



**EES Consulting**

a GDS Associates Company



CITY OF  
**PALO  
ALTO**

## **Palo Alto Gas Utility**

### **Cost of Service Schedules**

Date: **February 7, 2025**

Version: Revised Final Version

Test Period: FY: 2026

Distribution System Allocation Method: Average and Excess Method (AE)

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#### **EES Consulting, A GDS Associates Company**

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**SUMMARY OF PRESENT AND PROPOSED RATE REVENUE  
BY CUSTOMER CLASS  
Schedule 1.1**

Forecast Year: 2026	Total	G1 Residential	G2 - All	G3 Large Commercial
<b>Revenues - Present Rate Distribution</b>	\$37,957,863	\$16,311,063	\$16,565,086	\$5,081,713
Less Allocated Revenue Requirement Distribution	\$41,268,342	\$18,853,368	\$16,568,614	\$5,846,360
Difference	-\$3,310,479	-\$2,542,305	-\$3,527	-\$764,647
Revenue To Cost Ratio	92.0%	86.5%	100.0%	86.9%
Adjusted Revenue to Cost Ratio	100.0%	94.1%	108.7%	94.5%
<b>Distribution Rate Increase</b>	<b>8.7%</b>	<b>15.6%</b>	<b>0.0%</b>	<b>15.0%</b>

**SUMMARY OF REVENUE REQUIREMENT UNIT COSTS**  
**BY CUSTOMER CLASS**  
Schedule 2.1

Forecast Year: 2026	Total	G1 Residential	G2 - All	G3 Large Commercial	G2 - Small	G2 - Medium	G2 - Large
<b>Billing Determinants</b>							
Tier 1 Energy (therms)		6,672,656					
Tier 2 Energy (therms)		3,089,869					
Total Energy (therms)	25,779,489	9,762,524	11,506,051	4,510,914	752,970	5,468,897	5,284,184
Average Monthly Services	23,477	21,255	2,193	30	1,134	942	116
Average Monthly Energy (therms)	92	38	437	12,743	55	484	3,783
<b>Functional Cost</b>							
<b>Distribution</b>	Total Cost	G1 Residential	G2 - All	G3 Large Commercial	G2 - Small	G2 - Medium	G2 - Large
<b>Demand (DD)</b>	\$8,974,464	\$4,155,398	\$3,585,525	\$1,233,541			
\$/therm	\$0.3481	\$0.4256	\$0.3116	\$0.2735			
<b>Energy (DE)</b>	\$24,657,494	\$9,720,461	\$10,930,854	\$4,006,179			
\$/therm	\$0.9565	\$0.9957	\$0.9500	\$0.8881			
<b>Customer (DC)</b>	\$7,636,384	\$4,977,509	\$2,052,235	\$606,640	\$395,369	\$1,073,454	\$583,412
\$/Customer/Month	\$27.11	<b>\$19.52</b>	<b>\$78.00</b>	<b>\$1,713.67</b>	<b>\$29.06</b>	<b>\$94.94</b>	<b>\$417.62</b>
<b>Total Distribution</b>	<b>\$41,268,342</b>	<b>\$18,853,368</b>	<b>\$16,568,614</b>	<b>\$5,846,360</b>			
Total \$/therm	\$1.6008	\$1.9312	\$1.4400	\$1.2960			
Demand + Energy \$/therm	\$1.3046	\$1.4213	\$1.2616	\$1.1616			
<b>Total Unit Costs</b>							
<b>Total \$/therm</b>	\$2.5996	\$2.9299	\$2.4387	\$2.2948			
<b>Demand + Energy \$/therm</b>	\$1.6431	\$1.9343	\$1.4887	\$1.4067			
<b>\$/Customer/Month</b>	\$27.11	\$19.52	\$78.00	\$1,713.67			
<b>Current Rates</b>							
Tier 1 Energy \$/therm		\$0.8229	\$1.0809	\$1.0702	\$1.0809	\$1.0809	\$1.0809
Tier 2 Energy \$/therm		\$2.1043					
\$/Customer/Month		\$16.93	\$156.90	\$717.89	\$156.90	\$156.90	\$156.90
<b>Total Revenue from Current Distribution Rates</b>		<b>\$16,311,063</b>	<b>\$16,565,086</b>	<b>\$5,081,713</b>	<b>\$2,948,824</b>	<b>\$7,685,399</b>	<b>\$5,930,863</b>

Indicated Billing Determinants	baseline							<b>Prepared By EES Consulting, Inc.</b>
Tier 1 Energy (therm)		6,935,563						
Tier 2 Energy (therm)		2,826,961						
Total Energy (therms)	25,779,489	9,762,524	11,506,051	4,510,914	752,970	5,468,897	5,284,184	
Average Monthly Services	23,477	21,255	2,193	30	1,134	942	116	
<b>Indicated Rates -- Distribution</b>								
Tier 1 Energy \$/therm		\$1.2274	\$1.2616	\$1.1616				
Tier 2 Energy \$/therm		\$1.8972						
\$/Customer/Month		\$19.52		\$1,713.67	\$29.06	\$94.94	\$417.62	
<b>Total Revenue from Indicated Distribu</b>	<b>\$41,268,342</b>	<b>\$18,853,368</b>	<b>\$16,568,614</b>	<b>\$5,846,360</b>				
<b>% change in Distribution Revenues</b>		<b>15.6%</b>	<b>0.0%</b>	<b>15.0%</b>				
<b>% change in Distribution Revenues from Summary tab</b>		<b>15.6%</b>	<b>0.0%</b>	<b>15.0%</b>				



## INPUT REVENUE REQUIREMENT

## Schedule 3.1

	Year 2026 Cost, \$	Function	Classification & Allocation Factor	Classification & Allocation Method
<b>Operation &amp; Maintenance Expense</b>				
Rent Other Transfers	\$1,779,909	P	therm	Annual Energy (therm)
General Admin & Overhead	\$55,882	P	therm	Annual Energy (therm)
Commodity Admin & Overhead	\$410,622	P	therm	Annual Energy (therm)
Alternative Energy Programs	\$432,697	P	therm	Annual Energy (therm)
Supply Commodity	\$22,843,053	P	therm	Annual Energy (therm)
Supply Transportation	\$224,953	P	therm	Annual Energy (therm)
<b>Total Gas Supply</b>	<b>\$25,747,117</b>			
<b>Total Production</b>	<b>\$25,747,117</b>			
<b>Distribution</b>				
Engineering Support	\$768,861	D	RBD	On the Basis of Distribution Rate Base
Operations & Maintenance	\$9,028,547	D	RBD	On the Basis of Distribution Rate Base
<b>Total Distribution</b>	<b>\$9,797,408</b>			
<b>Total Operation &amp; Maintenance</b>	<b>\$35,544,526</b>			
<b>Customer Service, Accounts, &amp; Sales</b>				
Admin - Customer & Marketing	\$227,967	D	CUSTW	Customers Weighted for Accounting/Metering
Meter Reading	\$485,915	D	CUSTM	Customers Weighted for Meters and Services
Utility Billing	\$543,152	D	CUSTW	Customers Weighted for Accounting/Metering
Credit & Collections	\$9,850	D	CUSTW	Customers Weighted for Accounting/Metering
Key & Major Accounts	\$155,106	D	DA1	Direct Assignment for Large Commercial
Customer Service	\$1,266,689	D	CUSTW2	Customers Weighted for Accounting/Metering w/o G3
Low Income Programs	\$53,792	D	therm	Annual Energy (therm)
Efficiency - Demand Side Management	\$465,537	D	therm	Annual Energy (therm)
<b>Total Customer Service, Accounts &amp; Sales</b>	<b>\$3,208,008</b>			
<b>Total O&amp;M w/o Gas Supply &amp; A&amp;G</b>	<b>\$13,005,416</b>			
<b>Administrative &amp; General</b>				
Administrative & General Salaries	\$1,451,715	SS	OMAG	On the Basis of O&M (w/o Gas Supply and A&G)
Allocated Charges	\$2,735,638	SS	OMAG	On the Basis of O&M (w/o Gas Supply and A&G)
Rents	\$574,830	SS	OMAG	On the Basis of O&M (w/o Gas Supply and A&G)
Transfers to Non-Enterprise Funds	\$59,411	SS	OMAG	On the Basis of O&M (w/o Gas Supply and A&G)
Transfers to Enterprise Funds	\$181,333	SS	OMAG	On the Basis of O&M (w/o Gas Supply and A&G)
<b>Total Administrative &amp; General</b>	<b>\$5,002,927</b>			
<b>Total O&amp;M plus A&amp;G</b>	<b>\$43,755,460</b>			
<b>Interest and Debt Service Expense</b>				
Interest on Long-Term Debt	\$23,348	D	NETPLT	On the Basis of Net Plant
Principal on Long-Term Debt	\$778,250	D	NETPLT	On the Basis of Net Plant
System Improvement	\$7,538,046	D	NETPLT	On the Basis of Net Plant
<b>Total Debt Service /CIP Expense</b>	<b>\$8,339,643</b>			

## INPUT REVENUE REQUIREMENT

## Schedule 3.1

	Year 2026 Cost, \$	Function	Classification & Allocation Factor	Classification & Allocation Method
<b>Operation &amp; Maintenance Expense</b>				
General Fund Transfer	\$9,734,580	D	REV	On The Basis of Revenue
<b>General Fund Transfer</b>	\$9,734,580			
<b>Other Contributions</b>				
Supply Rate Stabilization Funding, portion to pay for supply cost	\$5,874,887	D	therm	Annual Energy (therm)
<b>Reserves</b>	\$5,874,887			
<b>Revenue Requirement Before Other Revenues</b>	\$67,704,570			
<b>Revenue Req. Before Taxes and Other Revenues</b>	\$67,704,570			
<b>Other Revenues</b>				
Customer Discounts	-\$318,105	D	NETPLT	On the Basis of Net Plant
Connection Fees	\$700,000	D	NETPLT	On the Basis of Net Plant
Misc. Revenue (Other)	-\$449,823	D	NETPLT	On the Basis of Net Plant
Transfer Credits	\$131,346	D	NETPLT	On the Basis of Net Plant
Income (Loss) from Equity Investments	\$625,693	D	NETPLT	On the Basis of Net Plant
<b>Total Other Revenues</b>	\$689,111			
<b>REVENUE REQUIREMENT for COST ALLOCATION - With Gas Supply</b>	\$67,015,459			

## PROJECTED REVENUE REQUIREMENTS

## Schedule 3.2

	Total 2021 Expenses	FY 2022	FY 2023	FY 2024	PROJECTED FY 2025	PROJECTED FY 2026
<b>Operation &amp; Maintenance Expense</b>						
Rent Other Transfers	\$1,119,866	\$1,610,428	\$1,497,489	\$1,686,286	\$1,676,884	\$1,779,909
General Admin & Overhead	\$143,564	\$94,776	\$41,008	\$46,428	\$50,933	\$55,882
Commodity Admin & Overhead	\$135,664	\$215,572	\$254,699	\$341,219	\$374,288	\$410,622
Alternative Energy Programs	\$35,053	\$229,201	\$334,256	\$358,209	\$393,686	\$432,697
Supply Commodity	\$12,749,972	\$24,103,336	\$45,926,133	\$22,772,125	\$23,488,300	\$22,843,053
Supply Transportation	\$236,397	\$128,324	\$193,614	\$193,138	\$208,366	\$224,953
<b>Total Gas Supply</b>	\$14,420,516	\$26,381,637	\$48,247,199	\$25,397,406	\$26,192,457	\$25,747,117
<b>Total Production</b>	\$14,420,516	\$26,381,637	\$48,247,199	\$25,397,406	\$26,192,457	\$25,747,117
<b>Distribution</b>						
Engineering Support	\$570,710	\$659,207	\$515,334	\$572,847	\$710,430	\$768,861
Operations & Maintenance	\$5,482,286	\$5,930,678	\$6,729,162	\$7,629,575	\$8,297,561	\$9,028,547
<b>Total Distribution</b>	\$6,052,995	\$6,589,885	\$7,244,496	\$8,202,422	\$9,007,991	\$9,797,408
<b>Total Operation &amp; Maintenance</b>	\$20,473,511	\$32,971,523	\$55,491,694	\$33,599,828	\$35,200,449	\$35,544,526
<b>Customer Service, Accounts, &amp; Sales</b>						
Admin - Customer & Marketing	\$161,317	\$159,503	\$172,850	\$188,769	\$207,439	\$227,967
Meter Reading	\$338,268	\$387,293	\$405,687	\$405,072	\$443,606	\$485,915
Utility Billing	\$351,402	\$407,858	\$430,968	\$449,373	\$494,035	\$543,152
Credit & Collections	\$46,751	\$4,091	\$4,996	\$8,446	\$9,118	\$9,850
Key & Major Accounts	\$116,248	\$109,274	\$91,876	\$128,535	\$141,192	\$155,106
Customer Service	\$890,630	\$968,054	\$1,002,409	\$1,084,631	\$1,171,732	\$1,266,689
Low Income Programs		\$12,024	\$44,956	\$47,739	\$50,656	\$53,792
Efficiency - Demand Side Management	\$417,254	\$294,307	\$309,345	\$365,294	\$436,300	\$465,537
<b>Total Customer Service, Accounts &amp; Sales</b>	\$2,321,869	\$2,342,403	\$2,463,086	\$2,677,857	\$2,954,078	\$3,208,008
<b>Total O&amp;M w/o Gas Supply &amp; A&amp;G</b>	\$8,374,864	\$8,932,288	\$9,707,582	\$10,880,279	\$11,962,069	\$13,005,416
<b>Administrative &amp; General</b>						
Administrative & General Salaries	\$743,079	\$1,116,047	\$584,536	\$624,362	\$685,039	\$1,451,715
Allocated Charges	\$1,527,854	\$2,001,867	\$1,897,412	\$2,135,588	\$2,715,918	\$2,735,638
Rents	\$471,205	\$481,000	\$501,000	\$526,050	\$559,717	\$574,830
Transfers to Non-Enterprise Funds	\$96,985	\$115,443	\$678,760	\$54,929	\$57,126	\$59,411
Transfers to Enterprise Funds	\$414,965	\$161,320		\$171,100	\$176,267	\$181,333
<b>Total Administrative &amp; General</b>	\$3,254,087	\$3,875,677	\$3,661,708	\$3,512,028	\$4,194,067	\$5,002,927
<b>Total O&amp;M plus A&amp;G</b>	\$26,049,468	\$39,189,602	\$61,616,488	\$39,789,714	\$42,348,594	\$43,755,460

## PROJECTED REVENUE REQUIREMENTS

## Schedule 3.2

	Total 2021 Expenses	FY 2022	FY 2023	FY 2024	PROJECTED FY 2025	PROJECTED FY 2026
<b>Operation &amp; Maintenance Expense</b>						
<b>Interest and Debt Service Expense</b>						
Interest on Long-Term Debt	\$134,622	\$108,488	\$87,643	\$66,144	\$45,953	\$23,348
Principal on Long-Term Debt	\$665,500	\$693,000	\$715,000	\$734,250	\$753,500	\$778,250
System Improvement	\$9,282,688	\$4,674,169	\$10,216,894	\$7,224,553	\$3,682,185	\$7,538,046
<b>Total Debt Service /CIP Expense</b>	\$10,082,810	\$5,475,657	\$11,019,537	\$8,024,947	\$4,481,638	\$8,339,643
General Fund Transfer	\$6,847,000	\$7,240,000	\$6,683,000	\$8,215,000	\$10,917,195	\$9,734,580
<b>General Fund Transfer</b>	\$6,847,000	\$7,240,000	\$6,683,000	\$8,215,000	\$10,917,195	\$9,734,580
<b>Other Contributions</b>						
Supply Rate Stabilization Funding, portion to pay for supply cost	-\$85,599	-\$89,019	-\$218,124	\$10,407,418	\$1,884,104	\$5,874,887
<b>Reserves</b>	-\$85,599	-\$89,019	-\$218,124	\$10,407,418	\$1,884,104	\$5,874,887
<b>Revenue Requirement Before Other Revenues</b>	\$42,893,678	\$51,816,240	\$79,100,901	\$66,437,079	\$59,631,530	\$67,704,570
<b>Revenue Req. Before Taxes and Other Revenues</b>	\$42,893,678	\$51,816,240	\$79,100,901	\$66,437,079	\$59,631,530	\$67,704,570
<b>Other Revenues</b>						
Discounts/Uncollectables	-\$306,740	-\$690,468	-\$403,008	\$625,296	\$348,562	-\$318,105
Connection Fees	\$840,231	\$475,239	\$413,841	\$343,776	\$700,000	\$700,000
Misc. Revenue (Other)	-\$18,802	-\$259,987	-\$80,772	-\$429,895	-\$283,078	-\$449,823
Reimbursements	\$160,332	\$110,184	\$110,738	\$108,550	\$119,405	\$131,346
Income (Loss) from Equity Investments	\$479,407	\$426,815	\$502,344	\$701,607	\$610,432	\$625,693
<b>Total Other Revenues</b>	\$1,154,428	\$61,782	\$543,144	\$1,349,335	\$1,495,321	\$689,111
<b>REVENUE REQUIREMENT for COST ALLOCATION - With Gas Supply</b>	\$41,739,250	\$51,754,458	\$78,557,757	\$65,087,745	\$58,136,209	\$67,015,459

**FUNCTIONALIZATION AND CLASSIFICATION**

Prepared By EES Consulting, Inc.

Schedule 3.3

	Allocation Date 2026 Total Expenses	Production		Transmission			Distribution			
		Energy PE	Direct Assignment PDA	Demand TD	Energy TE	Direct Assignment TDA	Demand DD	Energy DE	Customer DC	Direct Assignment DDA
<b>Operation &amp; Maintenance Expense</b>										
Rent Other Transfers	\$1,779,909	\$1,779,909								
General Admin & Overhead	\$55,882	\$55,882								
Commodity Admin & Overhead	\$410,622	\$410,622								
Alternative Energy Programs	\$432,697	\$432,697								
Supply Commodity	\$22,843,053	\$22,843,053								
Supply Transportation	\$224,953	\$224,953								
<b>Total Gas Supply</b>	<b>\$25,747,117</b>	<b>\$25,747,117</b>								
<b>Total Production</b>	<b>\$25,747,117</b>	<b>\$25,747,117</b>								
<b>Distribution</b>										
Engineering Support	\$768,861						\$325,219	\$382,685	\$60,957	
Operations & Maintenance	\$9,028,547						\$3,818,970	\$4,493,769	\$715,808	
<b>Total Distribution</b>	<b>\$9,797,408</b>						<b>\$4,144,190</b>	<b>\$4,876,453</b>	<b>\$776,765</b>	
<b>Total Operation &amp; Maintenance</b>	<b>\$35,544,526</b>	<b>\$25,747,117</b>					<b>\$4,144,190</b>	<b>\$4,876,453</b>	<b>\$776,765</b>	
<b>Customer Service, Accounts, &amp; Sales</b>										
Admin - Customer & Marketing	\$227,967								\$227,967	
Meter Reading	\$485,915								\$485,915	
Utility Billing	\$543,152								\$543,152	
Credit & Collections	\$9,850								\$9,850	
Key & Major Accounts	\$155,106									\$155,106
Customer Service	\$1,266,689								\$1,266,689	
Low Income Programs	\$53,792							\$53,792		
Efficiency - Demand Side Management	\$465,537							\$465,537		
<b>Total Customer Service, Accounts &amp; Sales</b>	<b>\$3,208,008</b>							<b>\$519,329</b>	<b>\$2,533,573</b>	<b>\$155,106</b>
<b>Total O&amp;M w/o Gas Supply &amp; A&amp;G</b>	<b>\$13,005,416</b>						<b>\$4,144,190</b>	<b>\$5,395,782</b>	<b>\$3,310,338</b>	<b>\$155,106</b>
<b>Administrative &amp; General</b>										
Administrative & General Salaries	\$1,451,715						\$462,590	\$602,298	\$369,513	\$17,314
Allocated Charges	\$2,735,638						\$871,714	\$1,134,982	\$696,317	\$32,626
Rents	\$574,830						\$183,170	\$238,489	\$146,314	\$6,856
Transfers to Non-Enterprise Funds	\$59,411						\$18,931	\$24,649	\$15,122	\$709
Transfers to Enterprise Funds	\$181,333						\$57,782	\$75,233	\$46,156	\$2,163
<b>Total Administrative &amp; General</b>	<b>\$5,002,927</b>						<b>\$1,594,188</b>	<b>\$2,075,651</b>	<b>\$1,273,422</b>	<b>\$59,666</b>
<b>Total O&amp;M plus A&amp;G</b>	<b>\$43,755,460</b>	<b>\$25,747,117</b>					<b>\$5,738,378</b>	<b>\$7,471,433</b>	<b>\$4,583,759</b>	<b>\$214,773</b>
<b>Interest and Debt Service Expense</b>										
Interest on Long-Term Debt	\$23,348						\$9,876	\$11,621	\$1,851	
Principal on Long-Term Debt	\$778,250						\$329,191	\$387,358	\$61,702	
System Improvement	\$7,538,046						\$3,188,506	\$3,751,903	\$597,637	
<b>Total Debt Service /CIP Expense</b>	<b>\$8,339,643</b>						<b>\$3,527,572</b>	<b>\$4,150,882</b>	<b>\$661,190</b>	
General Fund Transfer	\$9,734,580							\$7,503,283	\$2,231,297	
<b>General Fund Transfer</b>	<b>\$9,734,580</b>							<b>\$7,503,283</b>	<b>\$2,231,297</b>	
<b>Other Contributions</b>										
Supply Rate Stabilization Funding, portion to pay for supply	\$5,874,887							\$5,874,887		
<b>Reserves</b>	<b>\$5,874,887</b>							<b>\$5,874,887</b>		

**FUNCTIONALIZATION AND CLASSIFICATION**

Prepared By EES Consulting, Inc.

**Schedule 3.3**

	Allocation Date 2026 Total Expenses	Production		Transmission			Distribution			
		Energy PE	Direct Assignment PDA	Demand TD	Energy TE	Direct Assignment TDA	Demand DD	Energy DE	Customer DC	Direct Assignment DDA
<b>Operation &amp; Maintenance Expense</b>										
<b>Revenue Requirement Before Other Revenues</b>	\$67,704,570	\$25,747,117					\$9,265,950	\$25,000,484	\$7,476,246	\$214,773
<b>Revenue Req. Before Taxes and Other Revenues</b>	\$67,704,570	\$25,747,117					\$9,265,950	\$25,000,484	\$7,476,246	\$214,773
<b>Other Revenues</b>										
Customer Discounts	-\$318,105						-\$134,555	-\$158,330	-\$25,220	
Connection Fees	\$700,000						\$296,092	\$348,410	\$55,498	
Misc. Revenue (Other)	-\$449,823						-\$190,270	-\$223,890	-\$35,663	
Transfer Credits	\$131,346						\$55,558	\$65,375	\$10,413	
Income (Loss) from Equity Investments	\$625,693						\$264,661	\$311,426	\$49,607	
<b>Total Other Revenues</b>	\$689,111						\$291,486	\$342,991	\$54,635	
<b>REVENUE REQUIREMENT for COST ALLOCATION - With Ga</b>	\$67,015,459	\$25,747,117					\$8,974,464	\$24,657,494	\$7,421,611	\$214,773
<b>REVENUE REQUIREMENT for COST ALLOCATION - Delivery</b>	\$41,268,342						\$8,974,464	\$24,657,494	\$7,421,611	\$214,773

**REVENUE REQUIREMENT COST ALLOCATION**  
**BY CUSTOMER**  
**Schedule 3.4**

Prepared By EES Consulting, Inc.

Allocation Date  
2026  
Total  
Expenses

Operation & Maintenance Expense		G1 Residential	G2 - All	G3 Large Commercial	G2 - Small	G2 - Medium	G2 - Large
Rent Other Transfers	\$1,779,909	\$674,040		\$311,450	\$51,988	\$377,592	\$364,839
General Admin & Overhead	\$55,882	\$21,162		\$9,778	\$1,632	\$11,855	\$11,455
Commodity Admin & Overhead	\$410,622	\$155,500		\$71,851	\$11,993	\$87,110	\$84,168
Alternative Energy Programs	\$432,697	\$163,860		\$75,714	\$12,638	\$91,793	\$88,693
Supply Commodity	\$22,843,053	\$8,650,515		\$3,997,094	\$667,202	\$4,845,958	\$4,682,284
Supply Transportation	\$224,953	\$85,188		\$39,363	\$6,570	\$47,722	\$46,110
<b>Total Gas Supply</b>	<b>\$25,747,117</b>	<b>\$9,750,265</b>		<b>\$4,505,250</b>	<b>\$752,024</b>	<b>\$5,462,030</b>	<b>\$5,277,548</b>
<b>Total Production</b>	<b>\$25,747,117</b>	<b>\$9,750,265</b>		<b>\$4,505,250</b>	<b>\$752,024</b>	<b>\$5,462,030</b>	<b>\$5,277,548</b>
<b>Distribution</b>							
Engineering Support	\$768,861	\$340,652		\$113,249	\$21,486	\$153,082	\$140,392
Operations & Maintenance	\$9,028,547	\$4,000,190		\$1,329,855	\$252,308	\$1,797,604	\$1,648,590
<b>Total Distribution</b>	<b>\$9,797,408</b>	<b>\$4,340,842</b>		<b>\$1,443,104</b>	<b>\$273,794</b>	<b>\$1,950,686</b>	<b>\$1,788,982</b>
<b>Total Operation &amp; Maintenance</b>	<b>\$35,544,526</b>	<b>\$14,091,108</b>		<b>\$5,948,353</b>	<b>\$1,025,819</b>	<b>\$7,412,716</b>	<b>\$7,066,530</b>
<b>Customer Service, Accounts, &amp; Sales</b>							
Admin - Customer & Marketing	\$227,967	\$179,500		\$6,727	\$11,970	\$23,872	\$5,899
Meter Reading	\$485,915	\$359,885		\$12,636	\$14,516	\$65,859	\$33,019
Utility Billing	\$543,152	\$427,673		\$16,027	\$28,520	\$56,878	\$14,055
Credit & Collections	\$9,850	\$7,756		\$291	\$517	\$1,032	\$255
Key & Major Accounts	\$155,106			\$155,106			
Customer Service	\$1,266,689	\$1,027,704			\$68,533	\$136,678	\$33,774
Low Income Programs	\$53,792	\$20,371		\$9,413	\$1,571	\$11,411	\$11,026
Efficiency - Demand Side Management	\$465,537	\$176,296		\$81,460	\$13,597	\$98,760	\$95,424
<b>Total Customer Service, Accounts &amp; Sales</b>	<b>\$3,208,008</b>	<b>\$2,199,184</b>		<b>\$281,658</b>	<b>\$139,225</b>	<b>\$394,490</b>	<b>\$193,451</b>
<b>Total O&amp;M w/o Gas Supply &amp; A&amp;G</b>	<b>\$13,005,416</b>	<b>\$6,540,026</b>		<b>\$1,724,762</b>	<b>\$413,019</b>	<b>\$2,345,175</b>	<b>\$1,982,434</b>
<b>Administrative &amp; General</b>							
Administrative & General Salaries	\$1,451,715	\$730,023		\$192,525	\$46,103	\$261,777	\$221,287
Allocated Charges	\$2,735,638	\$1,375,669		\$362,797	\$86,877	\$493,298	\$416,997
Rents	\$574,830	\$289,064		\$76,233	\$18,255	\$103,655	\$87,622
Transfers to Non-Enterprise Funds	\$59,411	\$29,876		\$7,879	\$1,887	\$10,713	\$9,056
Transfers to Enterprise Funds	\$181,333	\$91,187		\$24,048	\$5,759	\$32,699	\$27,641
<b>Total Administrative &amp; General</b>	<b>\$5,002,927</b>	<b>\$2,515,819</b>		<b>\$663,482</b>	<b>\$158,880</b>	<b>\$902,143</b>	<b>\$762,603</b>
<b>Total O&amp;M plus A&amp;G</b>	<b>\$43,755,460</b>	<b>\$18,806,110</b>		<b>\$6,893,493</b>	<b>\$1,323,924</b>	<b>\$8,709,348</b>	<b>\$8,022,585</b>
<b>Interest and Debt Service Expense</b>							
Interest on Long-Term Debt	\$23,348	\$10,344		\$3,439	\$652	\$4,649	\$4,263

**REVENUE REQUIREMENT COST ALLOCATION**  
**BY CUSTOMER**  
**Schedule 3.4**

Prepared By EES Consulting, Inc.

Allocation Date  
2026  
Total  
Expenses

		G1 Residential	G2 - All	G3 Large Commercial	G2 - Small	G2 - Medium	G2 - Large
<b>Operation &amp; Maintenance Expense</b>							
Principal on Long-Term Debt	\$778,250	\$344,812		\$114,632	\$21,749	\$154,951	\$142,107
System Improvement	\$7,538,046	\$3,339,809		\$1,110,312	\$210,655	\$1,500,842	\$1,376,428
<b>Total Debt Service /CIP Expense</b>	<b>\$8,339,643</b>	<b>\$3,694,965</b>		<b>\$1,228,383</b>	<b>\$233,056</b>	<b>\$1,660,442</b>	<b>\$1,522,798</b>
General Fund Transfer	\$9,734,580	\$4,183,095		\$1,303,244	\$756,248	\$1,970,979	\$1,521,015
<b>General Fund Transfer</b>	<b>\$9,734,580</b>	<b>\$4,183,095</b>		<b>\$1,303,244</b>	<b>\$756,248</b>	<b>\$1,970,979</b>	<b>\$1,521,015</b>
<b>Other Contributions</b>							
Supply Rate Stabilization Funding, portion to pay for supply cost	\$5,874,887	\$2,224,781		\$1,027,992	\$171,594	\$1,246,307	\$1,204,212
<b>Reserves</b>	<b>\$5,874,887</b>	<b>\$2,224,781</b>		<b>\$1,027,992</b>	<b>\$171,594</b>	<b>\$1,246,307</b>	<b>\$1,204,212</b>
<b>Revenue Requirement Before Other Revenues</b>	<b>\$67,704,570</b>	<b>\$28,908,951</b>		<b>\$10,453,112</b>	<b>\$2,484,822</b>	<b>\$13,587,075</b>	<b>\$12,270,610</b>
<b>Revenue Req. Before Taxes and Other Revenues</b>	<b>\$67,704,570</b>	<b>\$28,908,951</b>		<b>\$10,453,112</b>	<b>\$2,484,822</b>	<b>\$13,587,075</b>	<b>\$12,270,610</b>
<b>Other Revenues</b>							
Customer Discounts	-\$318,105	-\$140,940		-\$46,855	-\$8,890	-\$63,335	-\$58,085
Connection Fees	\$700,000	\$310,142		\$103,106	\$19,562	\$139,372	\$127,818
Misc. Revenue (Other)	-\$449,823	-\$199,299		-\$66,256	-\$12,571	-\$89,561	-\$82,137
Transfer Credits	\$131,346	\$58,194		\$19,347	\$3,671	\$26,151	\$23,983
Income (Loss) from Equity Investments	\$625,693	\$277,220		\$92,161	\$17,485	\$124,577	\$114,250
<b>Total Other Revenues</b>	<b>\$689,111</b>	<b>\$305,318</b>		<b>\$101,502</b>	<b>\$19,258</b>	<b>\$137,204</b>	<b>\$125,830</b>
<b>REVENUE REQUIREMENT for COST ALLOCATION - With Gas Supply</b>	<b>\$67,015,459</b>	<b>\$28,603,633</b>		<b>\$10,351,610</b>	<b>\$2,465,565</b>	<b>\$13,449,871</b>	<b>\$12,144,780</b>
<b>REVENUE REQUIREMENT for COST ALLOCATION - Delivery</b>	<b>\$41,268,342</b>	<b>\$18,853,368</b>		<b>\$5,846,360</b>	<b>\$1,713,540</b>	<b>\$7,987,841</b>	<b>\$6,867,232</b>



**REVENUE REQUIREMENT COST ALLOCATION**  
**DIRECT ASSIGNMENT BY CUSTOMER**  
**Schedule 3.5**

Prepared By EES Consulting, Inc.

Allocation Date  
2026  
Total  
Expenses

		G1 Residential	G3 Large Commercial	G2 Commercial	G2 - Medium	G2 - Large
<b>Operation &amp; Maintenance Expense</b>						
Rent Other Transfers						
General Admin & Overhead						
Commodity Admin & Overhead						
Alternative Energy Programs						
Supply Commodity						
Supply Transportation						
<b>Total Gas Supply</b>						
<b>Total Production</b>						
<b>Distribution</b>						
Engineering Support						
Operations & Maintenance						
<b>Total Distribution</b>						
<b>Total Operation &amp; Maintenance</b>						
<b>Customer Service, Accounts, &amp; Sales</b>						
Admin - Customer & Marketing						
Meter Reading						
Utility Billing						
Credit & Collections						
Key & Major Accounts	\$155,106		\$155,106			
Customer Service						
Low Income Programs						
Efficiency - Demand Side Management						
<b>Total Customer Service, Accounts &amp; Sales</b>	\$155,106		\$155,106			
<b>Total O&amp;M w/o Gas Supply &amp; A&amp;G</b>	\$155,106		\$155,106			
<b>Administrative &amp; General</b>						

**REVENUE REQUIREMENT COST ALLOCATION**  
**DIRECT ASSIGNMENT BY CUSTOMER**  
**Schedule 3.5**

Prepared By EES Consulting, Inc.

Allocation Date  
2026  
Total  
Expenses

		G1 Residential	G3 Large Commercial	G2 Commercial	G2 - Medium	G2 - Large
<b>Operation &amp; Maintenance Expense</b>						
Administrative & General Salaries	\$17,314		\$17,314			
Allocated Charges	\$32,626		\$32,626			
Rents	\$6,856		\$6,856			
Transfers to Non-Enterprise Funds	\$709		\$709			
Transfers to Enterprise Funds	\$2,163		\$2,163			
<b>Total Administrative &amp; General</b>	<b>\$59,666</b>		<b>\$59,666</b>			
<b>Total O&amp;M plus A&amp;G</b>	<b>\$214,773</b>		<b>\$214,773</b>			
<b>Interest and Debt Service Expense</b>						
Interest on Long-Term Debt						
Principal on Long-Term Debt						
System Improvement						
<b>Total Debt Service /CIP Expense</b>						
General Fund Transfer						
<b>General Fund Transfer</b>						
<b>Other Contributions</b>						
Supply Rate Stabilization Funding, portion to pay for supply c						
<b>Reserves</b>						
<b>Revenue Requirement Before Other Revenues</b>	<b>\$214,773</b>		<b>\$214,773</b>			
<b>Revenue Req. Before Taxes and Other Revenues</b>	<b>\$214,773</b>		<b>\$214,773</b>			
<b>Other Revenues</b>						
Customer Discounts						
Connection Fees						
Misc. Revenue (Other)						

**REVENUE REQUIREMENT COST ALLOCATION**  
**DIRECT ASSIGNMENT BY CUSTOMER**  
Schedule 3.5

Prepared By EES Consulting, Inc.

Allocation Date  
2026 |  
**Total**  
**Expenses**

Operation & Maintenance Expense		G1 Residential	G3 Large Commercial	G2 Commercial	G2 - Medium	G2 - Large
Transfer Credits						
Income (Loss) from Equity Investments						
<b>Total Other Revenues</b>						
<b>REVENUE REQUIREMENT for COST ALLOCATION - With Gas</b>	\$214,773	\$214,773				

## Palo Alto Gas Utility

## INPUT RATE BASE

## Schedule 4.1

FERC Account	Year	Function	Classification	Classification & Allocation Method
	2022 Cost, \$		& Allocation Factor	
<b>Distribution Plant</b>				
56670 Equip-Meters	\$12,334,716	D	CUSTM	Customers Weighted for Meters and Services
56680 Equip-Services	\$59,109,371	D	AE	Average and Excess
56710 Equip-Misc	\$2,729,148	D	AE	Average and Excess
56840 Equipment-Regulators	\$976,067	D	AE	Average and Excess
56850 Equip-Distribution Mains	\$77,559,779	D	AE	Average and Excess
56860 Equip-Measuring	\$2,869,793	D	AE	Average and Excess
<b>Total Distribution Plant</b>	<b>\$155,578,873</b>			
<b>Total Transmission &amp; Distribution</b>	<b>\$155,578,873</b>			
<b>General Plant</b>				
56400 Building-Gen Plant	\$1,910,425	SS	GPLT	On the Basis of Gross Plant (w/o General Plant & Intangible)
56700 Equip-Gen Plant	\$2,911,310	SS	GPLT	On the Basis of Gross Plant (w/o General Plant & Intangible)
<b>Total General Plant</b>	<b>\$4,821,735</b>			
<b>Total Plant Before General Plant &amp; Intangible</b>	<b>\$155,578,873</b>			
<b>Total Gross Plant in Service</b>	<b>\$160,400,608</b>			
<b>Less: Accumulated Depreciation</b>				
Distribution Plant	\$49,833,503	D	RBD	On the Basis of Distribution Rate Base
General Plant	\$3,812,789	D	RBGP	On the Basis of General Plant Rate Base
<b>Total Accumulated Depreciation</b>	<b>\$53,646,292</b>			
<b>Total Net Plant</b>	<b>\$106,754,316</b>			
<b>Working Capital</b>				
1/8 O&M	\$2,251,043	D	OMWOP	On the Basis of O&M (w/o Purch. Gas Supply)
<b>Total Working Capital</b>	<b>\$2,251,043</b>			
<b>TOTAL RATE BASE</b>	<b>\$109,005,358</b>			
<b>CWIP</b>				
Distribution Plant	\$6,127,014	D	RBD	On the Basis of Distribution Rate Base
General Plant	\$1,902,306	SS	RBGP	On the Basis of General Plant Rate Base
Total CWIP	\$8,029,320			
<b>TOTAL RATE BASE plus CWIP</b>	<b>\$117,034,679</b>			

**RATE BASE FOR COST ALLOCATION  
FUNCTIONALIZATION AND CLASSIFICATION**

**Schedule 4.2**

		<b>Distribution</b>			
		Demand DD	Energy DE	Customer DC	Direct Assignment DDA
Account Description	Total Rate Base				
<b>FERC Account</b>					
<b>Distribution Plant</b>					
56670 Equip-Meters	\$12,334,716			\$12,334,716	
56680 Equip-Services	\$59,109,371	\$27,155,542	\$31,953,829		
56710 Equip-Misc	\$2,729,148	\$1,253,803	\$1,475,345		
56840 Equipment-Regulators	\$976,067	\$448,417	\$527,650		
56850 Equip-Distribution Mains	\$77,559,779	\$35,631,877	\$41,927,902		
56860 Equip-Measuring	\$2,869,793	\$1,318,417	\$1,551,376		
<b>Total Distribution Plant</b>	<b>\$155,578,873</b>	<b>\$65,808,054</b>	<b>\$77,436,103</b>	<b>\$12,334,716</b>	
<b>Total Transmission &amp; Distribution</b>	<b>\$155,578,873</b>	<b>\$65,808,054</b>	<b>\$77,436,103</b>	<b>\$12,334,716</b>	
<b>General Plant</b>					
56400 Building-Gen Plant	\$1,910,425	\$808,088	\$950,874	\$151,464	
56700 Equip-Gen Plant	\$2,911,310	\$1,231,450	\$1,449,043	\$230,817	
<b>Total General Plant</b>	<b>\$4,821,735</b>	<b>\$2,039,538</b>	<b>\$2,399,917</b>	<b>\$382,280</b>	
<b>Total Plant Before General Plant &amp; Intangible</b>	<b>\$155,578,873</b>	<b>\$65,808,054</b>	<b>\$77,436,103</b>	<b>\$12,334,716</b>	
<b>Total Gross Plant in Service</b>	<b>\$160,400,608</b>	<b>\$67,847,592</b>	<b>\$79,836,020</b>	<b>\$12,716,996</b>	
<b>Less: Accumulated Depreciation</b>					
Distribution Plant	\$49,833,503	\$21,078,993	\$24,803,575	\$3,950,936	
General Plant	\$3,812,789	\$1,612,765	\$1,897,735	\$302,288	
<b>Total Accumulated Depreciation</b>	<b>\$53,646,292</b>	<b>\$22,691,758</b>	<b>\$26,701,310</b>	<b>\$4,253,224</b>	
<b>Total Net Plant</b>	<b>\$106,754,316</b>	<b>\$45,155,834</b>	<b>\$53,134,709</b>	<b>\$8,463,772</b>	
<b>Working Capital</b>					

**RATE BASE FOR COST ALLOCATION  
FUNCTIONALIZATION AND CLASSIFICATION**

**Schedule 4.2**

FERC Account

		<b>Distribution</b>			
		Demand	Energy	Customer	Direct
Account Description	Total Rate Base	DD	DE	DC	Assignment DDA
1/8 O&M	\$2,251,043	\$717,297	\$933,929	\$572,970	\$26,847
<b>Total Working Capital</b>	\$2,251,043	\$717,297	\$933,929	\$572,970	\$26,847
<b>TOTAL RATE BASE</b>	\$109,005,358	\$45,873,132	\$54,068,638	\$9,036,742	\$26,847
<b>CWIP</b>					
Distribution Plant	\$6,127,014	\$2,591,656	\$3,049,592	\$485,766	
General Plant	\$1,902,306	\$804,653	\$946,833	\$150,820	
Total CWIP	\$8,029,320	\$3,396,309	\$3,996,425	\$636,586	
TOTAL RATE BASE plus CWIP	\$117,034,679	\$49,269,441	\$58,065,063	\$9,673,328	\$26,847

## Palo Alto Gas Utility - Average and Excess Method (AE)

**RATE BASE COST ALLOCATION**  
**CLASSIFICATION BY CUSTOMER**  
 Schedule 4.3

FERC Account	Account Description	Total Rate Base	G1 Residential	G2 Commercial	G3 Large Commercial	G2 - Small	G2 - Medium	G2 - Large
<b>Distribution Plant</b>								
56670	Equip-Meters	\$12,334,716	\$9,135,516	\$2,878,448	\$320,752	\$368,469	\$1,671,799	\$838,180
56680	Equip-Services	\$59,109,371	\$24,674,393	\$25,111,143	\$9,323,835	\$1,642,039	\$12,092,352	\$11,376,752
56710	Equip-Misc	\$2,729,148	\$1,139,245	\$1,159,411	\$430,492	\$75,815	\$558,318	\$525,278
56840	Equipment-Regulators	\$976,067	\$407,446	\$414,658	\$153,963	\$27,115	\$199,680	\$187,863
56850	Equip-Distribution Mains	\$77,559,779	\$32,376,261	\$32,949,339	\$12,234,179	\$2,154,585	\$15,866,861	\$14,927,893
56860	Equip-Measuring	\$2,869,793	\$1,197,956	\$1,219,160	\$452,677	\$79,722	\$587,090	\$552,348
<b>Total Distribution Plant</b>		\$155,578,873	\$68,930,816	\$63,732,158	\$22,915,899	\$4,347,745	\$30,976,100	\$28,408,313
<b>Total Transmission &amp; Distribution</b>		\$155,578,873	\$68,930,816	\$63,732,158	\$22,915,899	\$4,347,745	\$30,976,100	\$28,408,313
<b>General Plant</b>								
56400	Building-Gen Plant	\$1,910,425	\$846,434	\$782,597	\$281,395	\$53,388	\$380,370	\$348,839
56700	Equip-Gen Plant	\$2,911,310	\$1,289,886	\$1,192,604	\$428,820	\$81,358	\$579,648	\$531,598
<b>Total General Plant</b>		\$4,821,735	\$2,136,319	\$1,975,201	\$710,215	\$134,746	\$960,018	\$880,437
<b>Total Plant Before General Plant &amp; Intangible</b>		\$155,578,873	\$68,930,816	\$63,732,158	\$22,915,899	\$4,347,745	\$30,976,100	\$28,408,313
<b>Total Gross Plant in Service</b>		\$160,400,608	\$71,067,135	\$65,707,359	\$23,626,113	\$4,482,492	\$31,936,118	\$29,288,750
<b>Less: Accumulated Depreciation</b>								
	Distribution Plant	\$49,833,503	\$22,079,245	\$20,414,062	\$7,340,197	\$1,392,627	\$9,921,961	\$9,099,473
	General Plant	\$3,812,789	\$1,689,295	\$1,561,891	\$561,602	\$106,551	\$759,135	\$696,206
<b>Total Accumulated Depreciation</b>		\$53,646,292	\$23,768,540	\$21,975,953	\$7,901,799	\$1,499,178	\$10,681,096	\$9,795,679
<b>Total Net Plant</b>		\$106,754,316	\$47,298,595	\$43,731,406	\$15,724,314	\$2,983,314	\$21,255,022	\$19,493,071
<b>Working Capital</b>								
	1/8 O&M	\$2,251,043	\$1,131,981	\$820,532	\$298,530	\$71,487	\$405,915	\$343,130
<b>Total Working Capital</b>		\$2,251,043	\$1,131,981	\$820,532	\$298,530	\$71,487	\$405,915	\$343,130
<b>TOTAL RATE BASE</b>		\$109,005,358	\$48,430,576	\$44,551,938	\$16,022,845	\$3,054,801	\$21,660,936	\$19,836,201
<b>CWIP</b>								
	Distribution Plant	\$6,127,014	\$2,714,637	\$2,509,903	\$902,475	\$171,223	\$1,219,902	\$1,118,777

## Palo Alto Gas Utility - Average and Excess Method (AE)

**RATE BASE COST ALLOCATION**  
**CLASSIFICATION BY CUSTOMER**  
 Schedule 4.3

FERC Account								
	Account Description	Total Rate Base	G3 Large					
			G1 Residential	G2 Commercial	Commercial	G2 - Small	G2 - Medium	G2 - Large
General Plant	\$1,902,306	\$842,836	\$779,271	\$280,199	\$53,161	\$378,753	\$347,356	
Total CWIP	\$8,029,320	\$3,557,473	\$3,289,173	\$1,182,674	\$224,384	\$1,598,655	\$1,466,134	
TOTAL RATE BASE plus CWIP	\$117,034,679	\$51,988,048	\$47,841,112	\$17,205,519	\$3,279,185	\$23,259,592	\$21,302,334	



Palo Alto Gas Utility - Average and Excess Method (AE)

RATE BASE COST ALLOCATION  
DIRECT ASSIGNMENT BY CUSTOMER  
Schedule 4.4

FERC Account	Account Description	Total Rate Base	G3 Large		
			G1 Residential	G2 - All	Commercial
	<b>Distribution Plant</b>				
56670	Equip-Meters				
56680	Equip-Services				
56710	Equip-Misc				
56840	Equipment-Regulators				
56850	Equip-Distribution Mains				
56860	Equip-Measuring				
	<b>Total Distribution Plant</b>				
	<b>Total Transmission &amp; Distribution</b>				
	<b>General Plant</b>				
56400	Building-Gen Plant				
56700	Equip-Gen Plant				
	<b>Total General Plant</b>				
	<b>Total Plant Before General Plant &amp; Intangible</b>				
	<b>Total Gross Plant in Service</b>				
	<b>Less: Accumulated Depreciation</b>				
	Distribution Plant				
	General Plant				
	<b>Total Accumulated Depreciation</b>				

## Palo Alto Gas Utility - Average and Excess Method (AE)

**RATE BASE COST ALLOCATION**  
**DIRECT ASSIGNMENT BY CUSTOMER**

## Schedule 4.4

FERC Account	Account Description	Total Rate Base	G3 Large		
			G1 Residential	G2 - All	Commercial
	<b>Total Net Plant</b>				
	<b>Working Capital</b>				
	1/8 O&M	\$26,847			\$26,847
	<b>Total Working Capital</b>	\$26,847			\$26,847
	<b>TOTAL RATE BASE</b>	\$26,847			\$26,847
	<b>CWIP</b>				
	Distribution Plant				
	General Plant				
	Total CWIP				
	<b>TOTAL RATE BASE plus CWIP</b>	\$26,847			\$26,847

## Palo Alto Gas Utility

## FORECAST OF REVENUES FROM CURRENT RATES

## Schedule 7.1

	Total	G1 Residential	G2 - All	G3 Large Commercial	G2 - Small	G2 - Medium	G2 - Large
<b>Number of Customers</b>							
Jul-25	23,735	21,503	-	30	1,145	939	118
Aug-25	23,936	21,690	-	30	1,152	947	117
Sep-25	22,632	20,404	-	30	1,134	946	118
Oct-25	23,790	21,558	-	31	1,138	946	117
Nov-25	23,694	21,474	-	28	1,136	940	116
Dec-25	23,391	21,178	-	30	1,129	940	114
Jan-26	23,752	21,508	-	30	1,147	950	117
Feb-26	23,158	20,947	-	31	1,120	949	111
Mar-26	23,636	21,443	-	29	1,124	927	113
Apr-26	23,117	20,894	-	29	1,137	937	120
May-26	23,218	21,012	-	28	1,118	943	117
Jun-26	23,663	21,446	-	28	1,127	943	119
Total / Average	23,477	21,255		30	1,134	942	116
<b>Customer Charge Revenues</b>	<b>Rate: \$/Month</b>	\$16.93	\$156.90	\$717.89	\$156.90	\$156.90	\$156.90
Jul-25	\$731,072	\$364,041		\$21,537	\$179,651	\$147,329	\$18,514
Aug-25	\$736,432	\$367,205		\$21,537	\$180,749	\$148,584	\$18,357
Sep-25	\$711,845	\$345,442		\$21,537	\$177,925	\$148,427	\$18,514
Oct-25	\$732,576	\$364,984		\$22,255	\$178,552	\$148,427	\$18,357
Nov-25	\$727,586	\$363,561		\$20,101	\$178,238	\$147,486	\$18,200
Dec-25	\$722,593	\$358,544		\$21,537	\$177,140	\$147,486	\$17,887
Jan-26	\$733,050	\$364,137		\$21,537	\$179,964	\$149,055	\$18,357
Feb-26	\$718,925	\$354,629		\$22,255	\$175,728	\$148,898	\$17,416
Mar-26	\$723,386	\$363,035		\$20,819	\$176,356	\$145,446	\$17,730
Apr-26	\$718,787	\$353,729		\$20,819	\$178,395	\$147,015	\$18,828
May-26	\$717,560	\$355,730		\$20,101	\$175,414	\$147,957	\$18,357
Jun-26	\$726,641	\$363,086		\$20,101	\$176,826	\$147,957	\$18,671
Total	\$8,700,453	\$4,318,124		\$254,133	\$2,134,938	\$1,774,068	\$219,189
<b>Forecast Therms</b>							
Jul-25	1,295,010	329,344	-	311,858	39,430	305,711	308,667
Aug-25	1,202,729	297,815	-	299,554	44,035	281,424	279,902
Sep-25	1,183,613	302,266	-	281,717	37,800	287,018	274,812
Oct-25	1,394,195	383,267	-	313,156	49,422	353,322	295,027
Nov-25	1,873,214	770,841	-	344,487	42,632	332,849	382,405

## FORECAST OF REVENUES FROM CURRENT RATES

## Schedule 7.1

	Total	G1 Residential	G2 - All	G3 Large Commercial	G2 - Small	G2 - Medium	G2 - Large
Dec-25	2,856,282	1,300,253	-	399,645	81,682	561,375	513,328
Jan-26	3,583,858	1,659,415	-	492,602	93,535	701,266	637,041
Feb-26	3,163,932	1,396,643	-	449,567	92,845	641,953	582,923
Mar-26	3,103,871	1,366,526	-	444,411	88,902	619,516	584,516
Apr-26	2,609,800	927,315	-	443,470	76,982	557,552	604,479
May-26	1,960,064	614,608	-	391,055	57,905	448,156	448,340
Jun-26	1,552,922	414,232	-	339,393	47,798	378,755	372,743
Total / Average	25,779,489	9,762,524	-	4,510,914	752,970	5,468,897	5,284,184

## Energy Rates

Flat Rate:	Flat Rate \$/Therm	\$1.08090	\$1.07020	\$1.08090	\$1.08090	\$1.08090
	1st Block \$/Therm	\$0.822900				
	2nd Block \$/Therm	\$2.104300				
	3rd Block \$/Therm					
	4th Block \$/Therm					

## Energy Revenues

Jul-25	\$1,404,271	\$363,820	\$333,750	\$42,620	\$330,443	\$333,638
Aug-25	\$1,290,245	\$315,328	\$320,583	\$47,598	\$304,191	\$302,546
Sep-25	\$1,281,178	\$331,544	\$301,493	\$40,859	\$310,238	\$297,044
Oct-25	\$1,568,687	\$479,325	\$335,140	\$53,421	\$381,906	\$318,895
Nov-25	\$2,114,273	\$926,405	\$368,670	\$46,081	\$359,776	\$413,341
Dec-25	\$3,200,805	\$1,523,169	\$427,700	\$88,290	\$606,791	\$554,856
Jan-26	\$4,280,735	\$2,205,875	\$527,182	\$101,102	\$757,999	\$688,578
Feb-26	\$3,631,914	\$1,726,462	\$481,126	\$100,357	\$693,887	\$630,082
Mar-26	\$3,480,774	\$1,607,633	\$475,609	\$96,094	\$669,635	\$631,803
Apr-26	\$2,968,472	\$1,154,620	\$474,602	\$83,210	\$602,658	\$653,382
May-26	\$2,322,725	\$872,606	\$418,507	\$62,589	\$484,412	\$484,611
Jun-26	\$1,713,329	\$486,150	\$363,219	\$51,665	\$409,397	\$402,898
Subtotal	\$29,257,410	\$11,992,939	\$4,827,580	\$813,885	\$5,911,331	\$5,711,674
<b>Surcharge</b>						
Total	\$29,257,410	\$11,992,939	\$4,827,580	\$813,885	\$5,911,331	\$5,711,674

## FORECAST OF REVENUES FROM CURRENT RATES

## Schedule 7.1

		Total	G1 Residential	G2 - All	G3 Large Commercial	G2 - Small	G2 - Medium	G2 - Large
Total Revenues - Distribution			G1 Residential	G2 - All	G3 Large Commercial	G2 - Small	G2 - Medium	G2 - Large
Jul-25	\$2,135,343		\$727,861		\$355,287	\$222,271	\$477,772	\$352,152
Aug-25	\$2,026,677		\$682,533		\$342,119	\$228,346	\$452,775	\$320,903
Sep-25	\$1,993,023		\$676,986		\$323,030	\$218,783	\$458,665	\$315,558
Oct-25	\$2,301,263		\$844,310		\$357,394	\$231,973	\$530,333	\$337,252
Nov-25	\$2,841,860		\$1,289,965		\$388,771	\$224,320	\$507,262	\$431,542
Dec-25	\$3,923,399		\$1,881,713		\$449,236	\$265,430	\$754,277	\$572,743
Jan-26	\$5,013,786		\$2,570,013		\$548,719	\$281,066	\$907,054	\$706,935
Feb-26	\$4,350,840		\$2,081,091		\$503,381	\$276,085	\$842,785	\$647,498
Mar-26	\$4,204,160		\$1,970,668		\$496,427	\$272,450	\$815,081	\$649,533
Apr-26	\$3,687,259		\$1,508,350		\$495,421	\$261,605	\$749,674	\$672,210
May-26	\$3,040,284		\$1,228,337		\$438,608	\$238,004	\$632,369	\$502,968
Jun-26	\$2,439,970		\$849,236		\$383,320	\$228,491	\$557,353	\$421,569
<b>Subtotal</b>	<b>\$37,957,863</b>		\$16,311,063		\$5,081,713	\$2,948,824	\$7,685,399	\$5,930,863
<b>Surcharge</b>								
Total	<b>\$37,957,863</b>		\$16,311,063		\$5,081,713	\$2,948,824	\$7,685,399	\$5,930,863

Forecast Rate Class Customer Count		G3 Large						
		Total	G1 Residential	G2 - All	Commercial	G2 - Small	G2 - Medium	G2 - Large
	Jul-25	23,735	21,503		30	1,145	939	118
	Aug-25	23,936	21,690		30	1,152	947	117
	Sep-25	22,632	20,404		30	1,134	946	118
	Oct-25	23,790	21,558		31	1,138	946	117
	Nov-25	23,694	21,474		28	1,136	940	116
	Dec-25	23,391	21,178		30	1,129	940	114
	Jan-26	23,752	21,508		30	1,147	950	117
	Feb-26	23,158	20,947		31	1,120	949	111
	Mar-26	23,636	21,443		29	1,124	927	113
	Apr-26	23,117	20,894		29	1,137	937	120
	May-26	23,218	21,012		28	1,118	943	117
	Jun-26	23,663	21,446		28	1,127	943	119
Total Average Forecast Customers		23,477	21,255		30	1,134	942	116

**Customer Information****Weighting Factors for:**

	Total	G1 Residential	G2 - All	G3 Large Commercial	G2 - Small	G2 - Medium	G2 - Large
Customers Meters & Services		\$ 414.00		\$ 10,473.00	\$ 313.00	\$ 1,709.00	\$ 6,935.00
Customer Billing and Collection		1.00		27.00	1.25	3.00	6.00
Customer Billing and Collection w/o G3		1.00			1.25	3.00	6.00

**Weighted Number of Customers**

Customers Meters & Services	11,881,010	8,799,486	-	308,954	354,916	1,610,305	807,350
Customer Billing and Collection	26,994	21,255	-	797	1,417	2,827	699
Customer Billing and Collection w/o G3	26,197	21,255	-	-	1,417	2,827	699

**Test Date Forecast Rate Class Sales therm**

	Total	G1 Residential	G2 - All	G3 Large Commercial	G2 - Small	G2 - Medium	G2 - Large
Jul-25	1,295,010	329,344		311,858	39,430	305,711	308,667
Aug-25	1,202,729	297,815		299,554	44,035	281,424	279,902
Sep-25	1,183,613	302,266		281,717	37,800	287,018	274,812
Oct-25	1,394,195	383,267		313,156	49,422	353,322	295,027
Nov-25	1,873,214	770,841		344,487	42,632	332,849	382,405
Dec-25	2,856,282	1,300,253		399,645	81,682	561,375	513,328
Jan-26	3,583,858	1,659,415		492,602	93,535	701,266	637,041
Feb-26	3,163,932	1,396,643		449,567	92,845	641,953	582,923
Mar-26	3,103,871	1,366,526		444,411	88,902	619,516	584,516
Apr-26	2,609,800	927,315		443,470	76,982	557,552	604,479
May-26	1,960,064	614,608		391,055	57,905	448,156	448,340
Jun-26	1,552,922	414,232		339,393	47,798	378,755	372,743
<b>Total Sales</b>	<b>25,779,489</b>	<b>9,762,524</b>		<b>4,510,914</b>	<b>752,970</b>	<b>5,468,897</b>	<b>5,284,184</b>

## Calculation of AE Allocation Method

		G3 Large				
	Total	G1 Residential	Commercial	G2 Small	G2 Medium	G2 Large
Annual Sales, Therms	25,779,489	9,762,524	4,510,914	752,970	5,468,897	5,284,184
Jul-25	1,741	443	419	53	411	415
Aug-25	1,790	443	446	66	419	417
Sep-25	1,591	406	379	51	386	369
Oct-25	1,936	532	435	69	491	410
Nov-25	2,518	1,036	463	57	447	514
Dec-25	3,967	1,806	555	113	780	713
Jan-26	4,817	2,230	662	126	943	856
Feb-26	4,253	1,877	604	125	863	783
Mar-26	4,311	1,898	617	123	860	812
Apr-26	3,508	1,246	596	103	749	812
May-26	2,722	854	543	80	622	623
Jun-26	2,087	557	456	64	509	501
Min therm/hr	1,591	406	379	51	386	369
Max therm/hr	4,817	2230	662	126	943	856
Share of max therms	100%	46%	14%	3%	20%	18%
Min Therms	13,936,088	3,558,936	3,316,990	445,070	3,379,404	3,235,688
	100%	26%	24%	3%	24%	23%
Excess therms	11,843,401	6,203,589	1,193,924	307,900	2,089,494	2,048,495
	100%	52%	10%	3%	18%	17%
Average Use	2,937	1,111	515	86	623	602
Excess Use	4,817	2,230	662	126	943	856
Average + Excess	7,754	3,341	1,177	212	1,566	1,458
		43%	15%	3%	20%	19%
Customer or Minimum Therms	54%	36%	74%	59%	62%	61%
Demand	46%	64%	26%	41%	38%	39%
Tier 1		6,672,656	68%	36%		
Tier 2		3,089,869				
Tier 1 Demand Costs		54.4%				