

**BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION**

DOCKET NO. 20250029-GU

**IN RE: PEOPLES GAS SYSTEM, INC.'S
PETITION FOR AN INCREASE IN BASE RATES**



SYNOPSIS OF RATE REQUEST

**THIS DOCUMENT IS PROVIDED BY PEOPLES GAS SYSTEM, INC. PURSUANT TO
THE REQUIREMENTS OF RULE 25-22.0406, FLORIDA ADMINISTRATIVE CODE,
NOTICE AND PUBLIC INFORMATION ON GENERAL RATE INCREASE REQUESTS**

I. SUMMARY OF RATE CASE

On March 31, 2025, Peoples Gas System, Inc. ("Peoples" or the "company") petitioned the Florida Public Service Commission ("Commission" or "PSC") for an increase in its permanent base rates and charges.

Under Florida law, the Commission regulates rates, miscellaneous service charges, and services provided by Florida investor-owned utilities. The Commission assigned Docket No. 20250029-GU to the case.

Peoples filed its test year letter on January 30, 2025, advising that, based on a review of the company's projected 2025 and 2026 financial performance, it must seek an increase in base rates to continue to meet the natural gas needs of existing and new customers, and continue to provide safe, reliable, and high-quality customer service.

Peoples' last rate case was filed in April 2023, with a final order issued in December 2023. In the two years since Peoples' last rate case, many factors have contributed to the necessity for the company to now seek rate relief, including (1) growth in rate base as the company keeps up with growing customer demand; (2) higher depreciation and property tax expense associated with rate base growth; (3) increasing costs associated with safely operating the company's system and complying with federal safety and security requirements; (4) higher prices in the costs of labor, contractors, materials, insurance, and healthcare benefits; and (5) modifications in Rate Design and Cost-of-Service.

Peoples has requested an increase of \$103,591,089 in base revenues, which includes approximately \$6.7 million of 2026 revenue requirements related to moving approximately \$53.4 million of net Cast Iron/Bare Steel Replacement Rider investments made through December 31, 2025, into rate base. The result is a net revenue increase of \$96,857,794. This proposed increase would be effective with the first billing cycle in January 2026. To mitigate the need for an additional rate relief request to be filed in 2026, the company seeks a subsequent year base rate adjustment of approximately \$26.7 million effective with the first billing cycle for January 2027.

Peoples also proposes closing its RS-1 billing class to new customers and merging its RS-2 and RS-3 billing classes into one billing class.

The petition and direct testimony of Peoples' witnesses provide a more complete description of Peoples' request. The detailed data supporting the request are contained in the Minimum Filing Requirement Schedules ("MFRs"), all of which were submitted to the Commission in the proceeding. An Executive Summary of the case is included in the A Schedules of the MFRs and in Exhibit A to this synopsis. A bill comparison showing the current monthly rates and the proposed monthly rates is contained in Exhibit B.

A copy of Peoples' entire rate request filing with the Commission, including a complete set of MFRs, is available for inspection at www.peoplesgas.com/rates/our-rate-request.

II. COMPARISON OF THE PRESENT AND PROPOSED RATES FOR CUSTOMER RATE CLASSES

Under Peoples' proposal, customer classes will receive bill increases when the proposed new rates are put into effect on and after the first cycle billing periods in January 2026 and January 2027.

Based on the current rates and projections for fuel and the other clauses, Peoples' typical monthly residential bill (RS-2) under its proposed rates for 14 therms will increase to approximately \$60.00 for about a 27 percent increase for 2026 and approximately \$62.00 or about a 3.0 percent increase for 2027.

The current bills are calculated using the purchased gas adjustment cap rate for fuel and the current rates for the other clause charges and base rate charges. The proposed bills are also calculated using the purchased gas adjustment cap rate for fuel and current rates for other clause charges and adjusted for the proposed base rate changes.

Attached to this synopsis as Exhibit B are the current and proposed residential and commercial rates.

MAJOR RATE CASE ISSUES

At the start of a general base rate case, it is not possible to anticipate all the issues that may arise, but potential major revenue requirement issues involved in the case could include:

1. Are the company's test year and sales forecasts reasonable?
2. What should be the value of the company's test year investment in rate base?
3. What should be the company's test year operating revenues?
4. What should be the company's test year operating expenses?
5. What should be the company's test year overall rate of return?
6. What should be the company's test year allowed rate of return on equity?
7. What will be the company's test year revenue deficiency?
8. What is the appropriate cost-of-service methodology to use in designing rates?
9. What will be the appropriate rate levels for each customer class of service?
10. What will be the appropriate charge for each miscellaneous service?
11. Should the Commission approve the proposed subsequent year adjustment of \$26.7 million effective with the first billing cycle for January 2027?

The specific issues in the case will be identified in a prehearing order issued prior to the hearing.

III. DESCRIPTION OF THE RATE CASE PROCESS

All public utilities, as defined in Section 366.02, Florida Statutes, must petition the Commission to increase their rates to retail customers. After filing the request, the Commission has eight months to conduct the case and twelve months to take final action in the case. The filing to request a base rate increase consists of the petition, direct testimony, and exhibits from the company witnesses and the MFRs, which are an extensive set of documents containing detailed data in support of the rate increase, including figures about a utility's costs, investment, and operations for the specified test year. The information is distributed to the Commissioners, the Public Service Commission staff, the Office of the Public Counsel ("Public Counsel"), and other parties who express interest or intervene in the case.

After a utility files a rate case, the discovery process begins. During the process, the utility responds to requests for information, known as interrogatories, and requests to produce documents from the Commission staff and the parties, including intervenors, in the case. The Commission staff performs a field audit of the company's filed data to ensure compliance with Commission rules and the accuracy of the information provided. Formal depositions (interviews) with company witnesses may also be conducted to gather information and better identify issues.

Intervenors in the case often present their witnesses, testimony, and exhibits in response to the company's filing. They use the company's initial filing materials and discovery responses as a basis for their positions in the case. The parties, their witnesses, testimony, and exhibits are also subject to discovery. The company will then have the opportunity to present rebuttal testimony and exhibits to any intervenors who file testimony.

Toward the end of the discovery process and just before the technical hearing commences, the company, staff, and intervenors prepare issue lists and preliminary positions for the case. These lists of issues are then combined and narrowed in a Prehearing Order to help the Commission focus on the important facets of the case during the hearing.

The first hearings in a rate case – called "service hearings" – generally commence a few months after filing and are scheduled by the Commission. Service hearings allow customers to provide testimony on the utility's rate request and its quality of service. The Commission takes these views into account when ruling on the case. Customers may register to speak at the virtual service hearings in one of the following ways: (1) register using the PSC's online registration form, which will be available at www.FloridaPSC.com, under the "Hot Topics" heading, (2) Call the PSC (850) 413-7080, or (3) email speakersignup@psc.state.fl.us Online registration for the virtual service hearing will open on June 30, 2025, at 9:00 a.m. and close on July 10, 2025, at noon. One day prior to the virtual service hearing, customers will be emailed further instructions on how to participate. Customers who wish to speak at the in-person service hearings may register upon arrival at the venue. Online registration is not available for in-person service hearings. Please note that the order in which customers speak is based upon the order in which they sign up. If you have questions about the sign-up process, please call (850) 413-7080.

The Commission has scheduled the following service hearings in this case:

Virtual* July 14, 2025 at 1:00 p.m. Betty Easley Conference Center Room 148 4075 Esplanade Way Tallahassee, FL 32399	
In-Person* July 16, 2025 at 10:00 a.m. Anne Kolb Nature Center – Mangrove Hall (Hollywood North Beach Park) 751 Sheridan Street Hollywood, FL 33019	In-Person July 17, 2025 at 2:00 p.m. Valencia Community College West Campus 1800 South Kirkman Road Orlando, FL 32811

*Spanish Interpreter Available

The service hearing dates and times will be published in newspapers of general circulation in the Company's service areas and will also be available on the Company's website at www.peoplesgas.com/rates.

The Office of Public Counsel has intervened in this docket and will be present at the service hearings to represent the public. Public Counsel may be contacted prior to the hearing at 111 West Madison Street, Suite 812, Claude Pepper Building, Tallahassee, Florida 32399-1400, or by phone at (800) 342-0222.

The next hearing in a rate case is a technical hearing. At this hearing, the legal "record" is further established for deciding the case through direct, rebuttal, and cross-examination testimony, and the introduction of exhibits and other relevant evidence. The technical hearing in this case will be held on September 8-11, 2025, at the Betty Easley Conference Center, Room 148, located at 4075 Esplanade Way in Tallahassee, Florida.

After the technical hearing, the parties file legal briefs summarizing their positions. The Commission staff reviews the briefs and the record produced at the hearing and provides a written staff recommendation to the Commission that addresses each issue identified in the case.

The Commission holds a Special Agenda Conference and votes on the total amount of costs to be recovered annually through customer rates and service charges (revenue requirements); a Commission vote on the rates will be made on a subsequent date. After the votes, Commission attorneys prepare a final order that reflects the Commission's votes and provides background for the case, the basis for each of the decisions reached, the newly approved rates, and the effective dates of the new rates. After the Commission order is issued, parties will have an opportunity to ask the Commission to reconsider its decision on the issues.

IV. RATE CASE TIME SCHEDULE

Below is a tentative schedule of Peoples Gas System, Inc.'s rate case established by the Commission as of April 30, 2025:

Description	Due Date
Petition, MFRs, and Direct Testimony Filed	March 31, 2025
Agenda – Suspension of Rates	May 6, 2025
Order – Suspension of Rates	May 27, 2025
Customer Service Hearing – Virtual	July 14, 2025 at 1:00 p.m.
Customer Service Hearing – Hollywood	July 16, 2025 at 10:00 a.m.
Customer Service Hearing – Orlando	July 17, 2025 at 2:00 p.m.
Testimony – Intervenor	June 30, 2025
Testimony – Staff	July 14, 2025
Testimony – Rebuttal	July 28, 2025
Prehearing Statements	August 14, 2025
Discovery Actions Complete	August 22, 2025
Prehearing Conference	August 28, 2025
Technical Hearing	September 8, 2025 September 9, 2025 September 10, 2025 September 11, 2025
Post Hearing Briefs	October 7, 2025

NOTE: THIS SCHEDULE IS TENTATIVE AND SUBJECT TO REVISION.

V. WEBSITE ADDRESS AT WHICH COMPLETE MFRS ARE AVAILABLE

The entire filing, including MFRs and testimony, is available on Peoples' website and the Commission website at the following links:

Peoples' Website: www.peoplesgas.com/rates/our-rate-request

Commission Website: <https://www.psc.state.fl.us/clerks-office-dockets-level2?DocketNo=20250029>

EXHIBIT A

MINIMUM FILING REQUIREMENTS SCHEDULE A - EXECUTIVE SUMMARY

FLORIDA PUBLIC SERVICE COMMISSION		EXPLANATION: PROVIDE A SCHEDULE SHOWING THE MAGNITUDE OF CHANGE - PRESENT vs PRIOR RATE CASE.		TYPE OF DATA SHOWN: HISTORIC BY LAST CASE: 12/31/22 PROJECTED TY LAST CASE: 12/31/24 PROJECTED TY CURRENT CASE: 12/31/26	
COMPANY: PEOPLES GAS SYSTEM, INC.				WITNESS: J. CHRONISTER / A. NICHOLS	
DOCKET NO.: 20250029-GU					

LINE NO.	ITEM	LAST RATE CASE					CURRENT RATE CASE				
		REQUESTED			AUTHORIZED		REQUESTED			DOLLAR OR PERCENT DIFFERENCE	PERCENTAGE CHANGE
		(1)* HISTORICAL N/A	(2)* ATTRITION N/A	(3)* TOTAL N/A	(4)* PROJECTED TEST YEAR 12/31/24	(5)* HISTORICAL N/A	(6)* ATTRITION N/A	(7)* TOTAL	(8)* PROJECTED TEST YEAR 12/31/24		
1	DOCKET NUMBER				20230023-GU			20230023-GU / 20240028-GU	20250029-GU		
2	HISTORICAL DATA OR TEST YEAR				12/31/22			12/31/22	12/31/24		
3	PROJECTED TEST YEAR				12/31/24			12/31/24	12/31/26		
4	RATE INCREASE - PERMANENT				\$139,271,846			\$118,713,612 ***	\$103,591,089	(\$15,122,523)	-12.74%
5	RATE INCREASE - INTERIM				\$0			\$0	\$0	\$0	0.00%
6	JURISDICTIONAL RATE BASE BEFORE RATE RELIEF				\$2,366,788,452			\$2,357,327,760	\$2,954,441,634	\$597,113,874	25.33%
7	JURISDICTIONAL NET OPERATING INCOME BEFORE RATE RELIEF				\$72,337,240			\$78,322,715 ***	\$146,922,776	\$68,600,061	87.59%
8	RATE OF RETURN BEFORE RATE RELIEF				3.06%			N/A	4.97%	N/A	N/A
9	SYSTEM CAPITALIZATION				\$2,366,788,452			\$2,357,327,760	\$2,954,441,634	\$597,113,874	25.33%
10	OVERALL RATE OF RETURN				7.42%			7.05% ***	7.57%	0.52%	7.38%
11	COST OF LONG-TERM DEBT				5.54%			5.64% ***	5.64%	0.00%	0.00%
12	COST OF PREFERRED STOCK				N/A			N/A	N/A	N/A	N/A
13	COST OF SHORT-TERM DEBT				4.85%			4.85%	4.24%	-0.61%	-12.58%
14	COST OF CUSTOMER DEPOSITS				2.53%			2.53%	2.52%	-0.01%	-0.40%
15	COST OF COMMON EQUITY				11.00%			10.15%	11.10%	0.95%	9.36%
16	NUMBER OF CUSTOMERS - AVERAGE				490,125			490,125	538,102	47,977	9.79%
17	DATE NEW PERMANENT RATES EFFECTIVE				1/1/2024			1/1/2024	538,102 1/1/2026 (A)		

(A) AS DETERMINED BY THE "FILE AND SUSPEND" PROVISIONS OF SECTION 386.06 (4), FLORIDA STATUTES.

* IF COMPANY'S LAST RATE CASE INCLUDED A HISTORIC AND ATTRITION YEAR, COMPLETE COLUMNS (1) - (3) AND COLUMNS (5) - (7) UNDER THE HEADING "LAST RATE CASE". IF THE COMPANY'S LAST RATE CASE WAS BASED ON A PROJECTED TEST YEAR, COMPLETE COLUMNS (4) AND (8) UNDER THE HEADING "LAST RATE CASE".

** IF THE COMPANY'S LAST RATE CASE INCLUDED A HISTORIC AND ATTRITION YEAR, THIS CALCULATION WILL BE THE DIFFERENCE BETWEEN COLUMN (9) AND COLUMN (7). IF THE COMPANY'S LAST RATE CASE WAS BASED ON A PROJECTED TEST YEAR, THIS CALCULATION WILL BE THE DIFFERENCE BETWEEN COLUMN (9) AND COLUMN (8).

*** Reflects Order No. PSC-2024-0170-TRF-GU in Long-Term Debt Cost Rate True-Up Mechanism Docket No. 20240028-GU.

FLORIDA PUBLIC SERVICE COMMISSION	EXPLANATION: PROVIDE A SCHEDULE SHOWING AN ANALYSIS OF PERMANENT RATE INCREASE REQUESTED	TYPE OF DATA SHOWN PROJECTED TY LAST CASE: 12/31/24 PROJECTED TY CURRENT CASE: 12/31/26
COMPANY: PEOPLES GAS SYSTEM, INC.		
DOCKET NO.: 20250029-GU		WITNESS: J. CHRONISTER / A. NICHOLS

LINE NO.	DESCRIPTION	INCREASE IN GROSS REVENUE DOLLARS	% OF TOTAL
1	RESTORE ADJUSTED NET OPERATING INCOME TO PREVIOUSLY ALLOWED OVERALL RATE OF RETURN OF 7.05%	\$ (4,656,368)	-4.49%
2	INCREASE IN REQUESTED OVERALL RATE OF RETURN FROM 7.05% TO 7.57%	16,685,369	16.11%
3	EFFECT OF PROJECTED TEST YEAR	<u>91,562,088</u>	<u>88.39%</u>
4	TOTAL PERMANENT RATE INCREASE REQUESTED	<u>\$103,591,089</u>	<u>100.00%</u>

5 Totals may be affected due to rounding.

SUPPORTING SCHEDULES: A-1, B-2, G-3 p.2, G-4, G-5

RECAP SCHEDULES:

FLORIDA PUBLIC SERVICE COMMISSION	EXPLANATION: PROVIDE A SCHEDULE SHOWING AN ANALYSIS OF JURISDICTIONAL RATE BASE	TYPE OF DATA SHOWN: HISTORIC BY LAST CASE: 12/31/22 PROJECTED TY LAST CASE: 12/31/24 PROJECTED TY CURRENT CASE: 12/31/26
COMPANY: PEOPLES GAS SYSTEM, INC.		
DOCKET NO.: 20250029-GU		WITNESS: J. CHRONISTER / A. NICHOLS

		RATE BASE DETERMINED BY COMMISSION IN LAST RATE CASE				RATE BASE REQUESTED BY COMPANY IN CURRENT RATE CASE		
LINE NO.	ITEM	(1)*	(2)*	(3)*	(4)*	(5)	(6)**	(7)**
		HISTORIC N/A	ATTRITION N/A	TOTAL	PROJECTED TEST YEAR 12/31/24	PROJECTED TEST YEAR 12/31/26	DOLLAR DIFFERENCE	PERCENT DIFFERENCE
UTILITY PLANT								
1	PLANT IN SERVICE	\$0	\$0	\$0	\$3,296,475,850	\$3,993,674,365	\$697,198,515	N/A
2	CONSTRUCTION WORK IN PROGRESS	0	0	0	26,434,732	36,165,984	9,731,252	N/A
3	UTILITY PLANT ACQUISITION ADJUSTMENT	0	0	0	5,031,897	0	(5,031,897)	N/A
4	GROSS UTILITY PLANT	0	0	0	3,327,942,479	4,029,840,349	701,897,870	N/A
DEDUCTIONS								
5	ACCUMULATED DEPRECIATION	0	0	0	(886,777,252)	(995,372,047)	(108,594,796)	N/A
6	ACCUMULATED AMORTIZATION	0	0	0	(35,790,455)	(51,584,419)	(15,793,964)	N/A
7	LIMITED TERM UTILITY PLANT	0	0	0	0	0	0	N/A
8	ACQUISITION ADJUSTMENT	0	0	0	0	0	0	N/A
9	CUSTOMER ADVANCES FOR CONSTRUCTION	0	0	0	(20,000,000)	(29,550,659)	(9,550,659)	N/A
10	TOTAL DEDUCTIONS	0	0	0	(942,567,707)	(1,076,507,125)	(133,939,418)	N/A
11	NET UTILITY PLANT	0	0	0	2,385,374,771	2,953,333,224	567,958,452	N/A
12	ALLOWANCE FOR WORKING CAPITAL	0	0	0	(28,047,011)	1,108,410	29,155,421	N/A
13	RATE BASE	\$0	\$0	\$0	\$2,357,327,760	\$2,954,441,634	\$597,113,873	25.33%

* IF THE COMPANY'S LAST RATE CASE INCLUDED A HISTORIC AND ATTRITION YEAR, COMPLETE COLUMNS (1) - (3).
IF THE COMPANY'S LAST RATE CASE WAS BASED ON A PROJECTED TEST YEAR, COMPLETE COLUMN (4).

** IF THE COMPANY'S LAST RATE CASE INCLUDED A HISTORIC AND ATTRITION YEAR, THIS CALCULATION WILL BE THE DIFFERENCE BETWEEN COLUMN (5) AND COLUMN (3). IF THE COMPANY'S LAST RATE CASE WAS BASED ON A PROJECTED TEST YEAR, THIS CALCULATION WILL BE THE DIFFERENCE BETWEEN COLUMN (5) AND COLUMN (4).

FLORIDA PUBLIC SERVICE COMMISSION	EXPLANATION: PROVIDE A SCHEDULE SHOWING OVERALL RATE OF RETURN COMPARISON	TYPE OF DATA SHOWN: PROJECTED TY LAST CASE: 12/31/24 PROJECTED TY CURRENT CASE: 12/31/26
COMPANY: PEOPLES GAS SYSTEM, INC.		
DOCKET NO.: 20250029-GU		WITNESS: J. CHRONISTER / A. NICHOLS

PROJECTED TEST YEAR 12/31/24 (AUTHORIZED)

PROJECTED TEST YEAR 12/31/26 (REQUESTED)

LINE NO.	ITEM	DOLLARS	EMBEDDED WEIGHTED		DOLLARS	RATIO	EMBEDDED WEIGHTED		
			COST	COST			COST	COST	
DOCKET NO. 20240028-GU									
ORDER NO. PSC-2024-02364-FOF-GU									
LAST RATE CASE (AUTHORIZED)									
1	LONG-TERM DEBT	\$830,722,209	35.24%	5.64%	1.99%	\$1,082,595,581	36.64%	5.64%	2.07%
2	SHORT-TERM DEBT	99,496,189	4.22%	4.85%	0.20%	93,604,452	3.17%	4.24%	0.13%
3	CUSTOMER DEPOSITS	27,528,000	1.17%	2.53%	0.03%	29,475,164	1.00%	2.52%	0.03%
4	COMMON EQUITY	1,122,029,733	47.60%	10.15%	4.83%	1,420,982,244	48.10%	11.10%	5.34%
5	TAX CREDITS	0	0.00%		0.00%	0	0.00%		0.00%
6	DEFERRED TAXES	277,551,630	11.77%		0.00%	327,784,194	11.09%		0.00%
7	TOTAL CAPITALIZATION	\$2,357,327,760	100.00%		7.05%	\$2,954,441,635	100.00%		7.57%

FLORIDA PUBLIC SERVICE COMMISSION		EXPLANATION: PROVIDE A SUMMARY OF FINANCIAL INDICATORS AS SPECIFIED BELOW FOR THE HISTORIC DATA BASE YEAR OF THE LAST RATE CASE, HISTORIC DATA BASE YEAR FOR THIS CASE, AND THE YEAR IMMEDIATELY FOLLOWING THE PRESENT HISTORIC DATA BASE YEAR.				TYPE OF DATA SHOWN:	
COMPANY: PEOPLES GAS SYSTEM, INC.		HIS. BASE YR DATA CURRENT: 12/31/24					
DOCKET NO.: 20250029-GU		BASE YR + 1 CURRENT CASE: 12/31/25					
		PROJECTED TY CURRENT CASE: 12/31/26					
		WITNESS: J. CHRONISTER / A. NICHOLS					
LINE NO	INDICATORS	(1) DATA FROM HISTORIC BASE YR OR TY RELATED TO COMPANY'S PRIOR CASE	(2) DATA FROM HISTORIC BASE YEAR RELATED TO COMPANY'S CURRENT CASE	(3) YEAR AFTER CURRENT HISTORIC BASE YEAR WITHOUT ANY RATE INCREASE	(4) PROJECTED TEST YEAR WITHOUT ANY RATE INCREASE	(5) PROJECTED TEST YEAR INCLUDING REQUESTED RATE INCREASE	
INTEREST COVERAGE RATIOS:							
1	INCLUDING AFUDC IN INCOME BEFORE INTEREST CHARGES	5.15	3.80	3.18	2.64	4.12	
2	EXCLUDING AFUDC FROM INCOME BEFORE INTEREST CHARGES	5.00	3.74	3.14	2.62	4.10	
OTHER FINANCIAL RATIOS:							
3	AFUDC AS A PERCENT OF INCOME AVAILABLE FOR COMMON	4.67%	2.61%	2.56%	1.27%	0.66%	
4	PERCENT OF CONSTRUCTION FUNDS GENERATED INTERNALLY	20.05%	34.47%	32.29%	28.15%	32.20%	
PREFERRED DIVIDEND COVERAGE:							
5	INCLUDING AFUDC	Not Applicable - Peoples Gas has no Preferred Dividends					
6	EXCLUDING AFUDC	Not Applicable - Peoples Gas has no Preferred Dividends					
RATIO OF EARNINGS TO FIXED CHARGES:							
7	INCLUDING AFUDC	5.09	3.78	3.17	2.64	4.11	
8	EXCLUDING AFUDC	4.93	3.72	3.12	2.62	4.09	
EARNINGS PER SHARE:							
9	INCLUDING AFUDC	Not Applicable - Peoples Gas has no publicly traded stock					
10	EXCLUDING AFUDC						
11	DIVIDENDS PER SHARE						
12. Totals may be affected due to rounding.							
SUPPORTING SCHEDULES: D-11 p.1-3, G-3 p. 11							
RECAP SCHEDULES:							

EXHIBIT B

COMPARISON OF PROPOSED MONTHLY RATES

Residential Rates and Charges Comparison

Rate Class	Current		Current Monthly Rates		Proposed	
	Annual Therm Usage	Customer Charge	Base Rate	Annual Therm Usage	Customer Charge	Base Rate
RS-1	0 - 99	\$19.10	\$0.35165	0-99*	\$26.50	\$0.46319
RS-2	100 - 249	\$24.41	\$0.35165	0-1,999*	\$35.50	\$0.46319
RS-3	250 - 1,999	\$31.54	\$0.35165	0-1,999*	\$35.50	\$0.46319
RS-GHP	N/A	\$31.54	\$0.12395	N/A	\$56.00	\$0.12617
RSG (Residential Standby Generator)	N/A	\$31.54	\$0.28237	N/A	\$41.00	\$0.58931

*The company is proposing to close RS-1 rate class to new customers, and combine RS-2 and RS-3 into one rate class to usage up to 1,999 therms.

Miscellaneous Service Charges	Current	Proposed
Residential Meter Turn On	\$78.00 (\$34.00 per additional meter)	\$94.00 (\$36.00 per additional meter)
Residential Meter Reconnect	\$104.00 (\$33.00 per additional meter)	\$100.00 (\$33.00 per additional meter)
Account Opening	\$33.00	\$31.00
Temporary Turn-off Charge	\$33.00 per meter	\$33.00 per meter
Failed Trip Charge	\$25.00	\$31.00
Trip Charge/Premise Collection	\$29.00	\$25.00

If approved, the proposed rates and service charges would be effective in January 2026.

The rates do not reflect the Purchased Gas Adjustment, which is passed through from gas and major pipeline suppliers and can fluctuate monthly based on the price of natural gas.

Rate schedules are subject to gross receipts taxes, city and state taxes and franchise fees, where applicable.

Base rates are part of the Customer Charge and Distribution Charge line items on customer bills. The Distribution Charge is a grouping of several costs, including the base rate, a charge for energy conservation programs, legacy pipeline replacement and other costs.

Business Rates Comparison Chart

Rate Class	Annual Therm Usage	Current Monthly Rates		Proposed Monthly Rates	
		Customer Charge	Base Rate	Customer Charge	Base Rate
SGS	0 - 1,999	\$43.07	\$0.49286	\$63.00	\$0.50314
GS-1	2,000 - 9,999	\$66.05	\$0.46423	\$81.00	\$0.45657
GS-2	10,000 - 49,999	\$123.47	\$0.39723	\$151.00	\$0.43590
GS-3	50,000 - 249,999	\$502.52	\$0.33980	\$615.00	\$0.38678
GS-4	250,000 - 499,999	\$952.39	\$0.26323	\$1,272.00	\$0.35146
GS-5	> 500,000	\$2,101.00	\$0.17898	\$2,805.00	\$0.23898
CS-GHP	N/A	\$52.64	\$0.26323	\$64.00	\$0.26394
CSG (Commercial Standby Generator)	N/A	\$52.64	\$0.28237	\$70.00	\$0.38361
Wholesale	N/A	\$665.24	\$0.21978	\$888.00	\$0.29347
Commercial Street Lighting	N/A	\$0.00	\$0.40680	\$0.00	\$0.42612
SIS	1,000,000 - 3,999,999	\$2,440.80	\$0.10074	\$3,259.00	\$0.13451
IS	4,000,000 - 49,999,999	\$2,823.66	\$0.05219	\$3,652.00	\$0.06751
ISLV	> 50,000,000	\$3,110.82	\$0.01354	\$4,024.00	\$0.01751

Miscellaneous Service Charges	Current	Proposed
Commercial Meter Turn On	\$107.00 (\$46.00 per additional meter)	\$121.00 (\$54.00 per additional meter)
Commercial Meter Reconnect	\$114.00 (\$42.00 per additional meter)	\$115.00 (\$43.00 per additional meter)
Account Opening	\$33.00	\$31.00
Temporary Turn-off Charge	\$33.00 per meter	\$33.00 per meter
Failed Trip Charge	\$25.00	\$31.00
Trip Charge/Premise Collection	\$29.00	\$25.00

If approved, the proposed rates and service charges would be effective in January 2026.

The rates do not reflect your cost for natural gas. Depending on your usage, you either purchase your gas through a third-party supplier or use the Purchased Gas Adjustment, which is passed through from gas and major pipeline suppliers and can fluctuate monthly based on the price of natural gas.

Rate schedules are subject to gross receipts taxes, city and state taxes and franchise fees, where applicable.

Base rates are part of the Customer Charge and Distribution Charge line items on customer bills. The Distribution Charge is a grouping of several costs, including the base rate, a charge for energy conservation programs, legacy pipeline replacement and other costs.

Residential Rates and Charges Comparison

Subsequent Year Adjustment

Rate Class	Proposed Annual Therm Usage	Proposed 2026 Monthly Rates		Proposed 2027 Monthly Rates	
		Customer Charge	Base Rate	Customer Charge	Base Rate
RS-1	0 - 99*	\$26.50	\$0.46319	\$28.29	\$0.49439
RS-2	0 - 1,999*	\$35.50	\$0.46319	\$37.89	\$0.49439
RS-GHP	N/A	\$56.00	\$0.12617	\$59.77	\$0.13468
RSG (Residential Standby Generator)	N/A	\$41.00	\$0.58931	\$43.76	\$0.62948

*The company is proposing to close RS-1 rate class to new customers, and combine RS-2 and RS-3 into one rate class to usage up to 1,999 therms.

Miscellaneous Service Charges	Proposed 2026	Proposed 2027
Residential Meter Turn On	\$94.00 (\$36.00 per additional meter)	\$94.00 (\$36.00 per additional meter)
Residential Meter Reconnect	\$100.00 (\$33.00 per additional meter)	\$100.00 (\$33.00 per additional meter)
Account Opening	\$31.00	\$31.00
Temporary Turn-off Charge	\$33.00 per meter	\$33.00 per meter
Failed Trip Charge	\$31.00	\$31.00
Trip Charge/Premise Collection	\$25.00	\$25.00

If approved, the proposed rates and service charges would be effective in January 2027.

The rates do not reflect the Purchased Gas Adjustment, which is passed through from gas and major pipeline suppliers and can fluctuate monthly based on the price of natural gas.

Rate schedules are subject to gross receipts taxes, city and state taxes and franchise fees, where applicable.

Base rates are part of the Customer Charge and Distribution Charge line items on customer bills. The Distribution Charge is a grouping of several costs, including the base rate, a charge for energy conservation programs, legacy pipeline replacement and other costs.

Business Rates Comparison Chart Subsequent Year Adjustment

Rate Class	Annual Therm Usage	Current Monthly Rates		Proposed Monthly Rates	
		Customer Charge	Base Rate	Customer Charge	Base Rate
SGS	0 - 1,999	\$63.00	\$0.50314	\$66.72	\$0.53284
GS-1	2,000 - 9,999	\$81.00	\$0.45657	\$81.00	\$0.45657
GS-2	10,000 - 49,999	\$151.00	\$0.43590	\$155.33	\$0.44840
GS-3	50,000 - 249,999	\$615.00	\$0.38678	\$636.70	\$0.40043
GS-4	250,000 - 499,999	\$1,272.00	\$0.35146	\$1,357.70	\$0.37514
GS-5	> 500,000	\$2,805.00	\$0.23898	\$2,993.99	\$0.25509
CS-GHP	N/A	\$64.00	\$0.26394	\$64.00	\$0.26394
CSG (Commercial Standby Generator)	N/A	\$70.00	\$0.38361	\$74.72	\$0.40937
Wholesale	N/A	\$888.00	\$0.29347	\$947.83	\$0.31325
Commercial Street Lighting	N/A	\$0.00	\$0.42612	\$0.00	\$0.42612
SIS	1,000,000 - 3,999,999	\$3,259.00	\$0.13451	\$3,478.58	\$0.14357
IS	4,000,000 - 49,999,999	\$3,652.00	\$0.06751	\$3,874.36	\$0.07162
ISLV	> 50,000,000	\$4,024.00	\$0.01751	\$4,269.01	\$0.01858

Miscellaneous Service Charges	Proposed 2026	Proposed 2027
Commercial Meter Turn On	\$121.00 (\$54.00 per additional meter)	\$121.00 (\$54.00 per additional meter)
Commercial Meter Reconnect	\$115.00 (\$43.00 per additional meter)	\$115.00 (\$43.00 per additional meter)
Account Opening	\$31.00	\$31.00
Temporary Turn-off Charge	\$33.00 per meter	\$33.00 per meter
Failed Trip Charge	\$31.00	\$31.00
Trip Charge/Premise Collection	\$25.00	\$25.00

If approved, the proposed rates and service charges would be effective in January 2027.

The rates do not reflect your cost for natural gas. Depending on your usage, you either purchase your gas through a third-party supplier or use the Purchased Gas Adjustment, which is passed through from gas and major pipeline suppliers and can fluctuate monthly based on the price of natural gas.

Rate schedules are subject to gross receipts taxes, city and state taxes and franchise fees, where applicable.

Base rates are part of the Customer Charge and Distribution Charge line items on customer bills. The Distribution Charge is a grouping of several costs, including the base rate, a charge for energy conservation programs, legacy pipeline replacement and other costs.