



4003 Pinehurst Meadow
Magnolia, TX 77355 USA
epcor.com

July 3, 2024

Mr. Don Doering, City Administrator
City of Magnolia
18111 Buddy Riley Blvd.
Magnolia, Texas 77354-5864

Mr. Doering:

Enclosed for filing in accordance with the provisions of Section 104.301 of the Texas Utilities Code (“Section 104.301”) please find tariffs for gas services provided to General Service customers served by EPCOR Gas Texas Inc. (“EPCOR” or “Company”). These tariffs will be effective on September 3, 2024 and are attached within the enclosed package in the section designated “IRA Application” following IRA-3. The section includes a clean and red-line copy of each tariff. Under Section 104.301, as amended, and the effective portions of 16 Tex. Admin. Code §7.7101, the City of Magnolia (“City”) is provided the opportunity to review the filing and either (i) take final action before September 3, 2024 or (ii) suspend the effective date of these Tariffs for forty-five (45) days after September 3, 2024 (October 18, 2024).

These tariffs establish an interim rate adjustment to EPCOR’s currently effective basic service charges which affects the monthly customer charge for the Company’s General Service tariffs for its Incorporated and Environs customers to recover the incremental cost of new investment in facilities used to provide safe and reliable service to our customers. These tariffs apply to services on EPCOR’s system within the City of Magnolia’s original jurisdiction and will only be in effect until the rates resulting from EPCOR’s next rate case become effective. All amounts collected under the adjustment in these tariffs are subject to a refund, with interest, based upon the findings in the next EPCOR rate case.

In this interim rate tariff filing, EPCOR is implementing an interim rate adjustment based on the difference between the value of the invested capital for EPCOR’s system as of December 31, 2023 and the value of the invested capital for EPCOR’s system as of December 31, 2022. Although the last approved investment as of June 30, 2020 in Docket No. GUD No. 10988 of which the City of Magnolia was a party in the proceeding, EPCOR has sought and the Railroad Commission of Texas (“Commission”) has approved the suspension of the GRIP mechanism for investments made in 2021 and 2022. This interim rate adjustment is calculated using factors reflected in the Final Order in Docket No. GUD No. 10988, as required by Section 104.301 of the Texas Utilities Code and the Commission’s rule on Interim Rate Adjustments, 16 T.A.C. §7.7101. The depreciation expense in this filing was calculated for each gas plant account utilizing the approved depreciation rate for that specific account as approved in the Final Order in Docket No. GUD No. 10988. Source documentation supporting the new investment is available for review upon request. If you wish to schedule an opportunity to review any hard copy project files related to the new investments, please contact me.

Also enclosed for filing are the following additional materials:

- (a) The City of Magnolia’s Interim Rate Adjustment Application (“IRA Application” Section) and the Annual Earnings Monitoring Report (“EMR Report” Section).
- (b) The Project Report describing the investment projects used by the Company in providing utility service which were both completed and placed in service from January 2023 through December 2023 as well as the investments retired or abandoned from January 2023 through December 2023 (“Project Report” Section). The Project Report also states the cost, need, and

customers benefited by the change in investment. The Project Report also includes the FERC Account and amount.

- (c) The affidavits of Angelia Johns, and Shannon Reed are attached. Ms. John's affidavit verifies that the Company's books and records are kept in accordance with the rules of the Railroad Commission of Texas and that the schedules enclosed are summaries of EPCOR's books and records related to investment for EPCOR's system ("Affidavits" Section). Ms. Reed's affidavit attests to the method and date on which notice will be given to all affected EPCOR customers.

EPCOR will provide notice of this proceeding to affected customers by hand delivery or direct mail within 45 days after filing in accordance with Section 104.301. EPCOR respectfully requests that the City of Magnolia not suspend consideration of this filing. Instead, we urge the City of Magnolia to expedite review of the filing and attempt to take final action by September 3, 2024 to approve the Interim Rate Adjustment Application.

A comparable filing package for EPCOR Gas Texas Inc.'s Environs customers including the above-mentioned tariffs, and enclosures has also been electronically filed in the Railroad Commission of Texas Case Administration Service Electronic System (CASES) Portal under Case No. 00017797. A copy of this letter with all City of Magnolia filings and enclosures is being provided to the Commission staff members indicated below.

Respectfully Submitted,



Sheryl L. Hubbard

cc (with enclosures):

Ms. Kari French, Railroad Commission of Texas

Ms. Natalie Dubiel, Railroad Commission of Texas

Mr. Mark Evarts, Railroad Commission of Texas

Ms. Sarah Montoya-Fogelsong, Railroad Commission of Texas

Ms. Ann Coffin, Coffin Renner LLP



Interim Rate Adjustment Application

of

EPCOR Gas Texas Inc.

to the

Railroad Commission of Texas

for the

12 Month Period Ending December 31, 2023

This is an original submission.

Date of Submission: July 3, 2024

EPCOR Gas Texas Inc.
Interim Rate Adjustment Application
12 Month Period Ending December 31, 2023
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EPCOR Gas Texas Inc.
Interim Rate Adjustment Application
12 Month Period Ending December 31, 2023
General Information

1. Provide the exact name of the utility.

EPCOR Gas Texas Inc.

2. Provide the date when the utility was originally organized.

May 15, 1996

3. Describe any change in the utility name. Include the effective date of the change and state in which the change took effect.

Originally organized as Hughes Natural Gas, Inc. which was sold in June 2017 and name changed to EPCOR Gas Texas Inc. in the state of Texas.

4. Provide the name, title, phone number, email address, and office address for the Company representative to whom correspondence should be addressed concerning this report.

Name: David Billinger
Title: Director, Gas Operations
Address: 4003 Pinehurst Meadow
Magnolia, TX 77355

Phone: (281) 766-1265
Email: dbillinger@epcor.com

5. Provide the name, title, phone number, email address, and office address of any other individual designated by the utility to answer questions regarding this report (optional).

Name: Sheryl L. Hubbard
Title: Director, Rates
Address: 2355 W Pinnacle Peak Road, Suite 300
Phoenix, AZ 85027

Phone: (623) 445-2419
Email: shubbard@epcor.com

6. Provide the address for the office where the Company's records are kept.

4003 Pinehurst Meadow, Magnolia, TX 77355

7. This rate adjustment will impact the:

Initial Block Rate
 Monthly Customer Charge

8. How many months are included in the filing period?

12

9. In what year does the test period end?

2023

EPCOR Gas Texas Inc.
Interim Rate Adjustment Application
12 Month Period Ending December 31, 2023
General Information

10. What is the test period ending date for the prior filing? MM/DD/YYYY (Either a rate case or IRA)
 Month (MM) 12
 Day (DD) 31
 Year (YYYY) 2022

11. What is the submission date for this filing?
 July 3, 2024

12. Is this an original or a revised submission? (Enter either 'an original' or 'a revised' below.)
 an original

13. In what Gas Utilities Docket were current rates set? Provide the docket number only.
 10988

14. Enter the docket number for the most recent rate case in which rates were set in this service area.
 10988

15. What is the cost of gas per MCF used in calculating average bills for IRA-4?
 \$ 6.7854 June 2024 (Includes CRRC)

16. What Federal Income Tax rate was approved in the most recent rate case for this service area?
 21%

17. What is the ad valorem tax rate based on the most recent rate case?
 0.0000%

Ad Valorem and Revenue Related Taxes are surcharged each year according to approved Tariff.

18. Complete the following weighted average cost of capital table using factors set in the most recent rate case for this service area:

	Capital Structure	Cost	Weighted Cost
Common Equity	59.00%	9.45%	5.5755%
Debt	41.00%	4.87%	1.9967%
Total	100.00%	14.32%	7.5722%

19. If this is a revised application, identify each schedule number, line number, and column designation where revised input data appears.
 N/A

20. EPCOR Gas Texas Inc.'s base rates were established in Docket No. GUD-10988.

EPCOR Gas Texas Inc.
Interim Rate Adjustment Application
12 Month Period Ending December 31, 2023
Notice

1. Attach the Company's proposed Notice.

Attached are sample copies of the Notices that will be sent to Environs Customers and Incorporated Customers on the following rate schedules:

RATE SCHEDULE R1-INC
RATE SCHEDULE R2-INC
RATE SCHEDULE C-INC
RATE SCHEDULE PA-INC

RATE SCHEDULE R1-ENV
RATE SCHEDULE R2-ENV
RATE SCHEDULE C-ENV
RATE SCHEDULE PA-ENV

2. Please also provide an electronic copy of the proposed Notice in Microsoft Word with the filing.

Please see the enclosed flash drive for an electronic copy of the notice for the EPCOR Gas Texas Inc. - Incorporated and Environs areas.

3. Attach an affidavit that Notice has been or will be provided by direct mail or bill insert and include the date notice was or will be provided.

Included in the filing is an Affidavit by Shannon Reed that notice will be provided within 45 days of the filing of this GRIP filing.

4. Completion of notice is required within 45 days from the date of filing: August 18, 2024.

CUSTOMER NOTICE OF INTERIM RATE ADJUSTMENT

Pursuant to Texas Utilities Code Section 104.301, EPCOR Gas Texas Inc. (the “Company”), filed an application for an Interim Rate Adjustment with the City of Magnolia on July 3, 2024. This proposed Interim Rate Adjustment applies to 2023 and provides for the recovery of additional capital investment incurred from January 1, 2023 through December 31, 2023. The request is for capital investment not included in any previous rate case or rates for service and is subject to refund.

The Company proposes to increase the customer charge used to calculate the customer’s monthly bill by the amount listed below. The proposed Interim Rate Adjustment effective date is September 3, 2024.

TABLE 1

Rate Schedule	Meter Size	Current CHARGE CUSTOMER	Proposed 2023 Interim Rate Adjustment	Adjusted Charge	Increase Per Bill
Residential (R1-INC)	250 Meters	\$ 24.45	\$ 2.63	\$ 27.08	\$ 2.63
Residential (R1-INC)	>250 Meters	\$ 29.50	\$ 2.63	\$ 32.13	\$ 2.63
Residential Secondary (R2-INC)	250 Meters	\$ 12.23	\$ 2.63	\$ 14.86	\$ 2.63
Commercial (C-INC)	250 Meters	\$ 40.00	\$ 2.63	\$ 42.63	\$ 2.63
Commercial (C-INC)	>250 Meters	\$ 55.00	\$ 2.63	\$ 57.63	\$ 2.63
Public Authority (PA-INC)	250 Meters	\$ 40.00	\$ 2.63	\$ 42.63	\$ 2.63
Public Authority (PA-INC)	>250 Meters	\$ 55.00	\$ 2.63	\$ 57.63	\$ 2.63

Persons with questions or who want more information about this filing may contact the Company at 1-281-766-1290. A copy of the filing will be available for inspection during normal business hours at the Company’s office at 4003 Pinehurst Meadow, Magnolia, TX 77355 or on the Company’s website at www.epcor.com/about/news-announcements/notices/Pages/grip-interim-rate-adjustment.aspx.

Any affected person within the environs may file written comments or a protest concerning this proposed Interim Rate Adjustment with Gas Services, Market Oversight Section, Railroad Commission of Texas, P.O. Box 12967, Austin, Texas 78711-2967. Any affected person within an incorporated area may contact his or her city council. Please reference EPCOR Gas Texas Inc. Interim Rate Adjustment Application in your written comment or protest.



CUSTOMER NOTICE OF INTERIM RATE ADJUSTMENT

Pursuant to Texas Utilities Code Section 104.301, EPCOR Gas Texas Inc. (the “Company”), filed an application for an Interim Rate Adjustment with the Railroad Commission of Texas on July 3, 2024. This proposed Interim Rate Adjustment applies to 2023 and provides for the recovery of additional capital investment incurred from January 1, 2023 through December 31, 2023. The request is for capital investment not included in any previous rate case or rates for service and is subject to refund.

The Company proposes to increase the customer charge used to calculate the customer’s monthly bill by the amount listed below. The proposed Interim Rate Adjustment effective date is September 3, 2024.

TABLE 1

Rate Schedule	Meter Size	Current CHARGE CUSTOMER	Proposed 2023 Interim Rate Adjustment	Adjusted Charge	Increase Per Bill
Residential (R1-ENV)	250 Meters	\$ 24.45	\$ 2.63	\$ 27.08	\$ 2.63
Residential (R1-ENV)	>250 Meters	\$ 29.50	\$ 2.63	\$ 32.13	\$ 2.63
Residential Secondary (R2-ENV)	250 Meters	\$ 12.23	\$ 2.63	\$ 14.86	\$ 2.63
Commercial (C-ENV)	250 Meters	\$ 40.00	\$ 2.63	\$ 42.63	\$ 2.63
Commercial (C-ENV)	>250 Meters	\$ 55.00	\$ 2.63	\$ 57.63	\$ 2.63
Public Authority (PA-ENV)	250 Meters	\$ 40.00	\$ 2.63	\$ 42.63	\$ 2.63
Public Authority (PA-ENV)	>250 Meters	\$ 55.00	\$ 2.63	\$ 57.63	\$ 2.63

Persons with questions or who want more information about this filing may contact the Company at 1-281-766-1290. A copy of the filing will be available for inspection during normal business hours at the Company’s office at 4003 Pinehurst Meadow, Magnolia, TX 77355 or on the Company’s website at www.epcor.com/about/news-announcements/notices/Pages/grip-interim-rate-adjustment.aspx.

Any affected person within the environs may file written comments or a protest concerning this proposed Interim Rate Adjustment with Gas Services, Market Oversight Section, Railroad Commission of Texas, P.O. Box 12967, Austin, Texas 78711-2967. Any affected person within an incorporated area may contact his or her city council. Please reference EPCOR Gas Texas Inc. Interim Rate Adjustment Application in your written comment or protest.



RAILROAD COMMISSION OF TEXAS

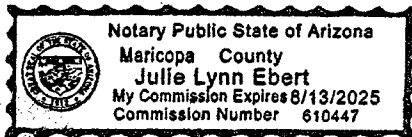
EPCOR GAS TEXAS INC.
INTERIM RATE ADJUSTMENT FOR THE
COMPANY'S DISTRIBUTION SYSTEM

§
§
§

CASE NO. 00017797

to me that he has read the foregoing affidavit and that the statements therein are true and correct.

Given under my hand and seal of office this 2 day of July, 2024.



Julie Lynn Ebert

Notary Public, State of Arizona

EPCOR Gas Texas Inc.
Interim Rate Adjustment Application
12 Month Period Ending December 31, 2023
Rate Schedules

1. Attach the Company's proposed rate schedules.

Please see attached proposed rate schedules:

RATE SCHEDULE R1-INC
RATE SCHEDULE R2-INC
RATE SCHEDULE C-INC
RATE SCHEDULE PA-INC

RATE SCHEDULE R1-ENV
RATE SCHEDULE R2-ENV
RATE SCHEDULE C-ENV
RATE SCHEDULE PA-ENV

2. Please also provide clean and redlined electronic copies of the proposed rate schedules in Microsoft Word with the

Please see the enclosed flash drive containing the following files:

General R1-INC (Clean).docx
General R2-INC (Clean).docx
General C-INC (Clean).docx
General PA-INC (Clean).docx
General R1-INC (Redline).docx
General R2-INC (Redline).docx
General C-INC (Redline).docx
General PA-INC (Redline).docx

General R1-ENV (Clean).docx
General R2-ENV (Clean).docx
General C-ENV (Clean).docx
General PA-ENV (Clean).docx
General R1-ENV (Redline).docx
General R2-ENV (Redline).docx
General C-ENV (Redline).docx
General PA-ENV (Redline).docx

3. Proposed Implementation Date (60 days from the date of filing): September 3, 2024

**RESIDENTIAL INCORPORATED
SERVICE RATE**

APPLICABILITY

Applicable to a residential customer or builder in a single dwelling, or in a dwelling unit of a multiple dwelling or residential apartment, for domestic purposes. A residential consumer includes an individually-metered residential unit or dwelling that is operated by a public housing agency acting as an administrator of public housing programs under the direction of the U.S. Department of Housing and Urban Development and builders prior to sale or re-sale of a property for domestic purposes. This rate is only available to full requirements customers of EPCOR Gas Texas Inc. (“EPCOR”).

TERRITORY

Applies only to areas served by EPCOR in the incorporated City of Magnolia.

COST OF SERVICE RATE

During each monthly billing period:

For Residential Primary Meters

250 Meters (capacity up to 250 cubic feet per hour):

Monthly Customer Charge applies, per meter, per month	\$24.45, plus
2024 Interim Rate Adjustment, applies per meter, per month	\$ 2.63, plus
Volumetric Fee	\$1.1415 per Ccf

For Residential Primary Meters

>250 Meters (capacity greater than 250 cubic feet per hour):

Monthly Customer Charge, applies per meter, per month	\$29.50, plus
2024 Interim Rate Adjustment, applies per meter, per month	\$ 2.63, plus
Volumetric Fee	\$1.1415 per Ccf

CUSTOMER BILLS

EPCOR’s bills are rendered monthly to customers. Each bill shall include the following:

- Monthly Customer Charge,
- Volumetric Fee, as adjusted by the Weather Normalization Factor, if applicable,
- Cost of Gas,
- Tax Adjustment, if applicable,
- City Franchise Tax, if applicable,
- Rate Case Expense Surcharge, if applicable
- Miscellaneous Service fees, if applicable,
- Deposit fees or credits, if applicable,
- Line Extension charges, if applicable,
- Pipeline Safety and Regulatory Program Surcharge, once annually.

The Monthly Customer Charge is the minimum amount included on a customer bill.

Supersedes Rate Schedule Dated

**RESIDENTIAL INCORPORATED
SERVICE RATE
(Continued)**

EPCOR bills the Volumetric Fee in hundreds of cubic feet (Ccf). The due date for remittance of a payment to EPCOR shall be not less than 15 days after the date the bill is issued, in accordance with 16 TEX. ADMIN. CODE Section 7.45(4)(A).

EPCOR late payment fee applicable to bill payments received after the due date is zero (\$0.00).

Tax Adjustment. Any applicable Taxes including ad Valorem Taxes and State Franchise Taxes affecting the Cost of Service shall be reflected as separate line items specifically identifying the tax on Customer invoices, and shall be reported to the Commission. The tax adjustment shall be an amount equivalent to the proportionate part of an existing tax or new tax or any governmental imposition, rental fee, or charge levied, assessed or imposed subsequent to the effective date of this tariff.

Formula. The tax adjustment is calculated in accordance with the following formula:

Tax Amount
Divided by
Volume (Ccf) billed that month
Equals
Tax adjustment, applied per Ccf.

In this formula, the Volume (Ccf) billed refers to the volume of gas sold during the usage month that the adjustment is included on customer bills.

Reconciliation. Within 45 days after applying a tax adjustment and collecting the adjustment, the Company shall provide the Commission a reconciliation detailing the calculation of the adjustment and reconciling the amounts collected. If the reconciliation reflects either an over-recovery or an under-recovery of revenues of more than \$0.50 per customer, such amount shall be carried forward and applied in the next billing cycle. If the over-recovery or an under-recovery of revenues is less than \$0.50 per customer, the Company shall carry-forward the amount until the next application of the tax adjustment.

City Franchise Fee. The City Franchise Tax consists of a 5% surcharge applied to the Cost of Gas and the Volumetric Fee of each bill. In accordance with the Franchise Agreement between EPCOR (formerly Hughes) and the City of Magnolia, all City Franchise taxes collected over the course of a calendar year shall be paid to the City of Magnolia no later than the following April 1st.

Formula. The Franchise Tax Fee is calculated in accordance with the following formula:

Cost of Gas plus the Volumetric Fee
Multiplied by 5%
Equals
City Franchise Fee.

Reconciliation. EPCOR (formerly Hughes) shall provide a reconciliation detailing the fees collected during the previous year along with the payment of fees collected no later than April 1st of each calendar year.

OTHER ADJUSTMENTS

Supersedes Rate Schedule Dated

Cost of Gas Component: The basic rates for cost of service set forth above shall be increased by the amount of the Cost of Gas Component for the billing month computed in accordance with the provisions of Rate Schedule GAS.

**RESIDENTIAL INCORPORATED
SERVICE RATE
(Continued)**

Weather Normalization Adjustment: The billing shall reflect adjustments in accordance with the provisions of the Weather Normalization Adjustment Clause, Rate Schedule WNA.

Pipeline Safety and Regulatory Program Rider: The billing shall reflect adjustments in accordance with provisions of the Pipeline Safety and Regulatory Program Rider, Rate Schedule PSR.

Rate Case Expense Rider: Adjustments in accordance with provisions of the Rate Case Expense Surcharge Rider, Rate Schedule RCE.

Taxes: Plus applicable taxes and fees in accordance with the provisions of the Rate Schedule Tax.

CONDITIONS

Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority.

**RESIDENTIAL SECONDARY INCORPORATED
SERVICE RATE**

APPLICABILITY

Applicable to a residential customer that has a separate meter installed to handle the purchase of gas for purposes other than standard uses. These include, but are not limited to, hot tubs, pool heaters, emergency generators, and fire pits. The second meter is needed due to the peak consumption rate of these additional items in some instances. This rate is only available to full requirements customers of EPCOR Gas Texas Inc. (“EPCOR”).

TERRITORY

Applies only to areas served by EPCOR in the incorporated City of Magnolia.

COST OF SERVICE RATE

During each monthly billing period:

For Residential Secondary Meters

250 Meters (capacity up to 250 cubic feet per hour):

Monthly Customer Charge applies, per meter, per month	\$12.23, plus
2024 Interim Rate Adjustment, applies per meter, per month	\$ 2.63, plus
Volumetric Fee	\$1.1415 per Ccf

CUSTOMER BILLS

EPCOR’s bills are rendered monthly to customers. Each bill shall include the following:

- Monthly Customer Charge,
- Volumetric Fee, as adjusted by the Weather Normalization Factor, if applicable,
- Cost of Gas,
- Tax Adjustment, if applicable,
- City Franchise Tax, if applicable,
- Rate Case Expense Surcharge, if applicable
- Miscellaneous Service fees, if applicable,
- Deposit fees or credits, if applicable,
- Line Extension charges, if applicable,
- Pipeline Safety and Regulatory Program Surcharge, once annually.

The Monthly Customer Charge is the minimum amount included on a customer bill.

EPCOR bills the Volumetric Fee in hundreds of cubic feet (Ccf). The due date for remittance of a payment to EPCOR shall be not less than 15 days after the date the bill is issued, in accordance with 16 TEX. ADMIN. CODE Section 7.45(4)(A).

EPCOR late payment fee applicable to bill payments received after the due date is zero (\$0.00).

Supersedes Rate Schedule Dated

**RESIDENTIAL SECONDARY INCORPORATED
SERVICE RATE
(Continued)**

Tax Adjustment. Any applicable Taxes including ad Valorem Taxes and State Franchise Taxes affecting the Cost of Service shall be reflected as separate line items specifically identifying the tax on Customer invoices, and shall be reported to the Commission. The tax adjustment shall be an amount equivalent to the proportionate part of an existing tax or new tax or any governmental imposition, rental fee, or charge levied, assessed or imposed subsequent to the effective date of this tariff.

Formula. The tax adjustment is calculated in accordance with the following formula:

Tax Amount
Divided by
Volume (Ccf) billed that month
Equals
Tax adjustment, applied per Ccf.

In this formula, the Volume (Ccf) billed refers to the volume of gas sold during the usage month that the adjustment is included on customer bills.

Reconciliation. Within 45 days after applying a tax adjustment and collecting the adjustment, the Company shall provide the Commission a reconciliation detailing the calculation of the adjustment and reconciling the amounts collected. If the reconciliation reflects either an over-recovery or an under-recovery of revenues of more than \$0.50 per customer, such amount shall be carried forward and applied in the next billing cycle. If the over-recovery or an under-recovery of revenues is less than \$0.50 per customer, the Company shall carry-forward the amount until the next application of the tax adjustment.

City Franchise Fee. The City Franchise Tax consists of a 5% surcharge applied to the Cost of Gas and the Volumetric Fee of each bill. In accordance with the Franchise Agreement between EPCOR (formerly Hughes) and the City of Magnolia, all City Franchise taxes collected over the course of a calendar year shall be paid to the City of Magnolia no later than the following April 1st.

Formula. The Franchise Tax Fee is calculated in accordance with the following formula:

Cost of Gas plus the Volumetric Fee
Multiplied by 5%
Equals
City Franchise Fee.

Reconciliation. EPCOR (formerly Hughes) shall provide a reconciliation detailing the fees collected during the previous year along with the payment of fees collected no later than April 1st of each calendar year.

OTHER ADJUSTMENTS

Cost of Gas Component: The basic rates for cost of service set forth above shall be increased by the amount of the Cost of Gas Component for the billing month computed in accordance with the provisions of Rate Schedule GAS.

Weather Normalization Adjustment: The billing shall reflect adjustments in accordance with the provisions of the Weather Normalization Adjustment Clause, Rate Schedule WNA.

Pipeline Safety and Regulatory Program Rider: The billing shall reflect adjustments in accordance with provisions of the Pipeline Safety and Regulatory Program Rider, Rate Schedule PSR.

Supersedes Rate Schedule Dated

**RESIDENTIAL SECONDARY INCORPORATED
SERVICE RATE
(Continued)**

Rate Case Expense Rider: Adjustments in accordance with provisions of the Rate Case Expense Surcharge Rider, Rate Schedule RCE.

Taxes: Plus applicable taxes and fees in accordance with the provisions of the Rate Schedule Tax.

CONDITIONS

Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority.

**COMMERCIAL INCORPORATED
SERVICE RATE**

APPLICABILITY

Applicable to all commercial customers and to customers not otherwise specifically provided for under any other rate schedule. This rate is only available to full requirements customers of EPCOR Gas Texas Inc. (“EPCOR”).

TERRITORY

Applies only to areas served by EPCOR in the incorporated City of Magnolia.

COST OF SERVICE RATE

During each monthly billing period:

For Commercial Meters

250 Meters (capacity up to 250 cubic feet per hour):

Monthly Customer Charge applies, per meter, per month	\$40.00, plus
2024 Interim Rate Adjustment, applies per meter, per month	\$ 2.63, plus
Volumetric Fee	\$1.1415 per Ccf

For Commercial Meters

>250 Meters (capacity greater than 250 cubic feet per hour):

Monthly Customer Charge applies, per meter, per month	\$55.00, plus
2024 Interim Rate Adjustment, applies per meter, per month	\$ 2.63, plus
Volumetric Fee	\$1.1415 per Ccf

CUSTOMER BILLS

EPCOR’s bills are rendered monthly to customers. Each bill shall include the following:

- Monthly Customer Charge,
- Volumetric Fee, as adjusted by the Weather Normalization Factor, if applicable,
- Cost of Gas,
- Tax Adjustment, if applicable,
- City Franchise Tax, if applicable,
- Rate Case Expense Surcharge, if applicable
- Miscellaneous Service fees, if applicable,
- Deposit fees or credits, if applicable,
- Line Extension charges, if applicable,
- Pipeline Safety and Regulatory Program Surcharge, once annually.

The Monthly Customer Charge is the minimum amount included on a customer bill.

EPCOR bills the Volumetric Fee in hundreds of cubic feet (Ccf). The due date for remittance of a payment to EPCOR shall be not less than 15 days after the date the bill is issued, in accordance with 16 TEX. ADMIN. CODE Section 7.45(4)(A).

EPCOR late payment fee applicable to bill payments received after the due date is zero (\$0.00).

**COMMERCIAL INCORPORATED
SERVICE RATE
(Continued)**

Tax Adjustment. Any applicable Taxes including ad Valorem Taxes and State Franchise Taxes affecting the Cost of Service shall be reflected as separate line items specifically identifying the tax on Customer invoices, and shall be reported to the Commission. The tax adjustment shall be an amount equivalent to the proportionate part of an existing tax or new tax or any governmental imposition, rental fee, or charge levied, assessed or imposed subsequent to the effective date of this tariff.

Formula. The tax adjustment is calculated in accordance with the following formula:

Tax Amount
Divided by
Volume (Ccf) billed that month
Equals
Tax adjustment, applied per Ccf.

In this formula, the Volume (Ccf) billed refers to the volume of gas sold during the usage month that the adjustment is included on customer bills.

Reconciliation. Within 45 days after applying a tax adjustment and collecting the adjustment, the Company shall provide the Commission a reconciliation detailing the calculation of the adjustment and reconciling the amounts collected. If the reconciliation reflects either an over-recovery or an under-recovery of revenues of more than \$0.50 per customer, such amount shall be carried forward and applied in the next billing cycle. If the over-recovery or an under-recovery of revenues is less than \$0.50 per customer, the Company shall carry-forward the amount until the next application of the tax adjustment.

City Franchise Fee. The City Franchise Tax consists of a 5% surcharge applied to the Cost of Gas and the Volumetric Fee of each bill. In accordance with the Franchise Agreement between EPCOR (formerly Hughes) and the City of Magnolia, all City Franchise taxes collected over the course of a calendar year shall be paid to the City of Magnolia no later than the following April 1st.

Formula. The Franchise Tax Fee is calculated in accordance with the following formula:

Cost of Gas plus the Volumetric Fee
Multiplied by 5%
Equals
City Franchise Fee.

Reconciliation. EPCOR (formerly Hughes) shall provide a reconciliation detailing the fees collected during the previous year along with the payment of fees collected no later than April 1st of each calendar year.

OTHER ADJUSTMENTS

Cost of Gas Component: The basic rates for cost of service set forth above shall be increased by the amount of the Cost of Gas Component for the billing month computed in accordance with the provisions of Rate Schedule GAS.

Weather Normalization Adjustment: The billing shall reflect adjustments in accordance with the provisions of the Weather Normalization Adjustment Clause, Rate Schedule WNA.

Supersedes Rate Schedule Dated

**COMMERCIAL INCORPORATED
SERVICE RATE
(Continued)**

Pipeline Safety and Regulatory Program Rider: The billing shall reflect adjustments in accordance with provisions of the Pipeline Safety and Regulatory Program Rider, Rate Schedule PSR.

Rate Case Expense Rider: Adjustments in accordance with provisions of the Rate Case Expense Surcharge Rider, Rate Schedule RCE.

Taxes: Plus applicable taxes and fees in accordance with the provisions of the Rate Schedule Tax.

CONDITIONS

Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority.

**PUBLIC AUTHORITY INCORPORATED
SERVICE RATE**

APPLICABILITY

Applicable to any qualifying public authority, public and parochial schools and colleges, and to all facilities operated by Governmental agencies not specifically provided for in other rate schedules or special contracts. This rate is only available to full requirements customers of EPCOR Gas Texas Inc. (“EPCOR”).

TERRITORY

Applies only to areas served by EPCOR in the incorporated City of Magnolia.

COST OF SERVICE RATE

During each monthly billing period:

For Public Authority Meters

250 Meters (capacity up to 250 cubic feet per hour):

Monthly Customer Charge, applies per meter, per month	\$40.00, plus
2024 Interim Rate Adjustment, applies per meter, per month	\$ 2.63, plus
Volumetric Fee	\$1.1415 per Ccf

For Public Authority Meters

>250 Meters (capacity greater than 250 cubic feet per hour):

Monthly Customer Charge applies, per meter, per month	\$55.00, plus
2024 Interim Rate Adjustment, applies per meter, per month	\$ 2.63, plus
Volumetric Fee	\$1.1415 per Ccf

CUSTOMER BILLS

EPCOR’s bills are rendered monthly to customers. Each bill shall include the following:

- Monthly Customer Charge,
- Volumetric Fee, as adjusted by the Weather Normalization Factor, if applicable,
- Cost of Gas,
- Tax Adjustment, if applicable,
- City Franchise Tax, if applicable,
- Rate Case Expense Surcharge, if applicable,
- Miscellaneous Service fees, if applicable,
- Deposit fees or credits, if applicable,
- Line Extension charges, if applicable,
- Pipeline Safety and Regulatory Program Surcharge, once annually.

The Monthly Customer Charge is the minimum amount included on a customer bill.

EPCOR bills the Volumetric Fee in hundreds of cubic feet (Ccf). The due date for remittance of a payment to EPCOR shall be not less than 15 days after the date the bill is issued, in accordance with 16 TEX. ADMIN. CODE Section 7.45(4)(A).

EPCOR late payment fee applicable to bill payments received after the due date is zero (\$0.00).

Supersedes Rate Schedule Dated

**PUBLIC AUTHORITY INCORPORATED
SERVICE RATE
(Continued)**

Tax Adjustment. Any applicable Taxes including ad Valorem Taxes and State Franchise Taxes affecting the Cost of Service shall be reflected as separate line items specifically identifying the tax on Customer invoices, and shall be reported to the Commission. The tax adjustment shall be an amount equivalent to the proportionate part of an existing tax or new tax or any governmental imposition, rental fee, or charge levied, assessed or imposed subsequent to the effective date of this tariff.

Formula. The tax adjustment is calculated in accordance with the following formula:

Tax Amount
Divided by
Volume (Ccf) billed that month
Equals
Tax adjustment, applied per Ccf.

In this formula, the Volume (Ccf) billed refers to the volume of gas sold during the usage month that the adjustment is included on customer bills.

Reconciliation. Within 45 days after applying a tax adjustment and collecting the adjustment, the Company shall provide the Commission a reconciliation detailing the calculation of the adjustment and reconciling the amounts collected. If the reconciliation reflects either an over-recovery or an under-recovery of revenues of more than \$0.50 per customer, such amount shall be carried forward and applied in the next billing cycle. If the over-recovery or an under-recovery of revenues is less than \$0.50 per customer, the Company shall carry-forward the amount until the next application of the tax adjustment.

City Franchise Fee. The City Franchise Tax consists of a 5% surcharge applied to the Cost of Gas and the Volumetric Fee of each bill. In accordance with the Franchise Agreement between EPCOR (formerly Hughes) and the City of Magnolia, all City Franchise taxes collected over the course of a calendar year shall be paid to the City of Magnolia no later than the following April 1st.

Formula. The Franchise Tax Fee is calculated in accordance with the following formula:

Cost of Gas plus the Volumetric Fee
Multiplied by 5%
Equals
City Franchise Fee.

Reconciliation. EPCOR (formerly Hughes) shall provide a reconciliation detailing the fees collected during the previous year along with the payment of fees collected no later than April 1st of each calendar year.

OTHER ADJUSTMENTS

Cost of Gas Component: The basic rates for cost of service set forth above shall be increased by the amount of the Cost of Gas Component for the billing month computed in accordance with the provisions of Rate Schedule GAS.

Weather Normalization Adjustment: The billing shall reflect adjustments in accordance with the provisions of the Weather Normalization Adjustment Clause, Rate Schedule WNA.

Supersedes Rate Schedule Dated

**PUBLIC AUTHORITY INCORPORATED
SERVICE RATE
(Continued)**

Pipeline Safety and Regulatory Program Rider: The billing shall reflect adjustments in accordance with provisions of the Pipeline Safety and Regulatory Program Rider, Rate Schedule PSR.

Rate Case Expense Rider: Adjustments in accordance with provisions of the Rate Case Expense Surcharge Rider, Rate Schedule RCE.

Taxes: Plus, applicable taxes and fees in accordance with the provisions of the Rate Schedule Tax.

CONDITIONS

Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority.

**RESIDENTIAL INCORPORATED
SERVICE RATE**

APPLICABILITY

Applicable to a residential customer or builder in a single dwelling, or in a dwelling unit of a multiple dwelling or residential apartment, for domestic purposes. A residential consumer includes an individually-metered residential unit or dwelling that is operated by a public housing agency acting as an administrator of public housing programs under the direction of the U.S. Department of Housing and Urban Development and builders prior to sale or re-sale of a property for domestic purposes. This rate is only available to full requirements customers of EPCOR Gas Texas Inc. (“EPCOR”).

TERRITORY

Applies only to areas served by EPCOR in the incorporated City of Magnolia.

COST OF SERVICE RATE

During each monthly billing period:

For Residential Primary Meters

250 Meters (capacity up to 250 cubic feet per hour):

Monthly Customer Charge applies, per meter, per month	\$24.45, plus
<u>2024 Interim Rate Adjustment, applies per meter, per month</u>	<u>\$ 2.63, plus</u>
Volumetric Fee	\$1.1415 per Ccf

For Residential Primary Meters

>250 Meters (capacity greater than 250 cubic feet per hour):

Monthly Customer Charge, applies per meter, per month	\$29.50, plus
<u>2024 Interim Rate Adjustment, applies per meter, per month</u>	<u>\$ 2.63, plus</u>
Volumetric Fee	\$1.1415 per Ccf

CUSTOMER BILLS

EPCOR’s bills are rendered monthly to customers. Each bill shall include the following:

- Monthly Customer Charge,
- Volumetric Fee, as adjusted by the Weather Normalization Factor, if applicable,
- Cost of Gas,
- Tax Adjustment, if applicable,
- City Franchise Tax, if applicable,
- Rate Case Expense Surcharge, if applicable
- Miscellaneous Service fees, if applicable,
- Deposit fees or credits, if applicable,
- Line Extension charges, if applicable,
- Pipeline Safety and Regulatory Program Surcharge, once annually.

The Monthly Customer Charge is the minimum amount included on a customer bill.

Supersedes Rate Schedule Dated

**RESIDENTIAL INCORPORATED
SERVICE RATE
(Continued)**

EPCOR bills the Volumetric Fee in hundreds of cubic feet (Ccf). The due date for remittance of a payment to EPCOR shall be not less than 15 days after the date the bill is issued, in accordance with 16 TEX. ADMIN. CODE Section 7.45(4)(A).

EPCOR late payment fee applicable to bill payments received after the due date is zero (\$0.00).

Tax Adjustment. Any applicable Taxes including ad Valorem Taxes and State Franchise Taxes affecting the Cost of Service shall be reflected as separate line items specifically identifying the tax on Customer invoices, and shall be reported to the Commission. The tax adjustment shall be an amount equivalent to the proportionate part of an existing tax or new tax or any governmental imposition, rental fee, or charge levied, assessed or imposed subsequent to the effective date of this tariff.

Formula. The tax adjustment is calculated in accordance with the following formula:

Tax Amount
Divided by
Volume (Ccf) billed that month
Equals
Tax adjustment, applied per Ccf.

In this formula, the Volume (Ccf) billed refers to the volume of gas sold during the usage month that the adjustment is included on customer bills.

Reconciliation. Within 45 days after applying a tax adjustment and collecting the adjustment, the Company shall provide the Commission a reconciliation detailing the calculation of the adjustment and reconciling the amounts collected. If the reconciliation reflects either an over-recovery or an under-recovery of revenues of more than \$0.50 per customer, such amount shall be carried forward and applied in the next billing cycle. If the over-recovery or an under-recovery of revenues is less than \$0.50 per customer, the Company shall carry-forward the amount until the next application of the tax adjustment.

City Franchise Fee. The City Franchise Tax consists of a 5% surcharge applied to the Cost of Gas and the Volumetric Fee of each bill. In accordance with the Franchise Agreement between EPCOR (formerly Hughes) and the City of Magnolia, all City Franchise taxes collected over the course of a calendar year shall be paid to the City of Magnolia no later than the following April 1st.

Formula. The Franchise Tax Fee is calculated in accordance with the following formula:

Cost of Gas plus the Volumetric Fee
Multiplied by 5%
Equals
City Franchise Fee.

Reconciliation. EPCOR (formerly Hughes) shall provide a reconciliation detailing the fees collected during the previous year along with the payment of fees collected no later than April 1st of each calendar year.

OTHER ADJUSTMENTS

Supersedes Rate Schedule Dated

Cost of Gas Component: The basic rates for cost of service set forth above shall be increased by the amount of the Cost of Gas Component for the billing month computed in accordance with the provisions of Rate Schedule GAS.

**RESIDENTIAL INCORPORATED
SERVICE RATE
(Continued)**

Weather Normalization Adjustment: The billing shall reflect adjustments in accordance with the provisions of the Weather Normalization Adjustment Clause, Rate Schedule WNA.

Pipeline Safety and Regulatory Program Rider: The billing shall reflect adjustments in accordance with provisions of the Pipeline Safety and Regulatory Program Rider, Rate Schedule PSR.

Rate Case Expense Rider: Adjustments in accordance with provisions of the Rate Case Expense Surcharge Rider, Rate Schedule RCE.

Taxes: Plus applicable taxes and fees in accordance with the provisions of the Rate Schedule Tax.

CONDITIONS

Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority.

**RESIDENTIAL SECONDARY INCORPORATED
SERVICE RATE**

APPLICABILITY

Applicable to a residential customer that has a separate meter installed to handle the purchase of gas for purposes other than standard uses. These include, but are not limited to, hot tubs, pool heaters, emergency generators, and fire pits. The second meter is needed due to the peak consumption rate of these additional items in some instances. This rate is only available to full requirements customers of EPCOR Gas Texas Inc. (“EPCOR”).

TERRITORY

Applies only to areas served by EPCOR in the incorporated City of Magnolia.

COST OF SERVICE RATE

During each monthly billing period:

For Residential Secondary Meters

250 Meters (capacity up to 250 cubic feet per hour):

Monthly Customer Charge applies, per meter, per month	\$12.23, plus
<u>2024 Interim Rate Adjustment, applies per meter, per month</u>	<u>\$ 2.63, plus</u>
Volumetric Fee	\$1.1415 per Ccf

CUSTOMER BILLS

EPCOR’s bills are rendered monthly to customers. Each bill shall include the following:

- Monthly Customer Charge,
- Volumetric Fee, as adjusted by the Weather Normalization Factor, if applicable,
- Cost of Gas,
- Tax Adjustment, if applicable,
- City Franchise Tax, if applicable,
- Rate Case Expense Surcharge, if applicable
- Miscellaneous Service fees, if applicable,
- Deposit fees or credits, if applicable,
- Line Extension charges, if applicable,
- Pipeline Safety and Regulatory Program Surcharge, once annually.

The Monthly Customer Charge is the minimum amount included on a customer bill.

EPCOR bills the Volumetric Fee in hundreds of cubic feet (Ccf). The due date for remittance of a payment to EPCOR shall be not less than 15 days after the date the bill is issued, in accordance with 16 TEX. ADMIN. CODE Section 7.45(4)(A).

EPCOR late payment fee applicable to bill payments received after the due date is zero (\$0.00).

Supersedes Rate Schedule Dated

**RESIDENTIAL SECONDARY INCORPORATED
SERVICE RATE
(Continued)**

Tax Adjustment. Any applicable Taxes including ad Valorem Taxes and State Franchise Taxes affecting the Cost of Service shall be reflected as separate line items specifically identifying the tax on Customer invoices, and shall be reported to the Commission. The tax adjustment shall be an amount equivalent to the proportionate part of an existing tax or new tax or any governmental imposition, rental fee, or charge levied, assessed or imposed subsequent to the effective date of this tariff.

Formula. The tax adjustment is calculated in accordance with the following formula:

Tax Amount
Divided by
Volume (Ccf) billed that month
Equals
Tax adjustment, applied per Ccf.

In this formula, the Volume (Ccf) billed refers to the volume of gas sold during the usage month that the adjustment is included on customer bills.

Reconciliation. Within 45 days after applying a tax adjustment and collecting the adjustment, the Company shall provide the Commission a reconciliation detailing the calculation of the adjustment and reconciling the amounts collected. If the reconciliation reflects either an over-recovery or an under-recovery of revenues of more than \$0.50 per customer, such amount shall be carried forward and applied in the next billing cycle. If the over-recovery or an under-recovery of revenues is less than \$0.50 per customer, the Company shall carry-forward the amount until the next application of the tax adjustment.

City Franchise Fee. The City Franchise Tax consists of a 5% surcharge applied to the Cost of Gas and the Volumetric Fee of each bill. In accordance with the Franchise Agreement between EPCOR (formerly Hughes) and the City of Magnolia, all City Franchise taxes collected over the course of a calendar year shall be paid to the City of Magnolia no later than the following April 1st.

Formula. The Franchise Tax Fee is calculated in accordance with the following formula:

Cost of Gas plus the Volumetric Fee
Multiplied by 5%
Equals
City Franchise Fee.

Reconciliation. EPCOR (formerly Hughes) shall provide a reconciliation detailing the fees collected during the previous year along with the payment of fees collected no later than April 1st of each calendar year.

OTHER ADJUSTMENTS

Cost of Gas Component: The basic rates for cost of service set forth above shall be increased by the amount of the Cost of Gas Component for the billing month computed in accordance with the provisions of Rate Schedule GAS.

Weather Normalization Adjustment: The billing shall reflect adjustments in accordance with the provisions of the Weather Normalization Adjustment Clause, Rate Schedule WNA.

Pipeline Safety and Regulatory Program Rider: The billing shall reflect adjustments in accordance with provisions of the Pipeline Safety and Regulatory Program Rider, Rate Schedule PSR.

Supersedes Rate Schedule Dated

**RESIDENTIAL SECONDARY INCORPORATED
SERVICE RATE
(Continued)**

Rate Case Expense Rider: Adjustments in accordance with provisions of the Rate Case Expense Surcharge Rider, Rate Schedule RCE.

Taxes: Plus applicable taxes and fees in accordance with the provisions of the Rate Schedule Tax.

CONDITIONS

Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority.

**COMMERCIAL INCORPORATED
SERVICE RATE**

APPLICABILITY

Applicable to all commercial customers and to customers not otherwise specifically provided for under any other rate schedule. This rate is only available to full requirements customers of EPCOR Gas Texas Inc. ("EPCOR").

TERRITORY

Applies only to areas served by EPCOR in the incorporated City of Magnolia.

COST OF SERVICE RATE

During each monthly billing period:

For Commercial Meters

250 Meters (capacity up to 250 cubic feet per hour):

Monthly Customer Charge applies, per meter, per month	\$40.00, plus
<u>2024 Interim Rate Adjustment, applies per meter, per month</u>	<u>\$ 2.63, plus</u>
Volumetric Fee	\$1.1415 per Ccf

For Commercial Meters

>250 Meters (capacity greater than 250 cubic feet per hour):

Monthly Customer Charge applies, per meter, per month	\$55.00, plus
<u>2024 Interim Rate Adjustment, applies per meter, per month</u>	<u>\$ 2.63, plus</u>
Volumetric Fee	\$1.1415 per Ccf

CUSTOMER BILLS

EPCOR's bills are rendered monthly to customers. Each bill shall include the following:

- Monthly Customer Charge,
- Volumetric Fee, as adjusted by the Weather Normalization Factor, if applicable,
- Cost of Gas,
- Tax Adjustment, if applicable,
- City Franchise Tax, if applicable,
- Rate Case Expense Surcharge, if applicable
- Miscellaneous Service fees, if applicable,
- Deposit fees or credits, if applicable,
- Line Extension charges, if applicable,
- Pipeline Safety and Regulatory Program Surcharge, once annually.

The Monthly Customer Charge is the minimum amount included on a customer bill.

EPCOR bills the Volumetric Fee in hundreds of cubic feet (Ccf). The due date for remittance of a payment to EPCOR shall be not less than 15 days after the date the bill is issued, in accordance with 16 TEX. ADMIN. CODE Section 7.45(4)(A).

EPCOR late payment fee applicable to bill payments received after the due date is zero (\$0.00).

**COMMERCIAL INCORPORATED
SERVICE RATE
(Continued)**

Tax Adjustment. Any applicable Taxes including ad Valorem Taxes and State Franchise Taxes affecting the Cost of Service shall be reflected as separate line items specifically identifying the tax on Customer invoices, and shall be reported to the Commission. The tax adjustment shall be an amount equivalent to the proportionate part of an existing tax or new tax or any governmental imposition, rental fee, or charge levied, assessed or imposed subsequent to the effective date of this tariff.

Formula. The tax adjustment is calculated in accordance with the following formula:

Tax Amount
Divided by
Volume (Ccf) billed that month
Equals
Tax adjustment, applied per Ccf.

In this formula, the Volume (Ccf) billed refers to the volume of gas sold during the usage month that the adjustment is included on customer bills.

Reconciliation. Within 45 days after applying a tax adjustment and collecting the adjustment, the Company shall provide the Commission a reconciliation detailing the calculation of the adjustment and reconciling the amounts collected. If the reconciliation reflects either an over-recovery or an under-recovery of revenues of more than \$0.50 per customer, such amount shall be carried forward and applied in the next billing cycle. If the over-recovery or an under-recovery of revenues is less than \$0.50 per customer, the Company shall carry-forward the amount until the next application of the tax adjustment.

City Franchise Fee. The City Franchise Tax consists of a 5% surcharge applied to the Cost of Gas and the Volumetric Fee of each bill. In accordance with the Franchise Agreement between EPCOR (formerly Hughes) and the City of Magnolia, all City Franchise taxes collected over the course of a calendar year shall be paid to the City of Magnolia no later than the following April 1st.

Formula. The Franchise Tax Fee is calculated in accordance with the following formula:

Cost of Gas plus the Volumetric Fee
Multiplied by 5%
Equals
City Franchise Fee.

Reconciliation. EPCOR (formerly Hughes) shall provide a reconciliation detailing the fees collected during the previous year along with the payment of fees collected no later than April 1st of each calendar year.

OTHER ADJUSTMENTS

Cost of Gas Component: The basic rates for cost of service set forth above shall be increased by the amount of the Cost of Gas Component for the billing month computed in accordance with the provisions of Rate Schedule GAS.

Weather Normalization Adjustment: The billing shall reflect adjustments in accordance with the provisions of the Weather Normalization Adjustment Clause, Rate Schedule WNA.

Supersedes Rate Schedule Dated

**COMMERCIAL INCORPORATED
SERVICE RATE
(Continued)**

Pipeline Safety and Regulatory Program Rider: The billing shall reflect adjustments in accordance with provisions of the Pipeline Safety and Regulatory Program Rider, Rate Schedule PSR.

Rate Case Expense Rider: Adjustments in accordance with provisions of the Rate Case Expense Surcharge Rider, Rate Schedule RCE.

Taxes: Plus applicable taxes and fees in accordance with the provisions of the Rate Schedule Tax.

CONDITIONS

Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority.

**PUBLIC AUTHORITY INCORPORATED
SERVICE RATE**

APPLICABILITY

Applicable to any qualifying public authority, public and parochial schools and colleges, and to all facilities operated by Governmental agencies not specifically provided for in other rate schedules or special contracts. This rate is only available to full requirements customers of EPCOR Gas Texas Inc. (“EPCOR”).

TERRITORY

Applies only to areas served by EPCOR in the incorporated City of Magnolia.

COST OF SERVICE RATE

During each monthly billing period:

For Public Authority Meters

250 Meters (capacity up to 250 cubic feet per hour):

Monthly Customer Charge, applies per meter, per month	\$40.00, plus
<u>2024 Interim Rate Adjustment, applies per meter, per month</u>	<u>\$ 2.63, plus</u>
Volumetric Fee	\$1.1415 per Ccf

For Public Authority Meters

>250 Meters (capacity greater than 250 cubic feet per hour):

Monthly Customer Charge applies, per meter, per month	\$55.00, plus
<u>2024 Interim Rate Adjustment, applies per meter, per month</u>	<u>\$ 2.63, plus</u>
Volumetric Fee	\$1.1415 per Ccf

CUSTOMER BILLS

EPCOR’s bills are rendered monthly to customers. Each bill shall include the following:

- Monthly Customer Charge,
- Volumetric Fee, as adjusted by the Weather Normalization Factor, if applicable,
- Cost of Gas,
- Tax Adjustment, if applicable,
- City Franchise Tax, if applicable,
- Rate Case Expense Surcharge, if applicable,
- Miscellaneous Service fees, if applicable,
- Deposit fees or credits, if applicable,
- Line Extension charges, if applicable,
- Pipeline Safety and Regulatory Program Surcharge, once annually.

The Monthly Customer Charge is the minimum amount included on a customer bill.

EPCOR bills the Volumetric Fee in hundreds of cubic feet (Ccf). The due date for remittance of a payment to EPCOR shall be not less than 15 days after the date the bill is issued, in accordance with 16 TEX. ADMIN. CODE Section 7.45(4)(A).

EPCOR late payment fee applicable to bill payments received after the due date is zero (\$0.00).

Supersedes Rate Schedule Dated

PUBLIC AUTHORITY INCORPORATED
SERVICE RATE
(Continued)

Tax Adjustment. Any applicable Taxes including ad Valorem Taxes and State Franchise Taxes affecting the Cost of Service shall be reflected as separate line items specifically identifying the tax on Customer invoices, and shall be reported to the Commission. The tax adjustment shall be an amount equivalent to the proportionate part of an existing tax or new tax or any governmental imposition, rental fee, or charge levied, assessed or imposed subsequent to the effective date of this tariff.

Formula. The tax adjustment is calculated in accordance with the following formula:

Tax Amount
 Divided by
 Volume (Ccf) billed that month
 Equals
 Tax adjustment, applied per Ccf.

In this formula, the Volume (Ccf) billed refers to the volume of gas sold during the usage month that the adjustment is included on customer bills.

Reconciliation. Within 45 days after applying a tax adjustment and collecting the adjustment, the Company shall provide the Commission a reconciliation detailing the calculation of the adjustment and reconciling the amounts collected. If the reconciliation reflects either an over-recovery or an under-recovery of revenues of more than \$0.50 per customer, such amount shall be carried forward and applied in the next billing cycle. If the over-recovery or an under-recovery of revenues is less than \$0.50 per customer, the Company shall carry-forward the amount until the next application of the tax adjustment.

City Franchise Fee. The City Franchise Tax consists of a 5% surcharge applied to the Cost of Gas and the Volumetric Fee of each bill. In accordance with the Franchise Agreement between EPCOR (formerly Hughes) and the City of Magnolia, all City Franchise taxes collected over the course of a calendar year shall be paid to the City of Magnolia no later than the following April 1st.

Formula. The Franchise Tax Fee is calculated in accordance with the following formula:

Cost of Gas plus the Volumetric Fee
 Multiplied by 5%
 Equals
 City Franchise Fee.

Reconciliation. EPCOR (formerly Hughes) shall provide a reconciliation detailing the fees collected during the previous year along with the payment of fees collected no later than April 1st of each calendar year.

OTHER ADJUSTMENTS

Cost of Gas Component: The basic rates for cost of service set forth above shall be increased by the amount of the Cost of Gas Component for the billing month computed in accordance with the provisions of Rate Schedule GAS.

Weather Normalization Adjustment: The billing shall reflect adjustments in accordance with the provisions of the Weather Normalization Adjustment Clause, Rate Schedule WNA.

Supersedes Rate Schedule Dated

**PUBLIC AUTHORITY INCORPORATED
SERVICE RATE
(Continued)**

Pipeline Safety and Regulatory Program Rider: The billing shall reflect adjustments in accordance with provisions of the Pipeline Safety and Regulatory Program Rider, Rate Schedule PSR.

Rate Case Expense Rider: Adjustments in accordance with provisions of the Rate Case Expense Surcharge Rider, Rate Schedule RCE.

Taxes: Plus, applicable taxes and fees in accordance with the provisions of the Rate Schedule Tax.

CONDITIONS

Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority.

RESIDENTIAL ENVIRONS SERVICE RATE

APPLICABILITY

Applicable to a residential customer or builder in a single dwelling, or in a dwelling unit of a multiple dwelling or residential apartment, for domestic purposes. A residential consumer includes an individually-metered residential unit or dwelling that is operated by a public housing agency acting as an administrator of public housing programs under the direction of the U.S. Department of Housing and Urban Development and builders prior to sale or re-sale of a property for domestic purposes. This rate is only available to full requirements customers of EPCOR Gas Texas Inc. ("EPCOR").

TERRITORY

Environs of the EPCOR's Service Area, includes the unincorporated areas of Alleyton environs, Bellville environs, Chappell Hill environs, Columbus environs, Eagle Lake environs, Hempstead environs, Hockley environs, Magnolia environs, Montgomery environs, Navasota environs, Pinehurst environs, Prairie View environs, Sealy environs, Tomball environs, and Waller environs.

COST OF SERVICE RATE

During each monthly billing period:

For Residential Primary Meters

250 Meters (capacity up to 250 cubic feet per hour):

Monthly Customer Charge, applies per meter, per month	\$24.45 plus
2024 Interim Rate Adjustment, applies per meter, per month	\$ 2.63, plus
Volumetric Fee	\$1.1415 per Ccf

For Residential Primary Meters

>250 Meters (capacity greater than 250 cubic feet per hour):

Monthly Customer Charge, applies per meter, per month	\$29.50, plus
2024 Interim Rate Adjustment, applies per meter, per month	\$ 2.63, plus
Volumetric Fee	\$1.1415 per Ccf

CUSTOMER BILLS

EPCOR's bills are rendered monthly to customers. Each bill shall include the following:

- Monthly Customer Charge,
- Volumetric Fee, as adjusted by the Weather Normalization Factor, if applicable,
- Cost of Gas,
- Tax Adjustment, if applicable,
- Rate Case Expense Surcharge, if applicable
- Miscellaneous Service fees, if applicable,
- Deposit fees or credits, if applicable,
- Line Extension charges, if applicable,
- Pipeline Safety and Regulatory Program Surcharge, once annually.

The Monthly Customer Charge is the minimum amount included on a customer bill.

**RESIDENTIAL ENVIRONS
SERVICE RATE
(Continued)**

EPCOR bills the Volumetric Fee in hundreds of cubic feet (Ccf). The due date for remittance of a payment to EPCOR shall be not less than 15 days after the date the bill is issued, in accordance with 16 TEX. ADMIN. CODE Section 7.45(4)(A).

EPCOR late payment fee applicable to bill payments received after the due date is zero (\$0.00).

Tax Adjustment. Any applicable Taxes including ad Valorem Taxes and State Franchise Taxes affecting the Cost of Service shall be reflected as separate line items specifically identifying the tax on Customer invoices, and shall be reported to the Commission. The tax adjustment shall be an amount equivalent to the proportionate part of an existing tax or new tax or any governmental imposition, rental fee, or charge levied, assessed or imposed subsequent to the effective date of this tariff.

Formula. The tax adjustment is calculated in accordance with the following formula:

$$\begin{array}{l} \text{Tax Amount} \\ \text{Divided by} \\ \text{Volume (Ccf) billed that month} \\ \text{Equals} \\ \text{Tax adjustment, applied per Ccf.} \end{array}$$

In this formula, the Volume (Ccf) billed refers to the volume of gas sold during the usage month that the adjustment is included on customer bills.

Reconciliation. Within 45 days after applying a tax adjustment and collecting the adjustment, the Company shall provide the Commission a reconciliation detailing the calculation of the adjustment and reconciling the amounts collected. If the reconciliation reflects either an over-recovery or an under-recovery of revenues of more than \$0.50 per customer, such amount shall be carried forward and applied in the next billing cycle. If the over-recovery or an under-recovery of revenues is less than \$0.50 per customer, the Company shall carry-forward the amount until the next application of the tax adjustment.

OTHER ADJUSTMENTS

Cost of Gas Component: The basic rates for cost of service set forth above shall be increased by the amount of the Cost of Gas Component for the billing month computed in accordance with the provisions of Rate Schedule GAS.

Weather Normalization Adjustment: The billing shall reflect adjustments in accordance with the provisions of the Weather Normalization Adjustment Clause, Rate Schedule WNA.

Pipeline Safety and Regulatory Program Rider: The billing shall reflect adjustments in accordance with provisions of the Pipeline Safety and Regulatory Program Rider, Rate Schedule PSR.

Rate Case Expense Rider: Adjustments in accordance with provisions of the Rate Case Expense Surcharge Rider, Rate Schedule RCE.

Taxes: Plus applicable taxes and fees in accordance with the provisions of the Rate Schedule Tax.

CONDITIONS

Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority.

**RESIDENTIAL SECONDARY ENVIRONS
SERVICE RATE**

APPLICABILITY

Applicable to a residential customer that has a separate meter installed to handle the purchase of gas for purposes other than standard uses. These include, but are not limited to, hot tubs, pool heaters, emergency generators, and fire pits. The second meter is needed due to the peak consumption rate of these additional items in some instances. This rate is only available to full requirements customers of EPCOR Gas Texas Inc. (“EPCOR”).

TERRITORY

Environs of the EPCOR’s Service Area, includes the unincorporated areas of Alleyton environs, Bellville environs, Chappell Hill environs, Columbus environs, Eagle Lake environs, Hempstead environs, Hockley environs, Magnolia environs, Montgomery environs, Navasota environs, Pinehurst environs, Prairie View environs, Sealy environs, Tomball environs, and Waller environs.

COST OF SERVICE RATE

During each monthly billing period:

For Residential Secondary Meters

250 Meters (capacity up to 250 cubic feet per hour):

Monthly Customer Charge applies, per meter, per month	\$12.23, plus
2024 Interim Rate Adjustment, applies per meter, per month	\$ 2.63, plus
Volumetric Fee	\$1.1415 per Ccf

CUSTOMER BILLS

EPCOR’s bills are rendered monthly to customers. Each bill shall include the following:

- Monthly Customer Charge,
- Volumetric Fee, as adjusted by the Weather Normalization Factor, if applicable,
- Cost of Gas,
- Tax Adjustment, if applicable,
- Rate Case Expense Surcharge, if applicable
- Miscellaneous Service fees, if applicable,
- Deposit fees or credits, if applicable,
- Line Extension charges, if applicable,
- Pipeline Safety and Regulatory Program Surcharge, once annually.

The Monthly Customer Charge is the minimum amount included on a customer bill.

EPCOR bills the Volumetric Fee in hundreds of cubic feet (Ccf). The due date for remittance of a payment to EPCOR shall be not less than 15 days after the date the bill is issued, in accordance with 16 TEX. ADMIN. CODE Section 7.45(4)(A).

EPCOR late payment fee applicable to bill payments received after the due date is zero (\$0.00).

Supersedes Rate Schedule Dated

**RESIDENTIAL SECONDARY ENVIRONS
SERVICE RATE
(Continued)**

Tax Adjustment. Any applicable Taxes including ad Valorem Taxes and State Franchise Taxes affecting the Cost of Service shall be reflected as separate line items specifically identifying the tax on Customer invoices, and shall be reported to the Commission. The tax adjustment shall be an amount equivalent to the proportionate part of an existing tax or new tax or any governmental imposition, rental fee, or charge levied, assessed or imposed subsequent to the effective date of this tariff.

Formula. The tax adjustment is calculated in accordance with the following formula:

Tax Amount
Divided by
Volume (Ccf) billed that month
Equals
Tax adjustment, applied per Ccf.

In this formula, the Volume (Ccf) billed refers to the volume of gas sold during the usage month that the adjustment is included on customer bills.

Reconciliation. Within 45 days after applying a tax adjustment and collecting the adjustment, the Company shall provide the Commission a reconciliation detailing the calculation of the adjustment and reconciling the amounts collected. If the reconciliation reflects either an over-recovery or an under-recovery of revenues of more than \$0.50 per customer, such amount shall be carried forward and applied in the next billing cycle. If the over-recovery or an under-recovery of revenues is less than \$0.50 per customer, the Company shall carry-forward the amount until the next application of the tax adjustment

OTHER ADJUSTMENTS

Cost of Gas Component: The basic rates for cost of service set forth above shall be increased by the amount of the Cost of Gas Component for the billing month computed in accordance with the provisions of Rate Schedule GAS.

Weather Normalization Adjustment: The billing shall reflect adjustments in accordance with the provisions of the Weather Normalization Adjustment Clause, Rate Schedule WNA.

Pipeline Safety and Regulatory Program Rider: The billing shall reflect adjustments in accordance with provisions of the Pipeline Safety and Regulatory Program Rider, Rate Schedule PSR.

Rate Case Expense Rider: Adjustments in accordance with provisions of the Rate Case Expense Surcharge Rider, Rate Schedule RCE.

Taxes: Plus applicable taxes and fees in accordance with the provisions of the Rate Schedule Tax.

CONDITIONS

Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority.

**COMMERCIAL ENVIRONS
SERVICE RATE**

APPLICABILITY

Applicable to all commercial customers and to customers not otherwise specifically provided for under any other rate schedule. This rate is only available to full requirements customers of EPCOR Gas Texas Inc. (“EPCOR”).

TERRITORY

Environs of the EPCOR’s Service Area, includes the unincorporated areas of Alleyton environs, Bellville environs, Chappell Hill environs, Columbus environs, Eagle Lake environs, Hempstead environs, Hockley environs, Magnolia environs, Montgomery environs, Navasota environs, Pinehurst environs, Prairie View environs, Sealy environs, Tomball environs, and Waller environs.

COST OF SERVICE RATE

During each monthly billing period:

For Commercial Meters

250 Meters (capacity up to 250 cubic feet per hour):

Monthly Customer Charge, applies per meter, per month	\$40.00, plus
2024 Interim Rate Adjustment, applies per meter, per month	\$ 2.63, plus
Volumetric Fee	\$1.1415 per Ccf

For Commercial Meters

>250 Meters (capacity greater than 250 cubic feet per hour):

Monthly Customer Charge applies, per meter, per month	\$55.00, plus
2024 Interim Rate Adjustment, applies per meter, per month	\$ 2.63, plus
Volumetric Fee	\$1.1415 per Ccf

CUSTOMER BILLS

EPCOR’s bills are rendered monthly to customers. Each bill shall include the following:

- Monthly Customer Charge,
- Volumetric Fee, as adjusted by the Weather Normalization Factor, if applicable,
- Cost of Gas,
- Tax Adjustment, if applicable,
- Rate Case Expense Surcharge, if applicable
- Miscellaneous Service fees, if applicable,
- Deposit fees or credits, if applicable,
- Line Extension charges, if applicable,
- Pipeline Safety and Regulatory Program Surcharge, once annually.

The Monthly Customer Charge is the minimum amount included on a customer bill.

EPCOR bills the Volumetric Fee in hundreds of cubic feet (Ccf). The due date for remittance of a payment to EPCOR shall be not less than 15 days after the date the bill is issued, in accordance with 16 TEX. ADMIN. CODE Section 7.45(4)(A).

EPCOR late payment fee applicable to bill payments received after the due date is zero (\$0.00).

Supersedes Rate Schedule Dated

**COMMERCIAL ENVIRONS
SERVICE RATE
(Continued)**

Tax Adjustment. Any applicable Taxes including ad Valorem Taxes and State Franchise Taxes affecting the Cost of Service shall be reflected as separate line items specifically identifying the tax on Customer invoices, and shall be reported to the Commission. The tax adjustment shall be an amount equivalent to the proportionate part of an existing tax or new tax or any governmental imposition, rental fee, or charge levied, assessed or imposed subsequent to the effective date of this tariff.

Formula. The tax adjustment is calculated in accordance with the following formula:

Tax Amount
Divided by
Volume (Ccf) billed that month
Equals
Tax adjustment, applied per Ccf.

In this formula, the Volume (Ccf) billed refers to the volume of gas sold during the usage month that the adjustment is included on customer bills.

Reconciliation. Within 45 days after applying a tax adjustment and collecting the adjustment, the Company shall provide the Commission a reconciliation detailing the calculation of the adjustment and reconciling the amounts collected. If the reconciliation reflects either an over-recovery or an under-recovery of revenues of more than \$0.50 per customer, such amount shall be carried forward and applied in the next billing cycle. If the over-recovery or an under-recovery of revenues is less than \$0.50 per customer, the Company shall carry-forward the amount until the next application of the tax adjustment

OTHER ADJUSTMENTS

Cost of Gas Component: The basic rates for cost of service set forth above shall be increased by the amount of the Cost of Gas Component for the billing month computed in accordance with the provisions of Rate Schedule GAS.

Weather Normalization Adjustment: The billing shall reflect adjustments in accordance with the provisions of the Weather Normalization Adjustment Clause, Rate Schedule WNA.

Pipeline Safety and Regulatory Program Rider: The billing shall reflect adjustments in accordance with provisions of the Pipeline Safety and Regulatory Program Rider, Rate Schedule PSR.

Rate Case Expense Rider: Adjustments in accordance with provisions of the Rate Case Expense Surcharge Rider, Rate Schedule RCE.

Taxes: Plus applicable taxes and fees in accordance with the provisions of the Rate Schedule Tax.

CONDITIONS

Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority.

**PUBLIC AUTHORITY ENVIRONS
SERVICE RATE**

APPLICABILITY

Applicable to any qualifying public authority, public and parochial schools and colleges, and to all facilities operated by Governmental agencies not specifically provided for in other rate schedules or special contracts. This rate is only available to full requirements customers of EPCOR Gas Texas Inc. (“EPCOR”).

TERRITORY

Environs of the EPCOR’s Service Area, includes the unincorporated areas of Alleyton environs, Bellville environs, Chappell Hill environs, Columbus environs, Eagle Lake environs, Hempstead environs, Hockley environs, Magnolia environs, Montgomery environs, Navasota environs, Pinehurst environs, Prairie View environs, Sealy environs, Tomball environs, and Waller environs.

COST OF SERVICE RATE

During each monthly billing period:

For Public Authority Meters

250 Meters (capacity up to 250 cubic feet per hour):

Monthly Customer Charge, applies per meter, per month	\$40.00, plus
2024 Interim Rate Adjustment, applies per meter, per month	\$ 2.63, plus
Volumetric Fee	\$1.1415 per Ccf

For Public Authority Meters

>250 Meters (capacity greater than 250 cubic feet per hour):

Monthly Customer Charge applies, per meter, per month	\$55.00, plus
2024 Interim Rate Adjustment, applies per meter, per month	\$ 2.63, plus
Volumetric Fee	\$1.1415 per Ccf

CUSTOMER BILLS

EPCOR’s bills are rendered monthly to customers. Each bill shall include the following:

- Monthly Customer Charge,
- Volumetric Fee, as adjusted by the Weather Normalization Factor, if applicable,
- Cost of Gas,
- Tax Adjustment, if applicable,
- Rate Case Expense Surcharge, if applicable
- Miscellaneous Service fees, if applicable,
- Deposit fees or credits, if applicable,
- Line Extension charges, if applicable,
- Pipeline Safety and Regulatory Program Surcharge, once annually.

The Monthly Customer Charge is the minimum amount included on a customer bill.

EPCOR bills the Volumetric Fee in hundreds of cubic feet (Ccf). The due date for remittance of a payment to EPCOR shall be not less than 15 days after the date the bill is issued, in accordance with 16 TEX. ADMIN. CODE Section 7.45(4)(A).

EPCOR late payment fee applicable to bill payments received after the due date is zero (\$0.00).

Supersedes Rate Schedule Dated

**PUBLIC AUTHORITY ENVIRONS
SERVICE RATE
(Continued)**

Tax Adjustment. Any applicable Taxes including ad Valorem Taxes and State Franchise Taxes affecting the Cost of Service shall be reflected as separate line items specifically identifying the tax on Customer invoices, and shall be reported to the Commission. The tax adjustment shall be an amount equivalent to the proportionate part of an existing tax or new tax or any governmental imposition, rental fee, or charge levied, assessed or imposed subsequent to the effective date of this tariff.

Formula. The tax adjustment is calculated in accordance with the following formula:

$$\begin{array}{l} \text{Tax Amount} \\ \text{Divided by} \\ \text{Volume (Ccf) billed that month} \\ \text{Equals} \\ \text{Tax adjustment, applied per Ccf.} \end{array}$$

In this formula, the Volume (Ccf) billed refers to the volume of gas sold during the usage month that the adjustment is included on customer bills.

Reconciliation. Within 45 days after applying a tax adjustment and collecting the adjustment, the Company shall provide the Commission a reconciliation detailing the calculation of the adjustment and reconciling the amounts collected. If the reconciliation reflects either an over-recovery or an under-recovery of revenues of more than \$0.50 per customer, such amount shall be carried forward and applied in the next billing cycle. If the over-recovery or an under-recovery of revenues is less than \$0.50 per customer, the Company shall carry-forward the amount until the next application of the tax adjustment

OTHER ADJUSTMENTS

Cost of Gas Component: The basic rates for cost of service set forth above shall be increased by the amount of the Cost of Gas Component for the billing month computed in accordance with the provisions of Rate Schedule GAS.

Weather Normalization Adjustment: The billing shall reflect adjustments in accordance with the provisions of the Weather Normalization Adjustment Clause, Rate Schedule WNA.

Pipeline Safety and Regulatory Program Rider: The billing shall reflect adjustments in accordance with provisions of the Pipeline Safety and Regulatory Program Rider, Rate Schedule PSR.

Rate Case Expense Rider: Adjustments in accordance with provisions of the Rate Case Expense Surcharge Rider, Rate Schedule RCE.

Taxes: Plus, applicable taxes and fees in accordance with the provisions of the Rate Schedule Tax.

CONDITIONS

Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority.

RESIDENTIAL ENVIRONS SERVICE RATE

APPLICABILITY

Applicable to a residential customer or builder in a single dwelling, or in a dwelling unit of a multiple dwelling or residential apartment, for domestic purposes. A residential consumer includes an individually-metered residential unit or dwelling that is operated by a public housing agency acting as an administrator of public housing programs under the direction of the U.S. Department of Housing and Urban Development and builders prior to sale or re-sale of a property for domestic purposes. This rate is only available to full requirements customers of EPCOR Gas Texas Inc. ("EPCOR").

TERRITORY

Environs of the EPCOR's Service Area, includes the unincorporated areas of Alleyton environs, Bellville environs, Chappell Hill environs, Columbus environs, Eagle Lake environs, Hempstead environs, Hockley environs, Magnolia environs, Montgomery environs, Navasota environs, Pinehurst environs, Prairie View environs, Sealy environs, Tomball environs, and Waller environs.

COST OF SERVICE RATE

During each monthly billing period:

For Residential Primary Meters

250 Meters (capacity up to 250 cubic feet per hour):

Monthly Customer Charge, applies per meter, per month	\$24.45 plus
<u>2024 Interim Rate Adjustment, applies per meter, per month</u>	<u>\$ 2.63, plus</u>
Volumetric Fee	\$1.1415 per Ccf

For Residential Primary Meters

>250 Meters (capacity greater than 250 cubic feet per hour):

Monthly Customer Charge, applies per meter, per month	\$29.50, plus
<u>2024 Interim Rate Adjustment, applies per meter, per month</u>	<u>\$ 2.63, plus</u>
Volumetric Fee	\$1.1415 per Ccf

CUSTOMER BILLS

EPCOR's bills are rendered monthly to customers. Each bill shall include the following:

- Monthly Customer Charge,
- Volumetric Fee, as adjusted by the Weather Normalization Factor, if applicable,
- Cost of Gas,
- Tax Adjustment, if applicable,
- Rate Case Expense Surcharge, if applicable
- Miscellaneous Service fees, if applicable,
- Deposit fees or credits, if applicable,
- Line Extension charges, if applicable,
- Pipeline Safety and Regulatory Program Surcharge, once annually.

The Monthly Customer Charge is the minimum amount included on a customer bill.

RESIDENTIAL ENVIRONS

SERVICE RATE

(Continued)

EPCOR bills the Volumetric Fee in hundreds of cubic feet (Ccf). The due date for remittance of a payment to EPCOR shall be not less than 15 days after the date the bill is issued, in accordance with 16 TEX. ADMIN. CODE Section 7.45(4)(A).

EPCOR late payment fee applicable to bill payments received after the due date is zero (\$0.00).

Tax Adjustment. Any applicable Taxes including ad Valorem Taxes and State Franchise Taxes affecting the Cost of Service shall be reflected as separate line items specifically identifying the tax on Customer invoices, and shall be reported to the Commission. The tax adjustment shall be an amount equivalent to the proportionate part of an existing tax or new tax or any governmental imposition, rental fee, or charge levied, assessed or imposed subsequent to the effective date of this tariff.

Formula. The tax adjustment is calculated in accordance with the following formula:

$$\begin{array}{l} \text{Tax Amount} \\ \text{Divided by} \\ \text{Volume (Ccf) billed that month} \\ \text{Equals} \\ \text{Tax adjustment, applied per Ccf.} \end{array}$$

In this formula, the Volume (Ccf) billed refers to the volume of gas sold during the usage month that the adjustment is included on customer bills.

Reconciliation. Within 45 days after applying a tax adjustment and collecting the adjustment, the Company shall provide the Commission a reconciliation detailing the calculation of the adjustment and reconciling the amounts collected. If the reconciliation reflects either an over-recovery or an under-recovery of revenues of more than \$0.50 per customer, such amount shall be carried forward and applied in the next billing cycle. If the over-recovery or an under-recovery of revenues is less than \$0.50 per customer, the Company shall carry-forward the amount until the next application of the tax adjustment.

OTHER ADJUSTMENTS

Cost of Gas Component: The basic rates for cost of service set forth above shall be increased by the amount of the Cost of Gas Component for the billing month computed in accordance with the provisions of Rate Schedule GAS.

Weather Normalization Adjustment: The billing shall reflect adjustments in accordance with the provisions of the Weather Normalization Adjustment Clause, Rate Schedule WNA.

Pipeline Safety and Regulatory Program Rider: The billing shall reflect adjustments in accordance with provisions of the Pipeline Safety and Regulatory Program Rider, Rate Schedule PSR.

Rate Case Expense Rider: Adjustments in accordance with provisions of the Rate Case Expense Surcharge Rider, Rate Schedule RCE.

Taxes: Plus applicable taxes and fees in accordance with the provisions of the Rate Schedule Tax.

CONDITIONS

Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority.

**RESIDENTIAL SECONDARY ENVIRONS
SERVICE RATE**

APPLICABILITY

Applicable to a residential customer that has a separate meter installed to handle the purchase of gas for purposes other than standard uses. These include, but are not limited to, hot tubs, pool heaters, emergency generators, and fire pits. The second meter is needed due to the peak consumption rate of these additional items in some instances. This rate is only available to full requirements customers of EPCOR Gas Texas Inc. (“EPCOR”).

TERRITORY

Environs of the EPCOR’s Service Area, includes the unincorporated areas of Alleyton environs, Bellville environs, Chappell Hill environs, Columbus environs, Eagle Lake environs, Hempstead environs, Hockley environs, Magnolia environs, Montgomery environs, Navasota environs, Pinehurst environs, Prairie View environs, Sealy environs, Tomball environs, and Waller environs.

COST OF SERVICE RATE

During each monthly billing period:

For Residential Secondary Meters

250 Meters (capacity up to 250 cubic feet per hour):

Monthly Customer Charge applies, per meter, per month	\$12.23, plus
<u>2024 Interim Rate Adjustment, applies per meter, per month</u>	<u>\$ 2.63, plus</u>
Volumetric Fee	\$1.1415 per Ccf

CUSTOMER BILLS

EPCOR’s bills are rendered monthly to customers. Each bill shall include the following:

- Monthly Customer Charge,
- Volumetric Fee, as adjusted by the Weather Normalization Factor, if applicable,
- Cost of Gas,
- Tax Adjustment, if applicable,
- Rate Case Expense Surcharge, if applicable
- Miscellaneous Service fees, if applicable,
- Deposit fees or credits, if applicable,
- Line Extension charges, if applicable,
- Pipeline Safety and Regulatory Program Surcharge, once annually.

The Monthly Customer Charge is the minimum amount included on a customer bill.

EPCOR bills the Volumetric Fee in hundreds of cubic feet (Ccf). The due date for remittance of a payment to EPCOR shall be not less than 15 days after the date the bill is issued, in accordance with 16 TEX. ADMIN. CODE Section 7.45(4)(A).

EPCOR late payment fee applicable to bill payments received after the due date is zero (\$0.00).

Supersedes Rate Schedule Dated

**RESIDENTIAL SECONDARY ENVIRONS
SERVICE RATE
(Continued)**

Tax Adjustment. Any applicable Taxes including ad Valorem Taxes and State Franchise Taxes affecting the Cost of Service shall be reflected as separate line items specifically identifying the tax on Customer invoices, and shall be reported to the Commission. The tax adjustment shall be an amount equivalent to the proportionate part of an existing tax or new tax or any governmental imposition, rental fee, or charge levied, assessed or imposed subsequent to the effective date of this tariff.

Formula. The tax adjustment is calculated in accordance with the following formula:

Tax Amount
Divided by
Volume (Ccf) billed that month
Equals
Tax adjustment, applied per Ccf.

In this formula, the Volume (Ccf) billed refers to the volume of gas sold during the usage month that the adjustment is included on customer bills.

Reconciliation. Within 45 days after applying a tax adjustment and collecting the adjustment, the Company shall provide the Commission a reconciliation detailing the calculation of the adjustment and reconciling the amounts collected. If the reconciliation reflects either an over-recovery or an under-recovery of revenues of more than \$0.50 per customer, such amount shall be carried forward and applied in the next billing cycle. If the over-recovery or an under-recovery of revenues is less than \$0.50 per customer, the Company shall carry-forward the amount until the next application of the tax adjustment

OTHER ADJUSTMENTS

Cost of Gas Component: The basic rates for cost of service set forth above shall be increased by the amount of the Cost of Gas Component for the billing month computed in accordance with the provisions of Rate Schedule GAS.

Weather Normalization Adjustment: The billing shall reflect adjustments in accordance with the provisions of the Weather Normalization Adjustment Clause, Rate Schedule WNA.

Pipeline Safety and Regulatory Program Rider: The billing shall reflect adjustments in accordance with provisions of the Pipeline Safety and Regulatory Program Rider, Rate Schedule PSR.

Rate Case Expense Rider: Adjustments in accordance with provisions of the Rate Case Expense Surcharge Rider, Rate Schedule RCE.

Taxes: Plus applicable taxes and fees in accordance with the provisions of the Rate Schedule Tax.

CONDITIONS

Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority.

**COMMERCIAL ENVIRONS
SERVICE RATE**

APPLICABILITY

Applicable to all commercial customers and to customers not otherwise specifically provided for under any other rate schedule. This rate is only available to full requirements customers of EPCOR Gas Texas Inc. (“EPCOR”).

TERRITORY

Environs of the EPCOR’s Service Area, includes the unincorporated areas of Alleyton environs, Bellville environs, Chappell Hill environs, Columbus environs, Eagle Lake environs, Hempstead environs, Hockley environs, Magnolia environs, Montgomery environs, Navasota environs, Pinehurst environs, Prairie View environs, Sealy environs, Tomball environs, and Waller environs.

COST OF SERVICE RATE

During each monthly billing period:

For Commercial Meters

250 Meters (capacity up to 250 cubic feet per hour):

Monthly Customer Charge, applies per meter, per month	\$40.00 plus
<u>2024 Interim Rate Adjustment, applies per meter, per month</u>	<u>\$ 2.63, plus</u>
Volumetric Fee	\$1.1415 per Ccf

For Commercial Meters

>250 Meters (capacity greater than 250 cubic feet per hour):

Monthly Customer Charge applies, per meter, per month	\$55.00, plus
<u>2024 Interim Rate Adjustment, applies per meter, per month</u>	<u>\$ 2.63, plus</u>
Volumetric Fee	\$1.1415 per Ccf

CUSTOMER BILLS

EPCOR’s bills are rendered monthly to customers. Each bill shall include the following:

- Monthly Customer Charge,
- Volumetric Fee, as adjusted by the Weather Normalization Factor, if applicable,
- Cost of Gas,
- Tax Adjustment, if applicable,
- Rate Case Expense Surcharge, if applicable
- Miscellaneous Service fees, if applicable,
- Deposit fees or credits, if applicable,
- Line Extension charges, if applicable,
- Pipeline Safety and Regulatory Program Surcharge, once annually.

The Monthly Customer Charge is the minimum amount included on a customer bill.

EPCOR bills the Volumetric Fee in hundreds of cubic feet (Ccf). The due date for remittance of a payment to EPCOR shall be not less than 15 days after the date the bill is issued, in accordance with 16 TEX. ADMIN. CODE Section 7.45(4)(A).

Supersedes Rate Schedule Dated

EPCOR late payment fee applicable to bill payments received after the due date is zero (\$0.00).

**COMMERCIAL ENVIRONS
SERVICE RATE
(Continued)**

Tax Adjustment. Any applicable Taxes including ad Valorem Taxes and State Franchise Taxes affecting the Cost of Service shall be reflected as separate line items specifically identifying the tax on Customer invoices, and shall be reported to the Commission. The tax adjustment shall be an amount equivalent to the proportionate part of an existing tax or new tax or any governmental imposition, rental fee, or charge levied, assessed or imposed subsequent to the effective date of this tariff.

Formula. The tax adjustment is calculated in accordance with the following formula:

$$\begin{array}{l} \text{Tax Amount} \\ \text{Divided by} \\ \text{Volume (Ccf) billed that month} \\ \text{Equals} \\ \text{Tax adjustment, applied per Ccf.} \end{array}$$

In this formula, the Volume (Ccf) billed refers to the volume of gas sold during the usage month that the adjustment is included on customer bills.

Reconciliation. Within 45 days after applying a tax adjustment and collecting the adjustment, the Company shall provide the Commission a reconciliation detailing the calculation of the adjustment and reconciling the amounts collected. If the reconciliation reflects either an over-recovery or an under-recovery of revenues of more than \$0.50 per customer, such amount shall be carried forward and applied in the next billing cycle. If the over-recovery or an under-recovery of revenues is less than \$0.50 per customer, the Company shall carry-forward the amount until the next application of the tax adjustment

OTHER ADJUSTMENTS

Cost of Gas Component: The basic rates for cost of service set forth above shall be increased by the amount of the Cost of Gas Component for the billing month computed in accordance with the provisions of Rate Schedule GAS.

Weather Normalization Adjustment: The billing shall reflect adjustments in accordance with the provisions of the Weather Normalization Adjustment Clause, Rate Schedule WNA.

Pipeline Safety and Regulatory Program Rider: The billing shall reflect adjustments in accordance with provisions of the Pipeline Safety and Regulatory Program Rider, Rate Schedule PSR.

Rate Case Expense Rider: Adjustments in accordance with provisions of the Rate Case Expense Surcharge Rider, Rate Schedule RCE.

Taxes: Plus applicable taxes and fees in accordance with the provisions of the Rate Schedule Tax.

CONDITIONS

Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority.

**PUBLIC AUTHORITY ENVIRONS
SERVICE RATE**

APPLICABILITY

Applicable to any qualifying public authority, public and parochial schools and colleges, and to all facilities operated by Governmental agencies not specifically provided for in other rate schedules or special contracts. This rate is only available to full requirements customers of EPCOR Gas Texas Inc. (“EPCOR”).

TERRITORY

Environs of the EPCOR’s Service Area, includes the unincorporated areas of Alleyton environs, Bellville environs, Chappell Hill environs, Columbus environs, Eagle Lake environs, Hempstead environs, Hockley environs, Magnolia environs, Montgomery environs, Navasota environs, Pinehurst environs, Prairie View environs, Sealy environs, Tomball environs, and Waller environs.

COST OF SERVICE RATE

During each monthly billing period:

For Public Authority Meters

250 Meters (capacity up to 250 cubic feet per hour):

Monthly Customer Charge, applies per meter, per month	\$40.00, plus
<u>2024 Interim Rate Adjustment, applies per meter, per month</u>	<u>\$ 2.63, plus</u>
Volumetric Fee	\$1.1415 per Ccf

For Public Authority Meters

>250 Meters (capacity greater than 250 cubic feet per hour):

Monthly Customer Charge applies, per meter, per month	\$55.00, plus
<u>2024 Interim Rate Adjustment, applies per meter, per month</u>	<u>\$ 2.63, plus</u>
Volumetric Fee	\$1.1415 per Ccf

CUSTOMER BILLS

EPCOR’s bills are rendered monthly to customers. Each bill shall include the following:

- Monthly Customer Charge,
- Volumetric Fee, as adjusted by the Weather Normalization Factor, if applicable,
- Cost of Gas,
- Tax Adjustment, if applicable,
- Rate Case Expense Surcharge, if applicable
- Miscellaneous Service fees, if applicable,
- Deposit fees or credits, if applicable,
- Line Extension charges, if applicable,
- Pipeline Safety and Regulatory Program Surcharge, once annually.

The Monthly Customer Charge is the minimum amount included on a customer bill.

EPCOR bills the Volumetric Fee in hundreds of cubic feet (Ccf). The due date for remittance of a payment to EPCOR shall be not less than 15 days after the date the bill is issued, in accordance with 16 TEX. ADMIN. CODE Section 7.45(4)(A).

EPCOR late payment fee applicable to bill payments received after the due date is zero (\$0.00).

Supersedes Rate Schedule Dated

**PUBLIC AUTHORITY ENVIRONS
SERVICE RATE
(Continued)**

Tax Adjustment. Any applicable Taxes including ad Valorem Taxes and State Franchise Taxes affecting the Cost of Service shall be reflected as separate line items specifically identifying the tax on Customer invoices, and shall be reported to the Commission. The tax adjustment shall be an amount equivalent to the proportionate part of an existing tax or new tax or any governmental imposition, rental fee, or charge levied, assessed or imposed subsequent to the effective date of this tariff.

Formula. The tax adjustment is calculated in accordance with the following formula:

$$\begin{array}{l} \text{Tax Amount} \\ \text{Divided by} \\ \text{Volume (Ccf) billed that month} \\ \text{Equals} \\ \text{Tax adjustment, applied per Ccf.} \end{array}$$

In this formula, the Volume (Ccf) billed refers to the volume of gas sold during the usage month that the adjustment is included on customer bills.

Reconciliation. Within 45 days after applying a tax adjustment and collecting the adjustment, the Company shall provide the Commission a reconciliation detailing the calculation of the adjustment and reconciling the amounts collected. If the reconciliation reflects either an over-recovery or an under-recovery of revenues of more than \$0.50 per customer, such amount shall be carried forward and applied in the next billing cycle. If the over-recovery or an under-recovery of revenues is less than \$0.50 per customer, the Company shall carry-forward the amount until the next application of the tax adjustment

OTHER ADJUSTMENTS

Cost of Gas Component: The basic rates for cost of service set forth above shall be increased by the amount of the Cost of Gas Component for the billing month computed in accordance with the provisions of Rate Schedule GAS.

Weather Normalization Adjustment: The billing shall reflect adjustments in accordance with the provisions of the Weather Normalization Adjustment Clause, Rate Schedule WNA.

Pipeline Safety and Regulatory Program Rider: The billing shall reflect adjustments in accordance with provisions of the Pipeline Safety and Regulatory Program Rider, Rate Schedule PSR.

Rate Case Expense Rider: Adjustments in accordance with provisions of the Rate Case Expense Surcharge Rider, Rate Schedule RCE.

Taxes: Plus, applicable taxes and fees in accordance with the provisions of the Rate Schedule Tax.

CONDITIONS

Subject to all applicable laws and orders, and the Company's rules and regulations on file with the regulatory authority.

EPCOR Gas Texas Inc.
Interim Rate Adjustment Application
12 Month Period Ending December 31, 2023
Bill Comparisons

Line No.	Rate Class	Current*	Proposed	Difference	% Change
(a)	(b)	(c)	(d)	(e)	(f)
10	Current and Proposed Bill Information - With Gas Cost				
11	Residential (250 Meters)				
12	Customer Charge	\$ 24.45	\$ 27.08	\$ 2.63	11%
13	Initial Block Rate per Mcf	\$ 11.4150	\$ 11.4150	\$ -	0%
14	Average Monthly Bill** @ 3.8 Mcf	\$ 93.35	\$ 95.98	\$ 2.63	3%
15					
16	Residential (>250 Meters)				
17	Customer Charge	\$ 29.50	\$ 32.13	\$ 2.63	9%
18	Initial Block Rate per Mcf	\$ 11.4150	\$ 11.4150	\$ -	0%
19	Average Monthly Bill** @ 3.8 Mcf	\$ 98.40	\$ 101.03	\$ 2.63	3%
20					
21	Residential Secondary (250 Meters)				
22	Customer Charge	\$ 12.23	\$ 14.86	\$ 2.63	22%
23	Initial Block Rate per Mcf	\$ 11.4150	\$ 11.4150	\$ -	0%
24	Average Monthly Bill** @ 1.0 Mcf	\$ 29.96	\$ 32.59	\$ 2.63	9%
25					
26	Commercial (250 Meters)				
27	Customer Charge	\$ 40.00	\$ 42.63	\$ 2.63	6.58%
28	Initial Block Rate per Mcf	\$ 11.4150	\$ 11.4150	\$ -	0.00%
29	Average Monthly Bill** @ 27.8 Mcf	\$ 545.54	\$ 548.17	\$ 2.63	0.48%
30					
31	Commercial (>250 Meters)				
32	Customer Charge	\$ 55.00	\$ 57.63	\$ 2.63	4.78%
33	Initial Block Rate per Mcf	\$ 11.4150	\$ 11.4150	\$ -	0.00%
34	Average Monthly Bill** @ 27.8 Mcf	\$ 560.54	\$ 563.17	\$ 2.63	0.47%
35					
36	Public Authority (250 Meters)				
37	Customer Charge	\$ 40.00	\$ 42.63	\$ 2.63	6.58%
38	Initial Block Rate per Mcf	\$ 11.4150	\$ 11.4150	\$ -	0.00%
39	Average Monthly Bill** @ 23.9 Mcf	\$ 474.48	\$ 477.11	\$ 2.63	0.55%
40					
41	Public Authority (>250 Meters)				
42	Customer Charge	\$ 55.00	\$ 57.63	\$ 2.63	4.78%
43	Initial Block Rate per Mcf	\$ 11.4150	\$ 11.4150	\$ -	0.00%
44	Average Monthly Bill** @ 23.9 Mcf	\$ 489.48	\$ 492.11	\$ 2.63	0.54%
45					

EPCOR Gas Texas Inc.
Interim Rate Adjustment Application
12 Month Period Ending December 31, 2023
Bill Comparisons

Line No.	Rate Class	Current*	Proposed	Difference	% Change
(a)	(b)	(c)	(d)	(e)	(f)
46					
47	Current and Proposed Bill Information - Without Gas Cost				
48	Residential (250 Meters)				
49	Customer Charge	\$ 24.45	\$ 27.08	\$ 2.63	10.76%
50	Initial Block Rate per Mcf	\$ 11.4150	\$ 11.4150	\$ -	0.00%
51	Average Monthly Bill** @ 3.8 Mcf	\$ 67.66	\$ 70.29	\$ 2.63	3.89%
52					
53	Residential (>250 Meters)				
54	Customer Charge	\$ 24.45	\$ 27.08	\$ 2.63	10.76%
55	Initial Block Rate per Mcf	\$ 11.4150	\$ 11.4150	\$ -	0.00%
56	Average Monthly Bill** @ 3.8 Mcf	\$ 67.66	\$ 70.29	\$ 2.63	3.89%
57					
58	Residential Secondary (250 Meters)				
59	Customer Charge	\$ 12.23	\$ 14.86	\$ 2.63	22%
60	Initial Block Rate per Mcf	\$ 11.4150	\$ 11.4150	\$ -	0%
61	Average Monthly Bill** @ 1.0 Mcf	\$ 23.35	\$ 25.98	\$ 2.63	11%
62					
63	Commercial (250 Meters)				
64	Customer Charge	\$ 40.00	\$ 42.63	\$ 2.63	6.58%
65	Initial Block Rate per Mcf	\$ 11.4150	\$ 11.4150	\$ -	0.00%
66	Average Monthly Bill** @ 27.8 Mcf	\$ 357.07	\$ 359.70	\$ 2.63	0.74%
67					
68	Commercial (>250 Meters)				
69	Customer Charge	\$ 55.00	\$ 57.63	\$ 2.63	4.78%
70	Initial Block Rate per Mcf	\$ 11.4150	\$ 11.4150	\$ -	0.00%
71	Average Monthly Bill** @ 27.8 Mcf	\$ 372.07	\$ 374.70	\$ 2.63	0.71%
72					
73	Public Authority (250 Meters)				
74	Customer Charge	\$ 40.00	\$ 42.63	\$ 2.63	6.58%
75	Initial Block Rate per Mcf	\$ 11.4150	\$ 11.4150	\$ -	0.00%
76	Average Monthly Bill** @ 23.9 Mcf	\$ 312.50	\$ 315.13	\$ 2.63	0.84%
77					
78	Public Authority (>250 Meters)				
79	Customer Charge	\$ 55.00	\$ 57.63	\$ 2.63	4.78%
80	Initial Block Rate per Mcf	\$ 11.4150	\$ 11.4150	\$ -	0.00%
81	Average Monthly Bill** @ 23.9 Mcf	\$ 327.50	\$ 330.13	\$ 2.63	0.80%

85 *Current rates set in GUD No.10988.

86 **Average monthly bill calculated using \$6.7854 per Mcf cost of gas.

EPCOR Gas Texas Inc.
Interim Rate Adjustment Application
12 Month Period Ending December 31, 2023
Interim Rate Adjustment Summary

Line No.	Description	Per GUD No. 10988		Ref	As of 12/31/2023	Change in Investment
(a)	(b)	As of 12/31/2022	Adjustments	(e)	(f)	(g)
		(c)	(d)			= (f) - (c) + (d)
11	Direct Utility Plant Investment	\$ 42,246,860	\$ (136,523)	1	\$ 44,396,002	\$ 2,012,619
12	Direct Accumulated Depreciation	12,539,053	(4,879)	2	13,341,003	797,072
13	Allocated Utility Plant Investment (If applicable)	-	-		-	-
14	Allocated Accumulated Depreciation (If applicable)	-	-		-	-
15	Miscellaneous Adjustments	-	-		-	-
16	Net Utility Plant Investment (Ln 11 - 12 + 13 - 14 + 15)	<u>\$ 29,707,808</u>	<u>\$ (131,645)</u>		<u>\$ 31,054,999</u>	<u>\$ 1,215,546</u>

18	Calculation of the Interim Rate Adjustment Amount:					
19	Rate of Return					7.5722%
20	Return				\$	92,044
21	Depreciation Expense					76,623
22	Property-related Taxes (Ad Valorem)					-
23	Revenue-related Taxes and State Margin Tax					-
24	Federal Income Tax					19,967
25	Interim Rate Adjustment Amount (Sum of Ln 19 through Ln 24)				\$	<u>188,633</u>
26						

		Allocation Factors per GUD No. 10988:		Total Service Area: RRC Jurisdiction:	
27	Interim Rate Adjustment Amount per Rate Class:				
28	Residential		96.2388%	\$ 181,539	\$ 146,057
29	Residential Secondary		1.0366%	1,955	1,954
30	Commercial		2.3772%	4,484	2,654
31	Public Authority		0.3474%	655	397
32	Total (Sum of Ln 18 through Ln 21)		<u>100.0000%</u>	<u>\$ 188,633</u>	<u>\$ 151,062</u>
33					

		Annual Service Area Bill Count:	Annual RRC Jurisdiction Bill Count:	Monthly Customer Charge Adjustment:
34	Monthly Customer Charge Adjustment:			
35	Residential	68,984	55,535	\$ 2.63
36	Residential Secondary	743	743	\$ 2.63
37	Commercial	1,704	1,009	\$ 2.63
38	Public Authority	249	151	\$ 2.63
39		71,680	57,438	
40	- OR -			

		Annual Service Area Volumes:	Annual RRC Jurisdiction Volumes:	Monthly Initial Block Rate Adjustment:
41	Monthly Initial Block Rate Adjustment:			
42	Residential			-
43	Residential Secondary			-
44	Commercial			-
45	Public Authority			-

EPCOR Gas Texas Inc.
Interim Rate Adjustment Application
12 Month Period Ending December 31, 2023
Direct Initial Plant

Line No.	FERC Account No.	FERC Account Titles	Ref	Gross Plant Per GUD No. 10988 As of 12/31/2022	Depreciation Rate per GUD No. 10988	Depreciation Expense	Accumulated Depreciation	Net Plant
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i) = (e) - (h)
11		1. INTANGIBLE PLANT						
12	301	Organization		\$ 1,607	0.0000%	\$ -	\$ 1,307	\$ 300
13	302	Franchises and Consents		-	0.0000%	-	-	-
14	303	Miscellaneous Intangible Plant		-	0.0000%	-	-	-
15		Subtotal		<u>\$ 1,607</u>		<u>\$ -</u>	<u>\$ 1,307</u>	<u>\$ 300</u>
16								
17		4. TRANSMISSION PLANT						
18	365.1-365.2	Land and Rights of Way		\$ 81,118	0.0000%	\$ -	\$ -	\$ 81,118
19	366	Structures and Improvements		-	0.0000%	-	-	-
20	367	Mains		1,736,756	1.3300%	23,099	653,980	1,082,777
21	368	Compressor Station Equipment		-	0.0000%	-	-	-
22	369	Meas. and Reg. Station Equipment		363,981	1.4900%	5,423	93,594	270,388
23	370	Communication Equipment		9,213	10.0000%	921	9,213	-
24	371	Other Equipment		-	0.0000%	-	-	-
25		Subtotal		<u>\$ 2,191,069</u>		<u>\$ 29,443</u>	<u>\$ 756,786</u>	<u>\$ 1,434,282</u>
26								
27		5. DISTRIBUTION PLANT						
28	374	Land and Land Rights		\$ 47,901	0.0000%	\$ -	\$ -	\$ 47,901
29	375	Structures and Improvements		-	0.0000%	-	-	-
30	376	Mains		24,403,926	1.8300%	446,592	5,692,635	18,711,291
31	377	Compressor Station Equipment		-	0.0000%	-	-	-
32	378	Meas. and Reg. Station Equipment - General		-	0.0000%	-	-	-
33	379	Meas. and Reg. Stations Equipment - City Gates		2,984,538	2.5100%	74,912	810,273	2,174,265
34	380	Services		3,790,619	2.4000%	90,975	932,173	2,858,446
35	381	Meters		3,486,162	3.3600%	117,135	1,699,869	1,786,292
36	382	Meter Installations		-	0.0000%	-	-	-
37	383	Regulators		494,078	3.4700%	17,144	198,107	295,971
38	385	Industrial Meas. and Reg. Station Equipment		-	0.0000%	-	-	-
39	386 & 387	Other Property and Equipment		-	0.0000%	-	-	-
40		Subtotal		<u>\$ 35,207,224</u>		<u>\$ 746,758</u>	<u>\$ 9,333,058</u>	<u>\$ 25,874,166</u>
41								

EPCOR Gas Texas Inc.
Interim Rate Adjustment Application
12 Month Period Ending December 31, 2023
Direct Initial Plant

Line No.	FERC Account No.	FERC Account Titles	Gross Plant Per		Depreciation Rate	Depreciation Expense	Accumulated Depreciation	Net Plant
			Ref	GUD No. 10988 As of 12/31/2022	per GUD No. 10988			
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i) = (e) - (h)
42		6. GENERAL PLANT						
43	389	Land and Land Rights	\$	289,822	0.0000%	\$ -	\$ -	\$ 289,822
44	390	Structures and Improvements		1,824,965	2.0000%	36,499	94,290	1,730,675
45	391	Office Furniture and Equipment		325,262	3.2200%	10,473	72,305	252,958
46	392	Transportation Equipment		498,442	2.4700%	12,312	464,177	34,265
47	392.1	Transportation Equipment - Tech Trucks		778,561	15.9600%	124,258	734,894	43,667
48	394	Tools, Shop and Garage Equipment		-	0.0000%	-	-	-
49	395	Lab Equipment		-	0.0000%	-	-	-
50	396	Power Operated Equipment		-	0.0000%	-	-	-
51	397	Communication Equipment		292,601	5.5500%	16,239	211,973	80,628
52	398	Miscellaneous Equipment		837,308	2.3300%	19,509	870,263	(32,955)
53	399	Other Tangible Property		-	0.0000%	-	-	-
54		Subtotal	\$	4,846,961		\$ 219,291	\$ 2,447,902	\$ 2,399,060
55								
56		TOTAL	\$	42,246,860		\$ 995,493	\$ 12,539,053	\$ 29,707,808
57		Rate Base Adjustments				-	-	-
58		Adjusted Total	\$	42,246,860		\$ 995,493	\$ 12,539,053	\$ 29,707,808

EPCOR Gas Texas Inc.
Interim Rate Adjustment Application
12 Month Period Ending December 31, 2023
Direct Current Plant

Line No.	FERC Account No.	FERC Account Titles	Ref	Gross Plant As of 12/31/2023	Depreciation Rate per GUD No. 10988	Depreciation Expense	Accumulated Depreciation	Net Plant
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i) = (e) - (h)
11		1. INTANGIBLE PLANT						
12	301	Organization		\$ 1,607	0.0000%	\$ -	\$ 1,307	\$ 300
13	302	Franchises and Consents		-	0.0000%	-	-	-
14	303	Miscellaneous Intangible Plant		-	0.0000%	-	-	-
15		Subtotal		<u>\$ 1,607</u>		<u>\$ -</u>	<u>\$ 1,307</u>	<u>\$ 300</u>
16								
17		4. TRANSMISSION PLANT						
18	365.1-365.2	Land and Rights of Way		\$ 81,118	0.0000%	\$ -	\$ -	\$ 81,118
19	366	Structures and Improvements		-	0.0000%	-	-	-
20	367	Mains		1,736,756	1.3300%	23,099	677,079	1,059,678
21	368	Compressor Station Equipment		-	0.0000%	-	-	-
22	369	Meas. and Reg. Station Equipment		456,354	1.4900%	6,800	99,017	357,337
23	370	Communication Equipment		9,213	10.0000%	921	9,213	-
24	371	Other Equipment		-	0.0000%	-	-	-
25		Subtotal		<u>\$ 2,283,441</u>		<u>\$ 30,820</u>	<u>\$ 785,309</u>	<u>\$ 1,498,132</u>
26								
27		5. DISTRIBUTION PLANT						
28	374	Land and Land Rights		\$ 47,901	0.0000%	\$ -	\$ -	\$ 47,901
29	375	Structures and Improvements		-	0.0000%	-	-	-
30	376	Mains		24,752,992	1.8300%	452,980	6,142,134	18,610,858
31	377	Compressor Station Equipment		-	0.0000%	-	-	-
32	378	Meas. and Reg. Station Equipment - General		-	0.0000%	-	-	-
33	379	Meas. and Reg. Stations Equipment - City Gates		3,109,929	2.5100%	78,059	885,315	2,224,613
34	380	Services		4,807,100	2.4000%	115,370	1,009,954	3,797,146
35	381	Meters		3,727,035	3.3600%	125,228	1,790,456	1,936,579
36	382	Meter Installations		-	0.0000%	-	-	-
37	383	Regulators		554,336	3.4700%	19,235	209,283	345,054
38	385	Industrial Meas. and Reg. Station Equipment		-	0.0000%	-	-	-
39	386 & 387	Other Property and Equipment		-	0.0000%	-	-	-
40		Subtotal		<u>\$ 36,999,293</u>		<u>\$ 790,873</u>	<u>\$ 10,037,141</u>	<u>\$ 26,962,152</u>

EPCOR Gas Texas Inc.
Interim Rate Adjustment Application
12 Month Period Ending December 31, 2023
Direct Current Plant

Line No.	FERC Account No.	FERC Account Titles	Ref	Gross Plant As of 12/31/2023	Depreciation Rate per GUD No. 10988	Depreciation Expense	Accumulated Depreciation	Net Plant
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
								= (e) - (h)
41								
42		6. GENERAL PLANT						
43	389	Land and Land Rights		\$ 289,822	0.0000%	\$ -	\$ -	\$ 289,822
44	390	Structures and Improvements		1,824,965	2.0000%	36,499	130,789	1,694,176
45	391	Office Furniture and Equipment		325,262	3.2200%	10,473	82,778	242,484
46	392	Transportation Equipment		505,667	2.4700%	12,490	410,083	95,584
47	392.1	Transportation Equipment - Tech Trucks		961,643	15.9600%	153,478	838,818	122,824
48	394	Tools, Shop and Garage Equipment		-	0.0000%	-	-	-
49	395	Lab Equipment		-	0.0000%	-	-	-
50	396	Power Operated Equipment		-	0.0000%	-	-	-
51	397	Communication Equipment		292,601	5.5500%	16,239	218,150	74,451
52	398	Miscellaneous Equipment		911,701	2.3300%	21,243	836,628	75,073
53	399	Other Tangible Property		-	0.0000%	-	-	-
54		Subtotal		<u>\$ 5,111,661</u>		<u>\$ 250,423</u>	<u>\$ 2,517,247</u>	<u>\$ 2,594,415</u>
55								
56		TOTAL		<u>\$ 44,396,002</u>		<u>\$ 1,072,116</u>	<u>\$ 13,341,003</u>	<u>\$ 31,054,999</u>
57		Rate Base Adjustments		-	0.0000%	-	-	-
58		Adjusted Total		<u>\$ 44,396,002</u>		<u>\$ 1,072,116</u>	<u>\$ 13,341,003</u>	<u>\$ 31,054,999</u>

EPCOR Gas Texas Inc.
Interim Rate Adjustment Application
12 Month Period Ending December 31, 2023
Direct Incremental Investment

Line No.	FERC Account No.	FERC Account Titles	Ref	Change in Gross Depreciation Rate		Depreciation Expense	Accumulated Depreciation	Net Plant
				Plant As of 12/31/2023	per GUD No. 10988			
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i) = (e) - (h)
11		1. INTANGIBLE PLANT						
12	301	Organization	\$	-	0.0000%	\$ -	\$ -	-
13	302	Franchises and Consents		-	0.0000%	-	-	-
14	303	Miscellaneous Intangible Plant		-	0.0000%	-	-	-
15		Subtotal	<u>\$</u>	<u>-</u>		<u>\$</u>	<u>-</u>	<u>-</u>
16								
17		4. TRANSMISSION PLANT						
18	365.1-365.2	Land and Rights of Way	\$	-	0.0000%	\$ -	\$ -	-
19	366	Structures and Improvements		-	0.0000%	-	-	-
20	367	Mains		-	1.3300%	-	23,099	(23,099)
21	368	Compressor Station Equipment		-	0.0000%	-	-	-
22	369	Meas. and Reg. Station Equipment		92,372	1.4900%	1,376	5,423	86,949
23	370	Communication Equipment		-	10.0000%	-	-	-
24	371	Other Equipment		-	0.0000%	-	-	-
25		Subtotal	<u>\$</u>	<u>92,372</u>		<u>\$</u>	<u>1,376</u>	<u>\$</u>
26							<u>28,522</u>	<u>\$</u>
27		5. DISTRIBUTION PLANT						<u>63,850</u>
28	374	Land and Land Rights	\$	-	0.0000%	\$ -	\$ -	-
29	375	Structures and Improvements		-	0.0000%	-	-	-
30	376	Mains		349,066	1.8300%	6,388	449,499	(100,432)
31	377	Compressor Station Equipment		-	0.0000%	-	-	-
32	378	Meas. and Reg. Station Equipment - General		-	0.0000%	-	-	-
33	379	Meas. and Reg. Stations Equipment - City Gates		125,391	2.5100%	3,147	75,043	50,348
34	380	Services		1,016,480	2.4000%	24,396	77,780	938,700
35	381	Meters		240,874	3.3600%	8,093	90,587	150,287
36	382	Meter Installations		-	0.0000%	-	-	-
37	383	Regulators		60,259	3.4700%	2,091	11,176	49,083
38	385	Industrial Meas. and Reg. Station Equipment		-	0.0000%	-	-	-
39	386 & 387	Other Property and Equipment		-	0.0000%	-	-	-
40		Subtotal	<u>\$</u>	<u>1,792,070</u>		<u>\$</u>	<u>44,115</u>	<u>\$</u>
41							<u>704,084</u>	<u>\$</u>
								<u>1,087,986</u>

**EPCOR Gas Texas Inc.
Interim Rate Adjustment Application
12 Month Period Ending December 31, 2023
Direct Incremental Investment**

Line No.	FERC Account No.	FERC Account Titles	Ref	Change in Gross		Depreciation Rate per GUD No. 10988	Depreciation Expense	Accumulated Depreciation	Net Plant
				Plant As of 12/31/2023					
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	= (e) - (h)
42		6. GENERAL PLANT							
43	389	Land and Land Rights	\$	-	0.0000%	\$ -	\$ -	\$ -	-
44	390	Structures and Improvements		-	2.0000%	-	36,499	(36,499)	
45	391	Office Furniture and Equipment		-	3.2200%	-	10,473	(10,473)	
46	392	Transportation Equipment		7,225	2.4700%	178	(54,093)	61,319	
47	392.1	Transportation Equipment - Tech Trucks		183,081	15.9600%	29,220	103,924	79,157	
48	394	Tools, Shop and Garage Equipment		-	0.0000%	-	-	-	
49	395	Lab Equipment		-	0.0000%	-	-	-	
50	396	Power Operated Equipment		-	0.0000%	-	-	-	
51	397	Communication Equipment		-	5.5500%	-	6,177	(6,177)	
52	398	Miscellaneous Equipment		74,393	2.3300%	1,733	(33,635)	108,028	
53	399	Other Tangible Property		-	0.0000%	-	-	-	
54		Subtotal	\$	<u>264,700</u>		\$ <u>31,132</u>	\$ <u>69,345</u>	\$ <u>195,355</u>	
55									
56		TOTAL	\$	<u>2,149,142</u>		\$ <u>76,623</u>	\$ <u>801,951</u>	\$ <u>1,347,191</u>	
57		Rate Base Adjustments		-	0.0000%	-	-	-	
58		Adjusted Total	\$	<u>2,149,142</u>		\$ <u>76,623</u>	\$ <u>801,951</u>	\$ <u>1,347,191</u>	

EPCOR Gas Texas Inc.
Interim Rate Adjustment Application
12 Month Period Ending December 31, 2023
Allocated Initial Plant

Line No.	FERC Account No.	FERC Account Titles	Gross Plant Per GUD No. 10988 As of 12/31/2022	Depreciation Rate per GUD No. 10988	Depreciation Expense	Accumulated Depreciation	Net Plant	Allocation Factor	Allocated Gross Plant	Allocated Depreciation Expense	Allocated Accumulated Depreciation	Allocated Net Plant	
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)
							= (e) - (h)		= (e) x (j)	= (g) x (j)	= (h) x (j)	= (i) x (j)	
11		1. INTANGIBLE PLANT											
12	301	Organization	\$ -	0.0000%	\$ -	\$ -	\$ -	0.0000%	\$ -	\$ -	\$ -	\$ -	
13	302	Franchises and Consents	-	0.0000%	-	-	-	0.0000%	-	-	-	-	
14	303	Miscellaneous Intangible Plant	-	0.0000%	-	-	-	0.0000%	-	-	-	-	
15		Subtotal	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	
16													
17		4. TRANSMISSION PLANT											
18	365.1-365.2	Land and Rights of Way	\$ -	0.0000%	\$ -	\$ -	\$ -	0.0000%	\$ -	\$ -	\$ -	\$ -	
19	366	Structures and Improvements	-	0.0000%	-	-	-	0.0000%	-	-	-	-	
20	367	Mains	-	0.0000%	-	-	-	0.0000%	-	-	-	-	
21	368	Compressor Station Equipment	-	0.0000%	-	-	-	0.0000%	-	-	-	-	
22	369	Meas. and Reg. Station Equipment	-	0.0000%	-	-	-	0.0000%	-	-	-	-	
23	370	Communication Equipment	-	0.0000%	-	-	-	0.0000%	-	-	-	-	
24	371	Other Equipment	-	0.0000%	-	-	-	0.0000%	-	-	-	-	
25		Subtotal	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	
26													
27		5. DISTRIBUTION PLANT											
28	374	Land and Land Rights	\$ -	0.0000%	\$ -	\$ -	\$ -	0.0000%	\$ -	\$ -	\$ -	\$ -	
29	375	Structures and Improvements	-	0.0000%	-	-	-	0.0000%	-	-	-	-	
30	376	Mains	-	0.0000%	-	-	-	0.0000%	-	-	-	-	
31	377	Compressor Station Equipment	-	0.0000%	-	-	-	0.0000%	-	-	-	-	
32	378	Meas. and Reg. Station Equipment - General	-	0.0000%	-	-	-	0.0000%	-	-	-	-	
33	379	Meas. and Reg. Stations Equipment - City Gates	-	0.0000%	-	-	-	0.0000%	-	-	-	-	
34	380	Services	-	0.0000%	-	-	-	0.0000%	-	-	-	-	
35	381	Meters	-	0.0000%	-	-	-	0.0000%	-	-	-	-	
36	382	Meter Installations	-	0.0000%	-	-	-	0.0000%	-	-	-	-	
37	383	Regulators	-	0.0000%	-	-	-	0.0000%	-	-	-	-	
38	385	Industrial Meas. and Reg. Station Equipment	-	0.0000%	-	-	-	0.0000%	-	-	-	-	
39	386 & 387	Other Property and Equipment	-	0.0000%	-	-	-	0.0000%	-	-	-	-	
40		Subtotal	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	
41													
42		6. GENERAL PLANT											
43	389	Land and Land Rights	\$ -	0.0000%	\$ -	\$ -	\$ -	0.0000%	\$ -	\$ -	\$ -	\$ -	
44	390	Structures and Improvements	-	0.0000%	-	-	-	0.0000%	-	-	-	-	
45	391	Office Furniture and Equipment	-	0.0000%	-	-	-	0.0000%	-	-	-	-	
46	392	Transportation Equipment	-	0.0000%	-	-	-	0.0000%	-	-	-	-	
47	393	Stores Equipment	-	0.0000%	-	-	-	0.0000%	-	-	-	-	
48	394	Tools, Shop and Garage Equipment	-	0.0000%	-	-	-	0.0000%	-	-	-	-	
49	395	Lab Equipment	-	0.0000%	-	-	-	0.0000%	-	-	-	-	
50	396	Power Operated Equipment	-	0.0000%	-	-	-	0.0000%	-	-	-	-	
51	397	Communication Equipment	-	0.0000%	-	-	-	0.0000%	-	-	-	-	
52	398	Miscellaneous Equipment	-	0.0000%	-	-	-	0.0000%	-	-	-	-	
53	399	Other Tangible Property	-	0.0000%	-	-	-	0.0000%	-	-	-	-	
54		Subtotal	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	
55													
56		TOTAL	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	
57		Rate Base Adjustments		0.0000%				0.0000%					
58		Adjusted Total	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	

EPCOR Gas Texas Inc.
Interim Rate Adjustment Application
12 Month Period Ending December 31, 2023
Allocated Current Plant

Line No.	FERC Account No.	FERC Account Titles	Ref	Gross Plant As of 12/31/2023	Depreciation Rate per GUD No. 10988	Depreciation Expense	Accumulated Depreciation	Net Plant	Allocation Factor	Allocated Gross Plant	Allocated Depreciation Expense	Allocated Accumulated Depreciation	Allocated Net Plant
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i) = (e) - (h)	(j)	(k) = (e) x (j)	(l) = (g) x (j)	(m) = (h) x (j)	(n) = (i) x (j)
11		1. INTANGIBLE PLANT											
12	301	Organization		\$ -	0.0000%	\$ -	\$ -	\$ -	0.0000%	\$ -	\$ -	\$ -	\$ -
13	302	Franchises and Consents		-	0.0000%	-	-	-	0.0000%	-	-	-	-
14	303	Miscellaneous Intangible Plant		-	0.0000%	-	-	-	0.0000%	-	-	-	-
15		Subtotal		<u>\$ -</u>		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
16													
17		4. TRANSMISSION PLANT											
18	365.1-365.2	Land and Rights of Way		\$ -	0.0000%	\$ -	\$ -	\$ -	0.0000%	\$ -	\$ -	\$ -	\$ -
19	366	Structures and Improvements		-	0.0000%	-	-	-	0.0000%	-	-	-	-
20	367	Mains		-	0.0000%	-	-	-	0.0000%	-	-	-	-
21	368	Compressor Station Equipment		-	0.0000%	-	-	-	0.0000%	-	-	-	-
22	369	Meas. and Reg. Station Equipment		-	0.0000%	-	-	-	0.0000%	-	-	-	-
23	370	Communication Equipment		-	0.0000%	-	-	-	0.0000%	-	-	-	-
24	371	Other Equipment		-	0.0000%	-	-	-	0.0000%	-	-	-	-
25		Subtotal		<u>\$ -</u>		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
26													
27		5. DISTRIBUTION PLANT											
28	374	Land and Land Rights		\$ -	0.0000%	\$ -	\$ -	\$ -	0.0000%	\$ -	\$ -	\$ -	\$ -
29	375	Structures and Improvements		-	0.0000%	-	-	-	0.0000%	-	-	-	-
30	376	Mains		-	0.0000%	-	-	-	0.0000%	-	-	-	-
31	377	Compressor Station Equipment		-	0.0000%	-	-	-	0.0000%	-	-	-	-
32	378	Meas. and Reg. Station Equipment - General		-	0.0000%	-	-	-	0.0000%	-	-	-	-
33	379	Meas. and Reg. Stations Equipment - City Gates		-	0.0000%	-	-	-	0.0000%	-	-	-	-
34	380	Services		-	0.0000%	-	-	-	0.0000%	-	-	-	-
35	381	Meters		-	0.0000%	-	-	-	0.0000%	-	-	-	-
36	382	Meter Installations		-	0.0000%	-	-	-	0.0000%	-	-	-	-
37	383	Regulators		-	0.0000%	-	-	-	0.0000%	-	-	-	-
38	385	Industrial Meas. and Reg. Station Equipment		-	0.0000%	-	-	-	0.0000%	-	-	-	-
39	386 & 387	Other Property and Equipment		-	0.0000%	-	-	-	0.0000%	-	-	-	-
40		Subtotal		<u>\$ -</u>		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
41													
42		6. GENERAL PLANT											
43	389	Land and Land Rights		\$ -	0.0000%	\$ -	\$ -	\$ -	0.0000%	\$ -	\$ -	\$ -	\$ -
44	390	Structures and Improvements		-	0.0000%	-	-	-	0.0000%	-	-	-	-
45	391	Office Furniture and Equipment		-	0.0000%	-	-	-	0.0000%	-	-	-	-
46	392	Transportation Equipment		-	0.0000%	-	-	-	0.0000%	-	-	-	-
47	393	Stores Equipment		-	0.0000%	-	-	-	0.0000%	-	-	-	-
48	394	Tools, Shop and Garage Equipment		-	0.0000%	-	-	-	0.0000%	-	-	-	-
49	395	Lab Equipment		-	0.0000%	-	-	-	0.0000%	-	-	-	-
50	396	Power Operated Equipment		-	0.0000%	-	-	-	0.0000%	-	-	-	-
51	397	Communication Equipment		-	0.0000%	-	-	-	0.0000%	-	-	-	-
52	398	Miscellaneous Equipment		-	0.0000%	-	-	-	0.0000%	-	-	-	-
53	399	Other Tangible Property		-	0.0000%	-	-	-	0.0000%	-	-	-	-
54		Subtotal		<u>\$ -</u>		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
55													
56		TOTAL		<u>\$ -</u>		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
57		Rate Base Adjustments			0.0000%				0.0000%				
58		Adjusted Total		<u>\$ -</u>		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

EPCOR Gas Texas Inc.
Interim Rate Adjustment Application
12 Month Period Ending December 31, 2023
Allocated Incremental Plant

Line No.	FERC Account No.	FERC Account Titles	Change in Gross Plant As of 12/31/2023	Depreciation Rate per GUD No. 10988	Depreciation Expense	Accumulated Depreciation	Net Plant	Allocation Factor	Allocated Gross Plant	Allocated Depreciation Expense	Allocated Accumulated Depreciation	Allocated Net Plant	
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)
							(i) - (h)			(l) - (k)	(m) - (l)	(n) - (m)	
11		1. INTANGIBLE PLANT											
12	301	Organization	\$ -	0.0000%	\$ -	\$ -	\$ -	0.0000%	\$ -	\$ -	\$ -	\$ -	
13	302	Franchises and Consents	-	0.0000%	-	-	-	0.0000%	-	-	-	-	
14	303	Miscellaneous Intangible Plant	-	0.0000%	-	-	-	0.0000%	-	-	-	-	
15		Subtotal	<u>\$ -</u>		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
16													
17		4. TRANSMISSION PLANT											
18	365.1-365.2	Land and Rights of Way	\$ -	0.0000%	\$ -	\$ -	\$ -	0.0000%	\$ -	\$ -	\$ -	\$ -	
19	366	Structures and Improvements	-	0.0000%	-	-	-	0.0000%	-	-	-	-	
20	367	Mains	-	0.0000%	-	-	-	0.0000%	-	-	-	-	
21	368	Compressor Station Equipment	-	0.0000%	-	-	-	0.0000%	-	-	-	-	
22	369	Meas. and Reg. Station Equipment	-	0.0000%	-	-	-	0.0000%	-	-	-	-	
23	370	Communication Equipment	-	0.0000%	-	-	-	0.0000%	-	-	-	-	
24	371	Other Equipment	-	0.0000%	-	-	-	0.0000%	-	-	-	-	
25		Subtotal	<u>\$ -</u>		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
26													
27		5. DISTRIBUTION PLANT											
28	374	Land and Land Rights	\$ -	0.0000%	\$ -	\$ -	\$ -	0.0000%	\$ -	\$ -	\$ -	\$ -	
29	375	Structures and Improvements	-	0.0000%	-	-	-	0.0000%	-	-	-	-	
30	376	Mains	-	0.0000%	-	-	-	0.0000%	-	-	-	-	
31	377	Compressor Station Equipment	-	0.0000%	-	-	-	0.0000%	-	-	-	-	
32	378	Meas. and Reg. Station Equipment - General	-	0.0000%	-	-	-	0.0000%	-	-	-	-	
33	379	Meas. and Reg. Stations Equipment - City Gates	-	0.0000%	-	-	-	0.0000%	-	-	-	-	
34	380	Services	-	0.0000%	-	-	-	0.0000%	-	-	-	-	
35	381	Meters	-	0.0000%	-	-	-	0.0000%	-	-	-	-	
36	382	Meter Installations	-	0.0000%	-	-	-	0.0000%	-	-	-	-	
37	383	Regulators	-	0.0000%	-	-	-	0.0000%	-	-	-	-	
38	385	Industrial Meas. and Reg. Station Equipment	-	0.0000%	-	-	-	0.0000%	-	-	-	-	
39	386 & 387	Other Property and Equipment	-	0.0000%	-	-	-	0.0000%	-	-	-	-	
40		Subtotal	<u>\$ -</u>		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
41													
42		6. GENERAL PLANT											
43	389	Land and Land Rights	\$ -	0.0000%	\$ -	\$ -	\$ -	0.0000%	\$ -	\$ -	\$ -	\$ -	
44	390	Structures and Improvements	-	0.0000%	-	-	-	0.0000%	-	-	-	-	
45	391	Office Furniture and Equipment	-	0.0000%	-	-	-	0.0000%	-	-	-	-	
46	392	Transportation Equipment	-	0.0000%	-	-	-	0.0000%	-	-	-	-	
47	393	Stores Equipment	-	0.0000%	-	-	-	0.0000%	-	-	-	-	
48	394	Tools, Shop and Garage Equipment	-	0.0000%	-	-	-	0.0000%	-	-	-	-	
49	395	Lab Equipment	-	0.0000%	-	-	-	0.0000%	-	-	-	-	
50	396	Power Operated Equipment	-	0.0000%	-	-	-	0.0000%	-	-	-	-	
51	397	Communication Equipment	-	0.0000%	-	-	-	0.0000%	-	-	-	-	
52	398	Miscellaneous Equipment	-	0.0000%	-	-	-	0.0000%	-	-	-	-	
53	399	Other Tangible Property	-	0.0000%	-	-	-	0.0000%	-	-	-	-	
54		Subtotal	<u>\$ -</u>		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
55													
56		TOTAL	<u>\$ -</u>		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
57		Rate Base Adjustments	-	0.0000%	-	-	-	0.0000%	-	-	-	-	
58		Adjusted Total	<u>\$ -</u>		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	

EPCOR Gas Texas Inc.
Interim Rate Adjustment Application
12 Month Period Ending December 31, 2023
Investment Report - Direct Additions Project Report

Line No.	Asset No.	Project Reason	Project Description	FERC Plant Acct. No.	In Service Date	Customers Benefited (Location)	Customer Class Benefited	Total Project Cost
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
20	569768	New Service Installation	2023.01 22 Services 6N	380	1/31/2023	All	All	1,168.91
21	569768	New Service Installation	2023.01 23 Services 6N	380	1/31/2023	All	All	45,130.34
22	569768	Replacements	2023.01 23 Unplanned Replacements 6N	380	1/31/2023	All	All	4,695.61
23	569768	Replacements	21 SpringCreekReplacement 6N PH2	380	2/7/2023	All	All	168,262.06
24	569768	New Service Installation	2023.02 23 Services 6N	380	2/28/2023	All	All	71,243.80
25	569768	Replacements	23_JohlkeTo249_SteelRplmt	380	3/29/2023	All	All	92,805.24
26	569768	New Service Installation	2023.03 23 Services 6N	380	3/31/2023	All	All	16,350.28
27	569768	Replacements	2023.03 23 Unplanned Replacements 6N	380	3/31/2023	All	All	2,806.47
28	569768	New Service Installation	22_BeckerRd	380	4/5/2023	All	All	51,560.27
29	569768	New Service Installation	2023.04 23 Services 6N	380	4/30/2023	All	All	47,166.80
30	569768	New Service Installation	2023.05 23 Services 6N	380	5/31/2023	All	All	34,767.23
31	569768	Replacements	2023.05 23 Unplanned Replacements 6N	380	5/31/2023	All	All	8,021.16
32	569768	New Service Installation	2023.06 23 Services 6N	380	6/30/2023	All	All	35,514.34
33	569768	Replacements	2023.06 23 Unplanned Replacements 6N	380	6/30/2023	All	All	5,478.32
34	569768	New Service Installation	2023.08 23 Services 6N	380	8/31/2023	All	All	100,307.98
35	569768	Replacements	2023.08 23 Unplanned Replacements 6N	380	8/31/2023	All	All	16,256.64
36	569768	New Service Installation	2023.09 23 Services 6N	380	9/30/2023	All	All	40,047.78
37	569768	Replacements	23_Unplanned Replacements 6N SEP	380	9/30/2023	All	All	2,068.14
38	569768	New Service Installation	23_Services 6N OCT	380	10/31/2023	All	All	66,177.52
39	569768	Replacements	23_Unplanned Replacements 6N OCT	380	10/31/2023	All	All	6,131.78
40	569768	New Service Installation	23_Services 6N NOV	380	11/30/2023	All	All	47,221.08
41	569768	Replacements	23_Unplanned Replacements 6N NOV	380	11/30/2023	All	All	5,947.40
42	569768	New Service Installation	23_Services 6N DEC	380	12/31/2023	All	All	116,875.26
43	569768	Replacements	23_Unplanned Replacements 6N DEC	380	12/31/2023	All	All	6,017.88

Note: Page 16 of the 2023 Annual Report includes Additions of \$2,334,580. Of that, \$154,271 is related to prior year additions, and excluded in the 2023 GRIP filing. Additionally, an \$1,194 adjustment on the 2023 Annual Report is included as a reduction to Row 20.

Amounts Excluded in 2023 GRIP Filing:

569766	Replacements	22_Johlke-KinderSteelReplmnt	376	8/26/2022	All	All	\$	4,458.03
569766	New Main Installation	22_MurrellRdExtension&Meter 6N	376	9/23/2022	All	All		8,487.50
569766	New Main Installation	22_MagRidgeSec15-16_6N	376	10/5/2022	All	All		423.78
569767	Replacements	22_StationImprovements	379	12/31/22	All	All		33,018.94
569768	New Service Installation	2022.12 22 Services 6N	380	12/31/22	All	All		53,173.34
569768	Replacements	2022.12 22 Cut Lines 6N	380	12/31/22	All	All		719.35
569769	New Meter Installation	2022.12 22 Meters 6N	381	12/31/2022	All	All		14,930.34
569771	New Regulator Installation	2022.12 22 Regulators 6N	383	12/31/2022	All	All		6,812.25
569773	New Vehicle	Chevy Silverado 1500 II 6N 1GCRDDED2NZ508407	392.1	6/30/2022	All	All		3,146.25
569775	New Equipment	22_GeneralEquipment	398	12/31/2022	All	All		29,101.49

EPCOR Gas Texas Inc.
Interim Rate Adjustment Application
12 Month Period Ending December 31, 2023
Investment Report - Direct Retirements Project Report

Line No.	Asset No.	Project Reason	Project Description	FERC Plant Acct. No.	Retirement Date	Customers Benefited (Location)	Customer Class Benefited	Total Project Cost
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
10	569768		Service Retirements	380	8/1/2023	All	All	\$ 13,268.10
11	569768		Service Retirements	380	12/1/2023	All	All	16,166.59
12	569769		Meter Retirements	381	8/1/2023	All	All	18,989.43
13	569769		Meter Retirements	381	12/1/2023	All	All	3,320.73
14	569771		Regulator Retirements	383	8/1/2023	All	All	3,141.87
15	569771		Regulator Retirements	383	12/1/2023	All	All	1,998.24
16	569786		Vehicle Retirement	392	5/1/2023	All	All	57,593.26
17	569773		Vehicle Retirement	392.1	5/1/2023	All	All	52,018.04
18								
19								
20								
21								
22								
23								
24								
25								
26								

Note: Page 16 of the 2023 Annual Report includes Retirements and Adjustments of \$185,438. Of that, \$17,748 is related to prior year adjustments, which are excluded in the 2023 GRIP filing, and \$1,194 is related to a 2023 adjustment included as a reduction to IRA-12 Row 20.

Amounts Excluded in 2023 GRIP Filing:

569766	PY Project Adjustment	21 SpringCreekReplacemer	376	8/8/2022	All	All	\$ 496.68
569766	PY Project Adjustment	22_6NDaylighting	376	12/31/2022	All	All	16,112.23
569766	PY Project Adjustment	Adjustment	376	12/31/2022	All	All	1,139.03

Amount Included in 2023 GRIP Filing on IRA-12 Tab, Row 20, as a reduction:

569768	PY Project Adjustment	2023.01 22 Services 6N	380	1/31/2023	All	All	1,193.56
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EPCOR Gas Texas Inc.
Interim Rate Adjustment Application
12 Month Period Ending December 31, 2023
Investment Report - Allocated Additions Project Report

Line No.	Asset No.	Project Reason	Project Description	FERC Plant Acct. No.	In Service Date	Customers Benefited (Location)	Customer Class Benefited	Total Project Cost	Allocation Factor	Allocated Cost
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
10										
11										
12										
13										
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20										
21										
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23										
24										

EPCOR Gas Texas Inc.
Interim Rate Adjustment Application
12 Month Period Ending December 31, 2023
Investment Report - Allocated Retirements Project Report

Line No.	Asset No.	Project Reason	Project Description	FERC Plant Acct. No.	Retirement Date	Customers Benefited (Location)	Customer Class Benefited	Total Project Cost	Allocation Factor	Allocated Cost
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
10										
11										
12										
13										
14										
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19										
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21										
22										
23										
24										

EPCOR Gas Texas Inc.
Interim Rate Adjustment Application
12 Month Period Ending December 31, 2023
Direct Additions Detail

Line No.	FERC Account No.	FERC Account Titles	Ref	Additions Original Cost	Depreciation Rate per GUD No. 10988	Depreciation Expense	Accumulated Depreciation	Net Plant
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i) = (e) - (h)
11		1. INTANGIBLE PLANT						
12	301	Organization	\$	-	0.0000%	\$ -	\$ -	\$ -
13	302	Franchises and Consents		-	0.0000%	-	-	-
14	303	Miscellaneous Intangible Plant		-	0.0000%	-	-	-
15		Subtotal	\$	-		\$ -	\$ -	\$ -
16								
17		4. TRANSMISSION PLANT						
18	365.1-365.2	Land and Rights of Way	\$	-	0.0000%	\$ -	\$ -	\$ -
19	366	Structures and Improvements		-	0.0000%	-	-	-
20	367	Mains		-	1.3300%	-	-	-
21	368	Compressor Station Equipment		-	0.0000%	-	-	-
22	369	Meas. and Reg. Station Equipment		92,372	1.4900%	1,376	-	92,372
23	370	Communication Equipment		-	10.0000%	-	-	-
24	371	Other Equipment		-	0.0000%	-	-	-
25		Subtotal	\$	92,372		\$ 1,376	\$ -	\$ 92,372
26								
27		5. DISTRIBUTION PLANT						
28	374	Land and Land Rights	\$	-	0.0000%	\$ -	\$ -	\$ -
29	375	Structures and Improvements		-	0.0000%	-	-	-
30	376	Mains		353,445	1.8300%	6,468	2,591	350,854
31	377	Compressor Station Equipment		-	0.0000%	-	-	-
32	378	Meas. and Reg. Station Equipment - General		-	0.0000%	-	-	-
33	379	Meas. and Reg. Stations Equipment - City Gates		92,372	2.5100%	2,319	-	92,372
34	380	Services		992,022	2.4000%	23,809	13,121	978,902
35	381	Meters		248,253	3.3600%	8,341	4,987	243,267
36	382	Meter Installations		-	0.0000%	-	-	-
37	383	Regulators		58,586	3.4700%	2,033	670	57,916
38	385	Industrial Meas. and Reg. Station Equipment		-	0.0000%	-	-	-
39	386 & 387	Other Property and Equipment		-	0.0000%	-	-	-
40		Subtotal	\$	1,744,679		\$ 42,969	\$ 21,368	\$ 1,723,311
41								

EPCOR Gas Texas Inc.
Interim Rate Adjustment Application
12 Month Period Ending December 31, 2023
Direct Additions Detail

Line No.	FERC Account No.	FERC Account Titles	Ref	Additions Original Cost	Depreciation Rate per GUD No. 10988	Depreciation Expense	Accumulated Depreciation	Net Plant
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
								= (e) - (h)
42		6. GENERAL PLANT						
43	389	Land and Land Rights		\$ -	0.0000%	\$ -	\$ -	\$ -
44	390	Structures and Improvements		-	2.0000%	-	-	-
45	391	Office Furniture and Equipment		-	3.2200%	-	-	-
46	392	Transportation Equipment		89,222	2.4700%	2,204	-	89,222
48	392.1	Transportation Equipment - Tech Trucks		207,550	15.9600%	33,125	62,024	145,526
49	394	Tools, Shop and Garage Equipment		-	0.0000%	-	-	-
50	395	Lab Equipment		-	0.0000%	-	-	-
51	396	Power Operated Equipment		-	0.0000%	-	-	-
52	397	Communication Equipment		-	5.5500%	-	-	-
53	398	Miscellaneous Equipment		45,292	2.3300%	1,055	249	45,043
54	399	Other Tangible Property		-	0.0000%	-	-	-
55		Subtotal		\$ 342,063		\$ 36,384	\$ 62,273	\$ 279,791
56								
57		TOTAL		\$ 2,179,115		\$ 80,730	\$ 83,641	\$ 2,095,474
58		Rate Base Adjustments			0.0000%	-	-	-
59		Adjusted Total		\$ 2,179,115		\$ 80,730	\$ 83,641	\$ 2,095,474

EPCOR Gas Texas Inc.
Interim Rate Adjustment Application
12 Month Period Ending December 31, 2023
Direct Retirement Detail

Line No.	FERC Account No.	FERC Account Titles	Ref	Retirements Original Cost	Depreciation Rate per GUD No. 10988	Depreciation Expense	Accumulated Depreciation	Net Plant
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i) = (e) - (h)
11		1. INTANGIBLE PLANT						
12	301	Organization	\$	-	0.0000%	\$ -	\$ -	\$ -
13	302	Franchises and Consents		-	0.0000%	-	-	-
14	303	Miscellaneous Intangible Plant		-	0.0000%	-	-	-
15		Subtotal	\$	-		\$ -	\$ -	\$ -
16								
17		4. TRANSMISSION PLANT						
18	365.1-365.2	Land and Rights of Way	\$	-	0.0000%	\$ -	\$ -	\$ -
19	366	Structures and Improvements		-	0.0000%	-	-	-
20	367	Mains		-	1.3300%	-	-	-
21	368	Compressor Station Equipment		-	0.0000%	-	-	-
22	369	Meas. and Reg. Station Equipment		-	1.4900%	-	-	-
23	370	Communication Equipment		-	10.0000%	-	-	-
24	371	Other Equipment		-	0.0000%	-	-	-
25		Subtotal	\$	-		\$ -	\$ -	\$ -
26								
27		5. DISTRIBUTION PLANT						
28	374	Land and Land Rights	\$	-	0.0000%	\$ -	\$ -	\$ -
29	375	Structures and Improvements		-	0.0000%	-	-	-
30	376	Mains		-	1.8300%	-	-	-
31	377	Compressor Station Equipment		-	0.0000%	-	-	-
32	378	Meas. and Reg. Station Equipment - General		-	0.0000%	-	-	-
33	379	Meas. and Reg. Stations Equipment - City Gates		-	2.5100%	-	-	-
34	380	Services		29,435	2.4000%	706	29,435	-
35	381	Meters		22,310	3.3600%	750	22,310	-
36	382	Meter Installations		-	0.0000%	-	-	-
37	383	Regulators		5,140	3.4700%	178	5,140	-
38	385	Industrial Meas. and Reg. Station Equipment		-	0.0000%	-	-	-
39	386 & 387	Other Property and Equipment		-	0.0000%	-	-	-
40		Subtotal	\$	56,885		\$ 1,634	\$ 56,885	\$ -
41								

**EPCOR Gas Texas Inc.
Interim Rate Adjustment Application
12 Month Period Ending December 31, 2023
Direct Retirement Detail**

Line No.	FERC Account No.	FERC Account Titles	Ref	Retirements Original Cost	Depreciation Rate per GUD No. 10988	Depreciation Expense	Accumulated Depreciation	Net Plant
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i) = (e) - (h)
42		6. GENERAL PLANT						
43	389	Land and Land Rights		\$ -	0.0000%	\$ -	\$ -	\$ -
44	390	Structures and Improvements		-	2.0000%	-	-	-
45	391	Office Furniture and Equipment		-	3.2200%	-	-	-
46	392	Transportation Equipment		57,593	2.4700%	1,423	54,093	(3,500)
47	392.1	Transportation Equipment - Tech Trucks		52,018	15.9600%	8,302	49,018	(3,000)
48	394	Tools, Shop and Garage Equipment		-	0.0000%	-	-	-
49	395	Lab Equipment		-	0.0000%	-	-	-
50	396	Power Operated Equipment		-	0.0000%	-	-	-
51	397	Communication Equipment		-	5.5500%	-	-	-
52	398	Miscellaneous Equipment		-	2.3300%	-	-	-
53	399	Other Tangible Property		-	0.0000%	-	-	-
54		Subtotal		\$ 109,611		\$ 9,725	\$ 103,111	\$ (6,500)
55								
56		TOTAL		\$ 166,496		\$ 11,359	\$ 159,996	\$ (6,500)
57		Rate Base Adjustments			0.0000%	-		
58		Adjusted Total		\$ 166,496		\$ 11,359	\$ 159,996	\$ (6,500)

EPCOR Gas Texas Inc.
Interim Rate Adjustment Application
12 Month Period Ending December 31, 2023
Allocated Additions Detail

Line No.	FERC Account No.	FERC Account Titles	Ref	Additions Original Cost	Depreciation Rate per GUD No. 10988	Depreciation Expense	Accumulated Depreciation	Net Plant	Allocation Factor	Allocated Cost	Allocated Depreciation Expense
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i) = (e) - (h)	(j)	(k) = (i) * (j)	(l) = (g) * (j)
11		1. INTANGIBLE PLANT									
12	301	Organization		\$ -	0.0000%	\$ -	\$ -	\$ -	0.0000%	\$ -	\$ -
13	302	Franchises and Consents		-	0.0000%	-	-	-	0.0000%	-	-
14	303	Miscellaneous Intangible Plant		-	0.0000%	-	-	-	0.0000%	-	-
15		Subtotal		\$ -		\$ -	\$ -	\$ -		\$ -	\$ -
16											
17		4. TRANSMISSION PLANT									
18	365.1-365.2	Land and Rights of Way		\$ -	0.0000%	\$ -	\$ -	\$ -	0.0000%	\$ -	\$ -
19	366	Structures and Improvements		-	0.0000%	-	-	-	0.0000%	-	-
20	367	Mains		-	0.0000%	-	-	-	0.0000%	-	-
21	368	Compressor Station Equipment		-	0.0000%	-	-	-	0.0000%	-	-
22	369	Meas. and Reg. Station Equipment		-	0.0000%	-	-	-	0.0000%	-	-
23	370	Communication Equipment		-	0.0000%	-	-	-	0.0000%	-	-
24	371	Other Equipment		-	0.0000%	-	-	-	0.0000%	-	-
25		Subtotal		\$ -		\$ -	\$ -	\$ -		\$ -	\$ -
26											
27		5. DISTRIBUTION PLANT									
28	374	Land and Land Rights		\$ -	0.0000%	\$ -	\$ -	\$ -	0.0000%	\$ -	\$ -
29	375	Structures and Improvements		-	0.0000%	-	-	-	0.0000%	-	-
30	376	Mains		-	0.0000%	-	-	-	0.0000%	-	-
31	377	Compressor Station Equipment		-	0.0000%	-	-	-	0.0000%	-	-
32	378	Meas. and Reg. Station Equipment - General		-	0.0000%	-	-	-	0.0000%	-	-
33	379	Meas. and Reg. Stations Equipment - City Gates		-	0.0000%	-	-	-	0.0000%	-	-
34	380	Services		-	0.0000%	-	-	-	0.0000%	-	-
35	381	Meters		-	0.0000%	-	-	-	0.0000%	-	-
36	382	Meter Installations		-	0.0000%	-	-	-	0.0000%	-	-
37	383	Regulators		-	0.0000%	-	-	-	0.0000%	-	-
38	385	Industrial Meas. and Reg. Station Equipment		-	0.0000%	-	-	-	0.0000%	-	-
39	386 & 387	Other Property and Equipment		-	0.0000%	-	-	-	0.0000%	-	-
40		Subtotal		\$ -		\$ -	\$ -	\$ -		\$ -	\$ -
41											

EPCOR Gas Texas Inc.
Interim Rate Adjustment Application
12 Month Period Ending December 31, 2023
Allocated Additions Detail

Line No.	FERC Account No.	FERC Account Titles	Ref	Additions Original Cost	Depreciation Rate per GUD No. 10988	Depreciation Expense	Accumulated Depreciation	Net Plant	Allocation Factor	Allocated Cost	Allocated Depreciation Expense
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
								= (e) - (h)		= (i) * (j)	= (g) * (j)
42		6. GENERAL PLANT									
43	389	Land and Land Rights		\$ -	0.0000%	\$ -	\$ -	\$ -	0.0000%	\$ -	\$ -
44	390	Structures and Improvements		-	0.0000%	-	-	-	0.0000%	-	-
45	391	Office Furniture and Equipment		-	0.0000%	-	-	-	0.0000%	-	-
46	392	Transportation Equipment		-	0.0000%	-	-	-	0.0000%	-	-
47	393	Stores Equipment		-	0.0000%	-	-	-	0.0000%	-	-
48	394	Tools, Shop and Garage Equipment		-	0.0000%	-	-	-	0.0000%	-	-
49	395	Lab Equipment		-	0.0000%	-	-	-	0.0000%	-	-
50	396	Power Operated Equipment		-	0.0000%	-	-	-	0.0000%	-	-
51	397	Communication Equipment		-	0.0000%	-	-	-	0.0000%	-	-
52	398	Miscellaneous Equipment		-	0.0000%	-	-	-	0.0000%	-	-
53	399	Other Tangible Property		-	0.0000%	-	-	-	0.0000%	-	-
54		Subtotal		\$ -		\$ -	\$ -	\$ -		\$ -	\$ -
55											
56		TOTAL		\$ -		\$ -	\$ -	\$ -		\$ -	\$ -
57		Rate Base Adjustments			0.0000%				0.0000%		
58		Adjusted Total		\$ -		\$ -	\$ -	\$ -		\$ -	\$ -

EPCOR Gas Texas Inc.
Interim Rate Adjustment Application
12 Month Period Ending December 31, 2023
Allocated Retirement Detail

Line No.	FERC Account No.	FERC Account Titles	Ref	Retirements Original Cost	Depreciation Rate per GUD No. 10988	Depreciation Expense	Accumulated Depreciation	Net Plant	Allocation Factor	Allocated Cost	Allocated Depreciation Expense	
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	
								= (e) - (h)				
								= (i) * (j)			= (g) * (j)	
11		1. INTANGIBLE PLANT										
12	301	Organization		\$ -	0.0000%	\$ -	\$ -	\$ -	0.0000%	\$ -	\$ -	
13	302	Franchises and Consents		-	0.0000%	-	-	-	0.0000%	-	-	
14	303	Miscellaneous Intangible Plant		-	0.0000%	-	-	-	0.0000%	-	-	
15		Subtotal		\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	
16												
17		4. TRANSMISSION PLANT										
18	365.1-365.2	Land and Rights of Way		\$ -	0.0000%	\$ -	\$ -	\$ -	0.0000%	\$ -	\$ -	
19	366	Structures and Improvements		-	0.0000%	-	-	-	0.0000%	-	-	
20	367	Mains		-	0.0000%	-	-	-	0.0000%	-	-	
21	368	Compressor Station Equipment		-	0.0000%	-	-	-	0.0000%	-	-	
22	369	Meas. and Reg. Station Equipment		-	0.0000%	-	-	-	0.0000%	-	-	
23	370	Communication Equipment		-	0.0000%	-	-	-	0.0000%	-	-	
24	371	Other Equipment		-	0.0000%	-	-	-	0.0000%	-	-	
25		Subtotal		\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	
26												
27		5. DISTRIBUTION PLANT										
28	374	Land and Land Rights		\$ -	0.0000%	\$ -	\$ -	\$ -	0.0000%	\$ -	\$ -	
29	375	Structures and Improvements		-	0.0000%	-	-	-	0.0000%	-	-	
30	376	Mains		-	0.0000%	-	-	-	0.0000%	-	-	
31	377	Compressor Station Equipment		-	0.0000%	-	-	-	0.0000%	-	-	
32	378	Meas. and Reg. Station Equipment - General		-	0.0000%	-	-	-	0.0000%	-	-	
33	379	Meas. and Reg. Stations Equipment - City Gates		-	0.0000%	-	-	-	0.0000%	-	-	
34	380	Services		-	0.0000%	-	-	-	0.0000%	-	-	
35	381	Meters		-	0.0000%	-	-	-	0.0000%	-	-	
36	382	Meter Installations		-	0.0000%	-	-	-	0.0000%	-	-	
37	383	Regulators		-	0.0000%	-	-	-	0.0000%	-	-	
38	385	Industrial Meas. and Reg. Station Equipment		-	0.0000%	-	-	-	0.0000%	-	-	
39	386 & 387	Other Property and Equipment		-	0.0000%	-	-	-	0.0000%	-	-	
40		Subtotal		\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	
41												

EPCOR Gas Texas Inc.
Interim Rate Adjustment Application
12 Month Period Ending December 31, 2023
Allocated Retirement Detail

Line No.	FERC Account No.	FERC Account Titles	Ref	Retirements Original Cost	Depreciation Rate per GUD No. 10988	Depreciation Expense	Accumulated Depreciation	Net Plant	Allocation Factor	Allocated Cost	Allocated Depreciation Expense	
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	
								= (e) - (h)				
											= (i) * (j)	= (g) * (j)
42		6. GENERAL PLANT										
43	389	Land and Land Rights		\$ -	0.0000%	\$ -	\$ -	\$ -	0.0000%	\$ -	\$ -	
44	390	Structures and Improvements		-	0.0000%	-	-	-	0.0000%	-	-	
45	391	Office Furniture and Equipment		-	0.0000%	-	-	-	0.0000%	-	-	
46	392	Transportation Equipment		-	0.0000%	-	-	-	0.0000%	-	-	
47	393	Stores Equipment		-	0.0000%	-	-	-	0.0000%	-	-	
48	394	Tools, Shop and Garage Equipment		-	0.0000%	-	-	-	0.0000%	-	-	
49	395	Lab Equipment		-	0.0000%	-	-	-	0.0000%	-	-	
50	396	Power Operated Equipment		-	0.0000%	-	-	-	0.0000%	-	-	
51	397	Communication Equipment		-	0.0000%	-	-	-	0.0000%	-	-	
52	398	Miscellaneous Equipment		-	0.0000%	-	-	-	0.0000%	-	-	
53	399	Other Tangible Property		-	0.0000%	-	-	-	0.0000%	-	-	
54		Subtotal		\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	
55												
56		TOTAL		\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	
57		Rate Base Adjustments			0.0000%	-	-	-	0.0000%	-	-	
58		Adjusted Total		\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	

EPCOR Gas Texas Inc.
Interim Rate Adjustment Application
12 Month Period Ending December 31, 2023
Calculation of Federal Income Tax

Line No.	Description	Prior Year		Current Year		
(a)	(b)	(c)	(d)	(e)	(g)	(h)
10	Return on Investment					
11	Invested Capital		\$ 29,707,808		\$ 31,054,999	
12	Rate of Return		7.5722%		7.5722%	
13	Return on Investment		<u>\$ 2,249,535</u>		<u>\$ 2,351,547</u>	
14						
15	Interest Expense					
16	Invested Capital		\$ 29,707,808		\$ 31,054,999	
17	Weighted Cost of Debt		1.9967%		1.9967%	
18	Interest Expense		<u>\$ 593,176</u>		<u>\$ 620,075</u>	
19						
20	After Tax Income		<u>\$ 1,656,359</u>		<u>\$ 1,731,471</u>	
21						
22	Gross-up Factor		=1+(E26/(1-E26)) 1.265822785		=1+(H26/(1-H26)) 1.265822785	
23						
24	Before Tax Return		<u>\$ 2,096,657</u>		<u>\$ 2,191,736</u>	
25						
26	Federal Income Tax Rate		21%		21%	
27						
28	Federal Income Tax		<u>\$ 440,298</u>		<u>\$ 460,265</u>	
29						
30	Change in Federal Income Tax				<u><u>\$ 19,967</u></u>	

EPCOR Gas Texas Inc.
Interim Rate Adjustment Application
12 Month Period Ending December 31, 2023
Ad Valorem and Revenue-related Tax

Line No.	Description	Beginning Tax (1)	Change	Current Tax	Notes:
(a)	(b)	(c)	(d)	(e)	(f)
10	Non Revenue - Related				
11					
12	Ad Valorem Tax	\$ -	\$ -	-	1
13					
14	Revenue - Related				
15					
16	State Gross Receipts - Tax				2
17	Local Gross Receipts - Tax				2
18	Railroad Commission - Gas Utility Tax				2
19					
20	Total Revenue Related Taxes	\$ -	\$ -	-	
21					
22					
23	TOTAL TAXES OTHER THAN INCOME	\$ -	\$ -	-	
24					
25					
26	<u>Ad Valorem Tax Change:</u>				
27	Gross Plant at 12/31/2023		44,396,002		
28	Ad Valorem Tax Rate per GUD No. 10988		0.0000%		
29	Ad Valorem Tax at 12/31/2023		-		
30	Ad Valorem Tax per GUD No. 10988		-		
31	Change		-		

EPCOR Gas Texas Inc.
Interim Rate Adjustment Application
12 Month Period Ending December 31, 2023
Footnotes

IRA Schedule	Reference	Comments
	(b)	(c)
IRA-5	1	Includes a reduction to plant of \$154,271 for additions related to 2022 from IRA-12, and an increase to plant of \$17,748 for retirements related to 2022 from IRA-13.
IRA-5	2	Includes a reduction to Accumulated Depreciation of \$4,879 for additions and adjustments related to 2022.
IRA-12	Note	Page 16 of the 2023 Annual Report includes Additions of \$2,334,580. Of that, \$154,271 is related to prior year additions, and excluded in the 2023 GRIP filing. Additionally, a \$1,194 adjustment on the 2023 Annual Report is included as a reduction to Row 20.
IRA-13	Note	Page 16 of the 2023 Annual Report includes Retirements and Adjustments of \$185,438. Of that, \$17,748 is related to prior year adjustments, which are excluded in the 2023 GRIP filing, and \$1,194 is related to a 2023 adjustment included as a reduction to IRA-12 Row 20.
IRA-21	1	Column (c) is the amount authorized in most recent rate case or interim rate adjustment.
IRA-21	2	This tax is collected through a separate surcharge.

EPCOR Gas Texas Inc.
Interim Rate Adjustment Application
12 Month Period Ending December 31, 2023
Signature Page

I certify that I am the responsible official of EPCOR Gas Texas Inc.; that I have examined the foregoing report; that to the best of my knowledge, information, and belief, all statements of fact contained in the said report are true and the said report is a correct statement of the business and affairs of the above-named respondent in respect to each and every matter set forth therein during the 12 Month Period Ending December 31, 2023.

I understand that until the issuance of a final order or decision by a regulatory authority in a rate case that is filed after the implementation of a rate schedule under this section, all amounts collected under the rate schedules before the filing of the rate case are subject to refund.

July 2, 2024
Date


Signature

Title: Director, Rates (EPCOR USA Inc.)

Address: 2355 W Pinnacle Peak Road
Suite 300
Phoenix, AZ 85027

Phone: 602-445-2419

Email address: shubbar@epcor.com

Alternative contact regarding this report:

Name: David Billinger

Title: Director, Gas Operations (EPCOR Gas Texas Inc.)

Address: 4003 Pinehurst Meadow
Magnolia, TX 77355

Phone: (281) 766-1265

Email address: dbillinger@epcor.com

RAILROAD COMMISSION OF TEXAS

EPCOR GAS TEXAS INC. §
INTERIM RATE ADJUSTMENT FOR THE §
COMPANY'S DISTRIBUTION SYSTEM §

CASE NO. 00017797

AFFIDAVIT OF ANGELIA JOHNS

STATE OF TEXAS §
§
COUNTY OF HARRIS §

BEFORE ME, the undersigned authority, on this date personally appeared Angelia Johns, known to me to be a credible person whose name is subscribed below, and being by me first duly sworn, stated upon oath as follows:

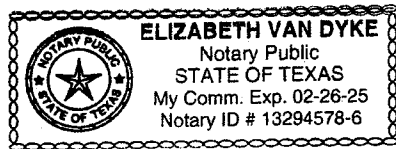
1. "My name is Angelia Johns. I am the Office Manager for EPCOR USA Inc., parent company of EPCOR Gas Texas Inc. I am of sound mind and capable of making this affidavit. The facts stated herein are true and correct and based on my personal knowledge."
2. "The Company keeps its books and records in accordance with the Rules of the Railroad Commission of Texas, and in accordance with the Federal Energy Regulatory Commission's (FERC) Uniform System of Accounts (USOA) prescribed for the Natural Gas Companies subject to the Provisions of the Natural Gas Act (as amended from time to time) (FERC USOA) for all operating and reporting purposes, unless authorized to depart from such system of accounts by the applicable regulatory authorities."
3. "I have reviewed the schedules filed by the Company in this docket. These schedules are summaries of the books and records for the period between January 1, 2023 and December 31, 2023."

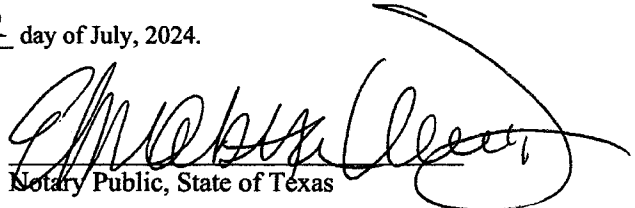

Angelia Johns

STATE OF TEXAS §
§
COUNTY OF HARRIS §

BEFORE ME, the undersigned authority, personally appeared Angelia Johns, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that she has read the foregoing affidavit and that the statements therein are true and correct.

Given under my hand and seal of office this 2 day of July, 2024.




Notary Public, State of Texas

RAILROAD COMMISSION OF TEXAS

EPCOR GAS TEXAS INC.
INTERIM RATE ADJUSTMENT FOR THE
COMPANY'S DISTRIBUTION SYSTEM

§
§
§

CASE NO. 00017797

AFFIDAVIT OF SHANNON REED

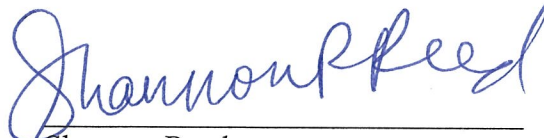
STATE OF ARIZONA §
 §
COUNTY OF MARICOPA §

BEFORE ME, the undersigned authority, on this date personally appeared Shannon Reed, known to me to be a credible person whose name is subscribed below, and being by me first duly sworn, stated upon oath as follows:

1. "My name is Shannon Reed. I am the Senior Advisor, Communications of EPCOR USA Inc., parent company of EPCOR Gas Texas Inc. I am of sound mind and capable of making this affidavit. The facts stated herein are true and correct and based on my personal knowledge.

2. Notice of the filing in this proceeding will be accomplished for all customers by bill insert with our August bills during the August 1 through 9, 2024 timeframe. As a result, notice will have been completed within 45 days of the filing; fulfilling the requirements of Texas Utilities Code § 104.301(a).

Further affiant sayeth not."



Shannon Reed

THE STATE OF ARIZONA §
 §
COUNTY OF MARICOPA §

BEFORE ME, the undersigned authority, personally appeared Matthew Atwood, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged

RAILROAD COMMISSION OF TEXAS

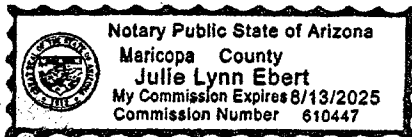
EPCOR GAS TEXAS INC.
INTERIM RATE ADJUSTMENT FOR THE
COMPANY'S DISTRIBUTION SYSTEM

§
§
§

CASE NO. 00017797

to me that he has read the foregoing affidavit and that the statements therein are true and correct.

Given under my hand and seal of office this 2 day of July, 2024.



Julie Lynn Ebert

Notary Public, State of Arizona



**ANNUAL EARNINGS MONITORING REPORT
OF
EPCOR GAS TEXAS INC.**

TO THE

RAILROAD COMMISSION OF TEXAS

FOR THE

Twelve Month Period Ending 12/31/2023

Check one:

This is an original submission

This is a revised submission

Date of submission: 7/3/2024

EARNINGS MONITORING REPORT TO THE RAILROAD COMMISSION OF TEXAS

**EPCOR GAS TEXAS, INC.
 ENVIRONS SERVICE AREA
 Twelve Month Period Ending 12/31/2023**

Line No.	Description	Per 12/31/2022 Annual Report to RRC (A)	Change (B)	Per 12/31/2023 Annual Report to RRC (C)	GUD 10988 12/8/2020 (D)
1	Total Operating Revenues	\$ 8,495,291	(\$1,222,795)	\$ 7,272,496	\$ 5,025,864
2	Operating Expenses:				
3	Gas Cost - Commodity Costs	\$ 2,434,316	(\$954,801)	\$ 1,479,516	
4	Operation and Maintenance Expense	\$ 2,515,850	\$330,375	\$ 2,846,224	\$ 2,110,549
5	Depreciation and Amortization Expense	\$ 880,736	\$141,066	\$ 1,021,801	\$ 783,439
6	Interest on Customer Deposits	\$ -	\$0	\$ -	\$ -
7	Interest on Customer Advances	\$ -	\$ -	\$ -	\$ -
8	Taxes Other Than Income Taxes	\$ 111,803	\$19,743	\$ 131,546	\$ 112,363
9	Total Operating Expenses Before Federal Income Taxes	\$ 5,942,705	\$ (463,617)	\$ 5,479,088	\$ 3,006,351
10	Total Operating Income Before Federal Income Taxes	\$ 2,552,586	\$ (759,178)	\$ 1,793,408	\$ 2,019,513
11	Federal Income Taxes	\$ 421,711	\$ (165,077)	\$ 256,634	\$ 330,774
12	Return on Rate Base	\$ 2,130,875	\$ (594,101)	\$ 1,536,774	\$ 1,688,739
13	Rate Base	27,262,793	\$1,347,191	\$28,609,984	\$22,318,004
14	Percent Return on Rate Base	<u>7.82%</u>		<u>5.37%</u>	<u>7.57%</u>
	<u>Rate Base Breakdown</u>				
15	Plant (1)	\$ 29,707,808		\$ 31,054,999	\$ 24,763,019
16	Other Items (2)	\$ (2,445,015)		\$ (2,445,015)	\$ (2,445,015)
17	Rate Base	27,262,793		28,609,984	22,318,004
	<u>Income Tax Calc</u>				
18	Income before Interest	\$ 2,552,586		\$ 1,793,408	\$ 2,019,513
19	Weighted Interest Rate Per Docket 10988	1.9970%		1.9970%	1.997%
20	Less: Interest Expense	\$ 544,438		\$ 571,341	\$ 445,624
21	Taxable Income	\$ 2,008,148		\$ 1,222,067	\$ 1,573,889
		21.00%		21.00%	21.00%
		\$ 421,711		\$ 256,634	\$ 330,517

(1) Net Investment per IRA

(2) Assumes Docket 10988 non plant related rate base items such as ADIT, Customer Deposits, Working Capital, and M&S Inventories

Signature Page

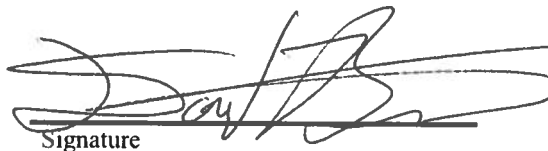
**EPCOR GAS TEXAS INC.
ENVIRONS SERVICE AREA
Railroad Commission of Texas- Earnings Monitoring Report**

I certify that I am the responsible official of EPCOR Gas Texas Inc., I have examined the foregoing report and to the best of my knowledge, information, and belief, all statements of fact contained in the said report are true and the said report is a correct statement of the business and affairs of the above-named respondent in respect to each and every matter set forth therein during the period from January 1, 2023 to December 31, 2023 inclusive.

I understand until the issuance of a final order or decision by a regulatory authority in a rate case that is filed after the implementation of a tariff or rate schedule under this section, all amounts collected under the tariff or rate schedule before the filing of the rate case are subject to refund.

July 3, 2024

Date



Signature

David Billinger

Name

Director, Gas Operations

Title

Address: 4003 Pinehurst Meadow, Magnolia, TX 77355

Phone: (281) 766-1250

Email address: dbillinger@epcor.com

Alternative contact regarding this report:

Name: Angelia Johns

Title: Manager, Office

Address: 4003 Pinehurst Meadow, Magnolia, TX 77355

Phone: (281) 766-1265

Email address: ajohns@epcor.com

INCOME STATEMENT

Line No.	Account (a)	Cross Reference (b)	Year Ended Dec. 31 (c)	Line No.
UTILITY OPERATING INCOME				
1	(400) Operating Revenues	p. 21, Ln. 22(c)	\$ 7,272,496	1
Operating Expenses				
2	(401-402) Operation & Maintenance Expenses	p. 25, Ln. 201(c)	\$ 4,325,740	2
3	(403-403.1) Depreciation Expenses	p. 25, Ln. 202(c)	1,021,801	3
4	(404.1-3) Amortizations of Limited Term Gas Plants			4
5	(405) Amortization of Other Gas Plant			5
6	(406) Amortization of Gas Plant Acquisition Adjustments			6
7	(407.1) Amortization of Property Losses			7
8	(407.2) Amortization of Conversion Expenses			8
9	(407.3) Regulatory Debits [requires Footnote]			9
10	(407.4) Regulatory Credits [requires Footnote]			10
11	(408.1) Taxes Other Than Income Taxes, Utility Op. Income	p. 25, Ln. 205(c)	131,546	11
12	(409.1) Income Taxes, Utility Operating Income	p. 25, Ln. 206(c)		12
13	(410.1) Provision for Deferred Income Taxes	p. 25, Ln. 207(c)		13
14	(411.1) Provision for Deferred Income Taxes-Credits	p. 25, Ln. 208(c)		14
15	(411.4) Investment Tax Credit Adj., Utility Operations	p. 25, Ln. 209(c)		15
16	(411.6) Gains from Disposition of Utility Plant [requires Footnote]	p. 25, Ln. 210(c)		16
17	(411.7) Losses from Disposition of Utility Plant [requires Footnote]	p. 25, Ln. 210(c)		17
18	(411.10) Accretion Expense	p. 25, Ln. 211(c)		18
19	Total Operating Expenses (Lines 2 thru 18)	p. 25, Ln. 213(c)	\$ 5,479,088	19
Other Operating Income:				
20	(412) Revenues from Gas Plant Leased to Other [requires Footnote]		\$ -	20
21	(413) Expenses of Gas Plant Leased to Others			21
22	(414) Other Utility Operating Income [requires Footnote]			22
23	TOTAL OPERATING INCOME (Line 1 minus 19, plus Lines 20 thru 22)		\$ 1,793,408	23
OTHER INCOME AND DEDUCTIONS				
Other Income:				
24	(415) Revenue from Merch., Jobbing & Contract Work		\$	24
25	(416) Costs & Exp. of Merch., Jobbing & Contract Work			25
26	(417-417.1) Revenues & Expenses from Nonutility Operations	p. 18, Ln. 8(d)		26
27	(418) Nonoperating Rental Income			27
28	(418.1) Equity in Earnings of Subsidiary Companies			28
29	(419) Interest and Dividend Income			29
30	(419.1) Allowance for Other Funds Used During Const.			30
31	(421) Miscellaneous Nonoperating Income	p. 18, Ln. 16(b)		31
32	(421.1) Gain on Disposition of Property [requires Footnote]			32
33	Total Other Income (Lines 24 thru 32)		\$ -	33
Other Income Deductions:				
33.5	(421.2) Loss on Disposition of Property [requires Footnote]		\$	33.5
34	(425) Miscellaneous Amortization [requires Footnote]		(3,267)	34
35	(426.1-5) 'Various Income Deductions' [requires Footnote]		2,141	35
36	Total Other Income Deductions (Lines 33.5 thru 35)		\$ (1,126)	36
37	TOTAL OTHER INCOME AND DEDUCTIONS (Line 33 minus Line 36)		\$ 1,126	37

INCOME STATEMENT (Continued)

Line No.	Account (a)	Cross Reference (b)	Year Ended Dec. 31 (c)	Line No.
	Taxes Applicable to Other Income and Deductions:			
38	(408.2) Taxes Other Than Income Taxes		\$	38
39	(409.2) Income Taxes, Other Income and Deductions			39
40	(410.2) Provision for Deferred Income Taxes			40
41	(411.2) Provision for Deferred Income Taxes-Credit			41
42	(411.5) Investment Tax Credit Adj., Nonutility Operations			42
43	(420) Investment Tax Credits			43
44	Total Taxes on Other Income & Ded. (Lines 38 thru 43)		\$ -	44
45	NET OTHER INCOME AND DEDUCTIONS (Line 37 minus Line 44)		\$ 1,126	45
	INTEREST CHARGES			
46	(427) Interest on Long Term Debt		\$	46
47	(428-428.1) Amortization of Debt Discount and Expense			47
48	(429-429.1) Amortization of Premium on Debt - Credit			48
49	(430) Interest on Debt to Associated Companies			49
50	(431) Other Interest Expense			50
51	(432) Allowance for Borrowed Funds used during Construction-Cr.			51
52	Total Interest Charges (Lines 46 thru 51)		\$ -	52
53	INCOME BEFORE EXTRAORDINARY ITEMS (Line 23 plus or minus Line 45 minus Line 52)		\$ 1,794,534	53
	EXTRAORDINARY ITEMS			
54	(434) Extraordinary Income	p. 19, Ln. 8(b)	\$ -	54
55	(435) Extraordinary Deductions	p. 19, Ln. 16(b)		55
56	(409.3) Income Taxes, Extraordinary Items			56
57	Net Extraordinary Items (Lines 54 thru 56)		\$ -	57
58	NET INCOME (Line 53 plus or minus Line 57)		\$ 1,794,534	58

STATEMENT OF RETAINED EARNINGS

Line No.	Account (a)	Cross Reference (b)	Year Ended Dec. 31 (c)	Line No.
59	Unappropriated Retained Earnings - Balance at Jan.1, 2023		\$ 19,642,620	59
60	(433) Balance Transferred from Income	p. 11, Ln. 58(c)	\$ 1,794,534	60
61	(436) Appropriations of Retained Earnings			61
62	(437) Dividends Declared - Preferred Stock			62
63	(438) Dividends Declared - Common Stock			63
64	(439) Adjustments to Ret. Earnings [requires Footnote]			64
65	NET INCREASE (DECREASE) TO RET. EARNINGS (Lines 60 thru 64)		\$ 1,794,534	65
66	(216) Unappropriated Retained Earnings - at Dec. 31, 2023 (Line 59 plus or minus Line 65)	p.13, Ln. 88(c)	\$ 21,437,154	66

NOTE: If the beginning balance of Unappropriated Retained Earnings does not match the prior year reported ending balance, reconcile the difference on Page 38 'Footnote Data'.

GAS UTILITY PLANT IN SERVICE (*Balance Sheet Account 101)

Totals - Texas Only (Lines 1 through 22)

Line No.	Account and Description (a)	Balance First of Year (b)	Additions During Year (c)	Retirements & Adjustments (d)	Balance End of Year (e)	Line No.
1	Intangible Plant					1
2	Total (Accounts 301 - 303)	\$ 1,607	\$ -	\$ -	\$ 1,607	2
3	Manufactured Gas Prod. Plant					3
4	Total (Accounts 304 - 321)	\$ -	\$ -	\$ -	\$ -	4
5	Natural Gas Production and Gath. Plant					5
6	Total (Accounts 325.1 - 339)	\$ -	\$ -	\$ -	\$ -	6
7	Products Extraction Plant					7
8	Total (Accounts 340 - 348)	\$ -	\$ -	\$ -	\$ -	8
9	Underground Storage Plant					9
10	Total (Accounts 350.1 - 358)	\$ -	\$ -	\$ -	\$ -	10
11	Other Storage Plant					11
12	Total (Accounts 360 - 363.6)	\$ -	\$ -	\$ -	\$ -	12
13	Base Load LNG Term./Proc					13
14	Total (Accounts 364.1 - 364.9)	\$ -	\$ -	\$ -	\$ -	14
15	Transmission Plant					15
16	Total (Accounts 365.1 - 372)	\$ 2,191,069	\$ 92,372	\$ -	\$ 2,283,441	16
17	Distribution Plant					17
18	Total (Accounts 374 - 388)	\$ 35,207,223	\$ 1,867,896	\$ (75,826)	\$ 36,999,293	18
19	General Plant					19
20	Total (Accounts 389 - 399.1)	\$ 4,846,961	\$ 374,311	\$ (109,611)	\$ 5,111,661	20
21	TOTAL PLANT - TEXAS	\$ 42,246,860	\$ 2,334,580	\$ (185,438)	\$ 44,396,002	21
22	(Lines 2 & 4 & 6 & 8 & 10 & 12 & 14 & 16 & 18 & 20)					22
23	All Other States					23
24	(301-364) Int., Prod., & Storage Plant	\$ -	\$ -	\$ -	\$ -	24
25	(365-372) Transmission Plant				-	25
26	(374-388) Distribution Plant				-	26
27	(389-399) General Plant				-	27
28	TOTAL PLANT - ALL STATES (Lines 22 thru 27)	\$ 42,246,860	\$ 2,334,580	\$ (185,438)	\$ 44,396,002	28
	(Line 28(e) must equal Page 12, Line 1(c))					

NOTE: If the 'Balance First of Year' does not match the prior year 'Balance End of Year' please reconcile the difference on Page 38 'Footnote Data'.

* Plant Sub-Totals are for reporting purposes only. It is still the responsibility of the utility to maintain its books and records by individual Gas Utility Plant In Service account.

**ACCUMULATED DEPRECIATION OF GAS UTILITY PLANT IN SERVICE
(BALANCE SHEET ACCOUNT 108)**

Totals - Texas Only (Lines 1 through 22)

Line No.	Account and Description (a)	Balance First of Year (b)	Current Yr. Accrual (c)	Retirements & Adjustments (d)	Balance End of Year (e)	Line No.
1	Intangible Plant					1
2	Total (Accounts 301 - 303)	\$ (1,307)	\$ -	\$ -	\$ (1,307)	2
3	Manufactured Gas Prod. Plant					3
4	Total (Accounts 304 - 321)	\$ -	\$ -	\$ -	\$ -	4
5	Natural Gas Production and Gath. Plant					5
6	Total (Accounts 325.1 - 339)	\$ -	\$ -	\$ -	\$ -	6
7	Products Extraction Plant					7
8	Total (Accounts 340 - 348)	\$ -	\$ -	\$ -	\$ -	8
9	Underground Storage Plant					9
10	Total (Accounts 350.1 - 358)	\$ -	\$ -	\$ -	\$ -	10
11	Other Storage Plant					11
12	Total (Accounts 360 - 363.6)	\$ -	\$ -	\$ -	\$ -	12
13	Base Load LNG Term./Proc					13
14	Total (Accounts 364.1 - 364.9)	\$ -	\$ -	\$ -	\$ -	14
15	Transmission Plant					15
16	Total (Accounts 365.1 - 372)	\$ (756,786)	\$ (28,522)	\$ -	\$ (785,309)	16
17	Distribution Plant					17
18	Total (Accounts 374 - 388)	\$ (9,333,058)	\$ (778,167)	\$ 74,084	\$ (10,037,141)	18
19	General Plant					19
20	Total (Accounts 389 - 399.1)	\$ (2,447,902)	\$ (215,112)	\$ 145,767	\$ (2,517,247)	20
21	TOTAL PLANT - TEXAS	\$ (12,539,053)	\$ (1,021,801)	\$ 219,851	\$ (13,341,003)	21
22	(Lines 2 & 4 & 6 & 8 & 10 & 12 & 14 & 16 & 18 & 20)					22
23	All Other States					23
24	(301-364) Int., Prod., & Storage Plant	\$ -	\$ -	\$ -	\$ -	24
25	(365-372) Transmission Plant					25
26	(374-388) Distribution Plant					26
27	(389-399) General Plant					27
28	TOTAL PLANT - ALL STATES (Lines 22 thru 27)	\$ (12,539,053)	\$ (1,021,801)	\$ 219,851	\$ (13,341,003)	28
	Line 28(e) must equal Page 12, Line 9(c)					

NOTE: If the 'Balance First of Year' does not match the prior year 'Balance End of Year' please reconcile the difference on Page 38 'Footnote Data'.

GAS OPERATING REVENUES AND EXPENSES (Continued)

Line No.	Account (a)	Texas Operations (b)	Total Operations (c)	Line No.
	OPERATING EXPENSES (continued)			
	Operation and Maintenance Expenses (continued)			
	Natural Gas Production Expense - Products Extraction			
45	(770) Operation Supervision and Engineering	\$ -	\$ -	45
46	(771) Operation Labor			46
47	(772) Gas Shrinkage			47
48	(773) Fuel			48
49	(774) Power			49
50	(775) Materials			50
51	(776) Operation Supplies and Expenses			51
52	(777) Gas Processed by Others			52
53	(778) Royalties on Products Extracted			53
54	(779) Marketing Expenses			54
55	(780) Products Purchased for Resale			55
56	(781) Variation in Products Inventory			56
57	(782) Extracted Products Used by the Utility - Credit			57
58	(783) Rents			58
59	(784) Maintenance Supervision and Engineering			59
60	(785) Maintenance of Structures and Improvements			60
61	(786) Maintenance of Extraction and Refining Equipment			61
62	(787) Maintenance of Pipe Lines			62
63	(788) Maintenance of Extracted Products Storage Equip.			63
64	(789) Maintenance of Compressor Equipment			64
65	(790) Maintenance of Gas Measuring and Reg. Equipment			65
66	(791) Maintenance of Other Equipment			66
67	Total Products Extraction Expenses (Lines 45 thru 66)	\$ -	\$ -	67
	Exploration and Development Expenses			
68	(795) Delay Rentals	\$ -	\$ -	68
69	(796) Nonproductive Well Drilling			69
70	(797) Abandoned Leases			70
71	(798) Other Exploration			71
72	Total Exploration & Development Exp. (Lines 68 thru 71)	\$ -	\$ -	72
	Gas Supply Expenses			
73	(800) Natural Gas Well Head Purchases	\$ -	\$ -	73
74	(800.1) Nat Gas Well Head Pur., Intracompany Transfers			74
75	(801) Natural Gas Field Line Purchases			75
76	(802) Natural Gas Gasoline Plant Outlet Purchases			76
77	(803) Natural Gas Transmission Line Purchases			77
78	(804) Natural Gas City Gate Purchases		1,483,709	78
79	(804.1) Liquefied Natural Gas Purchases			79
80	(805) Other Gas Purchases			80
81	(805.1) Purchased Gas Cost Adjustment (Requires Footnote)		(4,193)	81
82	(806) Exchange Gas			82
83	(807) Purchased Gas Expenses (Requires Footnote)			83
84	(808.1) Gas Withdrawn From Storage - Debit			84
85	(808.2) Gas Delivered to Storage - Credit			85
86	(809.1) Withdrawals of LNG held for Processing-Debit			86
87	(809.2) Deliveries of Nat. Gas for Processing-Credit			87
88	(810) Gas Used for Compressor Station Fuel - Credit			88
89	(811) Gas Used for Products Extraction - Credit			89

GAS OPERATING REVENUES AND EXPENSES (Continued)

Line No.	Account (a)	Texas Operations (b)	Total Operations (c)	Line No.
	OPERATING EXPENSES (continued)			
	Operation and Maintenance Expenses (continued)			
	Customer Service and Informational Expenses			
176	(907) Supervision	\$ -	\$ -	176
177	(908) Customer Assistance Expenses			177
178	(909) Informational & Instructional Advertising Exp.		9,884	178
179	(910) Misc. Customer Service & Informational Expenses		12,390	179
180	Total Cust. Service and Inform. Exp. (Lines 176 thru 179)	\$ -	\$ 22,273	180
	Sales Expenses			
181	(911) Supervision	\$ -	\$ -	181
182	(912) Demonstrating and Selling Expenses			182
183	(913) Advertising Expenses			183
184	(916) Miscellaneous Sales Expenses			184
185	Total Sales Expenses (Lines 181 thru 184)	\$ -	\$ -	185
	Administrative and General Expenses			
186	(920) Administrative and General Salaries	\$ -	\$ 943,039	186
187	(921) Office Supplies and Expenses		233,865	187
188	(922) Administrative Expenses Transferred - Credit			188
189	(923) Outside Services Employed		123,892	189
190	(924) Property Insurance		109,842	190
191	(925) Injuries and Damages			191
192	(926) Employee Pensions and Benefits		435,380	192
193	(927) Franchise Requirements		23,488	193
194	(928) Regulatory Commission Expenses		18,625	194
195	(929) Duplicate Charges - Credit			195
196	(930.1) Goodwill Advertising Expense		1,780	196
197	(930.2) Miscellaneous General Expense [requires Footnote]		266,720	197
198	(931) Rents			198
199	(932) Maintenance of General Plant		90,366	199
200	Total Admin. & General Expenses (Lines 186 thru 199)	\$ -	\$ 2,246,997	200
201	Total Operation & Maintenance Expenses (Lines 23, 44, 67, 72, 92, 114, 130, 133, 146, 169, 175, 180, 185 & 200)	\$ -	\$ 4,325,740	201
	Other Operating Expenses			
202	(403-403.1) Depreciation Expense	\$ -	\$ 1,021,801	202
203	(404-407.2) Combined Amortization Expenses			203
204	(407.3-4) Regulatory Debits and Credits			204
205	(408.1) Taxes Other Than Income Taxes		131,546	205
206	(409.1) Income Taxes			206
207	(410.1) Provisions for Deferred Income Taxes			207
208	(411.1) Provision for Deferred Income Taxes - Credit			208
209	(411.4) Investment Tax Credit Adj. - Utility Operations			209
210	(411.6-7) Gains/Losses from Disposition of Utility Plant			210
211	(411.10) Accretion Expense			211
212	Total Other Operating Expenses (Lines 202 thru 211)	\$ -	\$ 1,153,348	212
213	TOTAL OPERATING EXPENSES (Line 201 plus 212)	\$ -	\$ 5,479,088	213
214	NET GAS OPERATING INCOME (Line 22 minus Line 213)	\$ -	\$ 1,793,408	214