#### NCUC Form G.S.-1 **Rate of Return Calculations Frontier Natural Gas Company** Twelve Months Ended June 30, 2021 (Preliminary)

				Total Compa	ny (Booked)		 
Line <u>No.</u>	Item	Average <u>Capital</u>	Average Capital <u>Ratio</u>	Rate Base	Average Embedded <u>Cost</u>	Overall Cost/ <u>Rate %</u>	Total Company <u>Earnings</u>
1101		(a)	(b)	(c)	(d)	(e)	(f)
1	Long-term Debt	\$ 8,700,000	25.88%	\$ 8,700,000	4.23%	1.09%	\$ 368,010
3	Shareholders Equity	24,912,119	74.12%	24,912,119	15.18%	11.25%	3,780,809
4	Total Capitalization	\$ 33,612,119	100.00%	\$ 33,612,119		12.34%	\$ 4,148,819
						=======	=============

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.

NCUC Form G.S.-1 Financial Method **Rate of Return Calculations Ratio of Earnings to Fixed Charges - SEC Method** Frontier Natural Gas Company Twelve Months Ended June 30, 2021 (Preliminary)

i weive mo							
Line <u>No.</u>	Item		Total Company <u>Booked</u>	Wholesale & Other Operations	N.C. Retail Operations	S.C. Retail Operations	Other Company <u>Operations</u>
<u>110.</u>	item		(a)	(b)	(c)	(d)	(e)
	Rate of Return on Investment		(a)	(6)	(0)	(u)	(0)
1		ć	4 101 624	ć	4 101 624		
1	Net Operating Income	\$	4,191,634	\$	4,191,634		
2	Net Investment Including						
	Materials and Supplies	\$	36,859,031	\$	36,859,031		
3	Rate of Return on Investment (L1/L2)		11.37%		11.37%		
	Ratio of Earnings to Fixed Charges (SEC)						
4	Net Income	\$	3,780,809	\$	3,780,809		
5	Add Back:		-,,		-,,		
6	Federal Income Tax Including	\$	525,791	\$	525,791		
	Investment Credits		, -		, -		
7	State Income Tax		89,673		89,673		
8	Total Net Income Plus Income Taxes	\$	4,396,272	\$	4,396,272		
	Fixed Charges						
9	Interest Expense	\$	465,797	\$	465,797		
10	1/3 Rentals Included in Fixed Charges		, -		, _		
11	Total Fixed Charges (L9 + L10)	\$	465,797	\$	465,797		
12	Earnings as Adjusted (L8+L11)	\$	4,862,070	\$	4,862,070		
					==============		
13	Ratio of Earnings to Fixed Charges (L12/L11)		10.44		10.44		
14	Common Stock Dividends Paid/Declared	\$	3,300,000				
	Number of Shares Outstanding: (Rounded to thousands)						
15	End of Period		10				
16	Yearly Average		10				

Schedule 1a

# NCUC Form G.S.-1 Capital Frontier Natural Gas Company Twelve Months Ended June 30, 2021 (Preliminary)

					Total	Total
Line		Long-term	Preferred		Shareholder's	Capital
No.	Item	Debt*	<u>Stock</u>		Equity	<u>(col. a+b+c)</u>
		(a)	(b)		(c)	(d)
1	Total Company					
	Balance at end of:					
2	Jun-20	8,700,000			24,622,546	33,322,546
3	Jul-20	8,700,000			24,685,773	33,385,773
4	Aug-20	8,700,000			24,760,837	33,460,837
5	Sep-20	8,700,000			24,484,669	33,184,669
6	Oct-20	8,700,000			24,782,435	33,482,435
7	Nov-20	8,700,000			25,045,480	33,745,480
8	Dec-20	8,700,000			24,264,679	32,964,679
9	Jan-21	8,700,000			24,918,837	33,618,837
10	Feb-21	8,700,000			25,468,906	34,168,906
11	Mar-21	8,700,000			24,900,287	33,600,287
12	Apr-21	8,700,000			25,330,970	34,030,970
13	May-21	8,700,000			25,488,777	34,188,777
14	Jun-21	8,700,000			25,103,355	33,803,355
15	Total (Sum of Lines 2 thru 14)	\$ 113,100,000	\$	- \$	323,857,551	\$ 436,957,551
16	13 Month Average (L15/13)	\$ 8,700,000	\$	- \$	24,912,119	\$ 33,612,119
17	13 Month Average Ratio	25.88%			74.12%	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%				

#### NCUC Form G.S.-1 Rate Base Frontier Natural Gas Company Twelve Months Ended June 30, 2021 (Preliminary)

•	nuc	buse method
		Schedule 3

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weive Nio	nths Ended June 30, 2021 (Preliminary)			-	Cost Free	Capital			Ö
Line		Plant in	CWIP	Accumulated Provision for	Accumulated Deferred	Operating	Working Capital	Rate Base	Total Company Booked
No.	Item	Service	Allowed	Depreciation	Income Taxes	Reserves	Allowance	<u>(a+b-c-d-e+f)</u>	<u>CWIP</u>
1	Total Company Jurisdictional Data	(a)	(b)	(c)	(d)	(e)	(f)	(g)	<sup>(h)</sup>
	Balance at end of:								
2	Jun-20	54,714,987		18,874,950	2,389,320		722,461	34,173,177	1,935,69
3	Jul-20	54,962,792		19,003,107	2,408,185		708,337	34,259,837	2,184,611
4	Aug-20	54,575,408		19,134,170	2,430,581		690,005	33,700,661	2,170,373
5	Sep-20	54,667,648		19,263,295	2,467,529		729,818	33,666,642	2,263,607
6	Oct-20	54,835,148		19,392,051	2,503,726		722,217	33,661,588	2,436,626
7	Nov-20	55,975,282		19,534,536	2,582,210		726,229	34,584,765	2,464,069
8	Dec-20	55,827,378		19,658,350	2,302,118		722,937	34,589,847	985,070
9	Jan-21	56,180,426		19,791,497	2,497,295		727,345	34,618,979	1,322,729
10	Feb-21	56,507,469		19,925,600	2,661,416		741,168	34,661,621	1,499,
11	Mar-21	57,314,880		20,060,229	2,579,846		736,770	35,411,575	2,311,
12	Apr-21	58,008,559		20,195,704	2,752,682		743,756	35,803,930	2,663,007
13	May-21	58,645,943		20,330,563	2,799,766		783,066	36,298,681	3,313,🔙
14	Jun-21	60,299,697		21,383,784	2,819,033		762,151	36,859,031	2,219,343
15	Total (Sum of Lines 2 thru 14)	\$ 732,515,616 \$	-						
16	13 Month Average (L15/13)	\$ 56,347,355 \$	-	\$ 19,734,449	\$ 2,553,362	\$-\$	\$ 732,020 \$	34,791,564 \$	\$ 2,136,138

NCUC Form G.S.-1

Income Statement

Frontier Natural Gas Company

# Twelve Months Ended June 30, 2021 (Preliminary)

Line         Company         N.C. Retail           No.         Item         Booked (a)         Arriskittion (c)           0         0PERATING REVENUES Residential Sales         5         1,118,430         5         1,118,430           2         Residential Sales         5         0,138,850         6,03,850         6,03,850           4         Industrial Sales         3,031,827         3,031,827         3,031,827           5         Public Authority Sales         -         -         -           6         Public Authority Sales         -         -         -           7         Sales for Reale:         -         -         -         -           8         Other Revenue         50,0663         50,0663         50,0663           10         Johnt Objatch         -         -         -           11         Provision for Rate Refund         -         -         -           12         Unbilled Revenue         47,250         47,250         -           13         Total Sales         5         16,016,249         \$         16,016,249           14         Interdopartmental Sales         -         -         -         -           14	Line		,	Total		N.C. Retail
OPERATING REVENUES         (a)         (c)           2         Residential Sales         \$         1.118.430         \$         1.118.430           2         Residential Sales         \$         3.031.827         3.031.827           3         Public Nuthority Sales         3.031.827         3.031.827           9         Public Nuthority Sales         -         -           8         Transportation         \$.205.228         \$.205.228           9         Other Revenue         500.663         \$.001.633           10         Joint Dispatch         -         -           11         Provision for Rate Refund         -         -           12         Unbilled Revenue         47.250         47.250           14         Interdepartmental Sales         -         -           15         Total Gas Operating Revenues         \$         16.016.249         \$           17         Total Gas Operating Revenues         \$         5         5.441.011           18         Operating Revenues         \$         1.6.016.249         \$           19         Fuel         \$         5         5.441.011           10         Purchased Gas         \$         0.077.4657		Itom				
1         OPERATING REVENUES         1.118.430         \$         1.118.430         \$         5         1.118.430         \$         6.103.850         6.103.850         6.103.850         6.103.850         6.103.850         5.005.228         3.031.827         3.	<u>INU.</u>	ltem			<u>1</u>	
2         Readerital Sales         \$         1,118,430         \$         1,118,430           2         Commercial Sales         3,031,827         3,031,827         3,031,827           3         Public Streek Nighway Lighting         3,031,827         3,031,827         3,031,827           6         Public Authority Sales         -         -         -           7         Stales for Resafie:         -         -         -           8         Transportation         5,205,228         509,663         509,663         509,663           9         Other Revenue         -         -         -         -           11         Provision for Rate Refund         -         -         -         -           12         Unbile Revenue         -         -         -         -           13         Deferred Revenue         -         -         -         -           14         Interdepartmental Sales         5         16,016,249         \$         16,016,249           14         Interdepartmental Sales         \$         16,016,249         \$         16,016,249           15         Total Gas Operating Revenues         \$         5         5,441,011         -      <	1	OPERATING REVENUES		(a)		(0)
3         Commercial Sales         6,103,850         6,103,850         6,103,850           4         Industrial Sales         3,031,827         3,031,827         3,031,827           5         Public Street & Highway Lighting         -         -         -           6         Public Street & Highway Lighting         -         -         -           7         Soles for Resale:         -         -         -           7         Soles for Resale:         -         -         -           10         Diption Expondention         5,205,228         5,005,228         5,005,228         5,005,623           9         Other Revenue         -         -         -         -         -           11         Interdepartmental Sales         -         -         -         -         -           12         Unbile Revenue         -<			¢	1 118 430	¢	1 118 430
4       Industrial Sales       3,031,827       3,031,827         5       Public Authority Sales       -       -         6       Public Authority Sales       5,205,228       5,205,228         7       Transportation       5,205,228       5,205,228         9       Other Revenue       509,663       509,663         10       Joint Dispatch       -       -         11       Provision for Rate Refund       -       -         12       Unbilled Revenue       -       -         13       Deferred Revenue       -       -         14       Interdepartmental Sales       -       -         15       Total Sales Operating Revenues       5       16,016,249       5       16,016,249         16       All Other Revenues       -       -       -       -         17       Total Sales Operating Revenues       5       16,016,249       5       16,016,249         17       Other Operating Revenues       -       -       -       -       -         18       OPERATING EXPENSES       -       -       -       -       -       -       -       -       -       -       -       -       -       <			Ŷ		Ŷ	
5       Public Street & Highway Lighting						
6         Public Authority Sales           7         Sales for Perspite:           8         Transportation         5205.228           9         Other Revenue         509,663           10         Dispatch         -           11         Provision for Rate Refund         -           12         Unbilled Revenue         47,250           13         Deferred Revenue         -           14         Interdepartmental Sales         -           15         Total Sales         \$         16,016,249           16         All Other Revenues         -         -           17         Total Gas Operating Revenues         \$         16,016,249           17A         Other Operating Revenues         \$         10,011,213           17A         Other Operating Revenues         \$         10,012,378           17A         Other Operating Expenses (Except Taxes) (A)				-		5,051,027
7       Sales for Result:       5,205,228       5,205,228         9       Other Revenue       5,205,228       5,095,623         10       Joint Dispatch       -       -         11       Hordston for Rate Refund       -       -         12       Unbilled Revenue       47,250       47,250         13       Interdepartmental Sales       -       -         14       Interdepartmental Sales       -       -         15       Total Gas Operating Revenues       5       16,016,249       \$       16,016,249         16       All Other Revenues       -       -       -       -       -         17       Total Gas Operating Revenues       5       16,016,249       \$       16,016,249         17       Total Gas Operating Revenues       -       -       -       -       -         18       OPERATING EXPENSE       -<						
8         Transportation         5,205,228         5,205,228           9         Other Revenue         509,663         509,663           10         Ipin: Dispatch         -         47,250           11         Provision for Atte Refund         -         47,250           12         Unbild Revenue         47,250         47,250           13         Deferred Revenue         -         -           14         Interdepartmental Sales         -         -           15         Total Sales         \$         16,016,249         \$         16,016,249           16         All Other Revenues         -         -         -         -           17         Total Gas Operating Revenues         \$         16,016,249         \$         16,016,249           17         Other Operating Revenues         \$         16,016,249         \$         16,016,249           18         OPERATING EXPENSES         -         -         -         -           19         Purchased Gas         \$         5,441,011         -         -           19         Purchased Dower - Joint Dispatch         -         701,578         701,578         701,578           20         Other Operating Ex						
9         Other Revenue         509,663         509,663           10         Joint Dispatch         -         -           11         Provision for Rate Refund         -         -           12         Unbilled Revenue         -         -           12         Unbilled Revenue         -         -           12         Interdepartmental Sales         -         -           14         Interdepartmental Sales         -         -           15         Total Sales         \$         16,016,249         \$         16,016,249           16         All Other Revenues         -         -         -         -           17         Total Gas Operating Revenues         \$         16,016,249         \$         16,016,249           17         Other Operating Revenues         -         -         -         -           18         OPERATING EXPENSES         -         -         -         -           19         Fuel         \$         -         -         -           19         Purchased Gas         \$         9,043,313         \$         9,094,313         2         9,094,313         2         9,094,313         1,680,344         - <td< td=""><td></td><td></td><td></td><td>5 205 228</td><td></td><td>5 205 228</td></td<>				5 205 228		5 205 228
10       Joint Dispatch       -         11       Provision for Rate Refund       -         12       Unbilled Revenue       47,250         13       Deferred Revenue       -         14       Interdepartmental Sales       -         15       Total Sales       \$       16,016,249       \$       16,026,249         16       All Other Revenues       -       -       -       -         17       Total Gas Operating Revenues       \$       16,016,249       \$       16,016,249         17       Other Operating Revenues       -       -       -       -         18       OPERATING Revenues       \$       16,016,249       \$       16,016,249         17       Total Gas Operating Revenues       -       -       -       -         19       Purchased Gas       \$       5,441,011       -       5,441,011         19       Purchased Gas       \$       9,094,313       \$       9,094,313         12       Depreciation and Amoritzation       \$       10,774,657       \$       10,774,657         12       Total Expenses & Depreciation       \$       525,791       \$       525,791         14       Total Expen						
11       Provision for Rate Refund       47,250         12       Unbilled Revenue       47,250         13       Deferred Revenue       -         14       Interdepartmental Sales       -         15       Total Sales       \$ 16,016,249       \$ 16,016,249         14       Interdepartmental Sales       -       -         15       Total Gas Operating Revenues       -       -         16       Other Operating Revenues       \$ 16,016,249       \$ 16,016,249         17       Total Gas Operating Revenues       \$ 16,016,249       \$ 16,016,249         17       Other Operating Revenues       \$ 16,016,249       \$ 16,016,249         18       OPERATING EXPENSES       -       -         19       Fuel       \$ -       -         19       Purchased Gas       \$ 5,441,011       5,441,011         19       Purchased Gas       \$ 10,075,78       701,578         20       Other Operating Expenses (Except Taxes) (A)       2,951,724       2,951,724         21       Other Operating Expenses       \$ 9,094,313       \$ 9,094,313       1,660,344         22       Total Deprating Expenses       \$ 9,094,313       \$ 9,094,313       1,0680,344         22 <td></td> <td></td> <td></td> <td>-</td> <td></td> <td>505,005</td>				-		505,005
12       Uhollied Revenue       47,250       47,250         13       Deferred Revenue       -       -         14       Interdepartmental Sales       -       -         15       Total Sales       \$       16,016,249       \$       16,016,249         16       All Other Revenues       -       -       -       -         17       Other Operating Revenues       \$       16,016,249       \$       16,016,249         17A       Other Operating Revenues       \$       16,016,249       \$       -         18       OPERATING EXPENSES       -       -       -       -         19       Fuel       \$       - <td></td> <td>•</td> <td></td> <td>-</td> <td></td> <td></td>		•		-		
13       Deferred Revenue Interdepartmental Sales       -         14       Interdepartmental Sales       -         15       Total Sales       \$       16.016,249       \$       16.016,249         16       All Other Revenues       -       -       -       -         17       Total Gas Operating Revenues       \$       16.016,249       \$       16.016,249         17       Total Gas Operating Revenues       -       -       -       -         18       OPERATING EXPENSES       -       -       -       -         19       Fuel       \$       701,578       701,578       701,578         20       Purchased Gas       \$       5,441,011       5,441,011       5,441,011         19       Purchased Gas       \$       701,578       701,578       701,578         20       Other Operating Expenses (Except Taxes) (A)       2,951,724       2,951,724       2,951,724         21       Other Operating Expenses (Except Taxes) (A)       2,951,744       1,680,344       1,680,344         24       Total Expenses & Depreciation       \$       10,774,657       \$       10,774,657         25       OPERATING TAXES       \$       1,680,344       1,680,344				47 250		47 250
14       Interdepartmental Sales       -         15       Total Sales       5       15.016,249       \$       16.016,249         16       All Other Revenues       \$       16.016,249       \$       16.016,249         17       Total Gas Operating Revenues       \$       16.016,249       \$       16.016,249         17       Total Gas Operating Revenues       \$       16.016,249       \$       16.016,249         18       OPERATING EXPENSES				-		17)200
15         Total Sales         5         16,016,249         \$         16,016,249           17         Total Gas Operating Revenues         \$         16,016,249         \$         16,016,249           17         Total Gas Operating Revenues         \$         16,016,249         \$         16,016,249           17         Total Gas Operating Revenues         \$         16,016,249         \$         16,016,249           18         OPERATING EXPENSES         \$				-		
16       All Other Revenues <ul> <li>All Other Revenues</li> <li>Total Gas Operating Revenues</li> <li>OPERATING EXPENSES</li> <li>Fuel</li> <li>Purchased Gas</li> <li>\$ 5,441,011</li> <li>Purchased Gas</li> <li>\$ 10,1578</li> <li>Other Operating Expenses (Except Taxes) (A)</li> <li>22,571,724</li> <li>2351,724</li> <li>24,251,724</li> <li>2551,724</li> <li>2551,724</li> <li>2551,724</li> <li>2551,724</li> <li>20,9094,313</li> <li>\$ 9,094,313</li> <li>\$ 10,774,657</li> <li>\$ 10,774,657</li> <li>\$</li></ul>						
16       All Other Revenues <ul> <li>All Other Revenues</li> <li>Total Gas Operating Revenues</li> <li>OPERATING EXPENSES</li> <li>Fuel</li> <li>Purchased Gas</li> <li>\$ 5,441,011</li> <li>Purchased Gas</li> <li>\$ 10,1578</li> <li>Other Operating Expenses (Except Taxes) (A)</li> <li>22,571,724</li> <li>2351,724</li> <li>24,251,724</li> <li>2551,724</li> <li>2551,724</li> <li>2551,724</li> <li>2551,724</li> <li>20,9094,313</li> <li>\$ 9,094,313</li> <li>\$ 10,774,657</li> <li>\$ 10,774,657</li> <li>\$</li></ul>	15	Total Sales	Ś	16.016.249	Ś	16.016.249
17         Total Gas Operating Revenues         16,016,249         \$         16,016,249           17A         Other Operating Revenues         5         16,016,249         \$         16,016,249           18         OPERATING EXPENSES			Ŧ		Ť	
17A       Other Operating Revenues						
17A       Other Operating Revenues	17	Total Gas Operating Revenues	Ś	16.016.249	Ś	16.016.249
OPERATING EXPENSES			Ŧ		Ť	
19       Fuel       \$       -         20       Purchased Gas       \$       5,441,011         19       Purchased Power - Joint Dispatch       -         20       Maintenance       701,578       701,578         21       Other Operating Expenses (Except Taxes) (A)       2,951,724       2,951,724         22       Total Operating Expenses       \$       9,094,313       \$       9,094,313         23       Depreciation and Amortization       \$       1,680,344       1,680,344         24       Total Expenses & Depreciation       \$       10,774,657       \$       10,774,657         24       Total Expenses & Depreciation       \$       10,774,657       \$       10,774,657         25       OPERATING TAXES						
19       Fuel       \$       -         20       Purchased Gas       \$       5,441,011         19       Purchased Power - Joint Dispatch       -         20       Maintenance       701,578       701,578         21       Other Operating Expenses (Except Taxes) (A)       2,951,724       2,951,724         22       Total Operating Expenses       \$       9,094,313       \$       9,094,313         23       Depreciation and Amortization       \$       1,680,344       1,680,344         24       Total Expenses & Depreciation       \$       10,774,657       \$       10,774,657         24       Total Expenses & Depreciation       \$       10,774,657       \$       10,774,657         25       OPERATING TAXES	18	OPERATING EXPENSES				
20       Purchased Gas       \$       5,441,011         19       Purchased Power - Joint Dispatch       -         00       Maintenance       701,578         21       Other Operating Expenses (Except Taxes) (A)       2,951,724       2,951,724         22       Total Operating Expenses       \$       9,094,313       \$       9,094,313         23       Depreciation and Amortization       \$       1,680,344       1,680,344         24       Total Expenses & Depreciation       \$       10,774,657	19		\$	-		
19       Purchased Power - Joint Dispatch       -         20       Maintenance       701,578       701,578         21       Other Operating Expenses (Except Taxes) (A)       2,951,724       2,951,724         22       Total Operating Expenses       \$       9,094,313       \$       9,094,313         22       Total Operating Expenses       \$       9,094,313       \$       9,094,313         23       Depreciation and Amortization       \$       1,680,344       1,680,344         24       Total Expenses & Depreciation       \$       10,774,657       \$       10,774,657         24       Total Expenses & Depreciation       \$       10,774,657       \$       10,774,657         25       OPERATING TAXES	20	Purchased Gas		5,441,011		5,441,011
20       Maintenance       701,578       701,578         21       Other Operating Expenses (Except Taxes) (A)       2,951,724       2,951,724         22       Total Operating Expenses       \$ 9,094,313       \$ 9,094,313         23       Depreciation and Amortization       \$ 1,680,344       1,680,344         24       Total Expenses & Depreciation       \$ 10,774,657       \$ 10,774,657         25       OPERATING TAXES				-		-, ,-
21       Other Operating Expenses (Except Taxes) (A)       2,951,724       2,951,724         22       Total Operating Expenses       \$ 9,094,313       \$ 9,094,313         23       Depreciation and Amortization       \$ 1,680,344       1,680,344         24       Total Expenses & Depreciation       \$ 10,774,657       \$ 10,774,657         25       OPERATING TAXES	20			701.578		701.578
22Total Operating Expenses\$9,094,313\$9,094,31323Depreciation and Amortization\$1,680,3441,680,34424Total Expenses & Depreciation\$10,774,657\$10,774,65724Total Expenses & Depreciation\$10,774,657\$10,774,65725OPERATING TAXES						
23       Depreciation and Amortization       \$ 1,680,344       1,680,344         24       Total Expenses & Depreciation       \$ 10,774,657       \$ 10,774,657         25       OPERATING TAXES						
23       Depreciation and Amortization       \$ 1,680,344       1,680,344         24       Total Expenses & Depreciation       \$ 10,774,657       \$ 10,774,657         25       OPERATING TAXES	22	Total Operating Expenses	\$	9,094,313	\$	9,094,313
24       Total Expenses & Depreciation       \$       10,774,657       \$       10,774,657         25       OPERATING TAXES       \$	23			1,680,344		1,680,344
25       OPERATING TAXES						
25       OPERATING TAXES         26       Federal Income Tax Liability       \$       -         27       Federal Income Tax - Deferred       525,791       525,791         28       Investment Tax Credit (ITC) Normalization       -       -       -         29       Amortization of Investment Tax Credits (ITC)       -       -       -       -         30       Total Federal Taxes - Operating       \$       525,791       \$       525,791         30       Total Federal Taxes - Operating       \$       525,791       \$       525,791         31       State Income Taxes       89,673       89,673       89,673         32       State Income Taxes - Deferred       -       -       -         33       Other Operating Taxes (General)       434,494       434,494       -         34       Total Operating Taxes, Depreciation & Taxes       \$       1,049,957       \$       1,049,957         35       Total Operating Expenses, Depreciation & Taxes       \$       11,824,615       \$       11,824,615         36       Net Operating Income (L15-L35)       \$       4,191,634       \$       4,191,634	24	Total Expenses & Depreciation	\$	10,774,657	\$	10,774,657
26       Federal Income Tax Liability       \$       -       -         27       Federal Income Tax - Deferred       525,791       525,791         28       Investment Tax Credit (ITC) Normalization       -       -       -         29       Amortization of Investment Tax Credits (ITC)       -       -       -         30       Total Federal Taxes - Operating       \$       525,791       \$       525,791         30       Total Federal Taxes - Operating       \$       525,791       \$       525,791         31       State Income Taxes       89,673       89,673       89,673         32       State Income Taxes - Deferred       -       -       -         33       Other Operating Taxes (General)       434,494       434,494       -         34       Total Operating Taxes       \$       1,049,957       \$       1,049,957         35       Total Operating Expenses, Depreciation & Taxes       \$       11,824,615       \$       11,824,615         36       Net Operating Income (L15-L35)       \$       4,191,634       \$       4,191,634						
27       Federal Income Tax - Deferred       525,791       525,791         28       Investment Tax Credit (ITC) Normalization       -       -         29       Amortization of Investment Tax Credits (ITC)       -       -         30       Total Federal Taxes - Operating       \$       525,791       \$       525,791         30       Total Federal Taxes - Operating       \$       525,791       \$       525,791         31       State Income Taxes       89,673       89,673       89,673         32       State Income Taxes - Deferred       -       -       -         33       Other Operating Taxes (General)       434,494       434,494       -         34       Total Operating Taxes       \$       1,049,957       -       -         35       Total Operating Expenses, Depreciation & Taxes       \$       11,824,615       -       -         36       Net Operating Income (L15-L35)       \$       4,191,634       \$       4,191,634       \$	25	OPERATING TAXES				
28Investment Tax Credit (ITC) Normalization-29Amortization of Investment Tax Credits (ITC)-30Total Federal Taxes - Operating\$31State Income Taxes89,67332State Income Taxes - Deferred-33Other Operating Taxes (General)434,494434,494-34Total Operating Expenses, Depreciation & Taxes\$35Total Operating Income (L15-L35)\$36Net Operating Income (L15-L35)\$37Net Operating Income (L15-L35)\$38August39State Income (L15-L35)30\$31\$32State Income Taxes (L15-L35)33State Income Taxes (L15-L35)34\$35August35State Income (L15-L35)36State Operating Income (L15-L35)37State Income (L15-L35)38State Income (L15-L35)39State Income (L15-L35)30State Income (L15-L35)31State Income (L15-L35)32State Income (L15-L35)33State Income (L15-L35)34State Income (L15-L35)35State Income (L15-L35)36State Income (L15-L35)37State Income (L15-L35)38State Income (L15-L35)39State Income (L15-L35)30State Income (L15-L35)30State Income (L15-L35)31State Income (L15-L35)32 <t< td=""><td>26</td><td>Federal Income Tax Liability</td><td>\$</td><td>-</td><td></td><td>-</td></t<>	26	Federal Income Tax Liability	\$	-		-
29Amortization of Investment Tax Credits (ITC)-30Total Federal Taxes - Operating\$\$525,791\$31State Income Taxes89,67389,67332State Income Taxes - Deferred33Other Operating Taxes (General)434,494434,49434Total Operating Taxes\$1,049,95735Total Operating Expenses, Depreciation & Taxes\$11,824,61536Net Operating Income (L15-L35)\$4,191,634\$	27	Federal Income Tax - Deferred		525,791		525,791
30       Total Federal Taxes - Operating       \$       525,791       \$       525,791         31       State Income Taxes       89,673       89,673       89,673         32       State Income Taxes - Deferred       -       -       -         33       Other Operating Taxes (General)       434,494       434,494       -         34       Total Operating Taxes       \$       1,049,957       \$       1,049,957         35       Total Operating Expenses, Depreciation & Taxes       \$       11,824,615       \$       11,824,615         36       Net Operating Income (L15-L35)       \$       4,191,634       \$       4,191,634	28	Investment Tax Credit (ITC) Normalization		-		-
31       State Income Taxes       89,673       89,673         32       State Income Taxes - Deferred       -       -         33       Other Operating Taxes (General)       434,494       434,494         34       Total Operating Taxes       \$       1,049,957       \$       1,049,957         35       Total Operating Expenses, Depreciation & Taxes       \$       11,824,615       \$       11,824,615         36       Net Operating Income (L15-L35)       \$       4,191,634       \$       4,191,634	29	Amortization of Investment Tax Credits (ITC)		-		-
31       State Income Taxes       89,673       89,673         32       State Income Taxes - Deferred       -       -         33       Other Operating Taxes (General)       434,494       434,494         34       Total Operating Taxes       \$       1,049,957       \$       1,049,957         35       Total Operating Expenses, Depreciation & Taxes       \$       11,824,615       \$       11,824,615         36       Net Operating Income (L15-L35)       \$       4,191,634       \$       4,191,634						
32       State Income Taxes - Deferred       434,494       434,494         33       Other Operating Taxes (General)       1,049,957       1,049,957         34       Total Operating Taxes       1,1,824,615       11,824,615         35       Total Operating Income (L15-L35)       \$ 4,191,634       \$ 4,191,634	30	Total Federal Taxes - Operating	\$	525,791	\$	525,791
33     Other Operating Taxes (General)     434,494     434,494       34     Total Operating Taxes     \$ 1,049,957     \$ 1,049,957       35     Total Operating Expenses, Depreciation & Taxes     \$ 11,824,615     \$ 11,824,615       36     Net Operating Income (L15-L35)     \$ 4,191,634     \$ 4,191,634	31	State Income Taxes		89,673		89,673
34     Total Operating Taxes     \$ 1,049,957     \$ 1,049,957       35     Total Operating Expenses, Depreciation & Taxes     \$ 11,824,615     \$ 11,824,615       36     Net Operating Income (L15-L35)     \$ 4,191,634     \$ 4,191,634	32	State Income Taxes - Deferred		-		-
35     Total Operating Expenses, Depreciation & Taxes     \$ <ul> <li>11,824,615</li> <li>4,191,634</li> <li>\$             <li>4,191,634</li> </li></ul> \$ <ul> <li>4,191,634</li> </ul> \$ <ul> <li>4,191,634</li> <li>\$             <li>4,191,634</li> </li></ul> \$ <ul> <li>4,191,634</li> <li>\$             <li>4,191,634</li> <li>\$             <li>4,191,634</li> </li></li></ul>	33	Other Operating Taxes (General)		434,494		434,494
35     Total Operating Expenses, Depreciation & Taxes     \$ <ul> <li>11,824,615</li> <li>4,191,634</li> <li>\$             <li>4,191,634</li> </li></ul> \$ <ul> <li>4,191,634</li> </ul> \$ <ul> <li>4,191,634</li> <li>\$             <li>4,191,634</li> </li></ul> \$ <ul> <li>4,191,634</li> <li>\$             <li>4,191,634</li> <li>\$             <li>4,191,634</li> </li></li></ul>						
36         Net Operating Income (L15-L35)         \$ 4,191,634         \$ 4,191,634	34	Total Operating Taxes	\$	1,049,957	\$	1,049,957
36         Net Operating Income (L15-L35)         \$ 4,191,634         \$ 4,191,634						
	35	Total Operating Expenses, Depreciation & Taxes	\$	11,824,615	\$	11,824,615
(Net of Interest on Customer Deposits) ====================================	36			, ,		
		(Net of Interest on Customer Deposits)	:	=======	:	

#### NCUC Form G.S.-1 Income Statement Frontier Natural Gas Company

# Twelve Months Ended June 30, 2021 (Preliminary)

Line <u>No.</u>	Item	Total Company Booked	N.C. Retail Jurisdiction
		(a)	(c)
37	OTHER INCOME		
38	Allow for Equity Funds Used During Construction	\$ -	\$ -
39	Equity and Earnings of Subsidiary Companies	-	-
40	Interest and Dividend Income (A)	-	-
41	Miscellaneous Income	54,972	54,972
42	Total Other Income	\$ 54,972	\$ 54,972
43	OTHER DEDUCTIONS		
44	Miscellaneous Income Deductions	\$ -	-
45	Taxes Applicable to Other Income & Deductions	-	-
46	Total Other Deductions	\$ -	\$ -
47	INTEREST CHARGES		
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)	64,363	64,363
53	Allowance for Borrowed Funds Used During Constr.	-	
54	Total Interest Charges	\$ 465,797	\$ 465,797
55	Net Income Before Extraordinary and Delayed Items	\$ 3,780,809	\$ 3,780,809
56	Extraordinary & Delayed Items	-	-,,
57	Net Income	\$ 3,780,809	\$ 3,780,809
58	Less Preferred Dividends	-	-
59	Net Income Available for Shareholders (Common) Equity	\$ 3,780,809	\$ 3,780,809
60	Shareholders Equity Capital	\$ 25,103,355	\$ 25,103,355
61	Shareholders Equity Capital - Simple Average	\$ 24,912,119	\$ 24,912,119
62	Rate of Return on Shareholders Equity - Year End	15.06%	15.06%
63	Rate of Return on Shareholders (Common) Equity - Simple Average	15.18%	15.18%

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.

# Financial Method Schedule 4 Page 2 of 2

#### NCUC Form G.S.-1 Condensed Balance Sheet Frontier Natural Gas Company

# Twelve Months Ended June 30, 2021 (Preliminary)

		Total		
Line		Company	Allocation	N.C. Retail
<u>No.</u>	Item	Booked	Factor	Operations
		(a)	(d)	(e)
1	ASSETS			
2	Gas Plant in Service	\$ 62,593,373	100.0000%	\$ 62,593,373
3	Less: Accumulated Depreciation & Amortization	\$ 21,383,784	100.0000%	21,383,784
4	Net Plant in Service	\$ 41,209,589		\$ 41,209,589
5	Plus: Materials and Supplies	\$ 762,151	100.0000%	762,151
6	Net Plant in Service and Materials & Supplies	\$ 41,971,739		\$ 41,971,739
1	CWIP Allowed in General Rate Cases	\$ 2,219,343		2,219,343
2	CIAC	\$ (4,513,018)		(4,513,018)
3	Other Property and Investments (Less Depreciation)	\$ -		\$ -
4	Current Assets	\$ 1,129,255	100.0000%	1,129,255
5	Deferred Debits	\$ -		
6	Total Assets	\$ 40,807,318		\$ 40,807,318
7	LIABILITIES AND SHAREHOLDERS EQUITY			
8	Total Shareholders Equity	\$ 25,103,355	100.0000%	\$ 25,103,355
9	Total Long-term Debt	\$ 8,700,000	100.0000%	8,700,000
10	Total Capitalization (L15 + L16)	\$ 33,803,355		\$ 33,803,355
11	Short-term Obligations	\$ -		
12	Advances from Parent or Affiliate	\$ (76,763)		(76,763)
13	Deferred Credits	\$ -		
14	Operating Reserves	\$ -		
15	Accumulated Deferred Income Taxes (Net)	\$ 2,819,033	100.0000%	2,819,033
16	Other Liabilities	\$ 4,261,692	100.0000%	4,261,692
17	Total Liabilities	\$ 40,807,318		\$ 40,807,318
		(0)		0

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.

**Financial Method** 

# NCUC Form E.S.-1 Comparative Data Frontier Natural Gas Company Twelve Months Ended June 30, 2021 (Preliminary)

				N.C. Retail F	N Revenues and Expe	latural Gas Operations enses	
			s Ended June 30, 2021 (Preliminary) I of Period After Increase		<u>Actual</u>	Allocation Factors in	
Line <u>No.</u>	Item	Retail <u>Amount</u>	Expenses as a % of Revenue		Retail <u>Amount</u>	Expenses as a % of Revenue	
1	OPERATING REVENUES	(a)	(b)		(d)	(e)	
2	Gross Operating Revenues	\$ 16,016,249	100.00%	\$	16,016,249	100.00%	
3	OPERATING REVENUE DEDUCTIONS						
4	Fuel Expense	\$ -					
5	Purchased Gas	5,441,011	33.97%		5,441,011	33.97%	
6	Operating & Maintenance Expense	3,653,302	22.81%		3,653,302	22.81%	
7		-					
8	Depreciation and Amortization	1,680,344	10.49%		1,680,344	10.49%	
9	Taxes Other Than Income Taxes	434,494	2.71%		434,494	2.71%	
10	Taxes - State Income	-			-		
11	Taxes - Federal Income and ITC Deferral	525,791	3.28%		525,791	3.28%	
12	Taxes - Deferred Income	89,673	0.56%		89,673	0.56%	
13	Amortization of Investment Tax Credits (ITC)	-					
14	Interest on Customer Deposits	9,490	0.06%		9,490	0.06%	
15	Total Operating Expenses	\$ 11,834,105	73.89%	\$	11,834,105	73.89%	
16	Net Operating Income for Return	\$ 4,182,144	26.11%	\$	4,182,144	26.11%	
			======				

Frontier Na	n G.S1 Debt and Interest Charges Itural Gas Company Inths Ended June 30, 2021 (Preliminary)						N.C. Rate Base Meth	od / Financial Method Schedule 7
Line <u>No.</u> 1	Type Obligation (Bonds, Debentures, Notes, etc.) 4.23% Senior Notes	lssue <u>Date</u> (a) 10/19/2016	Maturity <u>Date</u> (b) 10/19/2028	Face <u>Amount</u> (c) 8,700,000	Amount <u>Outstanding</u> (d) 8,700,000	Interest <u>Rate</u> (e) 4.23	Interest Booked for 12 Months Ended <u>This Report</u> (f) 368,01	Interest Annualized On O/S Long- Term Debt <u>Col. (e)*(d)</u> (g) 0 368,010
1	Total Senior Debt		\$	8,700,000 \$	8,700,000		\$ 368,01	0 \$ 368,010
9	Capital Leases		\$	- \$			\$	
10	Other Long-Term Debt							
11	Unamortized Debt Expense, Discount and Premium			(211,589)	(85,124)		33,42	5 33,425

8,488,411 \$

\$

8,614,876

12 Return on Prepaid Interest

13 Current Portion of Long-Term Debt

14 Total Long-Term Debt

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.

7

401,435 \$

\$

401,435

OFFICIAL COPY

# NCUC Form G.S.-1 Statistical Data Frontier Natural Gas Company Twelve Months Ended June 30, 2021 (Preliminary)

Line			Total			
<u>No.</u>	Item		Company		N.C. Retail	<u>% of Total</u>
			(a)		(d)	(e)
1	<u>Operating Revenues</u> Residential	ć	1 110 120	ć	4 4 4 9 4 9 9	C 000/
2		\$	1,118,430	\$	1,118,430	6.98%
3	Commercial		6,103,850		6,103,850	38.11%
4	Industrial		3,031,827		3,031,827	18.93%
5	Public Street & Highway Lighting		-			
6	Interdepartmental		-			
7	Sales for Resale:		-			/
8	Transportation		5,205,228		5,205,228	32.50%
9	Other		509,663		509,663	3.18%
10	Joint Dispatch		-			
11	Provision for Rate Refund		-			
	Unbilled		47,250		47,250	0.30%
12	Mitigation		-			
	Total Revenue from Sales of Gas	\$	16,016,249	\$	16,016,249	100.00%
13	Dekatherms Sold					
14	Residential		136,410		136,410	3.25%
15	Commercial		759,444		759,444	18.12%
16	Industrial		414,308		414,308	9.89%
10	Public Street & Highway Lighting		414,300		414,500	5.0570
18	Interdepartmental					
19	Sales for Resale:					
20	Transportation		2,880,802		2,880,802	68.74%
20	Special Contract (row is tie point for Supp Report)		2,000,002		2,000,002	00.7470
22	Other				-	
23	Joint Dispatch					
23	Mitigation					
24	Millgation					
25	Total DTs Sales (Subtotal)		4,190,964		4,190,964	100.00%
	Total DTs Sold (row is tie point for Supp Report)		1,310,162		1,310,162	31.26%
26	Revenue Per DT Sold					
27	Residential		8.20		8.20	
28	Commercial		8.04		8.04	
29	Industrial		7.32		7.32	
30	Public Street & Highway Lighting					
31	Interdepartmental					
32	Sales for Resale:					
33	Transportation		1.81		1.81	
34	Other					
35	Total Revenue per DT Sold		3.82		3.82	

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.

Schedule 8 Page 1 of 2

# NCUC Form G.S.-1 Statistical Data Frontier Natural Gas Company Twelve Months Ended June 30, 2021 (Preliminary)

Line		Total			
No.	Item	Company	N.C. Retail	<u>% of Total</u>	Customers
		(a)	(d)	(e)	6/30/2020
36	Period End Number of Customers				
37	Residential	2,651	2,651	56.67%	2,399
38	Commercial	1,791	1,791	38.29%	1,730
39	Industrial	205	205	4.38%	200
40	Public Street & Highway Lighting				
41	Interdepartmental				
42	Sales for Resale:				
43	Transportation	31	31	0.66%	30
44	Other				
45	Total Customers - Period End	4,678	4,678	100.00%	4,359
		=======================================	===========		
46	Average Number of Customers				
47	Residential	2,525	2,525	55.88%	
48	Commercial	1,761	1,761	38.96%	
49	Industrial	203	203	4.48%	
50	Public Street & Highway Lighting				
51	Interdepartmental				
52	Sales for Resale:				
53	Special Contract	31	31	0.68%	
54	Other				
55	Total Customers-Average	4,519	4,519	100.00%	
56	INFORMATIONAL ONLY	========	==========		
57	Average DT Usage per Customer				
58	Residential	54	54		
59	Commercial	431	431		
60	Industrial	2,046	2,046		
61	Public Street & Highway Lighting	2,040	2,040		
62	Interdepartmental				
63	Sales for Resale:				
63 64	Special Contract				
	Other				
65 67		290	290		
07	Total DT Usage per Customer - Average	230	290		

Revenue Subject to NCUC Fee

Other Gas Revenue Subject to NCUC Fee:

**Operating Revenues** 

**Residential Sales** 

Industrial Sales

**Commercial Sales** 

Unbilled Revenue

Total Sales of Gas

Other Operating Revenues

Other Operating Revenues

Less: Customer Refunds

Total Gas Revenues

Gas Transportation for Others

Subtotal - Other Operating Revenue

Transport

Public Authority Sales

Item

Line

No.

1

2

3

4

5

6

7

8

9

10

11

12

13

14

REG FEE

RATES

0.130%

0.130%

0.130%

0.130%

0.130% ANNUAL RATE

NCUC

FEE

1.454

7,934

3,941

13,391

6,766

20,820

663

-

3,293 Q3 2020 Reg Fee

5,536 Q4 2020 Reg Fee

7,837 Q1 2021 Reg Fee

4,154 Q2 2021 Reg Fee

20,820 PER G/L

61

NC Retail

1,118,430

6,103,850

3,031,827

10,301,358

5,205,228

16,016,249

20,821

509,663

47,250

Footnote:

The approach and format reflected in this schedule conform to the direction provided NCUC Public Staff and

Total Co

1,118,430

6,103,850

3,031,827

10,301,358

5,205,228

509,663

16,016,249

47,250

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.