



March 31, 2026

VIA ELECTRONIC FILING

Mr. Adam J. Teitzman
Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: Docket No. 20260011-GU, Natural Gas Facilities Relocation Cost Recovery Clause.

Dear Mr. Teitzman:

Attached for filing in the above docket is Peoples Gas System's Direct Testimony of Matthew Elliott and Exhibit No. MEE-1.

Thank you for your assistance in connection with this matter.

Sincerely,

A handwritten signature in blue ink that reads 'V. Ponder'.

Virginia L. Ponder

VLP/dk
Attachment

cc: All parties of record (w/attachment)



BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

DOCKET NO. 20260011-GU

IN RE: NATURAL GAS FACILITIES RELOCATION
COST RECOVERY CLAUSE (NGFRCRC)
TRUE-UP BY PEOPLES GAS SYSTEM, INC.

TESTIMONY AND EXHIBIT
OF
MATTHEW E. ELLIOTT

FILED:
MARCH 31, 2026

1 **BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

2 **PREPARED DIRECT TESTIMONY**

3 **OF**

4 **MATTHEW E. ELLIOTT**

5
6 **Q.** Please state your name, address, occupation and employer.

7
8 **A.** My name is Matthew E. Elliott. My business address is
9 Midtown East Tower, 3600 Midtown Drive, Tampa, Florida
10 33607. I am employed by Peoples Gas System, Inc.
11 ("Peoples" or the "company") as Manager, Regulatory
12 Affairs. I have held that position since 2021.

13
14 **Q.** Please describe your duties and responsibilities in that
15 position.

16
17 **A.** I am responsible for Peoples' Purchased Gas Adjustment
18 ("PGA") Clause, Natural Gas Conservation Cost Recovery
19 Clause, Cast-Iron Bare Steel Replacement Rider, the
20 Natural Gas Facilities Relocation Cost Recovery Clause
21 ("NGFRCRC"), as well as various other regulatory
22 activities.

23
24 **Q.** Please provide a brief outline of your educational
25 background and business experience.

1 **A.** I graduated from the University of South Florida in 1999
2 with a Bachelor of Arts degree in Business Administration
3 with a concentration in accounting. I completed a fifth
4 year of accounting credits at the University of South
5 Florida in 2012 and was licensed as a Certified Public
6 Accountant in the State of Florida in June 2013. My work
7 experience includes eighteen years of gas and electric
8 utility experience. My utility work has included various
9 positions in Corporate Tax, Audit Services, Pipeline
10 Compliance, Safety, and Regulatory Affairs.

11
12 **Q.** Have you filed testimony before the Florida Public Service
13 Commission ("Commission")?

14
15 **A.** Yes. I have filed testimony in Docket Nos. 2023003-GU,
16 2024003-GU, and 2025003-GU.

17
18 **Q.** Are you familiar with Section 366.99, Florida Statutes,
19 Natural Gas Facilities Relocation Costs, and Rule 25-
20 7.150, Florida Administrative Code, and the NGFRCRC?

21
22 **A.** Yes. I understand Section 366.99 was enacted by the
23 Legislature in 2024 to allow investor-owned gas utilities
24 to seek approval from the Commission to recover natural
25 gas facilities relocation costs. Rule 25-7.150 implements

1 the statute and sets forth the process and requirements
2 for a utility to file its petition for recovery of natural
3 gas facilities relocation costs through the annual
4 NGFRCRC.

5
6 In accordance with the rule, a utility must provide
7 details of the facilities and relocation activities, and
8 the associated costs. Additionally, the rule specifies
9 that a utility must include the following information in
10 support of its filing seeking determination that the
11 natural gas facilities relocation costs are eligible for
12 recovery through the NGFRCRC: (1) the notification by the
13 authority requiring facilities relocation, (2) a
14 description of the scope of the facilities relocation,
15 and (3) an estimate of costs associated with the
16 relocation of the natural gas facilities.

17
18 **Q.** Is this the company's first filing pursuant to Section
19 366.99 and Rule 25-7.150?

20
21 **A.** Yes. Accordingly, the company is not submitting a final
22 true-up of actual approved proposed relocation costs for
23 2024 and 2025 as compared to a prior NGFRCRC projection
24 filing. Rather, the company is seeking a determination
25 that the actual natural gas facilities relocation costs

1 incurred associated with the 47 proposed projects for the
2 period July 1, 2024, through December 31, 2025, are
3 eligible for recovery via the NGFRCRC. With that
4 understanding, I will use traditional clause terminology
5 throughout this testimony and filing - such as "true-up"
6 and "under-recovery" - for simplicity and consistency.
7

8 **Q.** What are the purposes of your prepared direct testimony
9 in this proceeding?
10

11 **A.** The purpose of my testimony is to present, for Commission
12 approval, the calculation of Peoples' actual facilities
13 relocation costs for the period July 1, 2024, through
14 December 31, 2025.
15

16 **Q.** Did you prepare any exhibits in support of your prepared
17 direct testimony?
18

19 **A.** Yes. Exhibit No. MEE-1 was prepared under my direction.
20 The contents of my exhibit were derived from the business
21 records of the company and are true and correct to the
22 best of my information and belief. My exhibit consists of
23 ten documents:
24

25 Document No. 1 Summary of Prior Period Final True-

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Up (Form 1A)

Document No. 2 Calculation of True-Up Amount - 2024
(Form 2A)

Document No. 3 Calculation of Interest Provision
for True-Up Amount - 2024 (Form 3A)

Document No. 4 Calculation of Revenue Requirements
- 2024 (Form 4A)

Document No. 5 Project Cost Details (Form 4B)

Document No. 6 Calculation of Revenue Requirement
Rate of Return - 2024 (Form 4C)

Document No. 7 Calculation of True-Up Amount - 2025
(Form 2A)

Document No. 8 Calculation of Interest Provision for
True-Up Amount - 2025 (Form 3A)

Document No. 9 Calculation of Revenue Requirements
- 2025 (Form 4A)

Document No. 10 Calculation of Revenue Requirement
Rate of Return - 2025 (Form 4C)

1
2
3
4 **Q.** Will any other witness testify in support of the company's
5 true-up filing?

6
7 **A.** Yes. Kristopher Kelley will testify regarding the
8 company's facilities relocation activities and associated
9 costs, and provide the information required by Rule 25-
10 7.150(2).

11
12 **CALCULATION OF TRUE-UP AMOUNT AND REVENUE REQUIREMENT**

13 **Q.** What costs are included in this filing?

14
15 **A.** This filing includes Peoples' actual costs for capital
16 additions incurred for facilities relocation projects for
17 the period July 1, 2024, through December 31, 2025, as
18 reflected on Document No. 5 of my exhibit, and
19 administrative costs directly associated with this
20 clause.

21
22 **Q.** What were the company's actual costs for capital additions
23 incurred for the proposed facilities relocation projects
24 during the period of July 1, 2024 through December 31,
25 2025?

1 **A.** Peoples incurred actual costs for capital additions for
2 its proposed projects for which it seeks recovery through
3 the NGFRCRC in the amount of \$33,840,873 as detailed in
4 Document No. 1 of Kristopher J. Kelley's Exhibit KJK-1,
5 during the period of July 1, 2024, through December 31,
6 2025. Of this amount, \$3,645,560 relates to projects that
7 are still in progress. The company will include projected
8 costs for 2026 and 2027 in its projection filing due on
9 April 30, 2026.

10
11 **Q.** What did the company determine to be the end of period
12 actual true-up amount for the period July 1, 2024 through
13 December 2025?

14
15 **A.** The company incurred an under-recovery of \$2,834,363,
16 with \$41,420 incurred in 2024, and \$2,792,943 incurred in
17 2025, as reflected on Document Nos. 1, 2, and 7 of my
18 exhibit.

19
20 **Q.** Did the company calculate the interest provision for 2024
21 and 2025?

22
23 **A.** Yes. These calculations are reflected on Document Nos.
24 3 (2024) and 8 (2025). The end of period actual true-up
25 amount for the period July 1, 2024 through December 2025

1 noted above includes \$52,575 in interest, with \$274
2 incurred in 2024 and \$52,301 incurred in 2025, as
3 reflected in Document No. 1 and calculated on Document
4 Nos. 3 and 8 of my exhibit.

5
6 **Q.** What are the revenue requirements associated with
7 Peoples' actual facilities relocation costs?

8
9 **A.** The revenue requirements associated with Peoples'
10 facilities relocation costs for 2024 and 2025 are set
11 out in Document Nos. 4 and 9, respectively, to my
12 exhibit.

13
14 **Q.** How did Peoples calculate these revenue requirements?

15
16 **A.** The revenue requirements are based on the actual costs of
17 each facilities relocation project during the period of
18 July 1, 2024, through December 31, 2025. Peoples then
19 added (1) annual depreciation cost, based on actual asset
20 in-service dates and the company's Commission-approved
21 depreciation rates, (2) a return on those investments as
22 calculated on Document Nos. 6 (2024) and 10 (2025) of my
23 exhibit and based on Peoples' authorized return on equity,
24 as permitted by Section 366.99(5), (3) the administrative
25 costs directly associated with the NGFRCRC, and (4)

1 estimated property tax associated with these assets. The
2 depreciation rates and return on equity are derived from
3 Commission Order No. PSC-2025-0413-S-GU, issued on
4 October 31, 2025, Docket No. 20250029-GU (Petition for
5 Rate Increase by Peoples Gas) (the "2025 Settlement
6 Order") which resolved the company's last base rate case.
7

8 **Q.** Do the revenue requirements include any costs that are
9 currently recovered in base rates?
10

11 **A.** No. The company ensured through internal processes and
12 accounting methods that the costs associated with
13 facilities relocation projects included in this filing
14 are not also being recovered through base rates.
15

16 More specifically, regarding 2024, the Commission
17 approved relocation costs in the amount of \$9,671,490 in
18 the approved rate base in Order No. PSC-2023-0388-FOF-GU,
19 issued on December 27, 2023, Docket No. 20230023-GU
20 (Petition for Rate Increase by Peoples Gas) (the "2023
21 Rate Case Order"). The actual total relocation costs
22 incurred by the company in 2024 were \$37,084,276, with
23 \$13,684,691 incurred between January 2024 and June 2024
24 and \$23,399,584 (\$19,458,987 is included in the company's
25 proposal for recovery through the NGFRCRC in this filing)

1 incurred during the period July 1, 2024, and December 31,
2 2024. The actual relocation costs of \$13,684,691 incurred
3 between January 2024 and June 2024 exceeds the Commission
4 approved relocation costs of \$9,671,490 for all of 2024
5 in the Order referenced above. Additionally, the company
6 exceeded the Commission-approved 13-month average rate
7 base for 2024 by \$19,329,399. Accordingly, because the
8 company's actual relocation costs exceeded the relocation
9 costs used in the calculation of its base rates, and its
10 13-month average rate base for 2024 exceeded the
11 Commission-approved rate base, the company has
12 unrecovered relocation costs from 2024 that it is now
13 seeking to recover through the NGFRCRC.

14
15 All estimated relocation costs estimated for 2025 were
16 removed from a revised rate base calculation utilized in
17 development of the 2025 Stipulation and Settlement
18 Agreement approved by the 2025 Settlement Order.

19
20 **Q.** At this time, is the company proposing cost recovery
21 factors to recover the relocation costs described in this
22 testimony?

23
24 **A.** No. The company will propose cost recovery factors for
25 the costs described in this testimony, and its 2026 and

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2027 capital costs for its proposed projects in its
projection filing due April 30, 2026.

Q. Does this conclude your prepared direct testimony?

A. Yes.

PEOPLES GAS SYSTEM, INC.
DOCKET NO. 20260011-GU
WITNESS: ELLIOTT

EXHIBIT

OF

MATTHEW E. ELLIOTT

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PEOPLES GAS SYSTEM, INC.
 Natural Gas Facilities Relocation Cost Recovery Clause
 Final True-Up
Prior Period: January through December 2024
Prior Period: January through December 2025

NGFRCRC Form 1A
 Page 1 of 1

Summary of Prior Period Final True-Up
 (in Dollars)

<u>Line</u>	<u>Period Amount</u>
1. Over/(Under) Recovery for 2024 (NGFRCRC Form 2A 2024, Line 5)	\$ (41,146)
2. Over/(Under) Recovery for 2025 (NGFRCRC Form 2A 2025, Line 5)	\$ (2,740,642)
3. Interest Provision 2024 (NGFRCRC Form 2A 2024, Line 6)	\$ (274)
4. Interest Provision 2025(NGFRCRC Form 2A 2025, Line 6)	\$ (52,301)
5. Sum of Prior Period Adjustments (NGFRCRC Form 2A 2024, Line 10)	\$ -
6. Sum of Prior Period Adjustments (NGFRCRC Form 2A 2024, Line 10)	\$ -
7. End of Period Actual True-Up for the Prior Period January 2024 through December 2025 (Lines 1 + 2 + 3 + 4 + 5 + 6)	\$ (2,834,363)
8. Estimated True-Up Amount Approved for Eligible Projects for the Period January 2024 to December 2024	_____
9. Estimated True-Up Amount Approved for Eligible Projects for the Period January 2025 to December 2025	_____
10. Estimated True-Up Amount Approved for Eligible Projects for the Period January 2024 to December 2025 (Lines 8 + 9)	\$ -
11. Prior Period True-Up Amount to be Refunded/(Recovered) in the Projection Period January to December 2027 (Lines 7 - 10)	\$ (2,834,363)

14

PEOPLES GAS SYSTEM, INC.
 DOCKET NO. 20260011-GU
 EXHIBIT NO. MEE-1
 WITNESS: ELLIOTT
 FILED: 03/31/2026
 DOCUMENT NO. 1
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15

PEOPLES GAS SYSTEM, INC.
 Natural Gas Facilities Relocation Cost Recovery Clause
 Final True-Up
 Prior Period: January through December 2024

NGFRCRC Form 2A 2024
 Page 1 of 1

Calculation of True-Up Amount
 (in Dollars)

Line	Actual January	Actual February	Actual March	Actual April	Actual May	Actual June	Actual July	Actual August	Actual September	Actual October	Actual November	Actual December	End of Period Total
1. Clause Revenues (net of Revenue Taxes)	-	-	-	-	-	-	-	-	-	-	-	-	-
2. True-Up Provision	-	-	-	-	-	-	-	-	-	-	-	-	-
3. Clause Revenues Applicable to Period (Lines 1 + 2)	-	-	-	-	-	-	-	-	-	-	-	-	-
4. Revenue Requirement	-	-	-	-	-	-	343	1,748	4,147	8,286	12,223	14,399	41,146
5. Over/(Under) Recovery (Line 3 - Line 4d)	-	-	-	-	-	-	(343)	(1,748)	(4,147)	(8,286)	(12,223)	(14,399)	(41,146)
6. Interest Provision (NGFRCRC Form 3A, Line 10))	-	-	-	-	-	-	(1)	(5)	(18)	(42)	(81)	(127)	(274)
7. Beginning Balance True-Up & Interest Provision	-	-	-	-	-	-	-	(344)	(2,097)	(6,262)	(14,590)	(26,894)	-
a. Deferred True-Up from January to December 20xx (Order No. PSC-20xx-xxxx-xxx-xx)	-	-	-	-	-	-	-	-	-	-	-	-	-
8. True-Up Collected/(Refunded) (see Line 2)	-	-	-	-	-	-	-	-	-	-	-	-	-
9. End of Period Total True-Up (Lines 5+6+7+7a+8)	-	-	-	-	-	-	(344)	(2,097)	(6,262)	(14,590)	(26,894)	(41,420)	(41,420)
10. Adjustment to Period True-Up Including Interest	-	-	-	-	-	-	-	-	-	-	-	-	-
11. End of Period Total True-Up (Lines 9 + 10) Over/(Under)	-	-	-	-	-	-	(344)	(2,097)	(6,262)	(14,590)	(26,894)	(41,420)	(41,420)

PEOPLES GAS SYSTEM, INC.
 DOCKET NO. 20260011-GU
 EXHIBIT NO. MEE-1
 WITNESS: ELLIOTT
 FILED: 03/31/2026
 DOCUMENT NO. 2
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16

PEOPLES GAS SYSTEM, INC.
 Natural Gas Facilities Relocation Cost Recovery Clause
 Final True-Up
Prior Period: January through December 2024
Calculation of Interest Provision for True-Up Amount
 (in Dollars)

NGFRCRC Form 3A 2024
 Page 1 of 1

Line	Actual January	Actual February	Actual March	Actual April	Actual May	Actual June	Actual July	Actual August	Actual September	Actual October	Actual November	Actual December	End of Period Total
1.	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (344)	\$ (2,097)	\$ (6,262)	\$ (14,590)	\$ (26,894)	
2. Ending True-Up Amount Before Interest	0	0	0	0	0	0	(343)	(2,092)	(6,244)	(14,548)	(26,813)	(41,293)	
3. Total of Beginning & Ending True-Up (Lines 1 + 2)	0	0	0	0	0	0	(343)	(2,436)	(8,341)	(20,810)	(41,403)	(68,187)	
4. Average True-Up Amount (Line 3 x 1/2)	0	0	0	0	0	0	(172)	(1,218)	(4,171)	(10,405)	(20,702)	(34,094)	
5. Interest Rate (First Day of Reporting Business Month)	5.34%	5.34%	5.29%	5.33%	5.34%	5.31%	5.30%	5.31%	5.21%	4.91%	4.75%	4.58%	
6. Interest Rate (First Day of Subsequent Business Month)	5.34%	5.29%	5.33%	5.34%	5.31%	5.30%	5.31%	5.21%	4.91%	4.75%	4.58%	4.36%	
7. Total of Beginning & Ending Interest Rates (Lines 5 + 6)	10.68%	10.63%	10.62%	10.67%	10.65%	10.61%	10.61%	10.52%	10.12%	9.66%	9.33%	8.94%	
8. Average Interest Rate (Line 7 x 1/2)	5.340%	5.315%	5.310%	5.335%	5.325%	5.305%	5.305%	5.260%	5.060%	4.830%	4.665%	4.470%	
9. Monthly Average Interest Rate (Line 8 x 1/12)	0.445%	0.443%	0.443%	0.445%	0.444%	0.442%	0.442%	0.438%	0.422%	0.403%	0.389%	0.373%	
10. Interest Provision for the Month Expense/(Income) (Line 4 x Line 9)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (1)	\$ (5)	\$ (18)	\$ (42)	\$ (81)	\$ (127)	\$ (274)

PEOPLES GAS SYSTEM, INC.
 DOCKET NO. 20260011-GU
 EXHIBIT NO. MEE-1
 WITNESS: ELLIOTT
 FILED: 03/31/2026
 DOCUMENT NO. 3
 PAGE 3 OF 11

PEOPLES GAS SYSTEM, INC.
 Natural Gas Facilities Relocation Cost Recovery Clause
 Calculation of Projected Revenue Requirements
 Prior Period: January through December 2024

NGFRCRC Form 4A 2024
 Page 1 of 1

<u>Item</u>	<u>Beginning Balance</u>	<u>Actual Jan</u>	<u>Actual Feb</u>	<u>Actual Mar</u>	<u>Actual Apr</u>	<u>Actual May</u>	<u>Actual Jun</u>	<u>Actual Jul</u>	<u>Actual Aug</u>	<u>Actual Sep</u>	<u>Actual Oct</u>	<u>Actual Nov</u>	<u>Actual Dec</u>	<u>Year End Total/Balance</u>
Qualified Investment														
Qualified Investment - Mains Steel - Current Year 1070 Activity	-	-	-	-	-	-	-	105,080	325,953	409,872	708,416	338,873	204,685	2,092,879
Qualified Investment - Mains Steel - Closed 1070 Activity to Plant	-	-	-	-	-	-	-	-	-	(247,580)	(263,398)	(205,792)	(795,778)	(1,512,548)
Qualified Investment - Mains Steel - Current 1010 Activity	-	-	-	-	-	-	-	-	-	247,580	263,398	205,792	795,778	1,512,548
Total Qualified Investment - Mains Steel 1070	-	-	-	-	-	-	-	105,080	431,034	593,326	1,038,344	1,171,424	580,331	580,331
Total Qualified Investment - Mains Steel 1010	-	-	-	-	-	-	-	-	-	247,580	510,977	716,770	1,512,548	1,512,548
Total Qualified Investment	-	-	-	-	-	-	-	105,080	431,034	840,906	1,549,322	1,888,194	2,092,879	2,092,879
Less: Accumulated Depreciation	-	-	-	-	-	-	-	-	-	-	(495)	(1,517)	(2,951)	(2,951)
Net Book Value	-	-	-	-	-	-	-	105,080	431,034	840,906	1,548,826	1,886,677	2,089,928	2,089,928
Average Net Qualified Investment	-	-	-	-	-	-	-	52,540	268,057	635,970	1,194,866	1,717,752	1,988,303	
Depreciation Rates														
Approved Depreciation Rate-Mains Plastic 1.8%		1.80%	1.80%	1.80%	1.80%	1.80%	1.80%	1.80%	1.80%	1.80%	1.80%	1.80%	1.80%	
Approved Depreciation Rate-Services		3.10%	3.10%	3.10%	3.10%	3.10%	3.10%	3.10%	3.10%	3.10%	3.10%	3.10%	3.10%	
Approved Depreciation Rate - Mains Steel		2.40%	2.40%	2.40%	2.40%	2.40%	2.40%	2.40%	2.40%	2.40%	2.40%	2.40%	2.40%	
Return on Average Net Qualified Investment														
Equity - Cost of Capital, inclusive of Income Tax Gross-up		6.41%	6.41%	6.41%	6.41%	6.41%	6.41%	6.41%	6.41%	6.41%	6.41%	6.41%	6.41%	
Debt - Cost of Capital		1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	
Equity Component - inclusive of Income Tax Gross-up		-	-	-	-	-	-	281	1,431	3,396	6,380	9,172	10,616	30,995
Debt Component		-	-	-	-	-	-	62	317	751	1,411	2,029	2,349	6,857
Return Requirement		-	-	-	-	-	-	343	1,748	4,147	7,791	11,201	12,965	37,852
Investment Expenses														
Depreciation Expense - Mains Plastic		-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation Savings - Mains Plastic		-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation Expense - Mains Steel		-	-	-	-	-	-	-	-	-	495	1,022	1,434	2,951
Depreciation Savings - Mains Steel		-	-	-	-	-	-	-	-	-	-	-	-	-
Property Taxes		-	-	-	-	-	-	-	-	-	-	-	-	-
Common Costs		-	-	-	-	-	-	-	-	-	-	-	-	-
Total Investment Expense		-	-	-	-	-	-	-	-	-	495	1,022	1,434	2,951
Total Revenue Requirements		-	-	-	-	-	-	343	1,748	4,147	8,286	12,223	14,399	40,803
Revenue														
Relocation Surcharge Revenues Collected Month		-	-	-	-	-	-	-	-	-	-	-	-	-
Regulatory Assessment Fees		1,00500	1,00500	1,00500	1,00500	1,00500	1,00500	1,00500	1,00500	1,00500	1,00500	1,00500	1,00500	
Net Relocation Surcharge Revenue Collected		-	-	-	-	-	-	-	-	-	-	-	-	-
Beginning True-Up (Over) and Under Recovery for the Month	0	-	-	-	-	-	-	343	1,748	4,147	8,286	12,223	14,399	41,146
Monthly Interest (Expense)/Income		-	-	-	-	-	-	1	5	18	42	81	127	274
Ending (Over) and Under Recovery		-	-	-	-	-	-	344	2,097	6,262	14,590	26,894	41,420	41,420

17

PEOPLES GAS SYSTEM, INC.
 DOCKET NO. 20260011-GU
 EXHIBIT NO. MEE-1
 WITNESS: ELLIOTT
 FILED: 03/31/2026
 DOCUMENT NO. 4
 PAGE 4 OF 11

PEOPLES GAS SYSTEM, INC.
 Natural Gas Facilities (Relocation Cost Recovery Clause
 Project Costs Details
 July 2024 - December 2025

NGFRRC Form 4B
 Page 1 of 2

Class	Project No.	Additions	Work Order Number	In Service Date (Est/Act)	ACTUAL Jul 2024 Additions	ACTUAL Aug 2024 Additions	ACTUAL Sep 2024 Additions	ACTUAL Oct 2024 Additions	ACTUAL Nov 2024 Additions	ACTUAL Dec 2024 Additions	2024 Total Additions	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	2025	2024 - 2025	
												Jan 2025 Additions	Feb 2025 Additions	Mar 2025 Additions	Apr 2025 Additions	May 2025 Additions	Jun 2025 Additions	Jul 2025 Additions	Aug 2025 Additions	Sep 2025 Additions	Oct 2025 Additions	Nov 2025 Additions	Dec 2025 Additions	Total Additions	Total Additions
1	10 Ave Bridge (83rd to 84th St)		G00001440	Apr-26 (Est)	-	-	-	-	-	-	-	75,926	51,630	2,606	-	-	-	-	-	-	-	-	130,163	130,163	
2	50th St (USF Holly Dr & CR 582A)		G00002691	Feb-26	-	-	-	-	-	-	-	-	-	-	-	9,080	13,001	31,449	311,770	84,975	11,991	25,172.00	246,966	8,359	8,359
3	SR 82 (51st St to Riverhill Dr)		G00001950	Jul-25	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	22,992	22,992	
4	CR 54 Wesley Chapel Blvd		G00001416	Sep-25	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	718,069	718,069	
5	Progress Village Drainage		G00001630	Feb-25	-	-	-	-	-	-	-	5,199	5,199	2,481	15,647	21,533	56,660	12,345	13,133	30,657	(24)	-	108,666	113,865	
6	N Columbus Dr (Dale Mabrey to Armenia)		G00001551	Jul-25	-	-	-	-	-	-	-	(124)	11,825	7,383	59,976	112,173	122,642	600	4,233	600	-	-	346,140	357,965	
7	US 98 (7th St S to 7th St N)		G00001175	Mar-25	9,296	66,066	113,369	68,036	113,630	1,218	371,615	18,115	8,417	2,330	1,299	-	-	-	-	-	-	-	34,994	406,609	
8	SR 43 & Ambleside Blvd		G00001494	Apr-26 (Est)	-	-	-	-	-	-	-	35,251	-	-	-	-	-	-	-	-	-	-	-	35,251	
9	CR 551 (SR 56 to SR 54)		G00001663	Nov-24 (Est)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
10	I-275 (38th Ave to 4th St)		G00001727	Oct-26 (Est)	-	-	-	-	-	-	-	25,665	25,665	5,089	2,597	4,297	12,844	(223)	18,327	6,111	23,910.31	582	592	92	
11	46th Ave N (Sidewalk Improvements)		G00001305	Nov-24	-	-	-	-	-	-	-	61,124	15,683	3,554	5,421	33,127	11,151	3,787	98,929	3,787	-	-	104,147	104,147	
12	Piedra Trail (26th Ave to Emerson)		G00001284	Jan-25	2,814	9,538	-	4,396	18,441	12,911	29,660	29,660	85,581	104,964	20,903	875	(0)	18,678	6,733	37,184	98,929	2,606	43,064	289,173	
13	Venetian Blvd Bridge		G00006624	Oct-25	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	162,398	
14	SR 417 at Aloma Ave		G00001748/2618	Dec-24, Jan-25, Feb-25	11,752	-	7	14,420	-	-	64,872	91,051	23,823	8,498	9,925	12,874	100,747	30,004	405,877	173,950	13,139	13,139	749,810	749,810	
15	SR 91 (Temple & Sandlake Rd)		G00001915	Oct-25	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,289	
16	Bush Rd (Indiantown Rd to Rosie Rd)		G00002221	Jul-25	-	-	-	-	-	-	-	2,289	-	-	-	-	-	-	-	-	-	-	-	2,289	
17	SR 416 (SR 438 to SR 500)		G00000820	Apr-26 (Est)	2,289	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,289	
18	CR 554 at Florida Marina Blvd		G00001261	Apr-26 (Est)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,616	
19	Sand Lake Rd & SR 434		G00001652	Apr-26 (Est)	-	-	-	-	3,780	3,598	7,379	357	-	-	-	-	-	-	-	-	-	-	-	3,616	
20	SR 400 (I-4) & Sand Lake Rd		G00000448	Jan-25	-	-	-	-	3,780	3,598	7,379	-	-	-	-	45,984	5,328	1,827	34,733	(20,322)	218,540	67,095	18,455	64,108.98	2,521
21	Williamson Blvd (CR 4009)		G00000101	Jan-25	4,711	52,847	190,022	241,553	119,088	31,948	640,169	-	-	-	-	75,388	60,749	481,118	65,877	52,250	3,393	3,393	4,542,726	4,542,726	
22	Don St & Park St		G00001674	Apr-26 (Est)	-	-	-	-	-	-	-	1,420	-	-	-	-	-	-	-	-	-	-	-	-	55,608
23	Corinth Dr (Newcomer Rd & Auker Rd)		G00006851/2307	Nov-24 & Jan-25	4,711	52,847	190,022	241,553	119,088	31,948	640,169	-	-	-	-	75,388	60,749	481,118	65,877	52,250	3,393	3,393	4,542,726	4,542,726	
24	New Beria Rd & Cedar Point Rd		G00001388	Oct-24	190	-	-	-	-	-	-	117,542	25,455	41,845	13,353	6,700	129,533	-	-	-	-	-	-	-	117,542
25	POW/MIA Memorial Pkwy		G00001913	Feb-25	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,995
26	SR A1A (Franklin St to Walnut St)		G00000929	Apr-26 (Est)	-	-	-	-	-	-	-	1,420	-	-	-	-	-	-	-	-	-	-	-	-	10,100
27	SR 21 (Wells Rd to Orlean River)		G00009666	Jul-25	-	-	-	-	-	-	-	22,386	23,186	1,405	2,527	-	-	-	-	-	-	-	-	-	33,429
28	SR A1A at Van Buren St		G00000930	Jun-26 (Est)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	55,814
29	SR 72 (Hessone Ave to Gaunt Rd)		G00001700	Jun-26 (Est)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	180,507
30	Cherry St Drainage Improvements		G00002025	Jun-26 (Est)	-	-	-	-	-	-	-	-	5,762	-	-	-	-	-	-	-	-	-	-	-	184,074
31	SR 60 & SR 93 and Kennedy & Obrian		G00001670	Aug-26 (Est)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5,762
32	4th Ave (Shoremount Drainage Improvements)		G00002327	Aug-25	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	106,101
33	SR 390 over Mill Hayes Bridge (4 inch)		G00001529	Aug-25	2,979	-	-	-	-	-	-	2,979	-	-	-	8,818	11,238	5,578	(259)	148,572	13,021	92,859.09	1,454	1,454	263,003
34	SW 40th Ave & 49th Ave (SW 66th St to 43rd St Rd)		G00002413	Oct-25	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	45,971
35	US 301 at CR 462 & CR 472		G00002038	Apr-26 (Est)	-	-	-	-	-	-	-	-	-	-	-	42,086	4,157	-	-	-	-	-	-	-	173,946
36	SR 93 & Pine Ridge Rd		G00002396	Aug-26 (Est)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	107,334
37	SR 93 at Daniels Pkwy		G00001659	Aug-26 (Est)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	107,334
38	Vanderbilt Beach Rd Extension		G00001269	Dec-24	85,779	134,438	17,314	365,130	-	-	602,661	-	-	-	10,353	-	-	-	-	-	17,680	77,412	39,229.23	22,048	156,370
39	SR 82 (Handy Co Line to Gator Slough Ln)		G00001882	Sep-26 (Est)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	15,612
40	US 98 (Park Co Line to US 301)		G00000325	Jan-25	2,953,292	3,335,346	3,789,077	1,644,232	4,011,763	1,632,397	17,366,109	17,366,109	1,527,032	908,649	1,177,243	539,901	56,105	1,823	(37,044)	16,157	(3,025)	(100,632)	(328,57)	192	4,088,074
41	US 98 (Park Co Line to US 301)**		G00000325	Jan-25	(2,953,292)	(3,335,346)	(3,789,077)	(1,644,232)	(4,011,763)	(1,632,397)	(17,366,109)	(17,366,109)	(1,527,032)	(908,649)	(1,177,243)	(539,901)	(56,105)	(1,823)	(37,044)	16,157	(3,025)	(100,632)	(328,57)	192	4,088,074
42	SR 23 (CR 2209 to CR 16A)		G00000923	Mar-25	49,376	13,949	-	-	-	-	63,325	-	-	-	-	81,159	122,195	(7,902)	17,815	166,002	140,403	11,414	-	-	616,951
43	Clarence St		G00002999/2485	Jan-26 (Est) & Dec-25	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	59,269
44	SR 50 & Mercy Dr		G00002091	Aug-25	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	59,269
45	SR 35 (Withlacoochee)		G00001633	Apr-26 (Est)	-	-	-	-	1,339	-	1,339	-	-	-	-	-	-	-	-	-	-	-	-	-	199,296
46	Big Head Rd (Simmons Loop to US 301)		G00001605	Jun-26 (Est)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	49,992
47	SR A1A (Sherman St to Sheridan St)		G00000928	Oct-25	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,096,381
48	SR 972 (SW 12th Ave to Brackett Ave)		G00001569	Apr-26 (Est)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	211,090
TOTAL ADDITIONS					105,080	325,953	409,872	708,416	338,873	204,685	2,092,879	19,237,698	1,274,314	1,567,683	838,530	459,684	637,128	1,676,489	1,168,466	813,689	780,555	1,673,986	1,619,572	31,747,994	33,840,873

**The US-98 Relocation Project (No. 40) is being adjusted out of the ROI calculation during the period it earned AFUDC.

PEOPLES GAS SYSTEM, INC.
DOCKET NO. 20260011-GU
EXHIBIT NO. MEE-1
WITNESS: ELLIOTT
FILED: 03/31/2026
DOCUMENT NO. 5
PAGE 5 OF 11

PEOPLES GAS SYSTEM, INC.
 Natural Gas Facilities Relocation Cost Recovery Clause
 Project Costs Details

No.	In Service	Project Description	Work Order Number	In Service Date (Est/Act)	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	2024	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	2024 - 2025	2024 - 2025
					Jul 2024	Aug 2024	Sep 2024	Oct 2024	Nov 2024	Dec 2024	Total In Service	Jan 2025	Feb 2025	Mar 2025	Apr 2025	May 2025	Jun 2025	Jul 2025	Aug 2025	Sep 2025	Oct 2025	Nov 2025	Dec 2025	2025 Dec YTD In Service	Total In Service
1		10 Ave Bridge (SR 42 to 7th St)	G00001440	Apr-25 (Est)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2		50th St (USF Holly Dr & CR582A)	G00002691	Feb-26	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3		SR 52 (51st St to Riverhills Dr)	G00001950	Jul-25	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4		CR 54 Wesley Chapel Blvd	G00001416	Sep-25	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5		Progress Village Drainage	G00001630	Feb-25	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6		W Columbus Dr (Dale Malvey to Armenia)	G00001551	Jul-25	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7		US 98 (7th St S to 7th St N)	G00001175	Mar-25	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8		SR 43 & Ambleside Blvd	G00001494	Apr-26 (Est)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9		CR 501 (SR 56 to SR 54)	G00002063	Nov-25 (Est)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10		1275 (38th Ave to 4th St)	G00001727	Oct-26 (Est)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11		46th Ave N (Sidewalk Improvements)	G00001305	Nov-24	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12		Panacea Trail (26th Ave to Ulmerston)	G00001284	Jan-25	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13		Venustan Blvd Bridge	G0000624	Oct-25	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14		SR 417 at Aloma Ave	G0000147124612618	Dec-24, Jan-25 (Est), Dec-25	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15		SR 93 (Farmloch & Sandlake Rd)	G00001915	Oct-25	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16		Bush Rd (Indiantown Rd to Rosie Rd)	G00002221	Jul-25	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17		SR 416 (SR 438 to SR 500)	G00000820	Apr-26 (Est)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18		CR 584 at Florida Minute Blvd	G00001261	Apr-26 (Est)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19		Sand Lake Rd & SR 434	G00001652	Apr-26 (Est)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20		SR 400 (I - 4) & Sand Lake Rd	G00000448	Jun-25	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21		Cyril Dr (Narcissus Rd & Absher Rd)	G00000251207	Jan-25	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22		Williamson Blvd (CR 4009)	G00001001	Jun-25	247,580	241,553	119,088	31,948	640,169	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
23		Dora St & Park St	G00001674	Apr-26 (Est)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
24		New Berlin Rd & Cedar Point Rd	G00001388	Oct-24	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
25		POW/MIA Memorial Pkwy	G00001913	Feb-25	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
26		SR A1A (Franklin St to Walnut St)	G00000929	Apr-26 (Est)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
27		SR 21 (Wells Rd to Otter River)	G00000966	Jul-25	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
28		SR A1A at Van Buren St	G00000930	Jun-26 (Est)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
29		SR 72 (Hosmer Ave to Gantt Rd)	G00001700	Jun-26 (Est)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30		Cherry St Drainage Improvements	G00002025	Jun-26 (Est)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31		SR 66 & SR 93 and Kennedy & Obrien	G00001670	Aug-26 (Est)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
32		6th Ave (Stormwater Drainage Improvements)	G00002327	Aug-25	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
33		SR 390 over Mill Haven Bridge (4 inch)	G00001529	Aug-25	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
34		SW 40th Ave & 49th Ave (SW 66th St to 43rd St Rd)	G00002413	Oct-25	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
35		US 301 at CR 462 & CR 472	G00002038	Apr-26 (Est)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
36		SR 93 & Fine Ridge Rd	G00002396	Aug-26 (Est)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
37		SR 93 at Daniels Pkwy	G00001659	Sep-26 (Est)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
38		Vanderbilt Beach Rd Extension	G00001269	Dec-24	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
39		SR 82 (Hendry Co Lane to Gator Slough Ln)	G00001882	Sep-26 (Est)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
40		US 98 (Polk Co Lane to US 301)	G00000325	Jan-25	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Adj		US 98 (Polk Co Lane to US 301)**	G00000325	Jan-25	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
41		SR 23 (CR 2289 to CR 16A)	G00000923	Mar-25	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
42		Clarence St	G000029992485	Jan-26 (Est) & Dec-25	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
43		SR 50 & Mervy Dr	G00002091	Aug-25	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
44		SR 35 (Williswood)	G00001633	Apr-26 (Est)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
45		Big Bend Rd (Simmons Loop to US 301)	G00001605	Jun-26 (Est)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
46		SR A1A (Sherman St to Sheridan St)	G00000928	Oct-25	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
47		SR 972 (SW 12th Ave to Biscell Ave)	G00001569	Apr-26 (Est)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL IN SERVICE					-	-	247,580	263,398	205,792	795,778	1,512,548	19,047,887	1,037,166	1,902,857	623,086	102,837	413,891	1,008,781	688,816	674,033	2,132,862	254,755	386,709	28,273,479	29,786,027

PEOPLES GAS SYSTEM, INC.
DOCKET NO. 20260011-GU
EXHIBIT NO. MEE-1
WITNESS: ELLIOTT
FILED: 03/31/2026
DOCUMENT NO. 5
PAGE 6 OF 11

PEOPLES GAS SYSTEM, INC.
Natural Gas Facilities Relocation Cost Recovery Clause
Calculation of Debt and Equity Return
January 2024 through December 2024
Dec 2022 Cap Structure with Update to ROE to 10.15%

NGFRCRC Form 4C 2024
Page 1 of 1

Calculation of Revenue Requirement Rate of Return
(In Dollars)

	(1)	(2)	(3)	(4)
	Rate Base ESR (\$000)	Ratio %	Cost Rate %	Weighted Cost Rate %
Long Term Debt	\$ 514,059	29.65%	3.97%	1.1771%
Short Term Debt	159,284	9.19%	2.20%	0.2022%
Preferred Stock	0	0.00%	0.00%	0.0000%
Residential Customer Deposits	0	0.00%	0.00%	0.0000%
Commercial Customer Deposits	26,702	1.54%	2.48%	0.0382%
Inactive Customer Deposits	0	0.00%	0.00%	0.0000%
Common Equity	813,066	46.89%	10.15%	4.7593%
Deferred Income Tax	220,848	12.74%	0.00%	0.0000%
Tax Credits - Zero Cost	0	0.00%	0.00%	0.0000%
Total	\$ 1,733,959	100%		6.1768%

ITC split between Debt and Equity:

Long Term Debt	\$ 514,059	Long Term Debt	38.73%
Equity - Preferred	0	Equity - Preferred	0.00%
Equity - Common	813,066	Equity - Common	61.27%
Total	\$ 1,327,125	Total	100.00%

Deferred ITC - Weighted Cost:

Debt = 0.0% * 38.73%	0.0000%
Equity = 0.0% * 61.27%	0.0000%

Weighted Cost 0.0000%

Total Equity Cost Rate:

Preferred Stock	0.0000%
Common Equity	4.7593%
Deferred ITC - Weighted Cost	0.0000%
	4.7593%
Times Tax Multiplier (A)	1.34623
Total Equity Component	6.4071%

TAX Multiplier:	
1	100.0% Rev Req
2	0.0% Gross Receipts Tax Rate
3	-0.5% Reg Assessment Fee
4	0.0% Bad Debt Rate
5	99.5% NIBT 1+2+3+4
6	-5.5% State Income Tax Rate
7	-5.4725% State Income Tax Rate 5x6
8	94.0275% NIBFedIT 5+7
9	-21.0% Federal Income Tax
10	-19.7458% Fed Income Tax 8x9
11	74.2817% Revenue Expansion Factor 8+10
12	1.34623% Net Op Inc Multiplier 100%/line 11

Total Debt Cost Rate:

Long Term Debt	1.1771%
Short Term Debt	0.2022%
Customer Deposits	0.0382%
Deferred ITC - Weighted Cost	0.0000%
Total Debt Component	1.4175%

7.8246%

(A) The bad debt rate has been removed from the tax multiplier.

PEOPLES GAS SYSTEM, INC.
 Natural Gas Facilities Relocation Cost Recovery Clause
 Final True-Up
 Prior Period: January through December 2025

Calculation of True-Up Amount
 (in Dollars)

Line	Actual January	Actual February	Actual March	Actual April	Actual May	Actual June	Actual July	Actual August	Actual September	Actual October	Actual November	Actual December	End of Period Total
1. Clause Revenues (net of Revenue Taxes)	-	-	-	-	-	-	-	-	-	-	-	-	-
2. True-Up Provision	-	-	-	-	-	-	-	-	-	-	-	-	-
3. Clause Revenues Applicable to Period (Lines 1 + 2)	-	-	-	-	-	-	-	-	-	-	-	-	-
4. Revenue Requirement	86,162	194,931	206,509	217,921	223,137	226,816	249,835	252,695	256,103	262,615	276,250	287,668	2,740,642
5. Over/Under Recovery (Line 3 - Line 4d)	(86,162)	(194,931)	(206,509)	(217,921)	(223,137)	(226,816)	(249,835)	(252,695)	(256,103)	(262,615)	(276,250)	(287,668)	(2,740,642)
6. Interest Provision (, Line 10)	(307)	(818)	(1,541)	(2,294)	(3,108)	(3,941)	(4,802)	(5,692)	(6,438)	(7,088)	(7,823)	(8,449)	(52,301)
7. Beginning Balance True-Up & Interest Provision a. Deferred True-Up from January to December 20xx (Order No. PSC-20xx-xxxx-xxx-xx)	(41,420)	(127,889)	(323,638)	(531,688)	(751,903)	(978,148)	(1,208,905)	(1,463,542)	(1,721,929)	(1,984,470)	(2,254,173)	(2,538,246)	(41,420)
8. True-Up Collected/(Refunded) (see Line 2)	-	-	-	-	-	-	-	-	-	-	-	-	-
9. End of Period Total True-Up (Lines 5+6+7+7a+8)	(127,889)	(323,638)	(531,688)	(751,903)	(978,148)	(1,208,905)	(1,463,542)	(1,721,929)	(1,984,470)	(2,254,173)	(2,538,246)	(2,834,363)	(2,834,363)
10. Adjustment to Period True-Up Including Interest	-	-	-	-	-	-	-	-	-	-	-	-	-
11. End of Period Total True-Up (Lines 9 + 10)	(127,889)	(323,638)	(531,688)	(751,903)	(978,148)	(1,208,905)	(1,463,542)	(1,721,929)	(1,984,470)	(2,254,173)	(2,538,246)	(2,834,363)	(2,834,363)

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PEOPLES GAS SYSTEM, INC.
 Natural Gas Facilities Relocation Cost Recovery Clause
 Final True-Up
 Prior Period: January through December 2025

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Calculation of Interest Provision for True-Up Amount
 (in Dollars)

Line	Actual January	Actual February	Actual March	Actual April	Actual May	Actual June	Actual July	Actual August	Actual September	Actual October	Actual November	Actual December	End of Period Total
1. Beginning True-Up Amount (. Line 7+7a+10)	\$ (41,420)	\$ (127,889)	\$ (323,638)	\$ (531,688)	\$ (751,903)	\$ (978,148)	\$ (1,208,905)	\$ (1,463,542)	\$ (1,721,929)	\$ (1,984,470)	\$ (2,254,173)	\$ (2,538,246)	
2. Ending True-Up Amount Before Interest	(127,582)	(322,820)	(530,147)	(749,609)	(975,040)	(1,204,964)	(1,458,740)	(1,716,237)	(1,978,032)	(2,247,085)	(2,530,423)	(2,825,914)	
3. Total of Beginning & Ending True-Up (Lines 1 + 2)	(169,002)	(450,709)	(853,785)	(1,281,297)	(1,726,943)	(2,183,112)	(2,667,645)	(3,179,779)	(3,699,961)	(4,231,555)	(4,784,596)	(5,364,160)	
4. Average True-Up Amount (Line 3 x 1/2)	(84,501)	(225,355)	(426,893)	(640,649)	(863,472)	(1,091,556)	(1,333,823)	(1,589,890)	(1,849,981)	(2,115,778)	(2,392,298)	(2,682,080)	
5. Interest Rate (First Day of Reporting Business Month)	4.36%	4.35%	4.35%	4.32%	4.28%	4.35%	4.31%	4.32%	4.26%	4.08%	3.96%	3.89%	
6. Interest Rate (First Day of Subsequent Business Month)	4.35%	4.35%	4.32%	4.28%	4.35%	4.31%	4.32%	4.26%	4.08%	3.96%	3.89%	3.66%	
7. Total of Beginning & Ending Interest Rates (Lines 5 + 6)	8.71%	8.70%	8.67%	8.60%	8.63%	8.66%	8.63%	8.58%	8.34%	8.04%	7.85%	7.55%	
8. Average Interest Rate (Line 7 x 1/2)	4.355%	4.350%	4.335%	4.300%	4.315%	4.330%	4.315%	4.290%	4.170%	4.020%	3.925%	3.775%	
9. Monthly Average Interest Rate (Line 8 x 1/12)	0.363%	0.363%	0.361%	0.358%	0.360%	0.361%	0.360%	0.358%	0.348%	0.335%	0.327%	0.315%	
10. Interest Provision for the Month Expense/(Income) (Line 4 x Line 9)	\$ (307)	\$ (818)	\$ (1,541)	\$ (2,294)	\$ (3,108)	\$ (3,941)	\$ (4,802)	\$ (5,692)	\$ (6,438)	\$ (7,088)	\$ (7,823)	\$ (8,449)	\$ (52,301)

PEOPLES GAS SYSTEM, INC.
 DOCKET NO. 20260011-GU
 EXHIBIT NO. MEE-1
 WITNESS: ELLIOTT
 FILED: 03/31/2026
 DOCUMENT NO. 8
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PEOPLES GAS SYSTEM, INC.
 Natural Gas Facilities Relocation Cost Recovery Clause
 Calculation of Projected Revenue Requirements
 Prior Period: January through December 2025

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<u>Item</u>	<u>Beginning Balance</u>	<u>Actual Jan</u>	<u>Actual Feb</u>	<u>Actual Mar</u>	<u>Actual Apr</u>	<u>Actual May</u>	<u>Actual Jun</u>	<u>Actual Jul</u>	<u>Actual Aug</u>	<u>Actual Sep</u>	<u>Actual Oct</u>	<u>Actual Nov</u>	<u>Actual Dec</u>	<u>Year End Total/Balance</u>
Qualified Investment														
Qualified Investment - Mains Steel - Current Year 1070 Activity		19,237,698	1,274,314	1,567,683	838,530	459,684	637,128	1,676,489	1,168,466	813,689	780,755	1,673,986	1,619,572	31,747,994
Qualified Investment - Mains Steel - Closed 1070 Activity to Plant		(19,047,887)	(1,037,166)	(1,902,657)	(623,086)	(102,837)	(413,891)	(1,008,781)	(688,816)	(674,033)	(2,132,862)	(254,755)	(386,709)	(28,273,479)
Qualified Investment - Mains Steel - Current 1010 Activity		19,047,887	1,037,166	1,902,657	623,086	102,837	413,891	1,008,781	688,816	674,033	2,132,862	254,755	386,709	28,273,479
Total Qualified Investment - Mains Steel 1070		580,331	770,143	1,007,291	672,317	887,761	1,244,608	1,467,846	2,135,554	2,615,203	2,754,859	1,402,752	2,821,983	4,054,846
Total Qualified Investment - Mains Steel 1010		1,512,548	20,560,435	21,597,600	23,500,257	24,123,343	24,226,180	24,640,071	25,648,851	26,337,668	27,011,700	29,144,563	29,399,318	29,786,027
Total Qualified Investment		<u>2,092,879</u>	<u>21,330,577</u>	<u>22,604,891</u>	<u>24,172,574</u>	<u>25,011,104</u>	<u>25,470,788</u>	<u>26,107,916</u>	<u>27,784,405</u>	<u>28,952,871</u>	<u>29,766,560</u>	<u>30,547,315</u>	<u>32,221,301</u>	<u>33,840,873</u>
Less: Accumulated Depreciation	(2,951)	(5,976)	(46,819)	(89,679)	(135,918)	(183,198)	(230,683)	(278,990)	(329,312)	(381,012)	(434,059)	(491,321)	(549,091)	(549,091)
Net Book Value		<u>2,089,928</u>	<u>21,324,602</u>	<u>22,558,072</u>	<u>24,082,895</u>	<u>24,875,186</u>	<u>25,287,590</u>	<u>25,877,233</u>	<u>27,505,415</u>	<u>28,623,559</u>	<u>29,385,548</u>	<u>30,113,256</u>	<u>31,729,980</u>	<u>33,291,781</u>
Average Net Qualified Investment		<u>11,707,265</u>	<u>21,941,337</u>	<u>23,320,483</u>	<u>24,479,040</u>	<u>25,081,388</u>	<u>25,582,412</u>	<u>26,691,324</u>	<u>28,064,487</u>	<u>29,004,553</u>	<u>29,749,402</u>	<u>30,921,618</u>	<u>32,510,881</u>	
Depreciation Rates														
Approved Depreciation Rate-Mains Plastic		1.80%	1.80%	1.80%	1.80%	1.80%	1.80%	1.80%	1.80%	1.80%	1.80%	1.80%	1.80%	1.80%
Approved Depreciation Rate-Services		3.10%	3.10%	3.10%	3.10%	3.10%	3.10%	3.10%	3.10%	3.10%	3.10%	3.10%	3.10%	3.10%
Approved Depreciation Rate - Mains Steel		2.40%	2.40%	2.40%	2.40%	2.40%	2.40%	2.40%	2.40%	2.40%	2.40%	2.40%	2.40%	2.40%
Return on Average Net Qualified Investment														
Equity - Cost of Capital, inclusive of Income Tax Gross-up		6.48%	6.48%	6.48%	6.48%	6.48%	6.48%	6.48%	6.48%	6.48%	6.48%	6.48%	6.48%	6.48%
Debt - Cost of Capital		1.84%	1.84%	1.84%	1.84%	1.84%	1.84%	1.84%	1.84%	1.84%	1.84%	1.84%	1.84%	1.84%
Equity Component - inclusive of Income Tax Gross-up		63,188	118,425	125,868	132,122	135,373	138,077	144,062	151,473	156,547	160,567	166,894	175,472	1,668,068
Debt Component		17,977	33,691	35,809	37,588	38,512	39,282	40,985	43,093	44,536	45,680	47,480	49,920	474,552
Return Requirement		<u>81,165</u>	<u>152,116</u>	<u>161,677</u>	<u>169,710</u>	<u>173,885</u>	<u>177,359</u>	<u>185,047</u>	<u>194,566</u>	<u>201,083</u>	<u>206,247</u>	<u>214,374</u>	<u>225,392</u>	<u>2,142,620</u>
Investment Expenses														
Depreciation Expense - Mains Plastic		-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation Savings - Mains Plastic		-	(209)	(245)	(245)	(322)	(322)	(328)	(328)	(328)	(328)	(328)	(328)	(3,311)
Depreciation Expense - Mains Steel		3,025	41,121	43,195	47,001	48,247	48,452	49,280	51,298	52,675	54,023	58,289	58,799	555,405
Depreciation Savings - Mains Steel		-	(69)	(89)	(516)	(645)	(645)	(645)	(648)	(648)	(648)	(700)	(700)	(5,953)
Property Taxes		1,972	1,972	1,972	1,972	1,972	1,972	1,972	1,972	1,972	1,972	1,972	1,972	23,664
Common Costs		-	-	-	-	-	-	14,509	5,836	1,348	1,348	2,643	2,534	28,217
Total Investment Expense		<u>4,997</u>	<u>42,816</u>	<u>44,832</u>	<u>48,211</u>	<u>49,252</u>	<u>49,457</u>	<u>64,788</u>	<u>58,129</u>	<u>55,020</u>	<u>56,368</u>	<u>61,876</u>	<u>62,276</u>	<u>598,022</u>
Total Revenue Requirements		<u>86,162</u>	<u>194,931</u>	<u>206,509</u>	<u>217,921</u>	<u>223,137</u>	<u>226,816</u>	<u>249,835</u>	<u>252,695</u>	<u>256,103</u>	<u>262,615</u>	<u>276,250</u>	<u>287,668</u>	<u>2,740,642</u>
Revenue														
Relocation Surcharge Revenues Collected Month		-	-	-	-	-	-	-	-	-	-	-	-	-
Regulatory Assessment Fees		1,00500	1,00500	1,00500	1,00500	1,00500	1,00500	1,00500	1,00500	1,00500	1,00500	1,00500	1,00500	
Net Relocation Surcharge Revenue Collected		-	-	-	-	-	-	-	-	-	-	-	-	-
Beginning True-Up														41,420
(Over) and Under Recovery for the Month	41,420	86,162	194,931	206,509	217,921	223,137	226,816	249,835	252,695	256,103	262,615	276,250	287,668	2,740,642
Monthly Interest (Expense)/Income		307	818	1,541	2,294	3,108	3,941	4,802	5,692	6,438	7,088	7,823	8,449	52,301
Ending (Over) and Under Recovery		<u>127,888</u>	<u>323,637</u>	<u>531,688</u>	<u>751,902</u>	<u>978,147</u>	<u>1,208,904</u>	<u>1,463,541</u>	<u>1,721,929</u>	<u>1,984,469</u>	<u>2,254,172</u>	<u>2,538,245</u>	<u>2,834,363</u>	<u>2,834,363</u>

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PEOPLES GAS SYSTEM, INC.
 DOCKET NO. 20260011-GU
 EXHIBIT NO. MEE-1
 WITNESS: ELLIOTT
 FILED: 03/31/2026
 DOCUMENT NO. 9
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PEOPLES GAS SYSTEM, INC.
Natural Gas Facilities Relocation Cost Recovery Clause
Calculation of Debt and Equity Return
January 2025 through December 2025
Dec 2023 Cap Structure with Update to ROE to 10.15%

NGFRCRC Form 4C 2025
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Calculation of Revenue Requirement Rate of Return
(In Dollars)

	(1)	(2)	(3)	(4)
	Rate Base ESR (\$000)	Ratio %	Cost Rate %	Weighted Cost Rate %
Long Term Debt	\$ 543,872	27.35%	4.07%	1.1131%
Short Term Debt	236,704	11.90%	5.84%	0.6950%
Preferred Stock	0	0.00%	0.00%	0.0000%
Residential Customer Deposits	0	0.00%	0.00%	0.0000%
Commercial Customer Deposits	28,387	1.43%	2.41%	0.0345%
Inactive Customer Deposits	0	0.00%	0.00%	0.0000%
Common Equity	942,551	47.40%	10.15%	4.8111%
Deferred Income Tax	237,187	11.93%	0.00%	0.0000%
Tax Credits - Zero Cost	0	0.00%	0.00%	0.0000%
Total	\$ 1,988,701	100%		6.6537%

ITC split between Debt and Equity:

Long Term Debt	\$ 543,872	Long Term Debt	36.59%
Equity - Preferred	0	Equity - Preferred	0.00%
Equity - Common	942,551	Equity - Common	63.41%
Total	\$ 1,486,423	Total	100.00%

Deferred ITC - Weighted Cost:

Debt = 0.0% * 38.73%	0.0000%
Equity = 0.0% * 61.27%	0.0000%
Weighted Cost	0.0000%

Total Equity Cost Rate:

Preferred Stock	0.0000%
Common Equity	4.8111%
Deferred ITC - Weighted Cost	0.0000%
	4.8111%
Times Tax Multiplier (A)	1.34623
Total Equity Component	6.4768%

<u>TAX Multiplier:</u>	
1	100.0% Rev Req
2	0.0% Gross Receipts Tax Rate
3	-0.5% Reg Assessment Fee
4	0.0% Bad Debt Rate
5	99.5% NIBT 1+2+3+4
6	-5.5% State Income Tax Rate
7	-5.4725% State Income Tax Rate 5x6
8	94.0275% NIBFedIT 5+7
9	-21.0% Federal Income Tax
10	-19.7458% Fed Income Tax 8x9
11	74.2817% Revenue Expansion Factor 8+10
12	1.34623% Net Op Inc Multiplier 100%/line 11

Total Debt Cost Rate:

Long Term Debt	1.1131%
Short Term Debt	0.6950%
Customer Deposits	0.0345%
Deferred ITC - Weighted Cost	0.0000%
Total Debt Component	1.8426%

8.3194%

(A) The bad debt rate has been removed from the tax multiplier.