

Exhibit ALR-1

OVERALL COST OF CAPITAL
Piedmont Natural Gas Company, Inc

	<u>Ratios</u>		<u>Cost Rate</u>		<u>Weighted Cost Rate</u>
					[D]
Long-Term Debt	51.61%	[A]	4.28%	[B]	2.21%
Short-Term Debt	0.00%	[B]	0.00%	[B]	0.00%
Preferred Equity	0.00%	[B]	0.00%	[B]	0.00%
Common Equity	48.39%	[A]	8.44%	[C]	4.08%
	100.00%				6.29%
<u>RECOMMENDED RANGES</u>					
			<u>Low</u>		<u>High</u>
Proxy Group Cost of Equity Range			7.70%		8.50%
Proxy Group Cost of Equity				8.44%	
Based on RFC Capital Structure Recommendation					
Capital Structure Risk Adjustment	[E]			0.00%	
Adjusted Recommended Cost of Equity Range			7.70%		8.50%
Company Specific Cost of Equity Recommendation				8.44%	
Cost of Capital Range			5.93%		6.32%
Based on Ms. Nelson's Capital Structure Recommendation					
Capital Structure Risk Adjustment	[F]			-0.27%	
Adjusted Recommended Cost of Equity Range			7.43%		8.23%
Company Specific Cost of Equity Recommendation				8.17%	
Cost of Capital Range			6.02%		6.45%
Comprehensive Cost of Capital Range					
Cost of Debt Range			4.28%		3.64%
Common Equity Ratio Range			48.39%		44.84%
Comprehensive Cost of Capital Range			5.93%		5.82%

Sources:

- [A] Recommendation based on Proxy Group capital structures
[B] Ms. Glenn's Direct Testimony, Page 17
[C] Company Specific Cost of Equity Recommendation based on RFC Capital Structure Recommendation
[D] Ratios times Cost Rate
[E] Not applicable because of recommended Capital Structure within Proxy Group range.
[F] Based on estimate of 0.04% change in Cost of Equity for each 1% difference in Common Equity Ratio compared to the Proxy Group (Exhibit ALR-1 vs. Exhibit ALR-5, page 4).

Exhibit ALR-2

COST OF EQUITY SUMMARY

RFC Gas Proxy Group (7 Companies)

		Low	High	Percentile			
				50.0% (Median)	60.0%	70.0%	80.0%
DCF		7.78%	9.61%				
Constant Growth - Sustainable Growth	[A]	9.57%	9.61%				
Constant Growth - Option-Implied Growth	[B]	7.78%	8.44%				
Non-Constant Growth	[C]	8.47%	8.53%				
CAPM		5.35%	7.38%				
3-Mo. Weighted Average (Apr. to Jun. 2026)							
3-Month Treasury Bill Risk-Free Rate	[D]	5.61%	6.96%				
30-Year Treasury Bond Risk-Free Rate	[D]	6.36%	7.38%				
Spot (Jun. 30, 2026)							
3-Month Treasury Bill Risk-Free Rate	[E]	5.35%	6.99%				
30-Year Treasury Bond Risk-Free Rate	[E]	6.04%	7.28%				

Proxy Group Cost of Equity

7.33%	7.70%	8.44%	8.50%
Median of Overall	COE Recommendation		
Range of Results	<---- Recommended Range ---->		

Sources:

- [A] Exhibit ALR-3, page 1
[B] Exhibit ALR-3, page 2
[C] Exhibit ALR-3, page 3 and Exhibit ALR-3, page 4
[D] Exhibit ALR-4, page 1
[E] Exhibit ALR-4, page 5

CONSTANT GROWTH DISCOUNTED CASH FLOW (DCF) - INDICATED COST OF EQUITY
RFC Gas Proxy Group (7 Companies)

		Based on Average Market Price For Year Ending 6/30/2026	Based On Market Price As Of 6/30/2026
1 Dividend Yield On Market Price	[A]	3.34%	3.27%
2 Retention Rate:			
a) Market-to-Book Ratio	[A]	1.76	1.76
b) Dividend Yield on Book	[B]	5.87%	5.76%
c) Expected Return on Equity	[C]	9.10%	9.10%
d) Retention Rate	[D]	35.50%	36.67%
3 Reinvestment Growth	[E]	3.23%	3.34%
4 New Financing Growth	[F]	2.90%	2.90%
5 Total Estimate of Investor Anticipated Growth	[G]	6.13%	6.24%
6 Increment to Dividend Yield for Growth to Next Year	[H]	0.10%	0.10%
7 Indicated Cost of Equity	[I]	9.57%	9.61%

Sources:

[A] Exhibit ALR-5, page 1

[B] Line 1 x Line 2a

[C] Some of the considerations for determining Future Expected Return on Equity:

	<u>Median</u>	<u>Mean</u>	<u>From</u>
Value Line Expectation	10.00%	10.07%	Exhibit ALR-5, page 2
Return on Equity to Achieve <u>Zacks</u> Growth	8.63%	8.28%	Exhibit ALR-5, page 3
Average Historical Growth	8.44%	8.91%	
Earned Return on Equity in 2025	8.44%	9.37%	Exhibit ALR-5, page 2
Earned Return on Equity in 2024	8.21%	8.60%	Exhibit ALR-5, page 2
Earned Return on Equity in 2023	8.66%	8.75%	Exhibit ALR-5, page 2

[D] 1 - Line 2b / Line 2c

[E] Line 2c x Line 2d

[F] $S \times V = (\text{Ext. Fin. Rate}) \times (\text{Line 2a} - 1)$

Ext. Fin. Rate = 3.82%

From
Exhibit ALR-3, page 5

S = rate of continuous new stock financing

V = fraction of funds raised by sale of stock that increases the book value of existing shareholders' common equity

[G] Line 3 + Line 4

[H] Line 1 x one-half of Line 5

[I] Line 1 + Line 5 + Line 6

CONSTANT GROWTH DISCOUNTED CASH FLOW (DCF) - INDICATED COST OF EQUITY
RFC Gas Proxy Group (7 Companies)

		Based On Weighted Averages As Of 6/30/2026	Based On Spot Market Values As Of 6/30/2026
1 Dividend Yield On Market Price	[A]	3.34%	3.27%
2 Total Estimate of Investor Anticipated Growth	[B]	4.37%	5.08%
3 Increment to Dividend Yield for Growth to Next Year	[C]	0.07%	0.08%
4 Indicated Cost of Equity	[D]	7.78%	8.44%

Sources:

- [A] Exhibit ALR-5, page 1
- [B] 6-Month Option-Implied Growth
- [C] Line 1 x one-half of Line 2
- [D] Line 1 + Line 2 + Line 3

NON-CONSTANT GROWTH DISCOUNTED CASH FLOW (DCF) - INDICATED COST OF EQUITY
(BASED ON VALUE LINE FORECASTS AND CLOSING STOCK PRICE)
RFC Gas Proxy Group

		[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]	[12]	[13]	[14]	[15]	[16]
		Forecasted Dividends per Share					Growth	Book Value		Closing Stock Price		Cash Flow From Buying and Selling Stock (At Closing Price)					
		2026	2027	2028	2029	2030	2027-30	6/30/26	6/30/30	6/30/2026	6/30/2030	2026	2027	2028	2029	2030	IRR / DCF
		[A]	[A]	[B]	[B]	[A]	[B]	[C]	[C]	[D]	[E]	[F]	[F]	[F]	[F]	[F]	[G]
ATMOS ENERGY CORP.	ATO	\$4.00	\$4.24	\$4.49	\$4.76	\$5.05	6.00%	\$86.69	\$107.57	\$172.27	\$213.77	(\$170.27)	\$4.24	\$4.49	\$4.76	\$216.30	8.05%
NEW JERSEY RES.	NJR	\$1.90	\$2.00	\$2.13	\$2.26	\$2.40	6.27%	\$24.55	\$31.78	\$56.04	\$72.54	(\$55.09)	\$2.00	\$2.13	\$2.26	\$73.74	10.29%
NI SOURCE INC.	NI	\$1.20	\$1.28	\$1.36	\$1.44	\$1.52	5.90%	\$20.70	\$32.70	\$47.55	\$75.11	(\$46.95)	\$1.28	\$1.36	\$1.44	\$75.87	14.69%
N.W. NATURAL	NWN	\$1.97	\$1.98	\$1.99	\$1.99	\$2.00	0.34%	\$35.87	\$38.99	\$49.06	\$53.32	(\$48.08)	\$1.98	\$1.99	\$1.99	\$54.32	6.15%
ONE GAS, INC.	OGS	\$2.72	\$2.76	\$2.82	\$2.89	\$2.95	2.24%	\$55.74	\$58.30	\$77.07	\$80.61	(\$75.71)	\$2.76	\$2.82	\$2.89	\$82.09	4.82%
SOUTHWEST GAS	SWX	\$2.55	\$2.55	\$2.64	\$2.74	\$2.84	3.66%	\$56.52	\$66.67	\$88.68	\$104.60	(\$87.41)	\$2.55	\$2.64	\$2.74	\$106.02	7.13%
SPIRE INC.	SR	\$3.30	\$3.46	\$3.63	\$3.81	\$4.00	4.95%	\$54.43	\$62.66	\$78.09	\$89.91	(\$76.44)	\$3.46	\$3.63	\$3.81	\$91.91	8.17%
Maximum		\$4.00	\$4.24	\$4.49	\$4.76	\$5.05	6.27%	\$86.69	\$107.57	\$172.27	\$213.77	(\$46.95)	\$4.24	\$4.49	\$4.76	\$216.30	14.69%
Minimum		\$1.20	\$1.28	\$1.36	\$1.44	\$1.52	0.34%	\$20.70	\$31.78	\$47.55	\$53.32	(\$170.27)	\$1.28	\$1.36	\$1.44	\$54.32	4.82%
Median		\$2.55	\$2.55	\$2.64	\$2.74	\$2.84	4.95%	\$54.43	\$58.30	\$77.07	\$80.61	(\$75.71)	\$2.55	\$2.64	\$2.74	\$82.09	8.05%
Average		\$2.52	\$2.61	\$2.72	\$2.84	\$2.97	4.19%	\$47.78	\$56.95	\$81.25	\$98.55	(\$79.99)	\$2.61	\$2.72	\$2.84	\$100.04	8.47%

Sources:

- [A] Value Line: Most current data available at time of schedule preparation. 2030 data is VL forecast for 2029-31.
- [B] Straight line interpolation based on Value Line data, assuming constant dividend growth for 2027-30.
- [C] Straight line interpolation based on Value Line data, assuming constant book value growth for 2027-30.
- [D] EOD Data: Market Data as of June 30, 2026.
- [E] Stock Price projected assuming constant Market to Book Ratio (Exhibit ALR-5, page 1) and using VL projected Book Value.
- [F] Cash Flow from purchasing stock on July 1, 2026, receiving dividends through 2030, and selling on June 30, 2030.
 Negative number in 2026 reflects cash outflow required to purchase stock.
 Cash flow sources are 1) dividends and 2) proceeds of stock sale.
 2 of 4 dividends assumed received in 2026 and 2 of 4 in 2030 based on purchase and sale date.
- [G] Total return on equity to investor who purchased, held, and sold stock as described above,
 assuming Value Line projections of Dividends and Book Value are correct and
 assuming Stock Price grows at same rate as Book Value.
- DCF result is an Internal Rate of Return computation made using the "IRR" function built into Microsoft Excel
 based on projected cash flows from 2026 to 2030.

NON-CONSTANT GROWTH DISCOUNTED CASH FLOW (DCF) - INDICATED COST OF EQUITY
(BASED ON VALUE LINE FORECASTS AND LTM AVERAGE STOCK PRICE)
RFC Gas Proxy Group

		[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]	[12]	[13]	[14]	[15]	[16]
		Forecasted Dividends per Share					Growth	LTM Avg. Book Value		LTM Avg. Stock Price		Cash Flow From Buying and Selling Stock (At LTM Average Price)					
		2026	2027	2028	2029	2030	2027-30	2026	2030	6/30/26	6/30/30	2026	2027	2028	2029	2030	IRR / DCF
		[A]	[A]	[B]	[B]	[A]	[B]	[C]	[C]	[D]	[E]	[F]	[F]	[F]	[F]	[F]	[G]
ATMOS ENERGY CORP.	ATO	\$4.00	\$4.24	\$4.49	\$4.76	\$5.05	6.00%	\$83.90	\$104.11	\$171.25	\$212.50	(\$169.25)	\$4.24	\$4.49	\$4.76	\$215.03	8.06%
NEW JERSEY RES.	NJR	\$1.90	\$2.00	\$2.13	\$2.26	\$2.40	6.27%	\$23.76	\$30.75	\$51.02	\$66.04	(\$50.07)	\$2.00	\$2.13	\$2.26	\$67.24	10.65%
NI SOURCE INC.	NI	\$1.20	\$1.28	\$1.36	\$1.44	\$1.52	5.90%	\$19.91	\$31.45	\$43.83	\$69.24	(\$43.23)	\$1.28	\$1.36	\$1.44	\$70.00	14.91%
N.W. NATURAL	NWN	\$1.97	\$1.98	\$1.99	\$1.99	\$2.00	0.34%	\$35.42	\$38.50	\$47.64	\$51.78	(\$46.66)	\$1.98	\$1.99	\$1.99	\$52.78	6.28%
ONE GAS, INC.	OGS	\$2.72	\$2.76	\$2.82	\$2.89	\$2.95	2.24%	\$54.55	\$57.05	\$80.88	\$84.59	(\$79.52)	\$2.76	\$2.82	\$2.89	\$86.07	4.64%
SOUTHWEST GAS	SWX	\$2.55	\$2.55	\$2.64	\$2.74	\$2.84	3.66%	\$54.18	\$63.90	\$83.43	\$98.41	(\$82.16)	\$2.55	\$2.64	\$2.74	\$99.83	7.32%
SPIRE INC.	SR	\$3.30	\$3.46	\$3.63	\$3.81	\$4.00	4.95%	\$53.51	\$61.61	\$83.28	\$95.88	(\$81.63)	\$3.46	\$3.63	\$3.81	\$97.88	7.88%
Maximum		\$4.00	\$4.24	\$4.49	\$4.76	\$5.05	6.27%	\$83.90	\$104.11	\$171.25	\$212.50	(\$43.23)	\$4.24	\$4.49	\$4.76	\$215.03	14.91%
Minimum		\$1.20	\$1.28	\$1.36	\$1.44	\$1.52	0.34%	\$19.91	\$30.75	\$43.83	\$51.78	(\$169.25)	\$1.28	\$1.36	\$1.44	\$52.78	4.64%
Median		\$2.55	\$2.55	\$2.64	\$2.74	\$2.84	4.95%	\$53.51	\$57.05	\$80.88	\$84.59	(\$79.52)	\$2.55	\$2.64	\$2.74	\$86.07	7.88%
Average		\$2.52	\$2.61	\$2.72	\$2.84	\$2.97	4.19%	\$46.46	\$55.34	\$80.19	\$96.92	(\$78.93)	\$2.61	\$2.72	\$2.84	\$98.40	8.53%

Sources:

[A] Value Line: Most current data available at time of schedule preparation. 2030 data is VL forecast for 2029-31.

[B] Straight line interpolation based on Value Line data, assuming constant dividend growth for 2027-30.

[C] Straight line interpolation based on Value Line data, assuming constant book value growth for 2027-30.

[D] EOD Data: Market Data as of June 30, 2026.

[E] Stock Price projected assuming constant Market to Book Ratio (Exhibit ALR-5, page 1) and using VL projected Book Value.

[F] Cash Flow from purchasing stock on July 1, 2026, receiving dividends through 2030, and selling on June 30, 2030.

Negative number in 2026 reflects cash outflow required to purchase stock.

Cash flow sources are 1) dividends and 2) proceeds of stock sale.

2 of 4 dividends assumed received in 2026 and 2 of 4 in 2030 based on purchase and sale date.

[G] Total return on equity to investor who purchased, held, and sold stock as described above,
assuming Value Line projections of Dividends and Book Value are correct and
assuming Stock Price grows at same rate as Book Value.

DCF result is an Internal Rate of Return computation made using the "IRR" function built into Microsoft Excel
based on projected cash flows from 2026 to 2030.

COMMON SHARES OUTSTANDING AND EXTERNAL FINANCING RATE
RFC Gas Proxy Group

		[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]
		Common Stock Outstanding (Millions of Shares)								Annual Growth Rate		
		2021	2022	2023	2024	2025	2026	2027	2030	2021-25	2025-30	2021-30
		[A]	[A]	[A]	[A]	[A]	[A]	[A]	[A]	[B]	[B]	[B]
ATMOS ENERGY CORP.	ATO	125.9	132.4	140.9	148.5	155.3	161.6	171.0	200.0	5.38%	5.19%	5.28%
NEW JERSEY RES.	NJR	95.8	95.0	96.3	97.6	99.5	100.5	102.0	105.0	0.94%	1.09%	1.02%
NI SOURCE INC.	NI	391.8	405.3	412.1	447.4	469.8	478.4	485.0	525.0	4.65%	2.25%	3.31%
N.W. NATURAL	NWN	30.6	31.1	35.5	37.6	40.2	41.6	45.0	50.0	7.08%	4.45%	5.61%
ONE GAS, INC.	OGS	53.2	53.6	55.4	56.6	59.9	62.7	64.0	75.0	3.02%	4.61%	3.90%
SOUTHWEST GAS	SWX	57.2	60.4	67.1	71.6	71.8	72.2	73.0	77.0	5.85%	1.41%	3.36%
SPIRE INC.	SR	51.6	51.7	52.5	53.2	57.7	59.0	62.0	75.0	2.83%	5.38%	4.24%
Maximum		391.8	405.3	412.1	447.4	469.8	478.4	485.0	525.0	7.08%	5.38%	5.61%
Minimum		30.6	31.1	35.5	37.6	40.2	41.6	45.0	50.0	0.94%	1.09%	1.02%
Median		57.2	60.4	67.1	71.6	71.8	72.2	73.0	77.0	4.65%	4.45%	3.90%
Average		115.1	118.5	122.8	130.3	136.3	139.4	143.1	158.1	4.25%	3.48%	3.82%
Sustainable Growth [C]										3.82%		

Sources:

- [A] Value Line: Most current data available at time of schedule preparation.
[B] Annualized Growth Rate calculation.
[C] Estimated Sustainable Growth in Common Stock based on analysis of historical and projected growth rates.

CAPITAL ASSET PRICING MODEL (CAPM) - INDICATED COST OF EQUITY

WEIGHTED - All Inputs Weighted From April to June 2026

RFC Gas Proxy Group

	3-Month Treasury Bill		30-Year Treasury Bond	
	<u>Historical Blended Beta</u>	<u>Forward Beta</u>	<u>Historical Blended Beta</u>	<u>Forward Beta</u>
Risk-Free Rate	3.76%	3.76%	4.95%	4.95%
Beta	0.37	0.65	0.37	0.65
Risk Premium	4.95%	4.95%	3.76%	3.76%
CAPM (Weighted)	5.61%	6.96%	6.36%	7.38%

CAPITAL ASSET PRICING MODEL (CAPM) - RISK-FREE RATE

Spot (Jun. 30, 2026)		
3-Month Treasury Bill		3.87%
30-Year Treasury Bond		4.91%
3-Mo. Weighted Average (Apr. to Jun. 2026)		
3-Month Treasury Bill		3.76%
30-Year Treasury Bond		4.95%

Source: www.treasury.gov

CAPITAL ASSET PRICING MODEL (CAPM) - BETAS
(BASED ON HISTORICAL AND OPTION-IMPLIED RETURNS)
RFC Gas Proxy Group

Betas	03/31/2026	04/07/2026	04/14/2026	04/21/2026	04/28/2026	05/05/2026	05/12/2026	05/19/2026	05/26/2026	06/02/2026	06/09/2026	06/16/2026	06/23/2026	06/30/2026	Average	Time Avg.
Forward (6 months)	0.45	0.50	0.55	0.52	0.53	0.56	0.60	0.57	0.63	0.61	0.73	0.71	0.70	0.72	0.598	0.646
Historical (6 months)	0.34	0.37	0.37	0.34	0.34	0.33	0.22	0.18	0.19	0.15	0.17	0.18	0.18	0.15	0.252	0.209
Historical (2 yrs)	0.50	0.50	0.50	0.49	0.49	0.49	0.48	0.48	0.48	0.47	0.47	0.47	0.47	0.46	0.483	0.475
Historical (5 yrs)	0.64	0.64	0.64	0.64	0.64	0.64	0.63	0.63	0.63	0.63	0.62	0.62	0.62	0.62	0.632	0.628
Weighting																
Forward (6 months)	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%		
Historical (6 months)	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%		
Historical (2 yrs)	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%		
Historical (5 yrs)	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%		
Historical Blended Beta	0.45	0.46	0.46	0.44	0.44	0.44	0.38	0.36	0.37	0.34	0.35	0.36	0.35	0.34	0.397	0.373
Slope	15%															
Points	0.00	1.00	1.15	1.32	1.52	1.75	2.01	2.31	2.66	3.06	3.52	4.05	4.65	5.35		
Time Weight	0.0%	2.9%	3.3%	3.8%	4.4%	5.1%	5.9%	6.7%	7.7%	8.9%	10.2%	11.8%	13.5%	15.6%		

CAPM Betas	Spot (Jun 30, 2026)	Weighted (Apr - Jun 2026)
Forward	0.72	0.65
Historical Blended	0.34	0.37

Note: Historical betas are calculated on Tuesdays, following Value Line's methodology. Forward (option-implied) betas are also calculated on Tuesdays for the sake of compatibility.

CAPITAL ASSET PRICING MODEL (CAPM) - MARKET RISK PREMIUM

WEIGHTED - All Inputs Weighted From April to June 2026

Cumulative Probability	50.00%		
S&P 500 Option-Implied Growth Rate	7.62%		
S&P 500 Dividend Yield	1.10%		
S&P 500 Market Return	8.72%		
	<u>3-Month Treasury Bill</u>	<u>30-Year Treasury Bond</u>	
Risk-Free Rate	3.76%	4.95%	
Option-Implied Market Risk Premium (Weighted)	4.95%	3.76%	

CAPITAL ASSET PRICING MODEL (CAPM) - INDICATED COST OF EQUITY

SPOT - All Inputs Based on Last Available Data as of June 30, 2026

RFC Gas Proxy Group

	3-Month Treasury Bill		30-Year Treasury Bond	
	<u>Historical Blended Beta</u>	<u>Forward Beta</u>	<u>Historical Blended Beta</u>	<u>Forward Beta</u>
Risk-Free Rate	3.87%	3.87%	4.91%	4.91%
Beta	0.34	0.72	0.34	0.72
Risk Premium	4.35%	4.35%	3.31%	3.31%
CAPM (Spot)	5.35%	6.99%	6.04%	7.28%

CAPITAL ASSET PRICING MODEL (CAPM) - MARKET RISK PREMIUM

SPOT - All Inputs Based on Last Available Data as of June 30, 2026

Cumulative Probability	50.00%		
S&P 500 Option-Implied Growth Rate	7.16%		
S&P 500 Dividend Yield	1.06%		
S&P 500 Market Return	8.22%		
	<u>3-Month Treasury Bill</u>	<u>30-Year Treasury Bond</u>	
Risk-Free Rate	3.87%	4.91%	
Option-Implied Market Risk Premium (Spot)	4.35%	3.31%	

MARKET TO BOOK RATIO AND DIVIDEND YIELD
RFC Gas Proxy Group

		[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]	[12]	[13]	[14]	[15]	[16]
		Book Value per Share							Market Price			Mkt. to Book Ratio		Dividend Rate		Dividend Yield	
		Actual				Estimated											
		12/31/22	12/31/23	12/31/24	12/31/25	6/30/25	6/30/26	12/31/26	6/30/26	LTM High	LTM Low	6/30/26	LTM Avg.	MRQ	Annual	6/30/26	LTM Avg.
		[A]	[A]	[A]	[A]	[B]	[B]	[A]	[C]	[C]	[C]	[D]	[D]	[A]	[E]	[F]	[F]
ATMOS ENERGY CORP.	ATO	\$66.85	\$73.20	\$78.31	\$83.92	\$81.12	\$86.69	\$89.45	\$172.27	\$192.51	\$149.98	1.99	2.04	\$1.000	\$4.000	2.32%	2.34%
NEW JERSEY RES.	NJR	\$18.88	\$20.40	\$22.12	\$23.80	\$22.96	\$24.55	\$25.30	\$56.04	\$58.57	\$43.46	2.28	2.15	\$0.475	\$1.900	3.39%	3.72%
NI SOURCE INC.	NI	\$14.63	\$17.40	\$18.48	\$19.75	\$19.12	\$20.70	\$21.65	\$47.55	\$49.21	\$38.45	2.30	2.20	\$0.300	\$1.200	2.52%	2.74%
N.W. NATURAL	NWN	\$33.09	\$34.12	\$34.44	\$35.49	\$34.97	\$35.87	\$36.25	\$49.06	\$55.99	\$39.29	1.37	1.35	\$0.493	\$1.972	4.02%	4.14%
ONE GAS, INC.	OGS	\$46.69	\$48.91	\$51.85	\$54.87	\$53.36	\$55.74	\$56.60	\$77.07	\$90.78	\$70.97	1.38	1.48	\$0.680	\$2.720	3.53%	3.36%
SOUTHWEST GAS	SWX	\$45.57	\$46.25	\$48.82	\$54.84	\$51.83	\$56.52	\$58.20	\$88.68	\$94.43	\$72.43	1.57	1.54	\$0.645	\$2.580	2.91%	3.09%
SPIRE INC.	SR	\$49.08	\$50.29	\$51.83	\$53.35	\$52.59	\$54.43	\$55.50	\$78.09	\$95.31	\$71.24	1.43	1.56	\$0.825	\$3.300	4.23%	3.96%
Maximum		\$66.85	\$73.20	\$78.31	\$83.92	\$81.12	\$86.69	\$89.45	\$172.27	\$192.51	\$149.98	2.30	2.20	\$1.000	\$4.000	4.23%	4.14%
Minimum		\$14.63	\$17.40	\$18.48	\$19.75	\$19.12	\$20.70	\$21.65	\$47.55	\$49.21	\$38.45	1.37	1.35	\$0.300	\$1.200	2.32%	2.34%
Median		\$45.57	\$46.25	\$48.82	\$53.35	\$51.83	\$54.43	\$55.50	\$77.07	\$90.78	\$70.97	1.57	1.56	\$0.645	\$2.580	3.39%	3.36%
Average		\$39.26	\$41.51	\$43.69	\$46.57	\$45.13	\$47.78	\$48.99	\$81.25	\$90.97	\$69.40	1.76	1.76	\$0.631	\$2.525	3.27%	3.34%

Sources:
[A] Value Line: Most current data available at time of schedule preparation.
[B] Straight-line interpolation of Actual and Estimated VL year-end values.
[C] EOD Data: Market Data as of June 30, 2026.
[D] Market Price divided by Book Value per Share.
[E] Most Recent Quarterly Dividend multiplied by 4.
[F] Dividend Rate divided by Market Price.

EARNINGS PER SHARE AND RETURN ON EQUITY
RFC Gas Proxy Group

		[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]
		Earnings per Share				Return on Equity			
		2022	2023	2024	2025	2023	2024	2025	VL Future Exp.
		[A]	[A]	[A]	[A]	[B]	[B]	[B]	[A]
ATMOS ENERGY CORP.	ATO	\$5.60	\$6.10	\$6.83	\$7.46	8.71%	9.02%	9.20%	10.00%
NEW JERSEY RES.	NJR	\$2.50	\$2.71	\$2.92	\$3.33	13.80%	13.73%	14.50%	13.00%
NI SOURCE INC.	NI	\$1.47	\$1.60	\$1.75	\$1.95	9.99%	9.75%	10.20%	9.00%
N.W. NATURAL	NWN	\$2.54	\$2.59	\$2.03	\$2.77	7.71%	5.92%	7.92%	8.00%
ONE GAS, INC.	OGS	\$4.08	\$4.14	\$3.91	\$4.48	8.66%	7.76%	8.40%	10.50%
SOUTHWEST GAS	SWX	(\$3.10)	\$2.13	\$2.76	\$3.60	4.64%	5.81%	6.95%	9.50%
SPIRE INC.	SR	\$3.95	\$3.85	\$4.19	\$4.44	7.75%	8.21%	8.44%	10.50%
Maximum		\$5.60	\$6.10	\$6.83	\$7.46	13.80%	13.73%	14.50%	13.00%
Minimum		(\$3.10)	\$1.60	\$1.75	\$1.95	4.64%	5.81%	6.95%	8.00%
Median		\$2.54	\$2.71	\$2.92	\$3.60	8.66%	8.21%	8.44%	10.00%
Average		\$2.43	\$3.30	\$3.48	\$4.00	8.75%	8.60%	9.37%	10.07%

Sources:

[A] Value Line: Most current data available at time of schedule preparation.

[B] Earnings per Share divided by average Book Value. Book Values shown on Exhibit ALR-5, page 1.

RETURN ON EQUITY IMPLIED BY ZACKS GROWTH RATES
RFC Gas Proxy Group

		[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]
		<u>Book Value</u>	<u>EPS</u>	<u>Annual Dividend</u>	<u>Analyst 5 Year Growth Rate</u>	<u>Analyst-Implied Book Value before SV</u>		<u>Analyst-Implied Book Value Incl. SV</u>		<u>Implied EPS</u>	<u>Analyst-Implied ROE</u>
		<u>12/31/25</u>	<u>2025</u>	<u>Rate</u>	<u>Growth Rate</u>	<u>12/31/2029</u>	<u>12/31/2030</u>	<u>12/31/2029</u>	<u>12/31/2030</u>	<u>2030</u>	
		[A]	[A]	[A]	[B]	[C]	[C]	[C]	[C]	[C]	[C]
ATMOS ENERGY CORP.	ATO	\$83.92	\$7.46	\$4.000	6.80%	\$100.28	\$105.09	\$136.11	\$153.96	\$10.37	7.15%
NEW JERSEY RES.	NJR	\$23.80	\$3.33	\$1.900	NA	NA	NA	NA	NA	NA	NA
NI SOURCE INC.	NI	\$19.75	\$1.95	\$1.200	6.10%	\$23.24	\$24.24	\$27.81	\$30.35	\$2.62	9.02%
N.W. NATURAL	NWN	\$35.49	\$2.77	\$1.972	NA	NA	NA	NA	NA	NA	NA
ONE GAS, INC.	OGS	\$54.87	\$4.48	\$2.720	6.20%	\$63.07	\$65.45	\$78.41	\$85.92	\$6.05	7.37%
SOUTHWEST GAS	SWX	\$54.84	\$3.60	\$2.580	9.90%	\$60.03	\$61.67	\$65.26	\$68.45	\$5.77	8.63%
SPIRE INC.	SR	\$53.35	\$4.44	\$3.300	11.20%	\$59.34	\$61.28	\$77.76	\$85.92	\$7.55	9.22%
Maximum		\$83.92	\$7.46	\$4.000	11.20%	\$100.28	\$105.09	\$136.11	\$153.96	\$10.37	9.22%
Minimum		\$19.75	\$1.95	\$1.200	6.10%	\$23.24	\$24.24	\$27.81	\$30.35	\$2.62	7.15%
Median		\$53.35	\$3.60	\$2.580	6.80%	\$60.03	\$61.67	\$77.76	\$85.92	\$6.05	8.63%
Average		\$46.57	\$4.00	\$2.525	8.04%	\$61.19	\$63.55	\$77.07	\$84.92	\$6.47	8.28%

Sources:

[A] Value Line: Most current data available at time of schedule preparation.

[B] Zacks: Data as of July 09, 2026.

[C] Analyst-Implied Book Value and Return on Equity is obtained by escalating both Dividends and Earnings per Share by the stated Analyst Growth Rate and adding Earnings and subtracting Dividends for each projected year.

"SV" = $S \times V$, where S = rate of continuous new stock financing and V = rate of return on common equity investment.

CAPITAL STRUCTURE WITH SHORT TERM DEBT
RFC Gas Proxy Group

		[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]	[12]	[13]	[14]	[15]
		% Common Equity					(\$ millions)					Percentage				
		2021	2022	2023	2024	2025	Total Debt	LT Debt	ST Debt	Pfd Stock	Equity	Total Capital	LT Debt	ST Debt	Pfd Stock	Equity Ratio
		[A]	[A]	[A]	[A]	[A]	[A]	[A]	[A]	[A]	[A]	[A]	[B]	[B]	[B]	[B]
ATMOS ENERGY CORP.	ATO	61.6%	62.1%	62.1%	60.7%	60.2%	\$ 9,629.3	\$ 9,618.0	\$ 11.3	\$ -	\$ 14,547.8	\$ 24,177.1	39.8%	0.0%	0.0%	60.2%
NEW JERSEY RES.	NJR	43.0%	42.2%	41.8%	43.3%	42.5%	\$ 3,596.3	\$ 3,281.7	\$ 314.6	\$ -	\$ 2,425.6	\$ 6,021.9	54.5%	5.2%	0.0%	40.3%
NI SOURCE INC.	NI	33.5%	35.3%	40.3%	41.8%	37.9%	\$ 16,767.0	\$ 15,459.0	\$ 1,308.0	\$ -	\$ 9,434.7	\$ 26,201.7	59.0%	5.0%	0.0%	36.0%
N.W. NATURAL	NWN	47.2%	48.5%	47.4%	45.2%	38.6%	\$ 2,604.4	\$ 2,272.4	\$ 332.0	\$ -	\$ 1,428.6	\$ 4,033.0	56.3%	8.2%	0.0%	35.4%
ONE GAS, INC.	OGS	38.9%	49.3%	56.1%	56.5%	59.3%	\$ 3,381.2	\$ 2,340.3	\$ 1,040.9	\$ -	\$ 3,409.8	\$ 6,791.0	34.5%	15.3%	0.0%	50.2%
SOUTHWEST GAS	SWX	41.8%	41.0%	41.8%	44.6%	53.6%	\$ 3,509.0	\$ 3,434.0	\$ 75.0	\$ -	\$ 3,966.9	\$ 7,475.9	45.9%	1.0%	0.0%	53.1%
SPIRE INC.	SR	43.2%	44.6%	41.3%	43.1%	46.6%	\$ 7,955.1	\$ 5,762.0	\$ 2,193.1	\$ -	\$ 5,028.3	\$ 12,983.4	44.4%	16.9%	0.0%	38.7%
Maximum		61.6%	62.1%	62.1%	60.7%	60.2%	\$ 16,767.0	\$ 15,459.0	\$ 2,193.1	\$ -	\$ 14,547.8	\$ 26,201.7	59.0%	16.9%	0.0%	60.2%
Minimum		33.5%	35.3%	40.3%	41.8%	37.9%	\$ 2,604.4	\$ 2,272.4	\$ 11.3	\$ -	\$ 1,428.6	\$ 4,033.0	34.5%	0.0%	0.0%	35.4%
Median		43.0%	44.6%	41.8%	44.6%	46.6%	\$ 3,596.3	\$ 3,434.0	\$ 332.0	\$ -	\$ 3,966.9	\$ 7,475.9	45.9%	5.2%	0.0%	40.3%
Average		44.2%	46.1%	47.3%	47.9%	48.4%	\$ 6,777.5	\$ 6,023.9	\$ 753.6	\$ -	\$ 5,748.8	\$ 12,526.3	47.8%	7.4%	0.0%	44.8%

Sources:

[A] Value Line: Most current data available at time of schedule preparation.

[B] Percentage calculated on Total Capital including Short Term Debt.

CAPITAL STRUCTURE WITHOUT SHORT TERM DEBT
RFC Gas Proxy Group

		[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]	[12]	[13]	[14]	[15]
		% Common Equity					(\$ millions)					Percentage				
		2021	2022	2023	2024	2025	Total Debt	LT Debt	ST Debt	Pfd Stock	Equity	Total Capital	LT Debt	ST Debt	Pfd Stock	Equity Ratio
		[A]	[A]	[A]	[A]	[A]	[A]	[A]	[B]	[A]	[A]	[A]	[B]	[B]	[B]	[B]
ATMOS ENERGY CORP.	ATO	61.6%	62.1%	62.1%	60.7%	60.2%	\$ 9,629.3	\$ 9,618.0		\$ -	\$ 14,547.8	\$ 24,165.8	39.8%	0.0%	0.0%	60.2%
NEW JERSEY RES.	NJR	43.0%	42.2%	41.8%	43.3%	42.5%	\$ 3,596.3	\$ 3,281.7		\$ -	\$ 2,425.6	\$ 5,707.3	57.5%	0.0%	0.0%	42.5%
NI SOURCE INC.	NI	33.5%	35.3%	40.3%	41.8%	37.9%	\$ 16,767.0	\$ 15,459.0		\$ -	\$ 9,434.7	\$ 24,893.7	62.1%	0.0%	0.0%	37.9%
N.W. NATURAL	NWN	47.2%	48.5%	47.4%	45.2%	38.6%	\$ 2,604.4	\$ 2,272.4		\$ -	\$ 1,428.6	\$ 3,701.0	61.4%	0.0%	0.0%	38.6%
ONE GAS, INC.	OGS	38.9%	49.3%	56.1%	56.5%	59.3%	\$ 3,381.2	\$ 2,340.3		\$ -	\$ 3,409.8	\$ 5,750.1	40.7%	0.0%	0.0%	59.3%
SOUTHWEST GAS	SWX	41.8%	41.0%	41.8%	44.6%	53.6%	\$ 3,509.0	\$ 3,434.0		\$ -	\$ 3,966.9	\$ 7,400.9	46.4%	0.0%	0.0%	53.6%
SPIRE INC.	SR	43.2%	44.6%	41.3%	43.1%	46.6%	\$ 7,955.1	\$ 5,762.0		\$ -	\$ 5,028.3	\$ 10,790.3	53.4%	0.0%	0.0%	46.6%
Maximum		61.6%	62.1%	62.1%	60.7%	60.2%	\$ 16,767.0	\$ 15,459.0		\$ -	\$ 14,547.8	\$ 24,893.7	62.1%	0.0%	0.0%	60.2%
Minimum		33.5%	35.3%	40.3%	41.8%	37.9%	\$ 2,604.4	\$ 2,272.4		\$ -	\$ 1,428.6	\$ 3,701.0	39.8%	0.0%	0.0%	37.9%
Median		43.0%	44.6%	41.8%	44.6%	46.6%	\$ 3,596.3	\$ 3,434.0		\$ -	\$ 3,966.9	\$ 7,400.9	53.4%	0.0%	0.0%	46.6%
Average		44.2%	46.1%	47.3%	47.9%	48.4%	\$ 6,777.5	\$ 6,023.9		\$ -	\$ 5,748.8	\$ 11,772.7	51.6%	0.0%	0.0%	48.4%

Sources:

[A] Value Line: Most current data available at time of schedule preparation.

[B] Percentage calculated on Total Capital excluding Short Term Debt.