

		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	24.79%	\$ 8,700,000	4.23%	1.05%	\$ 368,010
2	Shareholders Equity	26,401,160	75.21%	26,401,160	11.21%	8.43%	2,958,310
3	Total Capitalization	\$ 35,101,160	100.00%	\$ 35,101,160		9.48%	\$ 3,326,320

Line No.	Item	Total Company Booked (a)
<u>Rate of Return on Investment</u>		
1	Net Operating Income	\$ 3,478,294
2	Net Investment Including Materials and Supplies	\$ 41,553,506
3	Rate of Return on Investment (L1/L2)	8.37%
<u>Ratio of Earnings to Fixed Charges (SEC)</u>		
4	Net Income	\$ 2,958,310
5	Add Back:	
6	Federal Income Tax Including Investment Credits	\$ 998,410
7	State Income Tax	(3,279)
8	Total Net Income Plus Income Taxes	\$ 3,953,441
<u>Fixed Charges</u>		
9	Interest Expense	\$ 485,854
10	Total Fixed Charges (L9 + L10)	\$ 485,854
11	Earnings as Adjusted (L8+L11)	\$ 4,439,295
12	Ratio of Earnings to Fixed Charges (L12/L11)	9.14
13	Common Stock Dividends Paid/Declared	\$ 1,000,000
<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 June 30, 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	Sep-21	8,700,000	25,078,418	33,778,418
3	Oct-21	8,700,000	25,305,558	34,005,558
4	Nov-21	8,700,000	25,665,712	34,365,712
5	Dec-21	8,700,000	25,797,417	34,497,417
6	Jan-22	8,700,000	26,333,513	35,033,513
7	Feb-22	8,700,000	26,766,336	35,466,336
8	Mar-22	8,700,000	27,177,692	35,877,692
9	Jan-22	8,700,000	26,333,513	35,033,513
10	Feb-22	8,700,000	26,766,336	35,466,336
11	Mar-22	8,700,000	27,177,692	35,877,692
12	Apr-22	8,700,000	27,543,578	36,243,578
13	May-22	8,700,000	26,607,649	35,307,649
14	Jun-22	8,700,000	26,661,665	35,361,665
15	Total (Sum of Lines 2 thru 14)	\$ 113,100,000	\$ 343,215,080	\$ 456,315,080
16	13 Month Average (L15/L13)	\$ 8,700,000	\$ 26,401,160	\$ 35,101,160
17	13 Month Average Ratio	24.79%	75.21%	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%		

OFFICIAL COPY

Aug 29 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	<u>Total Company Jurisdictional Data</u>								
	Balance at end of:								
2	Jun-21	60,299,697		21,383,784	2,819,033		762,151	36,859,031	2,211,343
3	Jul-21	60,782,004		21,521,629	2,576,307		741,545	37,425,613	2,711,258
4	Aug-21	61,343,608		21,658,963	2,615,273		761,615	37,830,988	3,211,59
5	Sep-21	62,647,734		21,800,713	2,661,407		800,297	38,985,912	4,129,896
6	Oct-21	62,867,188		21,941,331	2,727,435		763,081	38,961,502	4,911,052
7	Nov-21	63,282,004		22,080,303	2,834,892		924,707	39,291,516	5,336,249
8	Dec-21	61,555,794		22,225,740	1,791,158		900,565	38,439,461	4,454,399
9	Jan-22	61,978,206		22,366,807	1,951,110		732,212	38,392,500	4,878,529
10	Feb-22	62,345,563		22,507,502	2,080,249		706,591	38,464,403	1,354,466
11	Mar-22	63,193,701		22,648,770	2,202,983		1,241,551	39,583,500	2,230,139
12	Apr-22	64,494,148		22,790,023	2,312,150		767,915	40,159,890	3,532,124
13	May-22	65,463,941		22,936,281	2,331,267		814,023	41,010,417	3,261,114
14	Jun-22	66,114,742		23,071,548	2,347,383		857,695	41,553,506	3,916,916
15	Total (Sum of Lines 2 thru 14)	\$ 816,368,331	\$ -	\$ 288,933,394	\$ 31,250,647	\$ -	\$ 10,773,948	\$ 506,958,238	\$ 46,189,642
16	13 Month Average (L15/13)	\$ 62,797,564	\$ -	\$ 22,225,646	\$ 2,403,896	\$ -	\$ 828,765	\$ 38,996,788	\$ 3,551,149

OFFICIAL COPY AUG 29 2022

Line No.	Item	Total Company Booked (a)
1	<u>OPERATING REVENUES</u>	
2	Residential Sales	\$ 1,382,620
3	Commercial Sales	7,476,219
4	Industrial Sales	4,100,328
5	Sales for Resale:	
6	Transportation	5,104,792
7	Other Revenue	614,136
8	Unbilled Revenue	244,593
9	Total Sales	\$ 18,922,688
10	Total Gas Operating Revenues	\$ 18,922,688
11	<u>OPERATING EXPENSES</u>	
12	Purchased Gas	8,233,522
13	Maintenance	1,102,173
14	Other Operating Expenses (Except Taxes) (A)	2,944,131
15	Total Operating Expenses	\$ 12,279,827
16	Depreciation and Amortization	1,696,471
17	Total Expenses & Depreciation	\$ 13,976,298
18	<u>OPERATING TAXES</u>	
19	Federal Income Tax - Deferred	998,410
20	Total Federal Taxes - Operating	\$ 998,410
21	State Income Taxes	(3,279)
22	Other Operating Taxes (General)	472,966
23	Total Operating Taxes	\$ 1,468,096
24	Total Operating Expenses, Depreciation & Taxes	\$ 15,444,395
25	Net Operating Income (L15-L35) (Net of Interest on Customer Deposits)	\$ 3,478,294

Line No.	Item	Total Company Booked (a)
26	<u>OTHER INCOME</u>	
27	Miscellaneous Income	\$ (34,130)
28	Total Other Income	\$ (34,130)
29	<u>INTEREST CHARGES</u>	
30	Interest on Long-term Debt	\$ 368,010
31	Amortization of Debt Discount and Expense	18,776
32	Other Interest Expense (A)	99,068
33	Total Interest Charges	\$ 485,854
34	Net Income Before Extraordinary and Delayed Items	\$ 2,958,310
35	Net Income	\$ 2,958,310
36	Net Income Available for Shareholders (Common) Equity	\$ 2,958,310
37	Shareholders Equity Capital	\$ 26,661,665
38	Shareholders Equity Capital - Simple Average	\$ 26,401,160
39	Rate of Return on Shareholders Equity - Year End	11.10%
40	Rate of Return on Shareholders (Common) Equity - Simple Average	11.21%

Line No.	Item	Total Company <u>Booked</u> (a)
1	<u>ASSETS</u>	
2	Gas Plant in Service	\$ 69,448,877
3	Less: Accumulated Depreciation & Amortization	23,071,548
		-----
4	Net Plant in Service	\$ 46,377,329
5	Plus: Materials and Supplies	857,695
		-----
6	Net Plant in Service and Materials & Supplies	\$ 47,235,024
7	CWIP Allowed in General Rate Cases	3,916,916
8	CIAC	(7,251,050)
		-----
9	Current Assets	\$ 2,455,718
		-----
10	Total Assets	\$ 46,356,607
		=====
11	<u>LIABILITIES AND SHAREHOLDERS' EQUITY</u>	
12	Total Shareholders' Equity	\$ 26,661,665
13	Total Long-term Debt	8,700,000
		-----
14	Total Capitalization (L15 + L16)	\$ 35,361,665
15	Advances from Parent or Affiliate	(10,585)
16	Accumulated Deferred Income Taxes (Net)	2,347,383
17	Other Liabilities	8,658,143
		-----
18	Total Liabilities	\$ 46,356,607
		=====

		Natural Gas Operations N.C. Retail Revenues and Expenses			
		Twelve Months Ended June 30, 2022 (Preliminary) End of Period After Increase		Actual	
Line No.	Item	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	\$ 18,922,688	100.00%	\$ 18,922,688	100.00%
3	<u>OPERATING REVENUE DEDUCTIONS</u>				
4	Purchased Gas	8,233,522	43.51%	8,233,522	43.51%
5	Operating & Maintenance Expense	4,046,305	21.38%	4,046,305	21.38%
6	Depreciation and Amortization	1,696,471	8.97%	1,696,471	8.97%
7	Taxes Other Than Income Taxes	472,966	2.50%	472,966	2.50%
8	Taxes - State Income	(3,279)	-0.02%	(3,279)	-0.02%
9	Taxes - Federal Income and ITC Deferral	998,410	5.28%	998,410	5.28%
10	Interest on Customer Deposits	5,222	0.03%	5,222	0.03%
11	Total Operating Expenses	\$ 15,446,338	81.63%	\$ 15,446,338	81.63%
12	Net Operating Income for Return	\$ 3,476,350	18.37%	\$ 3,476,350	18.37%

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)	(66,349)		18,776	18,776
4	Total Long-Term Debt			\$ 8,488,411	\$ 8,633,651		\$ 386,786	\$ 386,786



Line No.	Item	Total Company (a)	% of Total (e)
1	<u>Operating Revenues</u>		
2	Residential	\$ 1,382,620	7.31%
3	Commercial	7,476,219	39.51%
4	Industrial	4,100,328	21.67%
5	Sales for Resale:		0.00%
6	Transportation	5,104,792	26.98%
7	Other	614,136	3.25%
8	Unbilled	244,593	1.29%
		-----	
9	Total Revenue from Sales of Gas	\$ 18,922,688	100.00%
		=====	
10	<u>Dekatherms Sold</u>		
11	Residential	137,285	3.27%
12	Commercial	754,347	17.98%
13	Industrial	442,833	10.56%
14	Sales for Resale:		0.00%
15	Transportation	2,860,202	68.19%
		-----	
16	Total DTs Sales (Subtotal)	4,194,667	100.00%
	Total DTs Sold (row is tie point for Supp Report)	1,334,465	31.81%
		=====	
17	<u>Revenue Per DT Sold</u>		
18	Residential	10.07	
19	Commercial	9.91	
20	Industrial	9.26	
21	Sales for Resale:		
22	Transportation	1.78	
24	Total Revenue per DT Sold	4.51	

Line No.	Item	N.C. Retail (d)	% of Total (e)	Customers 6/30/2022
25	<u>Period End Number of Customers</u>			
26	Residential	2,710	58.44%	2,651
27	Commercial	1,700	36.66%	1,791
28	Industrial	196	4.23%	205
30	Sales for Resale:		0.00%	
31	Transportation	31	0.67%	31
		-----		
32	Total Customers - Period End	4,637	100.00%	4,678
		=====		
33	<u>Average Number of Customers</u>			
34	Residential	2,681	57.55%	
35	Commercial	1,746	37.48%	
36	Industrial	201	4.30%	
39	Sales for Resale:		0.00%	
40	Transportation	31	0.67%	
		-----		
41	Total Customers-Average	4,658	100.00%	
		=====		
42	<u>INFORMATIONAL ONLY</u>			
43	<u>Average DT Usage per Customer</u>			
44	Residential	51		
45	Commercial	432		
46	Industrial	2,209		
49	Sales for Resale:			
50	Transportation	92,265		
67	Total DT Usage per Customer - Average	287		

Line No.	Item	Total Co	NCUC FEE	
Revenue Subject to NCUC Fee				
1	Operating Revenues			
2	Residential Sales	1,382,620	1,797	
3	Commercial Sales	7,476,219	9,719	
4	Industrial Sales	4,100,328	5,331	
5	Public Authority Sales	-	-	
6	Unbilled Revenue	244,593	318	
7	Transport			
8	Total Sales of Gas	13,203,760	17,165	
Other Gas Revenue Subject to NCUC Fee:				
9	Other Operating Revenues			
10	Gas Transportation for Others	5,104,792	6,636	
11	Other Operating Revenues	614,136	798	
12	Subtotal - Other Operating Revenue		-	
13	Less: Customer Refunds	-	-	
14	Total Gas Revenues	18,922,688	24,600	
		24,599	3,664	Q3 2021 Reg Fee 0.130%
			6,332	Q4 2021 Reg Fee 0.130%
			9,046	Q1 2022 Reg Fee 0.130%
			5,558	Q2 2022 Reg Fee 0.130%
			24,600	0.130% ANNUAL RATE