

		Total Company (Booked)					
Line No.	Item	Average Capital (a)	Average Capital Ratio (b)	Rate Base (c)	Average Embedded Cost (d)	Overall Cost/ Rate % (e)	Total Company Earnings (f)
1	Long-term Debt	\$ 8,700,000	26.42%	\$ 8,700,000	4.23%	1.12%	\$ 368,010
3	Shareholders Equity	24,229,665	73.58%	24,229,665	12.73%	9.37%	3,085,387
4	Total Capitalization	\$ 32,929,665	100.00%	\$ 32,929,665		10.49%	\$ 3,453,397

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Line No.	Item	Total Company Booked (a)	Wholesale & Other Operations (b)	N.C. Retail Operations (c)	S.C. Retail Operations (d)	Other Company Operations (e)
<u>Rate of Return on Investment</u>						
1	Net Operating Income	\$ 3,638,497		\$ 3,638,497		
2	Net Investment Including Materials and Supplies	\$ 33,222,778		\$ 33,222,778		
3	Rate of Return on Investment (L1/L2)	10.95%		10.95%		
<u>Ratio of Earnings to Fixed Charges (SEC)</u>						
4	Net Income	\$ 3,085,387		\$ 3,085,387		
5	Add Back:					
6	Federal Income Tax Including Investment Credits	\$ 703,956		\$ 703,956		
7	State Income Tax	-		-		
8	Total Net Income Plus Income Taxes	\$ 3,789,343		\$ 3,789,343		
<u>Fixed Charges</u>						
9	Interest Expense	\$ 435,924		\$ 435,924		
10	1/3 Rentals Included in Fixed Charges	-		-		
11	Total Fixed Charges (L9 + L10)	\$ 435,924		\$ 435,924		
12	Earnings as Adjusted (L8+L11)	\$ 4,225,267		\$ 4,225,267		
13	Ratio of Earnings to Fixed Charges (L12/L11)	9.69		9.69		
14	Common Stock Dividends Paid/Declared	\$ 3,450,000				
<u>Number of Shares Outstanding: (Rounded to thousands)</u>						
15	End of Period	10				
16	Yearly Average	10				

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Line No.	Item	Long-term Debt* (a)	Preferred Stock (b)	Total Shareholder's Equity (c)	Total Capital (col. a+b+c) (d)
1	<u>Total Company</u>				
	Balance at end of:				
2	Dec-18	8,700,000		24,426,218	33,126,218
3	Jan-19	8,700,000		25,029,542	33,729,542
4	Feb-19	8,700,000		25,392,270	34,092,270
5	Mar-19	8,700,000		24,667,534	33,367,534
6	Apr-19	8,700,000		24,779,949	33,479,949
7	May-19	8,700,000		24,853,864	33,553,864
8	Jun-19	8,700,000		23,533,677	32,233,677
9	Jul-19	8,700,000		23,585,314	32,285,314
10	Aug-19	8,700,000		23,720,380	32,420,380
11	Sep-19	8,700,000		23,375,042	32,075,042
12	Oct-19	8,700,000		23,561,303	32,261,303
13	Nov-19	8,700,000		23,998,953	32,698,953
14	Dec-19	8,700,000		24,061,605	32,761,605
15	Total (Sum of Lines 2 thru 14)	\$ 113,100,000	\$ -	\$ 314,985,651	\$ 428,085,651
16	13 Month Average (L15/L13)	\$ 8,700,000	\$ -	\$ 24,229,665	\$ 32,929,665
17	13 Month Average Ratio	26.42%		73.58%	100.00%
18	Net Proceeds		\$ -		
23	Actual Interest Accrued for the Period	\$ 368,010			
24	Average Embedded Cost for the Period (Col. a, L23/L16)	4.23%			

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Docket No: M-1 Sub 12FNG
NCUC Form G.S.-1
Rate Base
Frontier Natural Gas Company
Twelve Months Ended December 31, 2019 (Preliminary)

N.C. Rate Base Method
Schedule 3

Line No.	Item	Plant in Service (a)	CWIP Allowed (b)	Accumulated Provision for Depreciation (c)	Cost Free Capital		Working Capital Allowance (f)	Rate Base (a+b-c-d-e+f) (g)	Total Company Booked CWIP (h)
					Accumulated Deferred Income Taxes (d)	Operating Reserves (e)			
1	<u>Total Company Jurisdictional Data</u>								
	Balance at end of:								
2	Dec-18	49,353,009		16,677,823	1,234,554		773,584	32,214,217	1,146,448
3	Jan-19	49,644,227		16,798,088	1,414,810		724,918	32,156,247	1,436,727
4	Feb-19	50,084,737		16,919,108	1,522,789		722,943	32,365,783	1,514,711
5	Mar-19	50,517,621		17,041,686	1,664,590		640,233	32,451,578	1,664,001
6	Apr-19	50,857,746		17,164,225	1,698,130		668,103	32,663,494	2,004,127
7	May-19	51,285,341		17,287,862	1,720,185		621,933	32,899,227	2,261,160
8	Jun-19	51,611,393		17,404,182	1,743,999		623,200	33,086,413	2,588,018
9	Jul-19	51,949,873		17,521,872	1,759,405		641,483	33,310,080	2,827,383
10	Aug-19	51,455,420		17,643,858	1,799,703		606,512	32,618,371	1,826,901
11	Sep-19	51,749,404		17,764,861	1,801,094		681,554	32,865,004	1,321,337
12	Oct-19	52,432,440		17,885,863	1,856,669		669,842	33,359,749	2,008,716
13	Nov-19	52,728,284		18,006,866	2,013,388		678,864	33,386,894	2,306,337
14	Dec-19	52,622,127		18,117,933	1,938,510		657,094	33,222,778	643,480
15	Total (Sum of Lines 2 thru 14)	\$ 666,291,621	\$ -	\$ 226,234,227	\$ 22,167,821	\$ -	\$ 8,710,263	\$ 426,599,836	\$ 23,549,346
16	13 Month Average (L15/L13)	\$ 51,253,202	\$ -	\$ 17,402,633	\$ 1,705,217	\$ -	\$ 670,020	\$ 32,815,372	\$ 1,811,488

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Line No.	Item	Total Company Booked (a)	N.C. Retail Jurisdiction (c)
1	<u>OPERATING REVENUES</u>		
2	Residential Sales	\$ 935,759	\$ 935,759
3	Commercial Sales	7,329,638	7,329,638
4	Industrial Sales	1,738,562	1,738,562
5	Public Street & Highway Lighting	-	
6	Public Authority Sales		
7	Sales for Resale:		
8	Transportation	5,092,650	5,092,650
9	Other Revenue	528,164	528,164
10	Joint Dispatch	-	
11	Provision for Rate Refund	-	
12	Unbilled Revenue	658,617	658,617
13	Deferred Revenue	-	
14	Interdepartmental Sales	-	
15	Total Sales	\$ 16,283,390	\$ 16,283,390
16	All Other Revenues		
17	Total Gas Operating Revenues	\$ 16,283,390	\$ 16,283,390
17A	Other Operating Revenues		
18	<u>OPERATING EXPENSES</u>		
19	Fuel	\$ -	
20	Purchased Gas	\$ 5,921,206	5,921,206
19	Purchased Power - Joint Dispatch	-	
20	Maintenance	848,241	848,241
21	Other Operating Expenses (Except Taxes) (A)	3,059,291	3,059,291
22	Total Operating Expenses	\$ 9,828,738	\$ 9,828,738
23	Depreciation and Amortization	\$ 1,685,049	1,685,049
24	Total Expenses & Depreciation	\$ 11,513,787	\$ 11,513,787
25	<u>OPERATING TAXES</u>		
26	Federal Income Tax Liability	\$ -	-
27	Federal Income Tax - Deferred	703,956	703,956
28	Investment Tax Credit (ITC) Normalization	-	-
29	Amortization of Investment Tax Credits (ITC)	-	-
30	Total Federal Taxes - Operating	\$ 703,956	\$ 703,956
31	State Income Taxes	-	-
32	State Income Taxes - Deferred	23,491	23,491
33	Other Operating Taxes (General)	403,660	403,660
34	Total Operating Taxes	\$ 1,131,107	\$ 1,131,107
35	Total Operating Expenses, Depreciation & Taxes	\$ 12,644,894	\$ 12,644,894
36	Net Operating Income (L15-L35) (Net of Interest on Customer Deposits)	\$ 3,638,497 =====	\$ 3,638,497 =====

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Line No.	Item	Total Company Booked (a)	N.C. Retail Jurisdiction (c)
37	<u>OTHER INCOME</u>		
38	Allow for Equity Funds Used During Construction	\$ -	\$ -

39	Equity and Earnings of Subsidiary Companies	-	-	
40	Interest and Dividend Income (A)	-	-	
41	Miscellaneous Income	(117,186)	(117,186)	
42	Total Other Income	\$ (117,186)	\$ (117,186)	
43	<u>OTHER DEDUCTIONS</u>			
44	Miscellaneous Income Deductions	\$ -	-	
45	Taxes Applicable to Other Income & Deductions	-	-	
46	Total Other Deductions	\$ -	\$ -	
47	<u>INTEREST CHARGES</u>			
48	Interest on Long-term Debt	\$ 368,010	\$ 368,010	
49	Amortization of Debt Discount and Expense	33,425	33,425	
50	Amortization of Premium on Debt (Cr.)	-	-	
51	Interest on Advances from Affiliated Companies	-	-	
52	Other Interest Expense (A)	34,489	34,489	
53	Allowance for Borrowed Funds Used During Constr.	-	-	
54	Total Interest Charges	\$ 435,924	\$ 435,924	
55	Net Income Before Extraordinary and Delayed Items	\$ 3,085,387	\$ 3,085,387	
56	Extraordinary & Delayed Items	-	-	
57	Net Income	\$ 3,085,387	\$ 3,085,387	
58	Less Preferred Dividends	-	-	
59	Net Income Available for Shareholders (Common) Equity	\$ 3,085,387	\$ 3,085,387	\$ 3,085,387
60	Shareholders Equity Capital	\$ 24,061,605	\$ 24,061,605	
61	Shareholders Equity Capital - Simple Average	\$ 24,229,665	\$ 24,229,665	
62	Rate of Return on Shareholders' Equity - Year End	12.82%	12.82%	
63	Rate of Return on Shareholders (Common) Equity - Simple Average	12.73%	12.73%	

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Docket No: M-1 Sub 12FNG
NCUC Form G.S.-1
Condensed Balance Sheet
Frontier Natural Gas Company
Twelve Months Ended December 31, 2019 (Preliminary)

Financial Method
Schedule S

Line No.	Item	Total Company Booked (a)	Allocation Factor (d)	N.C. Retail Operations (e)
1	<u>ASSETS</u>			
2	Gas Plant in Service	\$ 55,920,323	100.0000%	\$ 55,920,323
3	Less: Accumulated Depreciation & Amortization	\$ 18,117,933	100.0000%	18,117,933
4	Net Plant in Service	\$ 37,802,391		\$ 37,802,391
5	Plus: Materials and Supplies	\$ 657,094	100.0000%	657,094
6	Net Plant in Service and Materials & Supplies	\$ 38,459,485		\$ 38,459,485
1	CWIP Allowed in General Rate Cases	\$ 643,480		643,480
2	CIAC	\$ (3,941,676)		(3,941,676)
3	Other Property and Investments (Less Depreciation)	\$ -		\$ -
4	Current Assets	\$ 3,455,352	100.0000%	3,455,352
5	Deferred Debits	\$ -		-
6	Total Assets	\$ 38,616,640		\$ 38,616,640
7	<u>LIABILITIES AND SHAREHOLDERS' EQUITY</u>			
8	Total Shareholders' Equity	\$ 24,061,605	100.0000%	\$ 24,061,605
9	Total Long-term Debt	\$ 8,700,000	100.0000%	8,700,000
10	Total Capitalization (L15 + L16)	\$ 32,761,605		\$ 32,761,605
11	Short-term Obligations	\$ -		-
12	Advances from Parent or Affiliate	\$ 296,892		296,892
13	Deferred Credits	\$ -		-
14	Operating Reserves	\$ -		-
15	Accumulated Deferred Income Taxes (Net)	\$ 1,938,510	100.0000%	1,938,510

39,291,122 B/S ASSETS
(674,482) IFF - DEF TAX ASSET

16	Other Liabilities	\$	3,619,633	100.0000%	3,619,633		
17	Total Liabilities	\$	38,616,640		\$	38,616,640	\$ 38,616,640
			=====			=====	674,482 IFF - DEF TAX ASSET
			(0)			0	39,291,122

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Docket No: M-1 Sub 12FNG
NCUC Form E.S.-1
Comparative Data
Frontier Natural Gas Company
Twelve Months Ended December 31, 2019 (Preliminary)

N.C. Rate Base Method
Schedule 6

		Natural Gas Operations		N.C. Retail Revenues and Expenses	
		Twelve Months Ended December 31, 2019 (Preliminary)		Actual	
		End of Period After Increase		Allocation Factors in	
Line No.	Item	Retail Amount (a)	Expenses as a % of Revenue (b)	Retail Amount (d)	Expenses as a % of Revenue (e)
1	OPERATING REVENUES				
2	Gross Operating Revenues	\$ 16,283,390	100.00%	\$ 16,283,390	100.00%
3	OPERATING REVENUE DEDUCTIONS				
4	Fuel Expense	\$ -			
5	Purchased Gas	5,921,206	36.36%	5,921,206	36.36%
6	Operating & Maintenance Expense	3,907,533	24.00%	3,907,533	24.00%
7		-			
8	Depreciation and Amortization	1,685,049	10.35%	1,685,049	10.35%
9	Taxes Other Than Income Taxes	403,660	2.48%	403,660	2.48%
10	Taxes - State Income	23,491	0.14%	23,491	0.14%
11	Taxes - Federal Income and ITC Deferral	703,956	4.32%	703,956	4.32%
12	Taxes - Deferred Income	-		-	
13	Amortization of Investment Tax Credits (ITC)	-			
14	Interest on Customer Deposits	2,369	0.01%	2,369	0.01%
15	Total Operating Expenses	\$ 12,647,262	77.67%	\$ 12,647,262	77.67%
16	Net Operating Income for Return	\$ 3,636,128	22.33%	\$ 3,636,128	22.33%
				433,555 INTEREST NET OF CUSTOMER DEPOSIT	
				117,186 Misc Income	
				3,085,387	3,085,387
					0
				3,085,387	

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Docket No: M-1 Sub 12FNG
NCUC Form G.S.-1
Long-Term Debt and Interest Charges
Frontier Natural Gas Company
Twelve Months Ended December 31, 2019 (Preliminary)

N.C. Rate Base Method / Financial Method
Schedule 7

Line No.	Type Obligation (Bonds, Debentures, Notes, etc.)	Issue Date (a)	Maturity Date (b)	Face Amount (c)	Amount Outstanding (d)	Interest Rate (e)	Interest Booked for 12 Months Ended This Report (f)	Interest Annualized On O/S Long-Term Debt Col. (e)*(d) (g)
1	4.23% Senior Notes	10/19/2016	10/19/2028	8,700,000	8,700,000	4.23	368,010	368,010

1	Total Senior Debt	\$	8,700,000	\$	8,700,000	\$	368,010	\$	368,010
9	Capital Leases	\$	-	\$	-	\$	-		-
10	Other Long-Term Debt								
11	Unamortized Debt Expense, Discount and Premium		(211,589)		(135,261)		33,425		33,425
12	Return on Prepaid Interest								
13	Current Portion of Long-Term Debt								
14	Total Long-Term Debt	\$	8,488,411	\$	8,564,739	\$	401,434	\$	401,435
							2,369		Customer Deposit
							32,121		LOC Unused Fee/Interest
							435,924		Interest per Income Statement
							435,924		

The approach and format reflected in this schedule conform to the direction provided NCUC Public Staff and do not necessarily accurately depict the company's views of results or positions which may be proposed or accepted for purposes other than this schedule, including in a rate proceeding.

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Docket No: M-1 Sub 12FNG
NCUC Form G.S.-1
Statistical Data
Frontier Natural Gas Company
Twelve Months Ended December 31, 2019 (Preliminary)

Schedule 8
Page 1 of 2

Line No.	Item	Total Company (a)	N.C. Retail (d)	% of Total (e)
1	<u>Operating Revenues</u>			
2	Residential	\$ 935,759	\$ 935,759	5.75%
3	Commercial	7,329,638	7,329,638	45.01%
4	Industrial	1,738,562	1,738,562	10.68%
5	Public Street & Highway Lighting	-		
6	Interdepartmental	-		
7	Sales for Resale:	-		
8	Transportation	5,092,650	5,092,650	31.28%
9	Other	528,164	528,164	3.24%
10	Joint Dispatch	-		
11	Provision for Rate Refund	-		
12	Unbilled	658,617	658,617	4.04%
12	Mitigation	-		
	Total Revenue from Sales of Gas	\$ 16,283,390	\$ 16,283,390	100.00%
		=====	=====	
13	<u>Dekatherms Sold</u>			
14	Residential	115,845	115,845	2.79%
15	Commercial	930,012	930,012	22.38%
16	Industrial	250,941	250,941	6.04%
17	Public Street & Highway Lighting			
18	Interdepartmental			
19	Sales for Resale:			
20	Transportation	2,858,009	2,858,009	68.79%
21	Special Contract (row is tie point for Supp Report)			
22	Other	-	-	
23	Joint Dispatch			
24	Mitigation			
25	Total DTs Sales (Subtotal)	4,154,808	4,154,808	100.00%
	Total DTs Sold (row is tie point for Supp Report)	1,296,798	1,296,798	31.21%
		=====	=====	
26	<u>Revenue Per DT Sold</u>			
27	Residential	8.08	8.08	
28	Commercial	7.88	7.88	
29	Industrial	6.93	6.93	
30	Public Street & Highway Lighting			
31	Interdepartmental			
32	Sales for Resale:			
33	Transportation	1.78	1.78	
34	Other			
35	Total Revenue per DT Sold	3.92	3.92	

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Line No.	Item	Total Company (a)	N.C. Retail (d)	% of Total (e)	Customers 12/31/2018
36	<u>Period End Number of Customers</u>				
37	Residential	2,336	2,336	54.91%	2,143
38	Commercial	1,696	1,696	39.87%	1,606
39	Industrial	193	193	4.54%	177
40	Public Street & Highway Lighting				
41	Interdepartmental				
42	Sales for Resale:				
43	Transportation	29	29	0.68%	32
44	Other				
45	Total Customers - Period End	4,254	4,254	100.00%	3,958
46	<u>Average Number of Customers</u>				
47	Residential	2,240	2,240	54.54%	
48	Commercial	1,651	1,651	40.21%	
49	Industrial	185	185	4.51%	
50	Public Street & Highway Lighting				
51	Interdepartmental				
52	Sales for Resale:				
53	Special Contract	31	31	0.74%	
54	Other				
55	Total Customers-Average	4,106	4,106	100.00%	
56	<u>INFORMATIONAL ONLY</u>				
57	<u>Average DT Usage per Customer</u>				
58	Residential	52	52		
59	Commercial	563	563		
60	Industrial	1,356	1,356		
61	Public Street & Highway Lighting				
62	Interdepartmental				
63	Sales for Resale:				
64	Special Contract				
65	Other				
67	Total DT Usage per Customer - Average	316	316		

The approach and format reflected in this schedule conform to the direction provided NCUC Public Staff and do not necessarily accurately depict the company's views of results or positions which may be proposed or accepted for purposes other than this schedule, including in a rate proceeding.

Docket No: M-1 Sub 12FNG
NCUC Form G.S.-1
NCUC Form G.S.-1 vs. NCUC Fee
Frontier Natural Gas Company
Twelve Months Ended December 31, 2019 (Preliminary)

NC Jurisdictional Revenue
Schedule 9

Line No.	Item	Total Co	NC Retail	NCUC FEE	
Revenue Subject to NCUC Fee					
1	Operating Revenues				
2	Residential Sales	935,759	935,759	1,268	
3	Commercial Sales	7,329,638	7,329,638	9,934	
4	Industrial Sales	1,738,562	1,738,562	2,356	
5	Public Authority Sales		-	-	
6	Unbilled Revenue	658,617	658,617	893	
7	Transport				
8	Total Sales of Gas	10,662,576	10,662,576	14,451	
Other Gas Revenue Subject to NCUC Fee:					
9	Other Operating Revenues				
10	Gas Transportation for Others	5,092,650	5,092,650	6,902	
11	Other Operating Revenues	528,164	528,164	716	
12	Subtotal - Other Operating Revenue			-	
13	Less: Customer Refunds			-	
14	Total Gas Revenues	16,283,390	16,283,390	22,069	
			22,069	3,368	3Q 2019 Reg Fee 0.13000%
				6,025	4Q 2019 Reg Fee 0.13000%
				8,873	Q1 2019 Reg Fee 0.14000%
				3,803	Q2 2019 Reg Fee 0.14000%
				PER G/L	0.13553% ANNUAL RATE
Footnote:					
The approach and format reflected in this schedule conform to the direction provided NCUC Public Staff and		REVENUE 3Q 2019	16,283,390 2,590,468	22,069	

do not necessarily accurately depict the company's views of results or positions which may be proposed or accepted for purposes other than this schedule, including in a rate proceeding.

16,283,390
(0)