Total	68,085,342.29				39,910,153.58

PGS
Gas Division
380.02 Services - Plastic

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -75 % **Average Service Life:** 62 **Survivor Curve:** R2

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1985	1,204,161.21	30.21	62.00	0.89736	1,080,565
1986	2,463,685.46	30.89	62.00	0.87809	2,163,338
1987	2,663,338.87	31.58	62.00	0.85862	2,286,805
1988	3,232,091.47	32.28	62.00	0.83898	2,711,648
1989	2,931,766.99	32.98	62.00	0.81907	2,401,332
1990	3,839,374.61	33.69	62.00	0.79902	3,067,747
1991	3,654,743.39	34.41	62.00	0.77870	2,845,935
1992	3,616,386.29	35.14	62.00	0.75819	2,741,900
1993	4,886,374.05	35.87	62.00	0.73752	3,603,796
1994	4,973,523.98	36.61	62.00	0.71661	3,564,063
1995	4,686,480.86	37.36	62.00	0.69557	3,259,754
1996	4,978,692.44	38.11	62.00	0.67426	3,356,941
1997	5,793,613.74	38.87	62.00	0.65279	3,782,009
1998	5,783,972.90	39.64	62.00	0.63118	3,650,705
1999	7,483,457.89	40.41	62.00	0.60933	4,559,897
2000	22,372,714.65	41.19	62.00	0.58737	13,141,077
2001	2,636,333.21	41.98	62.00	0.56516	1,489,958
2002	9,561,016.31	42.77	62.00	0.54280	5,189,712
2003	10,675,414.15	43.57	62.00	0.52031	5,554,531
2004	10,785,749.57	44.37	62.00	0.49760	5,367,007
2005	10,242,225.91	45.18	62.00	0.47474	4,862,426
2006	10,833,211.64	46.00	62.00	0.45175	4,893,907
2007	9,570,012.07	46.82	62.00	0.42856	4,101,351
2008	7,961,666.09	47.64	62.00	0.40526	3,226,583
2009	6,158,919.27	48.47	62.00	0.38176	2,351,222
2010	8,235,451.83	49.31	62.00	0.35812	2,949,239
2011	9,120,883.86	50.15	62.00	0.33435	3,049,591
2012	11,400,806.61	51.00	62.00	0.31041	3,538,882

PGS
Gas Division
380.02 Services - Plastic

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -75 % *Average Service Life:* 62 *Survivor Curve:* R2

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2013	13,640,697.21	51.85	62.00	0.28636	3,906,193
2014	16,039,838.69	52.71	62.00	0.26213	4,204,445
2015	17,667,666.34	53.58	62.00	0.23776	4,200,686
2016	24,706,396.63	54.44	62.00	0.21329	5,269,696
2017	25,325,870.02	55.32	62.00	0.18865	4,777,808
2018	42,070,531.10	56.19	62.00	0.16389	6,895,116
2019	41,279,315.60	57.07	62.00	0.13903	5,738,874
2020	49,738,113.32	57.96	62.00	0.11401	5,670,507
2021	54,543,732.35	58.85	62.00	0.08890	4,848,849
2022	62,233,681.32	59.75	62.00	0.06363	3,960,043
2023	66,087,725.83	60.64	62.00	0.03826	2,528,395
2024	62,511,257.60	61.55	62.00	0.01279	799,505
Total	667,590,895.33				157,592,037.26

PGS
Gas Division
381.00 Meters

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % **Average Service Life:** 20 **Survivor Curve:** R2

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2000	3,099,145.33	3.69	20.00	0.81528	2,526,656
2002	2,433,788.38	4.45	20.00	0.77773	1,892,837
2003	2,680,422.50	4.86	20.00	0.75693	2,028,898
2004	2,552,262.56	5.31	20.00	0.73469	1,875,112
2005	2,881,541.76	5.78	20.00	0.71096	2,048,648
2006	3,243,483.56	6.28	20.00	0.68576	2,224,245
2007	2,734,232.59	6.82	20.00	0.65901	1,801,882
2008	3,289,624.18	7.38	20.00	0.63087	2,075,316
2009	1,718,648.02	7.98	20.00	0.60123	1,033,303
2010	5,179,866.36	8.59	20.00	0.57030	2,954,058
2011	8,431,805.29	9.24	20.00	0.53797	4,536,045
2012	4,915,452.76	9.91	20.00	0.50445	2,479,620
2013	2,991,226.10	10.61	20.00	0.46966	1,404,874
2014	2,359,484.58	11.32	20.00	0.43380	1,023,540
2015	4,293,558.73	12.06	20.00	0.39677	1,703,569
2016	3,923,394.52	12.82	20.00	0.35877	1,407,598
2017	5,069,819.48	13.61	20.00	0.31972	1,620,904
2018	3,781,157.14	14.40	20.00	0.27977	1,057,868
2019	5,992,488.05	15.22	20.00	0.23890	1,431,619
2020	4,880,024.69	16.06	20.00	0.19718	962,222
2021	6,363,475.80	16.91	20.00	0.15462	983,900
2022	7,955,614.29	17.77	20.00	0.11133	885,731
2023	7,270,521.61	18.65	20.00	0.06729	489,228
2024	15,370,700.00	19.55	20.00	0.02260	347,446
Total	113,411,738.28				40,795,119.06

PGS
Gas Division
382.00 Meter Installations

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -30 % Average Service Life: 55 Survivor Curve: R0.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1981	153,034.78	29.54	55.00	0.60176	92,091
1982	317,266.29	30.07	55.00	0.58924	186,947
1983	403,951.26	30.60	55.00	0.57663	232,930
1984	332,099.58	31.14	55.00	0.56394	187,283
1985	466,387.68	31.68	55.00	0.55114	257,043
1986	250,344.31	32.23	55.00	0.53825	134,747
1987	277,394.91	32.78	55.00	0.52527	145,708
1988	284,334.36	33.33	55.00	0.51221	145,640
1989	310,063.90	33.89	55.00	0.49909	154,750
1990	401,454.80	34.44	55.00	0.48587	195,053
1991	356,198.10	35.01	55.00	0.47257	168,327
1992	422,953.73	35.57	55.00	0.45919	194,217
1993	548,952.93	36.14	55.00	0.44575	244,695
1994	890,223.38	36.71	55.00	0.43224	384,787
1995	759,707.64	37.29	55.00	0.41867	318,068
1996	400,813.82	37.86	55.00	0.40503	162,341
1997	706,298.75	38.44	55.00	0.39133	276,395
1998	909,280.63	39.03	55.00	0.37757	343,321
1999	2,960,143.64	39.61	55.00	0.36377	1,076,807
2000	3,555,689.47	40.20	55.00	0.34993	1,244,232
2001	860.30	40.78	55.00	0.33602	289
2002	1,936,021.23	41.37	55.00	0.32208	623,552
2003	2,356,242.93	41.97	55.00	0.30810	725,952
2004	2,184,983.46	42.56	55.00	0.29408	642,559
2005	2,891,763.22	43.15	55.00	0.28003	809,780
2006	2,554,516.26	43.75	55.00	0.26596	679,393
2007	2,126,369.48	44.35	55.00	0.25184	535,515
2008	2,136,983.83	44.94	55.00	0.23771	507,972

PGS
Gas Division
382.00 Meter Installations

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -30 % **Average Service Life:** 55 **Survivor Curve:** R0.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2009	2,030,124.35	45.54	55.00	0.22354	453,814
2010	2,001,925.56	46.14	55.00	0.20935	419,101
2011	2,197,867.62	46.75	55.00	0.19514	428,892
2012	1,918,712.59	47.35	55.00	0.18089	347,075
2013	1,834,052.00	47.95	55.00	0.16661	305,572
2014	2,327,250.21	48.56	55.00	0.15230	354,441
2015	2,450,705.72	49.16	55.00	0.13796	338,099
2016	3,590,691.31	49.77	55.00	0.12359	443,763
2017	3,370,499.49	50.38	55.00	0.10919	368,023
2018	5,206,038.25	50.99	55.00	0.09475	493,253
2019	5,760,374.36	51.61	55.00	0.08027	462,377
2020	7,085,783.11	52.22	55.00	0.06576	465,933
2021	8,410,531.63	52.83	55.00	0.05121	430,683
2022	10,932,158.81	53.45	55.00	0.03663	400,486
2023	14,647,230.45	54.07	55.00	0.02201	322,356
2024	14,527,639.26	54.69	55.00	0.00735	106,710
Total	119,185,919.39				16,810,973.80

PGS
Gas Division
383.00 House Regulators

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % **Average Service Life:** 42 **Survivor Curve:** S1.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1973	19,633.70	8.70	42.00	0.79276	15,565
1974	31,153.50	9.02	42.00	0.78516	24,460
1975	32,725.68	9.35	42.00	0.77734	25,439
1976	22,156.81	9.69	42.00	0.76938	17,047
1977	45,144.00	10.03	42.00	0.76122	34,365
1978	53,032.49	10.38	42.00	0.75286	39,926
1979	48,170.29	10.74	42.00	0.74433	35,854
1980	85,874.18	11.11	42.00	0.73556	63,166
1981	117,688.66	11.48	42.00	0.72658	85,510
1982	76,749.27	11.87	42.00	0.71737	55,058
1983	59,468.89	12.27	42.00	0.70792	42,099
1984	129,589.29	12.67	42.00	0.69822	90,482
1985	182,310.15	13.09	42.00	0.68826	125,477
1986	264,406.53	13.52	42.00	0.67804	179,277
1987	277,179.63	13.96	42.00	0.66751	185,021
1988	197,396.53	14.42	42.00	0.65671	129,632
1989	175,379.78	14.88	42.00	0.64561	113,227
1990	263,731.37	15.37	42.00	0.63416	167,247
1991	361,257.71	15.86	42.00	0.62241	224,851
1992	249,601.69	16.37	42.00	0.61030	152,331
1993	392,196.25	16.89	42.00	0.59786	234,478
1994	365,650.80	17.43	42.00	0.58507	213,930
1995	338,080.91	17.98	42.00	0.57186	193,334
1996	374,216.61	18.55	42.00	0.55830	208,926
1997	606,083.75	19.14	42.00	0.54432	329,905
1998	478,111.94	19.74	42.00	0.52996	253,382
1999	565,894.18	20.36	42.00	0.51520	291,550
2000	1,068,379.65	21.00	42.00	0.49997	534,158

PGS
Gas Division
383.00 House Regulators

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % **Average Service Life:** 42 **Survivor Curve:** S1.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2001	38,881.09	21.66	42.00	0.48435	18,832
2002	297,269.75	22.33	42.00	0.46830	139,213
2003	207,937.86	23.03	42.00	0.45175	93,936
2004	300,837.45	23.74	42.00	0.43481	130,806
2005	382,854.95	24.47	42.00	0.41737	159,792
2006	465,635.50	25.22	42.00	0.39951	186,028
2007	508,391.03	25.99	42.00	0.38122	193,810
2008	529,731.42	26.78	42.00	0.36243	191,988
2009	657,038.13	27.58	42.00	0.34323	225,517
2010	576,915.57	28.41	42.00	0.32361	186,698
2011	762,531.28	29.25	42.00	0.30350	231,430
2012	647,202.85	30.11	42.00	0.28303	183,178
2013	624,879.44	30.99	42.00	0.26212	163,791
2014	673,543.25	31.88	42.00	0.24085	162,220
2015	492,213.31	32.79	42.00	0.21922	107,901
2016	651,105.68	33.72	42.00	0.19720	128,396
2017	698,193.88	34.65	42.00	0.17489	122,104
2018	575,744.87	35.61	42.00	0.15225	87,659
2019	779,945.35	36.57	42.00	0.12936	100,896
2020	515,586.03	37.54	42.00	0.10623	54,772
2021	868,691.52	38.52	42.00	0.08287	71,988
2022	1,638,332.48	39.51	42.00	0.05934	97,223
2023	914,170.27	40.50	42.00	0.03568	32,614
2024	974,000.00	41.50	42.00	0.01190	11,593
Total	21,662,897.20				7,148,083.05

PGS
Gas Division
384.00 House Regulator Installations

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -30 % **Average Service Life:** 47 **Survivor Curve:** R1.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1958	2,829.11	7.84	47.00	1.08326	3,065
1959	21,695.01	8.14	47.00	1.07491	23,320
1960	9,552.76	8.45	47.00	1.06641	10,187
1961	5,605.81	8.76	47.00	1.05776	5,930
1962	30,396.61	9.08	47.00	1.04894	31,884
1963	4,372.31	9.40	47.00	1.03995	4,547
1964	4,963.21	9.73	47.00	1.03076	5,116
1965	3,694.46	10.07	47.00	1.02137	3,773
1966	4,903.56	10.42	47.00	1.01179	4,961
1967	4,619.18	10.78	47.00	1.00195	4,628
1968	2,622.74	11.14	47.00	0.99186	2,601
1969	6,340.25	11.51	47.00	0.98151	6,223
1970	6,544.32	11.90	47.00	0.97090	6,354
1971	13,928.55	12.29	47.00	0.96001	13,372
1972	12,165.82	12.70	47.00	0.94884	11,543
1973	38,660.97	13.11	47.00	0.93738	36,240
1974	23,369.85	13.54	47.00	0.92561	21,631
1975	28,854.75	13.97	47.00	0.91355	26,360
1976	25,776.54	14.42	47.00	0.90118	23,229
1977	28,484.48	14.88	47.00	0.88850	25,309
1978	40,674.45	15.35	47.00	0.87552	35,611
1979	39,274.40	15.83	47.00	0.86223	33,864
1980	70,727.09	16.32	47.00	0.84863	60,021
1981	64,988.36	16.82	47.00	0.83473	54,248
1982	75,868.65	17.34	47.00	0.82048	62,249
1983	87,337.01	17.86	47.00	0.80596	70,390
1984	127,971.21	18.40	47.00	0.79113	101,242
1985	170,597.53	18.94	47.00	0.77602	132,386

PGS
Gas Division
384.00 House Regulator Installations

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -30 % **Average Service Life:** 47 **Survivor Curve:** R1.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1986	146,511.46	19.50	47.00	0.76060	111,437
1987	147,729.25	20.07	47.00	0.74490	110,044
1988	196,784.29	20.65	47.00	0.72891	143,439
1989	232,637.44	21.24	47.00	0.71265	165,789
1990	353,261.45	21.84	47.00	0.69606	245,890
1991	208,658.58	22.44	47.00	0.67924	141,729
1992	301,050.49	23.06	47.00	0.66216	199,342
1993	276,917.36	23.69	47.00	0.64481	178,560
1994	347,172.16	24.32	47.00	0.62722	217,754
1995	353,198.32	24.97	47.00	0.60938	215,233
1996	459,277.08	25.62	47.00	0.59130	271,573
1997	485,085.41	26.28	47.00	0.57299	277,950
1998	383,996.61	26.96	47.00	0.55441	212,891
1999	471,049.24	27.63	47.00	0.53564	252,314
2000	1,069,154.91	28.32	47.00	0.51666	552,394
2002	781,013.24	29.72	47.00	0.47810	373,399
2003	1,190,767.25	30.42	47.00	0.45852	545,990
2004	874,870.58	31.14	47.00	0.43876	383,857
2005	919,834.48	31.86	47.00	0.41879	385,214
2006	1,557,909.68	32.59	47.00	0.39867	621,088
2007	877,182.82	33.32	47.00	0.37838	331,912
2008	732,920.04	34.06	47.00	0.35794	262,342
2009	686,919.72	34.80	47.00	0.33735	231,729
2010	671,129.47	35.55	47.00	0.31660	212,480
2011	738,173.99	36.31	47.00	0.29571	218,286
2012	1,151,122.04	37.07	47.00	0.27468	316,191
2013	1,316,985.86	37.84	47.00	0.25348	333,833
2014	776,896.66	38.61	47.00	0.23217	180,369

PGS
Gas Division
384.00 House Regulator Installations

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -30 % *Average Service Life:* 47 *Survivor Curve:* R1.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2015	817,036.65	39.38	47.00	0.21071	172,158
2016	1,198,676.73	40.16	47.00	0.18912	226,689
2017	1,120,608.94	40.95	47.00	0.16738	187,572
2018	1,755,541.61	41.74	47.00	0.14551	255,457
2019	1,920,126.15	42.54	47.00	0.12351	237,150
2020	2,242,163.20	43.34	47.00	0.10136	227,274
2021	4,440,943.29	44.14	47.00	0.07906	351,095
2022	6,517,029.49	44.95	47.00	0.05664	369,115
Total	38,677,154.93				10,539,826.82

PGS
Gas Division
385.00 Ind. Meas. & Reg. Sta. Equip

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % **Average Service Life:** 39 **Survivor Curve:** R2.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1969	930.64	4.17	39.00	0.89296	831
1970	5,759.09	4.41	39.00	0.88698	5,108
1971	6,882.95	4.64	39.00	0.88107	6,064
1972	711.03	4.88	39.00	0.87485	622
1974	8,987.32	5.37	39.00	0.86222	7,749
1975	3,536.71	5.64	39.00	0.85549	3,026
1976	1,302.27	5.91	39.00	0.84856	1,105
1977	6,344.39	6.19	39.00	0.84126	5,337
1979	301.47	6.80	39.00	0.82558	249
1980	4,431.19	7.13	39.00	0.81710	3,621
1981	29,721.03	7.48	39.00	0.80810	24,018
1982	86,063.71	7.85	39.00	0.79860	68,731
1983	88,578.93	8.25	39.00	0.78855	69,849
1984	114,096.57	8.66	39.00	0.77794	88,761
1985	176,580.69	9.10	39.00	0.76675	135,393
1986	354,147.05	9.55	39.00	0.75501	267,385
1987	229,133.04	10.04	39.00	0.74266	170,168
1988	502,416.81	10.54	39.00	0.72979	366,658
1989	269,563.17	11.06	39.00	0.71630	193,088
1990	660,172.69	11.61	39.00	0.70228	463,629
1991	328,532.16	12.18	39.00	0.68777	225,955
1992	234,841.10	12.76	39.00	0.67272	157,981
1993	352,865.07	13.37	39.00	0.65721	231,908
1994	656,860.00	13.99	39.00	0.64120	421,177
1995	207,956.66	14.63	39.00	0.62479	129,928
1996	238,512.58	15.29	39.00	0.60789	144,990
1997	292,567.29	15.96	39.00	0.59065	172,804
1998	359,267.11	16.66	39.00	0.57295	205,841

PGS
Gas Division
385.00 Ind. Meas. & Reg. Sta. Equip

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % **Average Service Life:** 39 **Survivor Curve:** R2.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1999	472,881.47	17.36	39.00	0.55489	262,398
2000	695,612.81	18.08	39.00	0.53650	373,198
2001	68,811.04	18.81	39.00	0.51773	35,626
2002	212,974.43	19.55	39.00	0.49866	106,202
2003	600,207.40	20.31	39.00	0.47922	287,632
2004	176,234.88	21.08	39.00	0.45951	80,981
2005	307,717.42	21.86	39.00	0.43944	135,223
2006	426,246.06	22.66	39.00	0.41909	178,634
2007	100,970.91	23.46	39.00	0.39846	40,233
2008	36,582.05	24.28	39.00	0.37753	13,811
2013	102,723.49	28.51	39.00	0.26901	27,633
2014	1,327.53	29.38	39.00	0.24659	327
2016	599,736.89	31.16	39.00	0.20111	120,611
2017	463.33	32.06	39.00	0.17806	82
2018	394,881.58	32.96	39.00	0.15484	61,143
2019	5,547,454.90	33.87	39.00	0.13142	729,065
2020	74,719.59	34.79	39.00	0.10787	8,060
2021	9,121.38	35.72	39.00	0.08413	767
2022	147,096.76	36.65	39.00	0.06025	8,863
Total	15,196,826.64				6,042,465.01

PGS
Gas Division
387.00 Other Equipment

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % **Average Service Life:** 27 **Survivor Curve:** L1.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1975	4,654.44	6.16	27.00	0.77202	3,593
1977	9,036.84	6.57	27.00	0.75676	6,839
1979	2,403.28	7.00	27.00	0.74088	1,781
1981	1,900.94	7.44	27.00	0.72449	1,377
1982	880.94	7.67	27.00	0.71603	631
1983	1,376.02	7.90	27.00	0.70738	973
1985	1,881.03	8.38	27.00	0.68973	1,297
1986	7,400.34	8.62	27.00	0.68063	5,037
1988	4,612.16	9.12	27.00	0.66220	3,054
1989	2,004.48	9.37	27.00	0.65281	1,309
1990	8,597.36	9.63	27.00	0.64330	5,531
1991	17,681.57	9.89	27.00	0.63376	11,206
1992	16,379.55	10.15	27.00	0.62416	10,223
1993	21,490.94	10.41	27.00	0.61448	13,206
1994	41,201.18	10.67	27.00	0.60480	24,919
1995	26,792.02	10.93	27.00	0.59508	15,943
1996	35,736.37	11.20	27.00	0.58527	20,915
1997	79,003.23	11.46	27.00	0.57545	45,462
1998	33,665.10	11.73	27.00	0.56552	19,038
1999	79,657.95	12.00	27.00	0.55545	44,246
2000	156,360.82	12.28	27.00	0.54517	85,243
2001	96,049.08	12.56	27.00	0.53465	51,353
2002	78,107.23	12.86	27.00	0.52378	40,911
2003	190,802.76	13.16	27.00	0.51247	97,780
2004	202,102.66	13.48	27.00	0.50062	101,176
2005	139,566.21	13.82	27.00	0.48811	68,123
2006	346,776.93	14.18	27.00	0.47483	164,659
2007	329,322.35	14.56	27.00	0.46063	151,695

PGS
Gas Division
387.00 Other Equipment

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % *Average Service Life:* 27 *Survivor Curve:* L1.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2008	148,017.06	14.97	27.00	0.44541	65,928
2009	668,413.77	15.42	27.00	0.42906	286,792
2010	539,022.11	15.89	27.00	0.41146	221,787
2011	536,464.85	16.41	27.00	0.39235	210,480
2012	520,523.51	16.97	27.00	0.37166	193,460
2013	307,418.80	17.57	27.00	0.34943	107,421
2014	1,084,921.98	18.21	27.00	0.32552	353,168
2015	491,827.70	18.90	27.00	0.30016	147,627
2016	497,048.71	19.62	27.00	0.27350	135,941
2017	625,901.17	20.37	27.00	0.24565	153,755
2018	1,520,325.52	21.15	27.00	0.21654	329,215
2019	1,243,321.68	21.97	27.00	0.18620	231,511
2020	984,702.63	22.82	27.00	0.15469	152,321
2021	1,821,650.02	23.71	27.00	0.12195	222,153
2022	506,839.74	24.62	27.00	0.08816	44,680
Total	13,431,843.03				3,853,759.04

PGS
Gas Division
390.00 Structures & Improvements

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % **Average Service Life:** 25 **Survivor Curve:** L0

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2007	25,115.11	16.75	25.00	0.32994	8,286
2008	2,319.30	17.10	25.00	0.31608	733
2009	9,582.32	17.45	25.00	0.30193	2,893
2012	50,788.77	18.56	25.00	0.25771	13,089
2015	18,604.02	19.74	25.00	0.21028	3,912
2016	12,393.52	20.16	25.00	0.19339	2,397
2023	544,265.86	23.85	25.00	0.04604	25,058
Total	663,068.90				56,368.00

PGS
Gas Division
391.00 Office Furniture

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % **Average Service Life:** 17 **Survivor Curve:** SQ

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2006	79,485.00	0.00	0.00	1.00000	79,485
2007	118,417.47	0.00	0.00	1.00000	118,417
2009	19,483.57	1.50	17.00	0.91176	17,764
2010	40,633.46	2.50	17.00	0.85294	34,658
2011	271,246.45	3.50	17.00	0.79412	215,402
2012	46,697.45	4.50	17.00	0.73529	34,336
2013	54,887.66	5.50	17.00	0.67647	37,130
2014	17,304.09	6.50	17.00	0.61765	10,688
2015	52,030.62	7.50	17.00	0.55882	29,076
2016	305,779.16	8.50	17.00	0.50000	152,890
2017	91,250.94	9.50	17.00	0.44118	40,258
2018	575,028.36	10.50	17.00	0.38235	219,864
2019	135,016.50	11.50	17.00	0.32353	43,682
2020	71,253.88	12.50	17.00	0.26471	18,861
2022	31,734.79	14.50	17.00	0.14706	4,667
2023	241,700.33	15.50	17.00	0.08824	21,326
2024	40,500.00	16.50	17.00	0.02941	1,191
Total	2,192,449.73				1,079,695.27

PGS

Gas Division

391.01 Computer Equipment

Original Cost Of Utility Plant In Service

And Development Of Calculated Depr Reserve as of December 31, 2024

Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % **Average Service Life:** 9 **Survivor Curve:** SQ

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2012	57,597.38	0.00	0.00	1.00000	57,597
2013	100,249.64	0.00	0.00	1.00000	100,250
2014	431,635.95	0.00	0.00	1.00000	431,636
2015	574,371.25	0.00	0.00	1.00000	574,371
2016	175,832.21	0.50	9.00	0.94444	166,064
2017	11,535.38	1.50	9.00	0.83333	9,613
2018	82,269.73	2.50	9.00	0.72222	59,417
2019	1,630,801.36	3.50	9.00	0.61111	996,601
2020	138,455.00	4.50	9.00	0.50000	69,228
2021	8,106.39	5.50	9.00	0.38889	3,152
2022	47,509.97	6.50	9.00	0.27778	13,197
2023	2,673,941.60	7.50	9.00	0.16667	445,657
2024	491,651.29	8.50	9.00	0.05556	27,314
Total	6,423,957.15				2,954,096.74

PGS
Gas Division
391.02 Office Equipment

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % **Average Service Life:** 15 **Survivor Curve:** SQ

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2002	9,275.92	0.00	0.00	1.00000	9,276
2004	50,945.45	0.00	0.00	1.00000	50,945
2005	15,753.72	0.00	0.00	1.00000	15,754
2006	10,052.63	0.00	0.00	1.00000	10,053
2007	100,172.03	0.00	0.00	1.00000	100,172
2008	3,705.13	0.00	0.00	1.00000	3,705
2009	3,389.84	0.00	0.00	1.00000	3,390
2010	11,701.77	0.50	15.00	0.96667	11,312
2011	277,041.59	1.50	15.00	0.90000	249,337
2012	9,286.13	2.50	15.00	0.83333	7,738
2013	257,470.04	3.50	15.00	0.76667	197,394
2014	15,220.50	4.50	15.00	0.70000	10,654
2015	32,576.23	5.50	15.00	0.63333	20,632
2016	65,264.69	6.50	15.00	0.56667	36,983
2017	443,681.45	7.50	15.00	0.50000	221,841
2018	16,931.70	8.50	15.00	0.43333	7,337
2019	123,272.16	9.50	15.00	0.36667	45,200
2020	16,678.31	10.50	15.00	0.30000	5,003
2022	67,254.50	12.50	15.00	0.16667	11,209
Total	1,529,673.79				1,017,935.45

PGS
Gas Division
392.01 Vehicles up to 1/2 Tons

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 11 % **Average Service Life:** 8 **Survivor Curve:** L2

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2001	36,755.44	0.00	0.00	0.89000	32,712
2002	42,654.92	0.00	0.00	0.89000	37,963
2004	74,529.36	0.57	8.00	0.82642	61,593
2005	22,425.81	0.70	8.00	0.81217	18,214
2006	87,562.88	0.85	8.00	0.79536	69,644
2007	37,028.73	1.02	8.00	0.77659	28,756
2008	71,314.79	1.20	8.00	0.75665	53,961
2009	246,695.29	1.39	8.00	0.73532	181,400
2010	424,184.03	1.59	8.00	0.71284	302,375
2011	504,980.21	1.81	8.00	0.68888	347,871
2012	152,253.16	2.04	8.00	0.66353	101,024
2013	742,667.23	2.28	8.00	0.63673	472,877
2014	168,286.89	2.52	8.00	0.60912	102,507
2015	1,016,083.21	2.77	8.00	0.58149	590,840
2016	792,209.89	3.01	8.00	0.55464	439,395
2017	740,847.12	3.25	8.00	0.52802	391,183
2018	332,369.98	3.51	8.00	0.49915	165,903
2019	644,561.13	3.84	8.00	0.46324	298,586
2020	905,277.36	4.28	8.00	0.41401	374,790
2021	444,941.58	4.89	8.00	0.34583	153,876
2022	1,724,117.87	5.67	8.00	0.25913	446,769
2023	6,169,828.38	6.55	8.00	0.16169	997,605
2024	8,319,999.64	7.50	8.00	0.05538	460,768
Total	23,701,574.90				6,130,612.92

PGS
Gas Division
392.02 Vehicles from 1/2 - 1 Tons

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 11 % **Average Service Life:** 10 **Survivor Curve:** L3

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1999	28,303.89	0.00	0.00	0.89000	25,190
2002	50,180.97	0.51	10.00	0.84479	42,392
2005	34,520.57	0.93	10.00	0.80702	27,859
2006	24,202.13	1.12	10.00	0.78990	19,117
2007	147,650.81	1.33	10.00	0.77150	113,913
2008	73,253.51	1.55	10.00	0.75185	55,076
2010	274,641.56	2.04	10.00	0.70880	194,667
2011	427,348.14	2.29	10.00	0.68599	293,158
2012	164,947.66	2.54	10.00	0.66381	109,494
2013	543,449.20	2.76	10.00	0.64420	350,087
2014	540,415.86	2.94	10.00	0.62807	339,421
2015	792,939.60	3.11	10.00	0.61310	486,150
2016	1,068,257.92	3.33	10.00	0.59363	634,151
2017	1,279,351.26	3.67	10.00	0.56331	720,666
2018	1,935,383.29	4.18	10.00	0.51777	1,002,084
2019	3,533,710.60	4.87	10.00	0.45669	1,613,825
2020	2,150,749.91	5.68	10.00	0.38407	826,035
2021	2,259,093.98	6.58	10.00	0.30469	688,321
2022	2,475,253.83	7.52	10.00	0.22075	546,423
Total	17,803,654.69				8,088,027.22

PGS
Gas Division
392.04 Trailers & Other

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -20 % Average Service Life: 30 Survivor Curve: R1.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1974	927.68	2.86	30.00	1.08566	1,007
1976	1,425.84	3.34	30.00	1.06639	1,520
1978	3,068.00	3.86	30.00	1.04569	3,208
1982	6,121.82	4.99	30.00	1.00022	6,123
1984	1,671.80	5.61	30.00	0.97574	1,631
1986	1,577.73	6.26	30.00	0.94971	1,498
1987	4,914.45	6.60	30.00	0.93599	4,600
1988	6,252.55	6.96	30.00	0.92176	5,763
1990	3,623.68	7.71	30.00	0.89157	3,231
1991	6,535.40	8.11	30.00	0.87554	5,722
1994	34,745.96	9.42	30.00	0.82340	28,610
1995	7,475.00	9.88	30.00	0.80462	6,014
1996	58,319.86	10.37	30.00	0.78515	45,790
1997	14,299.11	10.88	30.00	0.76499	10,939
1998	14,707.84	11.40	30.00	0.74411	10,944
1999	5,017.64	11.94	30.00	0.72257	3,626
2000	6,398.95	12.49	30.00	0.70036	4,482
2001	19,226.38	13.06	30.00	0.67746	13,025
2003	4,435.24	14.25	30.00	0.62983	2,793
2004	3,983.48	14.87	30.00	0.60506	2,410
2005	4,071.00	15.51	30.00	0.57975	2,360
2006	3,047.57	16.15	30.00	0.55388	1,688
2007	11,864.93	16.81	30.00	0.52743	6,258
2008	6,491.02	17.49	30.00	0.50050	3,249
2009	4,641.83	18.17	30.00	0.47309	2,196
2010	2,115.26	18.87	30.00	0.44518	942
2011	63,338.54	19.58	30.00	0.41685	26,403
2012	3,189.24	20.30	30.00	0.38811	1,238

PGS
Gas Division
392.04 Trailers & Other

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -20 % **Average Service Life:** 30 **Survivor Curve:** R1.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2013	13,995.21	21.03	30.00	0.35895	5,024
2014	818,004.33	21.76	30.00	0.32945	269,490
2015	5,738.84	22.51	30.00	0.29960	1,719
2016	23,325.99	23.27	30.00	0.26939	6,284
2017	94,323.73	24.03	30.00	0.23888	22,532
2018	20,800.90	24.80	30.00	0.20806	4,328
2019	1,077,081.04	25.58	30.00	0.17689	190,526
2020	895,773.72	26.36	30.00	0.14543	130,274
2021	29,471.59	27.16	30.00	0.11366	3,350
2022	14,459.36	27.96	30.00	0.08156	1,179
2023	1,315,163.56	28.77	30.00	0.04917	64,667
2024	69,941.25	29.59	30.00	0.01648	1,152
Total	4,681,567.32				907,795.32

PGS
Gas Division
392.05 Vehicles over 1 Ton

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 7 % **Average Service Life:** 13 **Survivor Curve:** L2

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1992	46,758.60	0.89	13.00	0.86644	40,513
2005	10,202.86	3.47	13.00	0.68165	6,955
2006	120,234.03	3.72	13.00	0.66405	79,842
2007	71,334.69	3.97	13.00	0.64612	46,091
2010	8,912.49	4.71	13.00	0.59288	5,284
2013	67,792.77	5.44	13.00	0.54087	36,667
2014	134,191.32	5.71	13.00	0.52154	69,986
2015	576,414.01	6.02	13.00	0.49934	287,828
2016	202,698.33	6.39	13.00	0.47276	95,827
2018	130,825.56	7.41	13.00	0.40019	52,356
2019	623,444.40	8.08	13.00	0.35207	219,493
2020	571,330.17	8.85	13.00	0.29678	169,561
Total	2,564,139.23				1,110,402.98

PGS
Gas Division
393.00 Stores Equipment

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % **Average Service Life:** 24 **Survivor Curve:** SQ

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2012	1,283.39	11.50	24.00	0.52083	668
Total	1,283.39				668.43

PGS
Gas Division
394.00 Tools, Shop & Garage Equip

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % **Average Service Life:** 18 **Survivor Curve:** SQ

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2004	10,203.20	0.00	0.00	1.00000	10,203
2005	102,633.27	0.00	0.00	1.00000	102,633
2006	102,556.61	0.00	0.00	1.00000	102,557
2007	120,829.00	0.50	18.00	0.97222	117,473
2008	77,877.13	1.50	18.00	0.91667	71,387
2009	211,344.45	2.50	18.00	0.86111	181,991
2010	165,917.15	3.50	18.00	0.80556	133,655
2011	370,307.52	4.50	18.00	0.75000	277,731
2012	160,080.34	5.50	18.00	0.69444	111,167
2013	386,884.17	6.50	18.00	0.63889	247,176
2014	1,471,365.89	7.50	18.00	0.58333	858,297
2015	2,693,626.21	8.50	18.00	0.52778	1,421,636
2016	303,818.81	9.50	18.00	0.47222	143,470
2017	131,580.30	10.50	18.00	0.41667	54,825
2018	185,617.32	11.50	18.00	0.36111	67,028
2019	169,435.99	12.50	18.00	0.30556	51,772
2020	138,839.27	13.50	18.00	0.25000	34,710
2021	43,089.54	14.50	18.00	0.19444	8,379
2022	70,095.72	15.50	18.00	0.13889	9,736
2023	1,605,734.51	16.50	18.00	0.08333	133,811
2024	823,262.00	17.50	18.00	0.02778	22,868
Total	9,345,098.40				4,162,505.15

PGS
Gas Division
394.01 CNC Station Equipment

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % **Average Service Life:** 20 **Survivor Curve:** SQ

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2011	6,679.97	6.50	20.00	0.67500	4,509
2012	2,413.68	7.50	20.00	0.62500	1,509
2013	20,727.47	8.50	20.00	0.57500	11,918
2016	1,431,845.14	11.50	20.00	0.42500	608,534
2019	1,095,156.28	14.50	20.00	0.27500	301,168
2020	24,427.55	15.50	20.00	0.22500	5,496
2022	4,788.56	17.50	20.00	0.12500	599
2023	655,754.14	18.50	20.00	0.07500	49,182
Total	3,241,792.79				982,914.32

PGS
Gas Division
396.00 Power Operated Equipment

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 10 % **Average Service Life:** 18 **Survivor Curve:** L1.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1993	1,949.65	4.42	18.00	0.67894	1,324
1994	62,179.31	4.63	18.00	0.66828	41,553
1995	43,250.67	4.85	18.00	0.65727	28,428
1996	76,843.92	5.08	18.00	0.64599	49,641
1997	42,989.34	5.31	18.00	0.63435	27,270
1998	194,264.20	5.55	18.00	0.62245	120,921
1999	12,270.42	5.80	18.00	0.61022	7,488
2000	36,993.15	6.04	18.00	0.59779	22,114
2001	55,638.93	6.30	18.00	0.58509	32,554
2002	58,640.06	6.55	18.00	0.57228	33,559
2004	49,850.67	7.07	18.00	0.54626	27,232
2005	5,104.27	7.34	18.00	0.53315	2,721
2006	41,545.76	7.60	18.00	0.51990	21,599
2007	9,061.03	7.87	18.00	0.50650	4,589
2008	74,752.28	8.14	18.00	0.49277	36,836
2009	86,902.71	8.43	18.00	0.47858	41,590
2010	218,585.51	8.73	18.00	0.46362	101,342
2011	225,949.51	9.05	18.00	0.44763	101,143
2012	79,155.79	9.40	18.00	0.43024	34,056
2013	76,102.52	9.78	18.00	0.41109	31,285
2014	926,640.52	10.20	18.00	0.38982	361,219
2015	22,819.81	10.68	18.00	0.36604	8,353
2016	78,520.43	11.22	18.00	0.33920	26,634
2017	91,302.21	11.82	18.00	0.30917	28,228
2018	212,537.04	12.48	18.00	0.27591	58,642
2019	76,294.87	13.20	18.00	0.23998	18,309
2020	74,102.89	13.97	18.00	0.20151	14,932
2021	48,793.21	14.79	18.00	0.16056	7,834

PGS
Gas Division
396.00 Power Operated Equipment

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 10 % **Average Service Life:** 18 **Survivor Curve:** L1.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2022	10,696.08	15.66	18.00	0.11720	1,254
2023	484,735.74	16.57	18.00	0.07159	34,704
2024	1,044,256.11	17.52	18.00	0.02420	25,274
Total	4,522,728.61				1,352,626.72

PGS

Gas Division

397.00 Communication Equipment

Original Cost Of Utility Plant In Service

And Development Of Calculated Depr Reserve as of December 31, 2024

Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: *0 %* ***Average Service Life:*** *13* ***Survivor Curve:*** *SQ*

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2008	15,752.04	0.00	0.00	1.00000	15,752
2009	513,040.36	0.00	0.00	1.00000	513,040
2010	274,684.70	0.00	0.00	1.00000	274,685
2011	559,751.33	0.00	0.00	1.00000	559,751
2012	178,355.18	0.50	13.00	0.96154	171,495
2013	799,377.33	1.50	13.00	0.88462	707,141
2014	63,729.73	2.50	13.00	0.80769	51,474
2016	163,127.93	4.50	13.00	0.65385	106,661
2017	386,579.78	5.50	13.00	0.57692	223,027
2023	59,905.99	11.50	13.00	0.11538	6,912
2024	12,000.00	12.50	13.00	0.03846	462
Total	3,026,304.37				2,630,400.43

PGS
Gas Division
398.00 Miscellaneous Equipment

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % **Average Service Life:** 20 **Survivor Curve:** SQ

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2003	33,681.36	0.00	0.00	1.00000	33,681
2004	3,032.14	0.00	0.00	1.00000	3,032
2006	38,674.55	1.50	20.00	0.92500	35,774
2007	3,361.02	2.50	20.00	0.87500	2,941
2008	2,887.48	3.50	20.00	0.82500	2,382
2010	5,655.92	5.50	20.00	0.72500	4,101
2011	20,642.52	6.50	20.00	0.67500	13,934
2012	1,158.35	7.50	20.00	0.62500	724
2013	655.68	8.50	20.00	0.57500	377
2014	10,833.74	9.50	20.00	0.52500	5,688
2015	8,249.33	10.50	20.00	0.47500	3,918
2016	4,275.45	11.50	20.00	0.42500	1,817
2019	9,100.79	14.50	20.00	0.27500	2,503
2020	8,108.69	15.50	20.00	0.22500	1,824
2023	583,815.16	18.50	20.00	0.07500	43,786
2024	189,309.82	19.50	20.00	0.02500	4,733
Total	923,442.00				161,215.02

PGS

Gas Division

303.00 Misc. Intangible Plant

Original Cost Of Utility Plant In Service

And Development Of Calculated Depr Reserve as of December 31, 2024

Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % **Average Service Life:** 25 **Survivor Curve:** SQ

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1993	280,914.31	0.00	0.00	1.00000	280,914
1995	246,442.67	0.00	0.00	1.00000	246,443
1997	287,968.09	0.00	0.00	1.00000	287,968
Total	815,325.07				815,325.07

PGS
Gas Division
303.01 Custom Intangible Plant

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % Average Service Life: 15 Survivor Curve: SQ

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2001	802,351.27	0.00	0.00	1.00000	802,351
2002	1,434,764.12	0.00	0.00	1.00000	1,434,764
2003	29,233.07	0.00	0.00	1.00000	29,233
2004	130,041.41	0.00	0.00	1.00000	130,041
2005	173,913.05	0.00	0.00	1.00000	173,913
2006	371,049.12	0.00	0.00	1.00000	371,049
2007	122,538.29	0.00	0.00	1.00000	122,538
2009	3,203,016.29	0.00	0.00	1.00000	3,203,016
2010	1,703,606.70	0.50	15.00	0.96667	1,646,820
2011	2,758,629.14	1.50	15.00	0.90000	2,482,766
2012	7,542,446.68	2.50	15.00	0.83333	6,285,372
2013	720,847.71	3.50	15.00	0.76667	552,650
2014	1,362,236.89	4.50	15.00	0.70000	953,566
2015	4,290,931.54	5.50	15.00	0.63333	2,717,590
2016	1,962,769.57	6.50	15.00	0.56667	1,112,236
2017	404,501.34	7.50	15.00	0.50000	202,251
2018	2,495,160.72	8.50	15.00	0.43333	1,081,236
2019	2,714,500.03	9.50	15.00	0.36667	995,317
2020	16,288,279.03	10.50	15.00	0.30000	4,886,484
2021	6,333,965.16	11.50	15.00	0.23333	1,477,925
2022	6,856,246.60	12.50	15.00	0.16667	1,142,708
2023	48,825,616.26	13.50	15.00	0.10000	4,882,562
2024	14,303,044.80	14.50	15.00	0.03333	476,768
Total	124,829,688.79				37,163,156.81

PGS
Gas Division
336.00 Renewable Natural Gas (RNG)

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: *-5 %* ***Average Service Life:*** *30* ***Survivor Curve:*** *R2*

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2023	16,109,646.34	28.65	30.00	0.04728	761,620
Total	16,109,646.34				761,619.95

PGS

Gas Division

336.01 RNG Plant Leased - 15 Years

Original Cost Of Utility Plant In Service

And Development Of Calculated Depr Reserve as of December 31, 2024

Based Upon Broad Group/Remaining Life Procedure and Technique

***Salvage Value:* 0 % *Average Service Life:* 15 *Survivor Curve:* SQ**

Year	*Original Cost*	*Expectancy*	*Avg. Service Life*	*Reserve Ratio*	*Calculated Reserve*
(1)	*(2)*	*(3)*	*(4)*	*(5)*	*(6)*
2023	35,668,591.62	13.50	15.00	0.10000	3,566,859
Total	35,668,591.62				3,566,859.16

PGS

Gas Division

364.00 Liquified Natural Gas (LNG)

Original Cost Of Utility Plant In Service

And Development Of Calculated Depr Reserve as of December 31, 2024

Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -5 % *Average Service Life:* 30 *Survivor Curve:* R2

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2023	1,485,380.05	28.65	30.00	0.04728	70,225
2024	17,975.92	29.55	30.00	0.01584	285
Total	1,503,355.97				70,509.44

PGS
Gas Division
374.02 Land Rights

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % **Average Service Life:** 75 **Survivor Curve:** SQ

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1959	8,763.01	9.50	75.00	0.87333	7,653
1960	1,079.04	10.50	75.00	0.86000	928
1962	1,233.71	12.50	75.00	0.83333	1,028
1963	8,082.60	13.50	75.00	0.82000	6,628
1964	8,772.19	14.50	75.00	0.80667	7,076
1965	35,291.61	15.50	75.00	0.79333	27,998
1966	10,891.57	16.50	75.00	0.78000	8,495
1967	27,128.87	17.50	75.00	0.76667	20,799
1968	76,841.25	18.50	75.00	0.75333	57,887
1969	127,678.07	19.50	75.00	0.74000	94,482
1970	116,665.02	20.50	75.00	0.72667	84,777
1971	98,904.72	21.50	75.00	0.71333	70,552
1972	124,757.77	22.50	75.00	0.70000	87,330
1973	15,101.53	23.50	75.00	0.68667	10,370
1974	14,682.24	24.50	75.00	0.67333	9,886
1975	10,955.04	25.50	75.00	0.66000	7,230
1981	54.26	31.50	75.00	0.58000	31
1991	12,084.68	41.50	75.00	0.44667	5,398
1993	12,037.50	43.50	75.00	0.42000	5,056
1994	6,611.77	44.50	75.00	0.40667	2,689
1996	227,583.17	46.50	75.00	0.38000	86,482
1999	122,559.84	49.50	75.00	0.34000	41,670
2000	16,248.02	50.50	75.00	0.32667	5,308
2002	62,802.66	52.50	75.00	0.30000	18,841
2004	109,828.54	54.50	75.00	0.27333	30,020
2005	46,539.37	55.50	75.00	0.26000	12,100
2006	12,725.40	56.50	75.00	0.24667	3,139
2008	54,867.33	58.50	75.00	0.22000	12,071

PGS
Gas Division
374.02 Land Rights

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % **Average Service Life:** 75 **Survivor Curve:** SQ

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2009	121,055.42	59.50	75.00	0.20667	25,018
2010	67,325.50	60.50	75.00	0.19333	13,016
2012	70,879.62	62.50	75.00	0.16667	11,813
2013	30,114.25	63.50	75.00	0.15333	4,618
2014	267,914.88	64.50	75.00	0.14000	37,508
2015	895,642.50	65.50	75.00	0.12667	113,448
2016	1,072,853.70	66.50	75.00	0.11333	121,590
2017	311,775.23	67.50	75.00	0.10000	31,178
2018	60,540.78	68.50	75.00	0.08667	5,247
Total	4,268,872.66				1,089,359.11

PGS
Gas Division
375.00 Structures & Improvements

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % **Average Service Life:** 33 **Survivor Curve:** L0

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1986	1,956,113.22	17.39	33.00	0.47298	925,201
1987	60,992.18	17.67	33.00	0.46464	28,339
1988	44,231.55	17.95	33.00	0.45617	20,177
1989	10,310.76	18.23	33.00	0.44759	4,615
1990	261,229.83	18.52	33.00	0.43888	114,650
1991	34,420.61	18.81	33.00	0.43005	14,803
1992	74,776.08	19.10	33.00	0.42110	31,488
1993	579,915.72	19.40	33.00	0.41201	238,929
1994	522,640.75	19.71	33.00	0.40277	210,507
1995	198,793.97	20.02	33.00	0.39341	78,207
1996	124,991.81	20.33	33.00	0.38390	47,984
1997	195,678.27	20.65	33.00	0.37424	73,231
1998	50,657.11	20.97	33.00	0.36444	18,462
1999	385,489.97	21.30	33.00	0.35450	136,655
2000	451,653.38	21.63	33.00	0.34440	155,548
2001	2,041,211.79	21.97	33.00	0.33414	682,057
2002	1,449,154.67	22.32	33.00	0.32373	469,135
2003	1,299,753.91	22.67	33.00	0.31316	407,026
2004	87,478.33	23.02	33.00	0.30242	26,455
2005	113,895.84	23.38	33.00	0.29151	33,202
2006	1,110,118.65	23.75	33.00	0.28044	311,318
2007	1,060,829.90	24.12	33.00	0.26919	285,562
2008	260,913.77	24.49	33.00	0.25776	67,253
2009	397,892.62	24.88	33.00	0.24615	97,941
2010	964,875.45	25.27	33.00	0.23432	226,088
2011	197,577.82	25.67	33.00	0.22223	43,907
2012	130,812.33	26.08	33.00	0.20983	27,448
2013	27,683.14	26.50	33.00	0.19708	5,456

PGS
Gas Division
375.00 Structures & Improvements

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % **Average Service Life:** 33 **Survivor Curve:** L0

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2014	100,117.90	26.93	33.00	0.18393	18,415
2015	415,971.22	27.38	33.00	0.17034	70,858
2016	6,223,006.58	27.84	33.00	0.15626	972,376
2017	980,589.42	28.33	33.00	0.14161	138,859
2018	488,977.42	28.83	33.00	0.12633	61,771
2019	1,536,081.73	29.36	33.00	0.11032	169,465
2020	317,815.47	29.91	33.00	0.09348	29,710
2021	275,473.39	30.50	33.00	0.07565	20,839
2022	706,644.96	31.13	33.00	0.05660	40,000
2023	5,278,050.99	31.81	33.00	0.03600	189,990
2024	12,123,219.00	32.57	33.00	0.01313	159,181
Total	42,540,041.51				6,653,106.47

PGS
Gas Division
376.00 Mains - Steel

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -60 % **Average Service Life:** 65 **Survivor Curve:** R1.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1957	136,975.85	19.75	65.00	1.11392	152,581
1958	1,637,628.63	20.20	65.00	1.10275	1,805,900
1959	1,864,660.07	20.66	65.00	1.09141	2,035,108
1960	2,271,714.20	21.13	65.00	1.07984	2,453,080
1961	488,769.68	21.61	65.00	1.06810	522,055
1962	586,111.82	22.10	65.00	1.05612	619,007
1963	688,981.37	22.59	65.00	1.04400	719,294
1964	900,359.68	23.09	65.00	1.03162	928,827
1965	1,031,992.36	23.60	65.00	1.01910	1,051,702
1966	864,612.42	24.12	65.00	1.00632	870,077
1967	1,654,475.77	24.64	65.00	0.99337	1,643,500
1968	2,399,997.00	25.18	65.00	0.98024	2,352,584
1969	1,680,713.46	25.72	65.00	0.96690	1,625,081
1970	2,280,716.86	26.27	65.00	0.95340	2,174,432
1971	1,731,354.86	26.83	65.00	0.93967	1,626,900
1972	1,826,425.84	27.39	65.00	0.92580	1,690,897
1973	2,967,031.95	27.96	65.00	0.91169	2,705,012
1974	3,379,567.11	28.54	65.00	0.89745	3,033,002
1975	2,327,388.00	29.13	65.00	0.88298	2,055,034
1976	1,782,562.20	29.72	65.00	0.86839	1,547,953
1977	1,523,530.52	30.32	65.00	0.85355	1,300,416
1978	3,089,228.06	30.93	65.00	0.83862	2,590,678
1979	3,198,732.22	31.55	65.00	0.82344	2,633,952
1980	2,603,156.43	32.17	65.00	0.80811	2,103,637
1981	4,298,462.59	32.80	65.00	0.79265	3,407,166
1982	2,316,681.39	33.44	65.00	0.77699	1,800,039
1983	2,577,191.76	34.08	65.00	0.76121	1,961,781
1984	2,912,319.08	34.73	65.00	0.74523	2,170,352

PGS
Gas Division
376.00 Mains - Steel

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -60 % **Average Service Life:** 65 **Survivor Curve:** R1.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1985	2,225,592.44	35.38	65.00	0.72914	1,622,775
1986	7,785,582.62	36.04	65.00	0.71286	5,550,016
1987	2,781,812.57	36.71	65.00	0.69647	1,937,461
1988	5,462,988.12	37.38	65.00	0.67989	3,714,252
1989	3,272,556.61	38.06	65.00	0.66323	2,170,448
1990	3,606,303.17	38.74	65.00	0.64636	2,330,984
1991	13,714,329.25	39.43	65.00	0.62943	8,632,154
1992	3,164,410.09	40.13	65.00	0.61229	1,937,547
1993	3,468,298.06	40.83	65.00	0.59505	2,063,818
1994	3,643,372.72	41.53	65.00	0.57771	2,104,811
1995	7,665,962.38	42.24	65.00	0.56022	4,294,609
1996	3,389,592.79	42.96	65.00	0.54264	1,839,317
1997	5,123,444.37	43.68	65.00	0.52491	2,689,336
1998	12,946,362.83	44.40	65.00	0.50710	6,565,111
1999	28,143,824.90	45.13	65.00	0.48915	13,766,481
2000	17,050,968.49	45.86	65.00	0.47113	8,033,162
2001	18,221,210.97	46.60	65.00	0.45296	8,253,500
2002	7,192,891.70	47.34	65.00	0.43474	3,127,019
2003	6,676,236.91	48.09	65.00	0.41637	2,779,792
2004	3,582,034.99	48.83	65.00	0.39795	1,425,487
2005	3,502,683.06	49.59	65.00	0.37940	1,328,905
2006	5,975,408.91	50.34	65.00	0.36076	2,155,693
2007	4,182,324.87	51.10	65.00	0.34205	1,430,575
2008	5,045,352.28	51.87	65.00	0.32323	1,630,822
2009	26,291,133.81	52.64	65.00	0.30435	8,001,587
2010	27,833,077.36	53.41	65.00	0.28534	7,941,960
2011	12,473,481.30	54.18	65.00	0.26628	3,321,405
2012	14,835,653.58	54.96	65.00	0.24709	3,665,781

PGS
Gas Division
376.00 Mains - Steel

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -60 % *Average Service Life:* 65 *Survivor Curve:* R1.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2013	36,108,503.88	55.74	65.00	0.22785	8,227,335
2014	16,693,976.66	56.53	65.00	0.20849	3,480,446
2015	8,681,159.00	57.32	65.00	0.18907	1,641,317
2016	29,365,010.20	58.11	65.00	0.16952	4,978,010
2017	25,014,029.72	58.91	65.00	0.14993	3,750,309
2018	24,548,208.26	59.71	65.00	0.13020	3,196,295
2019	29,404,985.10	60.52	65.00	0.11041	3,246,491
2020	84,148,547.47	61.32	65.00	0.09054	7,618,515
2021	106,265,901.86	62.13	65.00	0.07056	7,498,227
2022	59,588,526.22	62.95	65.00	0.05052	3,010,345
2023	91,298,946.50	63.77	65.00	0.03037	2,772,506
2024	14,028,807.66	64.59	65.00	0.01015	142,444
Total	839,424,834.86				213,457,094.35

PGS
Gas Division
376.02 Mains - Plastic

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -40 % **Average Service Life:** 75 **Survivor Curve:** R2

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1988	4,353,452.48	44.58	75.00	0.56782	2,471,988
1989	4,475,620.18	45.33	75.00	0.55382	2,478,686
1990	7,581,835.62	46.08	75.00	0.53975	4,092,318
1991	3,499,272.57	46.84	75.00	0.52559	1,839,194
1992	3,329,178.01	47.61	75.00	0.51129	1,702,162
1993	6,142,817.81	48.38	75.00	0.49692	3,052,469
1994	6,542,540.91	49.15	75.00	0.48246	3,156,502
1995	7,486,976.82	49.94	75.00	0.46786	3,502,838
1996	5,350,740.22	50.72	75.00	0.45320	2,424,942
1997	8,036,782.17	51.51	75.00	0.43845	3,523,735
1998	14,972,124.22	52.31	75.00	0.42357	6,341,719
1999	19,584,429.75	53.11	75.00	0.40863	8,002,754
2000	27,576,457.64	53.91	75.00	0.39361	10,854,237
2001	21,121,786.01	54.73	75.00	0.37845	7,993,572
2002	11,905,807.55	55.54	75.00	0.36324	4,324,691
2003	8,943,896.33	56.36	75.00	0.34795	3,112,055
2004	8,146,684.54	57.19	75.00	0.33254	2,709,087
2005	6,249,606.44	58.01	75.00	0.31707	1,981,566
2006	5,378,166.44	58.85	75.00	0.30153	1,621,656
2007	6,910,147.34	59.69	75.00	0.28586	1,975,344
2008	7,944,717.09	60.53	75.00	0.27015	2,146,227
2009	18,994,275.92	61.37	75.00	0.25436	4,831,291
2010	26,634,303.50	62.23	75.00	0.23845	6,350,986
2011	24,071,220.66	63.08	75.00	0.22250	5,355,781
2012	14,871,441.94	63.94	75.00	0.20647	3,070,550
2013	26,258,034.18	64.80	75.00	0.19034	4,997,954
2014	28,285,033.16	65.67	75.00	0.17416	4,926,089
2015	31,357,194.48	66.54	75.00	0.15791	4,951,630

PGS
Gas Division
376.02 Mains - Plastic

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -40 % *Average Service Life:* 75 *Survivor Curve:* R2

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2016	38,451,693.17	67.42	75.00	0.14156	5,443,186
2017	45,276,685.23	68.30	75.00	0.12516	5,666,907
2018	73,780,577.07	69.18	75.00	0.10870	8,019,951
2019	53,082,641.00	70.06	75.00	0.09214	4,891,096
2020	78,977,475.47	70.95	75.00	0.07554	5,965,815
2021	31,267,391.68	71.85	75.00	0.05887	1,840,843
2022	38,039,872.81	72.74	75.00	0.04212	1,602,182
2023	227,207,007.89	73.64	75.00	0.02532	5,753,055
2024	124,233,377.75	74.55	75.00	0.00847	1,051,725
Total	1,076,321,266.05				154,026,780.42

PGS
Gas Division
377.00 Compressor Equipment

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -5 % **Average Service Life:** 35 **Survivor Curve:** R2

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2021	19,091,947.57	31.87	35.00	0.09387	1,792,132
2022	95,350.33	32.76	35.00	0.06733	6,420
Total	19,187,297.90				1,798,551.91

PGS
Gas Division
378.00 Meas. & Reg. Sta. Eq - General

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -20 % Average Service Life: 40 Survivor Curve: R1.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1968	282.08	6.70	40.00	0.99898	282
1969	10,152.27	7.00	40.00	0.98986	10,049
1970	2,281.93	7.31	40.00	0.98063	2,238
1971	4,116.25	7.63	40.00	0.97113	3,997
1972	4,904.64	7.95	40.00	0.96147	4,716
1973	11,865.37	8.28	40.00	0.95152	11,290
1974	12,521.18	8.62	40.00	0.94134	11,787
1975	13,009.55	8.97	40.00	0.93085	12,110
1976	34,048.38	9.33	40.00	0.92008	31,327
1977	21,624.56	9.70	40.00	0.90897	19,656
1978	725.61	10.08	40.00	0.89753	651
1979	26,955.36	10.48	40.00	0.88574	23,875
1980	24,918.38	10.88	40.00	0.87358	21,768
1981	30,905.24	11.30	40.00	0.86106	26,611
1982	18,096.58	11.73	40.00	0.84814	15,349
1983	11,984.00	12.17	40.00	0.83486	10,005
1984	113,815.57	12.63	40.00	0.82116	93,461
1985	28,594.60	13.10	40.00	0.80709	23,078
1986	63,250.70	13.58	40.00	0.79260	50,132
1987	80,532.61	14.08	40.00	0.77774	62,634
1988	23,149.66	14.58	40.00	0.76246	17,651
1989	60,319.96	15.11	40.00	0.74683	45,049
1990	88,392.95	15.64	40.00	0.73077	64,595
1991	65,295.08	16.19	40.00	0.71437	46,645
1992	78,841.10	16.75	40.00	0.69756	54,997
1993	152,375.45	17.32	40.00	0.68042	103,679
1994	178,216.59	17.90	40.00	0.66288	118,136
1995	123,989.87	18.50	40.00	0.64502	79,976

PGS
Gas Division
378.00 Meas. & Reg. Sta. Eq - General

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -20 % Average Service Life: 40 Survivor Curve: R1.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1996	102,023.78	19.11	40.00	0.62678	63,947
1997	98,561.99	19.73	40.00	0.60824	59,949
1998	254,246.31	20.36	40.00	0.58933	149,836
1999	487,152.63	21.00	40.00	0.57014	277,747
2000	164,900.43	21.65	40.00	0.55061	90,795
2001	774,670.69	22.31	40.00	0.53081	411,200
2002	344,875.97	22.98	40.00	0.51068	176,121
2003	352,362.69	23.66	40.00	0.49031	172,765
2004	129,549.57	24.35	40.00	0.46963	60,840
2005	217,180.49	25.04	40.00	0.44872	97,454
2006	121,820.04	25.75	40.00	0.42754	52,082
2007	366,208.40	26.46	40.00	0.40614	148,732
2008	142,509.41	27.18	40.00	0.38449	54,793
2009	517,632.34	27.91	40.00	0.36264	187,716
2010	321,507.76	28.65	40.00	0.34056	109,493
2011	666,370.71	29.39	40.00	0.31831	212,111
2012	2,369,059.25	30.14	40.00	0.29584	700,852
2013	1,294,693.44	30.89	40.00	0.27320	353,713
2014	1,387,932.14	31.66	40.00	0.25036	347,487
2015	1,366,134.00	32.42	40.00	0.22737	310,616
2016	1,293,894.37	33.19	40.00	0.20417	264,176
2017	1,222,336.23	33.97	40.00	0.18082	221,022
2018	1,427,896.11	34.76	40.00	0.15727	224,562
2019	1,486,548.86	35.55	40.00	0.13356	198,547
2020	2,207,938.55	36.35	40.00	0.10966	242,121
2021	732,413.23	37.15	40.00	0.08560	62,697
2022	934,794.95	37.96	40.00	0.06135	57,352
2023	21,743.29	38.77	40.00	0.03695	803

PGS
Gas Division
378.00 Meas. & Reg. Sta. Eq - General
Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -20 % Average Service Life: 40 Survivor Curve: R1.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2024	736,667.00	39.59	40.00	0.01235	9,100
Total	22,828,790.15				6,284,374.61

PGS
Gas Division
379.00 Meas. & Reg. - City Gate

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -20 % Average Service Life: 52 Survivor Curve: R2

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1993	730,150.27	26.45	52.00	0.58957	430,478
1994	184,226.43	27.15	52.00	0.57348	105,650
1995	33,548.79	27.86	52.00	0.55718	18,693
1996	20,975.94	28.57	52.00	0.54068	11,341
1997	850,589.27	29.29	52.00	0.52398	445,690
1998	66,630.46	30.03	52.00	0.50708	33,787
1999	438,437.77	30.77	52.00	0.49000	214,836
2000	578,125.42	31.51	52.00	0.47273	273,299
2001	721,310.69	32.27	52.00	0.45528	328,399
2002	71,617.72	33.04	52.00	0.43765	31,343
2003	782,606.35	33.81	52.00	0.41984	328,570
2004	851,804.90	34.59	52.00	0.40186	342,305
2005	573,393.95	35.37	52.00	0.38371	220,015
2006	170,020.62	36.17	52.00	0.36541	62,128
2007	1,433,160.00	36.97	52.00	0.34693	497,199
2008	2,190,610.46	37.77	52.00	0.32827	719,122
2009	5,389,411.56	38.59	52.00	0.30947	1,667,843
2010	1,680,854.49	39.41	52.00	0.29050	488,295
2011	1,757,563.31	40.24	52.00	0.27139	476,984
2012	5,305,481.27	41.07	52.00	0.25213	1,337,650
2013	6,437,673.35	41.92	52.00	0.23272	1,498,157
2014	921,727.06	42.76	52.00	0.21317	196,480
2015	1,279,711.09	43.62	52.00	0.19347	247,590
2016	6,217,087.71	44.48	52.00	0.17364	1,079,565
2017	9,905,033.88	45.34	52.00	0.15368	1,522,226
2018	8,329,388.41	46.21	52.00	0.13361	1,112,909
2019	5,731,102.74	47.09	52.00	0.11339	649,827
2020	6,487,290.28	47.97	52.00	0.09304	603,548

PGS
Gas Division
379.00 Meas. & Reg. - City Gate

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -20 % *Average Service Life:* 52 *Survivor Curve:* R2

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2021	13,736,237.61	48.86	52.00	0.07256	996,748
2022	11,129,230.19	49.75	52.00	0.05197	578,421
2023	21,433,447.27	50.65	52.00	0.03127	670,171
2024	7,298,344.00	51.55	52.00	0.01045	76,267
Total	122,736,793.26				17,265,535.69

PGS
Gas Division
380.00 Services - Steel

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -130 % Average Service Life: 52 Survivor Curve: R0.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1930	1,242.38	4.52	52.00	2.10028	2,609
1932	1,402.61	5.39	52.00	2.06166	2,892
1933	157.80	5.82	52.00	2.04277	322
1934	84.24	6.24	52.00	2.02412	171
1935	103.11	6.65	52.00	2.00570	207
1936	2,038.16	7.07	52.00	1.98748	4,051
1937	59.60	7.47	52.00	1.96942	117
1938	2,962.28	7.88	52.00	1.95151	5,781
1939	1,710.51	8.28	52.00	1.93373	3,308
1940	81.07	8.68	52.00	1.91595	155
1941	4,729.75	9.08	52.00	1.89836	8,979
1942	8,296.66	9.48	52.00	1.88083	15,605
1943	17,809.83	9.87	52.00	1.86333	33,186
1944	5,546.35	10.27	52.00	1.84584	10,238
1945	127.48	10.66	52.00	1.82835	233
1946	17,282.78	11.06	52.00	1.81084	31,296
1947	4,023.91	11.46	52.00	1.79331	7,216
1948	40,407.84	11.85	52.00	1.77573	71,753
1949	16,287.73	12.25	52.00	1.75809	28,635
1950	11,168.13	12.65	52.00	1.74038	19,437
1951	8,833.85	13.05	52.00	1.72259	15,217
1952	17,254.91	13.46	52.00	1.70471	29,415
1953	7,647.47	13.87	52.00	1.68674	12,899
1954	18,214.09	14.27	52.00	1.66863	30,393
1955	18,368.15	14.69	52.00	1.65044	30,316
1956	65,169.81	15.10	52.00	1.63212	106,365
1957	102,028.47	15.52	52.00	1.61367	164,641
1958	197,644.32	15.94	52.00	1.59508	315,259

PGS
Gas Division
380.00 Services - Steel

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -130 % Average Service Life: 52 Survivor Curve: R0.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1959	1,055,736.48	16.36	52.00	1.57635	1,664,211
1960	420,949.10	16.79	52.00	1.55747	655,614
1961	169,007.38	17.22	52.00	1.53843	260,005
1962	173,420.77	17.65	52.00	1.51922	263,465
1963	181,908.15	18.09	52.00	1.49986	272,836
1964	251,214.54	18.53	52.00	1.48032	371,878
1965	213,189.43	18.98	52.00	1.46061	311,386
1966	585,399.57	19.43	52.00	1.44073	843,400
1967	625,501.99	19.88	52.00	1.42066	888,623
1968	454,367.57	20.34	52.00	1.40040	636,297
1969	473,081.02	20.80	52.00	1.37996	652,833
1970	358,544.46	21.27	52.00	1.35933	487,379
1971	568,804.89	21.74	52.00	1.33850	761,348
1972	718,089.58	22.21	52.00	1.31749	946,074
1973	1,103,856.42	22.69	52.00	1.29627	1,430,901
1974	1,002,722.32	23.18	52.00	1.27487	1,278,337
1975	650,802.50	23.67	52.00	1.25326	815,626
1976	448,302.96	24.16	52.00	1.23146	552,067
1977	377,370.85	24.66	52.00	1.20946	456,414
1978	715,074.81	25.16	52.00	1.18726	848,980
1979	633,218.64	25.66	52.00	1.16487	737,615
1980	255,934.82	26.17	52.00	1.14230	292,354
1981	555,812.49	26.69	52.00	1.11951	622,237
1982	470,461.40	27.21	52.00	1.09652	515,873
1983	422,534.67	27.73	52.00	1.07335	453,527
1984	466,380.12	28.26	52.00	1.04998	489,692
1985	674,867.18	28.79	52.00	1.02643	692,706
1986	517,340.04	29.33	52.00	1.00270	518,736

PGS
Gas Division
380.00 Services - Steel

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -130 % Average Service Life: 52 Survivor Curve: R0.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1987	592,113.65	29.87	52.00	0.97878	579,551
1988	692,496.56	30.42	52.00	0.95469	661,121
1989	762,659.44	30.96	52.00	0.93043	709,601
1990	842,641.67	31.52	52.00	0.90600	763,432
1991	1,137,030.36	32.07	52.00	0.88141	1,002,185
1992	960,446.61	32.63	52.00	0.85669	822,801
1993	870,876.44	33.20	52.00	0.83178	724,375
1994	946,759.92	33.76	52.00	0.80672	763,773
1995	601,123.08	34.33	52.00	0.78153	469,795
1996	556,872.81	34.90	52.00	0.75620	421,109
1997	922,458.66	35.48	52.00	0.73075	674,086
1998	1,140,921.68	36.06	52.00	0.70518	804,551
1999	1,130,735.10	36.64	52.00	0.67949	768,324
2000	2,148,333.76	37.22	52.00	0.65370	1,404,363
2001	43,906.43	37.81	52.00	0.62781	27,565
2002	1,232,262.96	38.39	52.00	0.60183	741,608
2003	744,756.26	38.98	52.00	0.57576	428,800
2004	626,229.59	39.57	52.00	0.54961	344,184
2005	712,481.44	40.17	52.00	0.52340	372,909
2006	745,953.09	40.76	52.00	0.49713	370,834
2007	1,142,254.01	41.36	52.00	0.47078	537,747
2008	1,100,388.30	41.95	52.00	0.44437	488,980
2009	884,794.49	42.55	52.00	0.41791	369,764
2010	873,693.91	43.15	52.00	0.39140	341,961
2011	816,752.87	43.75	52.00	0.36483	297,977
2012	1,424,623.53	44.35	52.00	0.33821	481,822
2013	2,136,022.76	44.96	52.00	0.31153	665,439
2014	1,827,716.68	45.56	52.00	0.28479	520,522

PGS
Gas Division
380.00 Services - Steel

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -130 % Average Service Life: 52 Survivor Curve: R0.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2015	1,643,450.00	46.17	52.00	0.25799	424,000
2016	2,914,108.93	46.78	52.00	0.23113	673,540
2017	2,566,769.58	47.38	52.00	0.20420	524,139
2018	2,092,595.06	47.99	52.00	0.17723	370,863
2019	3,084,133.29	48.61	52.00	0.15016	463,108
2020	4,322,446.40	49.22	52.00	0.12302	531,750
2021	3,452,917.57	49.83	52.00	0.09581	330,829
2022	5,277,037.96	50.45	52.00	0.06853	361,635
Total	68,085,342.29				39,910,153.58

PGS
Gas Division
380.02 Services - Plastic

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -75 % **Average Service Life:** 55 **Survivor Curve:** R2.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1985	1,204,161.21	22.03	55.00	1.04911	1,263,301
1986	2,463,685.46	22.71	55.00	1.02748	2,531,395
1987	2,663,338.87	23.40	55.00	1.00552	2,678,035
1988	3,232,091.47	24.10	55.00	0.98323	3,177,878
1989	2,931,766.99	24.81	55.00	0.96068	2,816,496
1990	3,839,374.61	25.53	55.00	0.93773	3,600,313
1991	3,654,743.39	26.26	55.00	0.91449	3,342,213
1992	3,616,386.29	27.00	55.00	0.89095	3,222,001
1993	4,886,374.05	27.75	55.00	0.86712	4,237,055
1994	4,973,523.98	28.51	55.00	0.84301	4,192,711
1995	4,686,480.86	29.27	55.00	0.81866	3,836,657
1996	4,978,692.44	30.05	55.00	0.79398	3,952,999
1997	5,793,613.74	30.83	55.00	0.76904	4,455,510
1998	5,783,972.90	31.62	55.00	0.74383	4,302,318
1999	7,483,457.89	32.42	55.00	0.71838	5,375,942
2000	22,372,714.65	33.23	55.00	0.69272	15,498,009
2001	2,636,333.21	34.05	55.00	0.66675	1,757,765
2002	9,561,016.31	34.87	55.00	0.64054	6,124,177
2003	10,675,414.15	35.70	55.00	0.61409	6,555,705
2004	10,785,749.57	36.54	55.00	0.58742	6,335,811
2005	10,242,225.91	37.38	55.00	0.56053	5,741,107
2006	10,833,211.64	38.23	55.00	0.53346	5,779,067
2007	9,570,012.07	39.09	55.00	0.50612	4,843,594
2008	7,961,666.09	39.96	55.00	0.47858	3,810,315
2009	6,158,919.27	40.83	55.00	0.45085	2,776,720
2010	8,235,451.83	41.71	55.00	0.42292	3,482,907
2011	9,120,883.86	42.59	55.00	0.39484	3,601,248
2012	11,400,806.61	43.48	55.00	0.36653	4,178,686

PGS
Gas Division
380.02 Services - Plastic

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -75 % **Average Service Life:** 55 **Survivor Curve:** R2.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2013	13,640,697.21	44.38	55.00	0.33804	4,611,143
2014	16,039,838.69	45.28	55.00	0.30939	4,962,636
2015	17,667,666.34	46.18	55.00	0.28059	4,957,289
2016	24,706,396.63	47.09	55.00	0.25162	6,216,682
2017	25,325,870.02	48.01	55.00	0.22253	5,635,819
2018	42,070,531.10	48.93	55.00	0.19327	8,130,846
2019	41,279,315.60	49.85	55.00	0.16387	6,764,317
2020	49,738,113.32	50.78	55.00	0.13434	6,681,696
2021	54,543,732.35	51.71	55.00	0.10468	5,709,868
2022	62,233,681.32	52.65	55.00	0.07493	4,663,366
2023	66,087,725.83	53.58	55.00	0.04504	2,976,538
2024	62,511,257.60	54.53	55.00	0.01504	940,079
Total	667,590,895.33				185,720,210.04

PGS
Gas Division
381.00 Meters

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % **Average Service Life:** 20 **Survivor Curve:** R2

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2000	3,099,145.33	3.69	20.00	0.81528	2,526,656
2002	2,433,788.38	4.45	20.00	0.77773	1,892,837
2003	2,680,422.50	4.86	20.00	0.75693	2,028,898
2004	2,552,262.56	5.31	20.00	0.73469	1,875,112
2005	2,881,541.76	5.78	20.00	0.71096	2,048,648
2006	3,243,483.56	6.28	20.00	0.68576	2,224,245
2007	2,734,232.59	6.82	20.00	0.65901	1,801,882
2008	3,289,624.18	7.38	20.00	0.63087	2,075,316
2009	1,718,648.02	7.98	20.00	0.60123	1,033,303
2010	5,179,866.36	8.59	20.00	0.57030	2,954,058
2011	8,431,805.29	9.24	20.00	0.53797	4,536,045
2012	4,915,452.76	9.91	20.00	0.50445	2,479,620
2013	2,991,226.10	10.61	20.00	0.46966	1,404,874
2014	2,359,484.58	11.32	20.00	0.43380	1,023,540
2015	4,293,558.73	12.06	20.00	0.39677	1,703,569
2016	3,923,394.52	12.82	20.00	0.35877	1,407,598
2017	5,069,819.48	13.61	20.00	0.31972	1,620,904
2018	3,781,157.14	14.40	20.00	0.27977	1,057,868
2019	5,992,488.05	15.22	20.00	0.23890	1,431,619
2020	4,880,024.69	16.06	20.00	0.19718	962,222
2021	6,363,475.80	16.91	20.00	0.15462	983,900
2022	7,955,614.29	17.77	20.00	0.11133	885,731
2023	7,270,521.61	18.65	20.00	0.06729	489,228
2024	15,370,700.00	19.55	20.00	0.02260	347,446
Total	113,411,738.28				40,795,119.06

PGS
Gas Division
382.00 Meter Installations

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -30 % **Average Service Life:** 45 **Survivor Curve:** R1.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1981	153,034.78	15.18	45.00	0.86133	131,814
1982	317,266.29	15.68	45.00	0.84707	268,748
1983	403,951.26	16.18	45.00	0.83250	336,291
1984	332,099.58	16.70	45.00	0.81760	271,526
1985	466,387.68	17.23	45.00	0.80237	374,217
1986	250,344.31	17.76	45.00	0.78682	196,976
1987	277,394.91	18.32	45.00	0.77089	213,842
1988	284,334.36	18.88	45.00	0.75469	214,584
1989	310,063.90	19.45	45.00	0.73817	228,880
1990	401,454.80	20.03	45.00	0.72135	289,589
1991	356,198.10	20.62	45.00	0.70418	250,827
1992	422,953.73	21.23	45.00	0.68675	290,462
1993	548,952.93	21.84	45.00	0.66902	367,262
1994	890,223.38	22.47	45.00	0.65102	579,553
1995	759,707.64	23.10	45.00	0.63274	480,698
1996	400,813.82	23.74	45.00	0.61414	246,156
1997	706,298.75	24.39	45.00	0.59532	420,473
1998	909,280.63	25.05	45.00	0.57624	523,965
1999	2,960,143.64	25.72	45.00	0.55692	1,648,558
2000	3,555,689.47	26.40	45.00	0.53732	1,910,529
2001	860.30	27.09	45.00	0.51751	445
2002	1,936,021.23	27.78	45.00	0.49748	963,129
2003	2,356,242.93	28.48	45.00	0.47723	1,124,477
2004	2,184,983.46	29.19	45.00	0.45678	998,056
2005	2,891,763.22	29.91	45.00	0.43608	1,261,050
2006	2,554,516.26	30.63	45.00	0.41523	1,060,701
2007	2,126,369.48	31.36	45.00	0.39418	838,180
2008	2,136,983.83	32.09	45.00	0.37296	797,019

PGS
Gas Division
382.00 Meter Installations

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -30 % Average Service Life: 45 Survivor Curve: R1.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2009	2,030,124.35	32.83	45.00	0.35154	713,677
2010	2,001,925.56	33.58	45.00	0.32998	660,592
2011	2,197,867.62	34.33	45.00	0.30825	677,503
2012	1,918,712.59	35.09	45.00	0.28638	549,475
2013	1,834,052.00	35.85	45.00	0.26435	484,825
2014	2,327,250.21	36.62	45.00	0.24213	563,500
2015	2,450,705.72	37.39	45.00	0.21979	538,637
2016	3,590,691.31	38.17	45.00	0.19730	708,429
2017	3,370,499.49	38.95	45.00	0.17465	588,671
2018	5,206,038.25	39.74	45.00	0.15184	790,465
2019	5,760,374.36	40.54	45.00	0.12889	742,437
2020	7,085,783.11	41.34	45.00	0.10579	749,608
2021	8,410,531.63	42.14	45.00	0.08255	694,260
2022	10,932,158.81	42.95	45.00	0.05916	646,707
2023	14,647,230.45	43.77	45.00	0.03559	521,297
2024	14,527,639.26	44.59	45.00	0.01190	172,871
Total	119,185,919.39				26,090,961.29

PGS
Gas Division
383.00 House Regulators

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % **Average Service Life:** 42 **Survivor Curve:** S1.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1973	19,633.70	8.70	42.00	0.79276	15,565
1974	31,153.50	9.02	42.00	0.78516	24,460
1975	32,725.68	9.35	42.00	0.77734	25,439
1976	22,156.81	9.69	42.00	0.76938	17,047
1977	45,144.00	10.03	42.00	0.76122	34,365
1978	53,032.49	10.38	42.00	0.75286	39,926
1979	48,170.29	10.74	42.00	0.74433	35,854
1980	85,874.18	11.11	42.00	0.73556	63,166
1981	117,688.66	11.48	42.00	0.72658	85,510
1982	76,749.27	11.87	42.00	0.71737	55,058
1983	59,468.89	12.27	42.00	0.70792	42,099
1984	129,589.29	12.67	42.00	0.69822	90,482
1985	182,310.15	13.09	42.00	0.68826	125,477
1986	264,406.53	13.52	42.00	0.67804	179,277
1987	277,179.63	13.96	42.00	0.66751	185,021
1988	197,396.53	14.42	42.00	0.65671	129,632
1989	175,379.78	14.88	42.00	0.64561	113,227
1990	263,731.37	15.37	42.00	0.63416	167,247
1991	361,257.71	15.86	42.00	0.62241	224,851
1992	249,601.69	16.37	42.00	0.61030	152,331
1993	392,196.25	16.89	42.00	0.59786	234,478
1994	365,650.80	17.43	42.00	0.58507	213,930
1995	338,080.91	17.98	42.00	0.57186	193,334
1996	374,216.61	18.55	42.00	0.55830	208,926
1997	606,083.75	19.14	42.00	0.54432	329,905
1998	478,111.94	19.74	42.00	0.52996	253,382
1999	565,894.18	20.36	42.00	0.51520	291,550
2000	1,068,379.65	21.00	42.00	0.49997	534,158

PGS
Gas Division
383.00 House Regulators

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % **Average Service Life:** 42 **Survivor Curve:** S1.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2001	38,881.09	21.66	42.00	0.48435	18,832
2002	297,269.75	22.33	42.00	0.46830	139,213
2003	207,937.86	23.03	42.00	0.45175	93,936
2004	300,837.45	23.74	42.00	0.43481	130,806
2005	382,854.95	24.47	42.00	0.41737	159,792
2006	465,635.50	25.22	42.00	0.39951	186,028
2007	508,391.03	25.99	42.00	0.38122	193,810
2008	529,731.42	26.78	42.00	0.36243	191,988
2009	657,038.13	27.58	42.00	0.34323	225,517
2010	576,915.57	28.41	42.00	0.32361	186,698
2011	762,531.28	29.25	42.00	0.30350	231,430
2012	647,202.85	30.11	42.00	0.28303	183,178
2013	624,879.44	30.99	42.00	0.26212	163,791
2014	673,543.25	31.88	42.00	0.24085	162,220
2015	492,213.31	32.79	42.00	0.21922	107,901
2016	651,105.68	33.72	42.00	0.19720	128,396
2017	698,193.88	34.65	42.00	0.17489	122,104
2018	575,744.87	35.61	42.00	0.15225	87,659
2019	779,945.35	36.57	42.00	0.12936	100,896
2020	515,586.03	37.54	42.00	0.10623	54,772
2021	868,691.52	38.52	42.00	0.08287	71,988
2022	1,638,332.48	39.51	42.00	0.05934	97,223
2023	914,170.27	40.50	42.00	0.03568	32,614
2024	974,000.00	41.50	42.00	0.01190	11,593
Total	21,662,897.20				7,148,083.05

PGS
Gas Division
384.00 House Regulator Installations

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -30 % Average Service Life: 47 Survivor Curve: R1.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1958	2,829.11	7.84	47.00	1.08326	3,065
1959	21,695.01	8.14	47.00	1.07491	23,320
1960	9,552.76	8.45	47.00	1.06641	10,187
1961	5,605.81	8.76	47.00	1.05776	5,930
1962	30,396.61	9.08	47.00	1.04894	31,884
1963	4,372.31	9.40	47.00	1.03995	4,547
1964	4,963.21	9.73	47.00	1.03076	5,116
1965	3,694.46	10.07	47.00	1.02137	3,773
1966	4,903.56	10.42	47.00	1.01179	4,961
1967	4,619.18	10.78	47.00	1.00195	4,628
1968	2,622.74	11.14	47.00	0.99186	2,601
1969	6,340.25	11.51	47.00	0.98151	6,223
1970	6,544.32	11.90	47.00	0.97090	6,354
1971	13,928.55	12.29	47.00	0.96001	13,372
1972	12,165.82	12.70	47.00	0.94884	11,543
1973	38,660.97	13.11	47.00	0.93738	36,240
1974	23,369.85	13.54	47.00	0.92561	21,631
1975	28,854.75	13.97	47.00	0.91355	26,360
1976	25,776.54	14.42	47.00	0.90118	23,229
1977	28,484.48	14.88	47.00	0.88850	25,309
1978	40,674.45	15.35	47.00	0.87552	35,611
1979	39,274.40	15.83	47.00	0.86223	33,864
1980	70,727.09	16.32	47.00	0.84863	60,021
1981	64,988.36	16.82	47.00	0.83473	54,248
1982	75,868.65	17.34	47.00	0.82048	62,249
1983	87,337.01	17.86	47.00	0.80596	70,390
1984	127,971.21	18.40	47.00	0.79113	101,242
1985	170,597.53	18.94	47.00	0.77602	132,386

PGS
Gas Division
384.00 House Regulator Installations

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -30 % Average Service Life: 47 Survivor Curve: R1.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1986	146,511.46	19.50	47.00	0.76060	111,437
1987	147,729.25	20.07	47.00	0.74490	110,044
1988	196,784.29	20.65	47.00	0.72891	143,439
1989	232,637.44	21.24	47.00	0.71265	165,789
1990	353,261.45	21.84	47.00	0.69606	245,890
1991	208,658.58	22.44	47.00	0.67924	141,729
1992	301,050.49	23.06	47.00	0.66216	199,342
1993	276,917.36	23.69	47.00	0.64481	178,560
1994	347,172.16	24.32	47.00	0.62722	217,754
1995	353,198.32	24.97	47.00	0.60938	215,233
1996	459,277.08	25.62	47.00	0.59130	271,573
1997	485,085.41	26.28	47.00	0.57299	277,950
1998	383,996.61	26.96	47.00	0.55441	212,891
1999	471,049.24	27.63	47.00	0.53564	252,314
2000	1,069,154.91	28.32	47.00	0.51666	552,394
2002	781,013.24	29.72	47.00	0.47810	373,399
2003	1,190,767.25	30.42	47.00	0.45852	545,990
2004	874,870.58	31.14	47.00	0.43876	383,857
2005	919,834.48	31.86	47.00	0.41879	385,214
2006	1,557,909.68	32.59	47.00	0.39867	621,088
2007	877,182.82	33.32	47.00	0.37838	331,912
2008	732,920.04	34.06	47.00	0.35794	262,342
2009	686,919.72	34.80	47.00	0.33735	231,729
2010	671,129.47	35.55	47.00	0.31660	212,480
2011	738,173.99	36.31	47.00	0.29571	218,286
2012	1,151,122.04	37.07	47.00	0.27468	316,191
2013	1,316,985.86	37.84	47.00	0.25348	333,833
2014	776,896.66	38.61	47.00	0.23217	180,369

PGS
Gas Division
384.00 House Regulator Installations
Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -30 % Average Service Life: 47 Survivor Curve: R1.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2015	817,036.65	39.38	47.00	0.21071	172,158
2016	1,198,676.73	40.16	47.00	0.18912	226,689
2017	1,120,608.94	40.95	47.00	0.16738	187,572
2018	1,755,541.61	41.74	47.00	0.14551	255,457
2019	1,920,126.15	42.54	47.00	0.12351	237,150
2020	2,242,163.20	43.34	47.00	0.10136	227,274
2021	4,440,943.29	44.14	47.00	0.07906	351,095
2022	6,517,029.49	44.95	47.00	0.05664	369,115
Total	38,677,154.93				10,539,826.82

PGS
Gas Division
385.00 Ind. Meas. & Reg. Sta. Equip

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % Average Service Life: 39 Survivor Curve: R2.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1969	930.64	4.17	39.00	0.89296	831
1970	5,759.09	4.41	39.00	0.88698	5,108
1971	6,882.95	4.64	39.00	0.88107	6,064
1972	711.03	4.88	39.00	0.87485	622
1974	8,987.32	5.37	39.00	0.86222	7,749
1975	3,536.71	5.64	39.00	0.85549	3,026
1976	1,302.27	5.91	39.00	0.84856	1,105
1977	6,344.39	6.19	39.00	0.84126	5,337
1979	301.47	6.80	39.00	0.82558	249
1980	4,431.19	7.13	39.00	0.81710	3,621
1981	29,721.03	7.48	39.00	0.80810	24,018
1982	86,063.71	7.85	39.00	0.79860	68,731
1983	88,578.93	8.25	39.00	0.78855	69,849
1984	114,096.57	8.66	39.00	0.77794	88,761
1985	176,580.69	9.10	39.00	0.76675	135,393
1986	354,147.05	9.55	39.00	0.75501	267,385
1987	229,133.04	10.04	39.00	0.74266	170,168
1988	502,416.81	10.54	39.00	0.72979	366,658
1989	269,563.17	11.06	39.00	0.71630	193,088
1990	660,172.69	11.61	39.00	0.70228	463,629
1991	328,532.16	12.18	39.00	0.68777	225,955
1992	234,841.10	12.76	39.00	0.67272	157,981
1993	352,865.07	13.37	39.00	0.65721	231,908
1994	656,860.00	13.99	39.00	0.64120	421,177
1995	207,956.66	14.63	39.00	0.62479	129,928
1996	238,512.58	15.29	39.00	0.60789	144,990
1997	292,567.29	15.96	39.00	0.59065	172,804
1998	359,267.11	16.66	39.00	0.57295	205,841

PGS
Gas Division
385.00 Ind. Meas. & Reg. Sta. Equip

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % **Average Service Life:** 39 **Survivor Curve:** R2.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1999	472,881.47	17.36	39.00	0.55489	262,398
2000	695,612.81	18.08	39.00	0.53650	373,198
2001	68,811.04	18.81	39.00	0.51773	35,626
2002	212,974.43	19.55	39.00	0.49866	106,202
2003	600,207.40	20.31	39.00	0.47922	287,632
2004	176,234.88	21.08	39.00	0.45951	80,981
2005	307,717.42	21.86	39.00	0.43944	135,223
2006	426,246.06	22.66	39.00	0.41909	178,634
2007	100,970.91	23.46	39.00	0.39846	40,233
2008	36,582.05	24.28	39.00	0.37753	13,811
2013	102,723.49	28.51	39.00	0.26901	27,633
2014	1,327.53	29.38	39.00	0.24659	327
2016	599,736.89	31.16	39.00	0.20111	120,611
2017	463.33	32.06	39.00	0.17806	82
2018	394,881.58	32.96	39.00	0.15484	61,143
2019	5,547,454.90	33.87	39.00	0.13142	729,065
2020	74,719.59	34.79	39.00	0.10787	8,060
2021	9,121.38	35.72	39.00	0.08413	767
2022	147,096.76	36.65	39.00	0.06025	8,863
Total	15,196,826.64				6,042,465.01

PGS
Gas Division
387.00 Other Equipment

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % Average Service Life: 27 Survivor Curve: L1.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1975	4,654.44	6.16	27.00	0.77202	3,593
1977	9,036.84	6.57	27.00	0.75676	6,839
1979	2,403.28	7.00	27.00	0.74088	1,781
1981	1,900.94	7.44	27.00	0.72449	1,377
1982	880.94	7.67	27.00	0.71603	631
1983	1,376.02	7.90	27.00	0.70738	973
1985	1,881.03	8.38	27.00	0.68973	1,297
1986	7,400.34	8.62	27.00	0.68063	5,037
1988	4,612.16	9.12	27.00	0.66220	3,054
1989	2,004.48	9.37	27.00	0.65281	1,309
1990	8,597.36	9.63	27.00	0.64330	5,531
1991	17,681.57	9.89	27.00	0.63376	11,206
1992	16,379.55	10.15	27.00	0.62416	10,223
1993	21,490.94	10.41	27.00	0.61448	13,206
1994	41,201.18	10.67	27.00	0.60480	24,919
1995	26,792.02	10.93	27.00	0.59508	15,943
1996	35,736.37	11.20	27.00	0.58527	20,915
1997	79,003.23	11.46	27.00	0.57545	45,462
1998	33,665.10	11.73	27.00	0.56552	19,038
1999	79,657.95	12.00	27.00	0.55545	44,246
2000	156,360.82	12.28	27.00	0.54517	85,243
2001	96,049.08	12.56	27.00	0.53465	51,353
2002	78,107.23	12.86	27.00	0.52378	40,911
2003	190,802.76	13.16	27.00	0.51247	97,780
2004	202,102.66	13.48	27.00	0.50062	101,176
2005	139,566.21	13.82	27.00	0.48811	68,123
2006	346,776.93	14.18	27.00	0.47483	164,659
2007	329,322.35	14.56	27.00	0.46063	151,695

PGS
Gas Division
387.00 Other Equipment

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % **Average Service Life:** 27 **Survivor Curve:** L1.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2008	148,017.06	14.97	27.00	0.44541	65,928
2009	668,413.77	15.42	27.00	0.42906	286,792
2010	539,022.11	15.89	27.00	0.41146	221,787
2011	536,464.85	16.41	27.00	0.39235	210,480
2012	520,523.51	16.97	27.00	0.37166	193,460
2013	307,418.80	17.57	27.00	0.34943	107,421
2014	1,084,921.98	18.21	27.00	0.32552	353,168
2015	491,827.70	18.90	27.00	0.30016	147,627
2016	497,048.71	19.62	27.00	0.27350	135,941
2017	625,901.17	20.37	27.00	0.24565	153,755
2018	1,520,325.52	21.15	27.00	0.21654	329,215
2019	1,243,321.68	21.97	27.00	0.18620	231,511
2020	984,702.63	22.82	27.00	0.15469	152,321
2021	1,821,650.02	23.71	27.00	0.12195	222,153
2022	506,839.74	24.62	27.00	0.08816	44,680
Total	13,431,843.03				3,853,759.04

PGS
Gas Division
390.00 Structures & Improvements

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % **Average Service Life:** 25 **Survivor Curve:** L0

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2007	25,115.11	16.75	25.00	0.32994	8,286
2008	2,319.30	17.10	25.00	0.31608	733
2009	9,582.32	17.45	25.00	0.30193	2,893
2012	50,788.77	18.56	25.00	0.25771	13,089
2015	18,604.02	19.74	25.00	0.21028	3,912
2016	12,393.52	20.16	25.00	0.19339	2,397
2023	544,265.86	23.85	25.00	0.04604	25,058
Total	663,068.90				56,368.00

PGS
Gas Division
391.00 Office Furniture

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % **Average Service Life:** 17 **Survivor Curve:** SQ

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2006	79,485.00	0.00	0.00	1.00000	79,485
2007	118,417.47	0.00	0.00	1.00000	118,417
2009	19,483.57	1.50	17.00	0.91176	17,764
2010	40,633.46	2.50	17.00	0.85294	34,658
2011	271,246.45	3.50	17.00	0.79412	215,402
2012	46,697.45	4.50	17.00	0.73529	34,336
2013	54,887.66	5.50	17.00	0.67647	37,130
2014	17,304.09	6.50	17.00	0.61765	10,688
2015	52,030.62	7.50	17.00	0.55882	29,076
2016	305,779.16	8.50	17.00	0.50000	152,890
2017	91,250.94	9.50	17.00	0.44118	40,258
2018	575,028.36	10.50	17.00	0.38235	219,864
2019	135,016.50	11.50	17.00	0.32353	43,682
2020	71,253.88	12.50	17.00	0.26471	18,861
2022	31,734.79	14.50	17.00	0.14706	4,667
2023	241,700.33	15.50	17.00	0.08824	21,326
2024	40,500.00	16.50	17.00	0.02941	1,191
Total	2,192,449.73				1,079,695.27

PGS
Gas Division
391.01 Computer Equipment

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % **Average Service Life:** 9 **Survivor Curve:** SQ

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2012	57,597.38	0.00	0.00	1.00000	57,597
2013	100,249.64	0.00	0.00	1.00000	100,250
2014	431,635.95	0.00	0.00	1.00000	431,636
2015	574,371.25	0.00	0.00	1.00000	574,371
2016	175,832.21	0.50	9.00	0.94444	166,064
2017	11,535.38	1.50	9.00	0.83333	9,613
2018	82,269.73	2.50	9.00	0.72222	59,417
2019	1,630,801.36	3.50	9.00	0.61111	996,601
2020	138,455.00	4.50	9.00	0.50000	69,228
2021	8,106.39	5.50	9.00	0.38889	3,152
2022	47,509.97	6.50	9.00	0.27778	13,197
2023	2,673,941.60	7.50	9.00	0.16667	445,657
2024	491,651.29	8.50	9.00	0.05556	27,314
Total	6,423,957.15				2,954,096.74

PGS

Gas Division

391.02 Office Equipment

Original Cost Of Utility Plant In Service

And Development Of Calculated Depr Reserve as of December 31, 2024

Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % **Average Service Life:** 15 **Survivor Curve:** SQ

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2002	9,275.92	0.00	0.00	1.00000	9,276
2004	50,945.45	0.00	0.00	1.00000	50,945
2005	15,753.72	0.00	0.00	1.00000	15,754
2006	10,052.63	0.00	0.00	1.00000	10,053
2007	100,172.03	0.00	0.00	1.00000	100,172
2008	3,705.13	0.00	0.00	1.00000	3,705
2009	3,389.84	0.00	0.00	1.00000	3,390
2010	11,701.77	0.50	15.00	0.96667	11,312
2011	277,041.59	1.50	15.00	0.90000	249,337
2012	9,286.13	2.50	15.00	0.83333	7,738
2013	257,470.04	3.50	15.00	0.76667	197,394
2014	15,220.50	4.50	15.00	0.70000	10,654
2015	32,576.23	5.50	15.00	0.63333	20,632
2016	65,264.69	6.50	15.00	0.56667	36,983
2017	443,681.45	7.50	15.00	0.50000	221,841
2018	16,931.70	8.50	15.00	0.43333	7,337
2019	123,272.16	9.50	15.00	0.36667	45,200
2020	16,678.31	10.50	15.00	0.30000	5,003
2022	67,254.50	12.50	15.00	0.16667	11,209
Total	1,529,673.79				1,017,935.45

PGS
Gas Division
392.01 Vehicles up to 1/2 Tons

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 11 % **Average Service Life:** 8 **Survivor Curve:** L2

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2001	36,755.44	0.00	0.00	0.89000	32,712
2002	42,654.92	0.00	0.00	0.89000	37,963
2004	74,529.36	0.57	8.00	0.82642	61,593
2005	22,425.81	0.70	8.00	0.81217	18,214
2006	87,562.88	0.85	8.00	0.79536	69,644
2007	37,028.73	1.02	8.00	0.77659	28,756
2008	71,314.79	1.20	8.00	0.75665	53,961
2009	246,695.29	1.39	8.00	0.73532	181,400
2010	424,184.03	1.59	8.00	0.71284	302,375
2011	504,980.21	1.81	8.00	0.68888	347,871
2012	152,253.16	2.04	8.00	0.66353	101,024
2013	742,667.23	2.28	8.00	0.63673	472,877
2014	168,286.89	2.52	8.00	0.60912	102,507
2015	1,016,083.21	2.77	8.00	0.58149	590,840
2016	792,209.89	3.01	8.00	0.55464	439,395
2017	740,847.12	3.25	8.00	0.52802	391,183
2018	332,369.98	3.51	8.00	0.49915	165,903
2019	644,561.13	3.84	8.00	0.46324	298,586
2020	905,277.36	4.28	8.00	0.41401	374,790
2021	444,941.58	4.89	8.00	0.34583	153,876
2022	1,724,117.87	5.67	8.00	0.25913	446,769
2023	6,169,828.38	6.55	8.00	0.16169	997,605
2024	8,319,999.64	7.50	8.00	0.05538	460,768
Total	23,701,574.90				6,130,612.92

PGS
Gas Division
392.02 Vehicles from 1/2 - 1 Tons

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 11 % **Average Service Life:** 10 **Survivor Curve:** L3

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1999	28,303.89	0.00	0.00	0.89000	25,190
2002	50,180.97	0.51	10.00	0.84479	42,392
2005	34,520.57	0.93	10.00	0.80702	27,859
2006	24,202.13	1.12	10.00	0.78990	19,117
2007	147,650.81	1.33	10.00	0.77150	113,913
2008	73,253.51	1.55	10.00	0.75185	55,076
2010	274,641.56	2.04	10.00	0.70880	194,667
2011	427,348.14	2.29	10.00	0.68599	293,158
2012	164,947.66	2.54	10.00	0.66381	109,494
2013	543,449.20	2.76	10.00	0.64420	350,087
2014	540,415.86	2.94	10.00	0.62807	339,421
2015	792,939.60	3.11	10.00	0.61310	486,150
2016	1,068,257.92	3.33	10.00	0.59363	634,151
2017	1,279,351.26	3.67	10.00	0.56331	720,666
2018	1,935,383.29	4.18	10.00	0.51777	1,002,084
2019	3,533,710.60	4.87	10.00	0.45669	1,613,825
2020	2,150,749.91	5.68	10.00	0.38407	826,035
2021	2,259,093.98	6.58	10.00	0.30469	688,321
2022	2,475,253.83	7.52	10.00	0.22075	546,423
Total	17,803,654.69				8,088,027.22

PGS
Gas Division
392.04 Trailers & Other

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -20 % Average Service Life: 30 Survivor Curve: R1.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1974	927.68	2.86	30.00	1.08566	1,007
1976	1,425.84	3.34	30.00	1.06639	1,520
1978	3,068.00	3.86	30.00	1.04569	3,208
1982	6,121.82	4.99	30.00	1.00022	6,123
1984	1,671.80	5.61	30.00	0.97574	1,631
1986	1,577.73	6.26	30.00	0.94971	1,498
1987	4,914.45	6.60	30.00	0.93599	4,600
1988	6,252.55	6.96	30.00	0.92176	5,763
1990	3,623.68	7.71	30.00	0.89157	3,231
1991	6,535.40	8.11	30.00	0.87554	5,722
1994	34,745.96	9.42	30.00	0.82340	28,610
1995	7,475.00	9.88	30.00	0.80462	6,014
1996	58,319.86	10.37	30.00	0.78515	45,790
1997	14,299.11	10.88	30.00	0.76499	10,939
1998	14,707.84	11.40	30.00	0.74411	10,944
1999	5,017.64	11.94	30.00	0.72257	3,626
2000	6,398.95	12.49	30.00	0.70036	4,482
2001	19,226.38	13.06	30.00	0.67746	13,025
2003	4,435.24	14.25	30.00	0.62983	2,793
2004	3,983.48	14.87	30.00	0.60506	2,410
2005	4,071.00	15.51	30.00	0.57975	2,360
2006	3,047.57	16.15	30.00	0.55388	1,688
2007	11,864.93	16.81	30.00	0.52743	6,258
2008	6,491.02	17.49	30.00	0.50050	3,249
2009	4,641.83	18.17	30.00	0.47309	2,196
2010	2,115.26	18.87	30.00	0.44518	942
2011	63,338.54	19.58	30.00	0.41685	26,403
2012	3,189.24	20.30	30.00	0.38811	1,238

PGS
Gas Division
392.04 Trailers & Other

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -20 % Average Service Life: 30 Survivor Curve: R1.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2013	13,995.21	21.03	30.00	0.35895	5,024
2014	818,004.33	21.76	30.00	0.32945	269,490
2015	5,738.84	22.51	30.00	0.29960	1,719
2016	23,325.99	23.27	30.00	0.26939	6,284
2017	94,323.73	24.03	30.00	0.23888	22,532
2018	20,800.90	24.80	30.00	0.20806	4,328
2019	1,077,081.04	25.58	30.00	0.17689	190,526
2020	895,773.72	26.36	30.00	0.14543	130,274
2021	29,471.59	27.16	30.00	0.11366	3,350
2022	14,459.36	27.96	30.00	0.08156	1,179
2023	1,315,163.56	28.77	30.00	0.04917	64,667
2024	69,941.25	29.59	30.00	0.01648	1,152
Total	4,681,567.32				907,795.32

PGS
Gas Division
392.05 Vehicles over 1 Ton

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 7 % **Average Service Life:** 13 **Survivor Curve:** L2

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1992	46,758.60	0.89	13.00	0.86644	40,513
2005	10,202.86	3.47	13.00	0.68165	6,955
2006	120,234.03	3.72	13.00	0.66405	79,842
2007	71,334.69	3.97	13.00	0.64612	46,091
2010	8,912.49	4.71	13.00	0.59288	5,284
2013	67,792.77	5.44	13.00	0.54087	36,667
2014	134,191.32	5.71	13.00	0.52154	69,986
2015	576,414.01	6.02	13.00	0.49934	287,828
2016	202,698.33	6.39	13.00	0.47276	95,827
2018	130,825.56	7.41	13.00	0.40019	52,356
2019	623,444.40	8.08	13.00	0.35207	219,493
2020	571,330.17	8.85	13.00	0.29678	169,561
Total	2,564,139.23				1,110,402.98

PGS
Gas Division
393.00 Stores Equipment

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: *0 %* *Average Service Life:* *24* *Survivor Curve:* *SQ*

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2012	1,283.39	11.50	24.00	0.52083	668
Total	1,283.39				668.43

PGS
Gas Division
394.00 Tools, Shop & Garage Equip

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % **Average Service Life:** 18 **Survivor Curve:** SQ

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2004	10,203.20	0.00	0.00	1.00000	10,203
2005	102,633.27	0.00	0.00	1.00000	102,633
2006	102,556.61	0.00	0.00	1.00000	102,557
2007	120,829.00	0.50	18.00	0.97222	117,473
2008	77,877.13	1.50	18.00	0.91667	71,387
2009	211,344.45	2.50	18.00	0.86111	181,991
2010	165,917.15	3.50	18.00	0.80556	133,655
2011	370,307.52	4.50	18.00	0.75000	277,731
2012	160,080.34	5.50	18.00	0.69444	111,167
2013	386,884.17	6.50	18.00	0.63889	247,176
2014	1,471,365.89	7.50	18.00	0.58333	858,297
2015	2,693,626.21	8.50	18.00	0.52778	1,421,636
2016	303,818.81	9.50	18.00	0.47222	143,470
2017	131,580.30	10.50	18.00	0.41667	54,825
2018	185,617.32	11.50	18.00	0.36111	67,028
2019	169,435.99	12.50	18.00	0.30556	51,772
2020	138,839.27	13.50	18.00	0.25000	34,710
2021	43,089.54	14.50	18.00	0.19444	8,379
2022	70,095.72	15.50	18.00	0.13889	9,736
2023	1,605,734.51	16.50	18.00	0.08333	133,811
2024	823,262.00	17.50	18.00	0.02778	22,868
Total	9,345,098.40				4,162,505.15

PGS
Gas Division
394.01 CNC Station Equipment

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % **Average Service Life:** 20 **Survivor Curve:** SQ

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2011	6,679.97	6.50	20.00	0.67500	4,509
2012	2,413.68	7.50	20.00	0.62500	1,509
2013	20,727.47	8.50	20.00	0.57500	11,918
2016	1,431,845.14	11.50	20.00	0.42500	608,534
2019	1,095,156.28	14.50	20.00	0.27500	301,168
2020	24,427.55	15.50	20.00	0.22500	5,496
2022	4,788.56	17.50	20.00	0.12500	599
2023	655,754.14	18.50	20.00	0.07500	49,182
Total	3,241,792.79				982,914.32

PGS
Gas Division
396.00 Power Operated Equipment

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 10 % **Average Service Life:** 18 **Survivor Curve:** L1.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1993	1,949.65	4.42	18.00	0.67894	1,324
1994	62,179.31	4.63	18.00	0.66828	41,553
1995	43,250.67	4.85	18.00	0.65727	28,428
1996	76,843.92	5.08	18.00	0.64599	49,641
1997	42,989.34	5.31	18.00	0.63435	27,270
1998	194,264.20	5.55	18.00	0.62245	120,921
1999	12,270.42	5.80	18.00	0.61022	7,488
2000	36,993.15	6.04	18.00	0.59779	22,114
2001	55,638.93	6.30	18.00	0.58509	32,554
2002	58,640.06	6.55	18.00	0.57228	33,559
2004	49,850.67	7.07	18.00	0.54626	27,232
2005	5,104.27	7.34	18.00	0.53315	2,721
2006	41,545.76	7.60	18.00	0.51990	21,599
2007	9,061.03	7.87	18.00	0.50650	4,589
2008	74,752.28	8.14	18.00	0.49277	36,836
2009	86,902.71	8.43	18.00	0.47858	41,590
2010	218,585.51	8.73	18.00	0.46362	101,342
2011	225,949.51	9.05	18.00	0.44763	101,143
2012	79,155.79	9.40	18.00	0.43024	34,056
2013	76,102.52	9.78	18.00	0.41109	31,285
2014	926,640.52	10.20	18.00	0.38982	361,219
2015	22,819.81	10.68	18.00	0.36604	8,353
2016	78,520.43	11.22	18.00	0.33920	26,634
2017	91,302.21	11.82	18.00	0.30917	28,228
2018	212,537.04	12.48	18.00	0.27591	58,642
2019	76,294.87	13.20	18.00	0.23998	18,309
2020	74,102.89	13.97	18.00	0.20151	14,932
2021	48,793.21	14.79	18.00	0.16056	7,834

PGS
Gas Division
396.00 Power Operated Equipment

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 10 % **Average Service Life:** 18 **Survivor Curve:** L1.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2022	10,696.08	15.66	18.00	0.11720	1,254
2023	484,735.74	16.57	18.00	0.07159	34,704
2024	1,044,256.11	17.52	18.00	0.02420	25,274
Total	4,522,728.61				1,352,626.72

PGS
Gas Division
397.00 Communication Equipment

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % **Average Service Life:** 13 **Survivor Curve:** SQ

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2008	15,752.04	0.00	0.00	1.00000	15,752
2009	513,040.36	0.00	0.00	1.00000	513,040
2010	274,684.70	0.00	0.00	1.00000	274,685
2011	559,751.33	0.00	0.00	1.00000	559,751
2012	178,355.18	0.50	13.00	0.96154	171,495
2013	799,377.33	1.50	13.00	0.88462	707,141
2014	63,729.73	2.50	13.00	0.80769	51,474
2016	163,127.93	4.50	13.00	0.65385	106,661
2017	386,579.78	5.50	13.00	0.57692	223,027
2023	59,905.99	11.50	13.00	0.11538	6,912
2024	12,000.00	12.50	13.00	0.03846	462
Total	3,026,304.37				2,630,400.43

PGS
Gas Division
398.00 Miscellaneous Equipment

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % **Average Service Life:** 20 **Survivor Curve:** SQ

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2003	33,681.36	0.00	0.00	1.00000	33,681
2004	3,032.14	0.00	0.00	1.00000	3,032
2006	38,674.55	1.50	20.00	0.92500	35,774
2007	3,361.02	2.50	20.00	0.87500	2,941
2008	2,887.48	3.50	20.00	0.82500	2,382
2010	5,655.92	5.50	20.00	0.72500	4,101
2011	20,642.52	6.50	20.00	0.67500	13,934
2012	1,158.35	7.50	20.00	0.62500	724
2013	655.68	8.50	20.00	0.57500	377
2014	10,833.74	9.50	20.00	0.52500	5,688
2015	8,249.33	10.50	20.00	0.47500	3,918
2016	4,275.45	11.50	20.00	0.42500	1,817
2019	9,100.79	14.50	20.00	0.27500	2,503
2020	8,108.69	15.50	20.00	0.22500	1,824
2023	583,815.16	18.50	20.00	0.07500	43,786
2024	189,309.82	19.50	20.00	0.02500	4,733
Total	923,442.00				161,215.02

PGS
Gas Division
376.00 Mains - Steel

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 70 *Survivor Curve:* R1.5

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
1957	136,975.85	70.00	1,956.78	23.70	46,377.02
1958	1,637,628.63	70.00	23,394.45	24.19	565,967.06
1959	1,864,660.07	70.00	26,637.73	24.69	657,707.63
1960	2,271,714.20	70.00	32,452.73	25.20	817,783.99
1961	488,769.68	70.00	6,982.35	25.71	179,535.51
1962	586,111.82	70.00	8,372.94	26.24	219,670.43
1963	688,981.37	70.00	9,842.49	26.76	263,426.64
1964	900,359.68	70.00	12,862.15	27.30	351,157.17
1965	1,031,992.36	70.00	14,742.60	27.84	410,505.33
1966	864,612.42	70.00	12,351.48	28.39	350,714.19
1967	1,654,475.77	70.00	23,635.13	28.95	684,336.26
1968	2,399,997.00	70.00	34,285.32	29.52	1,012,043.86
1969	1,680,713.46	70.00	24,009.95	30.09	722,499.73
1970	2,280,716.86	70.00	32,581.33	30.67	999,266.44
1971	1,731,354.86	70.00	24,733.39	31.26	773,083.84
1972	1,826,425.84	70.00	26,091.53	31.85	830,982.74
1973	2,967,031.95	70.00	42,385.74	32.45	1,375,277.26
1974	3,379,567.11	70.00	48,279.03	33.05	1,595,825.36
1975	2,327,388.00	70.00	33,248.06	33.67	1,119,311.69
1976	1,782,562.20	70.00	25,464.91	34.29	873,076.67
1977	1,523,530.52	70.00	21,764.50	34.91	759,792.05
1978	3,089,228.06	70.00	44,131.38	35.54	1,568,509.17
1979	3,198,732.22	70.00	45,695.70	36.18	1,653,206.64
1980	2,603,156.43	70.00	37,187.57	36.82	1,369,269.68
1981	4,298,462.59	70.00	61,405.98	37.47	2,300,970.46
1982	2,316,681.39	70.00	33,095.11	38.13	1,261,765.40
1983	2,577,191.76	70.00	36,816.65	38.79	1,428,019.24

PGS
Gas Division
376.00 Mains - Steel

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 70 *Survivor Curve:* R1.5

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
1984	2,912,319.08	70.00	41,604.13	39.45	1,641,401.38
1985	2,225,592.44	70.00	31,793.85	40.13	1,275,741.50
1986	7,785,582.62	70.00	111,221.47	40.80	4,538,060.38
1987	2,781,812.57	70.00	39,739.77	41.48	1,648,532.27
1988	5,462,988.12	70.00	78,041.89	42.17	3,291,192.32
1989	3,272,556.61	70.00	46,750.33	42.86	2,003,892.51
1990	3,606,303.17	70.00	51,518.09	43.56	2,244,242.26
1991	13,714,329.25	70.00	195,916.98	44.26	8,672,023.59
1992	3,164,410.09	70.00	45,205.39	44.97	2,032,950.11
1993	3,468,298.06	70.00	49,546.61	45.68	2,263,410.39
1994	3,643,372.72	70.00	52,047.65	46.40	2,414,871.90
1995	7,665,962.38	70.00	109,512.62	47.12	5,160,114.28
1996	3,389,592.79	70.00	48,422.26	47.84	2,316,646.64
1997	5,123,444.37	70.00	73,191.31	48.57	3,555,063.09
1998	12,946,362.83	70.00	184,946.14	49.30	9,118,636.06
1999	28,143,824.90	70.00	402,050.51	50.04	20,119,215.61
2000	17,050,968.49	70.00	243,582.76	50.78	12,369,508.97
2001	18,221,210.97	70.00	260,300.34	51.52	13,411,918.71
2002	7,192,891.70	70.00	102,754.54	52.27	5,371,359.58
2003	6,676,236.91	70.00	95,373.83	53.02	5,057,137.06
2004	3,582,034.99	70.00	51,171.40	53.78	2,752,002.20
2005	3,502,683.06	70.00	50,037.82	54.54	2,728,958.24
2006	5,975,408.91	70.00	85,362.11	55.30	4,720,547.84
2007	4,182,324.87	70.00	59,746.88	56.07	3,349,717.16
2008	5,045,352.28	70.00	72,075.72	56.83	4,096,273.60
2009	26,291,133.81	70.00	375,583.77	57.61	21,635,866.11
2010	27,833,077.36	70.00	397,611.30	58.38	23,212,835.77

PGS
Gas Division
376.00 Mains - Steel

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 70 *Survivor Curve:* R1.5

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
2011	12,473,481.30	70.00	178,190.76	59.16	10,541,819.99
2012	14,835,653.58	70.00	211,935.73	59.94	12,703,851.44
2013	36,108,503.88	70.00	515,830.47	60.73	31,325,395.89
2014	16,693,976.66	70.00	238,482.93	61.52	14,670,676.27
2015	8,681,159.00	70.00	124,015.28	62.31	7,727,160.33
2016	29,365,010.20	70.00	419,495.83	63.10	26,472,156.10
2017	25,014,029.72	70.00	357,339.61	63.90	22,835,073.32
2018	24,548,208.26	70.00	350,685.08	64.71	22,691,422.41
2019	29,404,985.10	70.00	420,066.90	65.51	27,519,038.36
2020	84,148,547.47	70.00	1,202,109.75	66.32	79,724,474.26
2021	106,265,901.86	70.00	1,518,068.71	67.13	101,911,474.04
2022	59,588,526.22	70.00	851,255.91	67.95	57,840,306.92
2023	91,298,946.50	70.00	1,304,257.26	68.77	89,689,414.31
2024	14,028,807.66	70.00	200,409.48	69.59	13,946,107.76
Total	839,424,834.86	70.00	11,991,660.09	59.61	714,790,572.41

Composite Average Remaining Life ... 59.61 Years

PGS
Gas Division
376.02 Mains - Plastic

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 82 *Survivor Curve:* R2

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
1988	4,353,452.48	82.00	53,090.79	51.31	2,724,149.82
1989	4,475,620.18	82.00	54,580.64	52.08	2,842,496.19
1990	7,581,835.62	82.00	92,461.25	52.85	4,886,457.49
1991	3,499,272.57	82.00	42,673.98	53.62	2,288,314.04
1992	3,329,178.01	82.00	40,599.66	54.40	2,208,710.50
1993	6,142,817.81	82.00	74,912.29	55.19	4,134,289.84
1994	6,542,540.91	82.00	79,786.95	55.98	4,466,259.97
1995	7,486,976.82	82.00	91,304.44	56.77	5,183,410.04
1996	5,350,740.22	82.00	65,252.82	57.57	3,756,491.49
1997	8,036,782.17	82.00	98,009.37	58.37	5,720,825.10
1998	14,972,124.22	82.00	182,586.57	59.18	10,805,349.26
1999	19,584,429.75	82.00	238,834.11	59.99	14,327,794.05
2000	27,576,457.64	82.00	336,297.70	60.81	20,448,902.92
2001	21,121,786.01	82.00	257,582.32	61.63	15,873,622.50
2002	11,905,807.55	82.00	145,192.53	62.45	9,067,451.56
2003	8,943,896.33	82.00	109,071.72	63.28	6,902,012.37
2004	8,146,684.54	82.00	99,349.64	64.11	6,369,490.55
2005	6,249,606.44	82.00	76,214.58	64.95	4,949,987.68
2006	5,378,166.44	82.00	65,587.28	65.79	4,314,859.92
2007	6,910,147.34	82.00	84,269.95	66.63	5,615,272.40
2008	7,944,717.09	82.00	96,886.63	67.48	6,538,168.67
2009	18,994,275.92	82.00	231,637.12	68.33	15,828,849.86
2010	26,634,303.50	82.00	324,808.03	69.19	22,473,586.93
2011	24,071,220.66	82.00	293,550.98	70.05	20,563,681.61
2012	14,871,441.94	82.00	181,358.74	70.92	12,861,058.06
2013	26,258,034.18	82.00	320,219.39	71.78	22,985,998.63
2014	28,285,033.16	82.00	344,938.85	72.65	25,060,666.10

PGS

Gas Division

376.02 Mains - Plastic

Original Cost Of Utility Plant In Service

And Development Of Composite Remaining Life as of December 31, 2024

Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: *82* *Survivor Curve:* *R2*

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
2015	31,357,194.48	82.00	382,404.16	73.53	28,116,780.87
2016	38,451,693.17	82.00	468,922.29	74.41	34,890,424.40
2017	45,276,685.23	82.00	552,153.76	75.29	41,569,836.41
2018	73,780,577.07	82.00	899,761.61	76.17	68,535,806.43
2019	53,082,641.00	82.00	647,348.19	77.06	49,883,779.28
2020	78,977,475.47	82.00	963,138.32	77.95	75,077,447.06
2021	31,267,391.68	82.00	381,309.01	78.85	30,064,403.58
2022	38,039,872.81	82.00	463,900.10	79.74	36,992,632.51
2023	227,207,007.89	82.00	2,770,812.49	80.64	223,446,837.07
2024	124,233,377.75	82.00	1,515,038.63	81.55	123,545,945.76
Total	1,076,321,266.05	82.00	13,125,846.91	74.31	975,322,050.91

Composite Average Remaining Life ... 74.31 Years

PGS
Gas Division
379.00 Meas. & Reg. - City Gate

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 60 *Survivor Curve:* R2

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
1993	730,150.27	60.00	12,169.14	33.97	413,358.70
1994	184,226.43	60.00	3,070.43	34.70	106,549.84
1995	33,548.79	60.00	559.15	35.44	19,817.59
1996	20,975.94	60.00	349.60	36.19	12,651.96
1997	850,589.27	60.00	14,176.45	36.94	523,724.58
1998	66,630.46	60.00	1,110.50	37.70	41,871.35
1999	438,437.77	60.00	7,307.28	38.47	281,117.00
2000	578,125.42	60.00	9,635.40	39.25	378,151.51
2001	721,310.69	60.00	12,021.81	40.03	481,201.50
2002	71,617.72	60.00	1,193.63	40.81	48,717.40
2003	782,606.35	60.00	13,043.41	41.61	542,700.91
2004	851,804.90	60.00	14,196.71	42.41	602,046.12
2005	573,393.95	60.00	9,556.54	43.21	412,954.48
2006	170,020.62	60.00	2,833.67	44.02	124,750.29
2007	1,433,160.00	60.00	23,885.94	44.84	1,071,101.96
2008	2,190,610.46	60.00	36,510.08	45.66	1,667,210.89
2009	5,389,411.56	60.00	89,823.30	46.49	4,176,271.91
2010	1,680,854.49	60.00	28,014.17	47.33	1,325,895.11
2011	1,757,563.31	60.00	29,292.65	48.17	1,410,978.89
2012	5,305,481.27	60.00	88,424.47	49.01	4,334,100.98
2013	6,437,673.35	60.00	107,294.29	49.87	5,350,340.41
2014	921,727.06	60.00	15,362.08	50.72	779,199.15
2015	1,279,711.09	60.00	21,328.46	51.58	1,100,183.18
2016	6,217,087.71	60.00	103,617.87	52.45	5,434,703.00
2017	9,905,033.88	60.00	165,083.48	53.32	8,802,172.03
2018	8,329,388.41	60.00	138,822.79	54.20	7,523,658.21
2019	5,731,102.74	60.00	95,518.14	55.08	5,260,866.34

PGS
Gas Division
379.00 Meas. & Reg. - City Gate

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 60 *Survivor Curve:* R2

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
2020	6,487,290.28	60.00	108,121.23	55.96	6,050,733.98
2021	13,736,237.61	60.00	228,936.72	56.85	13,015,455.74
2022	11,129,230.19	60.00	185,486.70	57.75	10,711,167.20
2023	21,433,447.27	60.00	357,223.22	58.64	20,948,941.51
2024	7,298,344.00	60.00	121,638.76	59.55	7,243,233.80
Total	122,736,793.26	60.00	2,045,608.07	53.87	110,195,827.51

Composite Average Remaining Life ... 53.87 Years

PGS
Gas Division
380.02 Services - Plastic

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 62 *Survivor Curve:* R2

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
1985	1,204,161.21	62.00	19,421.91	30.21	586,695.58
1986	2,463,685.46	62.00	39,736.76	30.89	1,227,492.44
1987	2,663,338.87	62.00	42,956.97	31.58	1,356,593.08
1988	3,232,091.47	62.00	52,130.38	32.28	1,682,578.37
1989	2,931,766.99	62.00	47,286.45	32.98	1,559,577.50
1990	3,839,374.61	62.00	61,925.24	33.69	2,086,376.20
1991	3,654,743.39	62.00	58,947.33	34.41	2,028,494.74
1992	3,616,386.29	62.00	58,328.66	35.14	2,049,586.55
1993	4,886,374.05	62.00	78,812.29	35.87	2,827,062.02
1994	4,973,523.98	62.00	80,217.93	36.61	2,936,916.77
1995	4,686,480.86	62.00	75,588.21	37.36	2,823,764.41
1996	4,978,692.44	62.00	80,301.29	38.11	3,060,440.19
1997	5,793,613.74	62.00	93,445.15	38.87	3,632,465.71
1998	5,783,972.90	62.00	93,289.65	39.64	3,697,855.61
1999	7,483,457.89	62.00	120,700.63	40.41	4,877,802.51
2000	22,372,714.65	62.00	360,849.33	41.19	14,863,528.00
2001	2,636,333.21	62.00	42,521.40	41.98	1,784,928.44
2002	9,561,016.31	62.00	154,209.55	42.77	6,595,466.56
2003	10,675,414.15	62.00	172,183.67	43.57	7,501,396.24
2004	10,785,749.57	62.00	173,963.27	44.37	7,718,888.50
2005	10,242,225.91	62.00	165,196.78	45.18	7,463,697.00
2006	10,833,211.64	62.00	174,728.78	46.00	8,036,693.09
2007	9,570,012.07	62.00	154,354.65	46.82	7,226,383.03
2008	7,961,666.09	62.00	128,413.65	47.64	6,117,904.35
2009	6,158,919.27	62.00	99,337.16	48.47	4,815,363.83
2010	8,235,451.83	62.00	132,829.54	49.31	6,550,172.33
2011	9,120,883.86	62.00	147,110.66	50.15	7,378,260.37

PGS
Gas Division
380.02 Services - Plastic

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 62 *Survivor Curve:* R2

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
2012	11,400,806.61	62.00	183,883.52	51.00	9,378,588.42
2013	13,640,697.21	62.00	220,010.69	51.85	11,408,586.98
2014	16,039,838.69	62.00	258,706.43	52.71	13,637,298.49
2015	17,667,666.34	62.00	284,961.65	53.58	15,267,274.62
2016	24,706,396.63	62.00	398,489.27	54.44	21,695,141.96
2017	25,325,870.02	62.00	408,480.75	55.32	22,595,694.20
2018	42,070,531.10	62.00	678,555.25	56.19	38,130,464.94
2019	41,279,315.60	62.00	665,793.74	57.07	37,999,958.88
2020	49,738,113.32	62.00	802,225.62	57.96	46,497,823.66
2021	54,543,732.35	62.00	879,735.41	58.85	51,772,961.30
2022	62,233,681.32	62.00	1,003,766.54	59.75	59,970,799.39
2023	66,087,725.83	62.00	1,065,928.39	60.64	64,642,928.55
2024	62,511,257.60	62.00	1,008,243.56	61.55	62,054,397.77
Total	667,590,895.33	62.00	10,767,568.10	53.64	577,538,302.61

Composite Average Remaining Life ... 53.64 Years

PGS
Gas Division
382.00 Meter Installations

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2024
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 55 *Survivor Curve:* R0.5

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
1981	153,034.78	55.00	2,782.39	29.54	82,195.65
1982	317,266.29	55.00	5,768.36	30.07	173,460.85
1983	403,951.26	55.00	7,344.41	30.60	224,774.10
1984	332,099.58	55.00	6,038.05	31.14	188,035.41
1985	466,387.68	55.00	8,479.60	31.68	268,662.18
1986	250,344.31	55.00	4,551.62	32.23	146,692.66
1987	277,394.91	55.00	5,043.44	32.78	165,311.85
1988	284,334.36	55.00	5,169.61	33.33	172,303.44
1989	310,063.90	55.00	5,637.41	33.89	191,025.32
1990	401,454.80	55.00	7,299.03	34.44	251,413.78
1991	356,198.10	55.00	6,476.19	35.01	226,715.84
1992	422,953.73	55.00	7,689.91	35.57	273,556.13
1993	548,952.93	55.00	9,980.75	36.14	360,726.36
1994	890,223.38	55.00	16,185.54	36.71	594,233.43
1995	759,707.64	55.00	13,812.58	37.29	515,039.74
1996	400,813.82	55.00	7,287.37	37.86	275,935.93
1997	706,298.75	55.00	12,841.53	38.44	493,687.21
1998	909,280.63	55.00	16,532.03	39.03	645,187.78
1999	2,960,143.64	55.00	53,819.66	39.61	2,131,830.71
2000	3,555,689.47	55.00	64,647.54	40.20	2,598,588.13
2001	860.30	55.00	15.64	40.78	637.93
2002	1,936,021.23	55.00	35,199.65	41.37	1,456,365.52
2003	2,356,242.93	55.00	42,839.88	41.97	1,797,818.36
2004	2,184,983.46	55.00	39,726.14	42.56	1,690,707.08
2005	2,891,763.22	55.00	52,576.41	43.15	2,268,855.59
2006	2,554,516.26	55.00	46,444.78	43.75	2,031,906.62
2007	2,126,369.48	55.00	38,660.45	44.35	1,714,435.12

PGS

Gas Division

382.00 Meter Installations

Original Cost Of Utility Plant In Service

And Development Of Composite Remaining Life as of December 31, 2024

Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 55 *Survivor Curve:* R0.5

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
2008	2,136,983.83	55.00	38,853.44	44.94	1,746,235.93
2009	2,030,124.35	55.00	36,910.58	45.54	1,681,036.51
2010	2,001,925.56	55.00	36,397.88	46.14	1,679,540.25
2011	2,197,867.62	55.00	39,960.39	46.75	1,867,950.65
2012	1,918,712.59	55.00	34,884.95	47.35	1,651,731.47
2013	1,834,052.00	55.00	33,345.70	47.95	1,598,996.83
2014	2,327,250.21	55.00	42,312.75	48.56	2,054,602.99
2015	2,450,705.72	55.00	44,557.35	49.16	2,190,629.44
2016	3,590,691.31	55.00	65,283.93	49.77	3,249,335.17
2017	3,370,499.49	55.00	61,280.52	50.38	3,087,404.74
2018	5,206,038.25	55.00	94,653.26	50.99	4,826,613.11
2019	5,760,374.36	55.00	104,731.88	51.61	5,404,699.93
2020	7,085,783.11	55.00	128,829.72	52.22	6,727,373.42
2021	8,410,531.63	55.00	152,915.55	52.83	8,079,236.75
2022	10,932,158.81	55.00	198,762.35	53.45	10,624,092.66
2023	14,647,230.45	55.00	266,307.69	54.07	14,399,264.08
2024	14,527,639.26	55.00	264,133.35	54.69	14,445,554.42
Total	119,185,919.39	55.00	2,166,971.26	49.03	106,254,401.08

Composite Average Remaining Life ... 49.03 Years

PGS

Gas Division

303.00 Misc. Intangible Plant

Original Cost Of Utility Plant In Service

And Development Of Calculated Depr Reserve as of December 31, 2023

Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % **Average Service Life:** 25 **Survivor Curve:** SQ

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1993	280,914.31	0.00	0.00	1.00000	280,914
1995	246,442.67	0.00	0.00	1.00000	246,443
1997	287,968.09	0.00	0.00	1.00000	287,968
Total	815,325.07				815,325.07

PGS
Gas Division
303.01 Custom Intangible Plant

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % **Average Service Life:** 15 **Survivor Curve:** SQ

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2001	802,351.27	0.00	0.00	1.00000	802,351
2002	1,434,764.12	0.00	0.00	1.00000	1,434,764
2003	29,233.07	0.00	0.00	1.00000	29,233
2004	130,041.41	0.00	0.00	1.00000	130,041
2005	173,913.05	0.00	0.00	1.00000	173,913
2006	371,049.12	0.00	0.00	1.00000	371,049
2007	122,538.29	0.00	0.00	1.00000	122,538
2009	3,203,016.29	0.50	15.00	0.96667	3,096,249
2010	1,703,606.70	1.50	15.00	0.90000	1,533,246
2011	2,758,629.14	2.50	15.00	0.83333	2,298,858
2012	7,542,446.68	3.50	15.00	0.76667	5,782,542
2013	720,847.71	4.50	15.00	0.70000	504,593
2014	1,362,236.89	5.50	15.00	0.63333	862,750
2015	4,290,931.54	6.50	15.00	0.56667	2,431,528
2016	1,962,769.57	7.50	15.00	0.50000	981,385
2017	404,501.34	8.50	15.00	0.43333	175,284
2018	2,495,160.72	9.50	15.00	0.36667	914,892
2019	2,714,500.03	10.50	15.00	0.30000	814,350
2020	16,288,279.03	11.50	15.00	0.23333	3,800,598
2021	6,333,965.16	12.50	15.00	0.16667	1,055,661
2022	6,856,246.60	13.50	15.00	0.10000	685,625
2023	48,825,616.26	14.50	15.00	0.03333	1,627,521
Total	110,526,643.99				29,628,972.29

PGS

Gas Division

336.00 Renewable Natural Gas (RNG)

Original Cost Of Utility Plant In Service

And Development Of Calculated Depr Reserve as of December 31, 2023

Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -5 % **Average Service Life:** 30 **Survivor Curve:** R2

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2023	16,109,646.34	29.55	30.00	0.01584	255,180
Total	16,109,646.34				255,180.41

PGS

Gas Division

336.01 RNG Plant Leased - 15 Years

Original Cost Of Utility Plant In Service

And Development Of Calculated Depr Reserve as of December 31, 2023

Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % **Average Service Life:** 15 **Survivor Curve:** SQ

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2023	35,668,591.62	14.50	15.00	0.03333	1,188,953
Total	35,668,591.62				1,188,953.05

PGS
Gas Division
364.00 Liquified Natural Gas (LNG)

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -5 % *Average Service Life:* 30 *Survivor Curve:* R2

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2023	1,485,380.05	29.55	30.00	0.01584	23,529
Total	1,485,380.05				23,528.75

PGS
Gas Division
374.02 Land Rights

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % *Average Service Life:* 75 *Survivor Curve:* SQ

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1959	8,763.01	10.50	75.00	0.86000	7,536
1960	1,079.04	11.50	75.00	0.84667	914
1962	1,233.71	13.50	75.00	0.82000	1,012
1963	8,082.60	14.50	75.00	0.80667	6,520
1964	8,772.19	15.50	75.00	0.79333	6,959
1965	35,291.61	16.50	75.00	0.78000	27,527
1966	10,891.57	17.50	75.00	0.76667	8,350
1967	27,128.87	18.50	75.00	0.75333	20,437
1968	76,841.25	19.50	75.00	0.74000	56,863
1969	127,678.07	20.50	75.00	0.72667	92,779
1970	116,665.02	21.50	75.00	0.71333	83,221
1971	98,904.72	22.50	75.00	0.70000	69,233
1972	124,757.77	23.50	75.00	0.68667	85,667
1973	15,101.53	24.50	75.00	0.67333	10,168
1974	14,682.24	25.50	75.00	0.66000	9,690
1975	10,955.04	26.50	75.00	0.64667	7,084
1981	54.26	32.50	75.00	0.56667	31
1991	12,084.68	42.50	75.00	0.43333	5,237
1993	12,037.50	44.50	75.00	0.40667	4,895
1994	6,611.77	45.50	75.00	0.39333	2,601
1996	227,583.17	47.50	75.00	0.36667	83,447
1999	122,559.84	50.50	75.00	0.32667	40,036
2000	16,248.02	51.50	75.00	0.31333	5,091
2002	62,802.66	53.50	75.00	0.28667	18,003
2004	109,828.54	55.50	75.00	0.26000	28,555
2005	46,539.37	56.50	75.00	0.24667	11,480
2006	12,725.40	57.50	75.00	0.23333	2,969
2008	54,867.33	59.50	75.00	0.20667	11,339

PGS

Gas Division

374.02 Land Rights

Original Cost Of Utility Plant In Service

And Development Of Calculated Depr Reserve as of December 31, 2023

Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % **Average Service Life:** 75 **Survivor Curve:** SQ

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2009	121,055.42	60.50	75.00	0.19333	23,404
2010	67,325.50	61.50	75.00	0.18000	12,119
2012	70,879.62	63.50	75.00	0.15333	10,868
2013	30,114.25	64.50	75.00	0.14000	4,216
2014	267,914.88	65.50	75.00	0.12667	33,936
2015	895,642.50	66.50	75.00	0.11333	101,506
2016	1,072,853.70	67.50	75.00	0.10000	107,285
2017	311,775.23	68.50	75.00	0.08667	27,021
2018	60,540.78	69.50	75.00	0.07333	4,440
Total	4,268,872.66				1,032,440.81

PGS
Gas Division
375.00 Structures & Improvements

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % **Average Service Life:** 33 **Survivor Curve:** L0

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1966	2,326.05	12.81	33.00	0.61182	1,423
1967	21,241.06	13.02	33.00	0.60533	12,858
1969	234.00	13.46	33.00	0.59210	139
1971	437.90	13.91	33.00	0.57855	253
1973	1,173.70	14.37	33.00	0.56464	663
1974	168,528.22	14.60	33.00	0.55755	93,962
1975	20,476.77	14.84	33.00	0.55037	11,270
1976	10,471.11	15.08	33.00	0.54309	5,687
1978	195,399.03	15.57	33.00	0.52824	103,218
1980	9,583.74	16.07	33.00	0.51299	4,916
1981	152,191.20	16.33	33.00	0.50521	76,888
1982	1,324.83	16.59	33.00	0.49732	659
1983	43,012.57	16.85	33.00	0.48932	21,047
1984	190,895.62	17.12	33.00	0.48121	91,860
1985	94,469.78	17.39	33.00	0.47298	44,682
1986	2,014,205.16	17.67	33.00	0.46464	935,874
1987	60,992.18	17.95	33.00	0.45617	27,823
1988	44,231.55	18.23	33.00	0.44759	19,798
1989	10,310.76	18.52	33.00	0.43888	4,525
1990	261,229.83	18.81	33.00	0.43005	112,342
1991	34,420.61	19.10	33.00	0.42110	14,495
1992	74,776.08	19.40	33.00	0.41201	30,808
1993	579,915.72	19.71	33.00	0.40277	233,575
1994	522,640.75	20.02	33.00	0.39341	205,610
1995	198,793.97	20.33	33.00	0.38390	76,316
1996	124,991.81	20.65	33.00	0.37424	46,777
1997	195,678.27	20.97	33.00	0.36444	71,314
1998	50,657.11	21.30	33.00	0.35450	17,958

PGS
Gas Division
375.00 Structures & Improvements

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % **Average Service Life:** 33 **Survivor Curve:** L0

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1999	385,489.97	21.63	33.00	0.34440	132,762
2000	451,653.38	21.97	33.00	0.33414	150,917
2001	2,041,211.79	22.32	33.00	0.32373	660,802
2002	1,449,154.67	22.67	33.00	0.31316	453,812
2003	1,299,753.91	23.02	33.00	0.30242	393,070
2004	87,478.33	23.38	33.00	0.29151	25,501
2005	113,895.84	23.75	33.00	0.28044	31,941
2006	1,110,118.65	24.12	33.00	0.26919	298,830
2007	1,060,829.90	24.49	33.00	0.25776	273,439
2008	260,913.77	24.88	33.00	0.24615	64,224
2009	397,892.62	25.27	33.00	0.23432	93,234
2010	964,875.45	25.67	33.00	0.22223	214,421
2011	197,577.82	26.08	33.00	0.20983	41,457
2012	130,812.33	26.50	33.00	0.19708	25,780
2013	27,683.14	26.93	33.00	0.18393	5,092
2014	100,117.90	27.38	33.00	0.17034	17,054
2015	415,971.22	27.84	33.00	0.15626	64,998
2016	6,223,006.58	28.33	33.00	0.14161	881,223
2017	980,589.42	28.83	33.00	0.12633	123,874
2018	488,977.42	29.36	33.00	0.11032	53,945
2019	1,536,081.73	29.91	33.00	0.09348	143,595
2020	317,815.47	30.50	33.00	0.07565	24,043
2021	275,473.39	31.13	33.00	0.05660	15,593
2022	706,644.96	31.81	33.00	0.03600	25,437
2023	5,278,050.99	32.57	33.00	0.01313	69,302
Total	31,386,680.03				6,551,083.86

PGS
Gas Division
376.00 Mains - Steel

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -60 % *Average Service Life:* 70 *Survivor Curve:* R1.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1952	60,742.65	21.81	70.00	1.10155	66,911
1953	147,668.98	22.27	70.00	1.09101	161,108
1954	136,957.85	22.74	70.00	1.08026	147,950
1955	103,607.12	23.22	70.00	1.06937	110,794
1956	245,928.86	23.70	70.00	1.05828	260,260
1957	338,124.32	24.19	70.00	1.04704	354,029
1958	1,637,628.63	24.69	70.00	1.03564	1,696,000
1959	1,864,660.07	25.20	70.00	1.02402	1,909,455
1960	2,271,714.20	25.71	70.00	1.01229	2,299,624
1961	488,769.68	26.24	70.00	1.00033	488,932
1962	586,111.82	26.76	70.00	0.98825	579,226
1963	688,981.37	27.30	70.00	0.97597	672,425
1964	900,359.68	27.84	70.00	0.96355	867,544
1965	1,031,992.36	28.39	70.00	0.95099	981,414
1966	864,612.42	28.95	70.00	0.93820	811,176
1967	1,654,475.77	29.52	70.00	0.92530	1,530,892
1968	2,399,997.00	30.09	70.00	0.91220	2,189,270
1969	1,680,713.46	30.67	70.00	0.89898	1,510,929
1970	2,280,716.86	31.26	70.00	0.88557	2,019,731
1971	1,731,354.86	31.85	70.00	0.87204	1,509,804
1972	1,826,425.84	32.45	70.00	0.85837	1,567,747
1973	2,967,031.95	33.05	70.00	0.84448	2,505,608
1974	3,379,567.11	33.67	70.00	0.83051	2,806,769
1975	2,327,388.00	34.29	70.00	0.81634	1,899,940
1976	1,782,562.20	34.91	70.00	0.80207	1,429,744
1977	1,523,530.52	35.54	70.00	0.78762	1,199,969
1978	3,089,228.06	36.18	70.00	0.77307	2,388,187
1979	3,198,732.22	36.82	70.00	0.75839	2,425,900

PGS
Gas Division
376.00 Mains - Steel

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: *-60 %* *Average Service Life:* *70* *Survivor Curve:* *R1.5*

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1980	2,603,156.43	37.47	70.00	0.74352	1,935,496
1981	4,298,462.59	38.13	70.00	0.72857	3,131,733
1982	2,316,681.39	38.79	70.00	0.71344	1,652,817
1983	2,577,191.76	39.45	70.00	0.69823	1,799,472
1984	2,912,319.08	40.13	70.00	0.68286	1,988,698
1985	2,225,592.44	40.80	70.00	0.66739	1,485,343
1986	7,785,582.62	41.48	70.00	0.65182	5,074,819
1987	2,781,812.57	42.17	70.00	0.63608	1,769,443
1988	5,462,988.12	42.86	70.00	0.62027	3,388,517
1989	3,272,556.61	43.56	70.00	0.60430	1,977,614
1990	3,606,303.17	44.26	70.00	0.58827	2,121,470
1991	13,714,329.25	44.97	70.00	0.57209	7,845,868
1992	3,164,410.09	45.68	70.00	0.55584	1,758,907
1993	3,468,298.06	46.40	70.00	0.53950	1,871,148
1994	3,643,372.72	47.12	70.00	0.52301	1,905,512
1995	7,665,962.38	47.84	70.00	0.50647	3,882,550
1996	3,389,592.79	48.57	70.00	0.48979	1,660,187
1997	5,123,444.37	49.30	70.00	0.47306	2,423,679
1998	12,946,362.83	50.04	70.00	0.45621	5,906,205
1999	28,143,824.90	50.78	70.00	0.43929	12,363,326
2000	17,050,968.49	51.52	70.00	0.42230	7,200,671
2001	18,221,210.97	52.27	70.00	0.40518	7,382,960
2002	7,192,891.70	53.02	70.00	0.38803	2,791,036
2003	6,676,236.91	53.78	70.00	0.37075	2,475,239
2004	3,582,034.99	54.54	70.00	0.35343	1,266,005
2005	3,502,683.06	55.30	70.00	0.33601	1,176,925
2006	5,975,408.91	56.07	70.00	0.31852	1,903,313
2007	4,182,324.87	56.83	70.00	0.30098	1,258,776

PGS
Gas Division
376.00 Mains - Steel

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -60 % Average Service Life: 70 Survivor Curve: R1.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2008	5,045,352.28	57.61	70.00	0.28331	1,429,377
2009	26,291,133.81	58.38	70.00	0.26560	6,982,851
2010	27,833,077.36	59.16	70.00	0.24778	6,896,433
2011	12,473,481.30	59.94	70.00	0.22991	2,867,793
2012	14,835,653.58	60.73	70.00	0.21194	3,144,324
2013	36,108,503.88	61.52	70.00	0.19392	7,002,128
2014	16,693,976.66	62.31	70.00	0.17583	2,935,282
2015	8,681,159.00	63.10	70.00	0.15762	1,368,340
2016	29,365,010.20	63.90	70.00	0.13937	4,092,748
2017	25,014,029.72	64.71	70.00	0.12102	3,027,232
2018	24,548,208.26	65.51	70.00	0.10262	2,519,116
2019	29,404,985.10	66.32	70.00	0.08412	2,473,527
2020	84,148,547.47	67.13	70.00	0.06556	5,517,010
2021	106,265,901.86	67.95	70.00	0.04694	4,988,238
2022	59,588,526.22	68.77	70.00	0.02821	1,680,802
2023	91,298,946.50	69.59	70.00	0.00943	861,132
Total	826,292,081.13				185,575,403.51

PGS
Gas Division
376.02 Mains - Plastic

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -40 % Average Service Life: 82 Survivor Curve: R2

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1986	4,467,074.06	50.55	82.00	0.53692	2,398,481
1987	4,162,947.95	51.31	82.00	0.52396	2,181,207
1988	5,109,774.71	52.08	82.00	0.51085	2,610,332
1989	4,475,620.18	52.85	82.00	0.49771	2,227,546
1990	7,581,835.62	53.62	82.00	0.48448	3,673,279
1991	3,499,272.57	54.40	82.00	0.47118	1,648,800
1992	3,329,178.01	55.19	82.00	0.45776	1,523,966
1993	6,142,817.81	55.98	82.00	0.44429	2,729,200
1994	6,542,540.91	56.77	82.00	0.43075	2,818,180
1995	7,486,976.82	57.57	82.00	0.41713	3,123,034
1996	5,350,740.22	58.37	82.00	0.40344	2,158,690
1997	8,036,782.17	59.18	82.00	0.38962	3,131,316
1998	14,972,124.22	59.99	82.00	0.37577	5,626,112
1999	19,584,429.75	60.81	82.00	0.36185	7,086,651
2000	27,576,457.64	61.63	82.00	0.34786	9,592,752
2001	21,121,786.01	62.45	82.00	0.33376	7,049,636
2002	11,905,807.55	63.28	82.00	0.31962	3,805,320
2003	8,943,896.33	64.11	82.00	0.30541	2,731,547
2004	8,146,684.54	64.95	82.00	0.29113	2,371,768
2005	6,249,606.44	65.79	82.00	0.27679	1,729,836
2006	5,378,166.44	66.63	82.00	0.26234	1,410,921
2007	6,910,147.34	67.48	82.00	0.24786	1,712,741
2008	7,944,717.09	68.33	82.00	0.23331	1,853,599
2009	18,994,275.92	69.19	82.00	0.21870	4,154,106
2010	26,634,303.50	70.05	82.00	0.20400	5,433,426
2011	24,071,220.66	70.92	82.00	0.18926	4,555,668
2012	14,871,441.94	71.78	82.00	0.17446	2,594,400
2013	26,258,034.18	72.65	82.00	0.15959	4,190,618

PGS
Gas Division
376.02 Mains - Plastic

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -40 % *Average Service Life:* 82 *Survivor Curve:* R2

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2014	28,285,033.16	73.53	82.00	0.14467	4,092,116
2015	31,357,194.48	74.41	82.00	0.12966	4,065,880
2016	38,451,693.17	75.29	82.00	0.11462	4,407,312
2017	45,276,685.23	76.17	82.00	0.09952	4,505,958
2018	73,780,577.07	77.06	82.00	0.08437	6,224,623
2019	53,082,641.00	77.95	82.00	0.06913	3,669,823
2020	78,977,475.47	78.85	82.00	0.05386	4,254,034
2021	31,267,391.68	79.74	82.00	0.03854	1,205,111
2022	38,039,872.81	80.64	82.00	0.02317	881,359
2023	227,207,007.89	81.55	82.00	0.00775	1,760,116
Total	961,474,232.54				131,189,463.49

PGS
Gas Division
377.00 Compressor Equipment

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -5 % *Average Service Life:* 35 *Survivor Curve:* R2

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2021	19,091,947.57	32.76	35.00	0.06733	1,285,450
2022	95,350.33	33.65	35.00	0.04056	3,867
Total	19,187,297.90				1,289,317.49

PGS
Gas Division
378.00 Meas. & Reg. Sta. Eq - General

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -20 % Average Service Life: 40 Survivor Curve: R1.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1958	3,861.28	4.24	40.00	1.07291	4,143
1959	6,455.78	4.48	40.00	1.06557	6,879
1960	12,071.38	4.74	40.00	1.05782	12,769
1962	3,353.00	5.27	40.00	1.04186	3,493
1963	435.95	5.54	40.00	1.03366	451
1964	4,861.24	5.83	40.00	1.02517	4,984
1965	1,796.62	6.11	40.00	1.01664	1,827
1966	6,188.37	6.41	40.00	1.00784	6,237
1967	2,204.78	6.70	40.00	0.99898	2,203
1968	17,987.04	7.00	40.00	0.98986	17,805
1969	10,152.27	7.31	40.00	0.98063	9,956
1970	2,281.93	7.63	40.00	0.97113	2,216
1971	4,116.25	7.95	40.00	0.96147	3,958
1972	4,904.64	8.28	40.00	0.95152	4,667
1973	11,865.37	8.62	40.00	0.94134	11,169
1974	12,521.18	8.97	40.00	0.93085	11,655
1975	13,009.55	9.33	40.00	0.92008	11,970
1976	34,048.38	9.70	40.00	0.90897	30,949
1977	21,624.56	10.08	40.00	0.89753	19,409
1978	725.61	10.48	40.00	0.88574	643
1979	26,955.36	10.88	40.00	0.87358	23,548
1980	24,918.38	11.30	40.00	0.86106	21,456
1981	30,905.24	11.73	40.00	0.84814	26,212
1982	18,096.58	12.17	40.00	0.83486	15,108
1983	11,984.00	12.63	40.00	0.82116	9,841
1984	113,815.57	13.10	40.00	0.80709	91,859
1985	28,594.60	13.58	40.00	0.79260	22,664
1986	63,250.70	14.08	40.00	0.77774	49,193

PGS

Gas Division

378.00 Meas. & Reg. Sta. Eq - General

Original Cost Of Utility Plant In Service

And Development Of Calculated Depr Reserve as of December 31, 2023

Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -20 % Average Service Life: 40 Survivor Curve: R1.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1987	80,532.61	14.58	40.00	0.76246	61,403
1988	23,149.66	15.11	40.00	0.74683	17,289
1989	60,319.96	15.64	40.00	0.73077	44,080
1990	88,392.95	16.19	40.00	0.71437	63,146
1991	65,295.08	16.75	40.00	0.69756	45,547
1992	78,841.10	17.32	40.00	0.68042	53,645
1993	152,375.45	17.90	40.00	0.66288	101,006
1994	178,216.59	18.50	40.00	0.64502	114,954
1995	123,989.87	19.11	40.00	0.62678	77,714
1996	102,023.78	19.73	40.00	0.60824	62,055
1997	98,561.99	20.36	40.00	0.58933	58,086
1998	254,246.31	21.00	40.00	0.57014	144,957
1999	487,152.63	21.65	40.00	0.55061	268,230
2000	164,900.43	22.31	40.00	0.53081	87,530
2001	774,670.69	22.98	40.00	0.51068	395,608
2002	344,875.97	23.66	40.00	0.49031	169,095
2003	352,362.69	24.35	40.00	0.46963	165,479
2004	129,549.57	25.04	40.00	0.44872	58,132
2005	217,180.49	25.75	40.00	0.42754	92,853
2006	121,820.04	26.46	40.00	0.40614	49,476
2007	366,208.40	27.18	40.00	0.38449	140,803
2008	142,509.41	27.91	40.00	0.36264	51,680
2009	517,632.34	28.65	40.00	0.34056	176,286
2010	321,507.76	29.39	40.00	0.31831	102,338
2011	666,370.71	30.14	40.00	0.29584	197,136
2012	2,369,059.25	30.89	40.00	0.27320	647,232
2013	1,294,693.44	31.66	40.00	0.25036	324,143
2014	1,387,932.14	32.42	40.00	0.22737	315,572

PGS

Gas Division

378.00 Meas. & Reg. Sta. Eq - General

Original Cost Of Utility Plant In Service

And Development Of Calculated Depr Reserve as of December 31, 2023

Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -20 % Average Service Life: 40 Survivor Curve: R1.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2015	1,366,134.00	33.19	40.00	0.20417	278,925
2016	1,293,894.37	33.97	40.00	0.18082	233,961
2017	1,222,336.23	34.76	40.00	0.15727	192,234
2018	1,427,896.11	35.55	40.00	0.13356	190,713
2019	1,486,548.86	36.35	40.00	0.10966	163,014
2020	2,207,938.55	37.15	40.00	0.08560	189,007
2021	732,413.23	37.96	40.00	0.06135	44,935
2022	934,794.95	38.77	40.00	0.03695	34,540
2023	21,743.29	39.59	40.00	0.01235	269
Total	22,151,056.51				5,840,335.27

PGS
Gas Division
379.00 Meas. & Reg. - City Gate

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -20 % Average Service Life: 60 Survivor Curve: R2

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1992	374,766.08	33.97	60.00	0.52065	195,120
1993	939,251.71	34.70	60.00	0.50596	475,227
1994	184,226.43	35.44	60.00	0.49115	90,483
1995	33,548.79	36.19	60.00	0.47620	15,976
1996	20,975.94	36.94	60.00	0.46114	9,673
1997	850,589.27	37.70	60.00	0.44591	379,283
1998	66,630.46	38.47	60.00	0.43059	28,690
1999	438,437.77	39.25	60.00	0.41508	181,987
2000	578,125.42	40.03	60.00	0.39945	230,935
2001	721,310.69	40.81	60.00	0.38371	276,774
2002	71,617.72	41.61	60.00	0.36786	26,345
2003	782,606.35	42.41	60.00	0.35185	275,363
2004	851,804.90	43.21	60.00	0.33577	286,009
2005	573,393.95	44.02	60.00	0.31952	183,209
2006	170,020.62	44.84	60.00	0.30316	51,543
2007	1,433,160.00	45.66	60.00	0.28671	410,908
2008	2,190,610.46	46.49	60.00	0.27012	591,719
2009	5,389,411.56	47.33	60.00	0.25341	1,365,750
2010	1,680,854.49	48.17	60.00	0.23664	397,749
2011	1,757,563.31	49.01	60.00	0.21971	386,151
2012	5,305,481.27	49.87	60.00	0.20268	1,075,325
2013	6,437,673.35	50.72	60.00	0.18556	1,194,559
2014	921,727.06	51.58	60.00	0.16835	155,169
2015	1,279,711.09	52.45	60.00	0.15101	193,253
2016	6,217,087.71	53.32	60.00	0.13361	830,679
2017	9,905,033.88	54.20	60.00	0.11608	1,149,777
2018	8,329,388.41	55.08	60.00	0.09846	820,111
2019	5,731,102.74	55.96	60.00	0.08075	462,803

PGS
Gas Division
379.00 Meas. & Reg. - City Gate

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -20 % Average Service Life: 60 Survivor Curve: R2

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2020	6,487,290.28	56.85	60.00	0.06297	408,489
2021	13,736,237.61	57.75	60.00	0.04508	619,192
2022	11,129,230.19	58.64	60.00	0.02713	301,893
2023	21,433,447.27	59.55	60.00	0.00906	194,214
Total	116,022,316.78				13,264,357.97

PGS
Gas Division
380.00 Services - Steel

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -130 % Average Service Life: 52 Survivor Curve: R0.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1930	1,242.38	4.96	52.00	2.08082	2,585
1932	1,402.61	5.82	52.00	2.04277	2,865
1933	157.80	6.24	52.00	2.02412	319
1934	84.24	6.65	52.00	2.00570	169
1935	103.11	7.07	52.00	1.98748	205
1936	2,038.16	7.47	52.00	1.96942	4,014
1937	59.60	7.88	52.00	1.95151	116
1938	2,962.28	8.28	52.00	1.93373	5,728
1939	1,710.51	8.68	52.00	1.91595	3,277
1940	81.07	9.08	52.00	1.89836	154
1941	4,729.75	9.48	52.00	1.88083	8,896
1942	8,296.66	9.87	52.00	1.86333	15,459
1943	17,809.83	10.27	52.00	1.84584	32,874
1944	5,546.35	10.66	52.00	1.82835	10,141
1945	127.48	11.06	52.00	1.81084	231
1946	17,282.78	11.46	52.00	1.79331	30,993
1947	4,023.91	11.85	52.00	1.77573	7,145
1948	40,407.84	12.25	52.00	1.75809	71,040
1949	16,287.73	12.65	52.00	1.74038	28,347
1950	11,168.13	13.05	52.00	1.72259	19,238
1951	8,833.85	13.46	52.00	1.70471	15,059
1952	17,254.91	13.87	52.00	1.68674	29,105
1953	7,647.47	14.27	52.00	1.66863	12,761
1954	18,214.09	14.69	52.00	1.65044	30,061
1955	18,368.15	15.10	52.00	1.63212	29,979
1956	65,169.81	15.52	52.00	1.61367	105,163
1957	102,028.47	15.94	52.00	1.59508	162,744
1958	197,644.32	16.36	52.00	1.57635	311,557

PGS

Gas Division

380.00 Services - Steel

Original Cost Of Utility Plant In Service

And Development Of Calculated Depr Reserve as of December 31, 2023

Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -130 % Average Service Life: 52 Survivor Curve: R0.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1959	1,055,736.48	16.79	52.00	1.55747	1,644,274
1960	420,949.10	17.22	52.00	1.53843	647,599
1961	169,007.38	17.65	52.00	1.51922	256,760
1962	173,420.77	18.09	52.00	1.49986	260,106
1963	181,908.15	18.53	52.00	1.48032	269,282
1964	251,214.54	18.98	52.00	1.46061	366,926
1965	213,189.43	19.43	52.00	1.44073	307,147
1966	585,399.57	19.88	52.00	1.42066	831,651
1967	625,501.99	20.34	52.00	1.40040	875,954
1968	454,367.57	20.80	52.00	1.37996	627,009
1969	473,081.02	21.27	52.00	1.35933	643,072
1970	358,544.46	21.74	52.00	1.33850	479,913
1971	568,804.89	22.21	52.00	1.31749	749,393
1972	718,089.58	22.69	52.00	1.29627	930,842
1973	1,103,856.42	23.18	52.00	1.27487	1,407,270
1974	1,002,722.32	23.67	52.00	1.25326	1,256,673
1975	650,802.50	24.16	52.00	1.23146	801,437
1976	448,302.96	24.66	52.00	1.20946	542,204
1977	377,370.85	25.16	52.00	1.18726	448,038
1978	715,074.81	25.66	52.00	1.16487	832,966
1979	633,218.64	26.17	52.00	1.14230	723,325
1980	255,934.82	26.69	52.00	1.11951	286,521
1981	555,812.49	27.21	52.00	1.09652	609,462
1982	470,461.40	27.73	52.00	1.07335	504,969
1983	422,534.67	28.26	52.00	1.04998	443,655
1984	466,380.12	28.79	52.00	1.02643	478,708
1985	674,867.18	29.33	52.00	1.00270	676,688
1986	517,340.04	29.87	52.00	0.97878	506,364

PGS
Gas Division
380.00 Services - Steel

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -130 % Average Service Life: 52 Survivor Curve: R0.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1987	592,113.65	30.42	52.00	0.95469	565,286
1988	692,496.56	30.96	52.00	0.93043	644,319
1989	762,659.44	31.52	52.00	0.90600	690,969
1990	842,641.67	32.07	52.00	0.88141	742,709
1991	1,137,030.36	32.63	52.00	0.85669	974,077
1992	960,446.61	33.20	52.00	0.83178	798,877
1993	870,876.44	33.76	52.00	0.80672	702,556
1994	946,759.92	34.33	52.00	0.78153	739,921
1995	601,123.08	34.90	52.00	0.75620	454,571
1996	556,872.81	35.48	52.00	0.73075	406,935
1997	922,458.66	36.06	52.00	0.70518	650,496
1998	1,140,921.68	36.64	52.00	0.67949	775,246
1999	1,130,735.10	37.22	52.00	0.65370	739,160
2000	2,148,333.76	37.81	52.00	0.62781	1,348,742
2001	43,906.43	38.39	52.00	0.60183	26,424
2002	1,232,262.96	38.98	52.00	0.57576	709,487
2003	744,756.26	39.57	52.00	0.54961	409,328
2004	626,229.59	40.17	52.00	0.52340	327,766
2005	712,481.44	40.76	52.00	0.49713	354,194
2006	745,953.09	41.36	52.00	0.47078	351,178
2007	1,142,254.01	41.95	52.00	0.44437	507,584
2008	1,100,388.30	42.55	52.00	0.41791	459,863
2009	884,794.49	43.15	52.00	0.39140	346,306
2010	873,693.91	43.75	52.00	0.36483	318,751
2011	816,752.87	44.35	52.00	0.33821	276,234
2012	1,424,623.53	44.96	52.00	0.31153	443,815
2013	2,136,022.76	45.56	52.00	0.28479	608,326
2014	1,827,716.68	46.17	52.00	0.25799	471,540

PGS
Gas Division
380.00 Services - Steel

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -130 % Average Service Life: 52 Survivor Curve: R0.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2015	1,643,450.00	46.78	52.00	0.23113	379,852
2016	2,914,108.93	47.38	52.00	0.20420	595,067
2017	2,566,769.58	47.99	52.00	0.17723	454,899
2018	2,092,595.06	48.61	52.00	0.15016	314,220
2019	3,084,133.29	49.22	52.00	0.12302	379,412
2020	4,322,446.40	49.83	52.00	0.09581	414,140
2021	3,452,917.57	50.45	52.00	0.06853	236,628
2022	5,277,037.96	51.07	52.00	0.04117	217,276
Total	68,085,342.29				38,184,588.11

PGS
Gas Division
380.02 Services - Plastic

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

***Salvage Value:* -75 % *Average Service Life:* 62 *Survivor Curve:* R2**

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1981	480,379.85	28.21	62.00	0.95376	458,166
1982	1,200,463.74	28.87	62.00	0.93515	1,122,616
1983	1,383,346.29	29.54	62.00	0.91634	1,267,615
1984	1,386,418.34	30.21	62.00	0.89736	1,244,115
1985	1,754,453.59	30.89	62.00	0.87809	1,540,568
1986	2,463,685.46	31.58	62.00	0.85862	2,115,378
1987	2,663,338.87	32.28	62.00	0.83898	2,234,478
1988	3,232,091.47	32.98	62.00	0.81907	2,647,319
1989	2,931,766.99	33.69	62.00	0.79902	2,342,548
1990	3,839,374.61	34.41	62.00	0.77870	2,989,707
1991	3,654,743.39	35.14	62.00	0.75819	2,770,981
1992	3,616,386.29	35.87	62.00	0.73752	2,667,155
1993	4,886,374.05	36.61	62.00	0.71661	3,501,610
1994	4,973,523.98	37.36	62.00	0.69557	3,459,411
1995	4,686,480.86	38.11	62.00	0.67426	3,159,914
1996	4,978,692.44	38.87	62.00	0.65279	3,250,037
1997	5,793,613.74	39.64	62.00	0.63118	3,656,790
1998	5,783,972.90	40.41	62.00	0.60933	3,524,349
1999	7,483,457.89	41.19	62.00	0.58737	4,395,564
2000	22,372,714.65	41.98	62.00	0.56516	12,644,234
2001	2,636,333.21	42.77	62.00	0.54280	1,431,000
2002	9,561,016.31	43.57	62.00	0.52031	4,974,698
2003	10,675,414.15	44.37	62.00	0.49760	5,312,104
2004	10,785,749.57	45.18	62.00	0.47474	5,120,460
2005	10,242,225.91	46.00	62.00	0.45175	4,626,929
2006	10,833,211.64	46.82	62.00	0.42856	4,642,711
2007	9,570,012.07	47.64	62.00	0.40526	3,878,389
2008	7,961,666.09	48.47	62.00	0.38176	3,039,437

PGS
Gas Division
380.02 Services - Plastic

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -75 % *Average Service Life:* 62 *Survivor Curve:* R2

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2009	6,158,919.27	49.31	62.00	0.35812	2,205,602
2010	8,235,451.83	50.15	62.00	0.33435	2,753,545
2011	9,120,883.86	51.00	62.00	0.31041	2,831,180
2012	11,400,806.61	51.85	62.00	0.28636	3,264,771
2013	13,640,697.21	52.71	62.00	0.26213	3,575,570
2014	16,039,838.69	53.58	62.00	0.23776	3,813,651
2015	17,667,666.34	54.44	62.00	0.21329	3,768,385
2016	24,706,396.63	55.32	62.00	0.18865	4,660,942
2017	25,325,870.02	56.19	62.00	0.16389	4,150,763
2018	42,070,531.10	57.07	62.00	0.13903	5,848,873
2019	41,279,315.60	57.96	62.00	0.11401	4,706,142
2020	49,738,113.32	58.85	62.00	0.08890	4,421,638
2021	54,543,732.35	59.75	62.00	0.06363	3,470,718
2022	62,233,681.32	60.64	62.00	0.03826	2,380,947
2023	66,087,725.83	61.55	62.00	0.01279	845,247
Total	610,080,538.33				146,716,256.97

PGS
Gas Division
381.00 Meters

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % *Average Service Life:* 20 *Survivor Curve:* R2

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1999	87,559.89	3.69	20.00	0.81528	71,385
2000	4,241,241.44	4.06	20.00	0.79716	3,380,935
2002	2,433,788.38	4.86	20.00	0.75693	1,842,213
2003	2,680,422.50	5.31	20.00	0.73469	1,969,269
2004	2,552,262.56	5.78	20.00	0.71096	1,814,545
2005	2,881,541.76	6.28	20.00	0.68576	1,976,040
2006	3,243,483.56	6.82	20.00	0.65901	2,137,483
2007	2,734,232.59	7.38	20.00	0.63087	1,724,938
2008	3,289,624.18	7.98	20.00	0.60123	1,977,822
2009	1,718,648.02	8.59	20.00	0.57030	980,138
2010	5,179,866.36	9.24	20.00	0.53797	2,786,604
2011	8,431,805.29	9.91	20.00	0.50445	4,253,459
2012	4,915,452.76	10.61	20.00	0.46966	2,308,615
2013	2,991,226.10	11.32	20.00	0.43380	1,297,589
2014	2,359,484.58	12.06	20.00	0.39677	936,180
2015	4,293,558.73	12.82	20.00	0.35877	1,540,402
2016	3,923,394.52	13.61	20.00	0.31972	1,254,373
2017	5,069,819.48	14.40	20.00	0.27977	1,418,401
2018	3,781,157.14	15.22	20.00	0.23890	903,327
2019	5,992,488.05	16.06	20.00	0.19718	1,181,572
2020	4,880,024.69	16.91	20.00	0.15462	754,533
2021	6,363,475.80	17.77	20.00	0.11133	708,472
2022	7,955,614.29	18.65	20.00	0.06729	535,327
2023	7,270,521.61	19.55	20.00	0.02260	164,346
Total	99,270,694.28				37,917,970.90

PGS
Gas Division
382.00 Meter Installations

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -30 % Average Service Life: 55 Survivor Curve: R0.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1978	115,134.54	28.49	55.00	0.62652	72,134
1979	261,103.99	29.02	55.00	0.61419	160,368
1980	589,644.05	29.54	55.00	0.60176	354,827
1981	349,363.34	30.07	55.00	0.58924	205,860
1982	317,266.29	30.60	55.00	0.57663	182,945
1983	403,951.26	31.14	55.00	0.56394	227,803
1984	332,099.58	31.68	55.00	0.55114	183,032
1985	466,387.68	32.23	55.00	0.53825	251,032
1986	250,344.31	32.78	55.00	0.52527	131,499
1987	277,394.91	33.33	55.00	0.51221	142,086
1988	284,334.36	33.89	55.00	0.49909	141,909
1989	310,063.90	34.44	55.00	0.48587	150,650
1990	401,454.80	35.01	55.00	0.47257	189,714
1991	356,198.10	35.57	55.00	0.45919	163,563
1992	422,953.73	36.14	55.00	0.44575	188,531
1993	548,952.93	36.71	55.00	0.43224	237,277
1994	890,223.38	37.29	55.00	0.41867	372,712
1995	759,707.64	37.86	55.00	0.40503	307,704
1996	400,813.82	38.44	55.00	0.39133	156,850
1997	706,298.75	39.03	55.00	0.37757	266,680
1998	909,280.63	39.61	55.00	0.36377	330,768
1999	2,960,143.64	40.20	55.00	0.34993	1,035,834
2000	3,555,689.47	40.78	55.00	0.33602	1,194,796
2001	860.30	41.37	55.00	0.32208	277
2002	1,936,021.23	41.97	55.00	0.30810	596,483
2003	2,356,242.93	42.56	55.00	0.29408	692,923
2004	2,184,983.46	43.15	55.00	0.28003	611,861
2005	2,891,763.22	43.75	55.00	0.26596	769,086

PGS
Gas Division
382.00 Meter Installations

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -30 % **Average Service Life:** 55 **Survivor Curve:** R0.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2006	2,554,516.26	44.35	55.00	0.25184	643,341
2007	2,126,369.48	44.94	55.00	0.23771	505,449
2008	2,136,983.83	45.54	55.00	0.22354	477,702
2009	2,030,124.35	46.14	55.00	0.20935	425,004
2010	2,001,925.56	46.75	55.00	0.19514	390,656
2011	2,197,867.62	47.35	55.00	0.18089	397,572
2012	1,918,712.59	47.95	55.00	0.16661	319,677
2013	1,834,052.00	48.56	55.00	0.15230	279,327
2014	2,327,250.21	49.16	55.00	0.13796	321,067
2015	2,450,705.72	49.77	55.00	0.12359	302,876
2016	3,590,691.31	50.38	55.00	0.10919	392,066
2017	3,370,499.49	50.99	55.00	0.09475	319,342
2018	5,206,038.25	51.61	55.00	0.08027	417,881
2019	5,760,374.36	52.22	55.00	0.06576	378,779
2020	7,085,783.11	52.83	55.00	0.05121	362,846
2021	8,410,531.63	53.45	55.00	0.03663	308,109
2022	10,932,158.81	54.07	55.00	0.02201	240,595
2023	14,647,230.45	54.69	55.00	0.00735	107,589
Total	105,820,491.27				15,909,079.77

PGS
Gas Division
383.00 House Regulators

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % **Average Service Life:** 42 **Survivor Curve:** S1.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1973	97,553.70	9.02	42.00	0.78516	76,595
1974	31,153.50	9.35	42.00	0.77734	24,217
1975	32,725.68	9.69	42.00	0.76938	25,179
1976	22,156.81	10.03	42.00	0.76122	16,866
1977	45,144.00	10.38	42.00	0.75286	33,987
1978	53,032.49	10.74	42.00	0.74433	39,473
1979	48,170.29	11.11	42.00	0.73556	35,432
1980	85,874.18	11.48	42.00	0.72658	62,394
1981	117,688.66	11.87	42.00	0.71737	84,427
1982	76,749.27	12.27	42.00	0.70792	54,333
1983	59,468.89	12.67	42.00	0.69822	41,523
1984	129,589.29	13.09	42.00	0.68826	89,191
1985	182,310.15	13.52	42.00	0.67804	123,613
1986	264,406.53	13.96	42.00	0.66751	176,494
1987	277,179.63	14.42	42.00	0.65671	182,026
1988	197,396.53	14.88	42.00	0.64561	127,441
1989	175,379.78	15.37	42.00	0.63416	111,218
1990	263,731.37	15.86	42.00	0.62241	164,149
1991	361,257.71	16.37	42.00	0.61030	220,475
1992	249,601.69	16.89	42.00	0.59786	149,226
1993	392,196.25	17.43	42.00	0.58507	229,461
1994	365,650.80	17.98	42.00	0.57186	209,100
1995	338,080.91	18.55	42.00	0.55830	188,751
1996	374,216.61	19.14	42.00	0.54432	203,695
1997	606,083.75	19.74	42.00	0.52996	321,202
1998	478,111.94	20.36	42.00	0.51520	246,325
1999	565,894.18	21.00	42.00	0.49997	282,930
2000	1,068,379.65	21.66	42.00	0.48435	517,469

PGS
Gas Division
383.00 House Regulators

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % **Average Service Life:** 42 **Survivor Curve:** S1.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2001	38,881.09	22.33	42.00	0.46830	18,208
2002	297,269.75	23.03	42.00	0.45175	134,292
2003	207,937.86	23.74	42.00	0.43481	90,413
2004	300,837.45	24.47	42.00	0.41737	125,560
2005	382,854.95	25.22	42.00	0.39951	152,956
2006	465,635.50	25.99	42.00	0.38122	177,511
2007	508,391.03	26.78	42.00	0.36243	184,254
2008	529,731.42	27.58	42.00	0.34323	181,821
2009	657,038.13	28.41	42.00	0.32361	212,627
2010	576,915.57	29.25	42.00	0.30350	175,095
2011	762,531.28	30.11	42.00	0.28303	215,820
2012	647,202.85	30.99	42.00	0.26212	169,642
2013	624,879.44	31.88	42.00	0.24085	150,500
2014	673,543.25	32.79	42.00	0.21922	147,652
2015	492,213.31	33.72	42.00	0.19720	97,063
2016	651,105.68	34.65	42.00	0.17489	113,869
2017	698,193.88	35.61	42.00	0.15225	106,302
2018	575,744.87	36.57	42.00	0.12936	74,480
2019	779,945.35	37.54	42.00	0.10623	82,856
2020	515,586.03	38.52	42.00	0.08287	42,726
2021	868,691.52	39.51	42.00	0.05934	51,550
2022	1,638,332.48	40.50	42.00	0.03568	58,449
2023	914,170.27	41.50	42.00	0.01190	10,880
Total	20,766,817.20				6,811,720.15

PGS
Gas Division
384.00 House Regulator Installations

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -30 % Average Service Life: 47 Survivor Curve: R1.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1958	2,829.11	8.14	47.00	1.07491	3,041
1959	21,695.01	8.45	47.00	1.06641	23,136
1960	9,552.76	8.76	47.00	1.05776	10,105
1961	5,605.81	9.08	47.00	1.04894	5,880
1962	30,396.61	9.40	47.00	1.03995	31,611
1963	4,372.31	9.73	47.00	1.03076	4,507
1964	4,963.21	10.07	47.00	1.02137	5,069
1965	3,694.46	10.42	47.00	1.01179	3,738
1966	4,903.56	10.78	47.00	1.00195	4,913
1967	4,619.18	11.14	47.00	0.99186	4,582
1968	2,622.74	11.51	47.00	0.98151	2,574
1969	6,340.25	11.90	47.00	0.97090	6,156
1970	6,544.32	12.29	47.00	0.96001	6,283
1971	13,928.55	12.70	47.00	0.94884	13,216
1972	12,165.82	13.11	47.00	0.93738	11,404
1973	38,660.97	13.54	47.00	0.92561	35,785
1974	23,369.85	13.97	47.00	0.91355	21,349
1975	28,854.75	14.42	47.00	0.90118	26,003
1976	25,776.54	14.88	47.00	0.88850	22,903
1977	28,484.48	15.35	47.00	0.87552	24,939
1978	40,674.45	15.83	47.00	0.86223	35,071
1979	39,274.40	16.32	47.00	0.84863	33,330
1980	70,727.09	16.82	47.00	0.83473	59,038
1981	64,988.36	17.34	47.00	0.82048	53,322
1982	75,868.65	17.86	47.00	0.80596	61,147
1983	87,337.01	18.40	47.00	0.79113	69,095
1984	127,971.21	18.94	47.00	0.77602	99,308
1985	170,597.53	19.50	47.00	0.76060	129,757

PGS
Gas Division
384.00 House Regulator Installations

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -30 % Average Service Life: 47 Survivor Curve: R1.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1986	146,511.46	20.07	47.00	0.74490	109,137
1987	147,729.25	20.65	47.00	0.72891	107,682
1988	196,784.29	21.24	47.00	0.71265	140,238
1989	232,637.44	21.84	47.00	0.69606	161,929
1990	353,261.45	22.44	47.00	0.67924	239,949
1991	208,658.58	23.06	47.00	0.66216	138,164
1992	301,050.49	23.69	47.00	0.64481	194,122
1993	276,917.36	24.32	47.00	0.62722	173,689
1994	347,172.16	24.97	47.00	0.60938	211,561
1995	353,198.32	25.62	47.00	0.59130	208,848
1996	459,277.08	26.28	47.00	0.57299	263,162
1997	485,085.41	26.96	47.00	0.55441	268,935
1998	383,996.61	27.63	47.00	0.53564	205,685
1999	471,049.24	28.32	47.00	0.51666	243,374
2000	1,069,154.91	29.01	47.00	0.49748	531,883
2002	781,013.24	30.42	47.00	0.45852	358,110
2003	1,190,767.25	31.14	47.00	0.43876	522,459
2004	874,870.58	31.86	47.00	0.41879	366,384
2005	919,834.48	32.59	47.00	0.39867	366,708
2006	1,557,909.68	33.32	47.00	0.37838	589,488
2007	877,182.82	34.06	47.00	0.35794	313,980
2008	732,920.04	34.80	47.00	0.33735	247,247
2009	686,919.72	35.55	47.00	0.31660	217,479
2010	671,129.47	36.31	47.00	0.29571	198,461
2011	738,173.99	37.07	47.00	0.27468	202,762
2012	1,151,122.04	37.84	47.00	0.25348	291,790
2013	1,316,985.86	38.61	47.00	0.23217	305,760
2014	776,896.66	39.38	47.00	0.21071	163,700

PGS
Gas Division
384.00 House Regulator Installations
Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -30 % Average Service Life: 47 Survivor Curve: R1.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2015	817,036.65	40.16	47.00	0.18912	154,515
2016	1,198,676.73	40.95	47.00	0.16738	200,640
2017	1,120,608.94	41.74	47.00	0.14551	163,065
2018	1,755,541.61	42.54	47.00	0.12351	216,822
2019	1,920,126.15	43.34	47.00	0.10136	194,632
2020	2,242,163.20	44.14	47.00	0.07906	177,262
2021	4,440,943.29	44.95	47.00	0.05664	251,529
2022	6,517,029.49	45.77	47.00	0.03408	222,125
Total	38,677,154.93				9,730,533.42

PGS
Gas Division
385.00 Ind. Meas. & Reg. Sta. Equip

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % *Average Service Life:* 39 *Survivor Curve:* R2.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1969	930.64	4.41	39.00	0.88698	825
1970	5,759.09	4.64	39.00	0.88107	5,074
1971	6,882.95	4.88	39.00	0.87485	6,022
1972	711.03	5.12	39.00	0.86866	618
1974	8,987.32	5.64	39.00	0.85549	7,689
1975	3,536.71	5.91	39.00	0.84856	3,001
1976	1,302.27	6.19	39.00	0.84126	1,096
1977	6,344.39	6.49	39.00	0.83365	5,289
1979	301.47	7.13	39.00	0.81710	246
1980	4,431.19	7.48	39.00	0.80810	3,581
1981	29,721.03	7.85	39.00	0.79860	23,735
1982	86,063.71	8.25	39.00	0.78855	67,865
1983	88,578.93	8.66	39.00	0.77794	68,909
1984	114,096.57	9.10	39.00	0.76675	87,484
1985	176,580.69	9.55	39.00	0.75501	133,321
1986	354,147.05	10.04	39.00	0.74266	263,011
1987	229,133.04	10.54	39.00	0.72979	167,218
1988	502,416.81	11.06	39.00	0.71630	359,881
1989	269,563.17	11.61	39.00	0.70228	189,310
1990	660,172.69	12.18	39.00	0.68777	454,048
1991	328,532.16	12.76	39.00	0.67272	221,009
1992	234,841.10	13.37	39.00	0.65721	154,341
1993	352,865.07	13.99	39.00	0.64120	226,256
1994	656,860.00	14.63	39.00	0.62479	410,397
1995	207,956.66	15.29	39.00	0.60789	126,415
1996	238,512.58	15.96	39.00	0.59065	140,877
1997	292,567.29	16.66	39.00	0.57295	167,626
1998	359,267.11	17.36	39.00	0.55489	199,354

PGS

Gas Division

385.00 Ind. Meas. & Reg. Sta. Equip

Original Cost Of Utility Plant In Service

And Development Of Calculated Depr Reserve as of December 31, 2023

Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % Average Service Life: 39 Survivor Curve: R2.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1999	472,881.47	18.08	39.00	0.53650	253,702
2000	695,612.81	18.81	39.00	0.51773	360,140
2001	68,811.04	19.55	39.00	0.49866	34,313
2002	212,974.43	20.31	39.00	0.47922	102,062
2003	600,207.40	21.08	39.00	0.45951	275,800
2004	176,234.88	21.86	39.00	0.43944	77,445
2005	307,717.42	22.66	39.00	0.41909	128,960
2006	426,246.06	23.46	39.00	0.39846	169,843
2007	100,970.91	24.28	39.00	0.37753	38,120
2008	36,582.05	25.10	39.00	0.35635	13,036
2013	102,723.49	29.38	39.00	0.24659	25,331
2014	1,327.53	30.27	39.00	0.22394	297
2016	599,736.89	32.06	39.00	0.17806	106,786
2017	463.33	32.96	39.00	0.15484	72
2018	394,881.58	33.87	39.00	0.13142	51,897
2019	5,547,454.90	34.79	39.00	0.10787	598,378
2020	74,719.59	35.72	39.00	0.08413	6,286
2021	9,121.38	36.65	39.00	0.06025	550
2022	147,096.76	37.59	39.00	0.03625	5,332
Total	15,196,826.64				5,742,846.76

PGS
Gas Division
387.00 Other Equipment

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % Average Service Life: 27 Survivor Curve: L1.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1975	4,654.44	6.36	27.00	0.76441	3,558
1977	9,036.84	6.78	27.00	0.74894	6,768
1979	2,403.28	7.22	27.00	0.73277	1,761
1981	1,900.94	7.67	27.00	0.71603	1,361
1982	880.94	7.90	27.00	0.70738	623
1983	1,376.02	8.14	27.00	0.69863	961
1985	1,881.03	8.62	27.00	0.68063	1,280
1986	7,400.34	8.87	27.00	0.67148	4,969
1988	4,612.16	9.37	27.00	0.65281	3,011
1989	2,004.48	9.63	27.00	0.64330	1,289
1990	8,597.36	9.89	27.00	0.63376	5,449
1991	17,681.57	10.15	27.00	0.62416	11,036
1992	16,379.55	10.41	27.00	0.61448	10,065
1993	21,490.94	10.67	27.00	0.60480	12,998
1994	41,201.18	10.93	27.00	0.59508	24,518
1995	26,792.02	11.20	27.00	0.58527	15,681
1996	35,736.37	11.46	27.00	0.57545	20,564
1997	79,003.23	11.73	27.00	0.56552	44,678
1998	33,665.10	12.00	27.00	0.55545	18,699
1999	79,657.95	12.28	27.00	0.54517	43,427
2000	156,360.82	12.56	27.00	0.53465	83,598
2001	96,049.08	12.86	27.00	0.52378	50,309
2002	78,107.23	13.16	27.00	0.51247	40,027
2003	190,802.76	13.48	27.00	0.50062	95,520
2004	202,102.66	13.82	27.00	0.48811	98,647
2005	139,566.21	14.18	27.00	0.47483	66,270
2006	346,776.93	14.56	27.00	0.46063	159,735
2007	329,322.35	14.97	27.00	0.44541	146,683

PGS
Gas Division
387.00 Other Equipment

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % **Average Service Life:** 27 **Survivor Curve:** L1.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2008	148,017.06	15.42	27.00	0.42906	63,509
2009	668,413.77	15.89	27.00	0.41146	275,026
2010	539,022.11	16.41	27.00	0.39235	211,483
2011	536,464.85	16.97	27.00	0.37166	199,385
2012	520,523.51	17.57	27.00	0.34943	181,885
2013	307,418.80	18.21	27.00	0.32552	100,072
2014	1,084,921.98	18.90	27.00	0.30016	325,651
2015	491,827.70	19.62	27.00	0.27350	134,513
2016	497,048.71	20.37	27.00	0.24565	122,102
2017	625,901.17	21.15	27.00	0.21654	135,534
2018	1,520,325.52	21.97	27.00	0.18620	283,090
2019	1,243,321.68	22.82	27.00	0.15469	192,326
2020	984,702.63	23.71	27.00	0.12195	120,086
2021	1,821,650.02	24.62	27.00	0.08816	160,588
2022	506,839.74	25.56	27.00	0.05346	27,094
Total	13,431,843.03				3,505,830.84

PGS
Gas Division
390.00 Structures & Improvements

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % **Average Service Life:** 25 **Survivor Curve:** L0

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2007	25,115.11	17.10	25.00	0.31608	7,938
2008	2,319.30	17.45	25.00	0.30193	700
2009	9,582.32	17.81	25.00	0.28749	2,755
2012	50,788.77	18.94	25.00	0.24234	12,308
2015	18,604.02	20.16	25.00	0.19339	3,598
2016	12,393.52	20.60	25.00	0.17579	2,179
2023	544,265.86	24.58	25.00	0.01687	9,179
Total	663,068.90				38,657.69

PGS
Gas Division
391.00 Office Furniture

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % **Average Service Life:** 17 **Survivor Curve:** SQ

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2006	79,485.00	0.00	0.00	1.00000	79,485
2007	118,417.47	0.50	17.00	0.97059	114,935
2009	19,483.57	2.50	17.00	0.85294	16,618
2010	40,633.46	3.50	17.00	0.79412	32,268
2011	271,246.45	4.50	17.00	0.73529	199,446
2012	46,697.45	5.50	17.00	0.67647	31,589
2013	54,887.66	6.50	17.00	0.61765	33,901
2014	17,304.09	7.50	17.00	0.55882	9,670
2015	52,030.62	8.50	17.00	0.50000	26,015
2016	305,779.16	9.50	17.00	0.44118	134,903
2017	91,250.94	10.50	17.00	0.38235	34,890
2018	575,028.36	11.50	17.00	0.32353	186,039
2019	135,016.50	12.50	17.00	0.26471	35,740
2020	71,253.88	13.50	17.00	0.20588	14,670
2022	31,734.79	15.50	17.00	0.08824	2,800
2023	241,700.33	16.50	17.00	0.02941	7,109
Total	2,151,949.73				960,077.27

PGS
Gas Division
391.01 Computer Equipment

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % **Average Service Life:** 9 **Survivor Curve:** SQ

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2012	57,597.38	0.00	0.00	1.00000	57,597
2013	100,249.64	0.00	0.00	1.00000	100,250
2014	431,635.95	0.00	0.00	1.00000	431,636
2015	574,371.25	0.50	9.00	0.94444	542,462
2016	175,832.21	1.50	9.00	0.83333	146,527
2017	11,535.38	2.50	9.00	0.72222	8,331
2018	82,269.73	3.50	9.00	0.61111	50,276
2019	1,630,801.36	4.50	9.00	0.50000	815,401
2020	138,455.00	5.50	9.00	0.38889	53,844
2021	8,106.39	6.50	9.00	0.27778	2,252
2022	47,509.97	7.50	9.00	0.16667	7,918
2023	2,673,941.60	8.50	9.00	0.05556	148,552
Total	5,932,305.86				2,365,045.31

PGS

Gas Division

391.02 Office Equipment

Original Cost Of Utility Plant In Service

And Development Of Calculated Depr Reserve as of December 31, 2023

Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % *Average Service Life:* 15 *Survivor Curve:* SQ

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2002	9,275.92	0.00	0.00	1.00000	9,276
2004	50,945.45	0.00	0.00	1.00000	50,945
2005	15,753.72	0.00	0.00	1.00000	15,754
2006	10,052.63	0.00	0.00	1.00000	10,053
2007	100,172.03	0.00	0.00	1.00000	100,172
2008	3,705.13	0.00	0.00	1.00000	3,705
2009	3,389.84	0.50	15.00	0.96667	3,277
2010	11,701.77	1.50	15.00	0.90000	10,532
2011	277,041.59	2.50	15.00	0.83333	230,868
2012	9,286.13	3.50	15.00	0.76667	7,119
2013	257,470.04	4.50	15.00	0.70000	180,229
2014	15,220.50	5.50	15.00	0.63333	9,640
2015	32,576.23	6.50	15.00	0.56667	18,460
2016	65,264.69	7.50	15.00	0.50000	32,632
2017	443,681.45	8.50	15.00	0.43333	192,262
2018	16,931.70	9.50	15.00	0.36667	6,208
2019	123,272.16	10.50	15.00	0.30000	36,982
2020	16,678.31	11.50	15.00	0.23333	3,892
2022	67,254.50	13.50	15.00	0.10000	6,725
Total	1,529,673.79				928,730.52

PGS

Gas Division

392.01 Vehicles up to 1/2 Tons

Original Cost Of Utility Plant In Service

And Development Of Calculated Depr Reserve as of December 31, 2023

Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 11 % **Average Service Life:** 8 **Survivor Curve:** L2

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2001	36,755.44	0.00	0.00	0.89000	32,712
2002	42,654.92	0.50	8.00	0.83438	35,590
2004	74,529.36	0.70	8.00	0.81217	60,530
2005	22,425.81	0.85	8.00	0.79536	17,837
2006	87,562.88	1.02	8.00	0.77659	68,001
2007	37,028.73	1.20	8.00	0.75665	28,018
2008	71,314.79	1.39	8.00	0.73532	52,439
2009	246,695.29	1.59	8.00	0.71284	175,854
2010	424,184.03	1.81	8.00	0.68888	292,212
2011	504,980.21	2.04	8.00	0.66353	335,068
2012	152,253.16	2.28	8.00	0.63673	96,944
2013	742,667.23	2.52	8.00	0.60912	452,376
2014	168,286.89	2.77	8.00	0.58149	97,857
2015	1,016,083.21	3.01	8.00	0.55464	563,565
2016	792,209.89	3.25	8.00	0.52802	418,303
2017	740,847.12	3.51	8.00	0.49915	369,795
2018	332,369.98	3.84	8.00	0.46324	153,967
2019	644,561.13	4.28	8.00	0.41401	266,852
2020	905,277.36	4.89	8.00	0.34583	313,076
2021	444,941.58	5.67	8.00	0.25913	115,297
2022	1,724,117.87	6.55	8.00	0.16169	278,774
2023	6,169,828.38	7.50	8.00	0.05538	341,690
Total	15,381,575.26				4,566,757.42

PGS
Gas Division
392.02 Vehicles from 1/2 - 1 Tons

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 11 % **Average Service Life:** 10 **Survivor Curve:** L3

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1999	28,303.89	0.00	0.00	0.89000	25,190
2002	50,180.97	0.61	10.00	0.83602	41,953
2005	34,520.57	1.12	10.00	0.78990	27,268
2006	24,202.13	1.33	10.00	0.77150	18,672
2007	147,650.81	1.55	10.00	0.75185	111,012
2008	73,253.51	1.79	10.00	0.73092	53,543
2010	274,641.56	2.29	10.00	0.68599	188,402
2011	427,348.14	2.54	10.00	0.66381	283,678
2012	164,947.66	2.76	10.00	0.64420	106,259
2013	543,449.20	2.94	10.00	0.62807	341,326
2014	540,415.86	3.11	10.00	0.61310	331,328
2015	792,939.60	3.33	10.00	0.59363	470,713
2016	1,068,257.92	3.67	10.00	0.56331	601,756
2017	1,279,351.26	4.18	10.00	0.51777	662,410
2018	1,935,383.29	4.87	10.00	0.45669	883,878
2019	3,533,710.60	5.68	10.00	0.38407	1,357,186
2020	2,150,749.91	6.58	10.00	0.30469	655,310
2021	2,259,093.98	7.52	10.00	0.22075	498,704
2022	2,475,253.83	8.50	10.00	0.13339	330,173
Total	17,803,654.69				6,988,760.04

PGS
Gas Division
392.04 Trailers & Other

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -20 % Average Service Life: 30 Survivor Curve: R1.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1974	927.68	3.09	30.00	1.07624	998
1976	1,425.84	3.59	30.00	1.05631	1,506
1978	3,068.00	4.13	30.00	1.03472	3,175
1982	6,121.82	5.30	30.00	0.98818	6,049
1984	1,671.80	5.93	30.00	0.96291	1,610
1986	1,577.73	6.60	30.00	0.93599	1,477
1987	4,914.45	6.96	30.00	0.92176	4,530
1988	6,252.55	7.33	30.00	0.90697	5,671
1990	3,623.68	8.11	30.00	0.87554	3,173
1991	6,535.40	8.53	30.00	0.85883	5,613
1994	34,745.96	9.88	30.00	0.80462	27,957
1995	7,475.00	10.37	30.00	0.78515	5,869
1996	58,319.86	10.88	30.00	0.76499	44,614
1997	14,299.11	11.40	30.00	0.74411	10,640
1998	14,707.84	11.94	30.00	0.72257	10,627
1999	5,017.64	12.49	30.00	0.70036	3,514
2000	6,398.95	13.06	30.00	0.67746	4,335
2001	19,226.38	13.65	30.00	0.65395	12,573
2003	4,435.24	14.87	30.00	0.60506	2,684
2004	3,983.48	15.51	30.00	0.57975	2,309
2005	4,071.00	16.15	30.00	0.55388	2,255
2006	3,047.57	16.81	30.00	0.52743	1,607
2007	11,864.93	17.49	30.00	0.50050	5,938
2008	6,491.02	18.17	30.00	0.47309	3,071
2009	4,641.83	18.87	30.00	0.44518	2,066
2010	2,115.26	19.58	30.00	0.41685	882
2011	63,338.54	20.30	30.00	0.38811	24,583
2012	3,189.24	21.03	30.00	0.35895	1,145

PGS
Gas Division
392.04 Trailers & Other

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -20 % Average Service Life: 30 Survivor Curve: R1.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2013	13,995.21	21.76	30.00	0.32945	4,611
2014	818,004.33	22.51	30.00	0.29960	245,073
2015	5,738.84	23.27	30.00	0.26939	1,546
2016	23,325.99	24.03	30.00	0.23888	5,572
2017	94,323.73	24.80	30.00	0.20806	19,625
2018	20,800.90	25.58	30.00	0.17689	3,679
2019	1,077,081.04	26.36	30.00	0.14543	156,642
2020	895,773.72	27.16	30.00	0.11366	101,818
2021	29,471.59	27.96	30.00	0.08156	2,404
2022	14,459.36	28.77	30.00	0.04917	711
2023	1,315,163.56	29.59	30.00	0.01648	21,668
Total	4,611,626.07				763,819.66

PGS
Gas Division
392.05 Vehicles over 1 Ton

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 7% **Average Service Life:** 13 **Survivor Curve:** L2

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1992	46,758.60	1.05	13.00	0.85493	39,976
2005	10,202.86	3.72	13.00	0.66405	6,775
2006	120,234.03	3.97	13.00	0.64612	77,686
2007	71,334.69	4.22	13.00	0.62818	44,811
2010	8,912.49	4.95	13.00	0.57574	5,131
2013	67,792.77	5.71	13.00	0.52154	35,356
2014	134,191.32	6.02	13.00	0.49934	67,007
2015	576,414.01	6.39	13.00	0.47276	272,503
2016	202,698.33	6.85	13.00	0.44022	89,231
2018	130,825.56	8.08	13.00	0.35207	46,059
2019	623,444.40	8.85	13.00	0.29678	185,028
2020	571,330.17	9.69	13.00	0.23676	135,268
Total	2,564,139.23				1,004,832.44

PGS
Gas Division
393.00 Stores Equipment

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % *Average Service Life:* 24 *Survivor Curve:* SQ

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2012	1,283.39	12.50	24.00	0.47917	615
Total	1,283.39				614.96

PGS
Gas Division
394.00 Tools, Shop & Garage Equip

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % **Average Service Life:** 18 **Survivor Curve:** SQ

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2004	76,064.16	0.00	0.00	1.00000	76,064
2005	102,633.27	0.00	0.00	1.00000	102,633
2006	102,556.61	0.50	18.00	0.97222	99,708
2007	120,829.00	1.50	18.00	0.91667	110,760
2008	77,877.13	2.50	18.00	0.86111	67,061
2009	211,344.45	3.50	18.00	0.80556	170,250
2010	165,917.15	4.50	18.00	0.75000	124,438
2011	370,307.52	5.50	18.00	0.69444	257,158
2012	160,080.34	6.50	18.00	0.63889	102,274
2013	386,884.17	7.50	18.00	0.58333	225,682
2014	1,471,365.89	8.50	18.00	0.52778	776,554
2015	2,693,626.21	9.50	18.00	0.47222	1,271,990
2016	303,818.81	10.50	18.00	0.41667	126,591
2017	131,580.30	11.50	18.00	0.36111	47,515
2018	185,617.32	12.50	18.00	0.30556	56,716
2019	169,435.99	13.50	18.00	0.25000	42,359
2020	138,839.27	14.50	18.00	0.19444	26,997
2021	43,089.54	15.50	18.00	0.13889	5,985
2022	70,095.72	16.50	18.00	0.08333	5,841
2023	1,605,734.51	17.50	18.00	0.02778	44,604
Total	8,587,697.36				3,741,179.85

PGS
Gas Division
394.01 CNC Station Equipment

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % **Average Service Life:** 20 **Survivor Curve:** SQ

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2011	6,679.97	7.50	20.00	0.62500	4,175
2012	2,413.68	8.50	20.00	0.57500	1,388
2013	20,727.47	9.50	20.00	0.52500	10,882
2016	1,431,845.14	12.50	20.00	0.37500	536,942
2019	1,095,156.28	15.50	20.00	0.22500	246,410
2020	24,427.55	16.50	20.00	0.17500	4,275
2022	4,788.56	18.50	20.00	0.07500	359
2023	655,754.14	19.50	20.00	0.02500	16,394
Total	3,241,792.79				820,824.68

PGS
Gas Division
396.00 Power Operated Equipment

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

***Salvage Value:* 10 % *Average Service Life:* 18 *Survivor Curve:* L1.5**

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1986	10,424.95	3.27	18.00	0.73672	7,680
1987	7,895.18	3.45	18.00	0.72774	5,746
1990	20,504.84	4.01	18.00	0.69935	14,340
1992	42,733.64	4.42	18.00	0.67894	29,013
1993	3,931.53	4.63	18.00	0.66828	2,627
1994	62,179.31	4.85	18.00	0.65727	40,869
1995	43,250.67	5.08	18.00	0.64599	27,940
1996	76,843.92	5.31	18.00	0.63435	48,746
1997	42,989.34	5.55	18.00	0.62245	26,759
1998	194,264.20	5.80	18.00	0.61022	118,544
1999	12,270.42	6.04	18.00	0.59779	7,335
2000	36,993.15	6.30	18.00	0.58509	21,644
2001	55,638.93	6.55	18.00	0.57228	31,841
2002	58,640.06	6.81	18.00	0.55933	32,799
2004	49,850.67	7.34	18.00	0.53315	26,578
2005	5,104.27	7.60	18.00	0.51990	2,654
2006	41,545.76	7.87	18.00	0.50650	21,043
2007	9,061.03	8.14	18.00	0.49277	4,465
2008	74,752.28	8.43	18.00	0.47858	35,775
2009	86,902.71	8.73	18.00	0.46362	40,290
2010	218,585.51	9.05	18.00	0.44763	97,846
2011	225,949.51	9.40	18.00	0.43024	97,212
2012	79,155.79	9.78	18.00	0.41109	32,540
2013	76,102.52	10.20	18.00	0.38982	29,666
2014	926,640.52	10.68	18.00	0.36604	339,187
2015	22,819.81	11.22	18.00	0.33920	7,741
2016	78,520.43	11.82	18.00	0.30917	24,276
2017	91,302.21	12.48	18.00	0.27591	25,192

PGS
Gas Division
396.00 Power Operated Equipment

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 10 % **Average Service Life:** 18 **Survivor Curve:** L1.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2018	212,537.04	13.20	18.00	0.23998	51,004
2019	76,294.87	13.97	18.00	0.20151	15,374
2020	74,102.89	14.79	18.00	0.16056	11,898
2021	48,793.21	15.66	18.00	0.11720	5,719
2022	10,696.08	16.57	18.00	0.07159	766
2023	484,735.74	17.52	18.00	0.02420	11,732
Total	3,562,012.99				1,296,840.66

PGS

Gas Division

397.00 Communication Equipment

Original Cost Of Utility Plant In Service

And Development Of Calculated Depr Reserve as of December 31, 2023

Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % *Average Service Life:* 13 *Survivor Curve:* SQ

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2008	16,712.04	0.00	0.00	1.00000	16,712
2009	513,040.36	0.00	0.00	1.00000	513,040
2010	274,684.70	0.00	0.00	1.00000	274,685
2011	559,751.33	0.50	13.00	0.96154	538,222
2012	178,355.18	1.50	13.00	0.88462	157,776
2013	799,377.33	2.50	13.00	0.80769	645,651
2014	63,729.73	3.50	13.00	0.73077	46,572
2016	163,127.93	5.50	13.00	0.57692	94,112
2017	386,579.78	6.50	13.00	0.50000	193,290
2023	59,905.99	12.50	13.00	0.03846	2,304
Total	3,015,264.37				2,482,364.15

PGS
Gas Division
398.00 Miscellaneous Equipment

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % **Average Service Life:** 20 **Survivor Curve:** SQ

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2003	48,826.15	0.00	0.00	1.00000	48,826
2004	3,032.14	0.50	20.00	0.97500	2,956
2006	38,674.55	2.50	20.00	0.87500	33,840
2007	3,361.02	3.50	20.00	0.82500	2,773
2008	2,887.48	4.50	20.00	0.77500	2,238
2010	5,655.92	6.50	20.00	0.67500	3,818
2011	20,642.52	7.50	20.00	0.62500	12,902
2012	1,158.35	8.50	20.00	0.57500	666
2013	655.68	9.50	20.00	0.52500	344
2014	10,833.74	10.50	20.00	0.47500	5,146
2015	8,249.33	11.50	20.00	0.42500	3,506
2016	4,275.45	12.50	20.00	0.37500	1,603
2019	9,100.79	15.50	20.00	0.22500	2,048
2020	8,108.69	16.50	20.00	0.17500	1,419
2023	583,815.16	19.50	20.00	0.02500	14,595
Total	749,276.97				136,680.32

PGS

Gas Division

398.00 Miscellaneous Equipment

Original Cost Of Utility Plant In Service

And Development Of Calculated Depr Reserve as of December 31, 2023

Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % Average Service Life: 20 Survivor Curve: SQ

Year	Original Cost	Expectancy	Avg. Service Life	Reserve Ratio	Calculated Reserve
(1)	(2)	(3)	(4)	(5)	(6)

PGS

Gas Division

303.00 Misc. Intangible Plant

Original Cost Of Utility Plant In Service

And Development Of Calculated Depr Reserve as of December 31, 2023

Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % **Average Service Life:** 25 **Survivor Curve:** SQ

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1993	280,914.31	0.00	0.00	1.00000	280,914
1995	246,442.67	0.00	0.00	1.00000	246,443
1997	287,968.09	0.00	0.00	1.00000	287,968
Total	815,325.07				815,325.07

PGS

Gas Division

303.01 Custom Intangible Plant

Original Cost Of Utility Plant In Service

And Development Of Calculated Depr Reserve as of December 31, 2023

Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % **Average Service Life:** 15 **Survivor Curve:** SQ

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2001	802,351.27	0.00	0.00	1.00000	802,351
2002	1,434,764.12	0.00	0.00	1.00000	1,434,764
2003	29,233.07	0.00	0.00	1.00000	29,233
2004	130,041.41	0.00	0.00	1.00000	130,041
2005	173,913.05	0.00	0.00	1.00000	173,913
2006	371,049.12	0.00	0.00	1.00000	371,049
2007	122,538.29	0.00	0.00	1.00000	122,538
2009	3,203,016.29	0.50	15.00	0.96667	3,096,249
2010	1,703,606.70	1.50	15.00	0.90000	1,533,246
2011	2,758,629.14	2.50	15.00	0.83333	2,298,858
2012	7,542,446.68	3.50	15.00	0.76667	5,782,542
2013	720,847.71	4.50	15.00	0.70000	504,593
2014	1,362,236.89	5.50	15.00	0.63333	862,750
2015	4,290,931.54	6.50	15.00	0.56667	2,431,528
2016	1,962,769.57	7.50	15.00	0.50000	981,385
2017	404,501.34	8.50	15.00	0.43333	175,284
2018	2,495,160.72	9.50	15.00	0.36667	914,892
2019	2,714,500.03	10.50	15.00	0.30000	814,350
2020	16,288,279.03	11.50	15.00	0.23333	3,800,598
2021	6,333,965.16	12.50	15.00	0.16667	1,055,661
2022	6,856,246.60	13.50	15.00	0.10000	685,625
2023	48,825,616.26	14.50	15.00	0.03333	1,627,521
Total	110,526,643.99				29,628,972.29

PGS
Gas Division
336.00 Renewable Natural Gas (RNG)

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -5 % **Average Service Life:** 30 **Survivor Curve:** R2

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2023	16,109,646.34	29.55	30.00	0.01584	255,180
Total	16,109,646.34				255,180.41

PGS

Gas Division

364.00 Liquified Natural Gas (LNG)

Original Cost Of Utility Plant In Service

And Development Of Calculated Depr Reserve as of December 31, 2023

Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -5 % **Average Service Life:** 30 **Survivor Curve:** R2

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2023	1,485,380.05	29.55	30.00	0.01584	23,529
Total	1,485,380.05				23,528.75

PGS
Gas Division
374.02 Land Rights

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % **Average Service Life:** 75 **Survivor Curve:** SQ

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1959	8,763.01	10.50	75.00	0.86000	7,536
1960	1,079.04	11.50	75.00	0.84667	914
1962	1,233.71	13.50	75.00	0.82000	1,012
1963	8,082.60	14.50	75.00	0.80667	6,520
1964	8,772.19	15.50	75.00	0.79333	6,959
1965	35,291.61	16.50	75.00	0.78000	27,527
1966	10,891.57	17.50	75.00	0.76667	8,350
1967	27,128.87	18.50	75.00	0.75333	20,437
1968	76,841.25	19.50	75.00	0.74000	56,863
1969	127,678.07	20.50	75.00	0.72667	92,779
1970	116,665.02	21.50	75.00	0.71333	83,221
1971	98,904.72	22.50	75.00	0.70000	69,233
1972	124,757.77	23.50	75.00	0.68667	85,667
1973	15,101.53	24.50	75.00	0.67333	10,168
1974	14,682.24	25.50	75.00	0.66000	9,690
1975	10,955.04	26.50	75.00	0.64667	7,084
1981	54.26	32.50	75.00	0.56667	31
1991	12,084.68	42.50	75.00	0.43333	5,237
1993	12,037.50	44.50	75.00	0.40667	4,895
1994	6,611.77	45.50	75.00	0.39333	2,601
1996	227,583.17	47.50	75.00	0.36667	83,447
1999	122,559.84	50.50	75.00	0.32667	40,036
2000	16,248.02	51.50	75.00	0.31333	5,091
2002	62,802.66	53.50	75.00	0.28667	18,003
2004	109,828.54	55.50	75.00	0.26000	28,555
2005	46,539.37	56.50	75.00	0.24667	11,480
2006	12,725.40	57.50	75.00	0.23333	2,969
2008	54,867.33	59.50	75.00	0.20667	11,339

PGS
Gas Division
374.02 Land Rights

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % **Average Service Life:** 75 **Survivor Curve:** SQ

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2009	121,055.42	60.50	75.00	0.19333	23,404
2010	67,325.50	61.50	75.00	0.18000	12,119
2012	70,879.62	63.50	75.00	0.15333	10,868
2013	30,114.25	64.50	75.00	0.14000	4,216
2014	267,914.88	65.50	75.00	0.12667	33,936
2015	895,642.50	66.50	75.00	0.11333	101,506
2016	1,072,853.70	67.50	75.00	0.10000	107,285
2017	311,775.23	68.50	75.00	0.08667	27,021
2018	60,540.78	69.50	75.00	0.07333	4,440
Total	4,268,872.66				1,032,440.81

PGS
Gas Division
375.00 Structures & Improvements

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % **Average Service Life:** 33 **Survivor Curve:** L0

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1966	2,326.05	12.81	33.00	0.61182	1,423
1967	21,241.06	13.02	33.00	0.60533	12,858
1969	234.00	13.46	33.00	0.59210	139
1971	437.90	13.91	33.00	0.57855	253
1973	1,173.70	14.37	33.00	0.56464	663
1974	168,528.22	14.60	33.00	0.55755	93,962
1975	20,476.77	14.84	33.00	0.55037	11,270
1976	10,471.11	15.08	33.00	0.54309	5,687
1978	195,399.03	15.57	33.00	0.52824	103,218
1980	9,583.74	16.07	33.00	0.51299	4,916
1981	152,191.20	16.33	33.00	0.50521	76,888
1982	1,324.83	16.59	33.00	0.49732	659
1983	43,012.57	16.85	33.00	0.48932	21,047
1984	190,895.62	17.12	33.00	0.48121	91,860
1985	94,469.78	17.39	33.00	0.47298	44,682
1986	2,014,205.16	17.67	33.00	0.46464	935,874
1987	60,992.18	17.95	33.00	0.45617	27,823
1988	44,231.55	18.23	33.00	0.44759	19,798
1989	10,310.76	18.52	33.00	0.43888	4,525
1990	261,229.83	18.81	33.00	0.43005	112,342
1991	34,420.61	19.10	33.00	0.42110	14,495
1992	74,776.08	19.40	33.00	0.41201	30,808
1993	579,915.72	19.71	33.00	0.40277	233,575
1994	522,640.75	20.02	33.00	0.39341	205,610
1995	198,793.97	20.33	33.00	0.38390	76,316
1996	124,991.81	20.65	33.00	0.37424	46,777
1997	195,678.27	20.97	33.00	0.36444	71,314
1998	50,657.11	21.30	33.00	0.35450	17,958

PGS
Gas Division
375.00 Structures & Improvements

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: *0 %* ***Average Service Life:*** *33* ***Survivor Curve:*** *L0*

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1999	385,489.97	21.63	33.00	0.34440	132,762
2000	451,653.38	21.97	33.00	0.33414	150,917
2001	2,041,211.79	22.32	33.00	0.32373	660,802
2002	1,449,154.67	22.67	33.00	0.31316	453,812
2003	1,299,753.91	23.02	33.00	0.30242	393,070
2004	87,478.33	23.38	33.00	0.29151	25,501
2005	113,895.84	23.75	33.00	0.28044	31,941
2006	1,110,118.65	24.12	33.00	0.26919	298,830
2007	1,060,829.90	24.49	33.00	0.25776	273,439
2008	260,913.77	24.88	33.00	0.24615	64,224
2009	397,892.62	25.27	33.00	0.23432	93,234
2010	964,875.45	25.67	33.00	0.22223	214,421
2011	197,577.82	26.08	33.00	0.20983	41,457
2012	130,812.33	26.50	33.00	0.19708	25,780
2013	27,683.14	26.93	33.00	0.18393	5,092
2014	100,117.90	27.38	33.00	0.17034	17,054
2015	415,971.22	27.84	33.00	0.15626	64,998
2016	6,223,006.58	28.33	33.00	0.14161	881,223
2017	980,589.42	28.83	33.00	0.12633	123,874
2018	488,977.42	29.36	33.00	0.11032	53,945
2019	1,536,081.73	29.91	33.00	0.09348	143,595
2020	317,815.47	30.50	33.00	0.07565	24,043
2021	275,473.39	31.13	33.00	0.05660	15,593
2022	706,644.96	31.81	33.00	0.03600	25,437
2023	5,278,050.99	32.57	33.00	0.01313	69,302
Total	31,386,680.03				6,551,083.86

PGS
Gas Division
376.00 Mains - Steel

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: *-60 %* *Average Service Life:* *65* *Survivor Curve:* *R1.5*

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1952	60,742.65	18.01	65.00	1.15660	70,255
1953	147,668.98	18.44	65.00	1.14622	169,261
1954	136,957.85	18.86	65.00	1.13565	155,536
1955	103,607.12	19.30	65.00	1.12488	116,545
1956	245,928.86	19.75	65.00	1.11392	273,946
1957	338,124.32	20.20	65.00	1.10275	372,868
1958	1,637,628.63	20.66	65.00	1.09141	1,787,323
1959	1,864,660.07	21.13	65.00	1.07984	2,013,528
1960	2,271,714.20	21.61	65.00	1.06810	2,426,419
1961	488,769.68	22.10	65.00	1.05612	516,202
1962	586,111.82	22.59	65.00	1.04400	611,898
1963	688,981.37	23.09	65.00	1.03162	710,765
1964	900,359.68	23.60	65.00	1.01910	917,555
1965	1,031,992.36	24.12	65.00	1.00632	1,038,515
1966	864,612.42	24.64	65.00	0.99337	858,877
1967	1,654,475.77	25.18	65.00	0.98024	1,621,791
1968	2,399,997.00	25.72	65.00	0.96690	2,320,555
1969	1,680,713.46	26.27	65.00	0.95340	1,602,390
1970	2,280,716.86	26.83	65.00	0.93967	2,143,118
1971	1,731,354.86	27.39	65.00	0.92580	1,602,881
1972	1,826,425.84	27.96	65.00	0.91169	1,665,133
1973	2,967,031.95	28.54	65.00	0.89745	2,662,771
1974	3,379,567.11	29.13	65.00	0.88298	2,984,085
1975	2,327,388.00	29.72	65.00	0.86839	2,021,073
1976	1,782,562.20	30.32	65.00	0.85355	1,521,513
1977	1,523,530.52	30.93	65.00	0.83862	1,277,658
1978	3,089,228.06	31.55	65.00	0.82344	2,543,782
1979	3,198,732.22	32.17	65.00	0.80811	2,584,928

PGS
Gas Division
376.00 Mains - Steel

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -60 % Average Service Life: 65 Survivor Curve: R1.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1980	2,603,156.43	32.80	65.00	0.79265	2,063,386
1981	4,298,462.59	33.44	65.00	0.77699	3,339,863
1982	2,316,681.39	34.08	65.00	0.76121	1,763,479
1983	2,577,191.76	34.73	65.00	0.74523	1,920,605
1984	2,912,319.08	35.38	65.00	0.72914	2,123,497
1985	2,225,592.44	36.04	65.00	0.71286	1,586,532
1986	7,785,582.62	36.71	65.00	0.69647	5,422,458
1987	2,781,812.57	37.38	65.00	0.67989	1,891,337
1988	5,462,988.12	38.06	65.00	0.66323	3,623,201
1989	3,272,556.61	38.74	65.00	0.64636	2,115,262
1990	3,606,303.17	39.43	65.00	0.62943	2,269,901
1991	13,714,329.25	40.13	65.00	0.61229	8,397,193
1992	3,164,410.09	40.83	65.00	0.59505	1,882,989
1993	3,468,298.06	41.53	65.00	0.57771	2,003,669
1994	3,643,372.72	42.24	65.00	0.56022	2,041,082
1995	7,665,962.38	42.96	65.00	0.54264	4,159,833
1996	3,389,592.79	43.68	65.00	0.52491	1,779,224
1997	5,123,444.37	44.40	65.00	0.50710	2,598,103
1998	12,946,362.83	45.13	65.00	0.48915	6,332,681
1999	28,143,824.90	45.86	65.00	0.47113	13,259,300
2000	17,050,968.49	46.60	65.00	0.45296	7,723,426
2001	18,221,210.97	47.34	65.00	0.43474	7,921,442
2002	7,192,891.70	48.09	65.00	0.41637	2,994,912
2003	6,676,236.91	48.83	65.00	0.39795	2,656,839
2004	3,582,034.99	49.59	65.00	0.37940	1,359,011
2005	3,502,683.06	50.34	65.00	0.36076	1,263,631
2006	5,975,408.91	51.10	65.00	0.34205	2,043,904
2007	4,182,324.87	51.87	65.00	0.32323	1,351,864

PGS
Gas Division
376.00 Mains - Steel

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -60 % Average Service Life: 65 Survivor Curve: R1.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2008	5,045,352.28	52.64	65.00	0.30435	1,535,530
2009	26,291,133.81	53.41	65.00	0.28534	7,501,978
2010	27,833,077.36	54.18	65.00	0.26628	7,411,318
2011	12,473,481.30	54.96	65.00	0.24709	3,082,105
2012	14,835,653.58	55.74	65.00	0.22785	3,380,309
2013	36,108,503.88	56.53	65.00	0.20849	7,528,086
2014	16,693,976.66	57.32	65.00	0.18907	3,156,273
2015	8,681,159.00	58.11	65.00	0.16952	1,471,646
2016	29,365,010.20	58.91	65.00	0.14993	4,402,644
2017	25,014,029.72	59.71	65.00	0.13020	3,256,947
2018	24,548,208.26	60.52	65.00	0.11041	2,710,273
2019	29,404,985.10	61.32	65.00	0.09054	2,662,224
2020	84,148,547.47	62.13	65.00	0.07056	5,937,604
2021	106,265,901.86	62.95	65.00	0.05052	5,368,432
2022	59,588,526.22	63.77	65.00	0.03037	1,809,545
2023	91,298,946.50	64.59	65.00	0.01015	927,022
Total	826,292,081.13				198,621,731.45

PGS
Gas Division
376.02 Mains - Plastic

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -40 % **Average Service Life:** 75 **Survivor Curve:** R2

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1986	4,467,074.06	43.84	75.00	0.58167	2,598,370
1987	4,162,947.95	44.58	75.00	0.56782	2,363,816
1988	5,109,774.71	45.33	75.00	0.55382	2,829,894
1989	4,475,620.18	46.08	75.00	0.53975	2,415,729
1990	7,581,835.62	46.84	75.00	0.52559	3,984,962
1991	3,499,272.57	47.61	75.00	0.51129	1,789,129
1992	3,329,178.01	48.38	75.00	0.49692	1,654,324
1993	6,142,817.81	49.15	75.00	0.48246	2,963,652
1994	6,542,540.91	49.94	75.00	0.46786	3,060,977
1995	7,486,976.82	50.72	75.00	0.45320	3,393,078
1996	5,350,740.22	51.51	75.00	0.43845	2,346,037
1997	8,036,782.17	52.31	75.00	0.42357	3,404,127
1998	14,972,124.22	53.11	75.00	0.40863	6,118,035
1999	19,584,429.75	53.91	75.00	0.39361	7,708,533
2000	27,576,457.64	54.73	75.00	0.37845	10,436,352
2001	21,121,786.01	55.54	75.00	0.36324	7,672,322
2002	11,905,807.55	56.36	75.00	0.34795	4,142,660
2003	8,943,896.33	57.19	75.00	0.33254	2,974,191
2004	8,146,684.54	58.01	75.00	0.31707	2,583,074
2005	6,249,606.44	58.85	75.00	0.30153	1,884,417
2006	5,378,166.44	59.69	75.00	0.28586	1,537,410
2007	6,910,147.34	60.53	75.00	0.27015	1,866,743
2008	7,944,717.09	61.37	75.00	0.25436	2,020,779
2009	18,994,275.92	62.23	75.00	0.23845	4,529,211
2010	26,634,303.50	63.08	75.00	0.22250	5,926,060
2011	24,071,220.66	63.94	75.00	0.20647	4,970,055
2012	14,871,441.94	64.80	75.00	0.19034	2,830,630
2013	26,258,034.18	65.67	75.00	0.17416	4,573,069

PGS
Gas Division
376.02 Mains - Plastic

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: *-40 %* ***Average Service Life:*** *75* ***Survivor Curve:*** *R2*

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2014	28,285,033.16	66.54	75.00	0.15791	4,466,503
2015	31,357,194.48	67.42	75.00	0.14156	4,438,896
2016	38,451,693.17	68.30	75.00	0.12516	4,812,679
2017	45,276,685.23	69.18	75.00	0.10870	4,921,577
2018	73,780,577.07	70.06	75.00	0.09214	6,798,228
2019	53,082,641.00	70.95	75.00	0.07554	4,009,766
2020	78,977,475.47	71.85	75.00	0.05887	4,649,736
2021	31,267,391.68	72.74	75.00	0.04212	1,316,935
2022	38,039,872.81	73.64	75.00	0.02532	963,199
2023	227,207,007.89	74.55	75.00	0.00847	1,923,470
Total	961,474,232.54				142,878,625.91

PGS
Gas Division
377.00 Compressor Equipment

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -5 % **Average Service Life:** 35 **Survivor Curve:** R2

Year	Original Cost	Expectancy	Avg. Service Life	Reserve Ratio	Calculated Reserve
(1)	(2)	(3)	(4)	(5)	(6)
2021	19,091,947.57	32.76	35.00	0.06733	1,285,450
2022	95,350.33	33.65	35.00	0.04056	3,867
Total	19,187,297.90				1,289,317.49

PGS
Gas Division
378.00 Meas. & Reg. Sta. Eq - General

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -20 % Average Service Life: 40 Survivor Curve: R1.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1958	3,861.28	4.24	40.00	1.07291	4,143
1959	6,455.78	4.48	40.00	1.06557	6,879
1960	12,071.38	4.74	40.00	1.05782	12,769
1962	3,353.00	5.27	40.00	1.04186	3,493
1963	435.95	5.54	40.00	1.03366	451
1964	4,861.24	5.83	40.00	1.02517	4,984
1965	1,796.62	6.11	40.00	1.01664	1,827
1966	6,188.37	6.41	40.00	1.00784	6,237
1967	2,204.78	6.70	40.00	0.99898	2,203
1968	17,987.04	7.00	40.00	0.98986	17,805
1969	10,152.27	7.31	40.00	0.98063	9,956
1970	2,281.93	7.63	40.00	0.97113	2,216
1971	4,116.25	7.95	40.00	0.96147	3,958
1972	4,904.64	8.28	40.00	0.95152	4,667
1973	11,865.37	8.62	40.00	0.94134	11,169
1974	12,521.18	8.97	40.00	0.93085	11,655
1975	13,009.55	9.33	40.00	0.92008	11,970
1976	34,048.38	9.70	40.00	0.90897	30,949
1977	21,624.56	10.08	40.00	0.89753	19,409
1978	725.61	10.48	40.00	0.88574	643
1979	26,955.36	10.88	40.00	0.87358	23,548
1980	24,918.38	11.30	40.00	0.86106	21,456
1981	30,905.24	11.73	40.00	0.84814	26,212
1982	18,096.58	12.17	40.00	0.83486	15,108
1983	11,984.00	12.63	40.00	0.82116	9,841
1984	113,815.57	13.10	40.00	0.80709	91,859
1985	28,594.60	13.58	40.00	0.79260	22,664
1986	63,250.70	14.08	40.00	0.77774	49,193

PGS
Gas Division
378.00 Meas. & Reg. Sta. Eq - General

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -20 % Average Service Life: 40 Survivor Curve: R1.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1987	80,532.61	14.58	40.00	0.76246	61,403
1988	23,149.66	15.11	40.00	0.74683	17,289
1989	60,319.96	15.64	40.00	0.73077	44,080
1990	88,392.95	16.19	40.00	0.71437	63,146
1991	65,295.08	16.75	40.00	0.69756	45,547
1992	78,841.10	17.32	40.00	0.68042	53,645
1993	152,375.45	17.90	40.00	0.66288	101,006
1994	178,216.59	18.50	40.00	0.64502	114,954
1995	123,989.87	19.11	40.00	0.62678	77,714
1996	102,023.78	19.73	40.00	0.60824	62,055
1997	98,561.99	20.36	40.00	0.58933	58,086
1998	254,246.31	21.00	40.00	0.57014	144,957
1999	487,152.63	21.65	40.00	0.55061	268,230
2000	164,900.43	22.31	40.00	0.53081	87,530
2001	774,670.69	22.98	40.00	0.51068	395,608
2002	344,875.97	23.66	40.00	0.49031	169,095
2003	352,362.69	24.35	40.00	0.46963	165,479
2004	129,549.57	25.04	40.00	0.44872	58,132
2005	217,180.49	25.75	40.00	0.42754	92,853
2006	121,820.04	26.46	40.00	0.40614	49,476
2007	366,208.40	27.18	40.00	0.38449	140,803
2008	142,509.41	27.91	40.00	0.36264	51,680
2009	517,632.34	28.65	40.00	0.34056	176,286
2010	321,507.76	29.39	40.00	0.31831	102,338
2011	666,370.71	30.14	40.00	0.29584	197,136
2012	2,369,059.25	30.89	40.00	0.27320	647,232
2013	1,294,693.44	31.66	40.00	0.25036	324,143
2014	1,387,932.14	32.42	40.00	0.22737	315,572

PGS
Gas Division
378.00 Meas. & Reg. Sta. Eq - General

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -20 % Average Service Life: 40 Survivor Curve: R1.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2015	1,366,134.00	33.19	40.00	0.20417	278,925
2016	1,293,894.37	33.97	40.00	0.18082	233,961
2017	1,222,336.23	34.76	40.00	0.15727	192,234
2018	1,427,896.11	35.55	40.00	0.13356	190,713
2019	1,486,548.86	36.35	40.00	0.10966	163,014
2020	2,207,938.55	37.15	40.00	0.08560	189,007
2021	732,413.23	37.96	40.00	0.06135	44,935
2022	934,794.95	38.77	40.00	0.03695	34,540
2023	21,743.29	39.59	40.00	0.01235	269
Total	22,151,056.51				5,840,335.27

PGS
Gas Division
379.00 Meas. & Reg. - City Gate

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -20 % Average Service Life: 52 Survivor Curve: R2

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1992	374,766.08	26.45	52.00	0.58957	220,953
1993	939,251.71	27.15	52.00	0.57348	538,641
1994	184,226.43	27.86	52.00	0.55718	102,647
1995	33,548.79	28.57	52.00	0.54068	18,139
1996	20,975.94	29.29	52.00	0.52398	10,991
1997	850,589.27	30.03	52.00	0.50708	431,321
1998	66,630.46	30.77	52.00	0.49000	32,649
1999	438,437.77	31.51	52.00	0.47273	207,264
2000	578,125.42	32.27	52.00	0.45528	263,210
2001	721,310.69	33.04	52.00	0.43765	315,681
2002	71,617.72	33.81	52.00	0.41984	30,068
2003	782,606.35	34.59	52.00	0.40186	314,497
2004	851,804.90	35.37	52.00	0.38371	326,843
2005	573,393.95	36.17	52.00	0.36541	209,527
2006	170,020.62	36.97	52.00	0.34693	58,984
2007	1,433,160.00	37.77	52.00	0.32827	470,470
2008	2,190,610.46	38.59	52.00	0.30947	677,921
2009	5,389,411.56	39.41	52.00	0.29050	1,565,645
2010	1,680,854.49	40.24	52.00	0.27139	456,166
2011	1,757,563.31	41.07	52.00	0.25213	443,128
2012	5,305,481.27	41.92	52.00	0.23272	1,234,676
2013	6,437,673.35	42.76	52.00	0.21317	1,372,288
2014	921,727.06	43.62	52.00	0.19347	178,330
2015	1,279,711.09	44.48	52.00	0.17364	222,215
2016	6,217,087.71	45.34	52.00	0.15368	955,455
2017	9,905,033.88	46.21	52.00	0.13361	1,323,434
2018	8,329,388.41	47.09	52.00	0.11339	944,436
2019	5,731,102.74	47.97	52.00	0.09304	533,196

PGS
Gas Division
379.00 Meas. & Reg. - City Gate

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -20 % *Average Service Life:* 52 *Survivor Curve:* R2

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2020	6,487,290.28	48.86	52.00	0.07256	470,740
2021	13,736,237.61	49.75	52.00	0.05197	713,915
2022	11,129,230.19	50.65	52.00	0.03127	347,983
2023	21,433,447.27	51.55	52.00	0.01045	223,976
Total	116,022,316.78				15,215,389.07

PGS
Gas Division
380.00 Services - Steel

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -130 % Average Service Life: 52 Survivor Curve: R0.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1930	1,242.38	4.96	52.00	2.08082	2,585
1932	1,402.61	5.82	52.00	2.04277	2,865
1933	157.80	6.24	52.00	2.02412	319
1934	84.24	6.65	52.00	2.00570	169
1935	103.11	7.07	52.00	1.98748	205
1936	2,038.16	7.47	52.00	1.96942	4,014
1937	59.60	7.88	52.00	1.95151	116
1938	2,962.28	8.28	52.00	1.93373	5,728
1939	1,710.51	8.68	52.00	1.91595	3,277
1940	81.07	9.08	52.00	1.89836	154
1941	4,729.75	9.48	52.00	1.88083	8,896
1942	8,296.66	9.87	52.00	1.86333	15,459
1943	17,809.83	10.27	52.00	1.84584	32,874
1944	5,546.35	10.66	52.00	1.82835	10,141
1945	127.48	11.06	52.00	1.81084	231
1946	17,282.78	11.46	52.00	1.79331	30,993
1947	4,023.91	11.85	52.00	1.77573	7,145
1948	40,407.84	12.25	52.00	1.75809	71,040
1949	16,287.73	12.65	52.00	1.74038	28,347
1950	11,168.13	13.05	52.00	1.72259	19,238
1951	8,833.85	13.46	52.00	1.70471	15,059
1952	17,254.91	13.87	52.00	1.68674	29,105
1953	7,647.47	14.27	52.00	1.66863	12,761
1954	18,214.09	14.69	52.00	1.65044	30,061
1955	18,368.15	15.10	52.00	1.63212	29,979
1956	65,169.81	15.52	52.00	1.61367	105,163
1957	102,028.47	15.94	52.00	1.59508	162,744
1958	197,644.32	16.36	52.00	1.57635	311,557

PGS

Gas Division

380.00 Services - Steel

Original Cost Of Utility Plant In Service

And Development Of Calculated Depr Reserve as of December 31, 2023

Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -130 % Average Service Life: 52 Survivor Curve: R0.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1959	1,055,736.48	16.79	52.00	1.55747	1,644,274
1960	420,949.10	17.22	52.00	1.53843	647,599
1961	169,007.38	17.65	52.00	1.51922	256,760
1962	173,420.77	18.09	52.00	1.49986	260,106
1963	181,908.15	18.53	52.00	1.48032	269,282
1964	251,214.54	18.98	52.00	1.46061	366,926
1965	213,189.43	19.43	52.00	1.44073	307,147
1966	585,399.57	19.88	52.00	1.42066	831,651
1967	625,501.99	20.34	52.00	1.40040	875,954
1968	454,367.57	20.80	52.00	1.37996	627,009
1969	473,081.02	21.27	52.00	1.35933	643,072
1970	358,544.46	21.74	52.00	1.33850	479,913
1971	568,804.89	22.21	52.00	1.31749	749,393
1972	718,089.58	22.69	52.00	1.29627	930,842
1973	1,103,856.42	23.18	52.00	1.27487	1,407,270
1974	1,002,722.32	23.67	52.00	1.25326	1,256,673
1975	650,802.50	24.16	52.00	1.23146	801,437
1976	448,302.96	24.66	52.00	1.20946	542,204
1977	377,370.85	25.16	52.00	1.18726	448,038
1978	715,074.81	25.66	52.00	1.16487	832,966
1979	633,218.64	26.17	52.00	1.14230	723,325
1980	255,934.82	26.69	52.00	1.11951	286,521
1981	555,812.49	27.21	52.00	1.09652	609,462
1982	470,461.40	27.73	52.00	1.07335	504,969
1983	422,534.67	28.26	52.00	1.04998	443,655
1984	466,380.12	28.79	52.00	1.02643	478,708
1985	674,867.18	29.33	52.00	1.00270	676,688
1986	517,340.04	29.87	52.00	0.97878	506,364

PGS
Gas Division
380.00 Services - Steel

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -130 % Average Service Life: 52 Survivor Curve: R0.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1987	592,113.65	30.42	52.00	0.95469	565,286
1988	692,496.56	30.96	52.00	0.93043	644,319
1989	762,659.44	31.52	52.00	0.90600	690,969
1990	842,641.67	32.07	52.00	0.88141	742,709
1991	1,137,030.36	32.63	52.00	0.85669	974,077
1992	960,446.61	33.20	52.00	0.83178	798,877
1993	870,876.44	33.76	52.00	0.80672	702,556
1994	946,759.92	34.33	52.00	0.78153	739,921
1995	601,123.08	34.90	52.00	0.75620	454,571
1996	556,872.81	35.48	52.00	0.73075	406,935
1997	922,458.66	36.06	52.00	0.70518	650,496
1998	1,140,921.68	36.64	52.00	0.67949	775,246
1999	1,130,735.10	37.22	52.00	0.65370	739,160
2000	2,148,333.76	37.81	52.00	0.62781	1,348,742
2001	43,906.43	38.39	52.00	0.60183	26,424
2002	1,232,262.96	38.98	52.00	0.57576	709,487
2003	744,756.26	39.57	52.00	0.54961	409,328
2004	626,229.59	40.17	52.00	0.52340	327,766
2005	712,481.44	40.76	52.00	0.49713	354,194
2006	745,953.09	41.36	52.00	0.47078	351,178
2007	1,142,254.01	41.95	52.00	0.44437	507,584
2008	1,100,388.30	42.55	52.00	0.41791	459,863
2009	884,794.49	43.15	52.00	0.39140	346,306
2010	873,693.91	43.75	52.00	0.36483	318,751
2011	816,752.87	44.35	52.00	0.33821	276,234
2012	1,424,623.53	44.96	52.00	0.31153	443,815
2013	2,136,022.76	45.56	52.00	0.28479	608,326
2014	1,827,716.68	46.17	52.00	0.25799	471,540

PGS
Gas Division
380.00 Services - Steel

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

***Salvage Value:* -130 % *Average Service Life:* 52 *Survivor Curve:* R0.5**

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2015	1,643,450.00	46.78	52.00	0.23113	379,852
2016	2,914,108.93	47.38	52.00	0.20420	595,067
2017	2,566,769.58	47.99	52.00	0.17723	454,899
2018	2,092,595.06	48.61	52.00	0.15016	314,220
2019	3,084,133.29	49.22	52.00	0.12302	379,412
2020	4,322,446.40	49.83	52.00	0.09581	414,140
2021	3,452,917.57	50.45	52.00	0.06853	236,628
2022	5,277,037.96	51.07	52.00	0.04117	217,276
Total	68,085,342.29				38,184,588.11

PGS

Gas Division

380.02 Services - Plastic

Original Cost Of Utility Plant In Service

And Development Of Calculated Depr Reserve as of December 31, 2023

Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -75 % Average Service Life: 55 Survivor Curve: R2.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1981	480,379.85	20.06	55.00	1.11176	534,069
1982	1,200,463.74	20.70	55.00	1.09124	1,309,990
1983	1,383,346.29	21.36	55.00	1.07040	1,480,731
1984	1,386,418.34	22.03	55.00	1.04911	1,454,509
1985	1,754,453.59	22.71	55.00	1.02748	1,802,671
1986	2,463,685.46	23.40	55.00	1.00552	2,477,280
1987	2,663,338.87	24.10	55.00	0.98323	2,618,666
1988	3,232,091.47	24.81	55.00	0.96068	3,105,012
1989	2,931,766.99	25.53	55.00	0.93773	2,749,218
1990	3,839,374.61	26.26	55.00	0.91449	3,511,056
1991	3,654,743.39	27.00	55.00	0.89095	3,256,175
1992	3,616,386.29	27.75	55.00	0.86712	3,135,828
1993	4,886,374.05	28.51	55.00	0.84301	4,119,244
1994	4,973,523.98	29.27	55.00	0.81866	4,071,649
1995	4,686,480.86	30.05	55.00	0.79398	3,720,988
1996	4,978,692.44	30.83	55.00	0.76904	3,828,805
1997	5,793,613.74	31.62	55.00	0.74383	4,309,489
1998	5,783,972.90	32.42	55.00	0.71838	4,155,071
1999	7,483,457.89	33.23	55.00	0.69272	5,183,935
2000	22,372,714.65	34.05	55.00	0.66675	14,916,923
2001	2,636,333.21	34.87	55.00	0.64054	1,688,667
2002	9,561,016.31	35.70	55.00	0.61409	5,871,361
2003	10,675,414.15	36.54	55.00	0.58742	6,270,997
2004	10,785,749.57	37.38	55.00	0.56053	6,045,770
2005	10,242,225.91	38.23	55.00	0.53346	5,463,801
2006	10,833,211.64	39.09	55.00	0.50612	5,482,927
2007	9,570,012.07	39.96	55.00	0.47858	4,580,041
2008	7,961,666.09	40.83	55.00	0.45085	3,589,480

PGS
Gas Division
380.02 Services - Plastic

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -75 % *Average Service Life:* 55 *Survivor Curve:* R2.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2009	6,158,919.27	41.71	55.00	0.42292	2,604,707
2010	8,235,451.83	42.59	55.00	0.39484	3,251,648
2011	9,120,883.86	43.48	55.00	0.36653	3,343,036
2012	11,400,806.61	44.38	55.00	0.33804	3,853,963
2013	13,640,697.21	45.28	55.00	0.30939	4,220,355
2014	16,039,838.69	46.18	55.00	0.28059	4,500,544
2015	17,667,666.34	47.09	55.00	0.25162	4,445,580
2016	24,706,396.63	48.01	55.00	0.22253	5,497,966
2017	25,325,870.02	48.93	55.00	0.19327	4,894,655
2018	42,070,531.10	49.85	55.00	0.16387	6,893,971
2019	41,279,315.60	50.78	55.00	0.13434	5,545,362
2020	49,738,113.32	51.71	55.00	0.10468	5,206,795
2021	54,543,732.35	52.65	55.00	0.07493	4,087,134
2022	62,233,681.32	53.58	55.00	0.04504	2,802,955
2023	66,087,725.83	54.53	55.00	0.01504	993,864
Total	610,080,538.33				172,876,885.85

PGS
Gas Division
381.00 Meters

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % **Average Service Life:** 20 **Survivor Curve:** R2

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1999	87,559.89	3.69	20.00	0.81528	71,385
2000	4,241,241.44	4.06	20.00	0.79716	3,380,935
2002	2,433,788.38	4.86	20.00	0.75693	1,842,213
2003	2,680,422.50	5.31	20.00	0.73469	1,969,269
2004	2,552,262.56	5.78	20.00	0.71096	1,814,545
2005	2,881,541.76	6.28	20.00	0.68576	1,976,040
2006	3,243,483.56	6.82	20.00	0.65901	2,137,483
2007	2,734,232.59	7.38	20.00	0.63087	1,724,938
2008	3,289,624.18	7.98	20.00	0.60123	1,977,822
2009	1,718,648.02	8.59	20.00	0.57030	980,138
2010	5,179,866.36	9.24	20.00	0.53797	2,786,604
2011	8,431,805.29	9.91	20.00	0.50445	4,253,459
2012	4,915,452.76	10.61	20.00	0.46966	2,308,615
2013	2,991,226.10	11.32	20.00	0.43380	1,297,589
2014	2,359,484.58	12.06	20.00	0.39677	936,180
2015	4,293,558.73	12.82	20.00	0.35877	1,540,402
2016	3,923,394.52	13.61	20.00	0.31972	1,254,373
2017	5,069,819.48	14.40	20.00	0.27977	1,418,401
2018	3,781,157.14	15.22	20.00	0.23890	903,327
2019	5,992,488.05	16.06	20.00	0.19718	1,181,572
2020	4,880,024.69	16.91	20.00	0.15462	754,533
2021	6,363,475.80	17.77	20.00	0.11133	708,472
2022	7,955,614.29	18.65	20.00	0.06729	535,327
2023	7,270,521.61	19.55	20.00	0.02260	164,346
Total	99,270,694.28				37,917,970.90

PGS
Gas Division
382.00 Meter Installations

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -30 % **Average Service Life:** 45 **Survivor Curve:** R1.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1978	115,134.54	14.23	45.00	0.88878	102,329
1979	261,103.99	14.70	45.00	0.87522	228,524
1980	589,644.05	15.18	45.00	0.86133	507,880
1981	349,363.34	15.68	45.00	0.84707	295,937
1982	317,266.29	16.18	45.00	0.83250	264,125
1983	403,951.26	16.70	45.00	0.81760	330,272
1984	332,099.58	17.23	45.00	0.80237	266,468
1985	466,387.68	17.76	45.00	0.78682	366,963
1986	250,344.31	18.32	45.00	0.77089	192,989
1987	277,394.91	18.88	45.00	0.75469	209,347
1988	284,334.36	19.45	45.00	0.73817	209,887
1989	310,063.90	20.03	45.00	0.72135	223,664
1990	401,454.80	20.62	45.00	0.70418	282,696
1991	356,198.10	21.23	45.00	0.68675	244,617
1992	422,953.73	21.84	45.00	0.66902	282,966
1993	548,952.93	22.47	45.00	0.65102	357,379
1994	890,223.38	23.10	45.00	0.63274	563,281
1995	759,707.64	23.74	45.00	0.61414	466,568
1996	400,813.82	24.39	45.00	0.59532	238,612
1997	706,298.75	25.05	45.00	0.57624	406,999
1998	909,280.63	25.72	45.00	0.55692	506,395
1999	2,960,143.64	26.40	45.00	0.53732	1,590,533
2000	3,555,689.47	27.09	45.00	0.51751	1,840,100
2001	860.30	27.78	45.00	0.49748	428
2002	1,936,021.23	28.48	45.00	0.47723	923,933
2003	2,356,242.93	29.19	45.00	0.45678	1,076,283
2004	2,184,983.46	29.91	45.00	0.43608	952,835
2005	2,891,763.22	30.63	45.00	0.41523	1,200,735

PGS
Gas Division
382.00 Meter Installations

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -30 % **Average Service Life:** 45 **Survivor Curve:** R1.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2006	2,554,516.26	31.36	45.00	0.39418	1,006,948
2007	2,126,369.48	32.09	45.00	0.37296	793,060
2008	2,136,983.83	32.83	45.00	0.35154	751,243
2009	2,030,124.35	33.58	45.00	0.32998	669,897
2010	2,001,925.56	34.33	45.00	0.30825	617,103
2011	2,197,867.62	35.09	45.00	0.28638	629,418
2012	1,918,712.59	35.85	45.00	0.26435	507,205
2013	1,834,052.00	36.62	45.00	0.24213	444,081
2014	2,327,250.21	37.39	45.00	0.21979	511,503
2015	2,450,705.72	38.17	45.00	0.19730	483,514
2016	3,590,691.31	38.95	45.00	0.17465	627,128
2017	3,370,499.49	39.74	45.00	0.15184	511,764
2018	5,206,038.25	40.54	45.00	0.12889	670,991
2019	5,760,374.36	41.34	45.00	0.10579	609,392
2020	7,085,783.11	42.14	45.00	0.08255	584,907
2021	8,410,531.63	42.95	45.00	0.05916	497,537
2022	10,932,158.81	43.77	45.00	0.03559	389,077
2023	14,647,230.45	44.59	45.00	0.01190	174,294
Total	105,820,491.27				24,611,808.80

PGS
Gas Division
383.00 House Regulators

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % **Average Service Life:** 42 **Survivor Curve:** S1.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1973	97,553.70	9.02	42.00	0.78516	76,595
1974	31,153.50	9.35	42.00	0.77734	24,217
1975	32,725.68	9.69	42.00	0.76938	25,179
1976	22,156.81	10.03	42.00	0.76122	16,866
1977	45,144.00	10.38	42.00	0.75286	33,987
1978	53,032.49	10.74	42.00	0.74433	39,473
1979	48,170.29	11.11	42.00	0.73556	35,432
1980	85,874.18	11.48	42.00	0.72658	62,394
1981	117,688.66	11.87	42.00	0.71737	84,427
1982	76,749.27	12.27	42.00	0.70792	54,333
1983	59,468.89	12.67	42.00	0.69822	41,523
1984	129,589.29	13.09	42.00	0.68826	89,191
1985	182,310.15	13.52	42.00	0.67804	123,613
1986	264,406.53	13.96	42.00	0.66751	176,494
1987	277,179.63	14.42	42.00	0.65671	182,026
1988	197,396.53	14.88	42.00	0.64561	127,441
1989	175,379.78	15.37	42.00	0.63416	111,218
1990	263,731.37	15.86	42.00	0.62241	164,149
1991	361,257.71	16.37	42.00	0.61030	220,475
1992	249,601.69	16.89	42.00	0.59786	149,226
1993	392,196.25	17.43	42.00	0.58507	229,461
1994	365,650.80	17.98	42.00	0.57186	209,100
1995	338,080.91	18.55	42.00	0.55830	188,751
1996	374,216.61	19.14	42.00	0.54432	203,695
1997	606,083.75	19.74	42.00	0.52996	321,202
1998	478,111.94	20.36	42.00	0.51520	246,325
1999	565,894.18	21.00	42.00	0.49997	282,930
2000	1,068,379.65	21.66	42.00	0.48435	517,469

PGS
Gas Division
383.00 House Regulators

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % **Average Service Life:** 42 **Survivor Curve:** S1.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2001	38,881.09	22.33	42.00	0.46830	18,208
2002	297,269.75	23.03	42.00	0.45175	134,292
2003	207,937.86	23.74	42.00	0.43481	90,413
2004	300,837.45	24.47	42.00	0.41737	125,560
2005	382,854.95	25.22	42.00	0.39951	152,956
2006	465,635.50	25.99	42.00	0.38122	177,511
2007	508,391.03	26.78	42.00	0.36243	184,254
2008	529,731.42	27.58	42.00	0.34323	181,821
2009	657,038.13	28.41	42.00	0.32361	212,627
2010	576,915.57	29.25	42.00	0.30350	175,095
2011	762,531.28	30.11	42.00	0.28303	215,820
2012	647,202.85	30.99	42.00	0.26212	169,642
2013	624,879.44	31.88	42.00	0.24085	150,500
2014	673,543.25	32.79	42.00	0.21922	147,652
2015	492,213.31	33.72	42.00	0.19720	97,063
2016	651,105.68	34.65	42.00	0.17489	113,869
2017	698,193.88	35.61	42.00	0.15225	106,302
2018	575,744.87	36.57	42.00	0.12936	74,480
2019	779,945.35	37.54	42.00	0.10623	82,856
2020	515,586.03	38.52	42.00	0.08287	42,726
2021	868,691.52	39.51	42.00	0.05934	51,550
2022	1,638,332.48	40.50	42.00	0.03568	58,449
2023	914,170.27	41.50	42.00	0.01190	10,880
Total	20,766,817.20				6,811,720.15

PGS
Gas Division
384.00 House Regulator Installations

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -30 % Average Service Life: 47 Survivor Curve: R1.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1958	2,829.11	8.14	47.00	1.07491	3,041
1959	21,695.01	8.45	47.00	1.06641	23,136
1960	9,552.76	8.76	47.00	1.05776	10,105
1961	5,605.81	9.08	47.00	1.04894	5,880
1962	30,396.61	9.40	47.00	1.03995	31,611
1963	4,372.31	9.73	47.00	1.03076	4,507
1964	4,963.21	10.07	47.00	1.02137	5,069
1965	3,694.46	10.42	47.00	1.01179	3,738
1966	4,903.56	10.78	47.00	1.00195	4,913
1967	4,619.18	11.14	47.00	0.99186	4,582
1968	2,622.74	11.51	47.00	0.98151	2,574
1969	6,340.25	11.90	47.00	0.97090	6,156
1970	6,544.32	12.29	47.00	0.96001	6,283
1971	13,928.55	12.70	47.00	0.94884	13,216
1972	12,165.82	13.11	47.00	0.93738	11,404
1973	38,660.97	13.54	47.00	0.92561	35,785
1974	23,369.85	13.97	47.00	0.91355	21,349
1975	28,854.75	14.42	47.00	0.90118	26,003
1976	25,776.54	14.88	47.00	0.88850	22,903
1977	28,484.48	15.35	47.00	0.87552	24,939
1978	40,674.45	15.83	47.00	0.86223	35,071
1979	39,274.40	16.32	47.00	0.84863	33,330
1980	70,727.09	16.82	47.00	0.83473	59,038
1981	64,988.36	17.34	47.00	0.82048	53,322
1982	75,868.65	17.86	47.00	0.80596	61,147
1983	87,337.01	18.40	47.00	0.79113	69,095
1984	127,971.21	18.94	47.00	0.77602	99,308
1985	170,597.53	19.50	47.00	0.76060	129,757

PGS
Gas Division
384.00 House Regulator Installations

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -30 % Average Service Life: 47 Survivor Curve: R1.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1986	146,511.46	20.07	47.00	0.74490	109,137
1987	147,729.25	20.65	47.00	0.72891	107,682
1988	196,784.29	21.24	47.00	0.71265	140,238
1989	232,637.44	21.84	47.00	0.69606	161,929
1990	353,261.45	22.44	47.00	0.67924	239,949
1991	208,658.58	23.06	47.00	0.66216	138,164
1992	301,050.49	23.69	47.00	0.64481	194,122
1993	276,917.36	24.32	47.00	0.62722	173,689
1994	347,172.16	24.97	47.00	0.60938	211,561
1995	353,198.32	25.62	47.00	0.59130	208,848
1996	459,277.08	26.28	47.00	0.57299	263,162
1997	485,085.41	26.96	47.00	0.55441	268,935
1998	383,996.61	27.63	47.00	0.53564	205,685
1999	471,049.24	28.32	47.00	0.51666	243,374
2000	1,069,154.91	29.01	47.00	0.49748	531,883
2002	781,013.24	30.42	47.00	0.45852	358,110
2003	1,190,767.25	31.14	47.00	0.43876	522,459
2004	874,870.58	31.86	47.00	0.41879	366,384
2005	919,834.48	32.59	47.00	0.39867	366,708
2006	1,557,909.68	33.32	47.00	0.37838	589,488
2007	877,182.82	34.06	47.00	0.35794	313,980
2008	732,920.04	34.80	47.00	0.33735	247,247
2009	686,919.72	35.55	47.00	0.31660	217,479
2010	671,129.47	36.31	47.00	0.29571	198,461
2011	738,173.99	37.07	47.00	0.27468	202,762
2012	1,151,122.04	37.84	47.00	0.25348	291,790
2013	1,316,985.86	38.61	47.00	0.23217	305,760
2014	776,896.66	39.38	47.00	0.21071	163,700

PGS
Gas Division
384.00 House Regulator Installations

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -30 % **Average Service Life:** 47 **Survivor Curve:** R1.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2015	817,036.65	40.16	47.00	0.18912	154,515
2016	1,198,676.73	40.95	47.00	0.16738	200,640
2017	1,120,608.94	41.74	47.00	0.14551	163,065
2018	1,755,541.61	42.54	47.00	0.12351	216,822
2019	1,920,126.15	43.34	47.00	0.10136	194,632
2020	2,242,163.20	44.14	47.00	0.07906	177,262
2021	4,440,943.29	44.95	47.00	0.05664	251,529
2022	6,517,029.49	45.77	47.00	0.03408	222,125
Total	38,677,154.93				9,730,533.42

PGS

Gas Division

385.00 Ind. Meas. & Reg. Sta. Equip

Original Cost Of Utility Plant In Service

And Development Of Calculated Depr Reserve as of December 31, 2023

Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % Average Service Life: 39 Survivor Curve: R2.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1969	930.64	4.41	39.00	0.88698	825
1970	5,759.09	4.64	39.00	0.88107	5,074
1971	6,882.95	4.88	39.00	0.87485	6,022
1972	711.03	5.12	39.00	0.86866	618
1974	8,987.32	5.64	39.00	0.85549	7,689
1975	3,536.71	5.91	39.00	0.84856	3,001
1976	1,302.27	6.19	39.00	0.84126	1,096
1977	6,344.39	6.49	39.00	0.83365	5,289
1979	301.47	7.13	39.00	0.81710	246
1980	4,431.19	7.48	39.00	0.80810	3,581
1981	29,721.03	7.85	39.00	0.79860	23,735
1982	86,063.71	8.25	39.00	0.78855	67,865
1983	88,578.93	8.66	39.00	0.77794	68,909
1984	114,096.57	9.10	39.00	0.76675	87,484
1985	176,580.69	9.55	39.00	0.75501	133,321
1986	354,147.05	10.04	39.00	0.74266	263,011
1987	229,133.04	10.54	39.00	0.72979	167,218
1988	502,416.81	11.06	39.00	0.71630	359,881
1989	269,563.17	11.61	39.00	0.70228	189,310
1990	660,172.69	12.18	39.00	0.68777	454,048
1991	328,532.16	12.76	39.00	0.67272	221,009
1992	234,841.10	13.37	39.00	0.65721	154,341
1993	352,865.07	13.99	39.00	0.64120	226,256
1994	656,860.00	14.63	39.00	0.62479	410,397
1995	207,956.66	15.29	39.00	0.60789	126,415
1996	238,512.58	15.96	39.00	0.59065	140,877
1997	292,567.29	16.66	39.00	0.57295	167,626
1998	359,267.11	17.36	39.00	0.55489	199,354

PGS

Gas Division

385.00 Ind. Meas. & Reg. Sta. Equip

Original Cost Of Utility Plant In Service

And Development Of Calculated Depr Reserve as of December 31, 2023

Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % Average Service Life: 39 Survivor Curve: R2.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1999	472,881.47	18.08	39.00	0.53650	253,702
2000	695,612.81	18.81	39.00	0.51773	360,140
2001	68,811.04	19.55	39.00	0.49866	34,313
2002	212,974.43	20.31	39.00	0.47922	102,062
2003	600,207.40	21.08	39.00	0.45951	275,800
2004	176,234.88	21.86	39.00	0.43944	77,445
2005	307,717.42	22.66	39.00	0.41909	128,960
2006	426,246.06	23.46	39.00	0.39846	169,843
2007	100,970.91	24.28	39.00	0.37753	38,120
2008	36,582.05	25.10	39.00	0.35635	13,036
2013	102,723.49	29.38	39.00	0.24659	25,331
2014	1,327.53	30.27	39.00	0.22394	297
2016	599,736.89	32.06	39.00	0.17806	106,786
2017	463.33	32.96	39.00	0.15484	72
2018	394,881.58	33.87	39.00	0.13142	51,897
2019	5,547,454.90	34.79	39.00	0.10787	598,378
2020	74,719.59	35.72	39.00	0.08413	6,286
2021	9,121.38	36.65	39.00	0.06025	550
2022	147,096.76	37.59	39.00	0.03625	5,332
Total	15,196,826.64				5,742,846.76

PGS
Gas Division
387.00 Other Equipment

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % Average Service Life: 27 Survivor Curve: L1.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1975	4,654.44	6.36	27.00	0.76441	3,558
1977	9,036.84	6.78	27.00	0.74894	6,768
1979	2,403.28	7.22	27.00	0.73277	1,761
1981	1,900.94	7.67	27.00	0.71603	1,361
1982	880.94	7.90	27.00	0.70738	623
1983	1,376.02	8.14	27.00	0.69863	961
1985	1,881.03	8.62	27.00	0.68063	1,280
1986	7,400.34	8.87	27.00	0.67148	4,969
1988	4,612.16	9.37	27.00	0.65281	3,011
1989	2,004.48	9.63	27.00	0.64330	1,289
1990	8,597.36	9.89	27.00	0.63376	5,449
1991	17,681.57	10.15	27.00	0.62416	11,036
1992	16,379.55	10.41	27.00	0.61448	10,065
1993	21,490.94	10.67	27.00	0.60480	12,998
1994	41,201.18	10.93	27.00	0.59508	24,518
1995	26,792.02	11.20	27.00	0.58527	15,681
1996	35,736.37	11.46	27.00	0.57545	20,564
1997	79,003.23	11.73	27.00	0.56552	44,678
1998	33,665.10	12.00	27.00	0.55545	18,699
1999	79,657.95	12.28	27.00	0.54517	43,427
2000	156,360.82	12.56	27.00	0.53465	83,598
2001	96,049.08	12.86	27.00	0.52378	50,309
2002	78,107.23	13.16	27.00	0.51247	40,027
2003	190,802.76	13.48	27.00	0.50062	95,520
2004	202,102.66	13.82	27.00	0.48811	98,647
2005	139,566.21	14.18	27.00	0.47483	66,270
2006	346,776.93	14.56	27.00	0.46063	159,735
2007	329,322.35	14.97	27.00	0.44541	146,683

PGS

Gas Division

387.00 Other Equipment

Original Cost Of Utility Plant In Service

And Development Of Calculated Depr Reserve as of December 31, 2023

Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % *Average Service Life:* 27 *Survivor Curve:* L1.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2008	148,017.06	15.42	27.00	0.42906	63,509
2009	668,413.77	15.89	27.00	0.41146	275,026
2010	539,022.11	16.41	27.00	0.39235	211,483
2011	536,464.85	16.97	27.00	0.37166	199,385
2012	520,523.51	17.57	27.00	0.34943	181,885
2013	307,418.80	18.21	27.00	0.32552	100,072
2014	1,084,921.98	18.90	27.00	0.30016	325,651
2015	491,827.70	19.62	27.00	0.27350	134,513
2016	497,048.71	20.37	27.00	0.24565	122,102
2017	625,901.17	21.15	27.00	0.21654	135,534
2018	1,520,325.52	21.97	27.00	0.18620	283,090
2019	1,243,321.68	22.82	27.00	0.15469	192,326
2020	984,702.63	23.71	27.00	0.12195	120,086
2021	1,821,650.02	24.62	27.00	0.08816	160,588
2022	506,839.74	25.56	27.00	0.05346	27,094
Total	13,431,843.03				3,505,830.84

PGS
Gas Division
390.00 Structures & Improvements

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % *Average Service Life:* 25 *Survivor Curve:* L0

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2007	25,115.11	17.10	25.00	0.31608	7,938
2008	2,319.30	17.45	25.00	0.30193	700
2009	9,582.32	17.81	25.00	0.28749	2,755
2012	50,788.77	18.94	25.00	0.24234	12,308
2015	18,604.02	20.16	25.00	0.19339	3,598
2016	12,393.52	20.60	25.00	0.17579	2,179
2023	544,265.86	24.58	25.00	0.01687	9,179
Total	663,068.90				38,657.69

PGS

Gas Division

391.00 Office Furniture

Original Cost Of Utility Plant In Service

And Development Of Calculated Depr Reserve as of December 31, 2023

Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % **Average Service Life:** 17 **Survivor Curve:** SQ

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2006	79,485.00	0.00	0.00	1.00000	79,485
2007	118,417.47	0.50	17.00	0.97059	114,935
2009	19,483.57	2.50	17.00	0.85294	16,618
2010	40,633.46	3.50	17.00	0.79412	32,268
2011	271,246.45	4.50	17.00	0.73529	199,446
2012	46,697.45	5.50	17.00	0.67647	31,589
2013	54,887.66	6.50	17.00	0.61765	33,901
2014	17,304.09	7.50	17.00	0.55882	9,670
2015	52,030.62	8.50	17.00	0.50000	26,015
2016	305,779.16	9.50	17.00	0.44118	134,903
2017	91,250.94	10.50	17.00	0.38235	34,890
2018	575,028.36	11.50	17.00	0.32353	186,039
2019	135,016.50	12.50	17.00	0.26471	35,740
2020	71,253.88	13.50	17.00	0.20588	14,670
2022	31,734.79	15.50	17.00	0.08824	2,800
2023	241,700.33	16.50	17.00	0.02941	7,109
Total	2,151,949.73				960,077.27

PGS
Gas Division
391.01 Computer Equipment

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % **Average Service Life:** 9 **Survivor Curve:** SQ

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2012	57,597.38	0.00	0.00	1.00000	57,597
2013	100,249.64	0.00	0.00	1.00000	100,250
2014	431,635.95	0.00	0.00	1.00000	431,636
2015	574,371.25	0.50	9.00	0.94444	542,462
2016	175,832.21	1.50	9.00	0.83333	146,527
2017	11,535.38	2.50	9.00	0.72222	8,331
2018	82,269.73	3.50	9.00	0.61111	50,276
2019	1,630,801.36	4.50	9.00	0.50000	815,401
2020	138,455.00	5.50	9.00	0.38889	53,844
2021	8,106.39	6.50	9.00	0.27778	2,252
2022	47,509.97	7.50	9.00	0.16667	7,918
2023	2,673,941.60	8.50	9.00	0.05556	148,552
Total	5,932,305.86				2,365,045.31

PGS
Gas Division
391.02 Office Equipment

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % **Average Service Life:** 15 **Survivor Curve:** SQ

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2002	9,275.92	0.00	0.00	1.00000	9,276
2004	50,945.45	0.00	0.00	1.00000	50,945
2005	15,753.72	0.00	0.00	1.00000	15,754
2006	10,052.63	0.00	0.00	1.00000	10,053
2007	100,172.03	0.00	0.00	1.00000	100,172
2008	3,705.13	0.00	0.00	1.00000	3,705
2009	3,389.84	0.50	15.00	0.96667	3,277
2010	11,701.77	1.50	15.00	0.90000	10,532
2011	277,041.59	2.50	15.00	0.83333	230,868
2012	9,286.13	3.50	15.00	0.76667	7,119
2013	257,470.04	4.50	15.00	0.70000	180,229
2014	15,220.50	5.50	15.00	0.63333	9,640
2015	32,576.23	6.50	15.00	0.56667	18,460
2016	65,264.69	7.50	15.00	0.50000	32,632
2017	443,681.45	8.50	15.00	0.43333	192,262
2018	16,931.70	9.50	15.00	0.36667	6,208
2019	123,272.16	10.50	15.00	0.30000	36,982
2020	16,678.31	11.50	15.00	0.23333	3,892
2022	67,254.50	13.50	15.00	0.10000	6,725
Total	1,529,673.79				928,730.52

PGS
Gas Division
392.01 Vehicles up to 1/2 Tons

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 11 % **Average Service Life:** 8 **Survivor Curve:** L2

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2001	36,755.44	0.00	0.00	0.89000	32,712
2002	42,654.92	0.50	8.00	0.83438	35,590
2004	74,529.36	0.70	8.00	0.81217	60,530
2005	22,425.81	0.85	8.00	0.79536	17,837
2006	87,562.88	1.02	8.00	0.77659	68,001
2007	37,028.73	1.20	8.00	0.75665	28,018
2008	71,314.79	1.39	8.00	0.73532	52,439
2009	246,695.29	1.59	8.00	0.71284	175,854
2010	424,184.03	1.81	8.00	0.68888	292,212
2011	504,980.21	2.04	8.00	0.66353	335,068
2012	152,253.16	2.28	8.00	0.63673	96,944
2013	742,667.23	2.52	8.00	0.60912	452,376
2014	168,286.89	2.77	8.00	0.58149	97,857
2015	1,016,083.21	3.01	8.00	0.55464	563,565
2016	792,209.89	3.25	8.00	0.52802	418,303
2017	740,847.12	3.51	8.00	0.49915	369,795
2018	332,369.98	3.84	8.00	0.46324	153,967
2019	644,561.13	4.28	8.00	0.41401	266,852
2020	905,277.36	4.89	8.00	0.34583	313,076
2021	444,941.58	5.67	8.00	0.25913	115,297
2022	1,724,117.87	6.55	8.00	0.16169	278,774
2023	6,169,828.38	7.50	8.00	0.05538	341,690
Total	15,381,575.26				4,566,757.42

PGS

Gas Division

392.02 Vehicles from 1/2 - 1 Tons

Original Cost Of Utility Plant In Service

And Development Of Calculated Depr Reserve as of December 31, 2023

Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 11 % **Average Service Life:** 10 **Survivor Curve:** L3

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1999	28,303.89	0.00	0.00	0.89000	25,190
2002	50,180.97	0.61	10.00	0.83602	41,953
2005	34,520.57	1.12	10.00	0.78990	27,268
2006	24,202.13	1.33	10.00	0.77150	18,672
2007	147,650.81	1.55	10.00	0.75185	111,012
2008	73,253.51	1.79	10.00	0.73092	53,543
2010	274,641.56	2.29	10.00	0.68599	188,402
2011	427,348.14	2.54	10.00	0.66381	283,678
2012	164,947.66	2.76	10.00	0.64420	106,259
2013	543,449.20	2.94	10.00	0.62807	341,326
2014	540,415.86	3.11	10.00	0.61310	331,328
2015	792,939.60	3.33	10.00	0.59363	470,713
2016	1,068,257.92	3.67	10.00	0.56331	601,756
2017	1,279,351.26	4.18	10.00	0.51777	662,410
2018	1,935,383.29	4.87	10.00	0.45669	883,878
2019	3,533,710.60	5.68	10.00	0.38407	1,357,186
2020	2,150,749.91	6.58	10.00	0.30469	655,310
2021	2,259,093.98	7.52	10.00	0.22075	498,704
2022	2,475,253.83	8.50	10.00	0.13339	330,173
Total	17,803,654.69				6,988,760.04

PGS
Gas Division
392.04 Trailers & Other

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -20 % Average Service Life: 30 Survivor Curve: R1.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1974	927.68	3.09	30.00	1.07624	998
1976	1,425.84	3.59	30.00	1.05631	1,506
1978	3,068.00	4.13	30.00	1.03472	3,175
1982	6,121.82	5.30	30.00	0.98818	6,049
1984	1,671.80	5.93	30.00	0.96291	1,610
1986	1,577.73	6.60	30.00	0.93599	1,477
1987	4,914.45	6.96	30.00	0.92176	4,530
1988	6,252.55	7.33	30.00	0.90697	5,671
1990	3,623.68	8.11	30.00	0.87554	3,173
1991	6,535.40	8.53	30.00	0.85883	5,613
1994	34,745.96	9.88	30.00	0.80462	27,957
1995	7,475.00	10.37	30.00	0.78515	5,869
1996	58,319.86	10.88	30.00	0.76499	44,614
1997	14,299.11	11.40	30.00	0.74411	10,640
1998	14,707.84	11.94	30.00	0.72257	10,627
1999	5,017.64	12.49	30.00	0.70036	3,514
2000	6,398.95	13.06	30.00	0.67746	4,335
2001	19,226.38	13.65	30.00	0.65395	12,573
2003	4,435.24	14.87	30.00	0.60506	2,684
2004	3,983.48	15.51	30.00	0.57975	2,309
2005	4,071.00	16.15	30.00	0.55388	2,255
2006	3,047.57	16.81	30.00	0.52743	1,607
2007	11,864.93	17.49	30.00	0.50050	5,938
2008	6,491.02	18.17	30.00	0.47309	3,071
2009	4,641.83	18.87	30.00	0.44518	2,066
2010	2,115.26	19.58	30.00	0.41685	882
2011	63,338.54	20.30	30.00	0.38811	24,583
2012	3,189.24	21.03	30.00	0.35895	1,145

PGS
Gas Division
392.04 Trailers & Other

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: -20 % Average Service Life: 30 Survivor Curve: R1.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2013	13,995.21	21.76	30.00	0.32945	4,611
2014	818,004.33	22.51	30.00	0.29960	245,073
2015	5,738.84	23.27	30.00	0.26939	1,546
2016	23,325.99	24.03	30.00	0.23888	5,572
2017	94,323.73	24.80	30.00	0.20806	19,625
2018	20,800.90	25.58	30.00	0.17689	3,679
2019	1,077,081.04	26.36	30.00	0.14543	156,642
2020	895,773.72	27.16	30.00	0.11366	101,818
2021	29,471.59	27.96	30.00	0.08156	2,404
2022	14,459.36	28.77	30.00	0.04917	711
2023	1,315,163.56	29.59	30.00	0.01648	21,668
Total	4,611,626.07				763,819.66

PGS
Gas Division
392.05 Vehicles over 1 Ton

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 7 % **Average Service Life:** 13 **Survivor Curve:** L2

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1992	46,758.60	1.05	13.00	0.85493	39,976
2005	10,202.86	3.72	13.00	0.66405	6,775
2006	120,234.03	3.97	13.00	0.64612	77,686
2007	71,334.69	4.22	13.00	0.62818	44,811
2010	8,912.49	4.95	13.00	0.57574	5,131
2013	67,792.77	5.71	13.00	0.52154	35,356
2014	134,191.32	6.02	13.00	0.49934	67,007
2015	576,414.01	6.39	13.00	0.47276	272,503
2016	202,698.33	6.85	13.00	0.44022	89,231
2018	130,825.56	8.08	13.00	0.35207	46,059
2019	623,444.40	8.85	13.00	0.29678	185,028
2020	571,330.17	9.69	13.00	0.23676	135,268
Total	2,564,139.23				1,004,832.44

PGS
Gas Division
393.00 Stores Equipment

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % **Average Service Life:** 24 **Survivor Curve:** SQ

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2012	1,283.39	12.50	24.00	0.47917	615
Total	1,283.39				614.96

PGS
Gas Division
394.00 Tools, Shop & Garage Equip

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % **Average Service Life:** 18 **Survivor Curve:** SQ

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2004	76,064.16	0.00	0.00	1.00000	76,064
2005	102,633.27	0.00	0.00	1.00000	102,633
2006	102,556.61	0.50	18.00	0.97222	99,708
2007	120,829.00	1.50	18.00	0.91667	110,760
2008	77,877.13	2.50	18.00	0.86111	67,061
2009	211,344.45	3.50	18.00	0.80556	170,250
2010	165,917.15	4.50	18.00	0.75000	124,438
2011	370,307.52	5.50	18.00	0.69444	257,158
2012	160,080.34	6.50	18.00	0.63889	102,274
2013	386,884.17	7.50	18.00	0.58333	225,682
2014	1,471,365.89	8.50	18.00	0.52778	776,554
2015	2,693,626.21	9.50	18.00	0.47222	1,271,990
2016	303,818.81	10.50	18.00	0.41667	126,591
2017	131,580.30	11.50	18.00	0.36111	47,515
2018	185,617.32	12.50	18.00	0.30556	56,716
2019	169,435.99	13.50	18.00	0.25000	42,359
2020	138,839.27	14.50	18.00	0.19444	26,997
2021	43,089.54	15.50	18.00	0.13889	5,985
2022	70,095.72	16.50	18.00	0.08333	5,841
2023	1,605,734.51	17.50	18.00	0.02778	44,604
Total	8,587,697.36				3,741,179.85

PGS
Gas Division
396.00 Power Operated Equipment

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 10 % **Average Service Life:** 18 **Survivor Curve:** L1.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
1986	10,424.95	3.27	18.00	0.73672	7,680
1987	7,895.18	3.45	18.00	0.72774	5,746
1990	20,504.84	4.01	18.00	0.69935	14,340
1992	42,733.64	4.42	18.00	0.67894	29,013
1993	3,931.53	4.63	18.00	0.66828	2,627
1994	62,179.31	4.85	18.00	0.65727	40,869
1995	43,250.67	5.08	18.00	0.64599	27,940
1996	76,843.92	5.31	18.00	0.63435	48,746
1997	42,989.34	5.55	18.00	0.62245	26,759
1998	194,264.20	5.80	18.00	0.61022	118,544
1999	12,270.42	6.04	18.00	0.59779	7,335
2000	36,993.15	6.30	18.00	0.58509	21,644
2001	55,638.93	6.55	18.00	0.57228	31,841
2002	58,640.06	6.81	18.00	0.55933	32,799
2004	49,850.67	7.34	18.00	0.53315	26,578
2005	5,104.27	7.60	18.00	0.51990	2,654
2006	41,545.76	7.87	18.00	0.50650	21,043
2007	9,061.03	8.14	18.00	0.49277	4,465
2008	74,752.28	8.43	18.00	0.47858	35,775
2009	86,902.71	8.73	18.00	0.46362	40,290
2010	218,585.51	9.05	18.00	0.44763	97,846
2011	225,949.51	9.40	18.00	0.43024	97,212
2012	79,155.79	9.78	18.00	0.41109	32,540
2013	76,102.52	10.20	18.00	0.38982	29,666
2014	926,640.52	10.68	18.00	0.36604	339,187
2015	22,819.81	11.22	18.00	0.33920	7,741
2016	78,520.43	11.82	18.00	0.30917	24,276
2017	91,302.21	12.48	18.00	0.27591	25,192

PGS
Gas Division
396.00 Power Operated Equipment

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 10 % Average Service Life: 18 Survivor Curve: L1.5

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2018	212,537.04	13.20	18.00	0.23998	51,004
2019	76,294.87	13.97	18.00	0.20151	15,374
2020	74,102.89	14.79	18.00	0.16056	11,898
2021	48,793.21	15.66	18.00	0.11720	5,719
2022	10,696.08	16.57	18.00	0.07159	766
2023	484,735.74	17.52	18.00	0.02420	11,732
Total	3,562,012.99				1,296,840.66

PGS
Gas Division
397.00 Communication Equipment

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % **Average Service Life:** 13 **Survivor Curve:** SQ

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2008	16,712.04	0.00	0.00	1.00000	16,712
2009	513,040.36	0.00	0.00	1.00000	513,040
2010	274,684.70	0.00	0.00	1.00000	274,685
2011	559,751.33	0.50	13.00	0.96154	538,222
2012	178,355.18	1.50	13.00	0.88462	157,776
2013	799,377.33	2.50	13.00	0.80769	645,651
2014	63,729.73	3.50	13.00	0.73077	46,572
2016	163,127.93	5.50	13.00	0.57692	94,112
2017	386,579.78	6.50	13.00	0.50000	193,290
2023	59,905.99	12.50	13.00	0.03846	2,304
Total	3,015,264.37				2,482,364.15

PGS
Gas Division
398.00 Miscellaneous Equipment

Original Cost Of Utility Plant In Service
And Development Of Calculated Depr Reserve as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Salvage Value: 0 % **Average Service Life:** 20 **Survivor Curve:** SQ

Year (1)	Original Cost (2)	Expectancy (3)	Avg. Service Life (4)	Reserve Ratio (5)	Calculated Reserve (6)
2003	48,826.15	0.00	0.00	1.00000	48,826
2004	3,032.14	0.50	20.00	0.97500	2,956
2006	38,674.55	2.50	20.00	0.87500	33,840
2007	3,361.02	3.50	20.00	0.82500	2,773
2008	2,887.48	4.50	20.00	0.77500	2,238
2010	5,655.92	6.50	20.00	0.67500	3,818
2011	20,642.52	7.50	20.00	0.62500	12,902
2012	1,158.35	8.50	20.00	0.57500	666
2013	655.68	9.50	20.00	0.52500	344
2014	10,833.74	10.50	20.00	0.47500	5,146
2015	8,249.33	11.50	20.00	0.42500	3,506
2016	4,275.45	12.50	20.00	0.37500	1,603
2019	9,100.79	15.50	20.00	0.22500	2,048
2020	8,108.69	16.50	20.00	0.17500	1,419
2023	583,815.16	19.50	20.00	0.02500	14,595
Total	749,276.97				136,680.32

PGS

Gas Division

303.00 Misc. Intangible Plant

Original Cost Of Utility Plant In Service

And Development Of Composite Remaining Life as of December 31, 2023

Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 25 *Survivor Curve:* SQ

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
1993	280,914.31	0.00	0.00	0.00	0.00
1995	246,442.67	0.00	0.00	0.00	0.00
1997	287,968.09	0.00	0.00	0.00	0.00
Total	815,325.07	0.00	0.00	#Num!	0.00

Composite Average Remaining Life ... #Nu *Years*

PGS
Gas Division
303.01 Custom Intangible Plant

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 15 *Survivor Curve:* SQ

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
2001	802,351.27	0.00	0.00	0.00	0.00
2002	1,434,764.12	0.00	0.00	0.00	0.00
2003	29,233.07	0.00	0.00	0.00	0.00
2004	130,041.41	0.00	0.00	0.00	0.00
2005	173,913.05	0.00	0.00	0.00	0.00
2006	371,049.12	0.00	0.00	0.00	0.00
2007	122,538.29	0.00	0.00	0.00	0.00
2009	3,203,016.29	15.00	213,534.42	0.50	106,767.21
2010	1,703,606.70	15.00	113,573.78	1.50	170,360.67
2011	2,758,629.14	15.00	183,908.61	2.50	459,771.52
2012	7,542,446.68	15.00	502,829.78	3.50	1,759,904.23
2013	720,847.71	15.00	48,056.51	4.50	216,254.31
2014	1,362,236.89	15.00	90,815.79	5.50	499,486.86
2015	4,290,931.54	15.00	286,062.10	6.50	1,859,403.67
2016	1,962,769.57	15.00	130,851.30	7.50	981,384.79
2017	404,501.34	15.00	26,966.76	8.50	229,217.43
2018	2,495,160.72	15.00	166,344.05	9.50	1,580,268.46
2019	2,714,500.03	15.00	180,966.67	10.50	1,900,150.02
2020	16,288,279.03	15.00	1,085,885.27	11.50	12,487,680.59
2021	6,333,965.16	15.00	422,264.34	12.50	5,278,304.30
2022	6,856,246.60	15.00	457,083.11	13.50	6,170,621.94
2023	48,825,616.26	15.00	3,255,041.08	14.50	47,198,095.72
Total	110,526,643.99	10.23	7,164,183.58	11.29	80,897,671.70

Composite Average Remaining Life ... 11.29 Years

PGS
Gas Division
336.00 Renewable Natural Gas (RNG)

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: **30** *Survivor Curve:* **R2**

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
2023	16,109,646.34	30.00	536,983.07	29.55	15,866,617.37
Total	16,109,646.34	30.00	536,983.07	29.55	15,866,617.37

Composite Average Remaining Life ... **29.55 Years**

PGS

Gas Division

336.01 RNG Plant Leased - 15 Years

Original Cost Of Utility Plant In Service

And Development Of Composite Remaining Life as of December 31, 2023

Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 15 *Survivor Curve:* SQ

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
2023	35,668,591.62	15.00	2,377,906.11	14.50	34,479,638.57
Total	35,668,591.62	15.00	2,377,906.11	14.50	34,479,638.57

Composite Average Remaining Life ... 14.50 Years

PGS

Gas Division

364.00 Liquified Natural Gas (LNG)

Original Cost Of Utility Plant In Service

And Development Of Composite Remaining Life as of December 31, 2023

Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 30 *Survivor Curve:* R2

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
2023	1,485,380.05	30.00	49,512.19	29.55	1,462,971.71
Total	1,485,380.05	30.00	49,512.19	29.55	1,462,971.71

Composite Average Remaining Life ... 29.55 Years

PGS
Gas Division
374.02 Land Rights

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 75 *Survivor Curve:* SQ

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
1959	8,763.01	75.00	116.84	10.50	1,226.82
1960	1,079.04	75.00	14.39	11.50	165.45
1962	1,233.71	75.00	16.45	13.50	222.07
1963	8,082.60	75.00	107.77	14.50	1,562.64
1964	8,772.19	75.00	116.96	15.50	1,812.92
1965	35,291.61	75.00	470.55	16.50	7,764.15
1966	10,891.57	75.00	145.22	17.50	2,541.37
1967	27,128.87	75.00	361.72	18.50	6,691.79
1968	76,841.25	75.00	1,024.55	19.50	19,978.73
1969	127,678.07	75.00	1,702.37	20.50	34,898.67
1970	116,665.02	75.00	1,555.53	21.50	33,443.97
1971	98,904.72	75.00	1,318.73	22.50	29,671.42
1972	124,757.77	75.00	1,663.44	23.50	39,090.77
1973	15,101.53	75.00	201.35	24.50	4,933.17
1974	14,682.24	75.00	195.76	25.50	4,991.96
1975	10,955.04	75.00	146.07	26.50	3,870.78
1981	54.26	75.00	0.72	32.50	23.51
1991	12,084.68	75.00	161.13	42.50	6,847.99
1993	12,037.50	75.00	160.50	44.50	7,142.25
1994	6,611.77	75.00	88.16	45.50	4,011.14
1996	227,583.17	75.00	3,034.44	47.50	144,136.01
1999	122,559.84	75.00	1,634.13	50.50	82,523.63
2000	16,248.02	75.00	216.64	51.50	11,156.97
2002	62,802.66	75.00	837.37	53.50	44,799.23
2004	109,828.54	75.00	1,464.38	55.50	81,273.12
2005	46,539.37	75.00	620.52	56.50	35,059.66
2006	12,725.40	75.00	169.67	57.50	9,756.14

PGS
Gas Division
374.02 Land Rights

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 75 *Survivor Curve:* SQ

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
2008	54,867.33	75.00	731.56	59.50	43,528.08
2009	121,055.42	75.00	1,614.07	60.50	97,651.37
2010	67,325.50	75.00	897.67	61.50	55,206.91
2012	70,879.62	75.00	945.06	63.50	60,011.41
2013	30,114.25	75.00	401.52	64.50	25,898.26
2014	267,914.88	75.00	3,572.20	65.50	233,979.00
2015	895,642.50	75.00	11,941.90	66.50	794,136.35
2016	1,072,853.70	75.00	14,304.72	67.50	965,568.33
2017	311,775.23	75.00	4,157.00	68.50	284,754.71
2018	60,540.78	75.00	807.21	69.50	56,101.12
Total	4,268,872.66	75.00	56,918.30	56.86	3,236,431.85

Composite Average Remaining Life ... 56.86 Years

PGS
Gas Division
375.00 Structures & Improvements

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 33 *Survivor Curve:* L0

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
1966	2,326.05	33.00	70.49	12.81	902.93
1967	21,241.06	33.00	643.68	13.02	8,383.25
1969	234.00	33.00	7.09	13.46	95.45
1971	437.90	33.00	13.27	13.91	184.56
1973	1,173.70	33.00	35.57	14.37	510.99
1974	168,528.22	33.00	5,106.98	14.60	74,565.73
1975	20,476.77	33.00	620.52	14.84	9,207.07
1976	10,471.11	33.00	317.31	15.08	4,784.38
1978	195,399.03	33.00	5,921.26	15.57	92,181.41
1980	9,583.74	33.00	290.42	16.07	4,667.39
1981	152,191.20	33.00	4,611.92	16.33	75,303.21
1982	1,324.83	33.00	40.15	16.59	665.97
1983	43,012.57	33.00	1,303.43	16.85	21,965.79
1984	190,895.62	33.00	5,784.79	17.12	99,035.63
1985	94,469.78	33.00	2,862.76	17.39	49,787.53
1986	2,014,205.16	33.00	61,037.33	17.67	1,078,331.15
1987	60,992.18	33.00	1,848.27	17.95	33,169.08
1988	44,231.55	33.00	1,340.37	18.23	24,433.89
1989	10,310.76	33.00	312.45	18.52	5,785.53
1990	261,229.83	33.00	7,916.16	18.81	148,888.10
1991	34,420.61	33.00	1,043.06	19.10	19,925.98
1992	74,776.08	33.00	2,265.97	19.40	43,967.86
1993	579,915.72	33.00	17,573.44	19.71	346,340.29
1994	522,640.75	33.00	15,837.81	20.02	317,030.97
1995	198,793.97	33.00	6,024.14	20.33	122,477.74
1996	124,991.81	33.00	3,787.68	20.65	78,214.44
1997	195,678.27	33.00	5,929.72	20.97	124,364.34

PGS

Gas Division

375.00 Structures & Improvements

Original Cost Of Utility Plant In Service

And Development Of Composite Remaining Life as of December 31, 2023

Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 33 *Survivor Curve:* L0

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
1998	50,657.11	33.00	1,535.08	21.30	32,699.31
1999	385,489.97	33.00	11,681.67	21.63	252,728.14
2000	451,653.38	33.00	13,686.65	21.97	300,736.57
2001	2,041,211.79	33.00	61,855.72	22.32	1,380,409.59
2002	1,449,154.67	33.00	43,914.36	22.67	995,342.37
2003	1,299,753.91	33.00	39,387.01	23.02	906,684.20
2004	87,478.33	33.00	2,650.89	23.38	61,977.25
2005	113,895.84	33.00	3,451.43	23.75	81,955.23
2006	1,110,118.65	33.00	33,640.41	24.12	811,289.08
2007	1,060,829.90	33.00	32,146.79	24.49	787,390.53
2008	260,913.77	33.00	7,906.58	24.88	196,690.25
2009	397,892.62	33.00	12,057.51	25.27	304,658.90
2010	964,875.45	33.00	29,239.04	25.67	750,454.85
2011	197,577.82	33.00	5,987.29	26.08	156,120.67
2012	130,812.33	33.00	3,964.06	26.50	105,032.16
2013	27,683.14	33.00	838.89	26.93	22,591.32
2014	100,117.90	33.00	3,033.92	27.38	83,063.54
2015	415,971.22	33.00	12,605.36	27.84	350,973.61
2016	6,223,006.58	33.00	188,578.46	28.33	5,341,783.71
2017	980,589.42	33.00	29,715.23	28.83	856,715.16
2018	488,977.42	33.00	14,817.69	29.36	435,032.14
2019	1,536,081.73	33.00	46,548.55	29.91	1,392,486.44
2020	317,815.47	33.00	9,630.90	30.50	293,772.97
2021	275,473.39	33.00	8,347.79	31.13	259,880.24
2022	706,644.96	33.00	21,413.77	31.81	681,208.43
2023	5,278,050.99	33.00	159,943.06	32.57	5,208,748.85

PGS
Gas Division
375.00 Structures & Improvements

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 33 *Survivor Curve: L0*

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
Total	31,386,680.03	33.00	951,124.16	26.11	24,835,596.17

Composite Average Remaining Life ... 26.11 Years

PGS

Gas Division

376.00 Mains - Steel

Original Cost Of Utility Plant In Service

And Development Of Composite Remaining Life as of December 31, 2023

Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 70 *Survivor Curve:* R1.5

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
1952	60,742.65	70.00	867.74	21.81	18,923.07
1953	147,668.98	70.00	2,109.54	22.27	46,976.41
1954	136,957.85	70.00	1,956.52	22.74	44,489.27
1955	103,607.12	70.00	1,480.09	23.22	34,360.89
1956	245,928.86	70.00	3,513.23	23.70	83,266.13
1957	338,124.32	70.00	4,830.30	24.19	116,856.30
1958	1,637,628.63	70.00	23,394.45	24.69	577,628.52
1959	1,864,660.07	70.00	26,637.73	25.20	671,250.44
1960	2,271,714.20	70.00	32,452.73	25.71	834,449.01
1961	488,769.68	70.00	6,982.35	26.24	183,187.31
1962	586,111.82	70.00	8,372.94	26.76	224,095.27
1963	688,981.37	70.00	9,842.49	27.30	268,715.66
1964	900,359.68	70.00	12,862.15	27.84	358,144.56
1965	1,031,992.36	70.00	14,742.60	28.39	418,608.80
1966	864,612.42	70.00	12,351.48	28.95	357,627.25
1967	1,654,475.77	70.00	23,635.13	29.52	697,668.39
1968	2,399,997.00	70.00	34,285.32	30.09	1,031,703.05
1969	1,680,713.46	70.00	24,009.95	30.67	736,382.75
1970	2,280,716.86	70.00	32,581.33	31.26	1,018,384.73
1971	1,731,354.86	70.00	24,733.39	31.85	787,727.58
1972	1,826,425.84	70.00	26,091.53	32.45	846,584.05
1973	2,967,031.95	70.00	42,385.74	33.05	1,401,027.02
1974	3,379,567.11	70.00	48,279.03	33.67	1,625,336.63
1975	2,327,388.00	70.00	33,248.06	34.29	1,139,925.54
1976	1,782,562.20	70.00	25,464.91	34.91	888,972.41
1977	1,523,530.52	70.00	21,764.50	35.54	773,549.75
1978	3,089,228.06	70.00	44,131.38	36.18	1,596,611.40

PGS
Gas Division
376.00 Mains - Steel

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 70 *Survivor Curve:* R1.5

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
1979	3,198,732.22	70.00	45,695.70	36.82	1,682,544.69
1980	2,603,156.43	70.00	37,187.57	37.47	1,393,471.72
1981	4,298,462.59	70.00	61,405.98	38.13	2,341,129.60
1982	2,316,681.39	70.00	33,095.11	38.79	1,283,670.72
1983	2,577,191.76	70.00	36,816.65	39.45	1,452,521.51
1984	2,912,319.08	70.00	41,604.13	40.13	1,669,383.06
1985	2,225,592.44	70.00	31,793.85	40.80	1,297,253.32
1986	7,785,582.62	70.00	111,221.47	41.48	4,613,820.61
1987	2,781,812.57	70.00	39,739.77	42.17	1,675,910.68
1988	5,462,988.12	70.00	78,041.89	42.86	3,345,164.73
1989	3,272,556.61	70.00	46,750.33	43.56	2,036,548.09
1990	3,606,303.17	70.00	51,518.09	44.26	2,280,384.67
1991	13,714,329.25	70.00	195,916.98	44.97	8,810,661.84
1992	3,164,410.09	70.00	45,205.39	45.68	2,065,093.19
1993	3,468,298.06	70.00	49,546.61	46.40	2,298,830.28
1994	3,643,372.72	70.00	52,047.65	47.12	2,452,427.84
1995	7,665,962.38	70.00	109,512.62	47.84	5,239,368.59
1996	3,389,592.79	70.00	48,422.26	48.57	2,351,975.62
1997	5,123,444.37	70.00	73,191.31	49.30	3,608,644.78
1998	12,946,362.83	70.00	184,946.14	50.04	9,254,984.57
1999	28,143,824.90	70.00	402,050.51	50.78	20,416,746.11
2000	17,050,968.49	70.00	243,582.76	51.52	12,550,549.12
2001	18,221,210.97	70.00	260,300.34	52.27	13,606,860.80
2002	7,192,891.70	70.00	102,754.54	53.02	5,448,494.37
2003	6,676,236.91	70.00	95,373.83	53.78	5,129,212.50
2004	3,582,034.99	70.00	51,171.40	54.54	2,790,781.73
2005	3,502,683.06	70.00	50,037.82	55.30	2,767,104.84

PGS

Gas Division

376.00 Mains - Steel

Original Cost Of Utility Plant In Service

And Development Of Composite Remaining Life as of December 31, 2023

Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: *70* *Survivor Curve:* *R1.5*

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
2006	5,975,408.91	70.00	85,362.11	56.07	4,785,838.11
2007	4,182,324.87	70.00	59,746.88	56.83	3,395,589.84
2008	5,045,352.28	70.00	72,075.72	57.61	4,151,991.59
2009	26,291,133.81	70.00	375,583.77	58.38	21,926,852.12
2010	27,833,077.36	70.00	397,611.30	59.16	23,522,806.84
2011	12,473,481.30	70.00	178,190.76	59.94	10,681,110.38
2012	14,835,653.58	70.00	211,935.73	60.73	12,870,450.77
2013	36,108,503.88	70.00	515,830.47	61.52	31,732,173.93
2014	16,693,976.66	70.00	238,482.93	62.31	14,859,425.36
2015	8,681,159.00	70.00	124,015.28	63.10	7,825,946.41
2016	29,365,010.20	70.00	419,495.83	63.90	26,807,042.63
2017	25,014,029.72	70.00	357,339.61	64.71	23,122,009.90
2018	24,548,208.26	70.00	350,685.08	65.51	22,973,760.48
2019	29,404,985.10	70.00	420,066.90	66.32	27,859,030.82
2020	84,148,547.47	70.00	1,202,109.75	67.13	80,700,416.23
2021	106,265,901.86	70.00	1,518,068.71	67.95	103,148,253.01
2022	59,588,526.22	70.00	851,255.91	68.77	58,538,025.04
2023	91,298,946.50	70.00	1,304,257.26	69.59	90,760,738.70
Total	826,292,081.13	70.00	11,804,051.25	60.17	710,307,453.94

Composite Average Remaining Life ... *60.17 Years*

PGS
Gas Division
376.02 Mains - Plastic

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 82 *Survivor Curve:* R2

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
1986	4,467,074.06	82.00	54,476.42	50.55	2,753,873.48
1987	4,162,947.95	82.00	50,767.57	51.31	2,604,942.62
1988	5,109,774.71	82.00	62,314.22	52.08	3,245,251.95
1989	4,475,620.18	82.00	54,580.64	52.85	2,884,516.21
1990	7,581,835.62	82.00	92,461.25	53.62	4,958,065.01
1991	3,499,272.57	82.00	42,673.98	54.40	2,321,558.06
1992	3,329,178.01	82.00	40,599.66	55.19	2,240,630.80
1993	6,142,817.81	82.00	74,912.29	55.98	4,193,389.33
1994	6,542,540.91	82.00	79,786.95	56.77	4,529,554.86
1995	7,486,976.82	82.00	91,304.44	57.57	5,256,238.12
1996	5,350,740.22	82.00	65,252.82	58.37	3,808,819.04
1997	8,036,782.17	82.00	98,009.37	59.18	5,800,128.09
1998	14,972,124.22	82.00	182,586.57	59.99	10,953,472.48
1999	19,584,429.75	82.00	238,834.11	60.81	14,522,536.14
2000	27,576,457.64	82.00	336,297.70	61.63	20,724,491.69
2001	21,121,786.01	82.00	257,582.32	62.45	16,086,331.88
2002	11,905,807.55	82.00	145,192.53	63.28	9,187,721.76
2003	8,943,896.33	82.00	109,071.72	64.11	6,992,791.10
2004	8,146,684.54	82.00	99,349.64	64.95	6,452,564.41
2005	6,249,606.44	82.00	76,214.58	65.79	5,014,009.27
2006	5,378,166.44	82.00	65,587.28	66.63	4,370,365.51
2007	6,910,147.34	82.00	84,269.95	67.48	5,686,761.19
2008	7,944,717.09	82.00	96,886.63	68.33	6,620,717.45
2009	18,994,275.92	82.00	231,637.12	69.19	16,027,057.40
2010	26,634,303.50	82.00	324,808.03	70.05	22,753,284.72
2011	24,071,220.66	82.00	293,550.98	70.92	20,817,172.11
2012	14,871,441.94	82.00	181,358.74	71.78	13,018,299.15

PGS
Gas Division
376.02 Mains - Plastic

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 82 *Survivor Curve:* R2

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
2013	26,258,034.18	82.00	320,219.39	72.65	23,264,735.93
2014	28,285,033.16	82.00	344,938.85	73.53	25,362,092.89
2015	31,357,194.48	82.00	382,404.16	74.41	28,452,994.74
2016	38,451,693.17	82.00	468,922.29	75.29	35,303,613.48
2017	45,276,685.23	82.00	552,153.76	76.17	42,058,144.00
2018	73,780,577.07	82.00	899,761.61	77.06	69,334,418.03
2019	53,082,641.00	82.00	647,348.19	77.95	50,461,339.08
2020	78,977,475.47	82.00	963,138.32	78.85	75,938,879.72
2021	31,267,391.68	82.00	381,309.01	79.74	30,406,598.25
2022	38,039,872.81	82.00	463,900.10	80.64	37,410,330.52
2023	227,207,007.89	82.00	2,770,812.49	81.55	225,949,782.42
Total	961,474,232.54	82.00	11,725,275.70	74.01	867,767,472.91

Composite Average Remaining Life ... 74.01 Years

PGS
Gas Division
377.00 Compressor Equipment

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 35 *Survivor Curve:* R2

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
2021	19,091,947.57	35.00	545,480.64	32.76	17,867,709.46
2022	95,350.33	35.00	2,724.28	33.65	91,667.03
Total	19,187,297.90	35.00	548,204.92	32.76	17,959,376.48

Composite Average Remaining Life ... 32.76 Years

PGS
Gas Division
378.00 Meas. & Reg. Sta. Eq - General

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 40 *Survivor Curve:* R1.5

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
1958	3,861.28	40.00	96.53	4.24	408.93
1959	6,455.78	40.00	161.39	4.48	723.18
1960	12,071.38	40.00	301.78	4.74	1,430.25
1962	3,353.00	40.00	83.82	5.27	441.87
1963	435.95	40.00	10.90	5.54	60.43
1964	4,861.24	40.00	121.53	5.83	708.23
1965	1,796.62	40.00	44.91	6.11	274.52
1966	6,188.37	40.00	154.71	6.41	990.95
1967	2,204.78	40.00	55.12	6.70	369.34
1968	17,987.04	40.00	449.67	7.00	3,149.82
1969	10,152.27	40.00	253.80	7.31	1,855.89
1970	2,281.93	40.00	57.05	7.63	435.21
1971	4,116.25	40.00	102.90	7.95	818.19
1972	4,904.64	40.00	122.61	8.28	1,015.59
1973	11,865.37	40.00	296.63	8.62	2,557.54
1974	12,521.18	40.00	313.02	8.97	2,808.39
1975	13,009.55	40.00	325.23	9.33	3,034.69
1976	34,048.38	40.00	851.20	9.70	8,257.59
1977	21,624.56	40.00	540.61	10.08	5,450.58
1978	725.61	40.00	18.14	10.48	190.02
1979	26,955.36	40.00	673.87	10.88	7,332.20
1980	24,918.38	40.00	622.95	11.30	7,038.18
1981	30,905.24	40.00	772.62	11.73	9,061.82
1982	18,096.58	40.00	452.41	12.17	5,506.54
1983	11,984.00	40.00	299.60	12.63	3,783.37
1984	113,815.57	40.00	2,845.34	13.10	37,266.20
1985	28,594.60	40.00	714.85	13.58	9,707.91

PGS
Gas Division
378.00 Meas. & Reg. Sta. Eq - General

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 40 *Survivor Curve:* R1.5

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
1986	63,250.70	40.00	1,581.24	14.08	22,256.73
1987	80,532.61	40.00	2,013.28	14.58	29,363.29
1988	23,149.66	40.00	578.73	15.11	8,742.31
1989	60,319.96	40.00	1,507.97	15.64	23,586.44
1990	88,392.95	40.00	2,209.79	16.19	35,771.62
1991	65,295.08	40.00	1,632.35	16.75	27,338.92
1992	78,841.10	40.00	1,970.99	17.32	34,136.86
1993	152,375.45	40.00	3,809.32	17.90	68,203.39
1994	178,216.59	40.00	4,455.34	18.50	82,421.94
1995	123,989.87	40.00	3,099.70	19.11	59,227.82
1996	102,023.78	40.00	2,550.55	19.73	50,311.32
1997	98,561.99	40.00	2,464.01	20.36	50,157.13
1998	254,246.31	40.00	6,356.05	21.00	133,448.89
1999	487,152.63	40.00	12,178.61	21.65	263,627.92
2000	164,900.43	40.00	4,122.44	22.31	91,958.65
2001	774,670.69	40.00	19,366.45	22.98	444,997.48
2002	344,875.97	40.00	8,621.76	23.66	203,963.85
2003	352,362.69	40.00	8,808.92	24.35	214,463.25
2004	129,549.57	40.00	3,238.69	25.04	81,106.36
2005	217,180.49	40.00	5,429.42	25.75	139,803.36
2006	121,820.04	40.00	3,045.45	26.46	80,589.92
2007	366,208.40	40.00	9,155.06	27.18	248,872.94
2008	142,509.41	40.00	3,562.68	27.91	99,442.66
2009	517,632.34	40.00	12,940.59	28.65	370,727.20
2010	321,507.76	40.00	8,037.56	29.39	236,225.68
2011	666,370.71	40.00	16,658.99	30.14	502,090.68
2012	2,369,059.25	40.00	59,225.50	30.89	1,829,699.26

PGS

Gas Division

378.00 Meas. & Reg. Sta. Eq - General

Original Cost Of Utility Plant In Service

And Development Of Composite Remaining Life as of December 31, 2023

Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 40 *Survivor Curve:* R1.5

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
2013	1,294,693.44	40.00	32,366.80	31.66	1,024,573.96
2014	1,387,932.14	40.00	34,697.73	32.42	1,124,955.50
2015	1,366,134.00	40.00	34,152.79	33.19	1,133,696.18
2016	1,293,894.37	40.00	32,346.82	33.97	1,098,926.50
2017	1,222,336.23	40.00	30,557.90	34.76	1,062,141.09
2018	1,427,896.11	40.00	35,696.81	35.55	1,268,968.39
2019	1,486,548.86	40.00	37,163.11	36.35	1,350,704.14
2020	2,207,938.55	40.00	55,197.55	37.15	2,050,432.86
2021	732,413.23	40.00	18,310.03	37.96	694,967.35
2022	934,794.95	40.00	23,369.49	38.77	906,011.71
2023	21,743.29	40.00	543.57	39.59	21,519.46
Total	22,151,056.51	40.00	553,767.25	31.21	17,284,110.46

Composite Average Remaining Life ... 31.21 Years

PGS
Gas Division
379.00 Meas. & Reg. - City Gate

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 60 *Survivor Curve:* R2

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
1992	374,766.08	60.00	6,246.09	33.97	212,165.67
1993	939,251.71	60.00	15,654.16	34.70	543,228.87
1994	184,226.43	60.00	3,070.43	35.44	108,824.31
1995	33,548.79	60.00	559.15	36.19	20,235.47
1996	20,975.94	60.00	349.60	36.94	12,915.30
1997	850,589.27	60.00	14,176.45	37.70	534,520.18
1998	66,630.46	60.00	1,110.50	38.47	42,722.04
1999	438,437.77	60.00	7,307.28	39.25	286,781.90
2000	578,125.42	60.00	9,635.40	40.03	385,679.60
2001	721,310.69	60.00	12,021.81	40.81	490,666.00
2002	71,617.72	60.00	1,193.63	41.61	49,663.54
2003	782,606.35	60.00	13,043.41	42.41	553,137.36
2004	851,804.90	60.00	14,196.71	43.21	613,464.18
2005	573,393.95	60.00	9,556.54	44.02	420,719.91
2006	170,020.62	60.00	2,833.67	44.84	127,068.45
2007	1,433,160.00	60.00	23,885.94	45.66	1,090,737.03
2008	2,190,610.46	60.00	36,510.08	46.49	1,697,510.91
2009	5,389,411.56	60.00	89,823.30	47.33	4,251,286.77
2010	1,680,854.49	60.00	28,014.17	48.17	1,349,396.74
2011	1,757,563.31	60.00	29,292.65	49.01	1,435,771.14
2012	5,305,481.27	60.00	88,424.47	49.87	4,409,377.32
2013	6,437,673.35	60.00	107,294.29	50.72	5,442,207.13
2014	921,727.06	60.00	15,362.08	51.58	792,419.96
2015	1,279,711.09	60.00	21,328.46	52.45	1,118,666.81
2016	6,217,087.71	60.00	103,617.87	53.32	5,524,854.96
2017	9,905,033.88	60.00	165,083.48	54.20	8,946,886.10
2018	8,329,388.41	60.00	138,822.79	55.08	7,645,962.94

PGS

Gas Division

379.00 Meas. & Reg. - City Gate

Original Cost Of Utility Plant In Service

And Development Of Composite Remaining Life as of December 31, 2023

Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: **60** *Survivor Curve:* **R2**

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
2019	5,731,102.74	60.00	95,518.14	55.96	5,345,433.39
2020	6,487,290.28	60.00	108,121.23	56.85	6,146,882.57
2021	13,736,237.61	60.00	228,936.72	57.75	13,220,243.92
2022	11,129,230.19	60.00	185,486.70	58.64	10,877,652.55
2023	21,433,447.27	60.00	357,223.22	59.55	21,271,602.13
Total	116,022,316.78	60.00	1,933,700.41	54.28	104,968,685.14

Composite Average Remaining Life ... 54.28 Years

PGS
Gas Division
380.00 Services - Steel

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: **52** *Survivor Curve:* **R0.5**

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
1930	1,242.38	52.00	23.89	4.96	118.39
1932	1,402.61	52.00	26.97	5.82	156.87
1933	157.80	52.00	3.03	6.24	18.93
1934	84.24	52.00	1.62	6.65	10.78
1935	103.11	52.00	1.98	7.07	14.01
1936	2,038.16	52.00	39.19	7.47	292.94
1937	59.60	52.00	1.15	7.88	9.03
1938	2,962.28	52.00	56.97	8.28	471.74
1939	1,710.51	52.00	32.89	8.68	285.62
1940	81.07	52.00	1.56	9.08	14.16
1941	4,729.75	52.00	90.95	9.48	861.99
1942	8,296.66	52.00	159.55	9.87	1,575.19
1943	17,809.83	52.00	342.49	10.27	3,516.75
1944	5,546.35	52.00	106.66	10.66	1,137.36
1945	127.48	52.00	2.45	11.06	27.11
1946	17,282.78	52.00	332.35	11.46	3,807.41
1947	4,023.91	52.00	77.38	11.85	917.23
1948	40,407.84	52.00	777.06	12.25	9,520.67
1949	16,287.73	52.00	313.22	12.65	3,963.02
1950	11,168.13	52.00	214.77	13.05	2,803.73
1951	8,833.85	52.00	169.88	13.46	2,286.37
1952	17,254.91	52.00	331.82	13.87	4,600.77
1953	7,647.47	52.00	147.06	14.27	2,099.30
1954	18,214.09	52.00	350.26	14.69	5,143.99
1955	18,368.15	52.00	353.23	15.10	5,333.77
1956	65,169.81	52.00	1,253.24	15.52	19,446.88
1957	102,028.47	52.00	1,962.04	15.94	31,270.21

PGS
Gas Division
380.00 Services - Steel

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 52 *Survivor Curve:* R0.5

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
1958	197,644.32	52.00	3,800.77	16.36	62,184.87
1959	1,055,736.48	52.00	20,302.16	16.79	340,834.83
1960	420,949.10	52.00	8,094.99	17.22	139,384.41
1961	169,007.38	52.00	3,250.07	17.65	57,372.58
1962	173,420.77	52.00	3,334.94	18.09	60,331.10
1963	181,908.15	52.00	3,498.15	18.53	64,828.99
1964	251,214.54	52.00	4,830.94	18.98	91,681.59
1965	213,189.43	52.00	4,099.70	19.43	79,647.04
1966	585,399.57	52.00	11,257.43	19.88	223,811.99
1967	625,501.99	52.00	12,028.61	20.34	244,652.43
1968	454,367.57	52.00	8,737.64	20.80	181,755.03
1969	473,081.02	52.00	9,097.50	21.27	193,484.40
1970	358,544.46	52.00	6,894.93	21.74	149,886.48
1971	568,804.89	52.00	10,938.31	22.21	242,981.82
1972	718,089.58	52.00	13,809.10	22.69	313,375.88
1973	1,103,856.42	52.00	21,227.52	23.18	492,000.00
1974	1,002,722.32	52.00	19,282.68	23.67	456,342.64
1975	650,802.50	52.00	12,515.15	24.16	302,351.82
1976	448,302.96	52.00	8,621.01	24.66	212,562.20
1977	377,370.85	52.00	7,256.97	25.16	182,571.90
1978	715,074.81	52.00	13,751.12	25.66	352,915.52
1979	633,218.64	52.00	12,177.00	26.17	318,729.33
1980	255,934.82	52.00	4,921.71	26.69	131,360.37
1981	555,812.49	52.00	10,688.46	27.21	290,828.97
1982	470,461.40	52.00	9,047.13	27.73	250,909.54
1983	422,534.67	52.00	8,125.48	28.26	229,641.27
1984	466,380.12	52.00	8,968.64	28.79	258,246.22

PGS
Gas Division
380.00 Services - Steel

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 52 *Survivor Curve:* R0.5

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
1985	674,867.18	52.00	12,977.92	29.33	380,655.02
1986	517,340.04	52.00	9,948.62	29.87	297,181.86
1987	592,113.65	52.00	11,386.54	30.42	346,336.93
1988	692,496.56	52.00	13,316.94	30.96	412,357.77
1989	762,659.44	52.00	14,666.19	31.52	462,238.33
1990	842,641.67	52.00	16,204.28	32.07	519,724.56
1991	1,137,030.36	52.00	21,865.47	32.63	713,518.44
1992	960,446.61	52.00	18,469.71	33.20	613,108.61
1993	870,876.44	52.00	16,747.24	33.76	565,417.24
1994	946,759.92	52.00	18,206.51	34.33	625,055.18
1995	601,123.08	52.00	11,559.80	34.90	403,483.52
1996	556,872.81	52.00	10,708.85	35.48	379,944.73
1997	922,458.66	52.00	17,739.18	36.06	639,634.32
1998	1,140,921.68	52.00	21,940.30	36.64	803,858.38
1999	1,130,735.10	52.00	21,744.41	37.22	809,361.10
2000	2,148,333.76	52.00	41,313.17	37.81	1,561,924.06
2001	43,906.43	52.00	844.34	38.39	32,417.71
2002	1,232,262.96	52.00	23,696.82	38.98	923,790.57
2003	744,756.26	52.00	14,321.91	39.57	566,787.53
2004	626,229.59	52.00	12,042.60	40.17	483,722.82
2005	712,481.44	52.00	13,701.25	40.76	558,484.05
2006	745,953.09	52.00	14,344.92	41.36	593,267.04
2007	1,142,254.01	52.00	21,965.92	41.95	921,565.32
2008	1,100,388.30	52.00	21,160.83	42.55	900,447.88
2009	884,794.49	52.00	17,014.89	43.15	734,226.78
2010	873,693.91	52.00	16,801.42	43.75	735,106.68
2011	816,752.87	52.00	15,706.43	44.35	696,651.10

PGS
Gas Division
380.00 Services - Steel

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 52 *Survivor Curve:* R0.5

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
2012	1,424,623.53	52.00	27,395.98	44.96	1,231,660.33
2013	2,136,022.76	52.00	41,076.42	45.56	1,871,533.24
2014	1,827,716.68	52.00	35,147.60	46.17	1,622,699.42
2015	1,643,450.00	52.00	31,604.09	46.78	1,478,297.00
2016	2,914,108.93	52.00	56,039.28	47.38	2,655,384.26
2017	2,566,769.58	52.00	49,359.83	47.99	2,368,987.56
2018	2,092,595.06	52.00	40,241.29	48.61	1,955,977.48
2019	3,084,133.29	52.00	59,308.90	49.22	2,919,171.49
2020	4,322,446.40	52.00	83,122.07	49.83	4,142,385.65
2021	3,452,917.57	52.00	66,400.75	50.45	3,350,035.88
2022	5,277,037.96	52.00	101,479.18	51.07	5,182,570.14
Total	68,085,342.29	52.00	1,309,303.62	39.32	51,483,347.46

Composite Average Remaining Life ... 39.32 Years

PGS
Gas Division
380.02 Services - Plastic

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 62 *Survivor Curve:* R2

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
1981	480,379.85	62.00	7,748.04	28.21	218,570.99
1982	1,200,463.74	62.00	19,362.27	28.87	558,969.12
1983	1,383,346.29	62.00	22,311.98	29.54	658,994.76
1984	1,386,418.34	62.00	22,361.53	30.21	675,495.53
1985	1,754,453.59	62.00	28,297.57	30.89	874,128.84
1986	2,463,685.46	62.00	39,736.76	31.58	1,254,898.01
1987	2,663,338.87	62.00	42,956.97	32.28	1,386,494.29
1988	3,232,091.47	62.00	52,130.38	32.98	1,719,337.57
1989	2,931,766.99	62.00	47,286.45	33.69	1,593,168.02
1990	3,839,374.61	62.00	61,925.24	34.41	2,130,970.74
1991	3,654,743.39	62.00	58,947.33	35.14	2,071,325.43
1992	3,616,386.29	62.00	58,328.66	35.87	2,092,297.53
1993	4,886,374.05	62.00	78,812.29	36.61	2,885,453.85
1994	4,973,523.98	62.00	80,217.93	37.36	2,996,717.67
1995	4,686,480.86	62.00	75,588.21	38.11	2,880,815.51
1996	4,978,692.44	62.00	80,301.29	38.87	3,121,528.36
1997	5,793,613.74	62.00	93,445.15	39.64	3,704,019.27
1998	5,783,972.90	62.00	93,289.65	40.41	3,770,058.97
1999	7,483,457.89	62.00	120,700.63	41.19	4,971,707.17
2000	22,372,714.65	62.00	360,849.33	41.98	15,147,438.31
2001	2,636,333.21	62.00	42,521.40	42.77	1,818,619.17
2002	9,561,016.31	62.00	154,209.55	43.57	6,718,331.56
2003	10,675,414.15	62.00	172,183.67	44.37	7,639,926.28
2004	10,785,749.57	62.00	173,963.27	45.18	7,859,772.61
2005	10,242,225.91	62.00	165,196.78	46.00	7,598,266.23
2006	10,833,211.64	62.00	174,728.78	46.82	8,180,233.86
2007	9,570,012.07	62.00	154,354.65	47.64	7,353,789.75

PGS
Gas Division
380.02 Services - Plastic

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 62 *Survivor Curve:* R2

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
2008	7,961,666.09	62.00	128,413.65	48.47	6,224,845.17
2009	6,158,919.27	62.00	99,337.16	49.31	4,898,575.50
2010	8,235,451.83	62.00	132,829.54	50.15	6,661,997.76
2011	9,120,883.86	62.00	147,110.66	51.00	7,503,066.99
2012	11,400,806.61	62.00	183,883.52	51.85	9,535,223.30
2013	13,640,697.21	62.00	220,010.69	52.71	11,597,514.36
2014	16,039,838.69	62.00	258,706.43	53.58	13,860,609.40
2015	17,667,666.34	62.00	284,961.65	54.44	15,514,303.24
2016	24,706,396.63	62.00	398,489.27	55.32	22,043,001.19
2017	25,325,870.02	62.00	408,480.75	56.19	22,954,005.42
2018	42,070,531.10	62.00	678,555.25	57.07	38,728,317.77
2019	41,279,315.60	62.00	665,793.74	57.96	38,590,091.37
2020	49,738,113.32	62.00	802,225.62	58.85	47,211,463.26
2021	54,543,732.35	62.00	879,735.41	59.75	52,560,465.03
2022	62,233,681.32	62.00	1,003,766.54	60.64	60,873,140.43
2023	66,087,725.83	62.00	1,065,928.39	61.55	65,604,727.60
Total	610,080,538.33	62.00	9,839,984.02	53.48	526,242,677.21

Composite Average Remaining Life ... 53.48 *Years*

PGS
Gas Division
381.00 Meters

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 20 *Survivor Curve:* R2

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
1999	87,559.89	20.00	4,377.91	3.69	16,174.49
2000	4,241,241.44	20.00	212,057.87	4.06	860,306.73
2002	2,433,788.38	20.00	121,687.01	4.86	591,575.40
2003	2,680,422.50	20.00	134,018.47	5.31	711,153.03
2004	2,552,262.56	20.00	127,610.60	5.78	737,717.08
2005	2,881,541.76	20.00	144,074.23	6.28	905,501.45
2006	3,243,483.56	20.00	162,170.96	6.82	1,106,000.93
2007	2,734,232.59	20.00	136,708.92	7.38	1,009,294.87
2008	3,289,624.18	20.00	164,477.95	7.98	1,311,802.46
2009	1,718,648.02	20.00	85,930.70	8.59	738,509.75
2010	5,179,866.36	20.00	258,988.18	9.24	2,393,261.93
2011	8,431,805.29	20.00	421,581.90	9.91	4,178,346.44
2012	4,915,452.76	20.00	245,767.76	10.61	2,606,837.56
2013	2,991,226.10	20.00	149,558.34	11.32	1,693,637.26
2014	2,359,484.58	20.00	117,971.89	12.06	1,423,304.30
2015	4,293,558.73	20.00	214,673.68	12.82	2,753,156.60
2016	3,923,394.52	20.00	196,165.84	13.61	2,669,021.27
2017	5,069,819.48	20.00	253,485.95	14.40	3,651,418.07
2018	3,781,157.14	20.00	189,054.11	15.22	2,877,830.25
2019	5,992,488.05	20.00	299,618.46	16.06	4,810,915.77
2020	4,880,024.69	20.00	243,996.39	16.91	4,125,491.24
2021	6,363,475.80	20.00	318,167.48	17.77	5,655,003.76
2022	7,955,614.29	20.00	397,772.82	18.65	7,420,287.05
2023	7,270,521.61	20.00	363,518.87	19.55	7,106,175.68

PGS
Gas Division
381.00 Meters

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 20 *Survivor Curve:* R2

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
Total	99,270,694.28	20.00	4,963,436.27	12.36	61,352,723.38

Composite Average Remaining Life ... 12.36 Years

PGS

Gas Division

382.00 Meter Installations

Original Cost Of Utility Plant In Service

And Development Of Composite Remaining Life as of December 31, 2023

Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 55 *Survivor Curve:* R0.5

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
1978	115,134.54	55.00	2,093.31	28.49	59,646.54
1979	261,103.99	55.00	4,747.25	29.02	137,744.18
1980	589,644.05	55.00	10,720.58	29.54	316,700.42
1981	349,363.34	55.00	6,351.93	30.07	191,009.46
1982	317,266.29	55.00	5,768.36	30.60	176,539.23
1983	403,951.26	55.00	7,344.41	31.14	228,717.97
1984	332,099.58	55.00	6,038.05	31.68	191,305.65
1985	466,387.68	55.00	8,479.60	32.23	273,286.21
1986	250,344.31	55.00	4,551.62	32.78	149,191.21
1987	277,394.91	55.00	5,043.44	33.33	168,098.21
1988	284,334.36	55.00	5,169.61	33.89	175,173.77
1989	310,063.90	55.00	5,637.41	34.44	194,179.61
1990	401,454.80	55.00	7,299.03	35.01	255,521.19
1991	356,198.10	55.00	6,476.19	35.57	230,380.22
1992	422,953.73	55.00	7,689.91	36.14	277,930.13
1993	548,952.93	55.00	9,980.75	36.71	366,431.83
1994	890,223.38	55.00	16,185.54	37.29	603,522.18
1995	759,707.64	55.00	13,812.58	37.86	523,012.49
1996	400,813.82	55.00	7,287.37	38.44	280,160.00
1997	706,298.75	55.00	12,841.53	39.03	501,160.27
1998	909,280.63	55.00	16,532.03	39.61	654,844.02
1999	2,960,143.64	55.00	53,819.66	40.20	2,163,348.12
2000	3,555,689.47	55.00	64,647.54	40.78	2,636,615.76
2001	860.30	55.00	15.64	41.37	647.16
2002	1,936,021.23	55.00	35,199.65	41.97	1,477,188.31
2003	2,356,242.93	55.00	42,839.88	42.56	1,823,225.06
2004	2,184,983.46	55.00	39,726.14	43.15	1,714,321.53

PGS
Gas Division
382.00 Meter Installations

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 55 *Survivor Curve:* R0.5

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
2005	2,891,763.22	55.00	52,576.41	43.75	2,300,158.71
2006	2,554,516.26	55.00	46,444.78	44.35	2,059,638.47
2007	2,126,369.48	55.00	38,660.45	44.94	1,737,562.41
2008	2,136,983.83	55.00	38,853.44	45.54	1,769,521.08
2009	2,030,124.35	55.00	36,910.58	46.14	1,703,197.97
2010	2,001,925.56	55.00	36,397.88	46.75	1,701,421.02
2011	2,197,867.62	55.00	39,960.39	47.35	1,892,043.21
2012	1,918,712.59	55.00	34,884.95	47.95	1,672,807.18
2013	1,834,052.00	55.00	33,345.70	48.56	1,619,185.04
2014	2,327,250.21	55.00	42,312.75	49.16	2,080,275.40
2015	2,450,705.72	55.00	44,557.35	49.77	2,217,724.55
2016	3,590,691.31	55.00	65,283.93	50.38	3,289,102.23
2017	3,370,499.49	55.00	61,280.52	50.99	3,124,851.62
2018	5,206,038.25	55.00	94,653.26	51.61	4,884,591.31
2019	5,760,374.36	55.00	104,731.88	52.22	5,469,005.86
2020	7,085,783.11	55.00	128,829.72	52.83	6,806,670.71
2021	8,410,531.63	55.00	152,915.55	53.45	8,173,524.46
2022	10,932,158.81	55.00	198,762.35	54.07	10,747,085.75
2023	14,647,230.45	55.00	266,307.69	54.69	14,564,469.89
Total	105,820,491.27	55.00	1,923,968.57	48.64	93,582,737.60

Composite Average Remaining Life ... 48.64 *Years*

PGS
Gas Division
383.00 House Regulators

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 42 *Survivor Curve:* S1.5

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
1973	97,553.70	42.00	2,322.71	9.02	20,958.77
1974	31,153.50	42.00	741.75	9.35	6,936.50
1975	32,725.68	42.00	779.18	9.69	7,547.05
1976	22,156.81	42.00	527.54	10.03	5,290.55
1977	45,144.00	42.00	1,074.86	10.38	11,156.68
1978	53,032.49	42.00	1,262.68	10.74	13,559.00
1979	48,170.29	42.00	1,146.91	11.11	12,738.03
1980	85,874.18	42.00	2,044.62	11.48	23,479.82
1981	117,688.66	42.00	2,802.11	11.87	33,261.86
1982	76,749.27	42.00	1,827.36	12.27	22,416.61
1983	59,468.89	42.00	1,415.93	12.67	17,946.39
1984	129,589.29	42.00	3,085.46	13.09	40,397.87
1985	182,310.15	42.00	4,340.72	13.52	58,697.38
1986	264,406.53	42.00	6,295.39	13.96	87,912.21
1987	277,179.63	42.00	6,599.52	14.42	95,153.57
1988	197,396.53	42.00	4,699.92	14.88	69,955.82
1989	175,379.78	42.00	4,175.71	15.37	64,161.36
1990	263,731.37	42.00	6,279.32	15.86	99,581.96
1991	361,257.71	42.00	8,601.37	16.37	140,782.95
1992	249,601.69	42.00	5,942.90	16.89	100,375.39
1993	392,196.25	42.00	9,338.01	17.43	162,735.31
1994	365,650.80	42.00	8,705.97	17.98	156,551.21
1995	338,080.91	42.00	8,049.55	18.55	149,329.49
1996	374,216.61	42.00	8,909.92	19.14	170,522.06
1997	606,083.75	42.00	14,430.57	19.74	284,881.75
1998	478,111.94	42.00	11,383.62	20.36	231,787.35
1999	565,894.18	42.00	13,473.67	21.00	282,963.74

PGS
Gas Division
383.00 House Regulators

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 42 *Survivor Curve:* S1.5

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
2000	1,068,379.65	42.00	25,437.61	21.66	550,910.79
2001	38,881.09	42.00	925.74	22.33	20,672.90
2002	297,269.75	42.00	7,077.85	23.03	162,978.16
2003	207,937.86	42.00	4,950.90	23.74	117,525.18
2004	300,837.45	42.00	7,162.80	24.47	175,277.28
2005	382,854.95	42.00	9,115.59	25.22	229,898.94
2006	465,635.50	42.00	11,086.56	25.99	288,124.81
2007	508,391.03	42.00	12,104.55	26.78	324,137.05
2008	529,731.42	42.00	12,612.65	27.58	347,910.32
2009	657,038.13	42.00	15,643.77	28.41	444,411.01
2010	576,915.57	42.00	13,736.09	29.25	401,820.17
2011	762,531.28	42.00	18,155.51	30.11	546,711.46
2012	647,202.85	42.00	15,409.59	30.99	477,560.58
2013	624,879.44	42.00	14,878.08	31.88	474,379.52
2014	673,543.25	42.00	16,036.74	32.79	525,891.16
2015	492,213.31	42.00	11,719.37	33.72	395,150.73
2016	651,105.68	42.00	15,502.52	34.65	537,236.45
2017	698,193.88	42.00	16,623.66	35.61	591,891.72
2018	575,744.87	42.00	13,708.21	36.57	501,264.94
2019	779,945.35	42.00	18,570.13	37.54	697,089.31
2020	515,586.03	42.00	12,275.86	38.52	472,859.81
2021	868,691.52	42.00	20,683.13	39.51	817,141.17
2022	1,638,332.48	42.00	39,007.92	40.50	1,579,883.15
2023	914,170.27	42.00	21,765.96	41.50	903,289.78

PGS

Gas Division

383.00 House Regulators

Original Cost Of Utility Plant In Service

And Development Of Composite Remaining Life as of December 31, 2023

Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 42 *Survivor Curve:* S1.5

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
Total	20,766,817.20	42.00	494,448.05	28.22	13,955,097.05

Composite Average Remaining Life ... 28.22 Years

PGS
Gas Division
384.00 House Regulator Installations

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 47 *Survivor Curve:* R1.5

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
1958	2,829.11	47.00	60.19	8.14	489.85
1959	21,695.01	47.00	461.59	8.45	3,898.26
1960	9,552.76	47.00	203.25	8.76	1,780.06
1961	5,605.81	47.00	119.27	9.08	1,082.61
1962	30,396.61	47.00	646.73	9.40	6,080.57
1963	4,372.31	47.00	93.03	9.73	905.54
1964	4,963.21	47.00	105.60	10.07	1,063.77
1965	3,694.46	47.00	78.60	10.42	819.05
1966	4,903.56	47.00	104.33	10.78	1,124.24
1967	4,619.18	47.00	98.28	11.14	1,094.89
1968	2,622.74	47.00	55.80	11.51	642.54
1969	6,340.25	47.00	134.90	11.90	1,605.05
1970	6,544.32	47.00	139.24	12.29	1,711.52
1971	13,928.55	47.00	296.35	12.70	3,762.40
1972	12,165.82	47.00	258.84	13.11	3,393.51
1973	38,660.97	47.00	822.56	13.54	11,134.08
1974	23,369.85	47.00	497.22	13.97	6,947.21
1975	28,854.75	47.00	613.92	14.42	8,852.24
1976	25,776.54	47.00	548.43	14.88	8,159.19
1977	28,484.48	47.00	606.04	15.35	9,300.78
1978	40,674.45	47.00	865.40	15.83	13,696.88
1979	39,274.40	47.00	835.61	16.32	13,636.22
1980	70,727.09	47.00	1,504.81	16.82	25,313.22
1981	64,988.36	47.00	1,382.71	17.34	23,971.75
1982	75,868.65	47.00	1,614.20	17.86	28,832.59
1983	87,337.01	47.00	1,858.21	18.40	34,186.74
1984	127,971.21	47.00	2,722.76	18.94	51,580.73

PGS
Gas Division
384.00 House Regulator Installations

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 47 *Survivor Curve:* R1.5

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
1985	170,597.53	47.00	3,629.69	19.50	70,784.50
1986	146,511.46	47.00	3,117.22	20.07	62,560.30
1987	147,729.25	47.00	3,143.13	20.65	64,896.97
1988	196,784.29	47.00	4,186.84	21.24	88,909.02
1989	232,637.44	47.00	4,949.67	21.84	108,076.62
1990	353,261.45	47.00	7,516.10	22.44	168,685.51
1991	208,658.58	47.00	4,439.48	23.06	102,378.26
1992	301,050.49	47.00	6,405.24	23.69	151,726.09
1993	276,917.36	47.00	5,891.78	24.32	143,310.75
1994	347,172.16	47.00	7,386.54	24.97	184,433.08
1995	353,198.32	47.00	7,514.76	25.62	192,546.25
1996	459,277.08	47.00	9,771.72	26.28	256,844.48
1997	485,085.41	47.00	10,320.83	26.96	278,212.03
1998	383,996.61	47.00	8,170.03	27.63	225,777.36
1999	471,049.24	47.00	10,022.19	28.32	283,838.21
2000	1,069,154.91	47.00	22,747.67	29.01	660,014.20
2002	781,013.24	47.00	16,617.08	30.42	505,543.93
2003	1,190,767.25	47.00	25,335.13	31.14	788,875.90
2004	874,870.58	47.00	18,614.02	31.86	593,037.03
2005	919,834.48	47.00	19,570.68	32.59	637,751.33
2006	1,557,909.68	47.00	33,146.57	33.32	1,104,457.45
2007	877,182.82	47.00	18,663.21	34.06	635,659.80
2008	732,920.04	47.00	15,593.83	34.80	542,730.04
2009	686,919.72	47.00	14,615.12	35.55	519,628.13
2010	671,129.47	47.00	14,279.16	36.31	518,467.44
2011	738,173.99	47.00	15,705.62	37.07	582,203.08
2012	1,151,122.04	47.00	24,491.63	37.84	926,668.56

PGS
Gas Division
384.00 House Regulator Installations

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 47 *Survivor Curve:* R1.5

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
2013	1,316,985.86	47.00	28,020.60	38.61	1,081,786.17
2014	776,896.66	47.00	16,529.49	39.38	650,973.31
2015	817,036.65	47.00	17,383.53	40.16	698,178.92
2016	1,198,676.73	47.00	25,503.42	40.95	1,044,338.56
2017	1,120,608.94	47.00	23,842.42	41.74	995,174.55
2018	1,755,541.61	47.00	37,351.45	42.54	1,588,755.25
2019	1,920,126.15	47.00	40,853.20	43.34	1,770,409.57
2020	2,242,163.20	47.00	47,704.96	44.14	2,105,807.56
2021	4,440,943.29	47.00	94,486.89	44.95	4,247,459.60
2022	6,517,029.49	47.00	138,658.34	45.77	6,346,163.86
Total	38,677,154.93	47.00	822,907.15	37.90	31,192,129.22

Composite Average Remaining Life ... 37.90 Years

PGS
Gas Division
385.00 Ind. Meas. & Reg. Sta. Equip

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 39 *Survivor Curve:* R2.5

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
1969	930.64	39.00	23.86	4.41	105.18
1970	5,759.09	39.00	147.67	4.64	684.94
1971	6,882.95	39.00	176.49	4.88	861.42
1972	711.03	39.00	18.23	5.12	93.39
1974	8,987.32	39.00	230.44	5.64	1,298.74
1975	3,536.71	39.00	90.68	5.91	535.58
1976	1,302.27	39.00	33.39	6.19	206.72
1977	6,344.39	39.00	162.68	6.49	1,055.39
1979	301.47	39.00	7.73	7.13	55.14
1980	4,431.19	39.00	113.62	7.48	850.33
1981	29,721.03	39.00	762.07	7.85	5,985.74
1982	86,063.71	39.00	2,206.75	8.25	18,198.34
1983	88,578.93	39.00	2,271.24	8.66	19,669.46
1984	114,096.57	39.00	2,925.54	9.10	26,612.86
1985	176,580.69	39.00	4,527.69	9.55	43,260.19
1986	354,147.05	39.00	9,080.65	10.04	91,136.35
1987	229,133.04	39.00	5,875.18	10.54	61,914.59
1988	502,416.81	39.00	12,882.42	11.06	142,535.94
1989	269,563.17	39.00	6,911.84	11.61	80,253.01
1990	660,172.69	39.00	16,927.43	12.18	206,124.66
1991	328,532.16	39.00	8,423.86	12.76	107,523.30
1992	234,841.10	39.00	6,021.54	13.37	80,500.35
1993	352,865.07	39.00	9,047.78	13.99	126,609.01
1994	656,860.00	39.00	16,842.49	14.63	246,463.20
1995	207,956.66	39.00	5,332.20	15.29	81,541.80
1996	238,512.58	39.00	6,115.68	15.96	97,635.73
1997	292,567.29	39.00	7,501.69	16.66	124,941.56

PGS
Gas Division
385.00 Ind. Meas. & Reg. Sta. Equip
Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 39 *Survivor Curve:* R2.5

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
1998	359,267.11	39.00	9,211.94	17.36	159,913.06
1999	472,881.47	39.00	12,125.11	18.08	219,179.32
2000	695,612.81	39.00	17,836.14	18.81	335,472.42
2001	68,811.04	39.00	1,764.38	19.55	34,497.71
2002	212,974.43	39.00	5,460.86	20.31	110,912.74
2003	600,207.40	39.00	15,389.86	21.08	324,407.00
2004	176,234.88	39.00	4,518.82	21.86	98,790.29
2005	307,717.42	39.00	7,890.15	22.66	178,757.37
2006	426,246.06	39.00	10,929.34	23.46	256,403.37
2007	100,970.91	39.00	2,588.99	24.28	62,851.24
2008	36,582.05	39.00	938.00	25.10	23,545.91
2013	102,723.49	39.00	2,633.92	29.38	77,392.75
2014	1,327.53	39.00	34.04	30.27	1,030.24
2016	599,736.89	39.00	15,377.80	32.06	492,950.51
2017	463.33	39.00	11.88	32.96	391.59
2018	394,881.58	39.00	10,125.12	33.87	342,984.92
2019	5,547,454.90	39.00	142,241.79	34.79	4,949,076.95
2020	74,719.59	39.00	1,915.88	35.72	68,433.48
2021	9,121.38	39.00	233.88	36.65	8,571.78
2022	147,096.76	39.00	3,771.69	37.59	141,764.31
Total	15,196,826.64	39.00	389,660.45	24.26	9,453,979.88

Composite Average Remaining Life ... 24.26 Years

PGS
Gas Division
387.00 Other Equipment

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 27 *Survivor Curve:* L1.5

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
1975	4,654.44	27.00	172.38	6.36	1,096.54
1977	9,036.84	27.00	334.69	6.78	2,268.77
1979	2,403.28	27.00	89.01	7.22	642.22
1981	1,900.94	27.00	70.40	7.67	539.80
1982	880.94	27.00	32.63	7.90	257.78
1983	1,376.02	27.00	50.96	8.14	414.69
1985	1,881.03	27.00	69.67	8.62	600.74
1986	7,400.34	27.00	274.08	8.87	2,431.16
1988	4,612.16	27.00	170.81	9.37	1,601.31
1989	2,004.48	27.00	74.24	9.63	715.00
1990	8,597.36	27.00	318.41	9.89	3,148.66
1991	17,681.57	27.00	654.85	10.15	6,645.40
1992	16,379.55	27.00	606.63	10.41	6,314.67
1993	21,490.94	27.00	795.93	10.67	8,493.14
1994	41,201.18	27.00	1,525.92	10.93	16,683.15
1995	26,792.02	27.00	992.26	11.20	11,111.47
1996	35,736.37	27.00	1,323.52	11.46	15,172.02
1997	79,003.23	27.00	2,925.95	11.73	34,325.42
1998	33,665.10	27.00	1,246.81	12.00	14,965.90
1999	79,657.95	27.00	2,950.19	12.28	36,231.11
2000	156,360.82	27.00	5,790.94	12.56	72,762.52
2001	96,049.08	27.00	3,557.25	12.86	45,740.23
2002	78,107.23	27.00	2,892.76	13.16	38,079.79
2003	190,802.76	27.00	7,066.53	13.48	95,283.21
2004	202,102.66	27.00	7,485.03	13.82	103,455.18
2005	139,566.21	27.00	5,168.94	14.18	73,296.45
2006	346,776.93	27.00	12,843.15	14.56	187,041.80

PGS

Gas Division

387.00 Other Equipment

Original Cost Of Utility Plant In Service

And Development Of Composite Remaining Life as of December 31, 2023

Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 27 *Survivor Curve:* L1.5

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
2007	329,322.35	27.00	12,196.71	14.97	182,638.97
2008	148,017.06	27.00	5,481.93	15.42	84,508.26
2009	668,413.77	27.00	24,755.22	15.89	393,387.29
2010	539,022.11	27.00	19,963.10	16.41	327,538.69
2011	536,464.85	27.00	19,868.39	16.97	337,079.81
2012	520,523.51	27.00	19,277.99	17.57	338,638.39
2013	307,418.80	27.00	11,385.49	18.21	207,346.78
2014	1,084,921.98	27.00	40,180.92	18.90	759,271.33
2015	491,827.70	27.00	18,215.22	19.62	357,314.88
2016	497,048.71	27.00	18,408.58	20.37	374,946.78
2017	625,901.17	27.00	23,180.73	21.15	490,367.19
2018	1,520,325.52	27.00	56,306.43	21.97	1,237,235.72
2019	1,243,321.68	27.00	46,047.38	22.82	1,050,995.59
2020	984,702.63	27.00	36,469.22	23.71	864,616.77
2021	1,821,650.02	27.00	67,466.21	24.62	1,661,062.34
2022	506,839.74	27.00	18,771.20	25.56	479,745.27
Total	13,431,843.03	27.00	497,458.65	19.95	9,926,012.19

Composite Average Remaining Life ... *19.95 Years*

PGS
Gas Division
390.00 Structures & Improvements

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 25 *Survivor Curve:* L0

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
2007	25,115.11	25.00	1,004.62	17.10	17,176.81
2008	2,319.30	25.00	92.77	17.45	1,619.03
2009	9,582.32	25.00	383.30	17.81	6,827.47
2012	50,788.77	25.00	2,031.57	18.94	38,480.55
2015	18,604.02	25.00	744.17	20.16	15,006.10
2016	12,393.52	25.00	495.75	20.60	10,214.84
2023	544,265.86	25.00	21,770.86	24.58	535,086.41
Total	663,068.90	25.00	26,523.04	23.54	624,411.21

Composite Average Remaining Life ... 23.54 Years

PGS

Gas Division

391.00 Office Furniture

Original Cost Of Utility Plant In Service

And Development Of Composite Remaining Life as of December 31, 2023

Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 17 *Survivor Curve:* SQ

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
2006	79,485.00	0.00	0.00	0.00	0.00
2007	118,417.47	17.00	6,965.73	0.50	3,482.87
2009	19,483.57	17.00	1,146.09	2.50	2,865.23
2010	40,633.46	17.00	2,390.20	3.50	8,365.71
2011	271,246.45	17.00	15,955.67	4.50	71,800.53
2012	46,697.45	17.00	2,746.91	5.50	15,108.00
2013	54,887.66	17.00	3,228.69	6.50	20,986.46
2014	17,304.09	17.00	1,017.89	7.50	7,634.16
2015	52,030.62	17.00	3,060.62	8.50	26,015.31
2016	305,779.16	17.00	17,987.01	9.50	170,876.59
2017	91,250.94	17.00	5,367.70	10.50	56,360.87
2018	575,028.36	17.00	33,825.20	11.50	388,989.77
2019	135,016.50	17.00	7,942.15	12.50	99,276.84
2020	71,253.88	17.00	4,191.40	13.50	56,583.96
2022	31,734.79	17.00	1,866.75	15.50	28,934.66
2023	241,700.33	17.00	14,217.67	16.50	234,591.50
Total	2,151,949.73	15.94	121,909.69	9.78	1,191,872.46

Composite Average Remaining Life ... 9.78 Years

PGS

Gas Division

391.01 Computer Equipment

Original Cost Of Utility Plant In Service

And Development Of Composite Remaining Life as of December 31, 2023

Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 9 *Survivor Curve:* SQ

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
2012	57,597.38	0.00	0.00	0.00	0.00
2013	100,249.64	0.00	0.00	0.00	0.00
2014	431,635.95	0.00	0.00	0.00	0.00
2015	574,371.25	9.00	63,819.03	0.50	31,909.51
2016	175,832.21	9.00	19,536.91	1.50	29,305.37
2017	11,535.38	9.00	1,281.71	2.50	3,204.27
2018	82,269.73	9.00	9,141.08	3.50	31,993.78
2019	1,630,801.36	9.00	181,200.15	4.50	815,400.68
2020	138,455.00	9.00	15,383.89	5.50	84,611.39
2021	8,106.39	9.00	900.71	6.50	5,854.62
2022	47,509.97	9.00	5,278.89	7.50	39,591.64
2023	2,673,941.60	9.00	297,104.62	8.50	2,525,389.29
Total	5,932,305.86	6.75	593,646.99	6.01	3,567,260.55

Composite Average Remaining Life ... 6.01 Years

PGS
Gas Division
391.02 Office Equipment

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 15 *Survivor Curve:* SQ

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
2002	9,275.92	0.00	0.00	0.00	0.00
2004	50,945.45	0.00	0.00	0.00	0.00
2005	15,753.72	0.00	0.00	0.00	0.00
2006	10,052.63	0.00	0.00	0.00	0.00
2007	100,172.03	0.00	0.00	0.00	0.00
2008	3,705.13	0.00	0.00	0.00	0.00
2009	3,389.84	15.00	225.99	0.50	112.99
2010	11,701.77	15.00	780.12	1.50	1,170.18
2011	277,041.59	15.00	18,469.44	2.50	46,173.60
2012	9,286.13	15.00	619.08	3.50	2,166.76
2013	257,470.04	15.00	17,164.67	4.50	77,241.01
2014	15,220.50	15.00	1,014.70	5.50	5,580.85
2015	32,576.23	15.00	2,171.75	6.50	14,116.37
2016	65,264.69	15.00	4,350.98	7.50	32,632.35
2017	443,681.45	15.00	29,578.76	8.50	251,419.49
2018	16,931.70	15.00	1,128.78	9.50	10,723.41
2019	123,272.16	15.00	8,218.14	10.50	86,290.51
2020	16,678.31	15.00	1,111.89	11.50	12,786.70
2022	67,254.50	15.00	4,483.63	13.50	60,529.05
Total	1,529,673.79	10.26	89,317.93	6.73	600,943.27

Composite Average Remaining Life ... 6.73 Years

PGS

Gas Division

392.01 Vehicles up to 1/2 Tons

Original Cost Of Utility Plant In Service

And Development Of Composite Remaining Life as of December 31, 2023

Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: *8* *Survivor Curve:* *L2*

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
2001	36,755.44	0.00	0.00	0.00	0.00
2002	42,654.92	8.00	5,331.82	0.50	2,665.91
2004	74,529.36	8.00	9,316.09	0.70	6,517.60
2005	22,425.81	8.00	2,803.20	0.85	2,384.74
2006	87,562.88	8.00	10,945.26	1.02	11,157.75
2007	37,028.73	8.00	4,628.55	1.20	5,547.97
2008	71,314.79	8.00	8,914.27	1.39	12,394.22
2009	246,695.29	8.00	30,836.64	1.59	49,106.30
2010	424,184.03	8.00	53,022.54	1.81	95,855.63
2011	504,980.21	8.00	63,121.97	2.04	128,499.25
2012	152,253.16	8.00	19,031.48	2.28	43,327.38
2013	742,667.23	8.00	92,832.59	2.52	234,380.07
2014	168,286.89	8.00	21,035.68	2.77	58,335.44
2015	1,016,083.21	8.00	127,009.29	3.01	382,864.47
2016	792,209.89	8.00	99,025.37	3.25	322,206.35
2017	740,847.12	8.00	92,605.08	3.51	325,346.92
2018	332,369.98	8.00	41,545.88	3.84	159,373.36
2019	644,561.13	8.00	80,569.44	4.28	344,727.20
2020	905,277.36	8.00	113,158.68	4.89	553,507.10
2021	444,941.58	8.00	55,617.21	5.67	315,394.06
2022	1,724,117.87	8.00	215,512.85	6.55	1,410,888.62
2023	6,169,828.38	8.00	771,221.79	7.50	5,785,906.80
Total	15,381,575.26	7.64	1,918,085.68	5.34	10,250,387.14

Composite Average Remaining Life ... 5.34 Years

PGS

Gas Division

392.02 Vehicles from 1/2 - 1 Tons

Original Cost Of Utility Plant In Service

And Development Of Composite Remaining Life as of December 31, 2023

Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 10 *Survivor Curve:* L3

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
1999	28,303.89	0.00	0.00	0.00	0.00
2002	50,180.97	10.00	5,018.18	0.61	3,043.30
2005	34,520.57	10.00	3,452.11	1.12	3,882.57
2006	24,202.13	10.00	2,420.25	1.33	3,222.35
2007	147,650.81	10.00	14,765.31	1.55	22,918.74
2008	73,253.51	10.00	7,325.47	1.79	13,093.13
2010	274,641.56	10.00	27,464.58	2.29	62,953.57
2011	427,348.14	10.00	42,735.48	2.54	108,608.46
2012	164,947.66	10.00	16,495.02	2.76	45,556.08
2013	543,449.20	10.00	54,345.77	2.94	159,936.95
2014	540,415.86	10.00	54,042.43	3.11	168,137.06
2015	792,939.60	10.00	79,295.19	3.33	264,048.43
2016	1,068,257.92	10.00	106,827.45	3.67	392,127.85
2017	1,279,351.26	10.00	127,937.12	4.18	535,070.23
2018	1,935,383.29	10.00	193,541.34	4.87	942,261.88
2019	3,533,710.60	10.00	353,376.56	5.68	2,008,782.84
2020	2,150,749.91	10.00	215,078.34	6.58	1,414,447.03
2021	2,259,093.98	10.00	225,912.91	7.52	1,698,751.86
2022	2,475,253.83	10.00	247,529.24	8.50	2,104,272.99
Total	17,803,654.69	9.47	1,777,562.74	5.60	9,951,115.31

Composite Average Remaining Life ... *5.60* *Years*

PGS
Gas Division
392.04 Trailers & Other

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 30 *Survivor Curve:* R1.5

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
1974	927.68	30.00	30.92	3.09	95.68
1976	1,425.84	30.00	47.53	3.59	170.73
1978	3,068.00	30.00	102.26	4.13	422.57
1982	6,121.82	30.00	204.06	5.30	1,080.58
1984	1,671.80	30.00	55.73	5.93	330.31
1986	1,577.73	30.00	52.59	6.60	347.11
1987	4,914.45	30.00	163.81	6.96	1,139.52
1988	6,252.55	30.00	208.41	7.33	1,526.81
1990	3,623.68	30.00	120.79	8.11	979.79
1991	6,535.40	30.00	217.84	8.53	1,858.04
1994	34,745.96	30.00	1,158.17	9.88	11,448.36
1995	7,475.00	30.00	249.16	10.37	2,584.17
1996	58,319.86	30.00	1,943.95	10.88	21,141.26
1997	14,299.11	30.00	476.63	11.40	5,432.39
1998	14,707.84	30.00	490.25	11.94	5,851.67
1999	5,017.64	30.00	167.25	12.49	2,089.16
2000	6,398.95	30.00	213.29	13.06	2,786.41
2001	19,226.38	30.00	640.86	13.65	8,748.75
2003	4,435.24	30.00	147.84	14.87	2,198.91
2004	3,983.48	30.00	132.78	15.51	2,058.97
2005	4,071.00	30.00	135.70	16.15	2,191.97
2006	3,047.57	30.00	101.58	16.81	1,708.08
2007	11,864.93	30.00	395.49	17.49	6,916.23
2008	6,491.02	30.00	216.36	18.17	3,931.98
2009	4,641.83	30.00	154.72	18.87	2,919.80
2010	2,115.26	30.00	70.51	19.58	1,380.47
2011	63,338.54	30.00	2,111.23	20.30	42,853.07

PGS
Gas Division
392.04 Trailers & Other

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: *30* *Survivor Curve:* *R1.5*

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
2012	3,189.24	30.00	106.31	21.03	2,235.25
2013	13,995.21	30.00	466.50	21.76	10,152.97
2014	818,004.33	30.00	27,266.15	22.51	613,777.21
2015	5,738.84	30.00	191.29	23.27	4,450.52
2016	23,325.99	30.00	777.51	24.03	18,682.57
2017	94,323.73	30.00	3,144.05	24.80	77,969.82
2018	20,800.90	30.00	693.35	25.58	17,734.65
2019	1,077,081.04	30.00	35,901.83	26.36	946,546.06
2020	895,773.72	30.00	29,858.40	27.16	810,925.70
2021	29,471.59	30.00	982.36	27.96	27,468.46
2022	14,459.36	30.00	481.97	28.77	13,866.89
2023	1,315,163.56	30.00	43,837.73	29.59	1,297,106.76
Total	4,611,626.07	30.00	153,717.15	25.86	3,975,109.69

Composite Average Remaining Life ... 25.86 Years

PGS
Gas Division
392.05 Vehicles over 1 Ton

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 13 *Survivor Curve:* L2

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
1992	46,758.60	13.00	3,596.81	1.05	3,774.16
2005	10,202.86	13.00	784.83	3.72	2,917.65
2006	120,234.03	13.00	9,248.76	3.97	36,701.06
2007	71,334.69	13.00	5,487.28	4.22	23,150.41
2010	8,912.49	13.00	685.58	4.95	3,394.94
2013	67,792.77	13.00	5,214.82	5.71	29,775.17
2014	134,191.32	13.00	10,322.39	6.02	62,140.25
2015	576,414.01	13.00	44,339.47	6.39	283,399.55
2016	202,698.33	13.00	15,592.15	6.85	106,750.58
2018	130,825.56	13.00	10,063.49	8.08	81,299.60
2019	623,444.40	13.00	47,957.19	8.85	424,489.65
2020	571,330.17	13.00	43,948.41	9.69	425,881.23
Total	2,564,139.23	13.00	197,241.17	7.52	1,483,674.25

Composite Average Remaining Life ... 7.52 *Years*

PGS
Gas Division
393.00 Stores Equipment

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 24 *Survivor Curve:* SQ

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
2012	1,283.39	24.00	53.47	12.50	668.43
Total	1,283.39	24.00	53.47	12.50	668.43

Composite Average Remaining Life ... 12.50 Years

PGS
Gas Division
394.00 Tools, Shop & Garage Equip

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 18 *Survivor Curve:* SQ

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
2004	76,064.16	0.00	0.00	0.00	0.00
2005	102,633.27	0.00	0.00	0.00	0.00
2006	102,556.61	18.00	5,697.59	0.50	2,848.79
2007	120,829.00	18.00	6,712.72	1.50	10,069.08
2008	77,877.13	18.00	4,326.51	2.50	10,816.27
2009	211,344.45	18.00	11,741.36	3.50	41,094.75
2010	165,917.15	18.00	9,217.62	4.50	41,479.29
2011	370,307.52	18.00	20,572.64	5.50	113,149.52
2012	160,080.34	18.00	8,893.35	6.50	57,806.79
2013	386,884.17	18.00	21,493.57	7.50	161,201.74
2014	1,471,365.89	18.00	81,742.55	8.50	694,811.67
2015	2,693,626.21	18.00	149,645.90	9.50	1,421,636.06
2016	303,818.81	18.00	16,878.82	10.50	177,227.64
2017	131,580.30	18.00	7,310.02	11.50	84,065.19
2018	185,617.32	18.00	10,312.07	12.50	128,900.92
2019	169,435.99	18.00	9,413.11	13.50	127,076.99
2020	138,839.27	18.00	7,713.29	14.50	111,842.75
2021	43,089.54	18.00	2,393.86	15.50	37,104.88
2022	70,095.72	18.00	3,894.21	16.50	64,254.41
2023	1,605,734.51	18.00	89,207.47	17.50	1,561,130.77
Total	8,587,697.36	16.20	467,166.66	10.37	4,846,517.51

Composite Average Remaining Life ... *10.37 Years*

PGS

Gas Division

394.01 CNC Station Equipment

Original Cost Of Utility Plant In Service

And Development Of Composite Remaining Life as of December 31, 2023

Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 20 *Survivor Curve:* SQ

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
2011	6,679.97	20.00	334.00	7.50	2,504.99
2012	2,413.68	20.00	120.68	8.50	1,025.81
2013	20,727.47	20.00	1,036.37	9.50	9,845.55
2016	1,431,845.14	20.00	71,592.26	12.50	894,903.21
2019	1,095,156.28	20.00	54,757.81	15.50	848,746.12
2020	24,427.55	20.00	1,221.38	16.50	20,152.73
2022	4,788.56	20.00	239.43	18.50	4,429.42
2023	655,754.14	20.00	32,787.71	19.50	639,360.29
Total	3,241,792.79	20.00	162,089.64	14.94	2,420,968.11

Composite Average Remaining Life ... 14.94 Years

PGS
Gas Division
396.00 Power Operated Equipment

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 18 *Survivor Curve:* L1.5

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
1986	10,424.95	18.00	579.14	3.27	1,891.35
1987	7,895.18	18.00	438.60	3.45	1,511.13
1990	20,504.84	18.00	1,139.11	4.01	4,571.38
1992	42,733.64	18.00	2,374.00	4.42	10,496.55
1993	3,931.53	18.00	218.41	4.63	1,012.22
1994	62,179.31	18.00	3,454.27	4.85	16,769.51
1995	43,250.67	18.00	2,402.72	5.08	12,206.56
1996	76,843.92	18.00	4,268.94	5.31	22,681.76
1997	42,989.34	18.00	2,388.20	5.55	13,257.22
1998	194,264.20	18.00	10,792.03	5.80	62,548.75
1999	12,270.42	18.00	681.66	6.04	4,120.27
2000	36,993.15	18.00	2,055.09	6.30	12,943.97
2001	55,638.93	18.00	3,090.93	6.55	20,259.91
2002	58,640.06	18.00	3,257.65	6.81	22,196.56
2004	49,850.67	18.00	2,769.37	7.34	20,319.83
2005	5,104.27	18.00	283.56	7.60	2,155.73
2006	41,545.76	18.00	2,308.01	7.87	18,164.69
2007	9,061.03	18.00	503.37	8.14	4,099.89
2008	74,752.28	18.00	4,152.74	8.43	35,002.38
2009	86,902.71	18.00	4,827.74	8.73	42,135.82
2010	218,585.51	18.00	12,143.16	9.05	109,867.46
2011	225,949.51	18.00	12,552.26	9.40	117,935.78
2012	79,155.79	18.00	4,397.37	9.78	42,999.78
2013	76,102.52	18.00	4,227.75	10.20	43,140.31
2014	926,640.52	18.00	51,478.01	10.68	549,766.56
2015	22,819.81	18.00	1,267.72	11.22	14,219.23
2016	78,520.43	18.00	4,362.08	11.82	51,547.03

PGS
Gas Division
396.00 Power Operated Equipment

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 18 *Survivor Curve:* L1.5

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
2017	91,302.21	18.00	5,072.15	12.48	63,311.58
2018	212,537.04	18.00	11,807.15	13.20	155,865.89
2019	76,294.87	18.00	4,238.44	13.97	59,212.47
2020	74,102.89	18.00	4,116.67	14.79	60,882.64
2021	48,793.21	18.00	2,710.63	15.66	42,439.10
2022	10,696.08	18.00	594.20	16.57	9,845.22
2023	484,735.74	18.00	26,928.71	17.52	471,700.39
Total	3,562,012.99	18.00	197,881.85	10.72	2,121,078.92

Composite Average Remaining Life ... 10.72 *Years*

PGS

Gas Division

397.00 Communication Equipment

Original Cost Of Utility Plant In Service

And Development Of Composite Remaining Life as of December 31, 2023

Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 13 *Survivor Curve:* SQ

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
2008	16,712.04	0.00	0.00	0.00	0.00
2009	513,040.36	0.00	0.00	0.00	0.00
2010	274,684.70	0.00	0.00	0.00	0.00
2011	559,751.33	13.00	43,057.79	0.50	21,528.90
2012	178,355.18	13.00	13,719.63	1.50	20,579.44
2013	799,377.33	13.00	61,490.56	2.50	153,726.41
2014	63,729.73	13.00	4,902.29	3.50	17,158.00
2016	163,127.93	13.00	12,548.30	5.50	69,015.66
2017	386,579.78	13.00	29,736.91	6.50	193,289.89
2023	59,905.99	13.00	4,608.15	12.50	57,601.91
Total	3,015,264.37	9.10	170,063.64	3.13	532,900.22

Composite Average Remaining Life ... 3.13 *Years*

PGS

Gas Division

398.00 Miscellaneous Equipment

Original Cost Of Utility Plant In Service

And Development Of Composite Remaining Life as of December 31, 2023

Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 20 *Survivor Curve:* SQ

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
2003	48,826.15	0.00	0.00	0.00	0.00
2004	3,032.14	20.00	151.61	0.50	75.80
2006	38,674.55	20.00	1,933.73	2.50	4,834.32
2007	3,361.02	20.00	168.05	3.50	588.18
2008	2,887.48	20.00	144.37	4.50	649.68
2010	5,655.92	20.00	282.80	6.50	1,838.17
2011	20,642.52	20.00	1,032.13	7.50	7,740.95
2012	1,158.35	20.00	57.92	8.50	492.30
2013	655.68	20.00	32.78	9.50	311.45
2014	10,833.74	20.00	541.69	10.50	5,687.71
2015	8,249.33	20.00	412.47	11.50	4,743.36
2016	4,275.45	20.00	213.77	12.50	2,672.16
2019	9,100.79	20.00	455.04	15.50	7,053.11
2020	8,108.69	20.00	405.43	16.50	6,689.67
2023	583,815.16	20.00	29,190.76	19.50	569,219.78
Total	749,276.97	18.67	35,022.54	17.49	612,596.65

Composite Average Remaining Life ... 17.49 Years

PGS

Gas Division

303.00 Misc. Intangible Plant

Original Cost Of Utility Plant In Service

And Development Of Composite Remaining Life as of December 31, 2023

Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 25 *Survivor Curve:* SQ

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
1993	280,914.31	0.00	0.00	0.00	0.00
1995	246,442.67	0.00	0.00	0.00	0.00
1997	287,968.09	0.00	0.00	0.00	0.00
Total	815,325.07	0.00	0.00	#Num!	0.00

Composite Average Remaining Life ... #Nu *Years*

PGS
Gas Division
303.01 Custom Intangible Plant

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 15 *Survivor Curve:* SQ

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
2001	802,351.27	0.00	0.00	0.00	0.00
2002	1,434,764.12	0.00	0.00	0.00	0.00
2003	29,233.07	0.00	0.00	0.00	0.00
2004	130,041.41	0.00	0.00	0.00	0.00
2005	173,913.05	0.00	0.00	0.00	0.00
2006	371,049.12	0.00	0.00	0.00	0.00
2007	122,538.29	0.00	0.00	0.00	0.00
2009	3,203,016.29	15.00	213,534.42	0.50	106,767.21
2010	1,703,606.70	15.00	113,573.78	1.50	170,360.67
2011	2,758,629.14	15.00	183,908.61	2.50	459,771.52
2012	7,542,446.68	15.00	502,829.78	3.50	1,759,904.23
2013	720,847.71	15.00	48,056.51	4.50	216,254.31
2014	1,362,236.89	15.00	90,815.79	5.50	499,486.86
2015	4,290,931.54	15.00	286,062.10	6.50	1,859,403.67
2016	1,962,769.57	15.00	130,851.30	7.50	981,384.79
2017	404,501.34	15.00	26,966.76	8.50	229,217.43
2018	2,495,160.72	15.00	166,344.05	9.50	1,580,268.46
2019	2,714,500.03	15.00	180,966.67	10.50	1,900,150.02
2020	16,288,279.03	15.00	1,085,885.27	11.50	12,487,680.59
2021	6,333,965.16	15.00	422,264.34	12.50	5,278,304.30
2022	6,856,246.60	15.00	457,083.11	13.50	6,170,621.94
2023	48,825,616.26	15.00	3,255,041.08	14.50	47,198,095.72
Total	110,526,643.99	10.23	7,164,183.58	11.29	80,897,671.70

Composite Average Remaining Life ... 11.29 Years

PGS

Gas Division

336.00 Renewable Natural Gas (RNG)

Original Cost Of Utility Plant In Service

And Development Of Composite Remaining Life as of December 31, 2023

Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 30 *Survivor Curve:* R2

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
2023	16,109,646.34	30.00	536,983.07	29.55	15,866,617.37
Total	16,109,646.34	30.00	536,983.07	29.55	15,866,617.37

Composite Average Remaining Life ... 29.55 Years

PGS
Gas Division
364.00 Liquified Natural Gas (LNG)

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: *30* *Survivor Curve:* *R2*

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
2023	1,485,380.05	30.00	49,512.19	29.55	1,462,971.71
Total	1,485,380.05	30.00	49,512.19	29.55	1,462,971.71

Composite Average Remaining Life ... 29.55 Years

PGS
Gas Division
374.02 Land Rights

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 75 *Survivor Curve:* SQ

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
1959	8,763.01	75.00	116.84	10.50	1,226.82
1960	1,079.04	75.00	14.39	11.50	165.45
1962	1,233.71	75.00	16.45	13.50	222.07
1963	8,082.60	75.00	107.77	14.50	1,562.64
1964	8,772.19	75.00	116.96	15.50	1,812.92
1965	35,291.61	75.00	470.55	16.50	7,764.15
1966	10,891.57	75.00	145.22	17.50	2,541.37
1967	27,128.87	75.00	361.72	18.50	6,691.79
1968	76,841.25	75.00	1,024.55	19.50	19,978.73
1969	127,678.07	75.00	1,702.37	20.50	34,898.67
1970	116,665.02	75.00	1,555.53	21.50	33,443.97
1971	98,904.72	75.00	1,318.73	22.50	29,671.42
1972	124,757.77	75.00	1,663.44	23.50	39,090.77
1973	15,101.53	75.00	201.35	24.50	4,933.17
1974	14,682.24	75.00	195.76	25.50	4,991.96
1975	10,955.04	75.00	146.07	26.50	3,870.78
1981	54.26	75.00	0.72	32.50	23.51
1991	12,084.68	75.00	161.13	42.50	6,847.99
1993	12,037.50	75.00	160.50	44.50	7,142.25
1994	6,611.77	75.00	88.16	45.50	4,011.14
1996	227,583.17	75.00	3,034.44	47.50	144,136.01
1999	122,559.84	75.00	1,634.13	50.50	82,523.63
2000	16,248.02	75.00	216.64	51.50	11,156.97
2002	62,802.66	75.00	837.37	53.50	44,799.23
2004	109,828.54	75.00	1,464.38	55.50	81,273.12
2005	46,539.37	75.00	620.52	56.50	35,059.66
2006	12,725.40	75.00	169.67	57.50	9,756.14

PGS

Gas Division

374.02 Land Rights

Original Cost Of Utility Plant In Service

And Development Of Composite Remaining Life as of December 31, 2023

Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 75 *Survivor Curve:* SQ

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
2008	54,867.33	75.00	731.56	59.50	43,528.08
2009	121,055.42	75.00	1,614.07	60.50	97,651.37
2010	67,325.50	75.00	897.67	61.50	55,206.91
2012	70,879.62	75.00	945.06	63.50	60,011.41
2013	30,114.25	75.00	401.52	64.50	25,898.26
2014	267,914.88	75.00	3,572.20	65.50	233,979.00
2015	895,642.50	75.00	11,941.90	66.50	794,136.35
2016	1,072,853.70	75.00	14,304.72	67.50	965,568.33
2017	311,775.23	75.00	4,157.00	68.50	284,754.71
2018	60,540.78	75.00	807.21	69.50	56,101.12
Total	4,268,872.66	75.00	56,918.30	56.86	3,236,431.85

Composite Average Remaining Life ... 56.86 Years

PGS
Gas Division
375.00 Structures & Improvements

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 33 *Survivor Curve:* L0

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
1966	2,326.05	33.00	70.49	12.81	902.93
1967	21,241.06	33.00	643.68	13.02	8,383.25
1969	234.00	33.00	7.09	13.46	95.45
1971	437.90	33.00	13.27	13.91	184.56
1973	1,173.70	33.00	35.57	14.37	510.99
1974	168,528.22	33.00	5,106.98	14.60	74,565.73
1975	20,476.77	33.00	620.52	14.84	9,207.07
1976	10,471.11	33.00	317.31	15.08	4,784.38
1978	195,399.03	33.00	5,921.26	15.57	92,181.41
1980	9,583.74	33.00	290.42	16.07	4,667.39
1981	152,191.20	33.00	4,611.92	16.33	75,303.21
1982	1,324.83	33.00	40.15	16.59	665.97
1983	43,012.57	33.00	1,303.43	16.85	21,965.79
1984	190,895.62	33.00	5,784.79	17.12	99,035.63
1985	94,469.78	33.00	2,862.76	17.39	49,787.53
1986	2,014,205.16	33.00	61,037.33	17.67	1,078,331.15
1987	60,992.18	33.00	1,848.27	17.95	33,169.08
1988	44,231.55	33.00	1,340.37	18.23	24,433.89
1989	10,310.76	33.00	312.45	18.52	5,785.53
1990	261,229.83	33.00	7,916.16	18.81	148,888.10
1991	34,420.61	33.00	1,043.06	19.10	19,925.98
1992	74,776.08	33.00	2,265.97	19.40	43,967.86
1993	579,915.72	33.00	17,573.44	19.71	346,340.29
1994	522,640.75	33.00	15,837.81	20.02	317,030.97
1995	198,793.97	33.00	6,024.14	20.33	122,477.74
1996	124,991.81	33.00	3,787.68	20.65	78,214.44
1997	195,678.27	33.00	5,929.72	20.97	124,364.34

PGS

Gas Division

375.00 Structures & Improvements

Original Cost Of Utility Plant In Service

And Development Of Composite Remaining Life as of December 31, 2023

Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 33 *Survivor Curve:* L0

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
1998	50,657.11	33.00	1,535.08	21.30	32,699.31
1999	385,489.97	33.00	11,681.67	21.63	252,728.14
2000	451,653.38	33.00	13,686.65	21.97	300,736.57
2001	2,041,211.79	33.00	61,855.72	22.32	1,380,409.59
2002	1,449,154.67	33.00	43,914.36	22.67	995,342.37
2003	1,299,753.91	33.00	39,387.01	23.02	906,684.20
2004	87,478.33	33.00	2,650.89	23.38	61,977.25
2005	113,895.84	33.00	3,451.43	23.75	81,955.23
2006	1,110,118.65	33.00	33,640.41	24.12	811,289.08
2007	1,060,829.90	33.00	32,146.79	24.49	787,390.53
2008	260,913.77	33.00	7,906.58	24.88	196,690.25
2009	397,892.62	33.00	12,057.51	25.27	304,658.90
2010	964,875.45	33.00	29,239.04	25.67	750,454.85
2011	197,577.82	33.00	5,987.29	26.08	156,120.67
2012	130,812.33	33.00	3,964.06	26.50	105,032.16
2013	27,683.14	33.00	838.89	26.93	22,591.32
2014	100,117.90	33.00	3,033.92	27.38	83,063.54
2015	415,971.22	33.00	12,605.36	27.84	350,973.61
2016	6,223,006.58	33.00	188,578.46	28.33	5,341,783.71
2017	980,589.42	33.00	29,715.23	28.83	856,715.16
2018	488,977.42	33.00	14,817.69	29.36	435,032.14
2019	1,536,081.73	33.00	46,548.55	29.91	1,392,486.44
2020	317,815.47	33.00	9,630.90	30.50	293,772.97
2021	275,473.39	33.00	8,347.79	31.13	259,880.24
2022	706,644.96	33.00	21,413.77	31.81	681,208.43
2023	5,278,050.99	33.00	159,943.06	32.57	5,208,748.85

PGS
Gas Division
375.00 Structures & Improvements

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 33 *Survivor Curve:* L0

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
Total	31,386,680.03	33.00	951,124.16	26.11	24,835,596.17

Composite Average Remaining Life ... 26.11 Years

PGS
Gas Division
376.00 Mains - Steel

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 65 *Survivor Curve:* R1.5

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
1952	60,742.65	65.00	934.49	18.01	16,833.26
1953	147,668.98	65.00	2,271.81	18.44	41,880.97
1954	136,957.85	65.00	2,107.02	18.86	39,747.61
1955	103,607.12	65.00	1,593.94	19.30	30,766.30
1956	245,928.86	65.00	3,783.48	19.75	74,712.47
1957	338,124.32	65.00	5,201.86	20.20	105,082.03
1958	1,637,628.63	65.00	25,194.02	20.66	520,551.46
1959	1,864,660.07	65.00	28,686.78	21.13	606,204.91
1960	2,271,714.20	65.00	34,949.09	21.61	755,202.33
1961	488,769.68	65.00	7,519.46	22.10	166,143.70
1962	586,111.82	65.00	9,017.01	22.59	203,675.37
1963	688,981.37	65.00	10,599.60	23.09	244,753.14
1964	900,359.68	65.00	13,851.54	23.60	326,887.66
1965	1,031,992.36	65.00	15,876.64	24.12	382,920.24
1966	864,612.42	65.00	13,301.59	24.64	327,814.46
1967	1,654,475.77	65.00	25,453.21	25.18	640,856.34
1968	2,399,997.00	65.00	36,922.65	25.72	949,649.96
1969	1,680,713.46	65.00	25,856.86	26.27	679,220.00
1970	2,280,716.86	65.00	35,087.59	26.83	941,267.92
1971	1,731,354.86	65.00	26,635.95	27.39	729,554.15
1972	1,826,425.84	65.00	28,098.57	27.96	785,717.55
1973	2,967,031.95	65.00	45,646.17	28.54	1,302,799.84
1974	3,379,567.11	65.00	51,992.80	29.13	1,514,513.95
1975	2,327,388.00	65.00	35,805.60	29.72	1,064,217.50
1976	1,782,562.20	65.00	27,423.75	30.32	831,616.43
1977	1,523,530.52	65.00	23,438.69	30.93	724,994.12
1978	3,089,228.06	65.00	47,526.09	31.55	1,499,364.07

PGS
Gas Division
376.00 Mains - Steel

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 65 *Survivor Curve:* R1.5

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
1979	3,198,732.22	65.00	49,210.75	32.17	1,583,152.24
1980	2,603,156.43	65.00	40,048.14	32.80	1,313,540.39
1981	4,298,462.59	65.00	66,129.50	33.44	2,211,048.19
1982	2,316,681.39	65.00	35,640.88	34.08	1,214,507.24
1983	2,577,191.76	65.00	39,648.69	34.73	1,376,813.83
1984	2,912,319.08	65.00	44,804.44	35.38	1,585,133.21
1985	2,225,592.44	65.00	34,239.53	36.04	1,234,010.20
1986	7,785,582.62	65.00	119,776.95	36.71	4,396,546.34
1987	2,781,812.57	65.00	42,796.67	37.38	1,599,726.85
1988	5,462,988.12	65.00	84,045.10	38.06	3,198,487.62
1989	3,272,556.61	65.00	50,346.50	38.74	1,950,517.68
1990	3,606,303.17	65.00	55,481.01	39.43	2,187,615.30
1991	13,714,329.25	65.00	210,987.48	40.13	8,466,083.46
1992	3,164,410.09	65.00	48,682.73	40.83	1,987,542.07
1993	3,468,298.06	65.00	53,357.88	41.53	2,216,005.04
1994	3,643,372.72	65.00	56,051.30	42.24	2,367,696.29
1995	7,665,962.38	65.00	117,936.65	42.96	5,066,066.98
1996	3,389,592.79	65.00	52,147.04	43.68	2,277,577.92
1997	5,123,444.37	65.00	78,821.40	44.40	3,499,630.16
1998	12,946,362.83	65.00	199,172.74	45.13	8,988,437.42
1999	28,143,824.90	65.00	432,977.41	45.86	19,856,762.28
2000	17,050,968.49	65.00	262,319.86	46.60	12,223,827.27
2001	18,221,210.97	65.00	280,323.40	47.34	13,270,309.97
2002	7,192,891.70	65.00	110,658.72	48.09	5,321,071.86
2003	6,676,236.91	65.00	102,710.27	48.83	5,015,712.58
2004	3,582,034.99	65.00	55,107.66	49.59	2,732,653.16
2005	3,502,683.06	65.00	53,886.87	50.34	2,712,913.93

PGS

Gas Division

376.00 Mains - Steel

Original Cost Of Utility Plant In Service

And Development Of Composite Remaining Life as of December 31, 2023

Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 65 *Survivor Curve:* R1.5

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
2006	5,975,408.91	65.00	91,928.41	51.10	4,697,969.15
2007	4,182,324.87	65.00	64,342.79	51.87	3,337,410.04
2008	5,045,352.28	65.00	77,620.00	52.64	4,085,646.07
2009	26,291,133.81	65.00	404,474.77	53.41	21,602,397.67
2010	27,833,077.36	65.00	428,196.73	54.18	23,201,003.63
2011	12,473,481.30	65.00	191,897.71	54.96	10,547,165.54
2012	14,835,653.58	65.00	228,238.45	55.74	12,722,960.61
2013	36,108,503.88	65.00	555,509.66	56.53	31,403,450.34
2014	16,693,976.66	65.00	256,827.74	57.32	14,721,305.84
2015	8,681,159.00	65.00	133,554.90	58.11	7,761,380.38
2016	29,365,010.20	65.00	451,764.68	58.91	26,613,357.50
2017	25,014,029.72	65.00	384,827.22	59.71	22,978,437.91
2018	24,548,208.26	65.00	377,660.81	60.52	22,854,287.85
2019	29,404,985.10	65.00	452,379.67	61.32	27,741,094.80
2020	84,148,547.47	65.00	1,294,579.55	62.13	80,437,544.66
2021	106,265,901.86	65.00	1,634,843.00	62.95	102,910,631.60
2022	59,588,526.22	65.00	916,737.01	63.77	58,457,560.69
2023	91,298,946.50	65.00	1,404,584.55	64.59	90,719,557.44
Total	826,292,081.13	65.00	12,712,053.46	55.24	702,153,498.98

Composite Average Remaining Life ... 55.24 Years

PGS
Gas Division
376.02 Mains - Plastic

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 75 *Survivor Curve:* R2

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
1986	4,467,074.06	75.00	59,560.87	43.84	2,611,095.78
1987	4,162,947.95	75.00	55,505.86	44.58	2,474,508.21
1988	5,109,774.71	75.00	68,130.20	45.33	3,088,422.16
1989	4,475,620.18	75.00	59,674.82	46.08	2,750,099.43
1990	7,581,835.62	75.00	101,090.94	46.84	4,735,434.35
1991	3,499,272.57	75.00	46,656.88	47.61	2,221,323.63
1992	3,329,178.01	75.00	44,388.95	48.38	2,147,517.96
1993	6,142,817.81	75.00	81,904.08	49.15	4,025,923.23
1994	6,542,540.91	75.00	87,233.71	49.94	4,356,128.97
1995	7,486,976.82	75.00	99,826.16	50.72	5,063,349.34
1996	5,350,740.22	75.00	71,343.06	51.51	3,674,999.18
1997	8,036,782.17	75.00	107,156.89	52.31	5,605,262.88
1998	14,972,124.22	75.00	199,627.93	53.11	10,602,099.31
1999	19,584,429.75	75.00	261,125.22	53.91	14,078,334.58
2000	27,576,457.64	75.00	367,685.38	54.73	20,121,920.65
2001	21,121,786.01	75.00	281,623.26	55.54	15,641,555.85
2002	11,905,807.55	75.00	158,743.79	56.36	8,946,764.64
2003	8,943,896.33	75.00	119,251.72	57.19	6,819,474.10
2004	8,146,684.54	75.00	108,622.25	58.01	6,301,631.71
2005	6,249,606.44	75.00	83,327.92	58.85	4,903,594.22
2006	5,378,166.44	75.00	71,708.75	59.69	4,280,016.32
2007	6,910,147.34	75.00	92,135.12	60.53	5,576,759.53
2008	7,944,717.09	75.00	105,929.35	61.37	6,501,303.43
2009	18,994,275.92	75.00	253,256.52	62.23	15,759,125.05
2010	26,634,303.50	75.00	355,123.35	63.08	22,401,403.80
2011	24,071,220.66	75.00	320,948.98	63.94	20,521,181.02
2012	14,871,441.94	75.00	198,285.50	64.80	12,849,563.41

PGS
Gas Division
376.02 Mains - Plastic

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 75 *Survivor Curve:* R2

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
2013	26,258,034.18	75.00	350,106.44	65.67	22,991,556.11
2014	28,285,033.16	75.00	377,133.04	66.54	25,094,673.58
2015	31,357,194.48	75.00	418,095.11	67.42	28,186,554.76
2016	38,451,693.17	75.00	512,688.24	68.30	35,014,065.26
2017	45,276,685.23	75.00	603,687.95	69.18	41,761,272.99
2018	73,780,577.07	75.00	983,739.10	70.06	68,924,699.97
2019	53,082,641.00	75.00	707,767.16	70.95	50,218,522.37
2020	78,977,475.47	75.00	1,053,030.94	71.85	75,656,235.46
2021	31,267,391.68	75.00	416,897.74	72.74	30,326,723.77
2022	38,039,872.81	75.00	507,197.31	73.64	37,351,873.79
2023	227,207,007.89	75.00	3,029,420.84	74.55	225,833,100.39
Total	961,474,232.54	75.00	12,819,631.31	67.04	859,418,071.18

Composite Average Remaining Life ... 67.04 Years

PGS
Gas Division
377.00 Compressor Equipment

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 35 *Survivor Curve:* R2

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
2021	19,091,947.57	35.00	545,480.64	32.76	17,867,709.46
2022	95,350.33	35.00	2,724.28	33.65	91,667.03
Total	19,187,297.90	35.00	548,204.92	32.76	17,959,376.48

Composite Average Remaining Life ... 32.76 Years

PGS
Gas Division
378.00 Meas. & Reg. Sta. Eq - General

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 40   *Survivor Curve:* R1.5

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
1958	3,861.28	40.00	96.53	4.24	408.93
1959	6,455.78	40.00	161.39	4.48	723.18
1960	12,071.38	40.00	301.78	4.74	1,430.25
1962	3,353.00	40.00	83.82	5.27	441.87
1963	435.95	40.00	10.90	5.54	60.43
1964	4,861.24	40.00	121.53	5.83	708.23
1965	1,796.62	40.00	44.91	6.11	274.52
1966	6,188.37	40.00	154.71	6.41	990.95
1967	2,204.78	40.00	55.12	6.70	369.34
1968	17,987.04	40.00	449.67	7.00	3,149.82
1969	10,152.27	40.00	253.80	7.31	1,855.89
1970	2,281.93	40.00	57.05	7.63	435.21
1971	4,116.25	40.00	102.90	7.95	818.19
1972	4,904.64	40.00	122.61	8.28	1,015.59
1973	11,865.37	40.00	296.63	8.62	2,557.54
1974	12,521.18	40.00	313.02	8.97	2,808.39
1975	13,009.55	40.00	325.23	9.33	3,034.69
1976	34,048.38	40.00	851.20	9.70	8,257.59
1977	21,624.56	40.00	540.61	10.08	5,450.58
1978	725.61	40.00	18.14	10.48	190.02
1979	26,955.36	40.00	673.87	10.88	7,332.20
1980	24,918.38	40.00	622.95	11.30	7,038.18
1981	30,905.24	40.00	772.62	11.73	9,061.82
1982	18,096.58	40.00	452.41	12.17	5,506.54
1983	11,984.00	40.00	299.60	12.63	3,783.37
1984	113,815.57	40.00	2,845.34	13.10	37,266.20
1985	28,594.60	40.00	714.85	13.58	9,707.91

PGS
Gas Division
378.00 Meas. & Reg. Sta. Eq - General

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 40 *Survivor Curve:* R1.5

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
1986	63,250.70	40.00	1,581.24	14.08	22,256.73
1987	80,532.61	40.00	2,013.28	14.58	29,363.29
1988	23,149.66	40.00	578.73	15.11	8,742.31
1989	60,319.96	40.00	1,507.97	15.64	23,586.44
1990	88,392.95	40.00	2,209.79	16.19	35,771.62
1991	65,295.08	40.00	1,632.35	16.75	27,338.92
1992	78,841.10	40.00	1,970.99	17.32	34,136.86
1993	152,375.45	40.00	3,809.32	17.90	68,203.39
1994	178,216.59	40.00	4,455.34	18.50	82,421.94
1995	123,989.87	40.00	3,099.70	19.11	59,227.82
1996	102,023.78	40.00	2,550.55	19.73	50,311.32
1997	98,561.99	40.00	2,464.01	20.36	50,157.13
1998	254,246.31	40.00	6,356.05	21.00	133,448.89
1999	487,152.63	40.00	12,178.61	21.65	263,627.92
2000	164,900.43	40.00	4,122.44	22.31	91,958.65
2001	774,670.69	40.00	19,366.45	22.98	444,997.48
2002	344,875.97	40.00	8,621.76	23.66	203,963.85
2003	352,362.69	40.00	8,808.92	24.35	214,463.25
2004	129,549.57	40.00	3,238.69	25.04	81,106.36
2005	217,180.49	40.00	5,429.42	25.75	139,803.36
2006	121,820.04	40.00	3,045.45	26.46	80,589.92
2007	366,208.40	40.00	9,155.06	27.18	248,872.94
2008	142,509.41	40.00	3,562.68	27.91	99,442.66
2009	517,632.34	40.00	12,940.59	28.65	370,727.20
2010	321,507.76	40.00	8,037.56	29.39	236,225.68
2011	666,370.71	40.00	16,658.99	30.14	502,090.68
2012	2,369,059.25	40.00	59,225.50	30.89	1,829,699.26

PGS
Gas Division
378.00 Meas. & Reg. Sta. Eq - General

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 40 *Survivor Curve:* R1.5

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
2013	1,294,693.44	40.00	32,366.80	31.66	1,024,573.96
2014	1,387,932.14	40.00	34,697.73	32.42	1,124,955.50
2015	1,366,134.00	40.00	34,152.79	33.19	1,133,696.18
2016	1,293,894.37	40.00	32,346.82	33.97	1,098,926.50
2017	1,222,336.23	40.00	30,557.90	34.76	1,062,141.09
2018	1,427,896.11	40.00	35,696.81	35.55	1,268,968.39
2019	1,486,548.86	40.00	37,163.11	36.35	1,350,704.14
2020	2,207,938.55	40.00	55,197.55	37.15	2,050,432.86
2021	732,413.23	40.00	18,310.03	37.96	694,967.35
2022	934,794.95	40.00	23,369.49	38.77	906,011.71
2023	21,743.29	40.00	543.57	39.59	21,519.46
Total	22,151,056.51	40.00	553,767.25	31.21	17,284,110.46

Composite Average Remaining Life ... 31.21 Years

PGS
Gas Division
379.00 Meas. & Reg. - City Gate

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: *52* *Survivor Curve:* *R2*

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
1992	374,766.08	52.00	7,207.01	26.45	190,638.85
1993	939,251.71	52.00	18,062.46	27.15	490,384.41
1994	184,226.43	52.00	3,542.80	27.86	98,687.39
1995	33,548.79	52.00	645.17	28.57	18,432.93
1996	20,975.94	52.00	403.38	29.29	11,816.84
1997	850,589.27	52.00	16,357.42	30.03	491,155.08
1998	66,630.46	52.00	1,281.35	30.77	39,422.88
1999	438,437.77	52.00	8,431.46	31.51	265,717.52
2000	578,125.42	52.00	11,117.75	32.27	358,783.89
2001	721,310.69	52.00	13,871.31	33.04	458,242.89
2002	71,617.72	52.00	1,377.26	33.81	46,561.00
2003	782,606.35	52.00	15,050.06	34.59	520,525.16
2004	851,804.90	52.00	16,380.80	35.37	579,435.43
2005	573,393.95	52.00	11,026.76	36.17	398,788.39
2006	170,020.62	52.00	3,269.61	36.97	120,866.92
2007	1,433,160.00	52.00	27,560.66	37.77	1,041,101.61
2008	2,190,610.46	52.00	42,126.96	38.59	1,625,676.45
2009	5,389,411.56	52.00	103,642.13	39.41	4,084,707.31
2010	1,680,854.49	52.00	32,324.00	40.24	1,300,716.04
2011	1,757,563.31	52.00	33,799.17	41.07	1,388,290.29
2012	5,305,481.27	52.00	102,028.10	41.92	4,276,584.26
2013	6,437,673.35	52.00	123,800.94	42.76	5,294,100.32
2014	921,727.06	52.00	17,725.45	43.62	773,119.04
2015	1,279,711.09	52.00	24,609.73	44.48	1,094,531.85
2016	6,217,087.71	52.00	119,558.92	45.34	5,420,875.39
2017	9,905,033.88	52.00	190,480.69	46.21	8,802,172.14
2018	8,329,388.41	52.00	160,179.93	47.09	7,542,358.33

PGS
Gas Division
379.00 Meas. & Reg. - City Gate

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 52 *Survivor Curve:* R2

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
2019	5,731,102.74	52.00	110,213.09	47.97	5,286,773.15
2020	6,487,290.28	52.00	124,755.11	48.86	6,095,007.07
2021	13,736,237.61	52.00	264,157.41	49.75	13,141,308.64
2022	11,129,230.19	52.00	214,022.84	50.65	10,839,243.99
2023	21,433,447.27	52.00	412,180.10	51.55	21,246,800.41
Total	116,022,316.78	52.00	2,231,189.88	46.32	103,342,825.89

Composite Average Remaining Life ... 46.32 Years

PGS
Gas Division
380.00 Services - Steel

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 52 *Survivor Curve:* R0.5

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
1930	1,242.38	52.00	23.89	4.96	118.39
1932	1,402.61	52.00	26.97	5.82	156.87
1933	157.80	52.00	3.03	6.24	18.93
1934	84.24	52.00	1.62	6.65	10.78
1935	103.11	52.00	1.98	7.07	14.01
1936	2,038.16	52.00	39.19	7.47	292.94
1937	59.60	52.00	1.15	7.88	9.03
1938	2,962.28	52.00	56.97	8.28	471.74
1939	1,710.51	52.00	32.89	8.68	285.62
1940	81.07	52.00	1.56	9.08	14.16
1941	4,729.75	52.00	90.95	9.48	861.99
1942	8,296.66	52.00	159.55	9.87	1,575.19
1943	17,809.83	52.00	342.49	10.27	3,516.75
1944	5,546.35	52.00	106.66	10.66	1,137.36
1945	127.48	52.00	2.45	11.06	27.11
1946	17,282.78	52.00	332.35	11.46	3,807.41
1947	4,023.91	52.00	77.38	11.85	917.23
1948	40,407.84	52.00	777.06	12.25	9,520.67
1949	16,287.73	52.00	313.22	12.65	3,963.02
1950	11,168.13	52.00	214.77	13.05	2,803.73
1951	8,833.85	52.00	169.88	13.46	2,286.37
1952	17,254.91	52.00	331.82	13.87	4,600.77
1953	7,647.47	52.00	147.06	14.27	2,099.30
1954	18,214.09	52.00	350.26	14.69	5,143.99
1955	18,368.15	52.00	353.23	15.10	5,333.77
1956	65,169.81	52.00	1,253.24	15.52	19,446.88
1957	102,028.47	52.00	1,962.04	15.94	31,270.21

PGS

Gas Division

380.00 Services - Steel

Original Cost Of Utility Plant In Service

And Development Of Composite Remaining Life as of December 31, 2023

Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 52 *Survivor Curve:* R0.5

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
1958	197,644.32	52.00	3,800.77	16.36	62,184.87
1959	1,055,736.48	52.00	20,302.16	16.79	340,834.83
1960	420,949.10	52.00	8,094.99	17.22	139,384.41
1961	169,007.38	52.00	3,250.07	17.65	57,372.58
1962	173,420.77	52.00	3,334.94	18.09	60,331.10
1963	181,908.15	52.00	3,498.15	18.53	64,828.99
1964	251,214.54	52.00	4,830.94	18.98	91,681.59
1965	213,189.43	52.00	4,099.70	19.43	79,647.04
1966	585,399.57	52.00	11,257.43	19.88	223,811.99
1967	625,501.99	52.00	12,028.61	20.34	244,652.43
1968	454,367.57	52.00	8,737.64	20.80	181,755.03
1969	473,081.02	52.00	9,097.50	21.27	193,484.40
1970	358,544.46	52.00	6,894.93	21.74	149,886.48
1971	568,804.89	52.00	10,938.31	22.21	242,981.82
1972	718,089.58	52.00	13,809.10	22.69	313,375.88
1973	1,103,856.42	52.00	21,227.52	23.18	492,000.00
1974	1,002,722.32	52.00	19,282.68	23.67	456,342.64
1975	650,802.50	52.00	12,515.15	24.16	302,351.82
1976	448,302.96	52.00	8,621.01	24.66	212,562.20
1977	377,370.85	52.00	7,256.97	25.16	182,571.90
1978	715,074.81	52.00	13,751.12	25.66	352,915.52
1979	633,218.64	52.00	12,177.00	26.17	318,729.33
1980	255,934.82	52.00	4,921.71	26.69	131,360.37
1981	555,812.49	52.00	10,688.46	27.21	290,828.97
1982	470,461.40	52.00	9,047.13	27.73	250,909.54
1983	422,534.67	52.00	8,125.48	28.26	229,641.27
1984	466,380.12	52.00	8,968.64	28.79	258,246.22

PGS
Gas Division
380.00 Services - Steel

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: **52** *Survivor Curve:* **R0.5**

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
1985	674,867.18	52.00	12,977.92	29.33	380,655.02
1986	517,340.04	52.00	9,948.62	29.87	297,181.86
1987	592,113.65	52.00	11,386.54	30.42	346,336.93
1988	692,496.56	52.00	13,316.94	30.96	412,357.77
1989	762,659.44	52.00	14,666.19	31.52	462,238.33
1990	842,641.67	52.00	16,204.28	32.07	519,724.56
1991	1,137,030.36	52.00	21,865.47	32.63	713,518.44
1992	960,446.61	52.00	18,469.71	33.20	613,108.61
1993	870,876.44	52.00	16,747.24	33.76	565,417.24
1994	946,759.92	52.00	18,206.51	34.33	625,055.18
1995	601,123.08	52.00	11,559.80	34.90	403,483.52
1996	556,872.81	52.00	10,708.85	35.48	379,944.73
1997	922,458.66	52.00	17,739.18	36.06	639,634.32
1998	1,140,921.68	52.00	21,940.30	36.64	803,858.38
1999	1,130,735.10	52.00	21,744.41	37.22	809,361.10
2000	2,148,333.76	52.00	41,313.17	37.81	1,561,924.06
2001	43,906.43	52.00	844.34	38.39	32,417.71
2002	1,232,262.96	52.00	23,696.82	38.98	923,790.57
2003	744,756.26	52.00	14,321.91	39.57	566,787.53
2004	626,229.59	52.00	12,042.60	40.17	483,722.82
2005	712,481.44	52.00	13,701.25	40.76	558,484.05
2006	745,953.09	52.00	14,344.92	41.36	593,267.04
2007	1,142,254.01	52.00	21,965.92	41.95	921,565.32
2008	1,100,388.30	52.00	21,160.83	42.55	900,447.88
2009	884,794.49	52.00	17,014.89	43.15	734,226.78
2010	873,693.91	52.00	16,801.42	43.75	735,106.68
2011	816,752.87	52.00	15,706.43	44.35	696,651.10

PGS

Gas Division

380.00 Services - Steel

Original Cost Of Utility Plant In Service

And Development Of Composite Remaining Life as of December 31, 2023

Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 52 *Survivor Curve:* R0.5

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
2012	1,424,623.53	52.00	27,395.98	44.96	1,231,660.33
2013	2,136,022.76	52.00	41,076.42	45.56	1,871,533.24
2014	1,827,716.68	52.00	35,147.60	46.17	1,622,699.42
2015	1,643,450.00	52.00	31,604.09	46.78	1,478,297.00
2016	2,914,108.93	52.00	56,039.28	47.38	2,655,384.26
2017	2,566,769.58	52.00	49,359.83	47.99	2,368,987.56
2018	2,092,595.06	52.00	40,241.29	48.61	1,955,977.48
2019	3,084,133.29	52.00	59,308.90	49.22	2,919,171.49
2020	4,322,446.40	52.00	83,122.07	49.83	4,142,385.65
2021	3,452,917.57	52.00	66,400.75	50.45	3,350,035.88
2022	5,277,037.96	52.00	101,479.18	51.07	5,182,570.14
Total	68,085,342.29	52.00	1,309,303.62	39.32	51,483,347.46

Composite Average Remaining Life ... 39.32 Years

PGS
Gas Division
380.02 Services - Plastic

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 55 *Survivor Curve:* R2.5

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
1981	480,379.85	55.00	8,734.16	20.06	175,197.81
1982	1,200,463.74	55.00	21,826.57	20.70	451,898.01
1983	1,383,346.29	55.00	25,151.70	21.36	537,214.11
1984	1,386,418.34	55.00	25,207.55	22.03	555,270.17
1985	1,754,453.59	55.00	31,899.09	22.71	724,355.90
1986	2,463,685.46	55.00	44,794.19	23.40	1,048,097.17
1987	2,663,338.87	55.00	48,424.24	24.10	1,166,958.53
1988	3,232,091.47	55.00	58,765.18	24.81	1,457,798.89
1989	2,931,766.99	55.00	53,304.75	25.53	1,360,785.26
1990	3,839,374.61	55.00	69,806.67	26.26	1,833,057.05
1991	3,654,743.39	55.00	66,449.74	27.00	1,794,071.76
1992	3,616,386.29	55.00	65,752.34	27.75	1,824,484.70
1993	4,886,374.05	55.00	88,842.98	28.51	2,532,520.58
1994	4,973,523.98	55.00	90,427.52	29.27	2,646,867.60
1995	4,686,480.86	55.00	85,208.57	30.05	2,560,202.01
1996	4,978,692.44	55.00	90,521.50	30.83	2,790,804.04
1997	5,793,613.74	55.00	105,338.22	31.62	3,331,048.58
1998	5,783,972.90	55.00	105,162.93	32.42	3,409,646.46
1999	7,483,457.89	55.00	136,062.59	33.23	4,521,209.31
2000	22,372,714.65	55.00	406,775.80	34.05	13,848,758.59
2001	2,636,333.21	55.00	47,933.23	34.87	1,671,380.78
2002	9,561,016.31	55.00	173,836.30	35.70	6,205,953.05
2003	10,675,414.15	55.00	194,098.04	36.54	7,091,987.05
2004	10,785,749.57	55.00	196,104.14	37.38	7,331,023.92
2005	10,242,225.91	55.00	186,221.91	38.23	7,120,053.93
2006	10,833,211.64	55.00	196,967.08	39.09	7,700,110.70
2007	9,570,012.07	55.00	173,999.86	39.96	6,952,845.87

PGS
Gas Division
380.02 Services - Plastic

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 55 *Survivor Curve:* R2.5

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
2008	7,961,666.09	55.00	144,757.27	40.83	5,910,534.89
2009	6,158,919.27	55.00	111,980.12	41.71	4,670,515.18
2010	8,235,451.83	55.00	149,735.18	42.59	6,377,367.10
2011	9,120,883.86	55.00	165,833.91	43.48	7,210,577.52
2012	11,400,806.61	55.00	207,286.97	44.38	9,198,541.82
2013	13,640,697.21	55.00	248,012.17	45.28	11,229,065.72
2014	16,039,838.69	55.00	291,632.83	46.18	13,468,099.13
2015	17,667,666.34	55.00	321,229.64	47.09	15,127,334.91
2016	24,706,396.63	55.00	449,206.29	48.01	21,564,701.81
2017	25,325,870.02	55.00	460,469.42	48.93	22,528,924.23
2018	42,070,531.10	55.00	764,917.18	49.85	38,131,119.03
2019	41,279,315.60	55.00	750,531.48	50.78	38,110,537.56
2020	49,738,113.32	55.00	904,327.48	51.71	46,762,801.75
2021	54,543,732.35	55.00	991,702.20	52.65	52,208,227.35
2022	62,233,681.32	55.00	1,131,519.16	53.58	60,631,992.82
2023	66,087,725.83	55.00	1,201,592.56	54.53	65,519,803.74
Total	610,080,538.33	55.00	11,092,350.73	46.09	511,293,746.42

Composite Average Remaining Life ... 46.09 Years

PGS
Gas Division
381.00 Meters

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 20 *Survivor Curve:* R2

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
1999	87,559.89	20.00	4,377.91	3.69	16,174.49
2000	4,241,241.44	20.00	212,057.87	4.06	860,306.73
2002	2,433,788.38	20.00	121,687.01	4.86	591,575.40
2003	2,680,422.50	20.00	134,018.47	5.31	711,153.03
2004	2,552,262.56	20.00	127,610.60	5.78	737,717.08
2005	2,881,541.76	20.00	144,074.23	6.28	905,501.45
2006	3,243,483.56	20.00	162,170.96	6.82	1,106,000.93
2007	2,734,232.59	20.00	136,708.92	7.38	1,009,294.87
2008	3,289,624.18	20.00	164,477.95	7.98	1,311,802.46
2009	1,718,648.02	20.00	85,930.70	8.59	738,509.75
2010	5,179,866.36	20.00	258,988.18	9.24	2,393,261.93
2011	8,431,805.29	20.00	421,581.90	9.91	4,178,346.44
2012	4,915,452.76	20.00	245,767.76	10.61	2,606,837.56
2013	2,991,226.10	20.00	149,558.34	11.32	1,693,637.26
2014	2,359,484.58	20.00	117,971.89	12.06	1,423,304.30
2015	4,293,558.73	20.00	214,673.68	12.82	2,753,156.60
2016	3,923,394.52	20.00	196,165.84	13.61	2,669,021.27
2017	5,069,819.48	20.00	253,485.95	14.40	3,651,418.07
2018	3,781,157.14	20.00	189,054.11	15.22	2,877,830.25
2019	5,992,488.05	20.00	299,618.46	16.06	4,810,915.77
2020	4,880,024.69	20.00	243,996.39	16.91	4,125,491.24
2021	6,363,475.80	20.00	318,167.48	17.77	5,655,003.76
2022	7,955,614.29	20.00	397,772.82	18.65	7,420,287.05
2023	7,270,521.61	20.00	363,518.87	19.55	7,106,175.68

PGS
Gas Division
381.00 Meters

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 20 *Survivor Curve:* R2

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
Total	99,270,694.28	20.00	4,963,436.27	12.36	61,352,723.38

Composite Average Remaining Life ... 12.36 Years

PGS

Gas Division

382.00 Meter Installations

Original Cost Of Utility Plant In Service

And Development Of Composite Remaining Life as of December 31, 2023

Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 45 *Survivor Curve:* R1.5

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
1978	115,134.54	45.00	2,558.51	14.23	36,419.83
1979	261,103.99	45.00	5,802.23	14.70	85,316.11
1980	589,644.05	45.00	13,103.01	15.18	198,967.07
1981	349,363.34	45.00	7,763.52	15.68	121,719.75
1982	317,266.29	45.00	7,050.26	16.18	114,092.94
1983	403,951.26	45.00	8,976.56	16.70	149,896.15
1984	332,099.58	45.00	7,379.88	17.23	127,124.20
1985	466,387.68	45.00	10,364.02	17.76	184,108.14
1986	250,344.31	45.00	5,563.13	18.32	101,891.21
1987	277,394.91	45.00	6,164.24	18.88	116,358.96
1988	284,334.36	45.00	6,318.45	19.45	122,882.46
1989	310,063.90	45.00	6,890.21	20.03	138,014.64
1990	401,454.80	45.00	8,921.09	20.62	183,996.08
1991	356,198.10	45.00	7,915.40	21.23	168,030.83
1992	422,953.73	45.00	9,398.84	21.84	205,287.59
1993	548,952.93	45.00	12,198.78	22.47	274,045.84
1994	890,223.38	45.00	19,782.45	23.10	456,930.43
1995	759,707.64	45.00	16,882.15	23.74	400,809.13
1996	400,813.82	45.00	8,906.84	24.39	217,266.30
1997	706,298.75	45.00	15,695.30	25.05	393,222.84
1998	909,280.63	45.00	20,205.94	25.72	519,745.94
1999	2,960,143.64	45.00	65,780.01	26.40	1,736,656.92
2000	3,555,689.47	45.00	79,014.17	27.09	2,140,227.58
2001	860.30	45.00	19.12	27.78	531.08
2002	1,936,021.23	45.00	43,022.07	28.48	1,225,303.61
2003	2,356,242.93	45.00	52,360.19	29.19	1,528,332.61
2004	2,184,983.46	45.00	48,554.48	29.91	1,452,033.41

PGS
Gas Division
382.00 Meter Installations

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 45 *Survivor Curve:* R1.5

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
2005	2,891,763.22	45.00	64,260.47	30.63	1,968,121.17
2006	2,554,516.26	45.00	56,766.20	31.36	1,779,940.54
2007	2,126,369.48	45.00	47,251.97	32.09	1,516,323.50
2008	2,136,983.83	45.00	47,487.84	32.83	1,559,104.95
2009	2,030,124.35	45.00	45,113.22	33.58	1,514,818.81
2010	2,001,925.56	45.00	44,486.59	34.33	1,527,230.80
2011	2,197,867.62	45.00	48,840.79	35.09	1,713,699.75
2012	1,918,712.59	45.00	42,637.44	35.85	1,528,554.92
2013	1,834,052.00	45.00	40,756.12	36.62	1,492,451.13
2014	2,327,250.21	45.00	51,715.92	37.39	1,933,786.30
2015	2,450,705.72	45.00	54,459.34	38.17	2,078,771.54
2016	3,590,691.31	45.00	79,791.98	38.95	3,108,284.89
2017	3,370,499.49	45.00	74,898.90	39.74	2,976,835.08
2018	5,206,038.25	45.00	115,688.06	40.54	4,689,891.51
2019	5,760,374.36	45.00	128,006.46	41.34	5,291,611.15
2020	7,085,783.11	45.00	157,459.56	42.14	6,635,854.78
2021	8,410,531.63	45.00	186,897.99	42.95	8,027,810.86
2022	10,932,158.81	45.00	242,933.34	43.77	10,632,868.86
2023	14,647,230.45	45.00	325,489.28	44.59	14,513,158.45
Total	105,820,491.27	45.00	2,351,532.33	36.95	86,888,330.65

Composite Average Remaining Life ... 36.95 Years

PGS

Gas Division

383.00 House Regulators

Original Cost Of Utility Plant In Service

And Development Of Composite Remaining Life as of December 31, 2023

Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 42 *Survivor Curve:* S1.5

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
1973	97,553.70	42.00	2,322.71	9.02	20,958.77
1974	31,153.50	42.00	741.75	9.35	6,936.50
1975	32,725.68	42.00	779.18	9.69	7,547.05
1976	22,156.81	42.00	527.54	10.03	5,290.55
1977	45,144.00	42.00	1,074.86	10.38	11,156.68
1978	53,032.49	42.00	1,262.68	10.74	13,559.00
1979	48,170.29	42.00	1,146.91	11.11	12,738.03
1980	85,874.18	42.00	2,044.62	11.48	23,479.82
1981	117,688.66	42.00	2,802.11	11.87	33,261.86
1982	76,749.27	42.00	1,827.36	12.27	22,416.61
1983	59,468.89	42.00	1,415.93	12.67	17,946.39
1984	129,589.29	42.00	3,085.46	13.09	40,397.87
1985	182,310.15	42.00	4,340.72	13.52	58,697.38
1986	264,406.53	42.00	6,295.39	13.96	87,912.21
1987	277,179.63	42.00	6,599.52	14.42	95,153.57
1988	197,396.53	42.00	4,699.92	14.88	69,955.82
1989	175,379.78	42.00	4,175.71	15.37	64,161.36
1990	263,731.37	42.00	6,279.32	15.86	99,581.96
1991	361,257.71	42.00	8,601.37	16.37	140,782.95
1992	249,601.69	42.00	5,942.90	16.89	100,375.39
1993	392,196.25	42.00	9,338.01	17.43	162,735.31
1994	365,650.80	42.00	8,705.97	17.98	156,551.21
1995	338,080.91	42.00	8,049.55	18.55	149,329.49
1996	374,216.61	42.00	8,909.92	19.14	170,522.06
1997	606,083.75	42.00	14,430.57	19.74	284,881.75
1998	478,111.94	42.00	11,383.62	20.36	231,787.35
1999	565,894.18	42.00	13,473.67	21.00	282,963.74

PGS
Gas Division
383.00 House Regulators

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 42 *Survivor Curve:* S1.5

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
2000	1,068,379.65	42.00	25,437.61	21.66	550,910.79
2001	38,881.09	42.00	925.74	22.33	20,672.90
2002	297,269.75	42.00	7,077.85	23.03	162,978.16
2003	207,937.86	42.00	4,950.90	23.74	117,525.18
2004	300,837.45	42.00	7,162.80	24.47	175,277.28
2005	382,854.95	42.00	9,115.59	25.22	229,898.94
2006	465,635.50	42.00	11,086.56	25.99	288,124.81
2007	508,391.03	42.00	12,104.55	26.78	324,137.05
2008	529,731.42	42.00	12,612.65	27.58	347,910.32
2009	657,038.13	42.00	15,643.77	28.41	444,411.01
2010	576,915.57	42.00	13,736.09	29.25	401,820.17
2011	762,531.28	42.00	18,155.51	30.11	546,711.46
2012	647,202.85	42.00	15,409.59	30.99	477,560.58
2013	624,879.44	42.00	14,878.08	31.88	474,379.52
2014	673,543.25	42.00	16,036.74	32.79	525,891.16
2015	492,213.31	42.00	11,719.37	33.72	395,150.73
2016	651,105.68	42.00	15,502.52	34.65	537,236.45
2017	698,193.88	42.00	16,623.66	35.61	591,891.72
2018	575,744.87	42.00	13,708.21	36.57	501,264.94
2019	779,945.35	42.00	18,570.13	37.54	697,089.31
2020	515,586.03	42.00	12,275.86	38.52	472,859.81
2021	868,691.52	42.00	20,683.13	39.51	817,141.17
2022	1,638,332.48	42.00	39,007.92	40.50	1,579,883.15
2023	914,170.27	42.00	21,765.96	41.50	903,289.78

PGS
Gas Division
383.00 House Regulators

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 42 *Survivor Curve:* S1.5

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
Total	20,766,817.20	42.00	494,448.05	28.22	13,955,097.05

Composite Average Remaining Life ... 28.22 Years

PGS
Gas Division
384.00 House Regulator Installations

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 47 *Survivor Curve:* R1.5

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
1958	2,829.11	47.00	60.19	8.14	489.85
1959	21,695.01	47.00	461.59	8.45	3,898.26
1960	9,552.76	47.00	203.25	8.76	1,780.06
1961	5,605.81	47.00	119.27	9.08	1,082.61
1962	30,396.61	47.00	646.73	9.40	6,080.57
1963	4,372.31	47.00	93.03	9.73	905.54
1964	4,963.21	47.00	105.60	10.07	1,063.77
1965	3,694.46	47.00	78.60	10.42	819.05
1966	4,903.56	47.00	104.33	10.78	1,124.24
1967	4,619.18	47.00	98.28	11.14	1,094.89
1968	2,622.74	47.00	55.80	11.51	642.54
1969	6,340.25	47.00	134.90	11.90	1,605.05
1970	6,544.32	47.00	139.24	12.29	1,711.52
1971	13,928.55	47.00	296.35	12.70	3,762.40
1972	12,165.82	47.00	258.84	13.11	3,393.51
1973	38,660.97	47.00	822.56	13.54	11,134.08
1974	23,369.85	47.00	497.22	13.97	6,947.21
1975	28,854.75	47.00	613.92	14.42	8,852.24
1976	25,776.54	47.00	548.43	14.88	8,159.19
1977	28,484.48	47.00	606.04	15.35	9,300.78
1978	40,674.45	47.00	865.40	15.83	13,696.88
1979	39,274.40	47.00	835.61	16.32	13,636.22
1980	70,727.09	47.00	1,504.81	16.82	25,313.22
1981	64,988.36	47.00	1,382.71	17.34	23,971.75
1982	75,868.65	47.00	1,614.20	17.86	28,832.59
1983	87,337.01	47.00	1,858.21	18.40	34,186.74
1984	127,971.21	47.00	2,722.76	18.94	51,580.73

PGS
Gas Division
384.00 House Regulator Installations

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 47 *Survivor Curve:* R1.5

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
1985	170,597.53	47.00	3,629.69	19.50	70,784.50
1986	146,511.46	47.00	3,117.22	20.07	62,560.30
1987	147,729.25	47.00	3,143.13	20.65	64,896.97
1988	196,784.29	47.00	4,186.84	21.24	88,909.02
1989	232,637.44	47.00	4,949.67	21.84	108,076.62
1990	353,261.45	47.00	7,516.10	22.44	168,685.51
1991	208,658.58	47.00	4,439.48	23.06	102,378.26
1992	301,050.49	47.00	6,405.24	23.69	151,726.09
1993	276,917.36	47.00	5,891.78	24.32	143,310.75
1994	347,172.16	47.00	7,386.54	24.97	184,433.08
1995	353,198.32	47.00	7,514.76	25.62	192,546.25
1996	459,277.08	47.00	9,771.72	26.28	256,844.48
1997	485,085.41	47.00	10,320.83	26.96	278,212.03
1998	383,996.61	47.00	8,170.03	27.63	225,777.36
1999	471,049.24	47.00	10,022.19	28.32	283,838.21
2000	1,069,154.91	47.00	22,747.67	29.01	660,014.20
2002	781,013.24	47.00	16,617.08	30.42	505,543.93
2003	1,190,767.25	47.00	25,335.13	31.14	788,875.90
2004	874,870.58	47.00	18,614.02	31.86	593,037.03
2005	919,834.48	47.00	19,570.68	32.59	637,751.33
2006	1,557,909.68	47.00	33,146.57	33.32	1,104,457.45
2007	877,182.82	47.00	18,663.21	34.06	635,659.80
2008	732,920.04	47.00	15,593.83	34.80	542,730.04
2009	686,919.72	47.00	14,615.12	35.55	519,628.13
2010	671,129.47	47.00	14,279.16	36.31	518,467.44
2011	738,173.99	47.00	15,705.62	37.07	582,203.08
2012	1,151,122.04	47.00	24,491.63	37.84	926,668.56

PGS
Gas Division
384.00 House Regulator Installations

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 47 *Survivor Curve:* R1.5

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
2013	1,316,985.86	47.00	28,020.60	38.61	1,081,786.17
2014	776,896.66	47.00	16,529.49	39.38	650,973.31
2015	817,036.65	47.00	17,383.53	40.16	698,178.92
2016	1,198,676.73	47.00	25,503.42	40.95	1,044,338.56
2017	1,120,608.94	47.00	23,842.42	41.74	995,174.55
2018	1,755,541.61	47.00	37,351.45	42.54	1,588,755.25
2019	1,920,126.15	47.00	40,853.20	43.34	1,770,409.57
2020	2,242,163.20	47.00	47,704.96	44.14	2,105,807.56
2021	4,440,943.29	47.00	94,486.89	44.95	4,247,459.60
2022	6,517,029.49	47.00	138,658.34	45.77	6,346,163.86
Total	38,677,154.93	47.00	822,907.15	37.90	31,192,129.22

Composite Average Remaining Life ... 37.90 Years

PGS
Gas Division
385.00 Ind. Meas. & Reg. Sta. Equip

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: **39** *Survivor Curve:* **R2.5**

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
1969	930.64	39.00	23.86	4.41	105.18
1970	5,759.09	39.00	147.67	4.64	684.94
1971	6,882.95	39.00	176.49	4.88	861.42
1972	711.03	39.00	18.23	5.12	93.39
1974	8,987.32	39.00	230.44	5.64	1,298.74
1975	3,536.71	39.00	90.68	5.91	535.58
1976	1,302.27	39.00	33.39	6.19	206.72
1977	6,344.39	39.00	162.68	6.49	1,055.39
1979	301.47	39.00	7.73	7.13	55.14
1980	4,431.19	39.00	113.62	7.48	850.33
1981	29,721.03	39.00	762.07	7.85	5,985.74
1982	86,063.71	39.00	2,206.75	8.25	18,198.34
1983	88,578.93	39.00	2,271.24	8.66	19,669.46
1984	114,096.57	39.00	2,925.54	9.10	26,612.86
1985	176,580.69	39.00	4,527.69	9.55	43,260.19
1986	354,147.05	39.00	9,080.65	10.04	91,136.35
1987	229,133.04	39.00	5,875.18	10.54	61,914.59
1988	502,416.81	39.00	12,882.42	11.06	142,535.94
1989	269,563.17	39.00	6,911.84	11.61	80,253.01
1990	660,172.69	39.00	16,927.43	12.18	206,124.66
1991	328,532.16	39.00	8,423.86	12.76	107,523.30
1992	234,841.10	39.00	6,021.54	13.37	80,500.35
1993	352,865.07	39.00	9,047.78	13.99	126,609.01
1994	656,860.00	39.00	16,842.49	14.63	246,463.20
1995	207,956.66	39.00	5,332.20	15.29	81,541.80
1996	238,512.58	39.00	6,115.68	15.96	97,635.73
1997	292,567.29	39.00	7,501.69	16.66	124,941.56

PGS
Gas Division
385.00 Ind. Meas. & Reg. Sta. Equip

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 39 *Survivor Curve:* R2.5

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
1998	359,267.11	39.00	9,211.94	17.36	159,913.06
1999	472,881.47	39.00	12,125.11	18.08	219,179.32
2000	695,612.81	39.00	17,836.14	18.81	335,472.42
2001	68,811.04	39.00	1,764.38	19.55	34,497.71
2002	212,974.43	39.00	5,460.86	20.31	110,912.74
2003	600,207.40	39.00	15,389.86	21.08	324,407.00
2004	176,234.88	39.00	4,518.82	21.86	98,790.29
2005	307,717.42	39.00	7,890.15	22.66	178,757.37
2006	426,246.06	39.00	10,929.34	23.46	256,403.37
2007	100,970.91	39.00	2,588.99	24.28	62,851.24
2008	36,582.05	39.00	938.00	25.10	23,545.91
2013	102,723.49	39.00	2,633.92	29.38	77,392.75
2014	1,327.53	39.00	34.04	30.27	1,030.24
2016	599,736.89	39.00	15,377.80	32.06	492,950.51
2017	463.33	39.00	11.88	32.96	391.59
2018	394,881.58	39.00	10,125.12	33.87	342,984.92
2019	5,547,454.90	39.00	142,241.79	34.79	4,949,076.95
2020	74,719.59	39.00	1,915.88	35.72	68,433.48
2021	9,121.38	39.00	233.88	36.65	8,571.78
2022	147,096.76	39.00	3,771.69	37.59	141,764.31
Total	15,196,826.64	39.00	389,660.45	24.26	9,453,979.88

Composite Average Remaining Life ... 24.26 Years

PGS
Gas Division
387.00 Other Equipment

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 27 *Survivor Curve:* L1.5

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
1975	4,654.44	27.00	172.38	6.36	1,096.54
1977	9,036.84	27.00	334.69	6.78	2,268.77
1979	2,403.28	27.00	89.01	7.22	642.22
1981	1,900.94	27.00	70.40	7.67	539.80
1982	880.94	27.00	32.63	7.90	257.78
1983	1,376.02	27.00	50.96	8.14	414.69
1985	1,881.03	27.00	69.67	8.62	600.74
1986	7,400.34	27.00	274.08	8.87	2,431.16
1988	4,612.16	27.00	170.81	9.37	1,601.31
1989	2,004.48	27.00	74.24	9.63	715.00
1990	8,597.36	27.00	318.41	9.89	3,148.66
1991	17,681.57	27.00	654.85	10.15	6,645.40
1992	16,379.55	27.00	606.63	10.41	6,314.67
1993	21,490.94	27.00	795.93	10.67	8,493.14
1994	41,201.18	27.00	1,525.92	10.93	16,683.15
1995	26,792.02	27.00	992.26	11.20	11,111.47
1996	35,736.37	27.00	1,323.52	11.46	15,172.02
1997	79,003.23	27.00	2,925.95	11.73	34,325.42
1998	33,665.10	27.00	1,246.81	12.00	14,965.90
1999	79,657.95	27.00	2,950.19	12.28	36,231.11
2000	156,360.82	27.00	5,790.94	12.56	72,762.52
2001	96,049.08	27.00	3,557.25	12.86	45,740.23
2002	78,107.23	27.00	2,892.76	13.16	38,079.79
2003	190,802.76	27.00	7,066.53	13.48	95,283.21
2004	202,102.66	27.00	7,485.03	13.82	103,455.18
2005	139,566.21	27.00	5,168.94	14.18	73,296.45
2006	346,776.93	27.00	12,843.15	14.56	187,041.80

PGS
Gas Division
387.00 Other Equipment

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 27 *Survivor Curve:* L1.5

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
2007	329,322.35	27.00	12,196.71	14.97	182,638.97
2008	148,017.06	27.00	5,481.93	15.42	84,508.26
2009	668,413.77	27.00	24,755.22	15.89	393,387.29
2010	539,022.11	27.00	19,963.10	16.41	327,538.69
2011	536,464.85	27.00	19,868.39	16.97	337,079.81
2012	520,523.51	27.00	19,277.99	17.57	338,638.39
2013	307,418.80	27.00	11,385.49	18.21	207,346.78
2014	1,084,921.98	27.00	40,180.92	18.90	759,271.33
2015	491,827.70	27.00	18,215.22	19.62	357,314.88
2016	497,048.71	27.00	18,408.58	20.37	374,946.78
2017	625,901.17	27.00	23,180.73	21.15	490,367.19
2018	1,520,325.52	27.00	56,306.43	21.97	1,237,235.72
2019	1,243,321.68	27.00	46,047.38	22.82	1,050,995.59
2020	984,702.63	27.00	36,469.22	23.71	864,616.77
2021	1,821,650.02	27.00	67,466.21	24.62	1,661,062.34
2022	506,839.74	27.00	18,771.20	25.56	479,745.27
Total	13,431,843.03	27.00	497,458.65	19.95	9,926,012.19

Composite Average Remaining Life ... 19.95 Years

PGS
Gas Division
390.00 Structures & Improvements

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 25 *Survivor Curve:* L0

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
2007	25,115.11	25.00	1,004.62	17.10	17,176.81
2008	2,319.30	25.00	92.77	17.45	1,619.03
2009	9,582.32	25.00	383.30	17.81	6,827.47
2012	50,788.77	25.00	2,031.57	18.94	38,480.55
2015	18,604.02	25.00	744.17	20.16	15,006.10
2016	12,393.52	25.00	495.75	20.60	10,214.84
2023	544,265.86	25.00	21,770.86	24.58	535,086.41
Total	663,068.90	25.00	26,523.04	23.54	624,411.21

Composite Average Remaining Life ... 23.54 Years

PGS
Gas Division
391.00 Office Furniture

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 17 *Survivor Curve:* SQ

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
2006	79,485.00	0.00	0.00	0.00	0.00
2007	118,417.47	17.00	6,965.73	0.50	3,482.87
2009	19,483.57	17.00	1,146.09	2.50	2,865.23
2010	40,633.46	17.00	2,390.20	3.50	8,365.71
2011	271,246.45	17.00	15,955.67	4.50	71,800.53
2012	46,697.45	17.00	2,746.91	5.50	15,108.00
2013	54,887.66	17.00	3,228.69	6.50	20,986.46
2014	17,304.09	17.00	1,017.89	7.50	7,634.16
2015	52,030.62	17.00	3,060.62	8.50	26,015.31
2016	305,779.16	17.00	17,987.01	9.50	170,876.59
2017	91,250.94	17.00	5,367.70	10.50	56,360.87
2018	575,028.36	17.00	33,825.20	11.50	388,989.77
2019	135,016.50	17.00	7,942.15	12.50	99,276.84
2020	71,253.88	17.00	4,191.40	13.50	56,583.96
2022	31,734.79	17.00	1,866.75	15.50	28,934.66
2023	241,700.33	17.00	14,217.67	16.50	234,591.50
Total	2,151,949.73	15.94	121,909.69	9.78	1,191,872.46

Composite Average Remaining Life ... 9.78 *Years*

PGS
Gas Division
391.01 Computer Equipment

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 9 *Survivor Curve:* SQ

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
2012	57,597.38	0.00	0.00	0.00	0.00
2013	100,249.64	0.00	0.00	0.00	0.00
2014	431,635.95	0.00	0.00	0.00	0.00
2015	574,371.25	9.00	63,819.03	0.50	31,909.51
2016	175,832.21	9.00	19,536.91	1.50	29,305.37
2017	11,535.38	9.00	1,281.71	2.50	3,204.27
2018	82,269.73	9.00	9,141.08	3.50	31,993.78
2019	1,630,801.36	9.00	181,200.15	4.50	815,400.68
2020	138,455.00	9.00	15,383.89	5.50	84,611.39
2021	8,106.39	9.00	900.71	6.50	5,854.62
2022	47,509.97	9.00	5,278.89	7.50	39,591.64
2023	2,673,941.60	9.00	297,104.62	8.50	2,525,389.29
Total	5,932,305.86	6.75	593,646.99	6.01	3,567,260.55

Composite Average Remaining Life ... 6.01 Years

PGS
Gas Division
391.02 Office Equipment

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 15 *Survivor Curve:* SQ

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
2002	9,275.92	0.00	0.00	0.00	0.00
2004	50,945.45	0.00	0.00	0.00	0.00
2005	15,753.72	0.00	0.00	0.00	0.00
2006	10,052.63	0.00	0.00	0.00	0.00
2007	100,172.03	0.00	0.00	0.00	0.00
2008	3,705.13	0.00	0.00	0.00	0.00
2009	3,389.84	15.00	225.99	0.50	112.99
2010	11,701.77	15.00	780.12	1.50	1,170.18
2011	277,041.59	15.00	18,469.44	2.50	46,173.60
2012	9,286.13	15.00	619.08	3.50	2,166.76
2013	257,470.04	15.00	17,164.67	4.50	77,241.01
2014	15,220.50	15.00	1,014.70	5.50	5,580.85
2015	32,576.23	15.00	2,171.75	6.50	14,116.37
2016	65,264.69	15.00	4,350.98	7.50	32,632.35
2017	443,681.45	15.00	29,578.76	8.50	251,419.49
2018	16,931.70	15.00	1,128.78	9.50	10,723.41
2019	123,272.16	15.00	8,218.14	10.50	86,290.51
2020	16,678.31	15.00	1,111.89	11.50	12,786.70
2022	67,254.50	15.00	4,483.63	13.50	60,529.05
Total	1,529,673.79	10.26	89,317.93	6.73	600,943.27

Composite Average Remaining Life ... 6.73 Years

PGS
Gas Division
392.01 Vehicles up to 1/2 Tons

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 8 *Survivor Curve:* L2

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
2001	36,755.44	0.00	0.00	0.00	0.00
2002	42,654.92	8.00	5,331.82	0.50	2,665.91
2004	74,529.36	8.00	9,316.09	0.70	6,517.60
2005	22,425.81	8.00	2,803.20	0.85	2,384.74
2006	87,562.88	8.00	10,945.26	1.02	11,157.75
2007	37,028.73	8.00	4,628.55	1.20	5,547.97
2008	71,314.79	8.00	8,914.27	1.39	12,394.22
2009	246,695.29	8.00	30,836.64	1.59	49,106.30
2010	424,184.03	8.00	53,022.54	1.81	95,855.63
2011	504,980.21	8.00	63,121.97	2.04	128,499.25
2012	152,253.16	8.00	19,031.48	2.28	43,327.38
2013	742,667.23	8.00	92,832.59	2.52	234,380.07
2014	168,286.89	8.00	21,035.68	2.77	58,335.44
2015	1,016,083.21	8.00	127,009.29	3.01	382,864.47
2016	792,209.89	8.00	99,025.37	3.25	322,206.35
2017	740,847.12	8.00	92,605.08	3.51	325,346.92
2018	332,369.98	8.00	41,545.88	3.84	159,373.36
2019	644,561.13	8.00	80,569.44	4.28	344,727.20
2020	905,277.36	8.00	113,158.68	4.89	553,507.10
2021	444,941.58	8.00	55,617.21	5.67	315,394.06
2022	1,724,117.87	8.00	215,512.85	6.55	1,410,888.62
2023	6,169,828.38	8.00	771,221.79	7.50	5,785,906.80
Total	15,381,575.26	7.64	1,918,085.68	5.34	10,250,387.14

Composite Average Remaining Life ... 5.34 *Years*

PGS
Gas Division
392.02 Vehicles from 1/2 - 1 Tons

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: *10* *Survivor Curve:* *L3*

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
1999	28,303.89	0.00	0.00	0.00	0.00
2002	50,180.97	10.00	5,018.18	0.61	3,043.30
2005	34,520.57	10.00	3,452.11	1.12	3,882.57
2006	24,202.13	10.00	2,420.25	1.33	3,222.35
2007	147,650.81	10.00	14,765.31	1.55	22,918.74
2008	73,253.51	10.00	7,325.47	1.79	13,093.13
2010	274,641.56	10.00	27,464.58	2.29	62,953.57
2011	427,348.14	10.00	42,735.48	2.54	108,608.46
2012	164,947.66	10.00	16,495.02	2.76	45,556.08
2013	543,449.20	10.00	54,345.77	2.94	159,936.95
2014	540,415.86	10.00	54,042.43	3.11	168,137.06
2015	792,939.60	10.00	79,295.19	3.33	264,048.43
2016	1,068,257.92	10.00	106,827.45	3.67	392,127.85
2017	1,279,351.26	10.00	127,937.12	4.18	535,070.23
2018	1,935,383.29	10.00	193,541.34	4.87	942,261.88
2019	3,533,710.60	10.00	353,376.56	5.68	2,008,782.84
2020	2,150,749.91	10.00	215,078.34	6.58	1,414,447.03
2021	2,259,093.98	10.00	225,912.91	7.52	1,698,751.86
2022	2,475,253.83	10.00	247,529.24	8.50	2,104,272.99
Total	17,803,654.69	9.47	1,777,562.74	5.60	9,951,115.31

Composite Average Remaining Life ... 5.60 Years

PGS

Gas Division

392.04 Trailers & Other

Original Cost Of Utility Plant In Service

And Development Of Composite Remaining Life as of December 31, 2023

Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 30 *Survivor Curve:* R1.5

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
1974	927.68	30.00	30.92	3.09	95.68
1976	1,425.84	30.00	47.53	3.59	170.73
1978	3,068.00	30.00	102.26	4.13	422.57
1982	6,121.82	30.00	204.06	5.30	1,080.58
1984	1,671.80	30.00	55.73	5.93	330.31
1986	1,577.73	30.00	52.59	6.60	347.11
1987	4,914.45	30.00	163.81	6.96	1,139.52
1988	6,252.55	30.00	208.41	7.33	1,526.81
1990	3,623.68	30.00	120.79	8.11	979.79
1991	6,535.40	30.00	217.84	8.53	1,858.04
1994	34,745.96	30.00	1,158.17	9.88	11,448.36
1995	7,475.00	30.00	249.16	10.37	2,584.17
1996	58,319.86	30.00	1,943.95	10.88	21,141.26
1997	14,299.11	30.00	476.63	11.40	5,432.39
1998	14,707.84	30.00	490.25	11.94	5,851.67
1999	5,017.64	30.00	167.25	12.49	2,089.16
2000	6,398.95	30.00	213.29	13.06	2,786.41
2001	19,226.38	30.00	640.86	13.65	8,748.75
2003	4,435.24	30.00	147.84	14.87	2,198.91
2004	3,983.48	30.00	132.78	15.51	2,058.97
2005	4,071.00	30.00	135.70	16.15	2,191.97
2006	3,047.57	30.00	101.58	16.81	1,708.08
2007	11,864.93	30.00	395.49	17.49	6,916.23
2008	6,491.02	30.00	216.36	18.17	3,931.98
2009	4,641.83	30.00	154.72	18.87	2,919.80
2010	2,115.26	30.00	70.51	19.58	1,380.47
2011	63,338.54	30.00	2,111.23	20.30	42,853.07

PGS
Gas Division
392.04 Trailers & Other

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: *30* *Survivor Curve:* *R1.5*

Year	*Original Cost*	*Avg. Service Life*	*Avg. Annual Accrual*	*Avg. Remaining Life*	*Future Annual Accruals*
(1)	*(2)*	*(3)*	*(4)*	*(5)*	*(6)*
2012	3,189.24	30.00	106.31	21.03	2,235.25
2013	13,995.21	30.00	466.50	21.76	10,152.97
2014	818,004.33	30.00	27,266.15	22.51	613,777.21
2015	5,738.84	30.00	191.29	23.27	4,450.52
2016	23,325.99	30.00	777.51	24.03	18,682.57
2017	94,323.73	30.00	3,144.05	24.80	77,969.82
2018	20,800.90	30.00	693.35	25.58	17,734.65
2019	1,077,081.04	30.00	35,901.83	26.36	946,546.06
2020	895,773.72	30.00	29,858.40	27.16	810,925.70
2021	29,471.59	30.00	982.36	27.96	27,468.46
2022	14,459.36	30.00	481.97	28.77	13,866.89
2023	1,315,163.56	30.00	43,837.73	29.59	1,297,106.76
Total	4,611,626.07	30.00	153,717.15	25.86	3,975,109.69

Composite Average Remaining Life ... *25.86 Years*

PGS
Gas Division
392.05 Vehicles over 1 Ton

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 13 *Survivor Curve:* L2

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
1992	46,758.60	13.00	3,596.81	1.05	3,774.16
2005	10,202.86	13.00	784.83	3.72	2,917.65
2006	120,234.03	13.00	9,248.76	3.97	36,701.06
2007	71,334.69	13.00	5,487.28	4.22	23,150.41
2010	8,912.49	13.00	685.58	4.95	3,394.94
2013	67,792.77	13.00	5,214.82	5.71	29,775.17
2014	134,191.32	13.00	10,322.39	6.02	62,140.25
2015	576,414.01	13.00	44,339.47	6.39	283,399.55
2016	202,698.33	13.00	15,592.15	6.85	106,750.58
2018	130,825.56	13.00	10,063.49	8.08	81,299.60
2019	623,444.40	13.00	47,957.19	8.85	424,489.65
2020	571,330.17	13.00	43,948.41	9.69	425,881.23
Total	2,564,139.23	13.00	197,241.17	7.52	1,483,674.25

Composite Average Remaining Life ... 7.52 Years

PGS
Gas Division
393.00 Stores Equipment

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 24 *Survivor Curve:* SQ

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
2012	1,283.39	24.00	53.47	12.50	668.43
Total	1,283.39	24.00	53.47	12.50	668.43

Composite Average Remaining Life ... 12.50 Years

PGS
Gas Division
394.00 Tools, Shop & Garage Equip

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 18 *Survivor Curve:* SQ

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
2004	76,064.16	0.00	0.00	0.00	0.00
2005	102,633.27	0.00	0.00	0.00	0.00
2006	102,556.61	18.00	5,697.59	0.50	2,848.79
2007	120,829.00	18.00	6,712.72	1.50	10,069.08
2008	77,877.13	18.00	4,326.51	2.50	10,816.27
2009	211,344.45	18.00	11,741.36	3.50	41,094.75
2010	165,917.15	18.00	9,217.62	4.50	41,479.29
2011	370,307.52	18.00	20,572.64	5.50	113,149.52
2012	160,080.34	18.00	8,893.35	6.50	57,806.79
2013	386,884.17	18.00	21,493.57	7.50	161,201.74
2014	1,471,365.89	18.00	81,742.55	8.50	694,811.67
2015	2,693,626.21	18.00	149,645.90	9.50	1,421,636.06
2016	303,818.81	18.00	16,878.82	10.50	177,227.64
2017	131,580.30	18.00	7,310.02	11.50	84,065.19
2018	185,617.32	18.00	10,312.07	12.50	128,900.92
2019	169,435.99	18.00	9,413.11	13.50	127,076.99
2020	138,839.27	18.00	7,713.29	14.50	111,842.75
2021	43,089.54	18.00	2,393.86	15.50	37,104.88
2022	70,095.72	18.00	3,894.21	16.50	64,254.41
2023	1,605,734.51	18.00	89,207.47	17.50	1,561,130.77
Total	8,587,697.36	16.20	467,166.66	10.37	4,846,517.51

Composite Average Remaining Life ... 10.37 Years

PGS

Gas Division

394.01 CNC Station Equipment

Original Cost Of Utility Plant In Service

And Development Of Composite Remaining Life as of December 31, 2023

Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 20 *Survivor Curve:* SQ

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
2011	6,679.97	20.00	334.00	7.50	2,504.99
2012	2,413.68	20.00	120.68	8.50	1,025.81
2013	20,727.47	20.00	1,036.37	9.50	9,845.55
2016	1,431,845.14	20.00	71,592.26	12.50	894,903.21
2019	1,095,156.28	20.00	54,757.81	15.50	848,746.12
2020	24,427.55	20.00	1,221.38	16.50	20,152.73
2022	4,788.56	20.00	239.43	18.50	4,429.42
2023	655,754.14	20.00	32,787.71	19.50	639,360.29
Total	3,241,792.79	20.00	162,089.64	14.94	2,420,968.11

Composite Average Remaining Life ... 14.94 Years

PGS
Gas Division
396.00 Power Operated Equipment

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 18 *Survivor Curve:* L1.5

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
1986	10,424.95	18.00	579.14	3.27	1,891.35
1987	7,895.18	18.00	438.60	3.45	1,511.13
1990	20,504.84	18.00	1,139.11	4.01	4,571.38
1992	42,733.64	18.00	2,374.00	4.42	10,496.55
1993	3,931.53	18.00	218.41	4.63	1,012.22
1994	62,179.31	18.00	3,454.27	4.85	16,769.51
1995	43,250.67	18.00	2,402.72	5.08	12,206.56
1996	76,843.92	18.00	4,268.94	5.31	22,681.76
1997	42,989.34	18.00	2,388.20	5.55	13,257.22
1998	194,264.20	18.00	10,792.03	5.80	62,548.75
1999	12,270.42	18.00	681.66	6.04	4,120.27
2000	36,993.15	18.00	2,055.09	6.30	12,943.97
2001	55,638.93	18.00	3,090.93	6.55	20,259.91
2002	58,640.06	18.00	3,257.65	6.81	22,196.56
2004	49,850.67	18.00	2,769.37	7.34	20,319.83
2005	5,104.27	18.00	283.56	7.60	2,155.73
2006	41,545.76	18.00	2,308.01	7.87	18,164.69
2007	9,061.03	18.00	503.37	8.14	4,099.89
2008	74,752.28	18.00	4,152.74	8.43	35,002.38
2009	86,902.71	18.00	4,827.74	8.73	42,135.82
2010	218,585.51	18.00	12,143.16	9.05	109,867.46
2011	225,949.51	18.00	12,552.26	9.40	117,935.78
2012	79,155.79	18.00	4,397.37	9.78	42,999.78
2013	76,102.52	18.00	4,227.75	10.20	43,140.31
2014	926,640.52	18.00	51,478.01	10.68	549,766.56
2015	22,819.81	18.00	1,267.72	11.22	14,219.23
2016	78,520.43	18.00	4,362.08	11.82	51,547.03

PGS

Gas Division

396.00 Power Operated Equipment

Original Cost Of Utility Plant In Service

And Development Of Composite Remaining Life as of December 31, 2023

Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 18 *Survivor Curve:* L1.5

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
2017	91,302.21	18.00	5,072.15	12.48	63,311.58
2018	212,537.04	18.00	11,807.15	13.20	155,865.89
2019	76,294.87	18.00	4,238.44	13.97	59,212.47
2020	74,102.89	18.00	4,116.67	14.79	60,882.64
2021	48,793.21	18.00	2,710.63	15.66	42,439.10
2022	10,696.08	18.00	594.20	16.57	9,845.22
2023	484,735.74	18.00	26,928.71	17.52	471,700.39
Total	3,562,012.99	18.00	197,881.85	10.72	2,121,078.92

Composite Average Remaining Life ... 10.72 *Years*

PGS
Gas Division
397.00 Communication Equipment

Original Cost Of Utility Plant In Service
And Development Of Composite Remaining Life as of December 31, 2023
Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 13 *Survivor Curve:* SQ

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
2008	16,712.04	0.00	0.00	0.00	0.00
2009	513,040.36	0.00	0.00	0.00	0.00
2010	274,684.70	0.00	0.00	0.00	0.00
2011	559,751.33	13.00	43,057.79	0.50	21,528.90
2012	178,355.18	13.00	13,719.63	1.50	20,579.44
2013	799,377.33	13.00	61,490.56	2.50	153,726.41
2014	63,729.73	13.00	4,902.29	3.50	17,158.00
2016	163,127.93	13.00	12,548.30	5.50	69,015.66
2017	386,579.78	13.00	29,736.91	6.50	193,289.89
2023	59,905.99	13.00	4,608.15	12.50	57,601.91
Total	3,015,264.37	9.10	170,063.64	3.13	532,900.22

Composite Average Remaining Life ... 3.13 Years

PGS

Gas Division

398.00 Miscellaneous Equipment

Original Cost Of Utility Plant In Service

And Development Of Composite Remaining Life as of December 31, 2023

Based Upon Broad Group/Remaining Life Procedure and Technique

Average Service Life: 20 *Survivor Curve:* SQ

Year (1)	Original Cost (2)	Avg. Service Life (3)	Avg. Annual Accrual (4)	Avg. Remaining Life (5)	Future Annual Accruals (6)
2003	48,826.15	0.00	0.00	0.00	0.00
2004	3,032.14	20.00	151.61	0.50	75.80
2006	38,674.55	20.00	1,933.73	2.50	4,834.32
2007	3,361.02	20.00	168.05	3.50	588.18
2008	2,887.48	20.00	144.37	4.50	649.68
2010	5,655.92	20.00	282.80	6.50	1,838.17
2011	20,642.52	20.00	1,032.13	7.50	7,740.95
2012	1,158.35	20.00	57.92	8.50	492.30
2013	655.68	20.00	32.78	9.50	311.45
2014	10,833.74	20.00	541.69	10.50	5,687.71
2015	8,249.33	20.00	412.47	11.50	4,743.36
2016	4,275.45	20.00	213.77	12.50	2,672.16
2019	9,100.79	20.00	455.04	15.50	7,053.11
2020	8,108.69	20.00	405.43	16.50	6,689.67
2023	583,815.16	20.00	29,190.76	19.50	569,219.78
Total	749,276.97	18.67	35,022.54	17.49	612,596.65

Composite Average Remaining Life ... 17.49 Years

APPENDIX A:

DISCOUNTED CASH FLOW MODEL THEORY

The Discounted Cash Flow ("DCF") Model is based on a fundamental financial model called the "dividend discount model," which maintains that the value of a security is equal to the present value of the future cash flows it generates. Cash flows from common stock are paid to investors in the form of dividends. There are several variations of the DCF Model. In its most general form, the DCF Model is expressed as follows:[1]

Equation 1:
General Discounted Cash Flow Model

$$P_0 = \frac{D_1}{(1+k)} + \frac{D_2}{(1+k)^2} + \cdots + \frac{D_n}{(1+k)^n}$$

where: P_0 = *current stock price*
$D_1 \ldots D_n$ = *expected future dividends*
k = *discount rate / required return*

The General DCF Model would require an estimation of an infinite stream of dividends. Since this would be impractical, analysts use more feasible variations of the General DCF Model, which are discussed further below.

The DCF Models rely on the following four assumptions:

1. Investors evaluate common stocks in the classical valuation framework; that is, they trade securities rationally at prices reflecting their perceptions of value;

[1] *See* Zvi Bodie, Alex Kane & Alan J. Marcus, *Essentials of Investments* 410 (9th ed., McGraw-Hill/Irwin 2013).

2. Investors discount the expected cash flows at the same rate (K) in every future period;

3. The K obtained from the DCF equation corresponds to that specific stream of future cash flows alone; and

4. Dividends, rather than earnings, constitute the source of value.

The General DCF can be rearranged to make it more practical for estimating the cost of equity. Regulators typically rely on some variation of the Constant Growth DCF Model, which is expressed as follows:

Equation 2:
Constant Growth Discounted Cash Flow Model

$$K = \frac{D_1}{P_0} + g$$

where:	K	=	*discount rate / required return on equity*
	D_1	=	*expected dividend per share one year from now*
	P_0	=	*current stock price*
	g	=	*expected growth rate of future dividends*

Unlike the General DCF Model, the Constant Growth DCF Model solves directly for the required return (K). In addition, by assuming that dividends grow at a constant rate, the dividend stream from the General DCF Model may be essentially substituted with a term representing the expected constant growth rate of future dividends (g). The Constant Growth DCF Model may be considered in two parts. The first part is the dividend yield (D_1/P_0), and the second part is the growth rate (g). In other words, the required return in the DCF Model is equivalent to the dividend yield plus the growth rate.

In addition to the four assumptions listed above, the Constant Growth DCF Model relies on four additional assumptions as follows:[2]

1. The discount rate (K) must exceed the growth rate (g);
2. The dividend growth rate (g) is constant in every year to infinity;
3. Investors require the same return (K) in every year; and
4. There is no external financing; that is, growth is provided only by the retention of earnings.

Because the growth rate in this model is assumed to be constant, it is important not to use growth rates that are unreasonably high. In fact, the constant growth rate estimate for a regulated utility with a defined service territory should not exceed the growth rate for the economy in which it operates.

[2] *Id.* at 254-56.

APPENDIX B:

CAPITAL ASSET PRICING MODEL THEORY

The Capital Asset Pricing Model ("CAPM") is a market-based model founded on the principle that investors demand higher returns for incurring additional risk.[3] The CAPM estimates this required return. The CAPM relies on the following assumptions:

1. Investors are rational, risk-adverse, and strive to maximize profit and terminal wealth;
2. Investors make choices based on risk and return. Return is measured by the mean returns expected from a portfolio of assets; risk is measured by the variance of these portfolio returns;
3. Investors have homogenous expectations of risk and return;
4. Investors have identical time horizons;
5. Information is freely and simultaneously available to investors.
6. There is a risk-free asset, and investors can borrow and lend unlimited amounts at the risk-free rate;
7. There are no taxes, transaction costs, restrictions on selling short, or other market imperfections; and,
8. Total asset quality is fixed, and all assets are marketable and divisible.[4]

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[3] William F. Sharpe, *A Simplified Model for Portfolio Analysis* 277-93 (Management Science IX 1963); *see also* John R. Graham, Scott B. Smart & William L. Megginson, *Corporate Finance: Linking Theory to What Companies Do* 208 (3rd ed., South Western Cengage Learning 2010).

[4] *Id*.

While some of these assumptions may appear to be restrictive, they do not outweigh the inherent value of the model. The CAPM has been widely used by firms, analysts, and regulators for decades to estimate the cost of equity capital.

The basic CAPM equation is expressed as follows:

Equation 3:
Capital Asset Pricing Model

$$K = R_F + \beta_i(R_M - R_F)$$

where:	K	=	*required return*
	R_F	=	*risk-free rate*
	β	=	*beta coefficient of asset i*
	R_M	=	*required return on the overall market*

There are essentially three terms within the CAPM equation that are required to calculate the required return (K): (1) the risk-free rate (R_F); (2) the beta coefficient (β); and (3) the equity risk premium ($R_M - R_F$), which is the required return on the overall market less the risk-free rate.

Raw Beta Calculations and Adjustments

A stock's beta equals the covariance of the asset's returns with the returns on a market portfolio, divided by the portfolio's variance, as expressed in the following formula:[5]

Equation 4:
Beta

$$\beta_i = \frac{\sigma_{im}}{\sigma_m^2}$$

where:	β_i	=	*beta of asset i*
	σ_{im}	=	*covariance of asset i returns with market portfolio returns*
	σ^2_m	=	*variance of market portfolio*

[5] John R. Graham, Scott B. Smart & William L. Megginson, *Corporate Finance: Linking Theory to What Companies Do* 180-81 (3rd ed., South Western Cengage Learning 2010).

Betas that are published by various research firms are typically calculated through a regression analysis that considers the movements in price of an individual stock and movements in the price of the overall market portfolio. The betas produced by this regression analysis are considered "raw" betas. There is empirical evidence that raw betas should be adjusted to account for beta's natural tendency to revert to an underlying mean.[6] Some analysts use an adjustment method proposed by Blume, which adjusts raw betas toward the market mean of one.[7] While the Blume adjustment method is popular due to its simplicity, it is arguably arbitrary, and some would say not useful at all. According to Dr. Damodaran: "While we agree with the notion that betas move toward 1.0 over time, the [Blume adjustment] strikes us as arbitrary and not particularly useful."[8] The Blume adjustment method is especially arbitrary when applied to industries with consistently low betas, such as the utility industry. For industries with consistently low betas, it is better to employ an adjustment method that adjusts raw betas toward an industry average, rather than the market average. Vasicek proposed such a method, which is preferable to the Blume adjustment method because it allows raw betas to be adjusted toward an industry average, and also accounts for the statistical accuracy of the raw beta calculation.[9] In other words, "[t]he Vasicek adjustment seeks to overcome one weakness of the Blume model by not applying the same adjustment to every security; rather, a security-specific adjustment is made depending on the

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[6] *See* Michael J. Gombola and Douglas R. Kahl, *Time-Series Processes of Utility Betas: Implications for Forecasting Systematic Risk* 84-92 (Financial Management Autumn 1990).

[7] See Marshall Blume, *On the Assessment of Risk*, Vol. 26, No. 1, The Journal of Finance 1 (1971).

[8] *See* Aswath Damodaran, *Investment Valuation: Tools and Techniques for Determining the Value of Any Asset* 187 (3rd ed., John Wiley & Sons, Inc. 2012).

[9] Oldrich A. Vasicek, *A Note on Using Cross-Sectional Information in Bayesian Estimation of Security Betas* 1233-1239 (Journal of Finance, Vol. 28, No. 5, December 1973).

statistical quality of the regression."[10] The Vasicek beta adjustment equation is expressed as follows:

Equation 5:
Vasicek Beta Adjustment

$$\beta_{i1} = \frac{\sigma^2_{\beta_{i0}}}{\sigma^2_{\beta 0} + \sigma^2_{\beta_{i0}}}\beta_0 + \frac{\sigma^2_{\beta 0}}{\sigma^2_{\beta 0} + \sigma^2_{\beta_{i0}}}\beta_{i0}$$

where:	β_{i1}	=	*Vasicek adjusted beta for security i*
	β_{i0}	=	*historical beta for security i*
	β_0	=	*beta of industry or proxy group*
	$\sigma^2_{\beta 0}$	=	*variance of betas in the industry or proxy group*
	$\sigma^2_{\beta i0}$	=	*square of standard error of the historical beta for security i*

The Vasicek beta adjustment is an improvement on the Blume model because the Vasicek model does not apply the same adjustment to every security. A higher standard error produced by the regression analysis indicates a lower statistical significance of the beta estimate. Thus, a beta with a high standard error should receive a greater adjustment than a beta with a low standard error. As stated in Ibbotson:

[10] 2012 Ibbotson Stocks, Bonds, Bills, and Inflation Valuation Yearbook 77-78 (Morningstar 2012).

> While the Vasicek formula looks intimidating, it is really quite simple. The adjusted beta for a company is a weighted average of the company's historical beta and the beta of the market, industry, or peer group. How much weight is given to the company and historical beta depends on the statistical significance of the company beta statistic. If a company beta has a low standard error, then it will have a higher weighting in the Vasicek formula. If a company beta has a high standard error, then it will have lower weighting in the Vasicek formula. An advantage of this adjustment methodology is that it does not force an adjustment to the market as a whole. Instead, the adjustment can be toward an industry or some other peer group. *This is most useful in looking at companies in industries that on average have high or low betas*.[11]

Thus, the Vasicek adjustment method is statistically more accurate, and is the preferred method to use when analyzing companies in an industry that has inherently low betas, such as the utility industry. The Vasicek method was also confirmed by Gombola, who conducted a study specifically related to utility companies. Gombola concluded that "[t]he strong evidence of auto-regressive tendencies in *utility* betas lends support to the application of adjustment procedures such as the . . . adjustment procedure presented by Vasicek."[12] Gombola also concluded that adjusting raw betas toward the market mean of 1.0 is *too high*, and that "[i]nstead, they should be adjusted toward a value that is less than one."[13] In conducting the Vasicek adjustment on betas in previous

[11] *Id*. at 78 (emphasis added).

[12] Michael J. Gombola and Douglas R. Kahl, *Time-Series Processes of Utility Betas: Implications for Forecasting Systematic Risk* 92 (Financial Management Autumn 1990) (emphasis added).

[13] *Id*. at 91-92.

cases, it reveals that utility betas are even lower than those published by Value Line.[14] Gombola's findings are particular important here, because his study was conducted specifically on utility companies. This evidence indicates that using Value Line's betas in a CAPM cost of equity estimate for a utility company may lead to overestimated results. Regardless, adjusting betas to a level that is *higher* than Value Line's betas is not reasonable, and it would produce CAPM cost of equity results that are too high.

[14] *See e.g.* Responsive Testimony of David J. Garrett, filed March 21, 2016 in Cause No. PUD 201500273 before the Corporation Commission of Oklahoma (the Company's 2015 rate case), at pp. 56 – 59.

APPENDIX C:

THE DEPRECIATION SYSTEM

A depreciation accounting system may be thought of as a dynamic system in which estimates of life and salvage are inputs to the system, and the accumulated depreciation account is a measure of the state of the system at any given time.[15] The primary objective of the depreciation system is the timely recovery of capital. The process for calculating the annual accruals is determined by the factors required to define the system. A depreciation system should be defined by four primary factors: 1) a *method* of allocation; 2) a *procedure* for applying the method of allocation to a group of property; 3) a *technique* for applying the depreciation rate; and 4) a *model* for analyzing the characteristics of vintage groups comprising a continuous property group.[16] The figure below illustrates the basic concept of a depreciation system and includes some of the available parameters.[17]

There are hundreds of potential combinations of methods, procedures, techniques, and models, but in practice, analysts use only a few combinations. Ultimately, the system selected must result in the systematic and rational allocation of capital recovery for the utility. Each of the four primary factors defining the parameters of a depreciation system is discussed further below.

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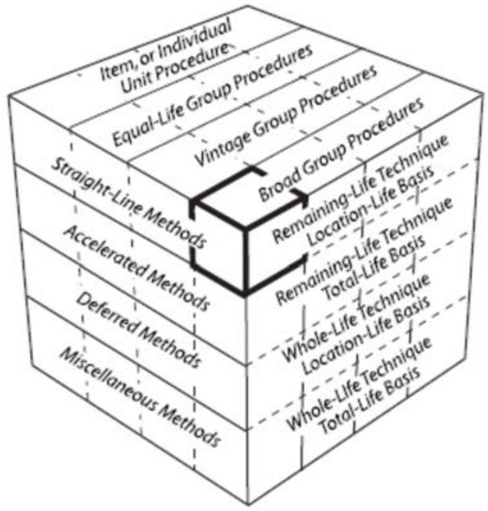
[15] *See* Frank K. Wolf & W. Chester Fitch, *Depreciation Systems* 69-70 (Iowa State University Press 1994).

[16] *Id.* at 70, 139-40.

[17] Edison Electric Institute, *Introduction to Depreciation* (inside cover) (EEI April 2013). Some definitions of the terms shown in this diagram are not consistent among depreciation practitioners and literature due to the fact that depreciation analysis is a relatively small and fragmented field. This diagram simply illustrates the some of the available parameters of a depreciation system.

Figure 1:
The Depreciation System Cube



1. Allocation Methods

The "method" refers to the pattern of depreciation in relation to the accounting periods. The method most commonly used in the regulatory context is the "straight-line method" — a type of age-life method in which the depreciable cost of plant is charged in equal amounts to each accounting period over the service life of plant.[18] Because group depreciation rates and plant balances often change, the amount of the annual accrual rarely remains the same, even when the straight-line method is employed.[19] The basic formula for the straight-line method is as follows:[20]

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[18] National Association of Regulatory Utility Commissioners, *Public Utility Depreciation Practices* 56 (NARUC 1996).

[19] *Id*.

[20] *Id*.

Equation 6:
Straight-Line Accrual

$$Annual\ Accrual = \frac{Gross\ Plant - Net\ Salavage}{Service\ Life}$$

Gross plant is a known amount from the utility's records, while both net salvage and service life must be estimated in order to calculate the annual accrual. The straight-line method differs from accelerated methods of recovery, such as the "sum-of-the-years-digits" method and the "declining balance" method. Accelerated methods are primarily used for tax purposes and are rarely used in the regulatory context for determining annual accruals.[21] In practice, the annual accrual is expressed as a rate which is applied to the original cost of plant in order to determine the annual accrual in dollars. The formula for determining the straight-line rate is as follows:[22]

Equation 7:
Straight-Line Rate

$$Depreciation\ Rate\ \% = \frac{100 - Net\ Salvage\ \%}{Service\ Life}$$

2. <u>Grouping Procedures</u>

The "procedure" refers to the way the allocation method is applied through subdividing the total property into groups.[23] While single units may be analyzed for depreciation, a group plan of depreciation is particularly adaptable to utility property. Employing a grouping procedure allows for a composite application of depreciation rates to groups of similar property, rather than

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[21] *Id*. at 57.

[22] *Id*. at 56.

[23] Wolf *supra* n. 15, at 74-75.

excessively conducting calculations for each unit. Whereas an individual unit of property has a single life, a group of property displays a dispersion of lives and the life characteristics of the group must be described statistically.[24] When analyzing mass property categories, it is important that each group contains homogenous units of plant that are used in the same general manner throughout the plant and operated under the same general conditions.[25]

The "average life" and "equal life" grouping procedures are the two most common. In the average life procedure, a constant annual accrual rate based on the average life of all property in the group is applied to the surviving property. While property having shorter lives than the group average will not be fully depreciated, and likewise, property having longer lives than the group average will be over-depreciated, the ultimate result is that the group will be fully depreciated by the time of the final retirement.[26] Thus, the average life procedure treats each unit as though its life is equal to the average life of the group. In contrast, the equal life procedure treats each unit in the group as though its life was known.[27] Under the equal life procedure the property is divided into subgroups that each has a common life.[28]

3. <u>Application Techniques</u>

The third factor of a depreciation system is the "technique" for applying the depreciation rate. There are two commonly used techniques: "whole life" and "remaining life." The whole life

[24] *Id*. at 74.

[25] NARUC *supra* n. 18, at 61-62.

[26] *See* Wolf *supr*a n. 15, at 74-75.

[27] *Id*. at 75.

[28] *Id*.

technique applies the depreciation rate on the estimated average service life of a group, while the remaining life technique seeks to recover undepreciated costs over the remaining life of the plant.[29]

In choosing the application technique, consideration should be given to the proper level of the accumulated depreciation account. Depreciation accrual rates are calculated using estimates of service life and salvage. Periodically these estimates must be revised due to changing conditions, which cause the accumulated depreciation account to be higher or lower than necessary. Unless some corrective action is taken, the annual accruals will not equal the original cost of the plant at the time of final retirement.[30] Analysts can calculate the level of imbalance in the accumulated depreciation account by determining the "calculated accumulated depreciation," (a.k.a. "theoretical reserve" and referred to in these appendices as "CAD"). The CAD is the calculated balance that would be in the accumulated depreciation account at a point in time using *current* depreciation parameters.[31] An imbalance exists when the actual accumulated depreciation account does not equal the CAD. The choice of application technique will affect how the imbalance is dealt with.

Use of the whole life technique requires that an adjustment be made to accumulated depreciation after calculation of the CAD. The adjustment can be made in a lump sum or over a period of time. With use of the remaining life technique, however, adjustments to accumulated depreciation are amortized over the remaining life of the property and are automatically included

[29] NARUC *supra* n. 18, at 63-64.

[30] Wolf *supra* n. 15, at 83.

[31] NARUC *supra* n. 18, at 325.

in the annual accrual.[32] This is one reason that the remaining life technique is popular among practitioners and regulators. The basic formula for the remaining life technique is as follows:[33]

Equation 8:
Remaining Life Accrual

$$Annual\ Accrual = \frac{Gross\ Plant - Accumulated\ Depreciation - Net\ Salvage}{Average\ Remaining\ Life}$$

The remaining life accrual formula is similar to the basic straight-line accrual formula above with two notable exceptions. First, the numerator has an additional factor in the remaining life formula: the accumulated depreciation. Second, the denominator is "average remaining life" instead of "average life." Essentially, the future accrual of plant (gross plant less accumulated depreciation) is allocated over the remaining life of plant. Thus, the adjustment to accumulated depreciation is "automatic" in the sense that it is built into the remaining life calculation.[34]

4. Analysis Model

The fourth parameter of a depreciation system, the "model," relates to the way of viewing the life and salvage characteristics of the vintage groups that have been combined to form a continuous property group for depreciation purposes.[35] A continuous property group is created when vintage groups are combined to form a common group. Over time, the characteristics of the property may change, but the continuous property group will continue. The two analysis models

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[32] NARUC *supra* n. 18, at 65 ("The desirability of using the remaining life technique is that any necessary adjustments of [accumulated depreciation] . . . are accrued automatically over the remaining life of the property. Once commenced, adjustments to the depreciation reserve, outside of those inherent in the remaining life rate would require regulatory approval.").

[33] *Id*. at 64.

[34] Wolf *supra* n. 15, at 178.

[35] *See* Wolf *supra* n. 15, at 139 (I added the term "model" to distinguish this fourth depreciation system parameter from the other three parameters).

used among practitioners, the “broad group” and the “vintage group,” are two ways of viewing the life and salvage characteristics of the vintage groups that have been combined to from a continuous property group.

The broad group model views the continuous property group as a collection of vintage groups that each has the same life and salvage characteristics. Thus, a single survivor curve and a single salvage schedule are chosen to describe all the vintages in the continuous property group. In contrast, the vintage group model views the continuous property group as a collection of vintage groups that may have different life and salvage characteristics. Typically, there is not a significant difference between vintage group and broad group results unless vintages within the applicable property group experienced dramatically different retirement levels than anticipated in the overall estimated life for the group. For this reason, many analysts utilize the broad group procedure because it is more efficient.

APPENDIX D:

IOWA CURVES

Early work in the analysis of the service life of industrial property was based on models that described the life characteristics of human populations.[36] This explains why the word "mortality" is often used in the context of depreciation analysis. In fact, a group of property installed during the same accounting period is analogous to a group of humans born during the same calendar year. Each period the group will incur a certain fraction of deaths / retirements until there are no survivors. Describing this pattern of mortality is part of actuarial analysis and is regularly used by insurance companies to determine life insurance premiums. The pattern of mortality may be described by several mathematical functions, particularly the survivor curve and frequency curve. Each curve may be derived from the other so that if one curve is known, the other may be obtained. A survivor curve is a graph of the percent of units remaining in service expressed as a function of age.[37] A frequency curve is a graph of the frequency of retirements as a function of age. Several types of survivor and frequency curves are illustrated in the figures below.

1. Development

The survivor curves used by analysts today were developed over several decades from extensive analysis of utility and industrial property. In 1931 Edwin Kurtz and Robley Winfrey used extensive data from a range of 65 industrial property groups to create survivor curves

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[36] Wolf *supra* n. 15, at 276.

[37] *Id*. at 23.

representing the life characteristics of each group of property.[38] They generalized the 65 curves into 13 survivor curve types and published their results in *Bulletin 103: Life Characteristics of Physical Property*. The 13 type curves were designed to be used as valuable aids in forecasting probable future service lives of industrial property. Over the next few years, Winfrey continued gathering additional data, particularly from public utility property, and expanded the examined property groups from 65 to 176.[39] This resulted in 5 additional survivor curve types for a total of 18 curves. In 1935, Winfrey published *Bulletin 125: Statistical Analysis of Industrial Property Retirements*. According to Winfrey, "[t]he 18 type curves are expected to represent quite well all survivor curves commonly encountered in utility and industrial practices."[40] These curves are known as the "Iowa curves" and are used extensively in depreciation analysis in order to obtain the average service lives of property groups. (Use of Iowa curves in actuarial analysis is further discussed in Exhibit DJG-23, Appendix E.)

In 1942, Winfrey published *Bulletin 155: Depreciation of Group Properties*. In Bulletin 155, Winfrey made some slight revisions to a few of the 18 curve types, and published the equations, tables of the percent surviving, and probable life of each curve at five-percent intervals.[41] Rather than using the original formulas, analysts typically rely on the published tables containing the percentages surviving. This is because absent knowledge of the integration

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[38] *Id*. at 34.

[39] *Id*.

[40] Robley Winfrey, *Bulletin 125: Statistical Analyses of Industrial Property Retirements* 85, Vol. XXXIV, No. 23 (Iowa State College of Agriculture and Mechanic Arts 1935).

[41] Robley Winfrey, Bulletin 155: Depreciation of Group Properties 121-28, Vol XLI, No. 1 (The Iowa State College Bulletin 1942); see also Wolf supra n. 15, at 305-38 (publishing the percent surviving for each Iowa curve, including "O" type curve, at one percent intervals).

technique applied to each age interval, it is not possible to recreate the exact original published table values. In the 1970s, John Russo collected data from over 2,000 property accounts reflecting observations during the period 1965 – 1975 as part of his Ph.D. dissertation at Iowa State. Russo essentially repeated Winfrey's data collection, testing, and analysis methods used to develop the original Iowa curves, except that Russo studied industrial property in service several decades after Winfrey published the original Iowa curves. Russo drew three major conclusions from his research:[42]

1. No evidence was found to conclude that the Iowa curve set, as it stands, is not a valid system of standard curves;
2. No evidence was found to conclude that new curve shapes could be produced at this time that would add to the validity of the Iowa curve set; and
3. No evidence was found to suggest that the number of curves within the Iowa curve set should be reduced.

Prior to Russo's study, some had criticized the Iowa curves as being potentially obsolete because their development was rooted in the study of industrial property in existence during the early 1900s. Russo's research, however, negated this criticism by confirming that the Iowa curves represent a sufficiently wide range of life patterns, and that though technology will change over time, the underlying patterns of retirements remain constant and can be adequately described by the Iowa curves.[43]

Over the years, several more curve types have been added to Winfrey's 18 Iowa curves. In 1967, Harold Cowles added four origin-modal curves. In addition, a square curve is sometimes

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[42] *See* Wolf *supra* n. 15, at 37.

[43] *Id*.

used to depict retirements which are all planned to occur at a given age. Finally, analysts commonly rely on several "half curves" derived from the original Iowa curves. Thus, the term "Iowa curves" could be said to describe up to 31 standardized survivor curves.

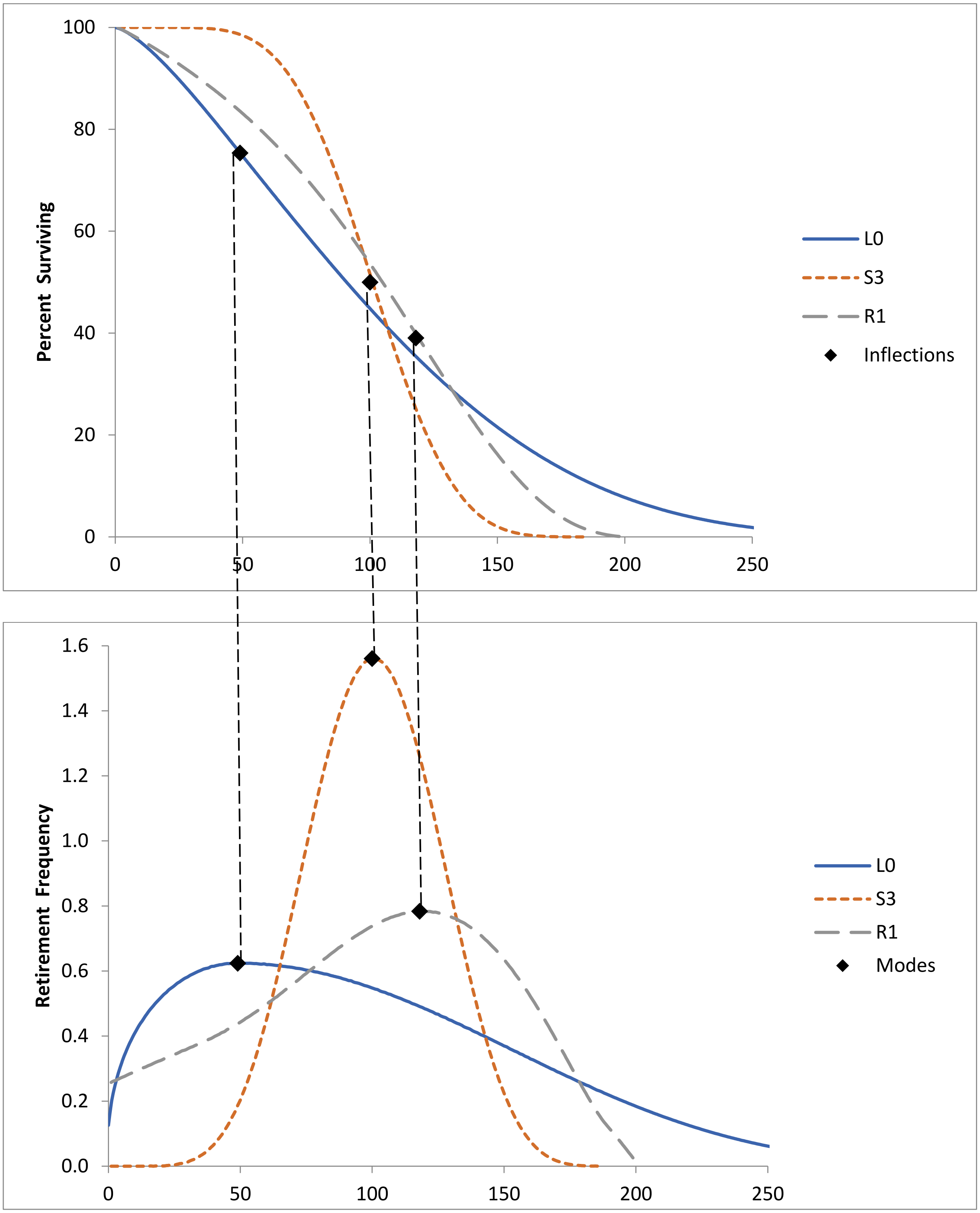
2. Classification

The Iowa curves are classified by three variables: modal location, average life, and variation of life. First, the mode is the percent life that results in the highest point of the frequency curve and the "inflection point" on the survivor curve. The modal age is the age at which the greatest rate of retirement occurs. As illustrated in the figure below, the modes appear at the steepest point of each survivor curve in the top graph, as well as the highest point of each corresponding frequency curve in the bottom graph.

The classification of the survivor curves was made according to whether the mode of the retirement frequency curves was to the left, to the right, or coincident with average service life. There are three modal "families" of curves: six left modal curves (L0, L1, L2, L3, L4, L5); five right modal curves (R1, R2, R3, R4, R5); and seven symmetrical curves (S0, S1, S2, S3, S4, S5, S6).[44] In the figure below, one curve from each family is shown: L0, S3 and R1, with average life at 100 on the x-axis. It is clear from the graphs that the modes for the L0 and R1 curves appear to the left and right of average life respectively, while the S3 mode is coincident with average life.

[44] In 1967, Harold A. Cowles added four origin-modal curves known as "O type" curves. There are also several "half" curves and a square curve, so the total amount of survivor curves commonly called "Iowa" curves is about 31 (see NARUC supra n. 119, at 68).

Figure 2:
Modal Age Illustration



The second Iowa curve classification variable is average life. The Iowa curves were designed using a single parameter of age expressed as a percent of average life instead of actual age. This was necessary in order for the curves to be of practical value. As Winfrey notes:

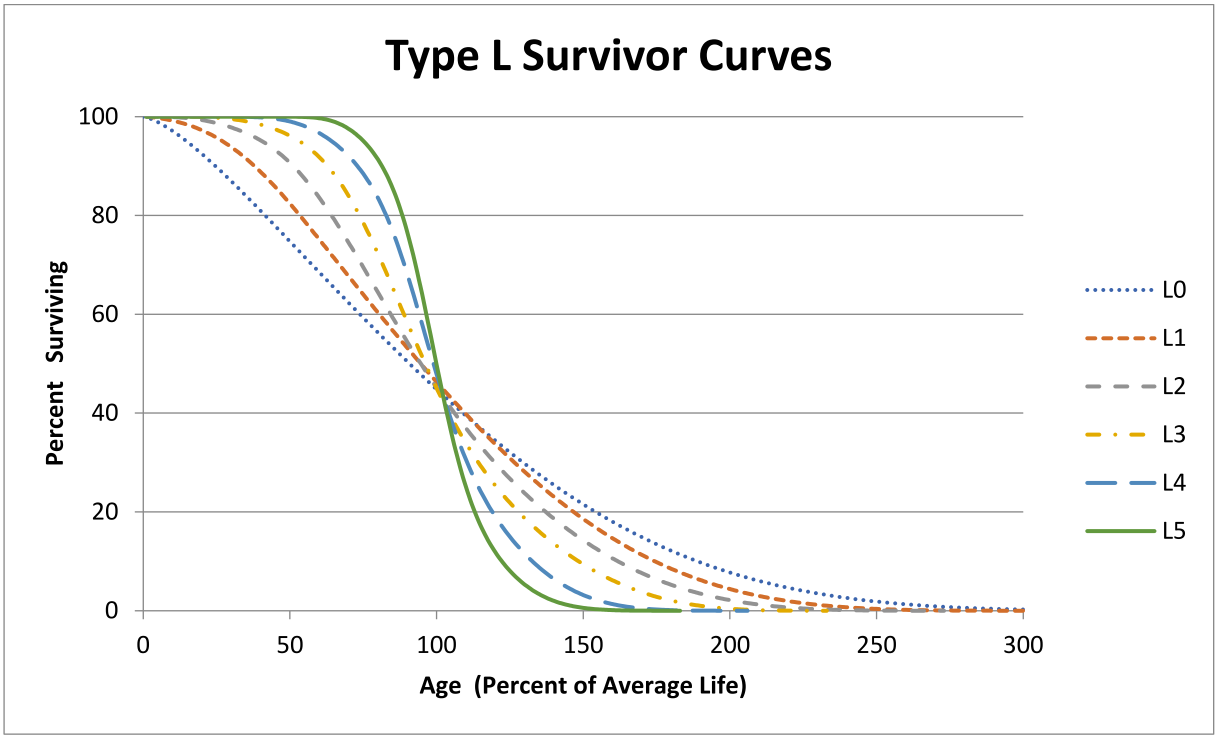
> Since the location of a particular survivor on a graph is affected by both its span in years and the shape of the curve, it is difficult to classify a group of curves unless one of these variables can be controlled. This is easily done by expressing the age in percent of average life."[45]

Because age is expressed in terms of percent of average life, any particular Iowa curve type can be modified to forecast property groups with various average lives.

The third variable, variation of life, is represented by the numbers next to each letter. A lower number (e.g., L1) indicates a relatively low mode, large variation, and large maximum life; a higher number (e.g., L5) indicates a relatively high mode, small variation, and small maximum life. All three classification variables – modal location, average life, and variation of life — are used to describe each Iowa curve. For example, a 13-L1 Iowa curve describes a group of property with a 13-year average life, with the greatest number of retirements occurring before (or to the left of) the average life, and a relatively low mode. The graphs below show these 18 survivor curves, organized by modal family.

[45] Winfrey *supra* n. 40, at 60.

Figure 3:
Type L Survivor and Frequency Curves



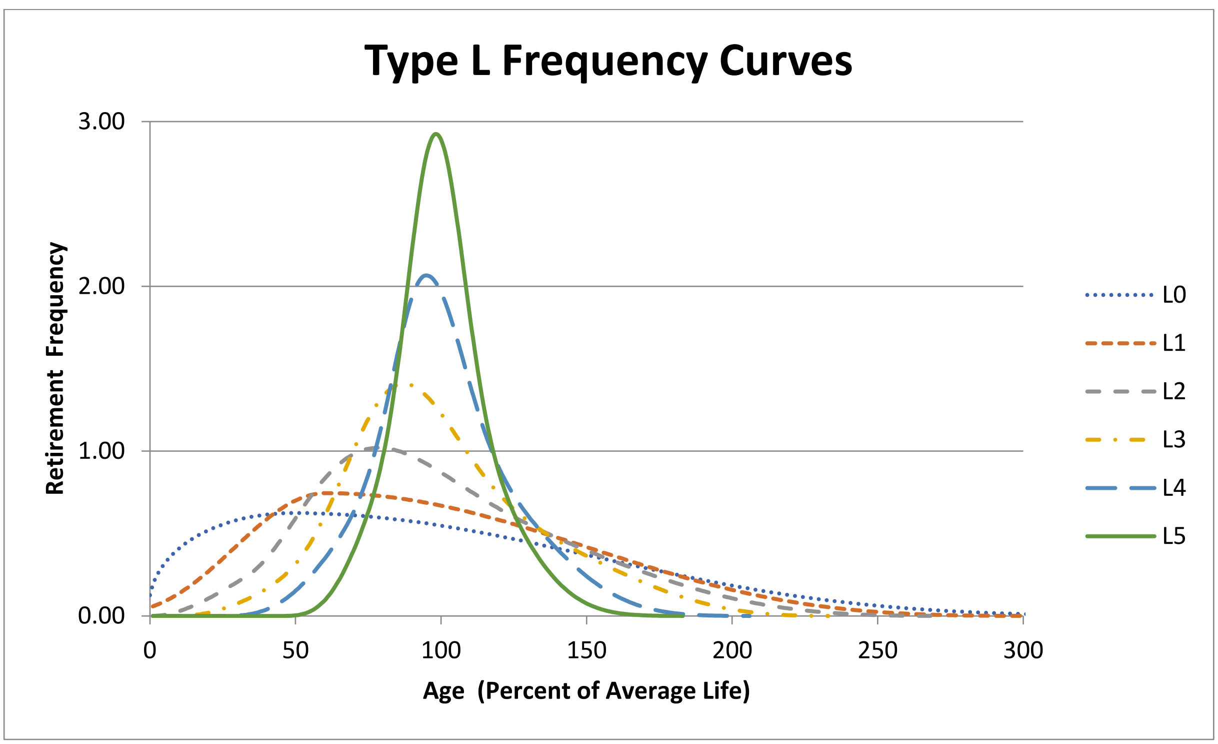
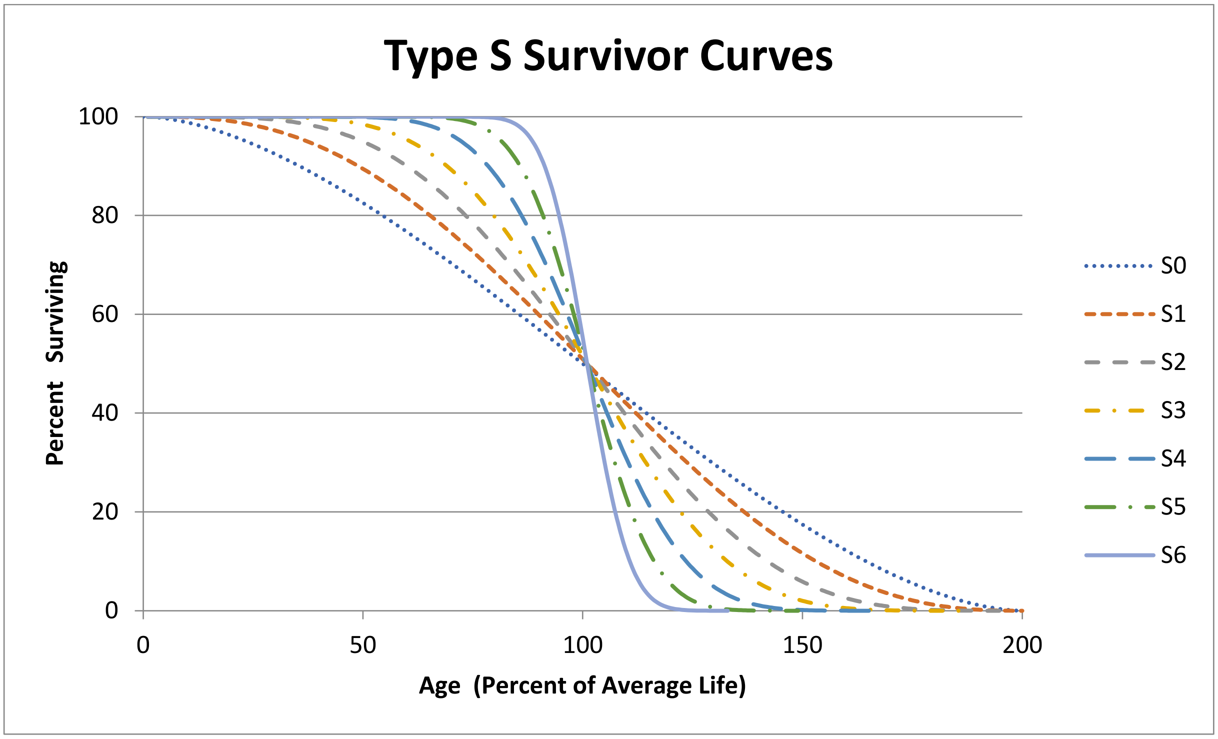


Figure 4:
Type S Survivor and Frequency Curves



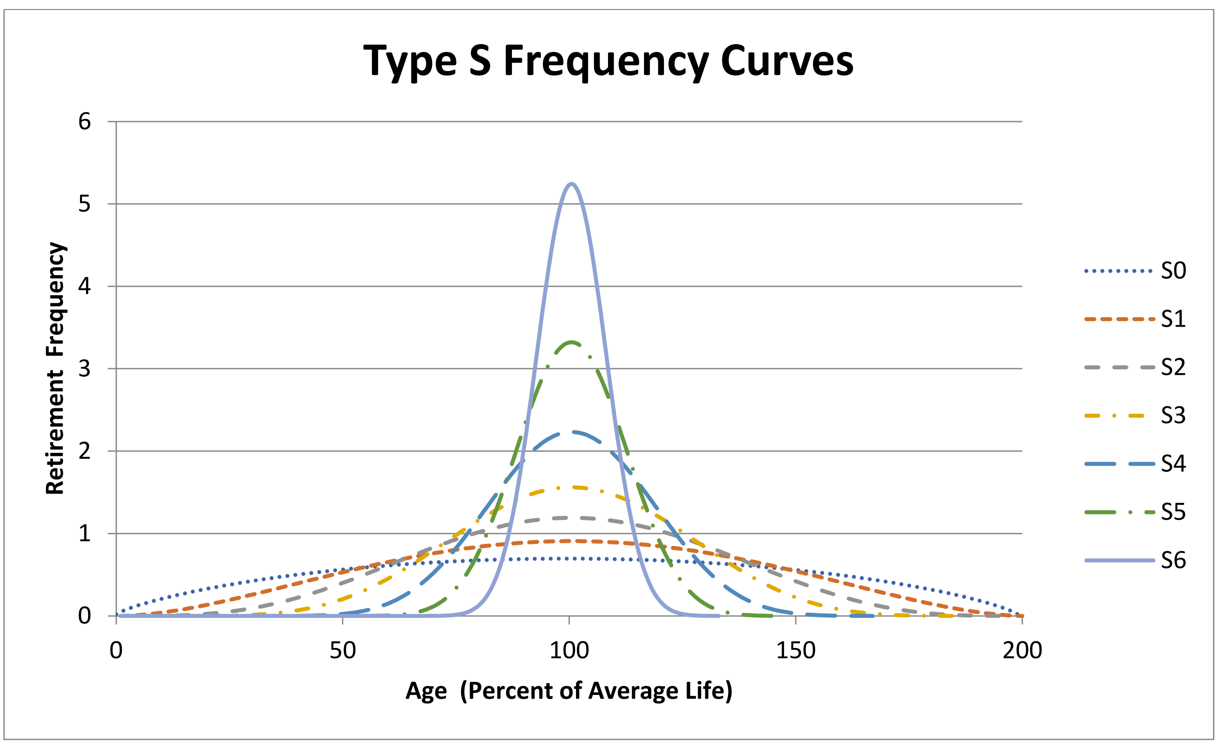
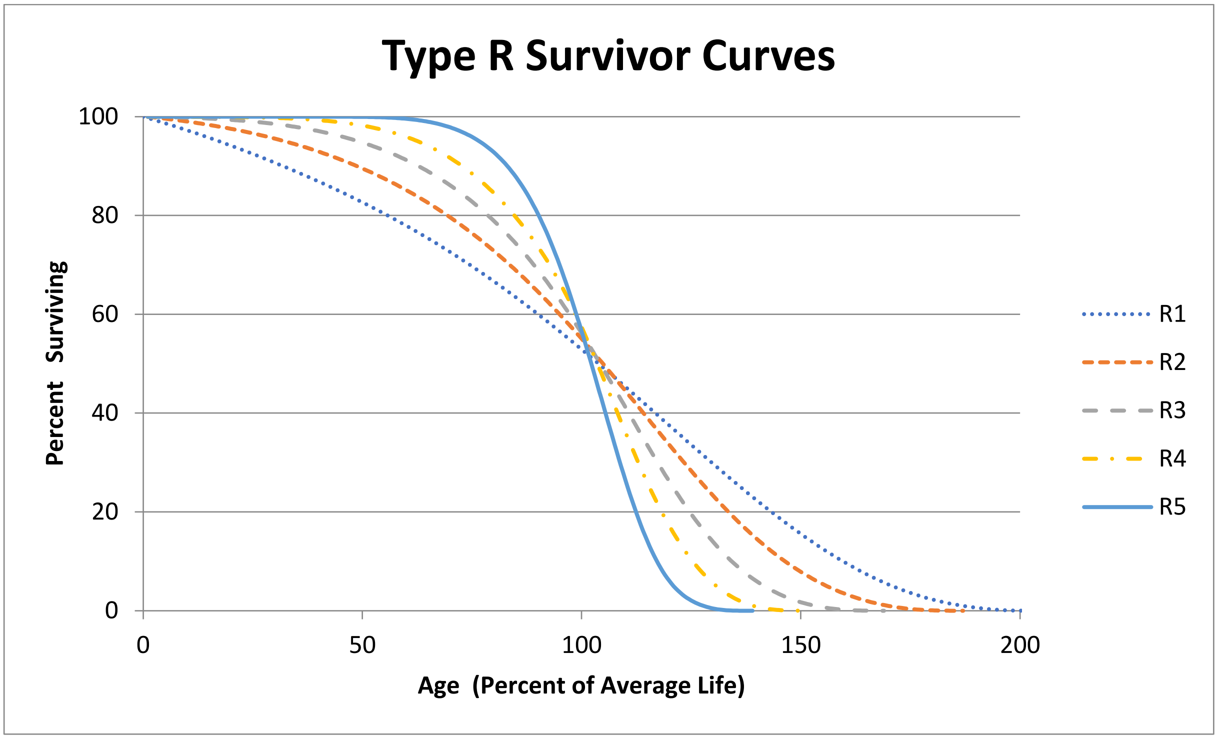
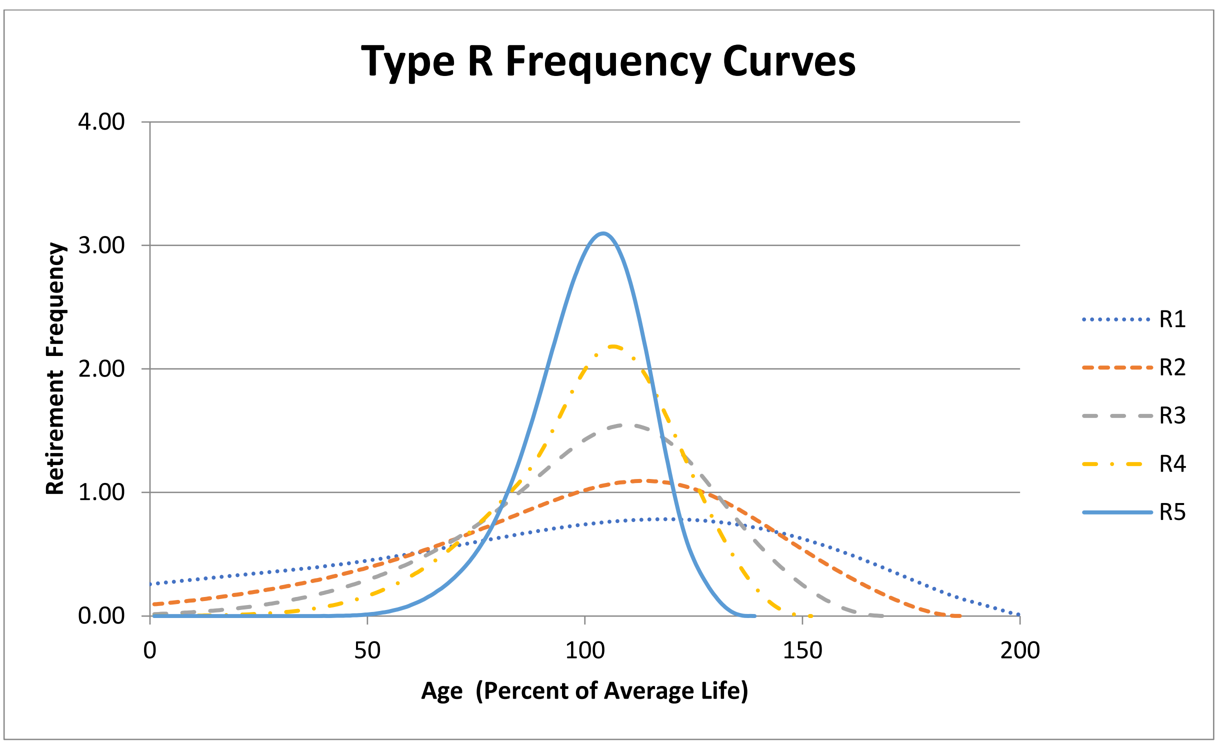


Figure 5:
Type R Survivor and Frequency Curves





As shown in the graphs above, the modes for the L family frequency curves occur to the left of average life (100% on the x-axis), while the S family modes occur at the average, and the R family modes occur after the average.

3. Types of Lives

Several other important statistical analyses and types of lives may be derived from an Iowa curve. These include: 1) average life; 2) realized life; 3) remaining life; and 4) probable life. The figure below illustrates these concepts. It shows the frequency curve, survivor curve, and probable life curve. Age M_x on the x-axis represents the modal age, while age AL_x represents the average age. Thus, this figure illustrates an "L type" Iowa curve since the mode occurs before the average.[46]

First, average life is the area under the survivor curve from age zero to maximum life. Because the survivor curve is measured in percent, the area under the curve must be divided by 100% to convert it from percent-years to years. The formula for average life is as follows:[47]

Equation 9:
Average Life

$$Average\ Life = \frac{Area\ Under\ Survivor\ Curve\ from\ Age\ 0\ to\ Max\ Life}{100\%}$$

Thus, average life may not be determined without a complete survivor curve. Many property groups being analyzed will not have experienced full retirement. This results in a "stub" survivor

[46] From age zero to age M_x on the survivor curve, it could be said that the percent surviving from this property group is decreasing at an increasing rate. Conversely, from point M_x to maximum on the survivor curve, the percent surviving is decreasing at a decreasing rate.

[47] *See* NARUC *supra* n. 18, at 71.

curve. Iowa curves are used to extend stub curves to maximum life in order for the average life calculation to be made (see Exhibit DJG-23, Appendix E).

Realized life is similar to average life, except that realized life is the average years of service experienced to date from the vintage's original installations.[48] As shown in the figure below, realized life is the area under the survivor curve from zero to age RL_X. Likewise, unrealized life is the area under the survivor curve from age RL_X to maximum life. Thus, it could be said that average life equals realized life plus unrealized life.

Average remaining life represents the future years of service expected from the surviving property.[49] Remaining life is sometimes referred to as "average remaining life" and "life expectancy." To calculate average remaining life at age x, the area under the estimated future potion of the survivor curve is divided by the percent surviving at age x (denoted S_X). Thus, the average remaining life formula is:

Equation 10:
Average Remaining Life

$$Average\ Remaining\ Life\ = \frac{Area\ Under\ Survivor\ Curve\ from\ Age\ x\ to\ Max\ Life}{S_X}$$

It is necessary to determine average remaining life in order to calculate the annual accrual under the remaining life technique.

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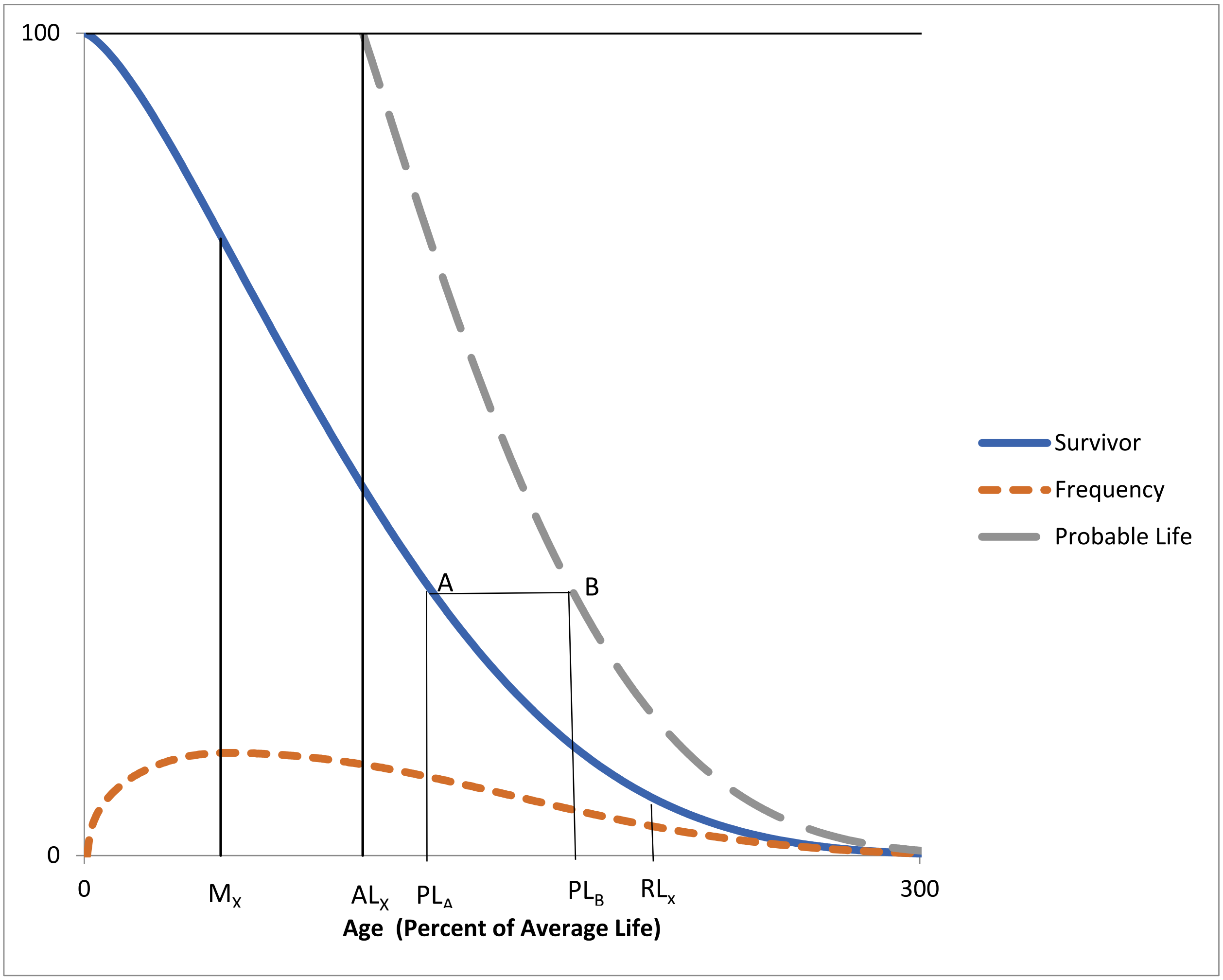
[48] *Id*. at 73.

[49] *Id*. at 74.

Figure 6:
Iowa Curve Derivations



Finally, the probable life may also be determined from the Iowa curve. The probable life of a property group is the total life expectancy of the property surviving at any age and is equal to the remaining life plus the current age.[50] The probable life is also illustrated in this figure. The probable life at age PL_A is the age at point PL_B. Thus, to read the probable life at age PL_A, see the corresponding point on the survivor curve above at point "A," then horizontally to point "B" on

[50] Wolf *supra* n. 15, at 28.

the probable life curve, and back down to the age corresponding to point "B." It is no coincidence that the vertical line from AL_X connects at the top of the probable life curve. This is because at age zero, probable life equals average life.

APPENDIX E:

ACTUARIAL ANALYSIS

Actuarial science is a discipline that applies various statistical methods to assess risk probabilities and other related functions. Actuaries often study human mortality. The results from historical mortality data are used to predict how long similar groups of people who are alive will live today. Insurance companies rely of actuarial analysis in determining premiums for life insurance policies.

The study of human mortality is analogous to estimating service lives of industrial property groups. While some humans die solely from chance, most deaths are related to age; that is, death rates generally increase as age increases. Similarly, physical plant is also subject to forces of retirement. These forces include physical, functional, and contingent factors, as shown in the table below.[51]

Figure 7:
Forces of Retirement

Physical Factors	Functional Factors	Contingent Factors
Wear and tear Decay or deterioration Action of the elements	Inadequacy Obsolescence Changes in technology Regulations Managerial discretion	Casualties or disasters Extraordinary obsolescence

While actuaries study historical mortality data in order to predict how long a group of people will live, depreciation analysts must look at a utility's historical data in order to estimate the average lives of property groups. A utility's historical data is often contained in the Continuing Property Records ("CPR"). Generally, a CPR should contain 1) an inventory of property record

[51] NARUC *supra* n. 18, at 14-15.

units; 2) the association of costs with such units; and 3) the dates of installation and removal of plant. Since actuarial analysis includes the examination of historical data to forecast future retirements, the historical data used in the analysis should not contain events that are anomalous or unlikely to recur.[52] Historical data is used in the retirement rate actuarial method, which is discussed further below.

The Retirement Rate Method

There are several systematic actuarial methods that use historical data in order to calculate observed survivor curves for property groups. Of these methods, the retirement rate method is superior, and is widely employed by depreciation analysts.[53] The retirement rate method is ultimately used to develop an observed survivor curve, which can be fitted with an Iowa curve discussed in Exhibit DJG-23, Appendix D in order to forecast average life. The observed survivor curve is calculated by using an observed life table ("OLT"). The figures below illustrate how the OLT is developed. First, historical property data are organized in a matrix format, with placement years on the left forming rows, and experience years on the top forming columns. The placement year (a.k.a. "vintage year" or "installation year") is the year of placement of a group of property. The experience year (a.k.a. "activity year") refers to the accounting data for a particular calendar year. The two matrices below use aged data — that is, data for which the dates of placements, retirements, transfers, and other transactions are known. Without aged data, the retirement rate actuarial method may not be employed. The first matrix is the exposure matrix, which shows the

[52] *Id*. at 112-13.

[53] Anson Marston, Robley Winfrey & Jean C. Hempstead, *Engineering Valuation and Depreciation* 154 (2nd ed., McGraw-Hill Book Company, Inc. 1953).

exposures at the beginning of each year.[54] An exposure is simply the depreciable property subject to retirement during a period. The second matrix is the retirement matrix, which shows the annual retirements during each year. Each matrix covers placement years 2003–2015, and experience years 2008-2015. In the exposure matrix, the number in the 2009 experience column and the 2003 placement row is $192,000. This means at the beginning of 2012, there was $192,000 still exposed to retirement from the vintage group placed in 2003. Likewise, in the retirement matrix, $19,000 of the dollars invested in 2003 was retired during 2012.

Figure 8:
Exposure Matrix

	Experience Years Exposures at January 1 of Each Year (Dollars in 000's)									
Placement Years	2008	2009	2010	2011	2012	2013	2014	2015	Total at Start of Age Interval	Age Interval
2003	261	245	228	211	**192**	173	152	131	131	11.5 - 12.5
2004	267	252	236	220	202	**184**	165	145	297	10.5 - 11.5
2005	304	291	277	263	248	232	**216**	198	536	9.5 - 10.5
2006	345	334	322	310	298	284	270	**255**	**847**	8.5 - 9.5
2007	367	357	347	335	324	312	299	286	1,201	7.5 - 8.5
2008	375	366	357	347	336	325	314	302	1,581	6.5 - 7.5
2009		377	366	356	346	336	327	319	1,986	5.5 - 6.5
2010			381	369	358	347	336	327	2,404	4.5 - 5.5
2011				386	372	359	346	334	2,559	3.5 - 4.5
2012					395	380	366	352	2,722	2.5 - 3.5
2013						401	385	370	2,866	1.5 - 2.5
2014							410	393	2,998	0.5 - 1.5
2015								416	3,141	0.0 - 0.5
Total	1919	2222	2514	2796	3070	3333	3586	3827	23,268	

[54] Technically, the last numbers in each column are "gross additions" rather than exposures. Gross additions do not include adjustments and transfers applicable to plant placed in a previous year. Once retirements, adjustments, and transfers are factored in, the balance at the beginning of the next account period is called an "exposure" rather than an addition.

Figure 9:
Retirement Matrix

Placement Years	2008	2009	2010	2011	2012	2013	2014	2015	Total During Age Interval	Age Interval
	Experience Years Retirments During the Year (Dollars in 000's)									
2003	16	17	18	19	**19**	20	21	23	23	11.5 - 12.5
2004	15	16	17	17	18	**19**	20	21	43	10.5 - 11.5
2005	13	14	14	15	16	17	**17**	18	59	9.5 - 10.5
2006	11	12	12	13	13	14	15	**15**	**71**	8.5 - 9.5
2007	10	11	11	12	12	13	13	14	82	7.5 - 8.5
2008	9	9	10	10	11	11	12	13	91	6.5 - 7.5
2009		11	10	10	9	9	9	8	95	5.5 - 6.5
2010			12	11	11	10	10	9	100	4.5 - 5.5
2011				14	13	13	12	11	93	3.5 - 4.5
2012					15	14	14	13	91	2.5 - 3.5
2013						16	15	14	93	1.5 - 2.5
2014							17	16	100	0.5 - 1.5
2015								18	112	0.0 - 0.5
Total	74	89	104	121	139	157	175	194	1,052	

These matrices help visualize how exposure and retirement data are calculated for each age interval. An age interval is typically one year. A common convention is to assume that any unit installed during the year is installed in the middle of the calendar year (i.e., July 1st). This convention is called the "half-year convention" and effectively assumes that all units are installed uniformly during the year.[55] Adoption of the half-year convention leads to age intervals of 0-0.5 years, 0.5-1.5 years, etc., as shown in the matrices.

The purpose of the matrices is to calculate the totals for each age interval, which are shown in the second column from the right in each matrix. This column is calculated by adding each number from the corresponding age interval in the matrix. For example, in the exposure matrix, the total amount of exposures at the beginning of the 8.5-9.5 age interval is $847,000. This number was calculated by adding the numbers shown on the "stairs" to the left (192+184+216+255=847).

[55] Wolf *supra* n. 15, at 22.

The same calculation is applied to each number in the column. The amounts retired during the year in the retirements matrix affect the exposures at the beginning of each year in the exposures matrix. For example, the amount exposed to retirement in 2008 from the 2003 vintage is \$261,000. The amount retired during 2008 from the 2003 vintage is \$16,000. Thus, the amount exposed to retirement in 2009 from the 2003 vintage is \$245,000 (\$261,000 - \$16,000). The company's property records may contain other transactions which affect the property, including sales, transfers, and adjusting entries. Although these transactions are not shown in the matrices above, they would nonetheless affect the amount exposed to retirement at the beginning of each year.

The totaled amounts for each age interval in both matrices are used to form the exposure and retirement columns in the OLT, as shown in the chart below. This chart also shows the retirement ratio and the survivor ratio for each age interval. The retirement ratio for an age interval is the ratio of retirements during the interval to the property exposed to retirement at the beginning of the interval. The retirement ratio represents the probability that the property surviving at the beginning of an age interval will be retired during the interval. The survivor ratio is simply the complement to the retirement ratio (1 – retirement ratio). The survivor ratio represents the probability that the property surviving at the beginning of an age interval will survive to the next age interval.

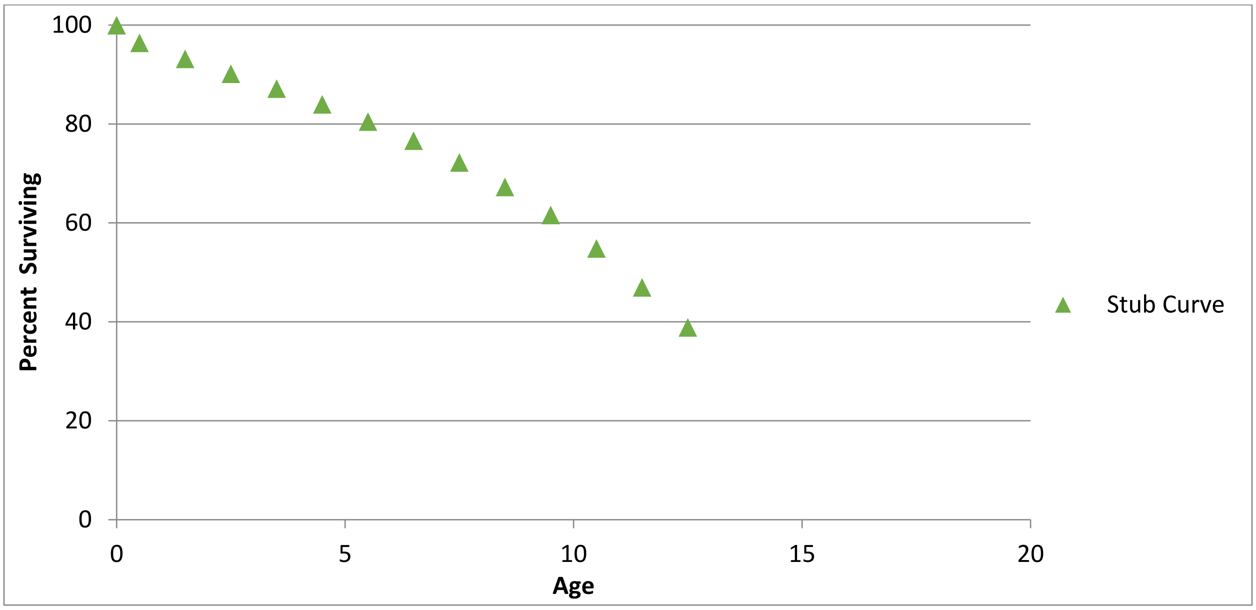
Figure 10:
Observed Life Table

Age at Start of Interval	Exposures at Start of Age Interval	Retirements During Age Interval	Retirement Ratio	Survivor Ratio	Percent Surviving at Start of Age Interval
A	B	C	D = C / B	E = 1 - D	F
0.0	3,141	112	0.036	0.964	**100.00**
0.5	2,998	100	0.033	0.967	**96.43**
1.5	2,866	93	0.032	0.968	**93.21**
2.5	2,722	91	0.033	0.967	**90.19**
3.5	2,559	93	0.037	0.963	**87.19**
4.5	2,404	100	0.042	0.958	**84.01**
5.5	1,986	95	0.048	0.952	**80.50**
6.5	1,581	91	0.058	0.942	**76.67**
7.5	1,201	82	0.068	0.932	**72.26**
8.5	847	71	0.084	0.916	**67.31**
9.5	536	59	0.110	0.890	**61.63**
10.5	297	43	0.143	0.857	**54.87**
11.5	131	23	0.172	0.828	**47.01**
					38.91
Total	23,268	1,052			

Column F on the right shows the percentages surviving at the beginning of each age interval. This column starts at 100% surviving. Each consecutive number below is calculated by multiplying the percent surviving from the previous age interval by the corresponding survivor ratio for that age interval. For example, the percent surviving at the start of age interval 1.5 is 93.21%, which was calculated by multiplying the percent surviving for age interval 0.5 (96.43%) by the survivor ratio for age interval 0.5 (0.967).

The percentages surviving in Column F are the numbers that are used to form the original survivor curve. This particular curve starts at 100% surviving and ends at 38.91% surviving. An observed survivor curve such as this that does not reach zero percent surviving is called a "stub" curve. The figure below illustrates the stub survivor curve derived from the OLT table above.

Figure 11:
Original "Stub" Survivor Curve



The matrices used to develop the basic OLT and stub survivor curve provide a basic illustration of the retirement rate method in that only a few placement and experience years were used. In reality, analysts may have several decades of aged property data to analyze. In that case, it may be useful to use a technique called "banding" in order to identify trends in the data.

<u>Banding</u>

The forces of retirement and characteristics of industrial property are constantly changing. A depreciation analyst may examine the magnitude of these changes. Analysts often use a technique called "banding" to assist with this process. Banding refers to the merging of several years of data into a single data set for further analysis, and it is a common technique associated with the retirement rate method.[56] There are three primary benefits of using bands in depreciation analysis:

1. Increasing the sample size. In statistical analyses, the larger the sample size in relation to the body of total data, the greater the reliability of the result;
2. Smooth the observed data. Generally, the data obtained from a single activity or vintage year will not produce an observed life table that can be easily fit; and
3. Identify trends. By looking at successive bands, the analyst may identify broad trends in the data that may be useful in projecting the future life characteristics of the property.[57]

Two common types of banding methods are the "placement band" method and the "experience band" method." A placement band, as the name implies, isolates selected placement years for analysis. The figure below illustrates the same exposure matrix shown above, except that only the placement years 2005-2008 are considered in calculating the total exposures at the beginning of each age interval.

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[56] NARUC *supra* n. 18, at 113.

[57] *Id*.

Figure 12:
Placement Bands

	Experience Years									
	Exposures at January 1 of Each Year (Dollars in 000's)									
Placement Years	2008	2009	2010	2011	2012	2013	2014	2015	Total at Start of Age Interval	Age Interval
2003	261	245	228	211	192	173	152	131		11.5 - 12.5
2004	267	252	236	220	202	184	165	145		10.5 - 11.5
2005	304	291	277	263	248	232	216	198	198	9.5 - 10.5
2006	345	334	322	310	298	284	270	255	471	8.5 - 9.5
2007	367	357	347	335	324	312	299	286	788	7.5 - 8.5
2008	375	366	357	347	336	325	314	302	1,133	6.5 - 7.5
2009		377	366	356	346	336	327	319	1,186	5.5 - 6.5
2010			381	369	358	347	336	327	1,237	4.5 - 5.5
2011				386	372	359	346	334	1,285	3.5 - 4.5
2012					395	380	366	352	1,331	2.5 - 3.5
2013						401	385	370	1,059	1.5 - 2.5
2014							410	393	733	0.5 - 1.5
2015								416	375	0.0 - 0.5
Total	1919	2222	2514	2796	3070	3333	3586	3827	9,796	

The shaded cells within the placement band equal the total exposures at the beginning of age interval 4.5–5.5 ($1,237). The same placement band would be used for the retirement matrix covering the same placement years of 2005 – 2008. This of course would result in a different OLT and original stub survivor curve than those that were calculated above without the restriction of a placement band.

Analysts often use placement bands for comparing the survivor characteristics of properties with different physical characteristics.[58] Placement bands allow analysts to isolate the effects of changes in technology and materials that occur in successive generations of plant. For example, if in 2005 an electric utility began placing transmission poles with a special chemical treatment that extended the service lives of the poles, an analyst could use placement bands to isolate and analyze the effect of that change in the property group's physical characteristics. While placement

[58] Wolf *supra* n. 15, at 182.

bands are very useful in depreciation analysis, they also possess an intrinsic dilemma. A fundamental characteristic of placement bands is that they yield fairly complete survivor curves for older vintages. However, with newer vintages, which are arguably more valuable for forecasting, placement bands yield shorter survivor curves. Longer "stub" curves are considered more valuable for forecasting average life. Thus, an analyst must select a band width broad enough to provide confidence in the reliability of the resulting curve fit yet narrow enough so that an emerging trend may be observed.[59]

Analysts also use "experience bands." Experience bands show the composite retirement history for all vintages during a select set of activity years. The figure below shows the same data presented in the previous exposure matrices, except that the experience band from 2011 – 2013 is isolated, resulting in different interval totals.

[59] NARUC *supra* n. 18, at 114.

Figure 13:
Experience Bands

Placement Years	2008	2009	2010	2011	2012	2013	2014	2015	Total at Start of Age Interval	Age Interval
	Experience Years Exposures at January 1 of Each Year (Dollars in 000's)									
2003	261	245	228	211	192	173	152	131		11.5 - 12.5
2004	267	252	236	220	202	184	165	145		10.5 - 11.5
2005	304	291	277	263	248	232	216	198	173	9.5 - 10.5
2006	345	334	322	310	298	284	270	255	376	8.5 - 9.5
2007	367	357	347	335	324	312	299	286	645	7.5 - 8.5
2008	375	366	357	347	336	325	314	302	752	6.5 - 7.5
2009		377	366	356	346	336	327	319	872	5.5 - 6.5
2010			381	369	358	347	336	327	959	4.5 - 5.5
2011				386	372	359	346	334	1,008	3.5 - 4.5
2012					395	380	366	352	1,039	2.5 - 3.5
2013						401	385	370	1,072	1.5 - 2.5
2014							410	393	1,121	0.5 - 1.5
2015								416	1,182	0.0 - 0.5
Total	1919	2222	2514	2796	3070	3333	3586	3827	9,199	

The shaded cells within the experience band equal the total exposures at the beginning of age interval 4.5–5.5 ($1,237). The same experience band would be used for the retirement matrix covering the same experience years of 2011 – 2013. This of course would result in a different OLT and original stub survivor than if the band had not been used. Analysts often use experience bands to isolate and analyze the effects of an operating environment over time.[60] Likewise, the use of experience bands allows analysis of the effects of an unusual environmental event. For example, if an unusually severe ice storm occurred in 2013, destruction from that storm would affect an electric utility's line transformers of all ages. That is, each of the line transformers from each placement year would be affected, including those recently installed in 2012, as well as those installed in 2003. Using experience bands, an analyst could isolate or even eliminate the 2013 experience year from the analysis. In contrast, a placement band would not effectively isolate the

[60] *Id.*

ice storm's effect on life characteristics. Rather, the placement band would show an unusually large rate of retirement during 2013, making it more difficult to accurately fit the data with a smooth Iowa curve. Experience bands tend to yield the most complete stub curves for recent bands because they have the greatest number of vintages included. Longer stub curves are better for forecasting. The experience bands, however, may also result in more erratic retirement dispersion making the curve fitting process more difficult.

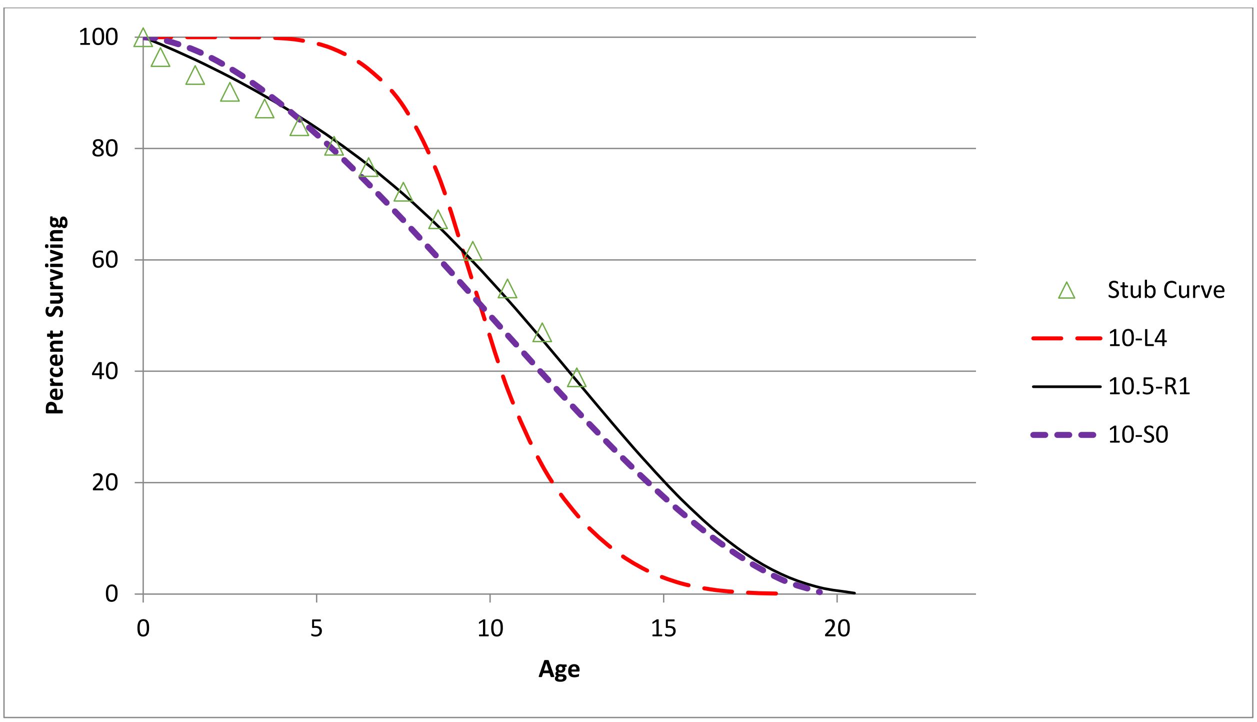
Depreciation analysts must use professional judgment in determining the types of bands to use and the band widths. In practice, analysts may use various combinations of placement and experience bands in order to increase the data sample size, identify trends and changes in life characteristics, and isolate unusual events. Regardless of which bands are used, observed survivor curves in depreciation analysis rarely reach zero percent. This is because, as seen in the OLT above, relatively newer vintage groups have not yet been fully retired at the time the property is studied. An analyst could confine the analysis to older, fully retired vintage groups in order to get complete survivor curves, but such analysis would ignore some the property currently in service and would arguably not provide an accurate description of life characteristics for current plant in service. Because a complete curve is necessary to calculate the average life of the property group, however, curve fitting techniques using Iowa curves or other standardized curves may be employed in order to complete the stub curve.

Curve Fitting

Depreciation analysts typically use the survivor curve rather than the frequency curve to fit the observed stub curves. The most commonly used generalized survivor curves used in the curve fitting process are the Iowa curves discussed above. As Wolf notes, if "the Iowa curves are adopted as a model, an underlying assumption is that the process describing the retirement pattern is one of the 22 [or more] processes described by the Iowa curves."[61]

Curve fitting may be done through visual matching or mathematical matching. In visual curve fitting, the analyst visually examines the plotted data to make an initial judgment about the Iowa curves that may be a good fit. The figure below illustrates the stub survivor curve shown above. It also shows three different Iowa curves: the 10-L4, the 10.5-R1, and the 10-S0. Visually, it is clear that the 10.5-R1 curve is a better fit than the other two curves.

**Figure 14:
Visual Curve Fitting**



In mathematical fitting, the least squares method is used to calculate the best fit. This mathematical method would be excessively time consuming if done by hand. With the use of

[61] Wolf *supra* n. 15, at 46 (22 curves includes Winfrey's 18 original curves plus Cowles's four "O" type curves).

modern computer software however, mathematical fitting is an efficient and useful process. The typical logic for a computer program, as well as the software employed for the analysis in this testimony is as follows:

> First (an Iowa curve) curve is arbitrarily selected. . . . If the observed curve is a stub curve, . . . calculate the area under the curve and up to the age at final data point. Call this area the realized life. Then systematically vary the average life of the theoretical survivor curve and calculate its realized life at the age corresponding to the study date. This trial and error procedure ends when you find an average life such that the realized life of the theoretical curve equals the realized life of the observed curve. Call this the average life.
>
> Once the average life is found, calculate the difference between each percent surviving point on the observed survivor curve and the corresponding point on the Iowa curve. Square each difference and sum them. The sum of squares is used as a measure of goodness of fit for that particular Iowa type curve. This procedure is repeated for the remaining 21 Iowa type curves. The "best fit" is declared to be the type of curve that minimizes the sum of differences squared.[62]

Mathematical fitting requires less judgment from the analyst and is thus less subjective. Blind reliance on mathematical fitting, however, may lead to poor estimates. Thus, analysts should employ both mathematical and visual curve fitting in reaching their final estimates. This way, analysts may utilize the objective nature of mathematical fitting while still employing professional judgment. As Wolf notes: "The results of mathematical curve fitting serve as a guide for the analyst and speed the visual fitting process. But the results of the mathematical fitting should be checked visually and the final determination of the best fit be made by the analyst."[63]

In the graph above, visual fitting was sufficient to determine that the 10.5-R1 Iowa curve was a better fit than the 10-L4 and the 10-S0 curves. Using the sum of least squares method,

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[62] Wolf *supra* n. 15, at 47.

[63] *Id*. at 48.

mathematical fitting confirms the same result. In the chart below, the percentages surviving from the OLT that formed the original stub curve are shown in the left column, while the corresponding percentages surviving for each age interval are shown for the three Iowa curves. The right portion of the chart shows the differences between the points on each Iowa curve and the stub curve. These differences are summed at the bottom. Curve 10.5-R1 is the best fit because the sum of the squared differences for this curve is less than the same sum of the other two curves. Curve 10-L4 is the worst fit, which was also confirmed visually.

Figure 15:
Mathematical Fitting

Age	Stub	Iowa Curves			Squared Differences		
Interval	**Curve**	**10-L4**	**10-S0**	**10.5-R1**	**10-L4**	**10-S0**	**10.5-R1**
0.0	100.0	100.0	100.0	100.0	0.0	0.0	0.0
0.5	96.4	100.0	99.7	98.7	12.7	10.3	5.3
1.5	93.2	100.0	97.7	96.0	46.1	19.8	7.6
2.5	90.2	100.0	94.4	92.9	96.2	18.0	7.2
3.5	87.2	100.0	90.2	89.5	162.9	9.3	5.2
4.5	84.0	99.5	85.3	85.7	239.9	1.6	2.9
5.5	80.5	97.9	79.7	81.6	301.1	0.7	1.2
6.5	76.7	94.2	73.6	77.0	308.5	9.5	0.1
7.5	72.3	87.6	67.1	71.8	235.2	26.5	0.2
8.5	67.3	75.2	60.4	66.1	62.7	48.2	1.6
9.5	61.6	56.0	53.5	59.7	31.4	66.6	3.6
10.5	54.9	36.8	46.5	52.9	325.4	69.6	3.9
11.5	47.0	23.1	39.6	45.7	572.6	54.4	1.8
12.5	38.9	14.2	32.9	38.2	609.6	36.2	0.4
SUM					**3004.2**	**371.0**	**41.0**