

M-1, Sub 12 FNG		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	25.01%	\$ 8,700,000	4.23%	1.06%	\$ 368,010
2	Shareholders Equity	26,080,202	74.99%	26,080,202	10.25%	7.69%	2,674,259
3	Total Capitalization	\$ 34,780,202	100.00%	\$ 34,780,202		8.75%	\$ 3,042,269
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Line No.	Item	Total Company Booked (a)
<u>Rate of Return on Investment</u>		
1	Net Operating Income	\$ 3,751,554
2	Net Investment Including Materials and Supplies	\$ 47,342,789
3	Rate of Return on Investment (L1/L2)	7.92%
<u>Ratio of Earnings to Fixed Charges (SEC)</u>		
4	Net Income	\$ 2,674,259
5	Add Back:	
6	Federal Income Tax Including Investment Credits	\$ 715,109
7	State Income Tax	70,345
8	Total Net Income Plus Income Taxes	\$ 3,459,712
<u>Fixed Charges</u>		
9	Interest Expense	\$ 1,111,641
10	Total Fixed Charges (L9 + L10)	\$ 1,111,641
11	Earnings as Adjusted (L8+L11)	\$ 4,571,353
12	Ratio of Earnings to Fixed Charges (L12/L11)	4.11
13	Common Stock Dividends Paid/Declared	\$ 2,375,000
<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 December 31, 2023 (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	Dec-22	8,700,000	26,335,320	35,035,320
3	Jan-23	8,700,000	26,604,077	35,304,077
4	Feb-23	8,700,000	26,887,838	35,587,838
5	Mar-23	8,700,000	26,480,122	35,180,122
6	Apr-23	8,700,000	26,345,845	35,045,845
7	May-23	8,700,000	26,436,979	35,136,979
8	Jun-23	8,700,000	25,600,003	34,300,003
9	Jul-23	8,700,000	25,850,169	34,550,169
10	Aug-23	8,700,000	25,921,644	34,621,644
11	Sep-23	8,700,000	26,171,926	34,871,926
12	Oct-23	8,700,000	26,429,486	35,129,486
13	Nov-23	8,700,000	26,361,014	35,061,014
14	Dec-23	8,700,000	23,618,204	32,318,204
15	Total (Sum of Lines 2 thru 14)	\$ 113,100,000	\$ 339,042,626	\$ 452,142,626
16	13 Month Average (L15/13)	\$ 8,700,000	\$ 26,080,202	\$ 34,780,202
17	13 Month Average Ratio	25.01%	74.99%	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%		

		Cost Free Capital					Rate Base (a+b-c-d-e+f) (g)	Total Company Booked CWIP (h)
Line No.	Item	Plant in Service (a)	CWIP Allowed (b)	Accumulated Provision for Depreciation (c)	Accumulated Deferred Income Taxes (d)	Operating Reserves (e)		
1	<u>Total Company Jurisdictional Data</u>							
	Balance at end of:							
2	Dec-22	68,021,330		23,909,261	2,565,457		1,063,279	3,058,514
3	Jan-23	68,386,030		24,051,962	1,899,406		1,112,181	3,432,351
4	Feb-23	69,050,664		24,196,036	1,984,070		1,165,502	3,888,263
5	Mar-23	69,345,006		24,341,101	2,138,409		1,283,902	4,034,657
6	Apr-23	69,734,308		24,486,917	2,098,346		1,308,307	4,435,357
7	May-23	70,029,461		24,641,600	2,125,536		1,293,604	4,419,536
8	Jun-23	70,470,389		24,791,086	2,084,668		1,261,224	4,443,040
9	Jul-23	70,709,545		24,969,176	2,162,032		1,300,748	4,682,196
10	Aug-23	71,340,608		25,099,480	2,180,634		1,291,715	5,118,100
11	Sep-23	71,768,299		25,250,625	1,956,358		1,303,150	4,786,470
12	Oct-23	72,499,755		25,403,864	2,033,206		1,245,594	4,297,154
13	Nov-23	72,981,076		25,560,003	2,012,779		1,225,257	4,430,521
14	Dec-23	73,667,373		25,721,506	1,903,916		1,300,837	3,526,816
15	Total (Sum of Lines 2 thru 14)	\$ 918,003,843	\$ -	\$ 322,422,617	\$ 27,144,817	\$ -	\$ 16,155,300	\$ 54,552,975
16	13 Month Average (L15/13)	\$ 70,615,680	\$ -	\$ 24,801,740	\$ 2,088,063	\$ -	\$ 1,242,715	\$ 4,196,383

Line No.	Item	Total Company Booked (a)
1	<u>OPERATING REVENUES</u>	
2	Residential Sales	\$ 1,994,021
3	Commercial Sales	8,695,889
4	Industrial Sales	4,958,148
5	Sales for Resale:	
6	Transportation	4,714,739
7	Other Revenue	34,848
8	Unbilled Revenue	1,240,171
9	Total Sales	\$ 21,637,816
10	Total Gas Operating Revenues	\$ 21,637,816
11	<u>OPERATING EXPENSES</u>	
12	Purchased Gas	10,197,528
13	Maintenance	1,294,463
14	Other Operating Expenses (Except Taxes) (A)	3,366,833
15	Total Operating Expenses	\$ 14,858,824
16	Depreciation and Amortization	1,812,245
17	Total Expenses & Depreciation	\$ 16,671,069
18	<u>OPERATING TAXES</u>	
19	Federal Income Tax - Deferred	715,109
20	Total Federal Taxes - Operating	\$ 715,109
21	State Income Taxes	70,345
22	Other Operating Taxes (General)	429,739
23	Total Operating Taxes	\$ 1,215,193
24	Total Operating Expenses, Depreciation & Taxes	\$ 17,886,261
25	Net Operating Income (L15-L35) (Net of Interest on Customer Deposits)	\$ 3,751,554 =====

Line No.	Item	Total Company Booked (a)
26	<u>OTHER INCOME</u>	
27	Miscellaneous Income	\$ 34,345
28	Total Other Income	\$ 34,345
29	<u>INTEREST CHARGES</u>	
30	Interest on Long-term Debt	\$ (3,223)
31	Amortization of Debt Discount and Expense	-
32	Other Interest Expense (A)	1,114,864
33	Total Interest Charges	\$ 1,111,641
34	Net Income Before Extraordinary and Delayed Items	\$ 2,674,259
35	Net Income	\$ 2,674,259
36	Net Income Available for Shareholders (Common) Equity	\$ 2,674,259
37	Shareholders Equity Capital	\$ 23,618,204
38	Shareholders Equity Capital - Simple Average	\$ 26,080,202
39	Rate of Return on Shareholders Equity - Year End	11.32%
40	Rate of Return on Shareholders (Common) Equity - Simple Average	10.25%

Line No.	Item	Total Company Booked (a)
1	<u>ASSETS</u>	
2	Gas Plant in Service	\$ 78,937,423
3	Less: Accumulated Depreciation & Amortization	25,721,506

4	Net Plant in Service	\$ 53,215,918
5	Plus: Materials and Supplies	1,300,837

6	Net Plant in Service and Materials & Supplies	\$ 54,516,755
7	CWIP Allowed in General Rate Cases	3,526,816
8	CIAC	(8,796,866)

9	Current Assets	\$ 3,416,241

10	Total Assets	\$ 52,662,946
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11	<u>LIABILITIES AND SHAREHOLDERS EQUITY</u>	
12	Total Shareholders Equity	\$ 23,618,204
13	Total Long-term Debt	8,700,000

14	Total Capitalization (L15 + L16)	\$ 32,318,204
15	Advances from Parent or Affiliate	877,541
16	Accumulated Deferred Income Taxes (Net)	1,903,916
17	Other Liabilities	14,563,285

18	Total Liabilities	\$ 49,662,946
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Natural Gas Operations
N.C. Retail Revenues and Expenses

Line No.	Item	Twelve Months Ended December 31, 2023 (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	\$ 21,637,816	100.00%	\$ 21,637,816	100.00%
3	<u>OPERATING REVENUE DEDUCTIONS</u>				
4	Purchased Gas	10,197,528	47.13%	10,197,528	47.13%
5	Operating & Maintenance Expense	4,661,296	21.54%	4,661,296	21.54%
6	Depreciation and Amortization	1,812,245	8.38%	1,812,245	8.38%
7	Taxes Other Than Income Taxes	429,739	1.99%	429,739	1.99%
8	Taxes - State Income	70,345	0.33%	70,345	0.33%
9	Taxes - Federal Income and ITC Deferral	715,109	3.30%	715,109	3.30%
10	Interest on Customer Deposits	-	0.00%	-	0.00%
11	Total Operating Expenses	\$ 17,956,606	82.99%	\$ 17,956,606	82.99%
12	Net Operating Income for Return	\$ 3,681,210	17.01%	\$ 3,681,210	17.01%

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	(3,223)	368,010
2	Total Senior Debt			\$ 8,700,000	\$ 8,700,000		\$ (3,223)	\$ 368,010
3	Unamortized Debt Expense, Discount and Premium			(211,589)	(88,921)		0	0
4	Total Long-Term Debt			\$ 8,488,411	\$ 8,611,079		\$ (3,223)	\$ 368,010

Line No.	Item	Total Company (a)	% of Total (e)
1	<u>Operating Revenues</u>		
2	Residential	\$ 1,994,021	9.22%
3	Commercial	8,695,889	40.19%
4	Industrial	4,958,148	22.91%
5	Sales for Resale:		0.00%
6	Transportation	4,714,739	21.79%
7	Other	34,848	0.16%
8	Unbilled	1,240,171	5.73%

9	Total Revenue from Sales of Gas	\$ 21,637,816	100.00%
		=====	
10	<u>Dekatherms Sold</u>		
11	Residential	133,794	3.46%
12	Commercial	703,848	18.21%
13	Industrial	471,200	12.19%
14	Sales for Resale:		0.00%
15	Transportation	2,555,635	66.13%

16	Total DTs Sales (Subtotal)	3,864,476	100.00%
	Total DTs Sold (row is tie point for Supp Report)	1,308,842	33.87%
		=====	
17	<u>Revenue Per DT Sold</u>		
18	Residential	14.90	
19	Commercial	12.35	
20	Industrial	10.52	
21	Sales for Resale:		
22	Transportation	1.84	
24	Total Revenue per DT Sold	5.60	

Line No.	Item	N.C. Retail (d)	% of Total (e)	Customers 9/30/2023
25	<u>Period End Number of Customers</u>			
26	Residential	3,029	59.18%	3,029
27	Commercial	1,837	35.89%	1,837
28	Industrial	222	4.34%	222
30	Sales for Resale:		0.00%	
31	Transportation	30	0.59%	30

32	Total Customers - Period End	5,118	100.00%	5,118
		=====		
33	<u>Average Number of Customers</u>			
34	Residential	3,029	59.18%	
35	Commercial	1,837	35.89%	
36	Industrial	222	4.34%	
39	Sales for Resale:		0.00%	
40	Transportation	30	0.59%	

41	Total Customers-Average	5,118	100.00%	
		=====		
42	<u>INFORMATIONAL ONLY</u>			
43	<u>Average DT Usage per Customer</u>			
44	Residential	44		
45	Commercial	383		
46	Industrial	2,123		
49	Sales for Resale:			
50	Transportation	85,188		
67	Total DT Usage per Customer - Average	256		

Line No.	Item	Total Co	NCUC FEE	
Revenue Subject to NCUC Fee				
1	Operating Revenues			
2	Residential Sales	1,994,021	2,853	
3	Commercial Sales	8,695,889	12,441	
4	Industrial Sales	4,958,148	7,094	
5	Public Authority Sales	-	-	
6	Unbilled Revenue	1,240,171	1,774	
7	Transport			
8	Total Sales of Gas	16,888,229	24,162	
Other Gas Revenue Subject to NCUC Fee:				
9	Other Operating Revenues			
10	Gas Transportation for Others	4,714,739	6,745	
11	Other Operating Revenues	34,848	50	
12	Subtotal - Other Operating Revenue		-	
13	Less: Customer Refunds	-	-	
14	Total Gas Revenues	21,637,816	30,957	
		30,957	8,883	Q4 2023 Reg Fee
			4,305	Q3 2023 Reg Fee
			5,161	Q2 2023 Reg Fee
			12,608	Q1 2023 Reg Fee
			30,957	
				0.1475%
				0.1475%
				0.140%
				0.140%
				0.143% ANNUAL RATE