

# 2021-2023 PERFORMANCE BENCHMARKS FOR NATURAL GAS UTILITIES

June 1, 2025

## I. INTRODUCTION

Summary data of gas utility financial profiles and performance appear in this Energy Analysis. The intent is to provide industry participants and observers with relative measures of financial returns and operational efficiencies of natural gas distribution companies. For this study, the American Gas Association (AGA) collected data from its members. The data source for these benchmarking metrics is the Uniform Statistical Report (USR), which is administered annually by AGA on behalf of its member companies. Results are presented for the years 2021 through 2023. Additional information, some of which is company specific, is included in an attachment to this analysis and available only to AGA member companies.

For study purposes, the gas utility industry is segmented into distinct groups: investor-owned gas-only utilities, investor-owned combination gas, and electric utilities, and municipally-owned gas utilities. Summary results are segmented in this sample accordingly. Comprehensive details are provided in the appendices.

## II. BACKGROUND

**THE NATURAL GAS DISTRIBUTION INDUSTRY.** Approximately 1,400 utilities distribute natural gas to end-use consumers in the United States. For this analysis, a total of 79 utilities were included in the 2023 sample, 82 utilities were examined in 2022, and 83 companies were studied for 2021.<sup>1</sup> They are located across the United States, and each company has a unique combination of scale, load profile, and climatic attributes. In aggregate, the firms included in this study accounted for 75 percent of the residential and commercial natural gas customers in 2023, 76 percent in 2022, and 78 percent in 2021. *Given this sample size, any inferences about the sample's depiction of the entire industry are accordingly limited.*

Many AGA member companies are gas-only, investor-owned utilities, as are most companies in this analysis. These companies earn returns that accrue to their investors. State-level public utility commissions regulate their operations, finance, and capital investment activities.

Combination utilities have the franchise rights to transport and sell both gas and electric power commodities. These are also investor-owned firms with financial obligations to shareholders. Like the gas-only investor-owned firms, these companies are subject to various state and federal regulations.

Municipal utilities are publicly owned by the citizens of the jurisdictions that the utilities serve. Local governments enjoy tax-free bond-issuing capabilities, usually at interest rates lower than can be obtained by investor-owned utilities. Ultimately, such debt is usually collateralized

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<sup>1</sup> This set number was determined after eliminating member companies for whom data was either incomplete or not provided. Firms with zero net income are excluded from the analysis. This is not a scientific sample in that sample stratification by segment type does not reflect population stratification. See Appendix 9 for list of companies included.

by these utilities' abilities to secure tax revenue to back up debt commitments. What an investor-owned utility would pay out in dividends accrues instead to the municipal company's citizen-shareholders in the form of lower rates. Municipal utility regulation is performed primarily by local governments as opposed to state-level commissions.<sup>2</sup>

**DESCRIPTION OF DATA SOURCES.** Financial data about AGA member companies are drawn from the Uniform Statistical Report (USR). Member company staff prepare these standardized forms annually for collection by AGA, but companies may choose to withhold any or all of the requested data. Some of the USR duplicates the information found in audited end-of-year financial statements, but the USR requests additional information, such as heating degree-day profiles, type of sales by customer class, number of customers served, and various employment profile statistics. Data for miles of mains came from the U.S. Department of Transportation, Office of Pipeline Safety.

**DATA LIMITATIONS.** Since the data used for this analysis are annual figures only, a few inferential limitations should be noted. First, a single year's data for gas distribution operations are influenced by weather patterns for that year. The deviation between actual heating degree days (HDDs) versus historic normal will vary by location. This in turn suggests that utility benchmarks may slightly overstate or understate overall utility financial performance or efficiency of operations when impacted by weather.

Another limitation is that the ability to perform trend analysis is somewhat limited. While three years' worth of data are presented here, comparison of actual values (total revenues for example) from year to year can be distorted by changes in sample size. Also, variances in weather can affect these trends. Finally, the data set covers only three years, and this limits the ability to compare longer-term trends.

Sample size and composition must also be considered as a potential limitation. The industry segment sample sizes used in this study are not consistently proportional to their respective populations. Additionally, the sample size—measured both in the number of companies, and more importantly as percentage of total gas deliveries—has varied over time. Finally, specific company participation in the data collection changes from year to year. **This makes annual comparisons of absolute values, such as total number of therms sold, difficult and any resulting conclusions suspect.** However, the purpose of ratio analysis is to address this problem and facilitate annual comparisons.

### III. BENCHMARKING METRICS

Benchmarking metrics created for this study take several forms. Typical accounting ratios, based on income statements and balance sheets, serve as financial performance indicators. Financial statements are also recast in same-size formats, which present line items in percentage terms. Other benchmarks describe the numbers of employees, meters, and volumes of gas throughput. All AGA data are summarized so that no individual company statistics are revealed. Additionally, summaries are created which divide the industry into type-of-company segments. These include gas utilities, combination, gas and electric utilities, and municipally owned gas utilities.<sup>3</sup> Appendix 2 is a series of charts that display the range of observations for selected benchmarking metrics. Appendix 9 shows the list of companies that were included in this analysis.

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<sup>2</sup> Note that relatively few financial profiles were available for the municipal segment. The operations data used here considers only gas activities. The financial profiles of gas-only and combination municipal utilities are blended together for summary purposes.

<sup>3</sup> See *Glossary* in Appendix 1 for a definition of these categories.

- *Utility Operating Profiles - Absolute Values (Section IV-A and Appendix 3a).* System profiles are summarized here by type of company. This data includes information on gas volumes delivered as well as the number of customers by class.
- *Financial Statements - Absolute Values (Section IV-B and Appendix 3b).* Income statement and balance sheet data are summarized here by type of company.<sup>4</sup> Income statement amounts are expressed in absolute dollars in Appendix 3b. Note that these items represent gas operations only.
- *Financial Statements - Same-Size Analysis (Appendix 3c).* The financial statement data shown in absolute values are re-cast in percentage terms for a same-size analysis. Income statement line items are in percentages relative to operating revenue while balance sheet items are expressed as a percentage of total assets. This shows the disposition of a firm's revenue and the composition of its asset base without respect to the size of an individual firm.
- *Financial Statements - Per Cost Driver (Section IV-B and Appendix 3d).* Income statements are shown in several formats: per therm delivered, per customer served, per dollar value of the gas plant in service, and per mile of main in operation.
- *Financial Ratios (Section IV-D and Appendix 3e).* These are conventional financial analysis tools, and they compare a company's financial status to other firms or types of firms. Ratios are calculated from group totals or averages (explanations are provided in the Glossary, Appendix 1).
- *O&M Detail Analysis (Section IV-C and Appendix 4).* These cost elements represent major gas delivery activities, starting with purchase or production and continuing sequentially through transmission, distribution, customer service, sales activities, and administrative and general (A&G) accounting. These results are also arrayed by type of company. Benchmarks for these data are created by expressing each line item on the basis of annual costs per therm delivered. See Table 3 for more detail.
- *Debt Analysis - Ratios (Section IV-E).* Data are presented to highlight various measures of debt. These include debt as a percent of capitalization and interest coverage ratios. The data in this section necessarily includes both gas and electric operations.
- *Wages and benefits: Ratios and Same-Size Analysis (Section IV-G and Appendix 5).* Data about utility employment and benefits profiles are included. These measures are intended to illustrate the norms for staffing levels and expenses as they vary by type of firm. Benchmark measures include:
  - ▶▶ Total salaries and wages per employee
  - ▶▶ Total benefits and pensions per employee
  - ▶▶ The ratio of total benefits to total compensation
  - ▶▶ Annual therm throughput per employee
  - ▶▶ Average annual customers served per employee
- *Profitability (Section IV-F and Appendix 6).* Profitability is expressed here in terms of return on assets (ROA) as well as return on common equity. Since ROA measures the returns attributable to operations (prior to finance costs), ROA is used to describe the

relative economic efficiency of natural gas distribution by industry segment. This section will examine selected cost drivers-- numbers of therms sold, of customers served, dollars of gas plant utilized, and miles of pipe in service-- to evaluate each in terms of its impact on ROA. Additionally, return on equity indicates the rate of return that a firm earns on its equity base. See Table 6 for more detail.

## **IV. BENCHMARK DISCUSSION**

### **IV-A. OVERVIEW**

Benchmark summaries are presented here in order of the accounting process: revenues are discussed first, followed by O&M costs, operating income, debt management, capitalized income values, and profitability. Finally, wage and benefit profiles are discussed. Table 1 summarizes the scope and scale of the companies studied. It is important to emphasize that the following data are meant to illustrate the typical company studied in this sample and absolute values should not be extrapolated to the industry as a whole. This is especially true of the average number of customers.

TABLE 1			
UTILITY PROFILES			
STATISTICAL SUMMARY, BY INDUSTRY SEGMENT			
DATA BASED ON SEGMENT AVERAGES			
	2021	2022	2023
<b>All Companies</b>	<b>83 Firms</b>	<b>82 Firms</b>	<b>79 Firms</b>
Number of gas customers	691,737	754,544	766,613
Annual therms delivered ('000)	1,543,997	1,531,934	1,428,872
Annual therms delivered per account	2,337	4,553	1,982
Therms delivered per \$1,000 of gas plant	548	654	405
Density of system <sup>2</sup>	58.7	62.8	61.0
Firm sales <sup>3</sup>	93.8%	94.6%	94.2%
<b>Gas utilities</b>	<b>54 Firms</b>	<b>54 Firms</b>	<b>51 Firms</b>
Number of gas customers	788,443	815,994	813,966
Annual therms delivered ('000)	1,813,731	1,652,610	1,512,915
Annual therms delivered per account	2,618	6,068	2,135
Therms delivered per \$1,000 of gas plant	592	690	422
Density of system <sup>2</sup>	65.4	57.9	58.5
Firm sales <sup>3</sup>	94.5%	95.6%	95.4%
<b>Comb. Gas &amp; Electric Utilities<sup>1</sup></b>	<b>20 Firms</b>	<b>20 Firms</b>	<b>20 Firms</b>
Number of gas customers	662,443	905,734	877,371
Annual therms delivered ('000)	1,295,174	1,719,428	1,602,914
18 Firms Annual therms delivered per account	1,924	2,111	1,840
Therms delivered per \$1,000 of gas plant	431	558	350
Density of system <sup>2</sup>	69.1	70.3	63.5
Firm sales <sup>3</sup>	92.6%	94.9%	92.5%
<b>Municipal Utilities</b>	<b>9 Firms</b>	<b>8 Firms</b>	<b>8 Firms</b>
Number of gas customers	173,342	187,703	187,840
Annual therms delivered ('000)	450,889	529,511	412,991
Annual therms delivered per account	1,490	1,806	1,280
Therms delivered per \$1,000 of gas plant	536	629	436
Density of system <sup>2</sup>	68.9	73.5	70.2
Firm sales <sup>3</sup>	86.9%	90.5%	90.7%

Source: AGA, USR and US Department of Transportation, Office of Pipeline Safety.

<sup>1</sup> Data for "Combination Gas & Electric Utilities is from gas operations only.

<sup>2</sup> "Density" refers to the number of customers per mile of pipe in service.

<sup>3</sup> "Firm Sales" is expressed as a percentage of total annual therm volume delivered.

## IV-B. REVENUE PERFORMANCE

Figure 1 shows the allocation of average revenue for the three years studied. Table 2 summarizes the average industry revenue performance by segment. Weather patterns impacted revenues per customer, while changing gas costs impacted both revenues per customer and per therm.

<b>TABLE 2</b> <b>UTILITY REVENUE PERFORMANCE</b> <b>Annual Average Values per Group</b> <b>Data Based on Segment Averages</b>			
	2021	2022	2023
<b>All Companies</b>			
Operating revenue ('000)	\$739,843	\$1,034,627	\$966,667
Per customer	\$1,254	\$1,599	\$1,400
Per therm	\$0.744	\$0.959	\$0.891
Gross sales margin (Rev. less Pur. Gas, '000)	\$469,207	\$596,851	\$606,676
Per customer	\$745	\$745	\$745
Per therm	\$0.446	\$0.446	\$0.446
Collection period (days)	37.5	39.1	32.5
<b>Gas Utilities</b>			
Operating revenue ('000)	\$804,321	\$1,060,680	\$990,412
Per customer	\$1,242	\$1,605	\$1,415
Per therm	\$0.694	\$0.871	\$0.846
Gross sales margin (Rev. less Pur. Gas, '000)	\$521,853	\$594,727	\$630,699
Per customer	\$753	\$753	\$753
Per therm	-\$2.919	-\$2.919	-2.919
Collection period (days)	38.9	41.2	31.5
<b>Comb. Gas &amp; Electric Utilities<sup>1</sup></b>			
Operating revenue ('000)	\$810,540	\$1,389,246	\$1,219,425
Per customer	\$1,249	\$1,556	\$1,389
Per therm	\$0.853	\$1.322	\$1.033
Gross sales margin (Rev. less Pur. Gas, '000)	\$494,823	\$859,206	\$773,400
Per customer	\$764	\$764	\$764
Per therm	\$0.515	\$0.515	\$0.515
Collection period (days)	35.7	35.8	35.1
<b>Municipal Utilities</b>			
Operating revenue ('000)	\$201,057	\$269,179	\$208,747
Per customer	\$1,337	\$1,582	\$1,328
Per therm	\$0.819	\$0.853	\$0.828
Gross sales margin (Rev. less Pur. Gas, '000)	\$99,255	\$137,248	\$129,501
Per customer	\$579	\$579	\$579
Per therm	\$0.496	\$0.496	\$0.496
Collection period (days)	33.0	37.1	33.0

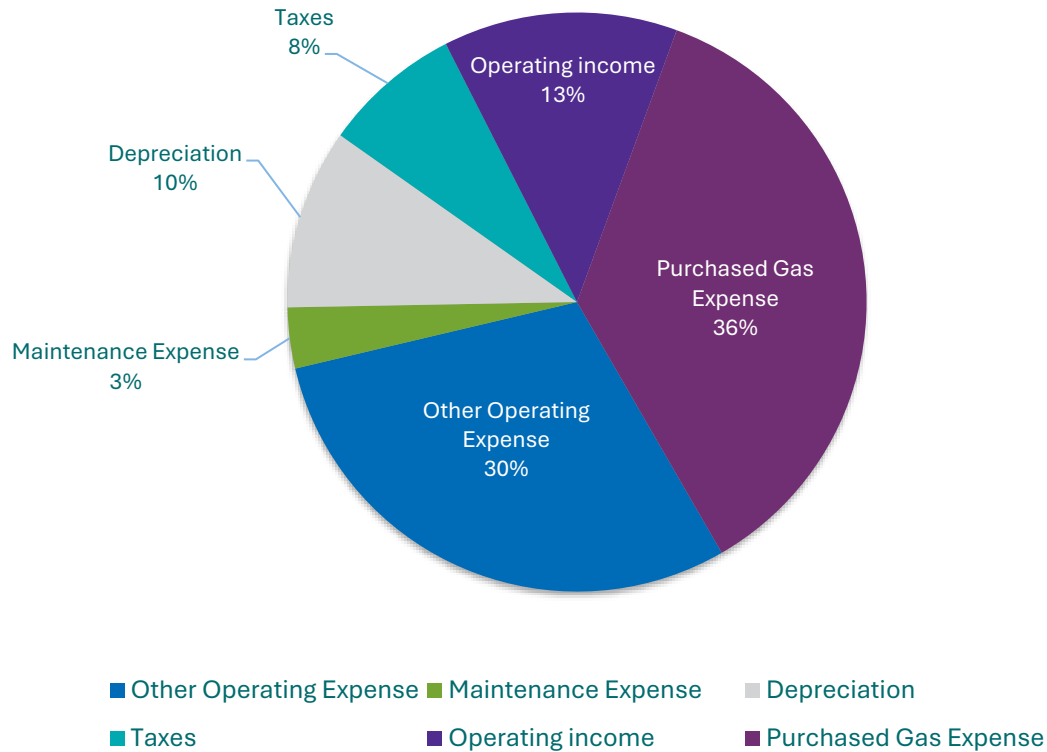
Source: AGA

<sup>1</sup> Figures for gas operations only.

**FIGURE 1**

## **DISPOSITION OF REVENUES**

All Utilities (Three Year Average)

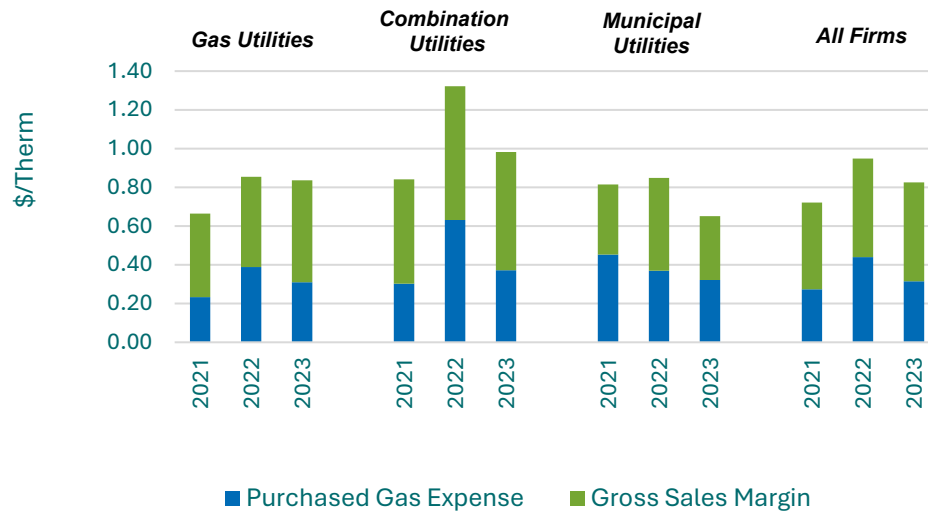


### **IV-C. O&M ANALYSIS**

Operations and maintenance (O&M) expenses are those costs specifically attributable to current-year gas distribution activity. These are cost items that are incurred within an annual time period (as opposed to costs amortized over a period of years as is the case with finance costs and depreciation). A presentation of O&M costs on a per-therm basis will facilitate a comparison of cost efficiencies attained by the various industry segments. Table 3 shows the average O&M expense detail for the years studied for the combination and gas utility segments.

**FIGURE 2**

**Average Utility Revenues Per Therm**



Source: AGA, USR.



TABLE 3						
UTILITY O&M DETAIL ANALYSIS						
	GAS UTILITIES			COMBO UTILITIES <sup>1</sup>		
	2021	2022	2023	2021	2022	2023
<b>VALUES PER THERM</b>						
Gas-only revenues	\$0.6937	\$0.8711	\$0.8936	\$0.8530	\$1.3224	\$1.0328
Purchased-gas expense	\$0.2333	\$0.3882	\$0.3100	\$0.3027	\$0.6313	\$0.3717
Gross sales margin	\$0.4307	\$0.4663	\$0.5263	\$0.5381	\$0.6906	\$0.6104
Total production costs <sup>2</sup>	\$0.2630	\$0.4048	\$0.3673	\$0.3148	\$0.6318	\$0.4224
Storage & LNG	\$0.0015	\$0.0003	\$0.0040	\$0.0057	\$0.0055	\$0.0070
Transmission	\$0.0138	\$0.0139	\$0.0135	\$0.0092	\$0.0200	\$0.0173
Distribution	\$0.0698	\$0.0703	\$0.0776	\$0.0634	\$0.0821	\$0.0734
Customer accounts	\$0.0227	\$0.0233	\$0.0264	\$0.0246	\$0.0422	\$0.0340
Customer svc. & info.	\$0.0095	\$0.0133	\$0.0106	\$0.0239	\$0.0275	\$0.0279
Sales	\$0.0073	\$0.0053	\$0.0035	\$0.0004	\$0.0027	\$0.0024
<u>Admin. &amp; general</u>	\$0.0801	\$0.1199	\$0.1121	\$0.0724	\$0.1077	\$0.0936
Total O&M	\$0.4678	\$0.6510	\$0.6151	\$0.5145	\$0.9195	\$0.6781
<b>SAME-SIZE ANALYSIS</b>						
Gas-only revenues	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Purchased-gas expense	33.62%	44.56%	34.69%	35.49%	47.74%	35.99%
Gross sales margin	62.08%	53.53%	58.90%	63.09%	52.22%	59.10%
Total production costs <sup>2</sup>	37.92%	46.47%	41.10%	36.91%	47.78%	40.90%
Storage & LNG	0.22%	0.04%	0.45%	0.67%	0.42%	0.68%
Transmission	1.99%	1.59%	1.52%	1.08%	1.52%	1.67%
Distribution	10.07%	8.07%	8.68%	7.43%	6.21%	7.11%
Customer accounts	3.27%	2.68%	2.96%	2.89%	3.19%	3.29%
Customer svc. & info.	1.37%	1.52%	1.19%	2.80%	2.08%	2.71%
Sales	1.05%	0.60%	0.39%	0.04%	0.20%	0.23%
<u>Admin. &amp; general</u>	11.55%	13.76%	12.55%	8.49%	8.14%	9.07%
Total O&M	67.42%	74.73%	68.83%	60.32%	69.53%	65.66%

Source: AGA, USR.

<sup>1</sup> Figures for gas operations only.

<sup>2</sup> Purchased-gas expense is subsumed within total production costs.

**NOTE:** Figures do not sum precisely due to independent rounding.

#### IV-D. INCOME ANALYSIS

Operating income, by accounting definition, represents revenues net of operations expenses. Operating income does not net out capital cost-related expenses such as interest and amortization. A summary of operating income, then, allows a comparison of efficiency in gas distribution. Figure 3 shows the dispersion of individual companies' operating income per therm. Table 4 shows average operating income results by type of firm.

**FIGURE 3**

#### OPERATING INCOME PER THERM, All Firms



Source: AGA, USR.

TABLE 4						
UTILITY INCOME STATEMENT HIGHLIGHTS						
AVERAGE VALUES PER GROUP, GAS OPERATIONS ONLY						
	GAS UTILITIES			COMBO UTILITIES <sup>1</sup>		
	2021	2022	2023	2021	2022	2023
Operating revenue, \$000	\$804,321	\$1,060,680	\$990,412	\$810,540	\$1,389,246	\$1,219,425
Total O&M, \$000	\$532,450	\$713,903	\$635,245	\$490,062	\$903,006	\$774,423
Operating income, \$000	\$112,647	\$150,776	\$164,183	\$146,555	\$234,607	\$233,737
<b>Percent of Revenue</b>						
Total O&M	66.20%	67.31%	64.14%	60.46%	65.00%	63.51%
Operating income	14.01%	14.22%	16.58%	18.08%	16.89%	19.17%
<b>Per Therm</b>						
Revenue	\$0.694	\$0.871	\$0.846	\$0.853	\$1.322	\$1.033
Total O&M	\$0.468	\$0.651	\$0.582	\$0.514	\$0.920	\$0.678
Operating income	\$0.071	\$0.061	\$0.104	\$0.148	\$0.176	\$0.156
<b>Per Customer</b>						
Revenue	\$1,242	\$1,605	\$1,415	\$1,249	\$1,556	\$1,389
Total O&M	\$834	\$1,200	\$956	\$777	\$1,030	\$913
Operating income	\$142	\$113	\$178	\$211	\$244	\$221
<b>Per Dollar of Gas Plant</b>						
Revenue	\$0.264	\$0.324	\$0.277	\$0.252	\$0.394	\$0.252
Total O&M	\$0.186	\$0.238	\$0.197	\$0.164	\$0.271	\$0.170
Operating income	\$0.031	\$0.036	\$0.033	\$0.040	\$0.059	\$0.038
<b>Per Mile of Main<sup>2</sup></b>						
Revenue	\$69,533	\$91,728	\$81,155	\$96,665	\$120,063	\$89,770
Total O&M	\$46,122	\$64,687	\$53,003	\$54,870	\$73,423	\$58,634
Operating income	\$9,333	\$10,712	\$11,949	18,678	\$21,633	\$14,765

Source: AGA, USR.

<sup>1</sup> Figures for gas operations only.

<sup>2</sup> Miles of main only.

## IV-E. DEBT ANALYSIS

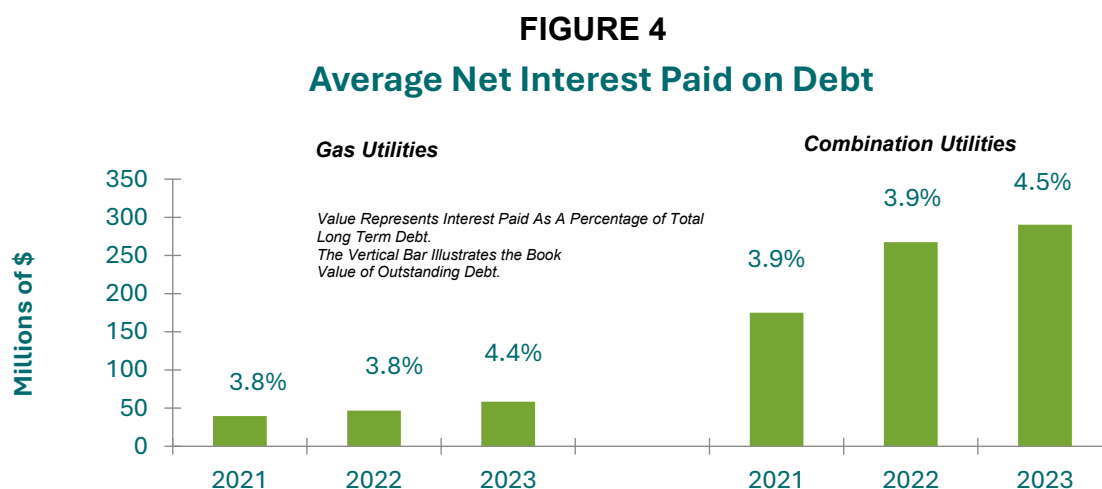
Historically, utilities have operated in a regulated environment. Therefore, debt instruments and their management have been prominent items on the utilities' financial agendas. Debt has traditionally represented a large share of utility capitalization. This is due to the historically regulated environment in which utilities have operated. The presence of regulatory oversight, from an investor's perspective, suggests less risk, more stable cash flow, and generally better debt ratings and interest coverage from cash flow. Historically, this made the utility industries attractive to bond investors. As for utilities, the containment of interest and other debt-related carrying costs can have a decisive impact on the overall profitability of operations.

The total cost of capital for a utility reflects that of both debt and equity financing.<sup>5</sup> Table 5 shows summary descriptors of capital costs for utilities by industry segment.

TABLE 5			
UTILITY DEBT AND DEBT COVERAGE			
AVERAGE VALUES			
	2021	2022	2023
<b>Gas utilities</b>			
Total LT Debt to Total Assets	23.82%	23.74%	25.94%
LT Debt to Total Capitalization	37.17%	36.42%	38.42%
EBITDA Interest Coverage	11.7x	133.9x	90.1x
<b>Combination Utilities<sup>1</sup></b>			
Total LT Debt to Total Assets	31.99%	32.36%	32.84%
LT Debt to Total Capitalization	48.02%	49.30%	48.33%
EBITDA Interest Coverage	8.0x	7.7x	7.1x

Source: AGA, USR.

<sup>1</sup>Figures represent combined gas and electric operations.



**Note:** Combination utility figures represent combined gas and electric operations.

<sup>5</sup> For combination utilities, such measures necessarily reflect combined gas and electric financials. Some municipal utilities in this study have similar combined activity financing.

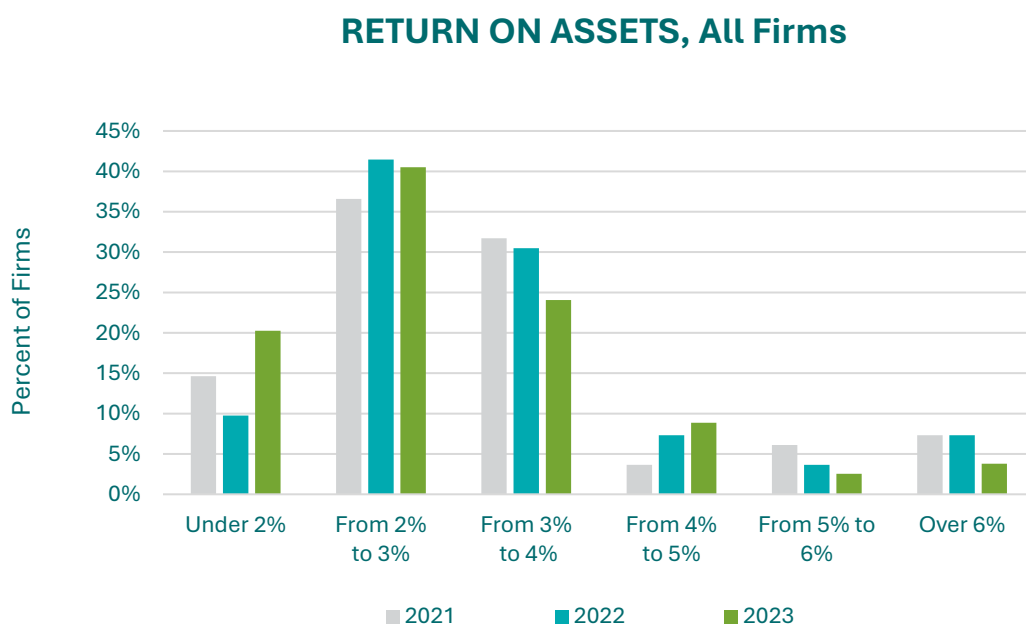
Note again that the discussion of combination utility debt and capital structure cannot be limited to gas operations. Therefore, this portion of the analysis necessarily considers combined-commodity financial performance. The combination utilities feature a diversity of commodity sales and stabilized electric base-load operations attributable to base-load (i.e., not weather-driven) sales.

#### IV-F. PROFITABILITY ANALYSIS

For this study, profitability is expressed in terms of return on assets (ROA), which relates net income to the value of the asset base that generated that income. Stated differently, ROA measures how well a company's assets "work" to generate income from operations. As such, ROA is convenient for comparing the operating results across companies within an industry.

Figure 5 shows the dispersion of individual company ROA results. Table 6 shows profitability measures for both gas and combination utilities for the years studied.

**FIGURE 5**



<sup>1</sup> When referring to combined gas and electric operations, the balance sheet items (i.e., total end-of-year assets) refer to the total firm, which could include non-utility assets, gas transmission assets, and "other" utility assets (e.g., water), while income statement items (i.e., total revenues) refer to only gas and electric utility distribution operations combined. As a result, these ratios may differ from other reports that consolidate income statement items for the total firm.

While ROA is typically measured as the ratio of net income to assets, it can also be expressed as asset turnover multiplied by profit margin. Asset turnover measures a firm's ability to generate sales from its fixed asset base. The second component of ROA is profit margin or return on sales. This measures the operating profit per dollar of sales.

TABLE 6			
UTILITY PROFITABILITY INDICATORS			
AVERAGE VALUES			
	2021	2022	2023
<b>Gas Utilities</b>			
Asset Turnover	0.26X	0.29X	0.27X
Financial Leverage	64.23%	63.66%	62.50%
Equity Multiplier	2.80	2.75	2.67
Profit Margin	10.15%	9.65%	9.57%
ROA <sup>2</sup>	2.84%	2.77%	2.69%
ROE <sup>2</sup>	8.03%	8.19%	7.52%
Current Ratio	0.54	0.73	0.71
Current Assets/Total Assets	7.99%	9.90%	7.07%
<b>Combination Utilities<sup>1</sup></b>			
Asset Turnover	0.23X	0.25X	0.23X
Financial Leverage	65.73%	65.68%	63.76%
Equity Multiplier	2.93	2.94	2.83
Profit Margin	12.59%	11.74%	13.11%
ROA <sup>2</sup>	2.90%	3.15%	2.72%
ROE <sup>2</sup>	8.59%	9.32%	8.04%
Current Ratio	0.94	0.96	0.87
Current Assets/Total Assets	6.40%	7.66%	6.25%

Source: AGA, USR.

<sup>1</sup> Figures represent combined gas and electric operations.

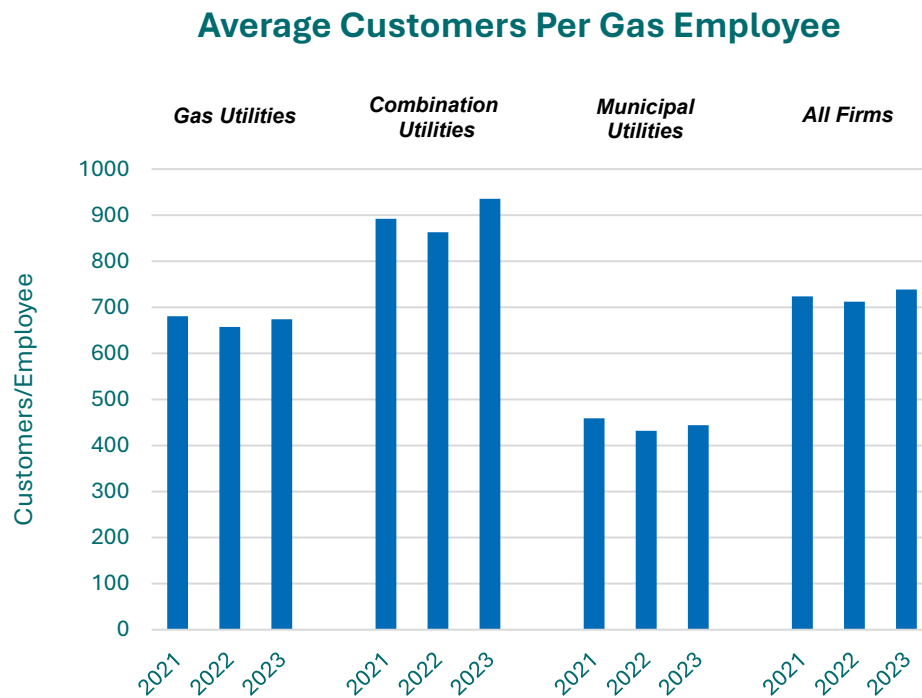
<sup>2</sup> When referring to combined gas and electric operations, the balance sheet items (i.e., total end-of-year assets) refer to the total firm, which could include non-utility assets, gas transmission assets, and "other" utility assets (e.g., water), while income statement items (i.e., total revenues) refer to only gas and electric utility distribution operations combined. As a result, these ratios may differ from other reports that consolidate income statement items for the total firm.

Another measure of profitability is the return on common equity (ROE). This differs from ROA in that it takes into account the impact of a firm's capital structure on its profitability. The capital structure of a firm can be examined in many different ways. ROE can be expressed as ROA multiplied by the equity multiplier. The equity multiplier (shown in Table 6) measures a firm's assets relative to its common stock equity. An increase in a firm's leverage debt financing (an increase in liabilities) will cause a reduction in stockholders' equity. This will cause the equity multiplier to rise and thereby increase total ROE. The rise in ROE compensates equity holders for the increased risk they must bear as the firm increases its level of debt.

#### IV-G. LABOR PRODUCTIVITY AND WAGE ANALYSIS

Current industry interest in restructuring, efficiency, and cost-effectiveness often calls attention to staffing and wage profiles. Figure 6 and Table 7 summarize wage and benefit values by industry segment.

**FIGURE 6**



Source: AGA, USR.

<b>TABLE 7</b> <b>UTILITY WAGES AND BENEFITS</b> <b>AVERAGE VALUES PER EMPLOYEE AT YEAR-END</b>				
	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>3-Year Average</b>
<b>All Firms</b>				
Number of employees at year-end	933	921	913	922
Total salaries and wages	\$113,808	\$106,695	\$113,596	\$111,367
Total benefits and pensions	\$28,110	\$22,319	\$20,010	\$23,480
Total salaries, benefits, and pensions	\$141,919	\$129,014	\$133,606	\$134,846
Ratio of total benefits to total compensation	19.87%	17.4%	17.9%	18.4%
Therms sold per employee	2,241,184	3,401,566	2,093,023	2,578,591
Customers per employee	724	712	739	725
<b>Gas Utilities</b>				
Number of employees at year-end	1064	986	989	1013
Total salaries and wages	\$94,796	\$96,505	\$101,504	\$97,602
Total benefits and pensions	\$27,791	\$21,533	\$22,348	\$23,890
Total salaries, benefits, and pensions	\$122,587	\$118,038	\$123,852	\$121,492
Ratio of total benefits to total compensation	21.44%	17.5%	19.8%	19.6%
Therms sold per employee	1,477,440	3,430,375	1,255,536	2,054,450
Customers per employee	680	657	674	671
<b>Combination Utilities<sup>1</sup></b>				
Number of employees at year-end	931	1,015	917	954
Total salaries and wages	\$185,093	\$141,461	\$155,597	\$160,717
Total benefits and pensions	\$33,187	\$23,059	\$16,712	\$24,319
Total salaries, benefits, and pensions	\$218,281	\$164,521	\$172,309	\$185,037
Ratio of total benefits to total compensation	13.47%	13.7%	10.2%	12.5%
Therms sold per employee	1,734,221	1,707,939	1,787,511	1,743,224
Customers per employee	892	863	935	897
<b>Municipal Utilities</b>				
Number of employees at year-end	417	330	354	367
Total salaries and wages	\$71,141	\$89,861	\$97,529	\$86,177
Total benefits and pensions	\$20,716	\$27,558	\$35,637	\$27,970
Total salaries, benefits, and pensions	\$91,856	\$117,419	\$133,165	\$114,147
Ratio of total benefits to total compensation	27.08%	25.9%	27.3%	26.7%
Therms sold per employee	7,796,498	9,956,898	8,023,888	8,592,428
Customers per employee	459	432	444	445

Source: AGA, USR.

<sup>1</sup> Figures for gas operations only.

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## APPENDIX 1: GLOSSARY

**NOTE:** Immediately below some glossary items are references to the USR data field(s) which are the source for that item. The specific field reference is in the format (x,y) where x is the schedule and y is the line item on that schedule. For example, [(6, 21) divided by (2,1 / 365)] refers to Schedule VI, 21 divided by the result of Schedule II, line 1 divided by 365.

### **Absolute values; absolute dollars**

These numbers show the sum of the actual reported data of those companies responding to the survey.

### **Admin. and gen. expense (4,12)**

The overhead cost associated with office activities. Examples of such expenses include stationery, telephone service, office cleaning, heat, and power, etc.

### **Asset turnover (2,1)/(6,36)**

A ratio that expresses sales revenue as a percentage of assets on-hand over corresponding accounting periods (usually one year). This ratio can be interpreted as the relative degree to which a company's assets "work" to generate sales revenue.

### **Assets (6,36)**

The total accounting value of a company's productive resources at a point in time (as on a balance sheet).

### **Average salaries, benefits, & pensions per employee [(13,6)+(13,10)]/(13,2)**

Total compensation to employees (wages, benefits, etc.) divided by number of employees.

### **Capitalization (6,51)**

The structure of a firm's long-term financing. "Capitalization" refers to the combination of debt and equity, which (in addition to retained earnings) is the monetary equivalent of the firm's assets.

### **Collection period (days) (6,21)/ [(2,1)/365]**

An accounting measure that indicates the efficiency of revenue collections. This measure expresses an accounts receivable total in terms of the number of days of normal revenue collections that would be accumulated to make a sum equivalent to the accounts receivable balance.

### **Combination gas and electric company**

A business entity that distributes both gas and electricity to customers within a franchise territory.

### **Common equity (6,42)**

The total value of wealth given by investors to a company in return for ownership of shares (common stock) of that company's assets and retained earnings.

### **Current ratio (6,29)/(6,61)**

Current assets are divided by current liabilities. An indication of a company's ability to meet short-term debt obligations; the higher the ratio, the more liquid the company is.

### **Customer**

An entity that enters into an account with a utility in order to receive natural gas for heating, power, feedstock, and other uses. For current purposes, an individual gas meter functionally represents each customer account. As such the terms "customer," "meter," and "account" are used interchangeably in this study.

### **Customers per employee [20,15)+(20,18)]/(8,2)**

Total customers (including both sales and transportation) divided by total employees.

**Customer accounts expense (4,9)**

The expense attributable to serving a customer. For utility operations, this includes metering, billing, and fixed charges incurred by customer hook-ups. Includes FERC System of Accounts 901 (Supervision), 902 (Meter reading expenses), 903 (Customer records and collection expenses), 904 (Uncollectable accounts), and 905 (Misc. customer accounts expenses).

**Customer accounts expense per therm (4,9)/[(20,15+20,18)]**

Customer accounts expense divided by total therms (including both sales and transportation volumes).

**Customer service and information (4,10)**

The expense attributable to all customer assistance and information operations. Bill remediation, bill inserts, and other communication with existing customers is included in this category. Includes FERC System of Accounts 907 (Supervision), 908 (Customer assistance expenses), 909 (Informational and instructional advertising expenses), and 910 (Misc. customer and informational expense).

**Customer service and information expense per therm (4,10)/[(20,15+20,18)]**

Customer service and information expense divided by total therms (including both sales and transportation volumes)

**Debt (6,50) + (6,54) + (6,61)**

The summed monetary value of a company's short- and long-term obligations to repay money that it has borrowed from lenders.

**Depreciation (2,4)**

The operating expense, as an accounting mechanism, represents the predetermined annual write-down of a durable capital asset. Depreciation, as an accounting item, impacts net income and taxes. It is not a cash expenditure but is an annual recognition of long-lived asset costs which are spread over the years that these assets are expected to be in operation.

**Distribution expense (4,8)**

The operating expense that represents the cost of moving natural gas from a utility's city gate to all the meters along the franchise's system of gas mains. Includes FERC System of Accounts 871 (Distribution load dispatching), 872 Compressor station labor and expenses), 873 (Compressor station fuel and power (Major only), 874 (Mains and service expenses), 875 (Measuring and regulating station expenses 0 General), 876 (Measuring and regulating station expenses – Industrial), 877 (Measuring and regulating station expenses – City Gate Check Stations), 878 (Meter and house regulator expenses), 879 (Customer Installation expenses), 880 (Other expenses), 881 ((Rents), 885 (Maintenance supervision and engineering), 886 (Maintenance of structure and improvements), 887 (Maintenance of mains), 888 (Maintenance of mains), 888 (Maintenance of compressor station equipment), 889 (Maintenance of measuring and regulating stations equipment – General 890 (Maintenance of measuring and regulating station equipment – Industrial), 891 (Maintenance of measuring and regulating station equipment – City Gate Check Stations), 892 (Maintenance of services), 893 (Maintenance of meters and house regulators), and 894 (Maintenance of other equipment).

**EBIT (2,18)+(2,8)**

A measure which describes, for an accounting period, the total company income net of operations expense, but not yet net of interest and tax expenses. This measure facilitates comparisons of companies' economic output after operations, capital depletion, and depreciation conventions.

**EBITDA (2,18)+(2,6)+(2,8)**

A measure which describes, for an accounting period, the total company income net of operations expense, but not yet net of interest, tax, depreciation, and amortization expenses. This measure facilitates comparisons of companies' economic output from operations.

**Equity multiplier (4,36)/(4,42)**

Total assets divided by total common stock equity. Used as a measure of corporate profitability.

**Fuel (4,1)**

Includes FERC System of Accounts 501, 518 and 547.

**Field**

An element of database structure that holds the recorded values for a specific attribute of interest common to all observations. See also *Uniform Statistical Report (USR)*.

**Financial leverage**  $[(6,50)+(6,54) + (6,61) + (6,67)] / (6,36)$ 

Total debt divided by total assets. Measures the employment of funds obtained at a fixed cost.

**Firm, percent**  $((20,1)+(20,2)+(20,3)+(20,5)+(20,7)+(20,9))/20,15)$ 

Total sales volumes of gas sold under the firm tariff divided by total sales volumes.

**Gas plant (6,2)**

The undepreciated capital facilities directly related to gas distribution. See also "total plant in service."

**Gas plant per customer**  $(6,2)/[(20,15)+(20,18)]$ 

Gas plant divided by total customers (including both sales and transportation).

**Gas plant per mile of main**  $(6,2)/\text{miles of main}$ 

Gas plant divided by total miles of mains (from U.S. Dept. of Transportation).

**Gas utility**

A franchised gas distribution company, the equity value of which is held by shareholders in the form of stock. The earnings of such a company are distributed wholly or in part to shareholders in the form of dividends. Any earnings not distributed are retained by the company on its balance sheet.

**General & administrative costs per customer**  $(4,12)/[(20,15)+(20,18)]$ 

Expenses incurred by the utility not specifically assignable to operations or sales, such as overhead, general office, personnel, etc., divided by total customers (both sales and transportation).

**General & administrative costs per therm**  $(4,12)/[(20,15)+(20,18)]$ 

Expenses incurred by the utility not specifically assignable to operations or sales, such as overhead, general office, personnel, etc., divided by total therms (both sales and transportation volumes).

**Gross sales margin per customer or Gross margin per customer**  $[(2,1) - (4,5)]/[(20,15)+(20,18)]$ 

Defined as revenue, less total production costs, divided by total customers, both sales and transportation. An accounting measure that describes the per-unit dollar value that remains after the acquisition cost of the unit is subtracted from the retail revenue received for that unit.

**Gross sales margin per therm or Gross margin per therm**  $[(2,1) - (4,5)]/[(20,15)+(20,18)]$ 

Defined as revenue, less total production costs, divided by total delivered therms. An accounting measure that describes the per-unit dollar value that remains after the acquisition cost of the unit is subtracted from the retail revenue received for that unit. Includes both sales and transportation volumes.

**Heating Degree Days (HDD)**

A measure of the coldness of the weather experienced, based on the extent to which the daily mean temperature falls below a reference temperature, usually 65 degrees F.

**Implied long-term (LT) debt cost**  $(2,24)/(6,50)$ 

A proxy measure of the interest rate paid by utilities for long-term borrowing (obligations over one year). Data collected on the USR did not request a breakout of short- versus long-term interest obligations. Therefore, a strict calculation of the cost of long-term debt (annual interest paid on long-term obligations divided by total long-term debt) was not possible. The implied cost relates net interest costs (interest of all types) to long-term debt. The result permits some distortion of true long-term debt costs.

**Interest coverage**  $[(2,18 + 2,4 + 2,6 + 2,8) \text{ divided by } (2,24)]$

The comparison of a company's financial returns to its interest payment obligations, for a specific accounting period. "EBITDA" is an income statement result; specifically, it means "earnings before interest, taxes, depreciation, and amortization." This ratio indicates the company's relative ability to generate the cash flow necessary to meet its interest payment obligations.

**Long-term debt** (6,50)

Financial instruments that become due on a date at least one year beyond the current accounting period. These include mortgages and bonds, which represent a company's capital borrowings. By issuing debt, the company has an obligation to repay its lenders the amount borrowed plus regular increments of interest.

**Lower quartile (LQ)**

A statistical measure that describes a data value that is halfway between the median and the lowest value in the data set. Technically defined as the "first quartile." See "quartile" and "median."

**Mean** (Arithmetic – See Weighted Average.)

An average value; i.e., a single calculated value which is representative of a set of values. The mean is calculated by summing a set of observation values, then dividing that total by the number of observations that were used.

**Median (MED)**

A statistical measure describing the "middle position" for a sequence of observations, or the 50-percent position in a sequence of ordered observations (2<sup>nd</sup> quartile). See "quartile."

**Meter**

(See "customer")

**Miles of Main**

Length of utility system's distribution mains (excludes transmission and service lines) as reported by utilities to the US Department of Transportation, Office of Pipeline Safety.

**Municipal utility**

A type of gas distribution company that is owned by a local government entity and run on behalf of that entity's citizenry. Whereas investor-owned utilities usually pay out dividends to shareholders, the municipal utility's dividends accrue to the citizens in the form of a lower cost for energy.

**Net margin per customer**  $[(2,1)-(4,13)]/[(20,15)+(20,18)]$

Operating revenues less total O&M, with the result divided by total customers (includes both sales and transportation).

**Net margin per therm**  $[(2,1)-(4,13)]/[(20,15)+(20,18)]$

Operating revenues less total O&M, with the result divided by total therms (includes both sales and transportation volumes).

**Net worth**

The residual value of a company's assets after deducting liabilities.

**Operations and maintenance (O&M)** (20,13)

These are accounting summaries of expenditures attributable to company operations. Most importantly, these are expenses over which management has direction. These are distinct from (i.e., do not include) expenses imposed from outside of operations such as interest payments and amortization.

**Observation**

A single event for which an activity is recorded or measured. For a measurable event, the unique record for any observation is that observation's value. For example, if the variable of interest is annual therms sold, then "1,000,000" may be the value of this variable for the single observation "ABC Company."

**Operating income (2,11)**

The financial outcome of a company that represents revenues earned less the expenses attributable to operations, including depreciation, amortization, and taxes (but not expenses such as interest payments, amortization, etc.).

**Operating revenue**

See revenue.

**Other production expenses (4,4)**

Includes FERC System of Accounts 805 (Other gas purchases and purchase gas adjustments), 806 (Exchange gas), 812 (Gas used for the utility operations), and 813 (Other gas supply expense).

**Profit margin (2,29)/(2,1)**

Net income available for common stockholders divided by total operating revenues (including electric for combination companies, since net income is not segmented by operational division).

**Purchased gas expense (4,3)**

The utility expenditure for the gas it buys on the market from producers, transmission companies, marketers, and other sources. Includes FERC System of Accounts 800 (wellhead purchases), 801 (field line purchases), 802 (plant outlet purchases), 803 (transmission line purchases), 804 (city gate purchases) LESS 804.1 (LNG), and 807 (Purchased or expense).

**Purchased gas cost per therm (4,5)/(20,15)**

Total production gas expense divided by total sales volumes

**Quartile**

A statistical tool that analyzes a set of values that are sequenced by order of magnitude. Any set of ordered values can be divided into four quartiles. The first quartile is the observation reached after counting off the first 25 percent of the sequenced values (counting from the lowest value). The second quartile is the observation at the 50 percent position in the sequence; the third quartile is at the 75 percent position; and the fourth quartile is at the 100 percent position, which is also the highest value for the entire data set.

**Return on Assets (ROA) (2,29)/(6,36)**

A financial ratio that expresses net income as a percentage of assets. This ratio measures how well a company uses its assets to generate operating income.

**Return on Equity (ROE) (2,29)/(6,42)**

A financial ratio that expresses net income as a percentage of total common stock equity. This ratio measures how well investors in a firm are doing relative to other investments.

**Revenue (2,1)**

The receipts from utility operations and sales of gas, excluding non-utility and other income, before expenses are considered.

**Revenue per customer (2,1)/[(20,15)+(20,18)]**

Operating revenues divided by total meters, including transportation customers.

**Revenue per therm (2,1)/[(20,15)+(20,18)]**

Operating revenues divided by total therms, including transportation volumes.

**Sales expense (4,11)**

The cost of sales administration, including commissions overhead, materials, etc. Includes FERC System of Accounts 911 (Supervision), 912 (Demonstrating and selling expenses), 913 (Advertising expenses), and 916 (Misc. sales expenses).

**Same-size financial statement**

This is an alternative method of displaying income statement and balance sheet summaries. It is intended to facilitate comparisons across company types. As opposed to displaying absolute dollar values, the same-size statement presents each line item as a percentage of its aggregate total. The same-size income statement sets revenues at 100.0 and all other items are a percent of that total. The same-size balance sheet similarly sets total assets (as well as total liabilities and owners' equity) to 100.0.

**System density**  $[(20,15)+(20,18)]/\text{Miles of Main}$ 

Total customers (both sales and transportation) divided by total miles of mains (from the U.S. Dept. of Transportation). A ratio that describes the degree to which meters are "packed" onto a distribution system.

**Tax expense** (2,8)

The amount representing the utility's obligation to pay taxes, including sale, gross receipts, income, and property taxes. This total includes pass-through taxes collected by the utility on behalf of local government jurisdictions.

**Therm**

A unit of measurement for energy, equivalent to 100,000 British thermal units.

**Therms per customer**  $[(20,15)+(20,18)]/[(20,15)+(20,18)]$ 

Total therms (both sales and transportation) divided by total customers (both sales and transportation).

**Therms delivered per employee**  $[(20,15)+(20,18)]/(8,2)$ 

Total therms (both sales and transportation) divided by total employees.

**Total benefits** (13,10)

The annual compensation accruing to utility employees in the form of pensions, health care, insurance, and other non-payroll items.

**Total compensation** (13,6 + 13,10)

The total annual compensation accruing to utility employees, both as payroll and non-payroll compensation, as well as benefits.

**Total production expense** (4,5)

Combination of fuel (4,1), purchased gas (4,3), and other production expenses (4,4).

**Total O&M per customer**  $(4,13)/[(20,15)+(20,18)]$ 

All operations and maintenance expenses divided by total customers (includes both sales and transportation).

**Total O&M per therm**  $(4,13)/[(20,15)+(20,18)]$ 

All operations and maintenance expenses divided by total therms (includes both sales and transportation volumes).

**Total plant in service** (6,5)

The total value of utility plant as shown on the balance sheet. In the case of combination utilities, this will include gas and electric plant used for the purpose of power distribution.

**Transmission** (4,7)

The cost to a utility for moving natural gas purchases from its source to its city gate. Includes FERC System of Accounts 850 (Operations, supervision, and engineering), 851 (System control and load dispatching), 852 (Communication system expenses), 853 (Compressor station labor and expenses), 854 (Gas for compressor station fuel), 855 (Other fuel and power for compressor stations), 856 (Main expenses), 857 (Measuring and regulating station expenses), 858 (Transmission and compression of gas by others), 859 (Other expenses), 860 (Rents), 861 (Maintenance supervision and engineering), 862 (Maintenance of structures and improvements), 863 (Maintenance of mains), 864 (Maintenance of compressor station equipment), 865 (Maintenance of measuring and regulating station equipment), 866 (Maintenance of communication equipment), 867 (Maintenance of other equipment), and 870 (Operation supervision and engineering).

**Transmission and distribution costs per customer  $[(4,7)+(4,8)]/[(20,15)+(20,18)]$** 

Cost of transporting gas to the customer, divided by total customers (both sales and transportation).

**Transmission and distribution costs per therm  $[(4,7+4,8)/(20,15+20,18)]$** 

Cost of transporting gas to the customer, divided by total therms (both sales and transportation).

**Uniform Statistical Report (USR)**

The standardized reporting form used by the American Gas Association to collect financial and operating information from its individual member companies. The USR data is the source of information presented in this study.

**Upper quartile (UQ)**

A statistical measure, which describes a data value that, is halfway between the median and the highest value in the data set. Technically defined as the "third quartile." See "Quartile" and "Median."

**Value**

In statistics, a "value" is the recorded measurement for an individual observation. For example, if the variable of interest is "annual therms sold," then "1,000,000" may be the value of this variable for the single observation "ABC Company."

**Variable**

An attribute, more or less common to a set of observations, which is subject to measurement. For example, if the variable of interest is "annual therms sold," then "1,000,000" may be the value of this variable for the single observation "ABC Company."

**Weighted average**

A statistical measure for describing the mean or "central tendency" of a set of numeric observations. Weighted averages are used in this study to provide benchmark ratios per group or per industry segment. For these benchmark ratios and arithmetic (simple) average would be the mean value of the ratios calculated individually for each company. Instead, the weighted average ratio has as its numerator the sum of observations for that variable divided by the sum of observations for the denominator variable. For example, the density of distribution system metric for gas utilities relates the sum of all gas utility meters divided by the sum of all gas utility miles of pipe.

## APPENDIX 2: MULTI-YEAR CHARTS FOR ALL COMPANIES

Explanation of factors influencing results:

REVENUE: Impacted by weather, rate design, customer growth, the economy, allowed rates of return, taxes, depreciation expense, total O&M expense, and subsidiary operations.

REVENUE PER CUSTOMER: Determined by revenue and customer base (predominantly higher-consuming customer population yields larger results).

REVENUE PER THERM: Determined by revenue and customer base (predominantly smaller-consuming customer base yields larger results).

THERMS DELIVERED PER CUSTOMER: Influenced by weather and customer base (predominantly higher-consuming customer population yields larger results).

PERCENT FIRM SALES: Determined by customer base. Utilities with predominantly residential and small commercial customers tend to have higher values here. Large customers switching from sales to transportation tariffs also influence results.

PURCHASED GAS COST PER SALES THERM: Impacted by proximity to supplies (closer leads to lower transportation costs), interstate pipeline access (more competition leads to lower costs), volumes purchased (economies of scale), and purchasing strategies (spot versus contracts, storage refill, hedging, etc.).

GROSS SALES MARGIN: Influenced by revenue, O&M, and company size (economies of scale).

TRANSMISSION AND DISTRIBUTION COST PER THERM/CUSTOMER: Determined by age of system, throughput, customer base, system density, and size of company (economies of scale).

CUSTOMER ACCOUNT EXPENSE PER THERM: Impacted by the customer base (concentration of smaller customers leads to higher costs per therm), types of administrative (e.g., billing) systems, and throughput.

CUSTOMER SERVICE AND INFORMATION EXPENSE PER THERM: Influenced by types of administrative systems (e.g., database software and hardware), customer base, and throughput.

SALES EXPENSE PER THERM: Determined by the level of marketing effort put forth by company and throughput.

GENERAL AND ADMINISTRATIVE EXPENSE PER THERM/CUSTOMER: Impacted by employee base/compensation, overhead expenses, customer base, and throughput.

TOTAL OPERATION AND MAINTENANCE EXPENSE PER THERM/CUSTOMER: Combination of purchased gas expense, other production costs, T&D, customer accounts, service, & information expenses, sales, and G&A. See those factors for explanation.

NET MARGIN PER THERM/CUSTOMER: Influenced by allowed rates of return, taxes, depreciation, weather, customer base, and throughput.

AVERAGE SALARIES, BENEFITS, AND PENSIONS PER EMPLOYEE: Impacted by union contracts, experience/tenure of average employee, age of employees and retirees, local economic competition for employees, proportion of upper management relative to employee base (higher for companies outsourcing significant workload), and special offers to employees (early retirement, severance packages due to downsizing, etc.).



**CUSTOMERS PER EMPLOYEE:** Determined by the customer base (companies with predominately small-use customers tend to have a higher value) as well as the employee base (more efficient companies and those outsourcing significant workload tend to have a higher value).

**THERMS DELIVERED PER EMPLOYEE:** Primarily determined by the customer base (companies with predominately large-use customers tend to have a higher value).

**GAS PLANT PER CUSTOMER:** Influenced by the customer base (companies with predominately large-use customers tend to have a higher value).

**RETURN ON ASSETS:** Impacted by allowed rate of return, weather, sales growth, subsidiary performance, and one-time charges (e.g., asset reevaluation, merger expense, etc.).

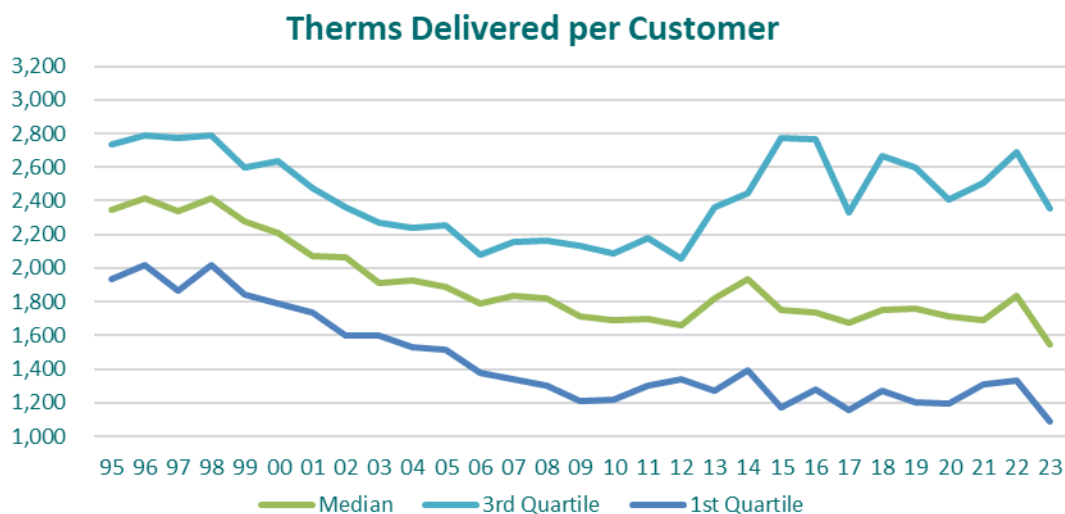
**RETURN ON EQUITY:** Impacted by the allowed rate of return, weather, sales growth, subsidiary performance, and one-time charges (e.g., asset reevaluation, merger expense, etc.).

**ASSET TURNOVER:** Influenced by revenue and composition/age of gas plant.

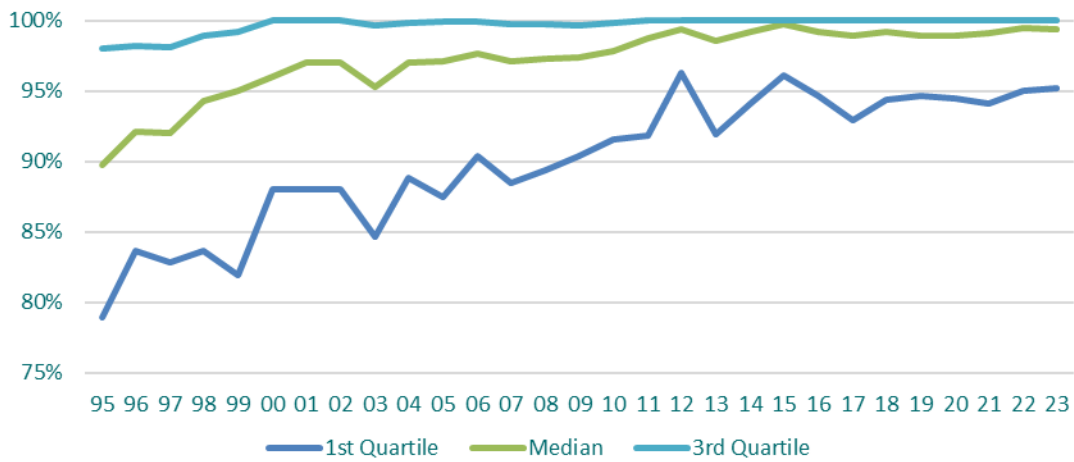
**PROFIT MARGIN:** Impacted by the allowed rate of return, income taxes, interest expense, and weather.

**FINANCIAL LEVERAGE:** Influenced by the proportion of debt and the amount of gas plant for a company.

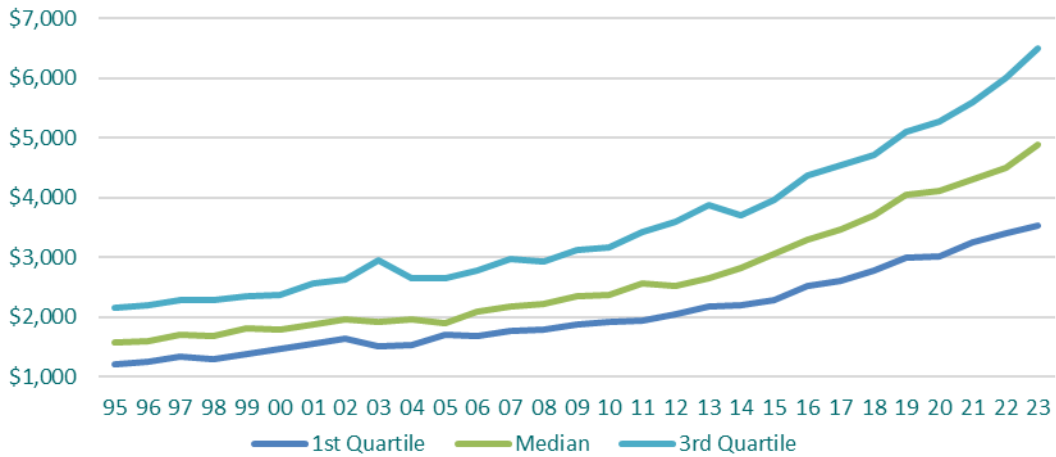
**NOTE:** Recent results of metrics involving miles of main are not comparable for years prior to 2004 because of changes in the definition of miles of main changed (no longer includes services) and in the data source (now derived from the US Department of Transportation, Office of Pipeline Safety database).



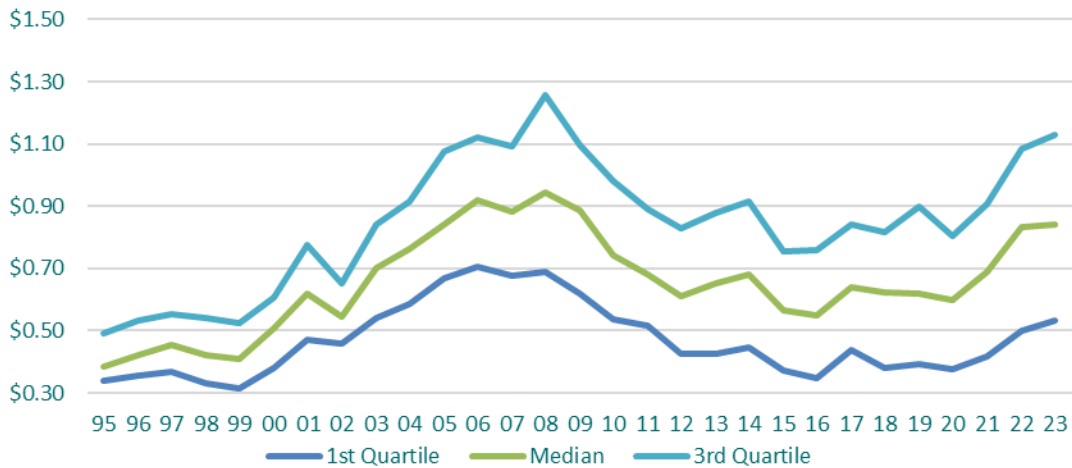
**Percent Firm Sales**



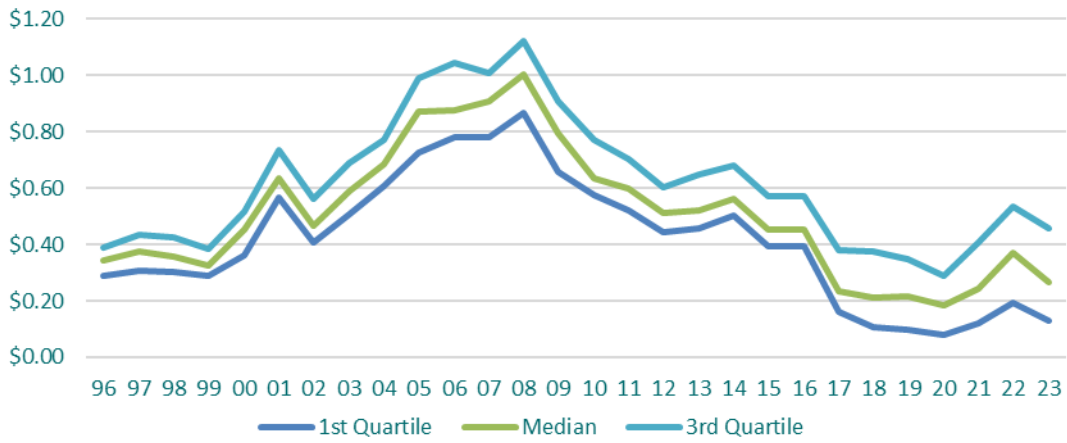
**Gas Plant per Customer**



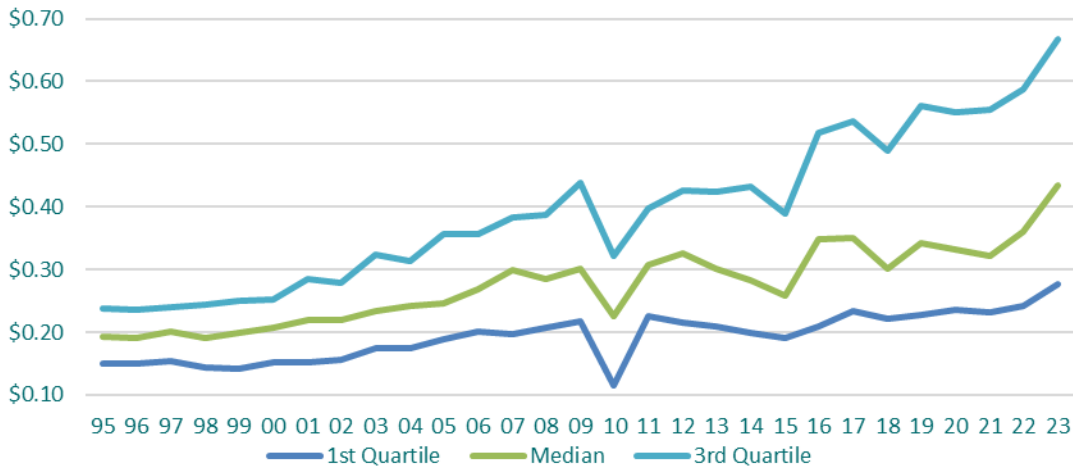
**Revenue per Therm**



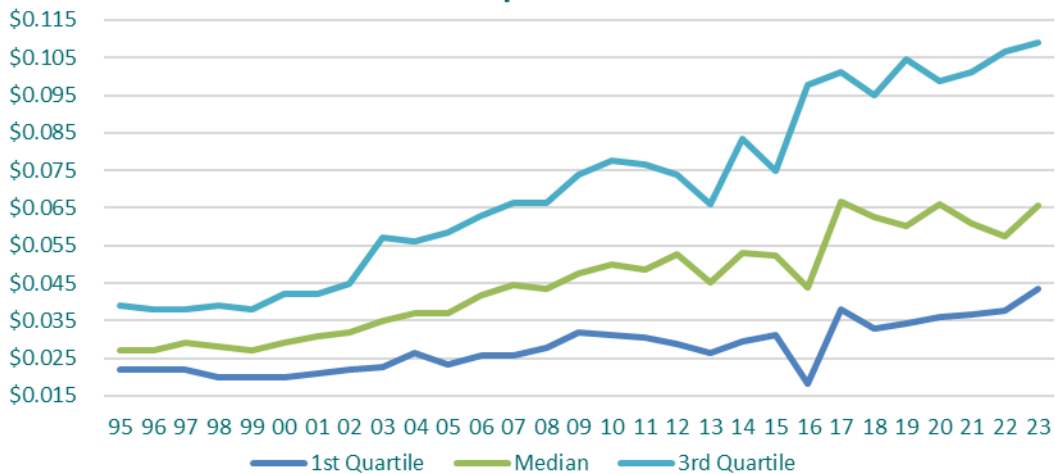
### Gas Purchase & Production Cost per Sales Therm



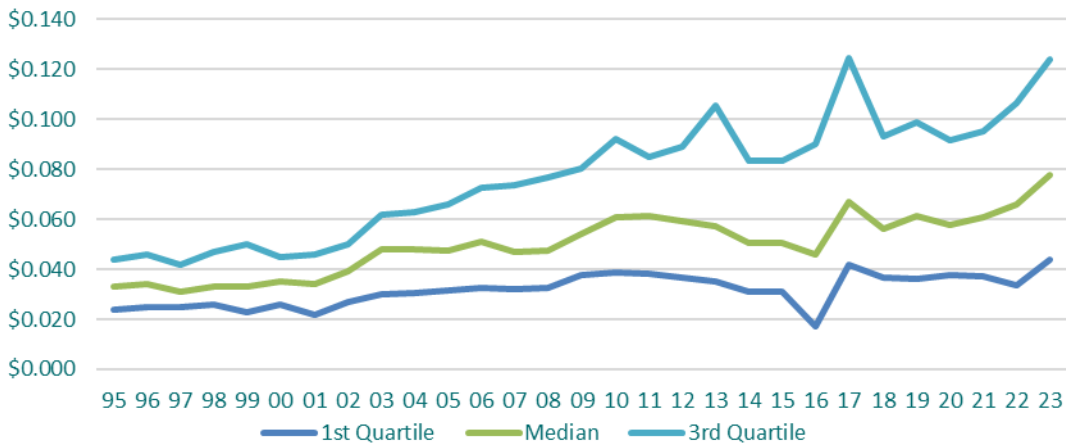
### Gross Sales Margin per Therm



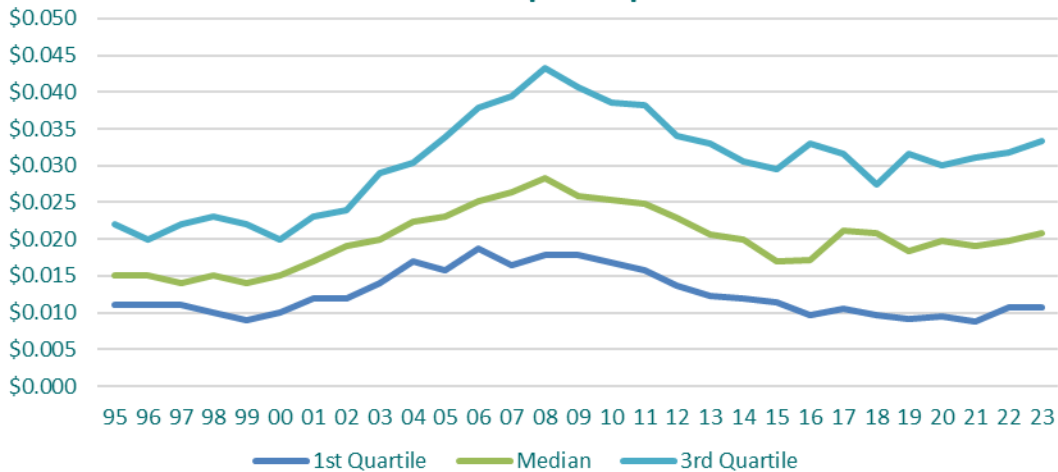
### T&D Costs per Therm



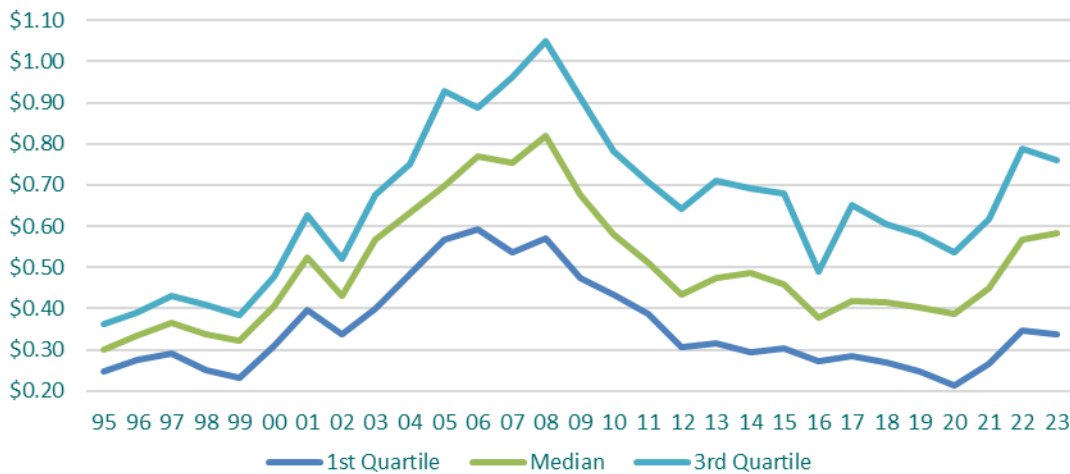
General & Administrative Expense per Therm



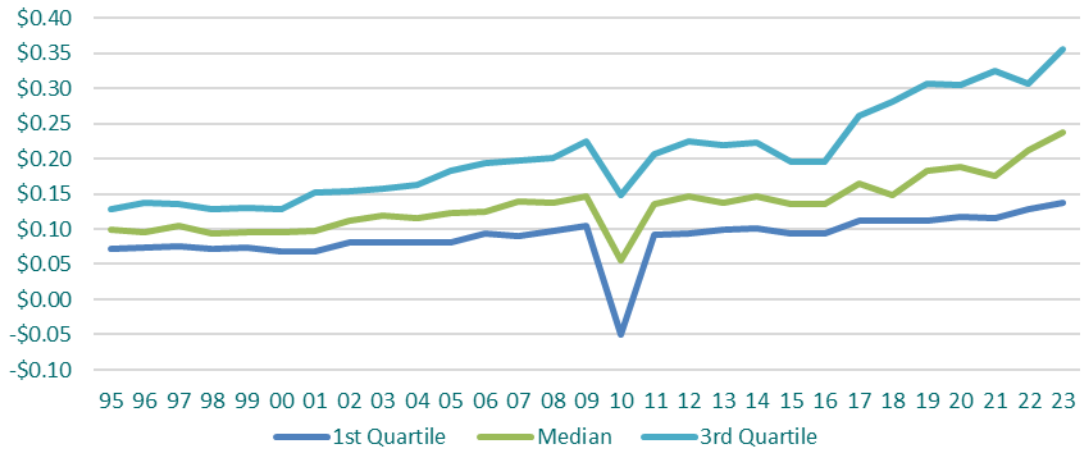
Customer Account Expense per Therm



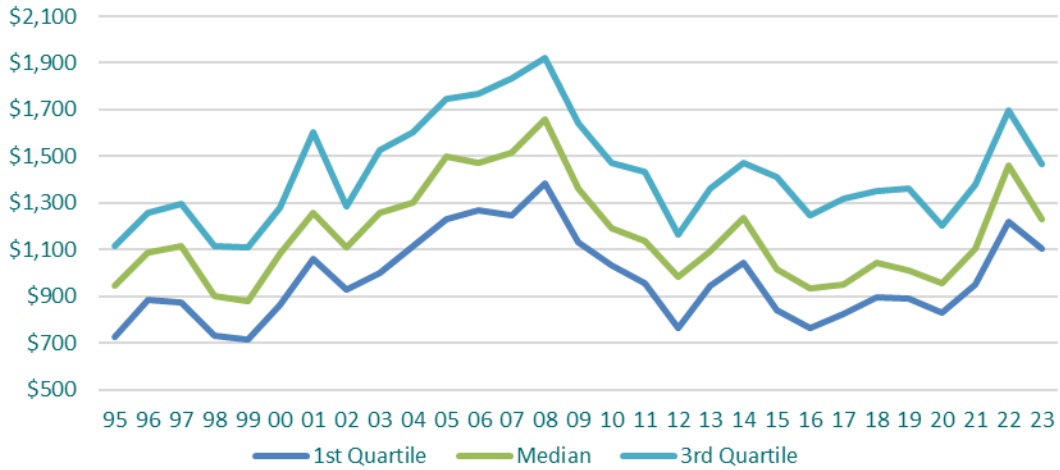
Total O&M Expense per Therm



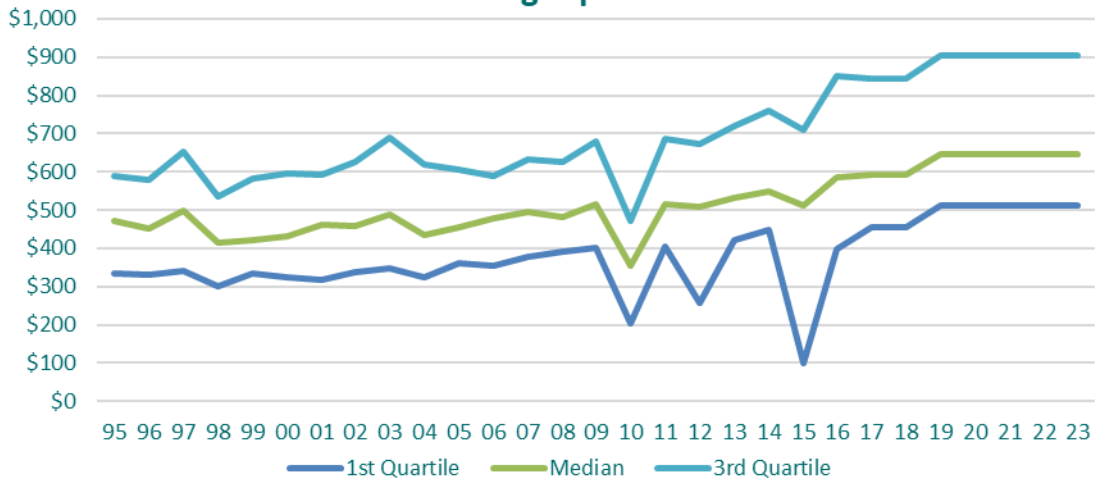
**Net Margin (Revenue less O&M) per Therm**



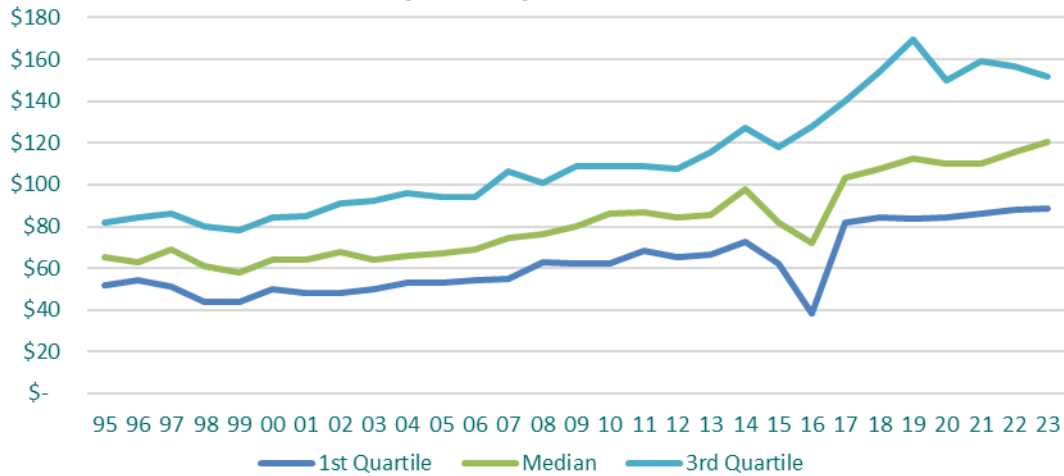
**Revenue per Customer**



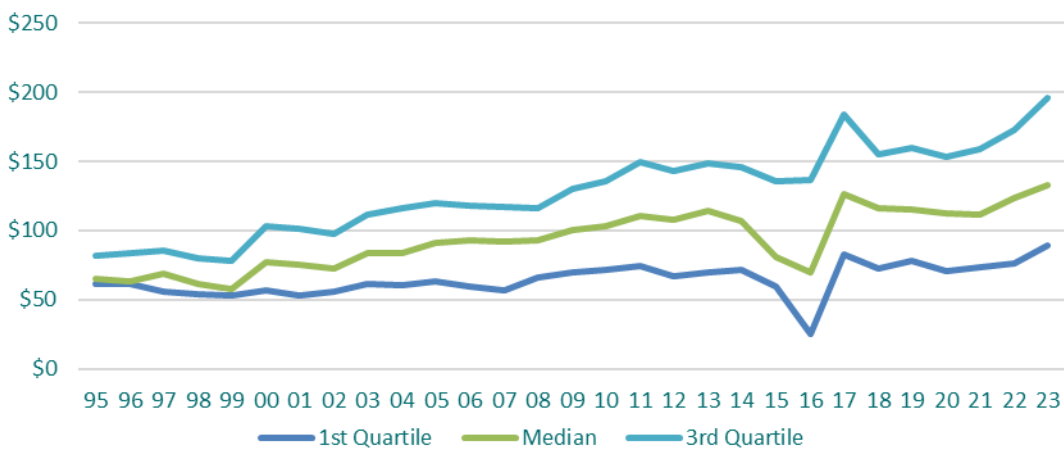
**Gross Sales Margin per Customer**



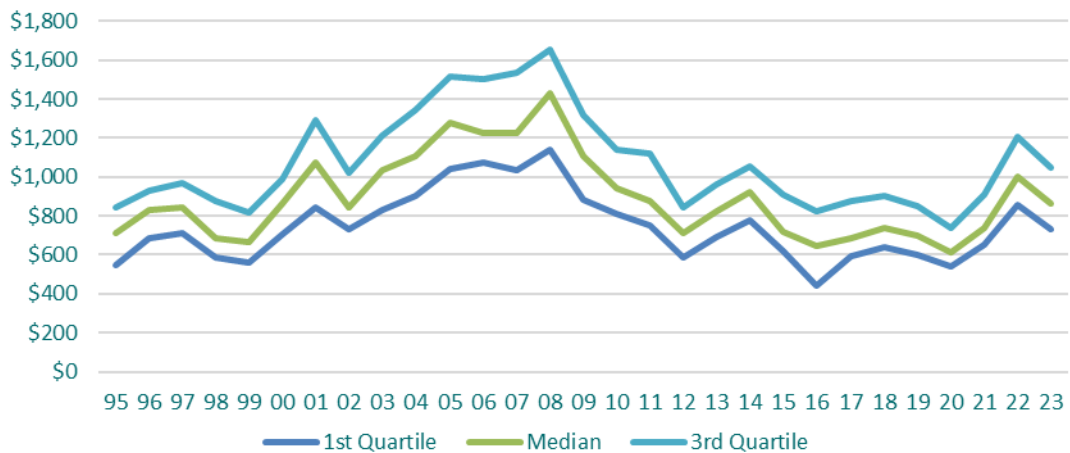
**T&D Expenses per Customer**



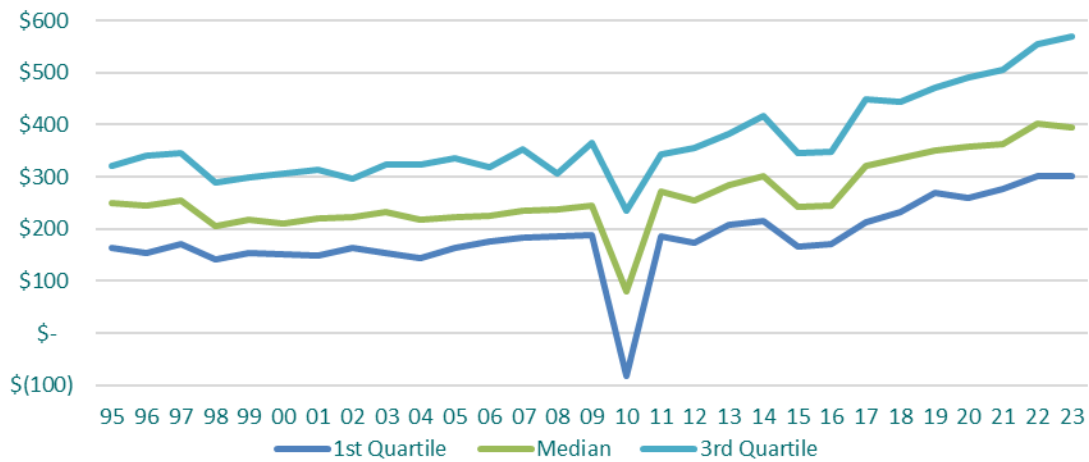
**General & Administrative Expenses per Customer**



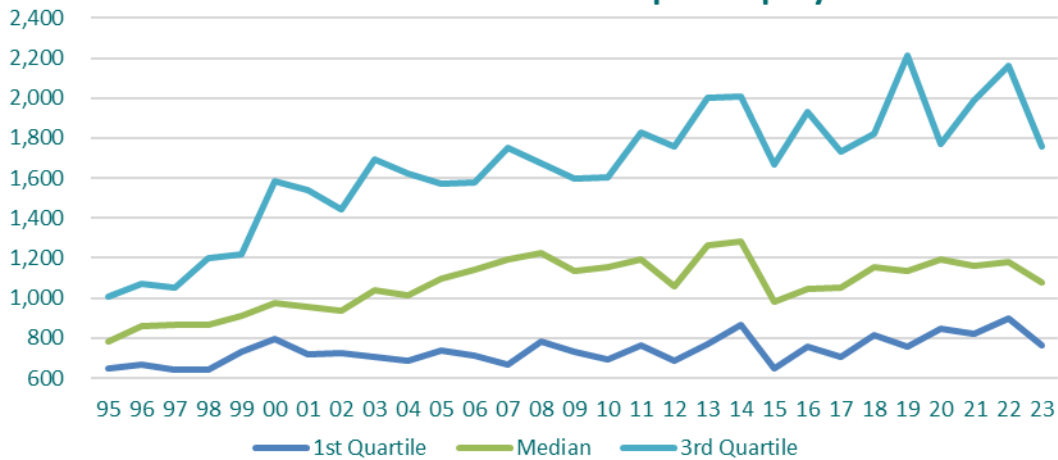
**Total O&M Expense per Customer**



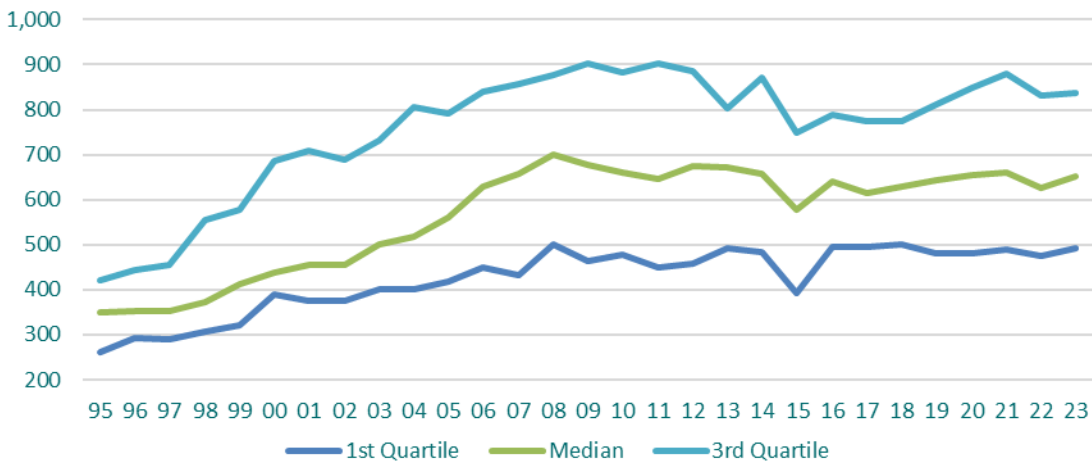
**Net Margin (Revenue less O&M) per Customer**



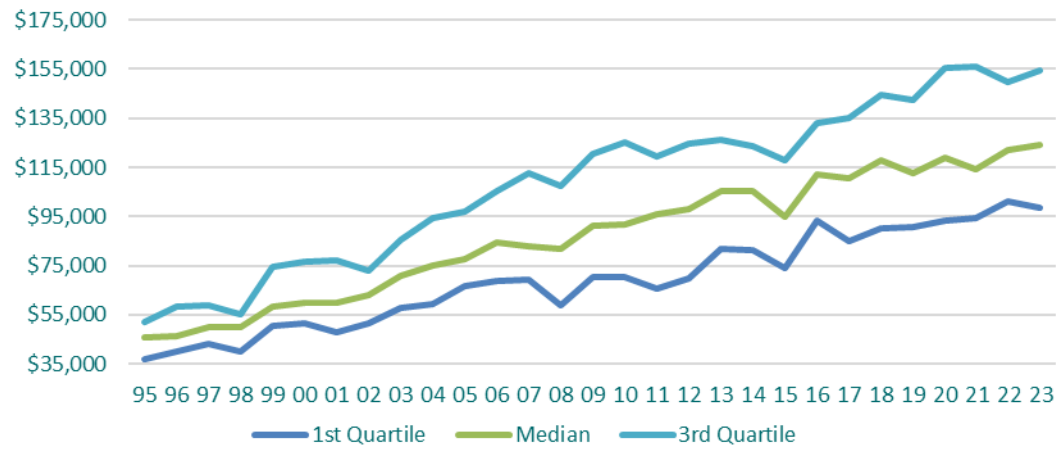
**Thousand Therms Delivered per Employee**



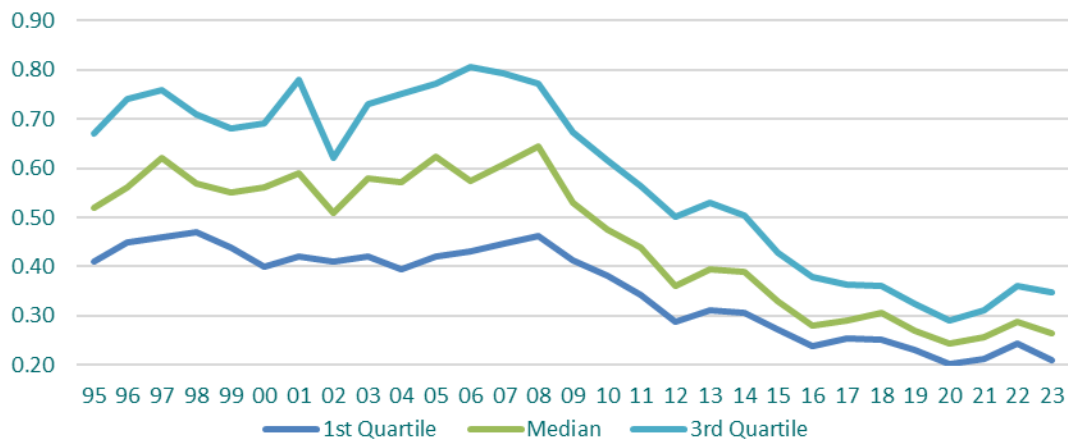
**Customers per Employee**



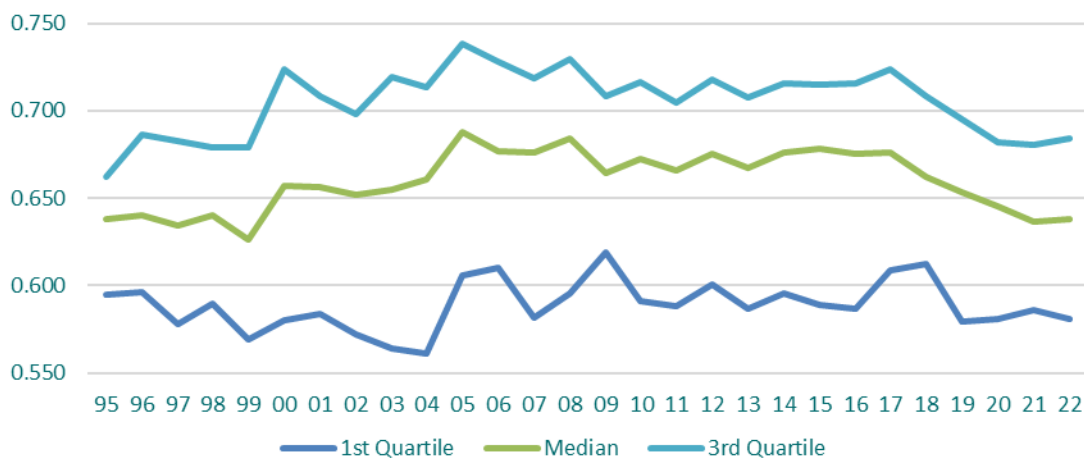
### Average Salaries, Benefits, & Pensions per Employee



### Asset Turnover (Revenue/Assets)

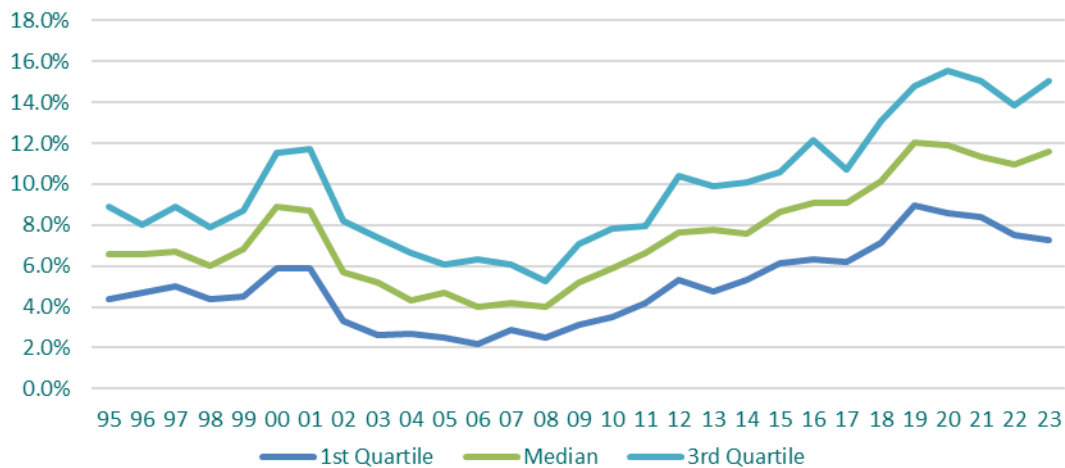


### Financial Leverage (Debt/Assets)

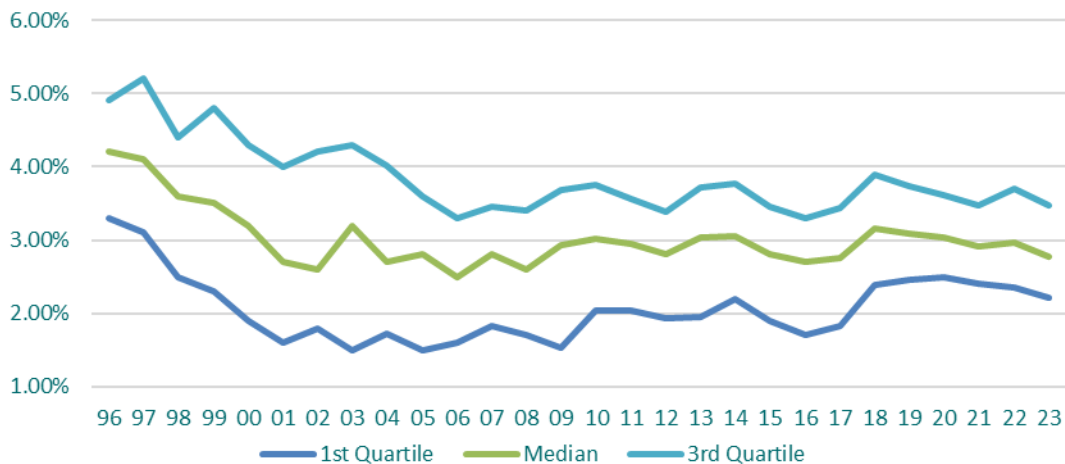




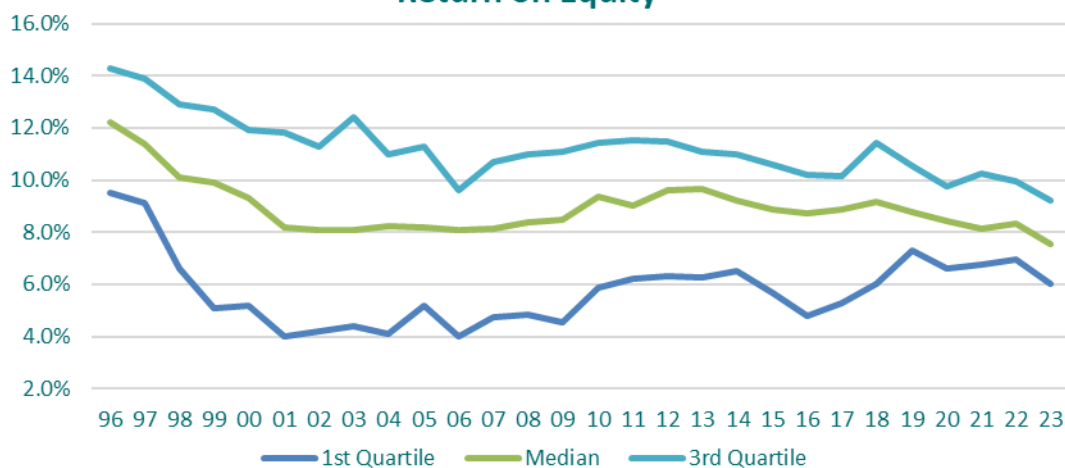
**Profit Margin (Net Income/Revenue)**



**Return on Assets**



**Return on Equity**



APPENDIX 3a: GAS UTILITY SYSTEM PROFILES AND DELIVERY VOLUMES

2023 Data, 79 Utilities Reporting  
Stratified by Type of Company

	Gas Utilities 51 firms				Combination Utilities 20 firms				Municipal Utilities 8 firms				All Companies 79 firms			
	LQ	MED	UQ	AVG	LQ	MED	UQ	AVG	LQ	MED	UQ	AVG	LQ	MED	UQ	AVG
SYSTEM PROFILE 1/																
Total Therms delivered	80,366	878,178	1707,073	1512,915	246,140	965,811	2,648,742	1620,914	41,390	263,522	427,315	412,991	123,823	870,640	1622,745	1428,872
Total Sales Volume	37,180	289,112	811,030	668,825	246,140	555,180	944,275	750,941	37,498	251,070	356,859	362,853	89,610	358,110	847,980	658,629
Transportation Volume	-	286,817	854,931	844,091	-	192,043	892,718	869,974	-	3,892	19,058	50,138	-	192,043	840,555	770,243
Gas customers	47,191	444,866	984,520	813,966	274,625	638,457	912,601	877,371	10,857	108,643	240,429	187,840	83,658	433,265	915,666	766,613
Miles of main in use	1324	7,227	14,477	13,043	3,491	8,525	17,969	12,638	409	2,590	2,969	2,266	2,062	7,635	14,536	11,849
Density (meters/mile of distrib. system)	33.1	50.4	63.3	58.5	45.7	57.2	71.4	63.5	32.5	50.8	81.0	70.2	39.1	52.1	67.6	61.0

THERM VOLUME BY CUSTOMER CLASS 2/

Residential heating	21081	145,863	549,110	375,069	49,404	246,140	559,268	463,233	14,831	130,642	175,874	175,824	24,080	179,810	547,819	377,212
Residential no-heating	-	-	1,108	1,852	-	-	21,934	43,860	-	-	360	3,935	-	-	2,709	12,698
Commercial, firm	13,728	77,233	166,583	160,403	35,735	140,881	285,197	186,782	18,853	62,873	96,999	139,876	24,976	92,619	190,685	165,003
Commercial, interruptible	-	-	-	2,235	-	-	235	3,673	-	-	3,381	3,701	-	-	-	2,748
Industrial, firm	83	5,216	23,253	71,268	254	8,210	30,747	25,552	1,883	6,948	8,462	9,637	365	5,567	26,733	53,453
Industrial, interruptible	-	-	-	3,188	-	-	1,115	2,094	-	-	-	698	-	-	112	2,659
Electric utility generation, firm	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Electric utility generation, interup.	-	-	-	6,863	-	-	-	-	-	-	-	2,590	-	-	-	4,693
Non-utility generation, firm	-	-	-	293	-	-	-	-	-	-	-	-	-	-	-	189
Non-utility generation, interup.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
NGV	-	-	-	4,215	-	-	-	13,114	-	-	-	6	-	-	-	3,054
Municipal & public	-	-	-	11,533	-	-	-	627	-	-	3,539	10,063	-	-	-	8,623
Interdepartmental	-	-	-	0	-	-	876	10,407	-	-	294	2,911	-	-	-	2,930
Other	-	-	-	1,196	-	-	-	13,161	-	-	-	11,024	-	-	-	5,220

NUMBER OF CUSTOMERS BY CUSTOMER CLASS

Residential heating	28,826	319,563	676,778	647,989	122,289	339,261	880,695	716,991	9,990	98,848	221,624	168,248	49,957	285,590	728,672	616,877
Residential no-heating	-	-	2,870	15,579	-	-	28,858	69,965	-	-	1,172	2,046	-	-	9,794	27,977
Commercial, firm	3,458	22,914	50,656	43,114	22,366	36,907	58,122	54,945	1,100	9,726	20,035	12,613	6,464	25,611	53,162	43,020
Commercial, interruptible	-	-	-	44	-	-	1	115	-	-	-	3	-	15	-	58
Industrial, firm	2	53	384	858	44	398	1,994	1,782	3	37	83	104	5	83	557	1,016
Industrial, interruptible	-	-	-	51	-	-	7	11	-	-	-	1	-	-	1	35
Electric utility generation, firm	-	-	-	4	-	-	-	8	-	-	-	0	-	-	-	5
Electric utility generation, interup.	-	-	-	0	-	-	-	-	-	-	-	0	-	-	-	0
Non-utility generation, firm	-	-	-	0	-	-	-	-	-	-	-	-	-	-	-	0
Non-utility generation, interup.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
NGV	-	-	-	8	-	-	-	23	-	-	-	0	-	-	-	11
Municipal & public	-	-	0	317	-	-	-	123	-	-	34	564	-	-	1	293
Interdepartmental	-	-	-	-	-	-	1	10	-	-	6	3	-	-	-	3
Other	-	-	-	2	-	-	-	49	-	-	-	92	-	-	-	23

1/ Includes transportation only customers  
2/ Quartile figures for each column do not sum. The quartile arrangements do not yield the same sequence of firms for each variable.  
Key: LQ = Lower Quartile, MED = Median, UQ = Upper Quartile, AVG = Average

## APPENDIX 3b: GAS UTILITY FINANCIAL STATEMENTS (000\$)

2023 Data, 79 Utilities Reporting  
Stratified by Type of Company

	Gas Utilities 51 firms				Combination Utilities 20 firms				Municipal Utilities 8 firms				All Companies 79 firms			
	LQ	MED	UQ	AVG	LQ	MED	UQ	AVG	LQ	MED	UQ	AVG	LQ	MED	UQ	AVG
<b>GAS-ONLY INCOME STATEMENT</b>																
Operating revenue	66,267	515,796	1,235,337	990,412	375,425	768,531	1,309,025	1,219,425	28,102	146,698	255,933	208,747	144,601	515,796	1,255,728	966,667
Operating expense	38,161	308,893	707,919	601,369	223,805	455,047	867,776	730,547	22,109	108,463	174,603	139,296	100,879	301,015	717,846	587,280
Maintenance expense	1,103	13,521	29,774	33,877	8,848	17,157	37,648	43,875	584	3,090	10,595	10,955	2,655	16,039	35,223	34,087
Total O&M	39,100	320,897	726,662	635,245	240,962	479,763	923,942	774,423	23,735	108,463	185,198	150,251	102,213	312,878	782,969	621,367
Depreciation	7,842	41,415	116,736	103,451	28,445	78,506	125,404	125,725	2,305	11,144	18,461	19,657	11,521	42,559	116,502	100,605
Depletion	-	-	-	236	-	-	77	(1,892)	-	-	-	184	-	-	-	(308)
Amortization	-	-	1,141	3,448	-	-	23,747	12,171	-	-	37	685	-	-	2,786	5,377
Prop. loss charged to operations	-	-	-	393	-	-	-	1,583	-	-	-	(3)	-	-	-	654
Total taxes	3,852	32,470	96,721	83,455	15,593	33,066	76,720	73,679	-	3,418	7,131	5,105	5,565	31,086	79,547	73,046
Other operating income	-	-	-	(2,163)	-	-	-	0	-	-	882	1,754	-	-	-	(12,119)
Total operating income	9,092	82,750	202,949	164,183	56,725	91,290	197,742	233,737	2,025	15,384	36,600	32,867	12,848	80,252	197,056	168,494
<b>BALANCE SHEET</b>																
Gas plant	349,908	2,135,891	4,587,900	4,094,684	1,259,153	3,302,193	5,256,571	6,133,131	37,516	492,866	702,389	701,115	467,626	1,975,696	4,671,741	4,267,094
Common plant	-	-	-	15,048	-	327,136	658,635	904,856	-	-	-	22,879	-	-	47,754	241,109
Other plant	-	-	-	13,636	-	-	40,189	88,103	-	9,413	88,486	601,680	-	-	-	92,037
Total plant in service	349,908	2,525,645	5,157,972	4,480,128	5,694,324	8,844,127	19,775,797	20,749,986	14,1998	492,866	3,010,427	1,945,030	543,916	3,511,047	7,933,827	8,342,361
Accumulated depreciation	80,181	677,115	1,447,671	1,310,621	1,629,768	3,017,091	6,954,968	6,595,888	57,718	192,350	1,359,031	845,141	179,890	1,058,097	2,797,959	2,601,526
Construction work-in-progress	6,608	40,144	209,769	181,361	171,444	326,210	930,892	786,856	2,613	34,534	174,952	108,282	14,873	112,302	322,872	327,250
Net utility plant	278,333	1,640,911	3,792,171	3,369,299	4,296,473	6,153,246	13,618,742	14,968,166	87,404	335,050	1,826,348	1,215,536	346,653	2,576,584	5,770,268	6,087,618
Gas storage (non-current)	-	-	320	8,793	-	-	6,992	12,021	-	-	-	7,387	-	-	2,033	9,467
Customer accts. receivable	2,997	32,124	118,470	97,726	112,601	207,494	392,594	311,521	5,364	6,623	119,900	61,242	6,420	65,343	204,646	148,156
Total current & accrued assets	14,983	110,187	372,428	345,052	371,056	506,865	1,410,313	1,160,660	46,745	112,151	382,840	304,572	76,005	266,720	582,073	547,436
Total deferred debits	16,658	141,579	795,891	719,334	641,536	1,205,995	2,837,422	4,074,635	1,629	9,943	164,821	104,547	23,486	402,187	1,111,229	1,506,520
Total assets	335,229	2,056,602	5,089,853	4,589,299	6,388,984	7,506,257	19,779,854	20,563,999	134,149	412,106	2,502,133	1,703,922	483,720	3,524,456	7,891,115	8,341,337
Common stock	-	891	45,294	97,408	17,348	121,282	510,619	385,289	-	-	-	-	-	1,920	89,949	160,425
Retained earnings	22,494	277,046	994,372	697,552	725,283	1,457,667	2,329,552	2,320,557	94,787	297,988	756,843	829,133	75,779	502,986	1,465,443	1,121,764
Total common stock equity	159,933	869,582	1,851,535	1,701,904	2,485,324	2,907,111	6,776,076	6,448,950	94,787	297,988	756,843	834,362	268,033	1,246,104	2,863,330	2,815,835
Total long-term (LT) debt	89,909	567,068	1,695,075	1,317,826	1,900,616	2,797,653	5,279,036	6,409,348	10,095	79,414	506,300	549,247	119,682	1,187,075	2,527,818	2,528,988
Total capitalization	236,710	1,510,012	3,398,829	3,034,487	4,408,611	5,582,576	12,103,863	12,876,773	109,627	377,402	1,795,360	1,387,781	373,321	2,433,179	5,425,209	5,359,450
Total non-current other liabilities	-	206	23,441	95,383	11,698	190,962	599,412	426,084	-	-	7,337	98,107	-	2,473	169,687	179,381
Current & accrued liabilities	30,070	213,177	514,842	519,005	328,153	994,233	1,649,664	1,589,713	7,921	31,971	240,850	173,221	49,359	311,825	770,298	755,054
Total deferred credits	26,931	384,071	946,703	936,416	1,000,954	1,683,490	5,594,008	4,703,801	-	7,070	51,870	36,727	41,385	602,605	1,862,082	1,799,076
Total capitalization & liabilities	335,229	2,056,602	5,089,853	4,589,299	6,388,984	7,506,257	19,779,854	20,563,999	134,149	412,106	2,502,133	1,703,922	483,720	3,524,456	7,891,115	8,341,337

1/ Figures for combination utilities are necessarily based on combined gas and electric operations. Some municipal utilities are also combined utilities.

2/ Reflects gas and non-gas assets, also includes regulatory assets. 3/ Total capitalization figure in this display includes preferred stock.

**Key:** LQ = Lower Quartile, MED = Median, UQ = Upper Quartile, AVG = Average

### APPENDIX 3c: GAS UTILITY SAME-SIZE FINANCIAL STATEMENTS

2023 Data, 79 Utilities Reporting Stratified by Type of Company	Gas Utilities 51firms	Combination Utilities 20 firms	Municipal Utilities 8 firms	All Companies 79 firms
<b>GAS-ONLY INCOME STATEMENT - Based on average values</b>				
Operating revenue	100.0	100.0	100.0	100.0
Operating expense	65.3	62.5	71.5	65.1
Maintenance expense	3.5	3.1	4.1	3.4
Total O&M	68.8	65.7	75.6	68.5
Depreciation	10.5	9.7	8.2	10.0
Depletion	0.1	0.1	0.1	0.1
Amortization	0.3	0.8	0.2	0.4
Prop. loss charged to operations	0.2	0.1	(0.0)	0.2
Total taxes	8.0	8.7	3.1	7.7
Other operating income	0.1	0.0	12	0.2
Total operating income	12.3	15.1	12.8	13.1
<b>BALANCE SHEET - Based on average values</b>				
Gas plant	89.2	29.8	411	512
Common plant	0.3	4.4	13	2.9
Other plant	0.3	0.4	35.3	11
Total plant in service	97.6	100.9	114.2	100.0
Accumulated depreciation	28.6	32.1	49.6	312
Construction work-in-progress	4.0	3.8	6.4	3.9
Net utility plant	73.4	72.8	71.3	73.0
Gas storage (non-current)	0.2	0.1	0.4	0.1
Customer accts. receivable	2.1	15	3.6	18
Total current & accrued assets	7.5	5.6	17.9	6.6
Total deferred debits	15.7	19.8	6.1	18.1
Total assets	100.0	100.0	100.0	100.0
Common stock	2.1	19	-	19
Retained earnings	15.2	11.3	48.7	13.4
Total common stock equity	37.1	314	49.0	33.8
Total long-term (LT) debt	28.7	312	32.2	30.3
Total capitalization	66.1	62.6	814	64.3
Total non-current other liabilities	2.1	2.1	5.8	2.2
Current & accrued liabilities	11.3	7.7	10.2	9.1
Total deferred credits	20.4	22.9	2.2	21.6
Total capitalization & liabilities	100.0	100.0	100.0	100.0

1/ Figures for combination utilities are necessarily based on combined gas and electric operations. Some municipal utilities are also combined utilities.

2/ Reflects gas and non-gas assets, also includes regulatory assets.

3/ Total capitalization figure in this display includes preferred stock.

APPENDIX 3d: GAS UTILITY INCOME STATEMENTS - Per Cost Driver

2023 Data, 79 Utilities Reporting	Gas Utilities				Combination Utilities				Municipal Utilities				All Companies			
Stratified by Type of Company	51 firms				20 firms				8 firms				79 firms			
	LQ	MED	UQ	AVG	LQ	MED	UQ	AVG	LQ	MED	UQ	AVG	LQ	MED	UQ	AVG
GAS-ONLY INCOME STATEMENT - Per Annual Therms Delivered																
Operating revenue	\$0.5345	\$0.8400	\$10956	\$0.8455	\$0.5138	\$0.9016	\$13666	\$10328	\$0.7156	\$0.8074	\$10756	\$0.8282	\$0.5345	\$0.8429	\$11301	\$0.8912
Operating expense	\$0.3254	\$0.5393	\$0.7146	\$0.5523	\$0.3270	\$0.5304	\$0.8031	\$0.6456	\$0.5034	\$0.6287	\$0.7637	\$0.5920	\$0.3307	\$0.5422	\$0.7425	\$0.5799
Maintenance expense	\$0.0118	\$0.0190	\$0.0354	\$0.0293	\$0.0112	\$0.0280	\$0.0430	\$0.0325	\$0.0154	\$0.0267	\$0.0563	\$0.0343	\$0.0115	\$0.0209	\$0.0408	\$0.0306
Total O&M	\$0.3366	\$0.5699	\$0.7432	\$0.5816	\$0.3541	\$0.5749	\$0.8299	\$0.6781	\$0.5473	\$0.6762	\$0.7852	\$0.6263	\$0.3497	\$0.5853	\$0.7723	\$0.6106
Depreciation	\$0.0422	\$0.0808	\$0.1095	\$0.0885	\$0.0526	\$0.0894	\$0.1381	\$0.0997	\$0.0409	\$0.0515	\$0.1079	\$0.0676	\$0.0422	\$0.0807	\$0.1156	\$0.0892
Depletion	\$0.0000	\$0.0000	\$0.0000	\$0.0005	\$0.0000	\$0.0000	\$0.0013	\$0.0010	\$0.0000	\$0.0000	\$0.0000	\$0.0004	\$0.0000	\$0.0000	\$0.0000	\$0.0007
Amortization	\$0.0000	\$0.0000	\$0.0024	\$0.0022	\$0.0000	\$0.0016	\$0.0093	\$0.0078	\$0.0000	\$0.0000	\$0.0010	\$0.0021	\$0.0000	\$0.0000	\$0.0043	\$0.0036
Prop. loss charged to operations	\$0.0000	\$0.0000	\$0.0000	\$0.0019	\$0.0000	\$0.0000	\$0.0000	\$0.0005	\$0.0000	\$0.0000	\$0.0000	-\$0.0002	\$0.0000	\$0.0000	\$0.0000	\$0.0014
Total taxes	\$0.0298	\$0.0550	\$0.0863	\$0.0673	\$0.0201	\$0.0473	\$0.1332	\$0.0895	\$0.0000	\$0.0138	\$0.0435	\$0.0259	\$0.0231	\$0.0529	\$0.0866	\$0.0687
Other operating income	\$0.0000	\$0.0000	\$0.0000	\$0.0011	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0006	\$0.0223	\$0.0098	\$0.0000	\$0.0000	\$0.0000	\$0.0017
Total operating income	\$0.0554	\$0.0929	\$0.1413	\$0.1036	\$0.0715	\$0.1299	\$0.2141	\$0.1562	\$0.0533	\$0.1220	\$0.1534	\$0.1061	\$0.0583	\$0.1049	\$0.1574	\$0.1172
	LQ	MED	UQ	AVG	LQ	MED	UQ	AVG	LQ	MED	UQ	AVG	LQ	MED	UQ	AVG
GAS-ONLY INCOME STATEMENT - Per Average Annual Customers Served																
Operating revenue	\$1066	\$1227	\$1464	\$1415	\$1139	\$1234	\$1591	\$1389	\$1044	\$1190	\$1367	\$1328	\$1106	\$1231	\$1464	\$1400
Operating expense	\$629	\$840	\$1017	\$913	\$741	\$809	\$960	\$869	\$732	\$749	\$1089	\$991	\$707	\$822	\$1018	\$910
Maintenance expense	\$20	\$33	\$59	\$43	\$27	\$40	\$59	\$44	\$32	\$57	\$74	\$60	\$22	\$39	\$61	\$45
Total O&M	\$700	\$869	\$1050	\$956	\$763	\$834	\$1027	\$913	\$786	\$822	\$1102	\$1051	\$729	\$863	\$1050	\$955
Depreciation	\$90	\$118	\$176	\$158	\$98	\$125	\$169	\$134	\$67	\$82	\$147	\$107	\$90	\$118	\$170	\$147
Depletion	\$0	\$0	\$0	\$1	\$0	\$0	\$2	\$2	\$0	\$0	\$0	\$1	\$0	\$0	\$0	\$1
Amortization	\$0	\$0	\$4	\$4	\$0	\$5	\$6	\$0	\$0	\$3	\$3	\$0	\$0	\$9	\$5	\$5
Prop. loss charged to operations	\$0	\$0	\$0	\$2	\$0	\$0	\$0	\$1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2
Total taxes	\$55	\$98	\$145	\$115	\$55	\$99	\$151	\$109	\$0	\$18	\$57	\$28	\$52	\$91	\$145	\$105
Other operating income	\$0	\$0	\$0	-\$1	\$0	\$0	\$0	\$0	\$0	\$9	\$41	\$34	\$0	\$0	\$0	\$3
Total operating income	\$113	\$186	\$262	\$178	\$156	\$196	\$268	\$221	\$131	\$163	\$185	\$139	\$140	\$185	\$258	\$185
	LQ	MED	UQ	AVG	LQ	MED	UQ	AVG	LQ	MED	UQ	AVG	LQ	MED	UQ	AVG
GAS-ONLY INCOME STATEMENT - Per Dollar of Gas Plant																
Operating revenue	\$0.2075	\$0.2564	\$0.3176	\$0.2768	\$0.2302	\$0.2442	\$0.2627	\$0.2519	\$0.3285	\$0.3743	\$0.4604	\$0.4202	\$0.2148	\$0.2539	\$0.3242	\$0.2850
Operating expense	\$0.1108	\$0.1631	\$0.2189	\$0.1882	\$0.1256	\$0.1544	\$0.1694	\$0.1623	\$0.2299	\$0.2484	\$0.3781	\$0.3185	\$0.1156	\$0.1647	\$0.2217	\$0.1949
Maintenance expense	\$0.0051	\$0.0075	\$0.0114	\$0.0086	\$0.0050	\$0.0071	\$0.0093	\$0.0075	\$0.0139	\$0.0187	\$0.0216	\$0.0187	\$0.0051	\$0.0076	\$0.0123	\$0.0093
Total O&M	\$0.1195	\$0.1686	\$0.2354	\$0.1968	\$0.1343	\$0.1549	\$0.1743	\$0.1698	\$0.2463	\$0.2661	\$0.3911	\$0.3372	\$0.1212	\$0.1699	\$0.2436	\$0.2042
Depreciation	\$0.0229	\$0.0254	\$0.0289	\$0.0255	\$0.0198	\$0.0239	\$0.0270	\$0.0240	\$0.0262	\$0.0276	\$0.0298	\$0.0314	\$0.0225	\$0.0254	\$0.0285	\$0.0257
Depletion	\$0.0000	\$0.0000	\$0.0000	\$0.0002	\$0.0000	\$0.0000	\$0.0003	\$0.0003	\$0.0000	\$0.0000	\$0.0000	\$0.0003	\$0.0000	\$0.0000	\$0.0000	\$0.0002
Amortization	\$0.0000	\$0.0000	\$0.0007	\$0.0008	\$0.0000	\$0.0008	\$0.0027	\$0.0018	\$0.0000	\$0.0000	\$0.0010	\$0.0012	\$0.0000	\$0.0000	\$0.0016	\$0.0011
Prop. loss charged to operations	\$0.0000	\$0.0000	\$0.0000	\$0.0005	\$0.0000	\$0.0000	\$0.0000	\$0.0002	\$0.0000	\$0.0000	\$0.0000	-\$0.0001	\$0.0000	\$0.0000	\$0.0000	\$0.0004
Total taxes	\$0.0126	\$0.0205	\$0.0258	\$0.0199	\$0.0112	\$0.0192	\$0.0262	\$0.0180	\$0.0000	\$0.0046	\$0.0165	\$0.0087	\$0.0115	\$0.0194	\$0.0251	\$0.0183
Other operating income	\$0.0000	\$0.0000	\$0.0000	\$0.0003	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0029	\$0.0174	\$0.0115	\$0.0000	\$0.0000	\$0.0000	\$0.0014
Total operating income	\$0.0287	\$0.0357	\$0.0423	\$0.0331	\$0.0329	\$0.0375	\$0.0460	\$0.0378	\$0.0400	\$0.0482	\$0.0562	\$0.0416	\$0.0312	\$0.0379	\$0.0439	\$0.0351
	LQ	MED	UQ	AVG	LQ	MED	UQ	AVG	LQ	MED	UQ	AVG	LQ	MED	UQ	AVG
GAS-ONLY INCOME STATEMENT - Per Mile of Distribution Pipe																
Operating revenue	\$42,136	\$56,778	\$92,321	\$81,155	\$53,944	\$83,268	\$111,255	\$89,770	\$56,558	\$70,394	\$81,710	\$85,320	\$47,936	\$65,130	\$101,780	\$83,757
Operating expense	\$26,158	\$37,410	\$57,332	\$50,199	\$35,928	\$51,190	\$70,939	\$55,578	\$40,970	\$56,693	\$62,991	\$60,359	\$28,052	\$42,345	\$62,613	\$52,590
Maintenance expense	\$966	\$1,728	\$2,894	\$2,803	\$1,451	\$2,057	\$4,138	\$3,056	\$1,942	\$2,528	\$4,374	\$4,357	\$1,056	\$1,966	\$3,040	\$3,024
Total O&M	\$26,692	\$39,139	\$60,118	\$53,003	\$38,515	\$53,550	\$73,167	\$58,634	\$41,550	\$60,440	\$66,657	\$64,716	\$29,758	\$43,901	\$65,990	\$55,614
Depreciation	\$3,856	\$6,034	\$8,862	\$8,116	\$4,842	\$9,002	\$12,282	\$8,861	\$3,912	\$4,842	\$6,209	\$7,560	\$4,047	\$6,034	\$9,910	\$8,248
Depletion	\$0	\$0	\$0	\$42	\$0	\$0	\$205	\$51	\$0	\$0	\$0	\$40	\$0	\$0	\$0	\$44
Amortization	\$0	\$0	\$166	\$244	\$0	\$176	\$911	\$681	\$0	\$0	\$95	\$169	\$0	\$0	\$375	\$347
Prop. loss charged to operations	\$0	\$0	\$0	\$114	\$0	\$0	\$0	\$93	\$0	\$0	\$0	-\$16	\$0	\$0	\$0	\$96
Total taxes	\$2,432	\$3,807	\$9,242	\$7,687	\$3,281	\$5,551	\$7,941	\$6,685	\$3	\$1,841	\$2,824	\$1,636	\$2,234	\$3,616	\$7,313	\$6,821
Other operating income	\$0	\$0	\$0	-\$77	\$0	\$0	\$0	\$0	\$0	\$278	\$2,514	\$1,282	\$0	\$0	\$0	\$80
Total operating income	\$4,961	\$8,827	\$13,917	\$11,949	\$7,250	\$12,235	\$19,814	\$14,765	\$5,692	\$6,309	\$13,178	\$11,214	\$6,024	\$9,348	\$17,510	\$12,588

APPENDIX 3e: GAS UTILITY FINANCIAL RATIOS

2023 Data, 79 Utilities Reporting Stratified by Type of Company	Gas IOUs 51 firms				Combination IOUs 20 firms				Municipal LDCs 8 firms				All Companies 79 firms			
	LQ	MED	UQ	AVG	LQ	MED	UQ	AVG	LQ	MED	UQ	AVG	LQ	MED	UQ	AVG
Therms delivered (avg.) per acct.	1,064	1,629	2,391	2,135	1,035	1,431	2,277	1,840	803	1,173	1,369	1,280	1,090	1,544	2,353	1,982
Therms per \$ 1,000 of gas plant	0.245	0.331	0.577	0.422	0.164	0.238	0.450	0.350	0.228	0.273	0.507	0.436	0.224	0.329	0.568	0.405
Value of gas plant per customer	\$3,557	\$4,734	\$6,774	\$6,625	\$4,476	\$5,172	\$6,311	\$5,765	\$2,313	\$2,946	\$3,456	\$3,313	\$3,536	\$4,875	\$6,507	\$6,072
%Sales firm (not interruptible)	96.3%	99.9%	100.0%	95.4%	94.8%	98.5%	99.9%	92.5%	81.1%	90.6%	95.7%	90.7%	95.2%	99.4%	100.0%	94.2%
Collection period (days)	22.4	30.0	37.4	315	19.9	33.4	43.5	35.1	16.5	27.0	412	33.0	22.0	30.8	40.3	32.5
Gas O&M expense as pct. of revenue	59.9%	67.3%	74.5%	67.5%	60.1%	66.0%	72.4%	66.2%	70.2%	73.9%	78.4%	77.7%	62.1%	68.2%	74.2%	68.2%
Gas operating income as pct. of revenue	8.0%	13.5%	18.3%	13.7%	12.4%	15.1%	210%	15.9%	7.2%	11.7%	16.4%	115%	10.1%	13.8%	18.6%	14.0%
Gas operating revenue per customer	\$1,056	\$1,223	\$1,463	\$1,415	\$1,131	\$1,231	\$1,580	\$1,389	\$982	\$1,127	\$1,350	\$1,328	\$1,106	\$1,231	\$1,464	\$1,400
Gas O&M expense per customer	\$693	\$868	\$1,046	\$956	\$761	\$832	\$1,012	\$913	\$770	\$802	\$998	\$1,051	\$729	\$863	\$1,050	\$955
Gas operating income per customer	\$103	\$185	\$262	\$178	\$151	\$187	\$262	\$221	\$98	\$162	\$185	\$139	\$140	\$185	\$258	\$185
Gas revenue per dollar of gas plant	\$0.206	\$0.253	\$0.315	\$0.277	\$0.223	\$0.240	\$0.262	\$0.252	\$0.298	\$0.366	\$0.425	\$0.420	\$0.215	\$0.254	\$0.324	\$0.285
Gas O&M expense per dollar of gas plant	\$0.119	\$0.167	\$0.234	\$0.197	\$0.121	\$0.161	\$0.174	\$0.170	\$0.220	\$0.264	\$0.333	\$0.337	\$0.121	\$0.170	\$0.244	\$0.204
Gas operating income per \$ of gas plant	\$0.027	\$0.036	\$0.042	\$0.033	\$0.031	\$0.037	\$0.046	\$0.038	\$0.031	\$0.045	\$0.054	\$0.042	\$0.031	\$0.038	\$0.044	\$0.035
Gas revenue per mile of pipe	\$40,743	\$55,736	\$89,328	\$81,155	\$51,112	\$81,217	\$108,725	\$89,770	\$56,310	\$68,698	\$80,213	\$85,320	\$47,936	\$65,130	\$101,780	\$83,757
Gas O&M expense per mile of pipe	\$26,395	\$38,731	\$60,098	\$53,003	\$34,346	\$52,913	\$71,778	\$58,634	\$40,569	\$58,023	\$64,910	\$64,716	\$29,758	\$43,901	\$65,990	\$55,614
Gas operating income per mile of pipe	\$4,333	\$8,798	\$13,750	\$11,949	\$7,196	\$10,732	\$19,677	\$14,765	\$4,950	\$6,011	\$13,137	\$11,214	\$6,024	\$9,348	\$17,510	\$12,588
Long-term debt - total assets ratio	23.0%	29.6%	32.3%	25.9%	28.1%	32.3%	33.9%	32.8%	6.2%	14.2%	314%	20.9%	24.3%	30.3%	33.8%	27.2%
Long-term debt - total capitalization ratio	36.9%	43.7%	47.5%	38.4%	43.5%	48.3%	50.1%	48.3%	9.6%	18.7%	34.5%	26.0%	38.2%	43.9%	48.8%	39.7%
Net interest - long-term debt ratio	4.2%	4.8%	6.0%	6.6%	3.9%	4.2%	4.9%	4.1%	14%	3.3%	3.8%	3.0%	3.8%	4.4%	5.4%	5.6%
EBITDA interest coverage	5.5x	6.3x	7.7x	90.1x	5.7x	6.3x	8.0x	7.1x	5.6x	16.2x	213x	19.1x	5.7x	6.5x	8.5x	63.9x
Return on assets	2.1%	2.7%	3.2%	2.6%	2.1%	2.7%	3.5%	2.8%	2.7%	3.5%	4.4%	4.1%	2.2%	2.8%	3.5%	2.8%
Gross sales margin per therm	\$0.132	\$0.267	\$0.497	-\$2.919	\$0.310	\$0.416	\$0.626	\$0.515	\$0.310	\$0.451	\$0.651	\$0.496	\$0.230	\$0.359	\$0.578	\$0.446
Gross sales margin per customer	\$194	\$652	\$824	\$753	\$561	\$653	\$900	\$764	\$417	\$508	\$652	\$579	\$512	\$646	\$902	\$745

**Key:** LQ = Lower Quartile, MED = Median, UQ = Upper Quartile, AVG = Average

1/ Figures for combination utilities are necessarily based on combined gas and electric operations. Four municipal utilities are also combined gas-electric utilities.

2/ Miles of distribution pipes from US Department of Transportation.

3/ Total capitalization figure in this display includes preferred stock.

4/ Gross sales margin = operating revenues less total production costs

**NOTE:** Some ratios are not always normally distributed. Therefore, average ratio values may be subject to distortion by a few observations that are outliers.

## APPENDIX 4: GAS UTILITY O&M Detail (Based on Segment Averages)

Based on Segment Averages

VALUES PER THERM	Gas Utilities			Combination Utilities			Municipal Utilities			All Companies		
	2021	2022	2023	2021	2022	2023	2021	2022	2023	2021	2022	2023
Gas-only revenues	\$0.6937	\$0.8711	\$0.8936	\$0.8530	\$1.3224	\$1.0328	\$0.8193	\$0.8531	\$0.8282	\$0.7444	\$0.9589	\$0.8912
Purchased-gas expense	\$0.2333	\$0.3882	\$0.3100	\$0.3027	\$0.6313	\$0.3717	\$0.4531	\$0.3695	\$0.3742	\$0.2735	\$0.4396	\$0.3204
Gross sales margin	\$0.4307	\$0.4663	\$0.5263	\$0.5381	\$0.6906	\$0.6104	\$0.3619	\$0.4790	\$0.4508	\$0.4480	\$0.5087	\$0.5223
Total production costs <sup>1</sup>	\$0.2630	\$0.4048	\$0.3673	\$0.3148	\$0.6318	\$0.4224	\$0.4574	\$0.3740	\$0.3775	\$0.2964	\$0.4502	\$0.3689
Storage & LNG	\$0.0015	\$0.0003	\$0.0040	\$0.0057	\$0.0055	\$0.0070	\$0.0002	\$0.0030	\$0.0048	\$0.0024	\$0.0024	\$0.0052
Transmission	\$0.0138	\$0.0139	\$0.0135	\$0.0092	\$0.0200	\$0.0173	\$0.0078	\$0.0084	\$0.0091	\$0.0121	\$0.0151	\$0.0144
Distribution	\$0.0698	\$0.0703	\$0.0776	\$0.0634	\$0.0821	\$0.0734	\$0.0691	\$0.0646	\$0.0876	\$0.0683	\$0.0702	\$0.0746
Customer accounts	\$0.0227	\$0.0233	\$0.0264	\$0.0246	\$0.0422	\$0.0340	\$0.0219	\$0.0271	\$0.0352	\$0.0231	\$0.0277	\$0.0285
Customer svc. & info.	\$0.0095	\$0.0133	\$0.0106	\$0.0239	\$0.0275	\$0.0279	\$0.0144	\$0.0110	\$0.0132	\$0.0134	\$0.0159	\$0.0148
Sales	\$0.0073	\$0.0053	\$0.0035	\$0.0004	\$0.0027	\$0.0024	\$0.0116	\$0.0152	\$0.0141	\$0.0061	\$0.0053	\$0.0041
Admin. & general	\$0.0801	\$0.1199	\$0.1121	\$0.0724	\$0.1077	\$0.0936	\$0.0497	\$0.0571	\$0.0849	\$0.0750	\$0.1061	\$0.1002
Total O&M	\$0.4678	\$0.6510	\$0.6151	\$0.5145	\$0.9195	\$0.6781	\$0.6320	\$0.5604	\$0.6263	\$0.4966	\$0.6929	\$0.6106
PERCENT OF REVENUE												
Gas-only revenues	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Purchased-gas expense	33.6%	44.6%	34.7%	35.5%	47.7%	36.0%	55.3%	43.3%	45.2%	36.7%	45.8%	36.0%
Gross sales margin	62.1%	53.5%	58.9%	63.1%	52.2%	59.1%	44.2%	56.2%	54.4%	60.2%	53.0%	58.6%
Total production costs <sup>1</sup>	37.9%	46.5%	41.1%	36.9%	47.8%	40.9%	55.8%	43.8%	45.6%	39.8%	47.0%	41.4%
Storage & LNG	0.2%	0.0%	0.4%	0.7%	0.4%	0.7%	0.0%	0.3%	0.6%	0.3%	0.2%	0.6%
Transmission	2.0%	1.6%	1.5%	1.1%	1.5%	1.7%	1.0%	1.0%	1.1%	1.6%	1.6%	1.6%
Distribution	10.1%	8.1%	8.7%	7.4%	6.2%	7.1%	8.4%	7.6%	10.6%	9.2%	7.3%	8.4%
Customer accounts	3.3%	2.7%	3.0%	2.9%	3.2%	3.3%	2.7%	3.2%	4.3%	3.1%	2.9%	3.2%
Customer svc. & info.	1.4%	1.5%	1.2%	2.8%	2.1%	2.7%	1.8%	1.3%	1.6%	1.8%	1.7%	1.7%
Sales	1.0%	0.6%	0.4%	0.0%	0.2%	0.2%	1.4%	1.8%	1.7%	0.8%	0.6%	0.5%
Admin. & general	11.5%	13.8%	12.5%	8.5%	8.1%	9.1%	6.1%	6.7%	10.2%	10.1%	11.1%	11.2%
Total O&M	67.4%	74.7%	68.8%	60.3%	69.5%	65.7%	77.1%	65.7%	75.6%	66.7%	72.3%	68.5%
VALUES PER CUSTOMER												
Gas-only revenues	\$ 1,083	\$ 1,373	\$ 1,271	\$ 1,088	\$ 1,460	\$ 1,234	\$ 1,217	\$ 1,509	\$ 1,190	\$ 1,104	\$ 1,459	\$ 1,231
Purchased-gas expense	\$ 420	\$ 667	\$ 506	\$ 469	\$ 676	\$ 518	\$ 493	\$ 658	\$ 444	\$ 443	\$ 669	\$ 488
Gross sales margin	\$ 663	\$ 731	\$ 764	\$ 656	\$ 702	\$ 749	\$ 455	\$ 626	\$ 562	\$ 655	\$ 701	\$ 737
Total production costs <sup>1</sup>	\$ 434	\$ 710	\$ 551	\$ 476	\$ 675	\$ 547	\$ 620	\$ 826	\$ 579	\$ 453	\$ 703	\$ 548
Storage & LNG	\$ 0	\$ -	\$ 1	\$ 0	\$ 5	\$ 6	\$ -	\$ -	\$ -	\$ 0	\$ 0	\$ 1
Transmission	\$ 6	\$ 3	\$ 2	\$ 12	\$ 14	\$ 13	\$ -	\$ -	\$ 1	\$ 5	\$ 5	\$ 3
Distribution	\$ 85	\$ 97	\$ 97	\$ 83	\$ 90	\$ 94	\$ 103	\$ 112	\$ 109	\$ 87	\$ 96	\$ 95
Customer accounts	\$ 33	\$ 37	\$ 33	\$ 34	\$ 36	\$ 38	\$ 31	\$ 35	\$ 41	\$ 33	\$ 36	\$ 36
Customer svc. & info.	\$ 2	\$ 3	\$ 4	\$ 25	\$ 23	\$ 29	\$ 12	\$ 11	\$ 10	\$ 6	\$ 6	\$ 8
Sales	\$ 1	\$ 1	\$ 1	\$ 0	\$ 0	\$ 0	\$ 2	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1
Admin. & general	\$ 120	\$ 130	\$ 146	\$ 114	\$ 124	\$ 121	\$ 87	\$ 97	\$ 102	\$ 111	\$ 123	\$ 133
Total O&M	\$ 745	\$ 1,005	\$ 875	\$ 777	\$ 1,030	\$ 913	\$ 742	\$ 1,032	\$ 822	\$ 740	\$ 991	\$ 863

1/ Purchased cost expense is subsumed within total production costs. **NOTE:** Figures may not add precisely due to independent rounding.

APPENDIX 5: WAGES & BENEFITS

2023 Data, 79 Utilities Reporting Stratified by Type of Company	Gas Utilities 51 firms				Combination Utilities 20 firms				Municipal Utilities 8 firms				All Companies 79 firms			
	LQ	MED	UQ	AVG.	LQ	MED	UQ	AVG.	LQ	MED	UQ	AVG.	LQ	MED	UQ	AVG.
Average number of employees	63	509	1,188	960	267	565	1,164	938	14	117	496	356	77	534	1,188	888
Number of Employees at year-end	77	597	1,267	989	249	576	1,167	917	14	117	461	354	85	534	1,267	913
O&M wages ('000)	\$3,101	\$36,186	\$81,604	\$72,431	\$28,037	\$47,946	\$90,313	\$65,626	\$3,509	\$19,102	\$32,581	\$30,651	\$4,481	\$36,676	\$88,094	\$65,441
Construction wages ('000)	\$177	\$8,121	\$46,186	\$36,864	\$14,217	\$37,953	\$64,099	\$57,788	\$92	\$704	\$4,174	\$3,115	\$692	\$10,900	\$49,930	\$37,207
Total pensions ('000)	\$101	\$4,574	\$25,342	\$25,050	\$532	\$5,365	\$28,396	\$12,606	\$736	\$6,903	\$13,355	\$18,370	\$142	\$5,178	\$25,342	\$18,539
PER YEAR END EMPLOYEE:																
Total salary & wages	\$77,088	\$90,200	\$108,326	\$101,504	\$124,081	\$137,988	\$175,454	\$155,597	\$91,346	\$99,918	\$103,387	\$97,529	\$87,006	\$100,363	\$130,205	\$113,596
Tot. benefits & pension	\$7,251	\$20,360	\$31,177	\$22,348	\$1,010	\$11,912	\$31,588	\$16,712	\$26,261	\$31,034	\$40,603	\$35,637	\$6,987	\$18,890	\$31,411	\$20,010
Total salary, benefits, and pension	\$90,124	\$108,806	\$139,588	\$123,852	\$137,769	\$158,214	\$187,711	\$172,309	\$129,212	\$137,457	\$150,630	\$133,165	\$98,624	\$124,136	\$154,614	\$133,606
Ratio: avg. benefits to avg. compensat	14%	19%	24%	20%	2%	9%	17%	10%	22%	29%	32%	27%	6%	18%	25%	18%
Therms delivered per year-end employ	705,225	1,063,727	1,350,399	1,255,536	641,410	1,130,665	2,269,895	1,787,511	309,325	777,702	5,452,458	11,057,178	788,793	1,130,665	2,049,165	2,349,357
Customers per year-end employee	490	654	818	674	559	702	1,378	935	340	446	568	444	492	652	837	739

**NOTE:** Some ratios are not always normally distributed. Therefore, average ratio values may be subject to distortion by a few observations that are outliers.  
Key: LQ = Lower Quartile, MED = Median, UQ = Upper Quartile, AVG = Average



## APPENDIX 6: GAS UTILITY FINANCIAL PERFORMANCE

<i>Based on Segment Medians</i>	Gas Utilities			Combination Utilities			Municipal Utilities			All Companies		
	2021	2022	2023	2021	2022	2023	2021	2022	2023	2021	2022	2023
Asset Turnover	0.26X	0.29X	0.27X	0.23X	0.25X	0.23X	0.33X	0.36X	0.35X	0.26X	0.29X	0.26X
Financial Leverage	64.2%	63.7%	62.5%	65.7%	65.7%	63.8%	29.4%	39.0%	36.6%	63.7%	63.8%	62.6%
Debt/Equity Ratio	71.0%	71.7%	77.6%	87.9%	92.7%	93.5%	22.6%	25.6%	23.3%	75.9%	76.4%	79.5%
Equity Multiplier	2.80	2.75	2.67	2.93	2.94	2.83	1.42	1.72	1.64	2.80	2.79	2.71
Profit Margin	10.2%	9.7%	9.6%	12.6%	11.7%	13.1%	12.9%	11.0%	10.8%	11.3%	11.0%	11.6%
ROA	2.8%	2.8%	2.7%	2.9%	3.2%	2.7%	5.2%	4.0%	3.5%	2.9%	3.0%	2.8%
ROE	8.0%	8.2%	7.5%	8.6%	9.3%	8.0%	8.2%	9.1%	4.9%	8.2%	8.3%	7.5%
Current Ratio	0.54	0.73	0.71	0.94	0.96	0.87	3.62	2.57	2.84	0.71	0.79	0.82
Current Assets/Total Assets	8.0%	9.9%	7.1%	6.4%	7.7%	6.2%	25.6%	27.9%	25.6%	7.9%	9.8%	7.2%

<i>Based on Segment Averages</i>	Gas Utilities			Combination Utilities			Municipal Utilities			All Companies		
	2021	2022	2023	2021	2022	2023	2021	2022	2023	2021	2022	2023
Asset Turnover	0.30X	0.35X	0.33X	0.23X	0.25X	0.23X	0.38X	0.41X	0.36X	0.30X	0.34X	0.31X
Financial Leverage	60.4%	59.8%	59.3%	66.0%	66.6%	64.5%	39.4%	42.2%	39.8%	59.4%	59.8%	58.7%
Debt/Equity Ratio	69.4%	67.2%	71.8%	108.0%	109.7%	108.6%	55.3%	50.9%	45.7%	76.8%	75.7%	78.4%
Equity Multiplier	1.11	1.98	2.18	3.15	3.23	3.10	2.04	1.99	1.90	1.68	2.32	2.38
Profit Margin	10.3%	9.8%	9.7%	12.4%	12.5%	12.6%	15.0%	15.0%	12.0%	11.3%	11.0%	10.7%
ROA	2.7%	2.7%	2.6%	2.8%	3.1%	2.8%	5.6%	5.8%	4.1%	3.1%	3.2%	2.8%
ROE	13.9%	8.0%	7.1%	8.8%	9.9%	8.5%	11.8%	11.8%	7.7%	12.5%	8.9%	7.5%
Current Ratio	0.54	0.83	0.89	1.07	1.09	1.07	3.84	3.75	3.75	1.02	1.19	1.23
Current Assets/Total Assets	7.6%	11.0%	8.6%	6.6%	8.0%	6.6%	27.3%	28.4%	26.1%	9.6%	12.2%	9.9%

## APPENDIX 7a: GAS UTILITY INCOME STATEMENTS (Based on Segment Averages)

Based on Segment Average

		Gas Utilities			Combination Utilities			Municipal Utilities			All Companies		
	Units	2021	2022	2023	2021	2022	2023	2021	2022	2023	2021	2022	2023
GAS-ONLY INCOME STATEMENT - Per Annual Therms Delivered													
Operating revenue	\$/THERM	\$ 0.6937	\$ 0.8711	\$ 0.8455	\$ 0.8530	\$ 1.3224	\$ 1.0328	\$ 0.8193	\$ 0.8531	\$ 0.8282	\$ 0.7444	\$ 0.9589	\$ 0.8912
Operating expense	\$/THERM	\$ 0.4426	\$ 0.6238	\$ 0.5523	\$ 0.4830	\$ 0.8844	\$ 0.6456	\$ 0.6016	\$ 0.5305	\$ 0.5920	\$ 0.4694	\$ 0.6646	\$ 0.5799
Maintenance expense	\$/THERM	\$ 0.0252	\$ 0.0272	\$ 0.0293	\$ 0.0314	\$ 0.0351	\$ 0.0325	\$ 0.0303	\$ 0.0300	\$ 0.0343	\$ 0.0272	\$ 0.0283	\$ 0.0306
Total O&M	\$/THERM	\$ 0.4678	\$ 0.6510	\$ 0.5816	\$ 0.5145	\$ 0.9195	\$ 0.6781	\$ 0.6320	\$ 0.5604	\$ 0.6263	\$ 0.4966	\$ 0.6929	\$ 0.6106
Depreciation	\$/THERM	\$ 0.0884	\$ 0.0853	\$ 0.0885	\$ 0.0867	\$ 0.1052	\$ 0.0997	\$ 0.0573	\$ 0.0499	\$ 0.0676	\$ 0.0846	\$ 0.0837	\$ 0.0892
Depletion	\$/THERM	\$ 0.0006	\$ 0.0007	\$ 0.0005	\$ 0.0044	\$ 0.0041	\$ 0.0010	\$ 0.0002	\$ 0.0002	\$ 0.0004	\$ 0.0014	\$ 0.0015	\$ 0.0007
Amortization	\$/THERM	\$ 0.0043	\$ 0.0036	\$ 0.0022	\$ 0.0080	\$ 0.0089	\$ 0.0078	\$ 0.0008	\$ 0.0012	\$ 0.0021	\$ 0.0048	\$ 0.0045	\$ 0.0036
Prop. loss charged to operations	\$/THERM	\$ 0.0002	\$ 0.0003	\$ 0.0019	\$ 0.0007	\$ 0.0005	\$ 0.0005	\$ -	\$ -	\$ (0.0002)	\$ 0.0003	\$ 0.0003	\$ 0.0014
Total taxes	\$/THERM	\$ 0.0614	\$ 0.0687	\$ 0.0673	\$ 0.0904	\$ 0.1086	\$ 0.0895	\$ 0.0209	\$ 0.0204	\$ 0.0259	\$ 0.0636	\$ 0.0711	\$ 0.0687
Other operating income	\$/THERM	\$ 0.0026	\$ 0.0003	\$ 0.0011	\$ (0.0000)	\$ (0.0000)	\$ 0.0000	\$ 0.0040	\$ 0.0009	\$ 0.0098	\$ 0.0021	\$ 0.0002	\$ 0.0017
Total operating income	\$/THERM	\$ 0.0712	\$ 0.0615	\$ 0.1036	\$ 0.1483	\$ 0.1756	\$ 0.1562	\$ 0.1083	\$ 0.2209	\$ 0.1061	\$ 0.0931	\$ 0.1049	\$ 0.1172

NOTE: "\$0.0000" indicates a value which, on a per-therm basis, is too small to be expressed within four significant digits.

	Units	2021	2022	2023	2021	2022	2023	2021	2022	2023	2021	2022	2023
GAS-ONLY INCOME STATEMENT - Per Average Annual Customers Served													
Operating revenue	\$/CUSTOMER	\$ 1,242	\$ 1,605	\$ 1,415	\$ 1,249	\$ 1,556	\$ 1,389	\$ 1,337	\$ 1,582	\$ 1,328	\$ 1,254	\$ 1,599	\$ 1,400
Operating expense	\$/CUSTOMER	\$ 792	\$ 1,156	\$ 913	\$ 733	\$ 981	\$ 869	\$ 996	\$ 1,117	\$ 991	\$ 801	\$ 1,117	\$ 910
Maintenance expense	\$/CUSTOMER	\$ 42	\$ 44	\$ 43	\$ 44	\$ 49	\$ 44	\$ 52	\$ 54	\$ 60	\$ 44	\$ 45	\$ 45
Total O&M	\$/CUSTOMER	\$ 834	\$ 1,200	\$ 956	\$ 777	\$ 1,030	\$ 913	\$ 1,048	\$ 1,171	\$ 1,051	\$ 844	\$ 1,162	\$ 955
Depreciation	\$/CUSTOMER	\$ 152	\$ 159	\$ 158	\$ 125	\$ 132	\$ 134	\$ 95	\$ 100	\$ 107	\$ 139	\$ 145	\$ 147
Depletion	\$/CUSTOMER	\$ 1	\$ 2	\$ 1	\$ 6	\$ 6	\$ 2	\$ 1	\$ 1	\$ 1	\$ 3	\$ 3	\$ 1
Amortization	\$/CUSTOMER	\$ 6	\$ 6	\$ 4	\$ 10	\$ 12	\$ 10	\$ 2	\$ 3	\$ 3	\$ 6	\$ 7	\$ 5
Prop. loss charged to operations	\$/CUSTOMER	\$ 0	\$ 1	\$ 2	\$ 1	\$ 1	\$ 1	\$ -	\$ -	\$ (0)	\$ 0	\$ 1	\$ 2
Total taxes	\$/CUSTOMER	\$ 107	\$ 124	\$ 115	\$ 118	\$ 131	\$ 109	\$ 26	\$ 30	\$ 28	\$ 101	\$ 115	\$ 105
Other operating income	\$/CUSTOMER	\$ (1)	\$ 0	\$ (1)	\$ (0)	\$ (0)	\$ 0	\$ 10	\$ 14	\$ 34	\$ 1	\$ 2	\$ 3
Total operating income	\$/CUSTOMER	\$ 142	\$ 113	\$ 178	\$ 211	\$ 244	\$ 221	\$ 165	\$ 278	\$ 139	\$ 161	\$ 167	\$ 185

	Units	2021	2022	2023	2021	2022	2023	2021	2022	2023	2021	2022	2023
GAS-ONLY INCOME STATEMENT - Per Dollar of Gas Plant													
Operating revenue	per \$GAS PLANT	\$ 0.2645	\$ 0.3241	\$ 0.2768	\$ 0.2524	\$ 0.3943	\$ 0.2519	\$ 0.4565	\$ 0.5338	\$ 0.4202	\$ 0.2827	\$ 0.3652	\$ 0.2850
Operating expense	per \$GAS PLANT	\$ 0.1769	\$ 0.2296	\$ 0.1882	\$ 0.1554	\$ 0.2548	\$ 0.1623	\$ 0.3525	\$ 0.3820	\$ 0.3185	\$ 0.1912	\$ 0.2542	\$ 0.1949
Maintenance expense	per \$GAS PLANT	\$ 0.0087	\$ 0.0088	\$ 0.0086	\$ 0.0082	\$ 0.0158	\$ 0.0075	\$ 0.0174	\$ 0.0175	\$ 0.0187	\$ 0.0096	\$ 0.0113	\$ 0.0093
Total O&M	per \$GAS PLANT	\$ 0.1856	\$ 0.2385	\$ 0.1968	\$ 0.1635	\$ 0.2706	\$ 0.1698	\$ 0.3700	\$ 0.3994	\$ 0.3372	\$ 0.2007	\$ 0.2654	\$ 0.2042
Depreciation	per \$GAS PLANT	\$ 0.0253	\$ 0.0254	\$ 0.0255	\$ 0.0247	\$ 0.0361	\$ 0.0240	\$ 0.0294	\$ 0.0311	\$ 0.0314	\$ 0.0256	\$ 0.0286	\$ 0.0257
Depletion	per \$GAS PLANT	\$ 0.0001	\$ 0.0002	\$ 0.0002	\$ 0.0013	\$ 0.0011	\$ 0.0003	\$ 0.0002	\$ 0.0003	\$ 0.0003	\$ 0.0004	\$ 0.0005	\$ 0.0002
Amortization	per \$GAS PLANT	\$ 0.0016	\$ 0.0018	\$ 0.0008	\$ 0.0019	\$ 0.0030	\$ 0.0018	\$ 0.0008	\$ 0.0010	\$ 0.0012	\$ 0.0016	\$ 0.0019	\$ 0.0011
Prop. loss charged to operations	per \$GAS PLANT	\$ 0.0001	\$ 0.0001	\$ 0.0005	\$ 0.0002	\$ 0.0002	\$ 0.0002	\$ -	\$ -	\$ (0.0001)	\$ 0.0001	\$ 0.0001	\$ 0.0004
Total taxes	per \$GAS PLANT	\$ 0.0204	\$ 0.0224	\$ 0.0199	\$ 0.0203	\$ 0.0248	\$ 0.0180	\$ 0.0088	\$ 0.0100	\$ 0.0087	\$ 0.0191	\$ 0.0214	\$ 0.0183
Other operating income	per \$GAS PLANT	\$ 0.0007	\$ 0.0001	\$ 0.0003	\$ (0.0000)	\$ (0.0000)	\$ 0.0000	\$ 0.0039	\$ 0.0045	\$ 0.0115	\$ 0.0009	\$ 0.0005	\$ 0.0014
Total operating income	per \$GAS PLANT	\$ 0.0313	\$ 0.0358	\$ 0.0331	\$ 0.0405	\$ 0.0586	\$ 0.0378	\$ 0.0473	\$ 0.0919	\$ 0.0416	\$ 0.0352	\$ 0.0473	\$ 0.0351

NOTE: "\$0.0000" indicates a value which, on a per \$gas plant basis, is too small to be expressed within four significant digits.

**APPENDIX 7a: GAS UTILITY INCOME STATEMENTS Cont'd (Based on Segment Averages)**

		Gas Utilities			Combination Utilities			Municipal Utilities			All Companies		
	Units	2021	2022	2023	2021	2022	2023	2021	2022	2023	2021	2022	2023
<b>GAS-ONLY INCOME STATEMENT - Per Mile of Distribution Pipe</b>													
Operating revenue	per mile of pipe	\$ 69,533	\$ 91,728	\$ 81,155	\$ 96,665	\$ 120,063	\$ 89,770	\$ 85,410	\$ 115,477	\$ 85,320	\$ 77,466	\$ 102,639	\$ 83,757
Operating expense	per mile of pipe	\$ 43,540	\$ 61,785	\$ 50,199	\$ 51,283	\$ 69,346	\$ 55,578	\$ 57,581	\$ 79,628	\$ 60,359	\$ 46,743	\$ 66,631	\$ 52,590
Maintenance expense	per mile of pipe	\$ 2,581	\$ 2,901	\$ 2,803	\$ 3,587	\$ 4,077	\$ 3,056	\$ 4,112	\$ 4,392	\$ 4,357	\$ 2,968	\$ 3,299	\$ 3,024
Total O&M	per mile of pipe	\$ 46,122	\$ 64,687	\$ 53,003	\$ 54,870	\$ 73,423	\$ 58,634	\$ 61,693	\$ 84,020	\$ 64,716	\$ 49,712	\$ 69,930	\$ 55,614
Depreciation	per mile of pipe	\$ 7,589	\$ 8,328	\$ 8,116	\$ 10,195	\$ 11,096	\$ 8,861	\$ 7,059	\$ 7,433	\$ 7,560	\$ 8,148	\$ 8,971	\$ 8,248
Depletion	per mile of pipe	\$ 40	\$ 72	\$ 42	\$ 372	\$ 354	\$ 51	\$ 39	\$ 40	\$ 40	\$ 118	\$ 139	\$ 44
Amortization	per mile of pipe	\$ 366	\$ 439	\$ 244	\$ 1,032	\$ 1,242	\$ 681	\$ 136	\$ 147	\$ 169	\$ 500	\$ 580	\$ 347
Prop. loss charged to operations	per mile of pipe	\$ 27	\$ 37	\$ 114	\$ 134	\$ 100	\$ 93	\$ -	\$ -	\$ (16)	\$ 50	\$ 47	\$ 96
Total taxes	per mile of pipe	\$ 6,056	\$ 7,454	\$ 7,687	\$ 11,384	\$ 12,215	\$ 6,685	\$ 1,724	\$ 1,786	\$ 1,636	\$ 6,878	\$ 8,079	\$ 6,821
Other operating income	per mile of pipe	\$ 49	\$ 26	\$ (77)	\$ (0)	\$ (12)	\$ 0	\$ 156	\$ 716	\$ 1,282	\$ 48	\$ 83	\$ 80
Total operating income	per mile of pipe	\$ 9,333	\$ 10,712	\$ 11,949	\$ 18,678	\$ 21,633	\$ 14,765	\$ 14,759	\$ 22,051	\$ 11,214	\$ 12,061	\$ 14,894	\$ 12,588

NOTE: Starting in 2004, services are excluded from the pipe calculation

## APPENDIX 7b: GAS UTILITY FINANCIAL RATIOS (Based on Segment Averages)

Based on Segment Average  
Stratified by Type of Company

	Gas Utilities			Combination Utilities			Municipal Utilities			All Companies		
	2021	2022	2023	2021	2022	2023	2021	2022	2023	2021	2022	2023
Therms delivered (avg.) per acct.	2,618	6,068	2,135	1,924	2,111	1,840	1,490	1,806	1,280	2,337	4,553	1,982
Therms per \$1,000 of gas plant	0.592	0.690	0.422	0.431	0.558	0.350	0.536	0.629	0.436	0.548	0.654	0.405
Value of gas plant per customer	\$ 6,333	\$ 6,776	\$ 6,625	\$ 5,130	\$ 5,188	\$ 5,765	\$ 3,215	\$ 3,185	\$ 3,313	\$ 5,697	\$ 5,924	\$ 6,072
%Sales firm (not interruptible)	95%	96%	95%	93%	95%	93%	87%	90%	91%	94%	95%	94%
Collection period (days) 1/	38.9	41.2	31.5	35.7	35.8	35.1	33.0	37.1	33.0	37.5	39.1	32.5
Gas O&M expense as pct. of revenue	67%	70%	68%	64%	68%	66%	77%	72%	78%	67%	70%	68%
Gas oper. income as pct. of revenue	13%	12%	14%	16%	15%	16%	13%	19%	12%	14%	13%	14%
Gas operating revenue per customer	\$ 1,242	\$ 1,605	\$ 1,415	\$ 1,249	\$ 1,556	\$ 1,389	\$ 1,337	\$ 1,582	\$ 1,328	\$ 1,254	\$ 1,599	\$ 1,400
Gas O&M expense per customer	\$ 834	\$ 1,200	\$ 956	\$ 777	\$ 1,030	\$ 913	\$ 1,048	\$ 1,171	\$ 1,051	\$ 844	\$ 1,162	\$ 955
Gas operating income per customer	\$ 142	\$ 113	\$ 178	\$ 211	\$ 244	\$ 221	\$ 165	\$ 278	\$ 139	\$ 161	\$ 167	\$ 185
Gas revenue per dollar of gas plant	\$ 0.2645	\$ 0.3241	\$ 0.2768	\$ 0.2524	\$ 0.3943	\$ 0.2519	\$ 0.4565	\$ 0.5338	\$ 0.4202	\$ 0.2827	\$ 0.3652	\$ 0.2850
Gas O&M expense per \$ of gas plant	\$ 0.1856	\$ 0.2385	\$ 0.1968	\$ 0.1635	\$ 0.2706	\$ 0.1698	\$ 0.3700	\$ 0.3994	\$ 0.3372	\$ 0.2007	\$ 0.2654	\$ 0.2042
Gas oper. income per \$ of gas plant	\$ 0.0313	\$ 0.0358	\$ 0.0331	\$ 0.0405	\$ 0.0586	\$ 0.0378	\$ 0.0473	\$ 0.0919	\$ 0.0416	\$ 0.0352	\$ 0.0473	\$ 0.0351
Gas revenue per mile of pipe 2/	\$ 69,533	\$ 91,728	\$ 81,155	\$ 96,665	\$ 120,063	\$ 89,770	\$ 85,410	\$ 115,477	\$ 85,320	\$ 77,466	\$ 102,639	\$ 83,757
Gas O&M expense per mile of pip 2/	\$ 46,122	\$ 64,687	\$ 53,003	\$ 54,870	\$ 73,423	\$ 58,634	\$ 61,693	\$ 84,020	\$ 64,716	\$ 49,712	\$ 69,930	\$ 55,614
Gas oper. income per mile of pipe 2/	\$ 9,333	\$ 10,712	\$ 11,949	\$ 18,678	\$ 21,633	\$ 14,765	\$ 14,759	\$ 22,051	\$ 11,214	\$ 12,061	\$ 14,894	\$ 12,588
LT debt - total assets ratio 1/	23.8%	23.7%	25.9%	32.0%	32.4%	32.8%	21.2%	22.2%	20.9%	25.4%	25.7%	27.2%
LT debt - total capitalization ratio 1/3/	37.2%	36.4%	38.4%	48.0%	49.3%	48.3%	27.0%	27.9%	26.0%	38.6%	38.9%	39.7%
Net interest - long-term debt ratio 1/	8.9%	6.2%	6.6%	3.8%	3.9%	4.1%	2.6%	3.1%	3.0%	6.9%	5.2%	5.6%
EBITDA interest coverage 1/	11.7x	133.9x	90.1x	8.0x	7.7x	7.1x	25.8x	15.2x	19.1x	12.3x	84.1x	63.9x
Return on assets	2.7%	2.7%	2.6%	2.8%	3.1%	2.8%	5.6%	5.8%	4.1%	3.1%	3.2%	2.8%

1/ Figures for combination utilities are necessarily based on combined gas and electric operations.

2/ Miles of distribution pipes and services combined. Starting in 2004, services are excluded from the pipe calculation

3/ Total capitalization figure in this display includes preferred stock.

NOTE: Some ratios are not always normally distributed. Therefore, average ratio values may be subject to distortion by a few observations that are outliers.

## APPENDIX 8: GAS UTILITY WAGES AND BENEFITS (Based on Segment Averages)

Based on Segment Average

Stratified by Type of Company	Gas Utilities			Combination Utilities			Municipal Utilities			All Companies		
	2021	2022	2023	2021	2022	2023	2021	2022	2023	2021	2022	2023
Average number of employees	1036	942	960	844	1,018	938	424	393	356	896	891	888
Number of Employees at year-end	1064	986	989	931	1,015	917	417	330	354	933	921	913
O&M wages ('000)	\$77,388	\$70,714	\$72,431	\$76,224	\$71,241	\$65,626	\$28,582	\$32,992	\$30,651	\$68,608	\$65,390	\$65,441
Construction wages ('000)	\$37,004	\$33,452	\$36,864	\$58,761	\$62,274	\$57,788	\$3,241	\$2,928	\$3,115	\$36,568	\$36,074	\$37,207
Total pensions ('000)	\$38,639	\$28,573	\$25,050	\$22,216	\$20,088	\$12,606	\$9,978	\$15,638	\$18,370	\$29,521	\$24,254	\$18,539
PER EMPLOYEE(1/):												
Total salary & wages	\$94,796	\$96,505	\$101,504	\$185,093	\$141,461	\$155,597	\$71,141	\$89,861	\$97,529	\$113,808	\$106,695	\$113,596
Tot. benefits & pension	\$27,791	\$21,533	\$22,348	\$33,187	\$23,059	\$16,712	\$20,716	\$27,558	\$35,637	\$28,110	\$22,319	\$20,010
Total salary, benefits, and pension	\$122,587	\$118,038	\$123,852	\$218,281	\$164,521	\$172,309	\$91,856	\$117,419	\$133,165	\$141,919	\$129,014	\$133,606
Ratio: avg. benefits to avg. compensation	21.4%	17.5%	19.8%	13.5%	13.7%	10.2%	27.1%	25.9%	27.3%	19.9%	17.4%	17.9%
Therms sold per year-end employee	1,477,440	3,430,375	1,255,536	1,734,221	1,707,939	1,787,511	7,796,498	9,956,898	8,023,888	2,241,184	3,401,566	2,093,023
Customers per year-end employee	680	657	674	892	863	935	459	432	444	724	712	739

1/ year-end employees