

| | | 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 | 25.33% | \$ 8,700,000 | 4.23% | 1.07% | \$ 368,010 |
| 2 | Shareholders Equity | 25,651,156 | 74.67% | 25,651,156 | 12.19% | 9.10% | 3,127,405 |
| 3 | Total Capitalization | \$ 34,351,156 | 100.00% | \$ 34,351,156 | | 10.18% | \$ 3,495,415 |

| Line No. | Item | Total Company Booked (a) |
|----------|---|--------------------------|
| | <u>Rate of Return on Investment</u> | |
| 1 | Net Operating Income | \$ 3,614,560 |
| 2 | Net Investment Including Materials and Supplies | \$ 39,583,500 |
| 3 | Rate of Return on Investment (L1/L2) | 9.13% |
| | <u>Ratio of Earnings to Fixed Charges (SEC)</u> | |
| 4 | Net Income | \$ 3,127,405 |
| 5 | Add Back: | |
| 6 | Federal Income Tax Including Investment Credits | \$ 823,777 |
| 7 | State Income Tax | (3,391) |
| 8 | Total Net Income Plus Income Taxes | \$ 3,947,791 |
| | <u>Fixed Charges</u> | |
| 9 | Interest Expense | \$ 497,334 |
| 10 | Total Fixed Charges (L9 + L10) | \$ 497,334 |
| 11 | Earnings as Adjusted (L8+L11) | \$ 4,445,125 |
| | | ===== |
| 12 | Ratio of Earnings to Fixed Charges (L12/L11) | 8.94 |
| | | ===== |
| 13 | Common Stock Dividends Paid/Declared | \$ 850,000 |
| | <u>Number of Shares Outstanding: (Rounded to thousands)</u> | |
| 14 | End of Period | 10 |
| 15 | Yearly Average | 10 |

Capital

Schedule 2

Frontier Natural Gas Company

Twelve Months Ended March 31, 2022 (Preliminary)

| Line No. | Item | Long-term Debt* (a) | Total Shareholder's Equity (c) | Total Capital (col. a+b+c) (d) |
|-------------|--|---------------------------|---|---|
| 1 | <u>Total Company</u> | | | |
| | Balance at end of: | | | |
| 2 | Mar-21 | 8,700,000 | 24,900,287 | 33,600,287 |
| 3 | Apr-21 | 8,700,000 | 25,330,970 | 34,030,970 |
| 4 | May-21 | 8,700,000 | 25,488,777 | 34,188,777 |
| 5 | Jun-21 | 8,700,000 | 25,103,355 | 33,803,355 |
| 6 | Jul-21 | 8,700,000 | 25,193,198 | 33,893,198 |
| 7 | Aug-21 | 8,700,000 | 25,323,795 | 34,023,795 |
| 8 | Sep-21 | 8,700,000 | 25,078,418 | 33,778,418 |
| 9 | Oct-21 | 8,700,000 | 25,305,558 | 34,005,558 |
| 10 | Nov-21 | 8,700,000 | 25,665,712 | 34,365,712 |
| 11 | Dec-21 | 8,700,000 | 25,797,417 | 34,497,417 |
| 12 | Jan-22 | 8,700,000 | 26,333,513 | 35,033,513 |
| 13 | Feb-22 | 8,700,000 | 26,766,336 | 35,466,336 |
| 14 | Mar-22 | 8,700,000 | 27,177,692 | 35,877,692 |
| 15 | Total (Sum of Lines 2 thru 14) | \$ 113,100,000 | \$ 333,465,028 | \$ 446,565,028 |
| 16 | 13 Month Average (L15/L13) | \$ 8,700,000 | \$ 25,651,156 | \$ 34,351,156 |
| 17 | 13 Month Average Ratio | 25.33% | 74.67% | 100.00% |
| 18 | Net Proceeds | | | |
| 19 | Actual Interest Accrued for the Period | \$ 368,010 | | |
| 20 | Average Embedded Cost for the Period (Col. a, L23/L16) | 4.23% | | |

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May 31 2022

| 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 | Total Company Jurisdictional Data | | | | | | | | |
| | Balance at end of: | | | | | | | | |
| 2 | Mar-21 | 57,314,880 | | 20,060,229 | 2,579,846 | | 736,770 | 35,411,575 | 2,311,175 |
| 3 | Apr-21 | 58,008,559 | | 20,195,704 | 2,752,682 | | 743,756 | 35,803,930 | 2,663,172 |
| 4 | May-21 | 58,645,943 | | 20,330,563 | 2,799,766 | | 783,066 | 36,298,681 | 3,313,003 |
| 5 | Jun-21 | 60,299,697 | | 21,383,784 | 2,819,033 | | 762,151 | 36,859,031 | 2,219,343 |
| 6 | Jul-21 | 60,782,004 | | 21,521,629 | 2,576,307 | | 741,545 | 37,425,613 | 2,702,258 |
| 7 | Aug-21 | 61,343,608 | | 21,658,963 | 2,615,273 | | 761,615 | 37,830,988 | 3,268,059 |
| 8 | Sep-21 | 62,647,734 | | 21,800,713 | 2,661,407 | | 800,297 | 38,985,912 | 4,129,896 |
| 9 | Oct-21 | 62,867,188 | | 21,941,331 | 2,727,435 | | 763,081 | 38,961,502 | 4,911,052 |
| 10 | Nov-21 | 63,282,004 | | 22,080,303 | 2,834,892 | | 924,707 | 39,291,516 | 5,336,249 |
| 11 | Dec-21 | 61,555,794 | | 22,225,740 | 1,791,158 | | 900,565 | 38,439,461 | 4,454,388 |
| 12 | Jan-22 | 61,978,206 | | 22,366,807 | 1,951,110 | | 732,212 | 38,392,500 | 4,878,325 |
| 13 | Feb-22 | 62,345,563 | | 22,507,502 | 2,080,249 | | 706,591 | 38,464,403 | 1,354,293 |
| 14 | Mar-22 | 63,193,701 | | 22,648,770 | 2,202,983 | | 1,241,551 | 39,583,500 | 2,220,739 |
| 15 | Total (Sum of Lines 2 thru 14) | \$ 794,264,883 | \$ - | \$ 280,722,039 | \$ 32,392,140 | \$ - | \$ 10,597,907 | \$ 491,748,611 | \$ 43,762,623 |
| 16 | 13 Month Average (L15/13) | \$ 61,097,299 | \$ - | \$ 21,594,003 | \$ 2,491,703 | \$ - | \$ 815,224 | \$ 37,826,816 | \$ 3,366,313 |

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May 31, 2022

| Line No. | Item | Total Company Booked (a) |
|-------------|--|-----------------------------------|
| 1 | <u>OPERATING REVENUES</u> | |
| 2 | Residential Sales | \$ 1,267,642 |
| 3 | Commercial Sales | 6,796,848 |
| 4 | Industrial Sales | 3,664,599 |
| 5 | Sales for Resale: | |
| 6 | Transportation | 5,018,318 |
| 7 | Other Revenue | 606,237 |
| 8 | Unbilled Revenue | 488,982 |
| 9 | Total Sales | \$ 17,842,625 |
| 10 | Total Gas Operating Revenues | \$ 17,842,625 |
| 11 | <u>OPERATING EXPENSES</u> | |
| 12 | Purchased Gas | 7,206,985 |
| 13 | Maintenance | 1,022,855 |
| 14 | Other Operating Expenses (Except Taxes) (A) | 2,996,773 |
| 15 | Total Operating Expenses | \$ 11,226,613 |
| 16 | Depreciation and Amortization | 1,703,675 |
| 17 | Total Expenses & Depreciation | \$ 12,930,287 |
| 18 | <u>OPERATING TAXES</u> | |
| 19 | Federal Income Tax - Deferred | 823,777 |
| 20 | Total Federal Taxes - Operating | \$ 823,777 |
| 21 | State Income Taxes | (3,391) |
| 22 | Other Operating Taxes (General) | 477,392 |
| 23 | Total Operating Taxes | \$ 1,297,778 |
| 24 | Total Operating Expenses, Depreciation & Taxes | \$ 14,228,065 |
| 25 | Net Operating Income (L15-L35) (Net of Interest on Customer Deposits) | \$ 3,614,560 ===== |

| Line No. | Item | Total Company Booked (a) |
|-------------|---|-----------------------------------|
| 26 | <u>OTHER INCOME</u> | |
| 27 | Miscellaneous Income | \$ 10,179 |
| 28 | Total Other Income | \$ 10,179 |
| 29 | <u>INTEREST CHARGES</u> | |
| 30 | Interest on Long-term Debt | \$ 368,010 |
| 31 | Amortization of Debt Discount and Expense | 24,521 |
| 32 | Other Interest Expense (A) | 104,803 |
| 33 | Total Interest Charges | \$ 497,334 |
| 34 | Net Income Before Extraordinary and Delayed Items | \$ 3,127,405 |
| 35 | Net Income | \$ 3,127,405 |
| 36 | Net Income Available for Shareholders (Common) Equity | \$ 3,127,405 |
| 37 | Shareholders Equity Capital | \$ 27,177,692 |
| 38 | Shareholders Equity Capital - Simple Average | \$ 25,651,156 |
| 39 | Rate of Return on Shareholders Equity - Year End | 11.51% |
| 40 | Rate of Return on Shareholders (Common) Equity - Simple Average | 12.19% |

| Line No. | Item | Total Company Booked (a) |
|-------------|---|-----------------------------------|
| 1 | <u>ASSETS</u> | |
| 2 | Gas Plant in Service | \$ 65,485,981 |
| 3 | Less: Accumulated Depreciation & Amortization | 22,648,770 |
| | | ----- |
| 4 | Net Plant in Service | \$ 42,837,211 |
| 5 | Plus: Materials and Supplies | 1,241,551 |
| | | ----- |
| 6 | Net Plant in Service and Materials & Supplies | \$ 44,078,762 |
| 7 | CWIP Allowed in General Rate Cases | 2,220,739 |
| 8 | CIAC | (4,513,018) |
| | | ----- |
| 9 | Current Assets | \$ 3,850,625 |
| | | ----- |
| 10 | Total Assets | \$ 45,637,107 |
| | | ===== |
| 11 | <u>LIABILITIES AND SHAREHOLDERS' EQUITY</u> | |
| 12 | Total Shareholders' Equity | \$ 27,177,692 |
| 13 | Total Long-term Debt | 8,700,000 |
| | | ----- |
| 14 | Total Capitalization (L15 + L16) | \$ 35,877,692 |
| 15 | Advances from Parent or Affiliate | 387,468 |
| 16 | Accumulated Deferred Income Taxes (Net) | 2,202,983 |
| 17 | Other Liabilities | 7,168,965 |
| | | ----- |
| 18 | Total Liabilities | \$ 45,637,108 |
| | | ===== |

| | | Natural Gas Operations N.C. Retail Revenues and Expenses | | | |
|-------------|---|---|---|-------------------------|---|
| Line No. | Item | Twelve Months Ended March 31,2022 (Preliminary) End of Period After Increase | | Actual | |
| | | Retail Amount (a) | Allocation Factors in Expenses as a % of Revenue (b) | Retail Amount (d) | Allocation Factors in Expenses as a % of Revenue (e) |
| 1 | <u>OPERATING REVENUES</u> | | | | |
| 2 | Gross Operating Revenues | \$ 17,842,625 | 100.00% | \$ 17,842,625 | 100.00% |
| 3 | <u>OPERATING REVENUE DEDUCTIONS</u> | | | | |
| 4 | Purchased Gas | 7,206,985 | 40.39% | 7,206,985 | 40.39% |
| 5 | Operating & Maintenance Expense | 4,019,628 | 22.53% | 4,019,628 | 22.53% |
| 6 | Depreciation and Amortization | 1,703,675 | 9.55% | 1,703,675 | 9.55% |
| 7 | Taxes Other Than Income Taxes | 477,392 | 2.68% | 477,392 | 2.68% |
| 8 | Taxes - State Income | (3,391) | -0.02% | (3,391) | -0.02% |
| 9 | Taxes - Federal Income and ITC Deferral | 823,777 | 4.62% | 823,777 | 4.62% |
| 10 | Interest on Customer Deposits | 2,611 | 0.01% | 2,611 | 0.01% |
| 11 | Total Operating Expenses | \$ 14,227,286 | 79.74% | \$ 14,227,286 | 79.74% |
| 12 | Net Operating Income for Return | \$ 3,615,340 | 20.26% | \$ 3,615,340 | 20.26% |

| 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 |
| 2 | Total Senior Debt | | | \$ 8,700,000 | \$ 8,700,000 | | \$ 368,010 | \$ 368,010 |
| 3 | Unamortized Debt Expense, Discount and Premium | | | (211,589) | (68,960) | | 24,521 | 24,521 |
| 4 | Total Long-Term Debt | | | \$ 8,488,411 | \$ 8,631,040 | | \$ 392,531 | \$ 392,531 |

| Line No. | Item | Total Company (a) | % of Total (e) |
|----------|---|----------------------|-------------------|
| 1 | <u>Operating Revenues</u> | | |
| 2 | Residential | \$ 1,267,642 | 7.10% |
| 3 | Commercial | 6,796,848 | 38.09% |
| 4 | Industrial | 3,664,599 | 20.54% |
| 5 | Sales for Resale: | | 0.00% |
| 6 | Transportation | 5,018,318 | 28.13% |
| 7 | Other | 606,237 | 3.40% |
| 8 | Unbilled | 488,982 | 2.74% |
| 9 | Total Revenue from Sales of Gas | \$ 17,842,625 | 100.00% |
| 10 | <u>Dekatherms Sold</u> | | |
| 11 | Residential | 135,541 | 3.28% |
| 12 | Commercial | 747,919 | 18.12% |
| 13 | Industrial | 431,944 | 10.46% |
| 14 | Sales for Resale: | | 0.00% |
| 15 | Transportation | 2,812,119 | 68.13% |
| 16 | Total DTs Sales (Subtotal) | 4,127,523 | 100.00% |
| | Total DTs Sold (row is tie point for Supp Report) | 1,315,404 | 31.87% |
| 17 | <u>Revenue Per DT Sold</u> | | |
| 18 | Residential | 9.35 | |
| 19 | Commercial | 9.09 | |
| 20 | Industrial | 8.48 | |
| 21 | Sales for Resale: | | |
| 22 | Transportation | 1.78 | |
| 24 | Total Revenue per DT Sold | 4.32 | |

| Line No. | Item | N.C. Retail (d) | % of Total (e) | Customers 3/31/2021 |
|-------------|---------------------------------------|--------------------|-------------------|------------------------|
| 25 | <u>Period End Number of Customers</u> | | | |
| 26 | Residential | 2,707 | 58.48% | 2,554 |
| 27 | Commercial | 1,694 | 36.60% | 1,783 |
| 28 | Industrial | 197 | 4.26% | 205 |
| 30 | Sales for Resale: | | 0.00% | |
| 31 | Transportation | 31 | 0.67% | 30 |
| | | ----- | | |
| 32 | Total Customers - Period End | 4,629 | 100.00% | 4,572 |
| | | ===== | | |
| 33 | <u>Average Number of Customers</u> | | | |
| 34 | Residential | 2,631 | 57.18% | |
| 35 | Commercial | 1,739 | 37.79% | |
| 36 | Industrial | 201 | 4.37% | |
| 39 | Sales for Resale: | | 0.00% | |
| 40 | Transportation | 31 | 0.66% | |
| | | ----- | | |
| 41 | Total Customers-Average | 4,601 | 100.00% | |
| | | ===== | | |
| 42 | <u>INFORMATIONAL ONLY</u> | | | |
| 43 | <u>Average DT Usage per Customer</u> | | | |
| 44 | Residential | 52 | | |
| 45 | Commercial | 430 | | |
| 46 | Industrial | 2,149 | | |
| 49 | Sales for Resale: | | | |
| 50 | Transportation | 92,201 | | |
| 67 | Total DT Usage per Customer - Average | 286 | | |

| Line No. | Item | Total Co | NCUC FEE | |
|--|------------------------------------|------------|----------|------------------------|
| Revenue Subject to NCUC Fee | | | | |
| 1 | Operating Revenues | | | |
| 2 | Residential Sales | 1,267,642 | 1,648 | |
| 3 | Commercial Sales | 6,796,848 | 8,836 | |
| 4 | Industrial Sales | 3,664,599 | 4,764 | |
| 5 | Public Authority Sales | - | - | |
| 6 | Unbilled Revenue | 488,982 | 636 | |
| 7 | Transport | | | |
| 8 | Total Sales of Gas | 12,218,071 | 15,884 | |
| Other Gas Revenue Subject to NCUC Fee: | | | | |
| 9 | Other Operating Revenues | | | |
| 10 | Gas Transportation for Others | 5,018,318 | 6,524 | |
| 11 | Other Operating Revenues | 606,237 | 788 | |
| 12 | Subtotal - Other Operating Revenue | | - | |
| 13 | Less: Customer Refunds | - | - | |
| 14 | Total Gas Revenues | 17,842,625 | 23,196 | |
| | | 23,195 | 4,154 | Q2 2021 Reg Fee 0.130% |
| | | | 3,664 | Q3 2021 Reg Fee 0.130% |
| | | | 6,332 | Q4 2021 Reg Fee 0.130% |
| | | | 9,046 | Q1 2022 Reg Fee 0.130% |
| | | | 23,196 | 0.130% ANNUAL RATE |