

Columbia Gas focuses on delivering safe, reliable, and efficient natural gas service to the more than 445,000 customers that we serve, and we have been a leader among Pennsylvania natural gas utilities when it comes replacing aging infrastructure. Columbia's ongoing and planned infrastructure investment requirements make it necessary to adjust our rates and revenues.

Since 2007, when Columbia Gas started its accelerated pipeline replacement program, the Company has invested over \$3.7 billion to modernize and expand its natural gas distribution system. Of that amount, approximately \$2.8 billion was dedicated to replacing aging pipes. In 2024 alone, Columbia Gas plans to invest approximately \$398 million in its 26-county service territory, with more than \$330 million dedicated to upgrading aging underground infrastructure. If granted, the requested rate adjustment will provide the Company with funds that are needed for its continuing infrastructure replacements in Pennsylvania.

The filing also includes a request for approval of the following alternative rate mechanisms: a Revenue Normalization Adjustment mechanism to stabilize utility revenue regardless of changes in actual customer usage; a request to remove the dead band associated with the currently effective Weather Normalization Adjustment; and a (revenue neutral) Municipal Levelization Charge to recover costs from customers in certain municipalities whose paving and restoration ordinances exceed the standards for restoration of state roads, thereby contributing to an overall increase in costs across the entire customer rate base, and provide credits to customers in certain municipalities whose paving and restoration ordinances are less than restoration standards for state roads.

We think it is noteworthy that even if Columbia's entire proposed rate adjustment is approved, adjusted for inflation, an average customer will be paying a total bill in 2024 that is 24 percent less than it was 20 years ago.

Our focus on providing safe, reliable, and efficient service includes initiatives to assist our customers who need help with their bills. Therefore, if you are having trouble keeping current on your gas bills, we urge you to contact us at 1-888-460-4332, to inquire about assistance that may be available to you.