Kansas Gas Service
A Division of ONE Gas

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March 1, 2024

Ms. Lynn Retz
Executive Director
Kansas Corporation Commission
1500 S.W. Arrowhead Road
Topeka, KS 66604

Dear Ms. Retz:

Pursuant to K.S.A. 66-117, K.S.A. 66-1,200 *et seq.*, and K.A.R. 82-1-231, Kansas Gas Service, a division of ONE Gas, Inc., hereby transmits via electronic filing to the Commission and its Staff, an Application for an Adjustment of its Natural Gas Rates in the State of Kansas. Additionally, the Company will hand deliver ten paper copies of the filing to the Commission. If you have any questions, please do not hesitate to contact me.

Respectfully,

/s/Robert Elliott Vincent
Robert Elliott Vincent

REV/sef

Encl.

cc: Jeff McClanahan, Director of Utilities
Lynn Retz, Interim Chief of Litigation
Brian Fedotin, General Counsel
David Nickel, CURB Consumer Counsel

BEFORE THE STATE CORPORATION COMMISSION
OF THE STATE OF KANSAS

In the Matter of the Application of Kansas Gas Service, a Division of ONE Gas, Inc. for Adjustment of its Natural Gas Rates in the State of Kansas.	))))	Docket No. 24-KGSG-610-RTS

APPLICATION TO CHANGE RATES AND TARIFFS

Kansas Gas Service, a division of ONE Gas, Inc. ("Kansas Gas Service" or "Company"), in accordance with K.S.A. 66-117, K.S.A. 66-1,200 *et seq*., K.A.R. 82-1-231, and other Kansas statutes and regulations as applicable, respectfully files its Application to Change Rates and Tariffs. In support thereof, Kansas Gas Service states the following to the State Corporation Commission of the State of Kansas ("Commission"):

I. DESCRIPTION OF KANSAS GAS SERVICE

1. Kansas Gas Service is a natural gas public utility operating in the state of Kansas pursuant to certificates of convenience and necessity issued by the Commission. Kansas Gas Service's principal place of business within the state of Kansas is located at: 7421 West 129th Street, Overland Park, Kansas 66213. Kansas Gas Service is the largest natural gas public utility operating in Kansas, serving over 648,000 customers in over 360 Kansas communities.

II. COMMUNICATION

2. The names, addresses, and phone numbers of the persons authorized to receive notices and communications with respect to this Application on behalf of Kansas Gas Service are:

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III. EXECUTIVE SUMMARY

3. Kansas Gas Service's base rates were last set in Docket No. 18-KGSG-560-RTS ("18-560 Docket"). In the five years since, Kansas Gas Service has invested approximately $600 million to provide safe, reliable, and environmentally responsible natural gas service to customers. Beyond investment in its distribution system, the costs Kansas Gas Service incurs to provide natural gas service have increased. From employee wages and benefits to materials and supplies, Kansas Gas Service has not been spared from the inflationary pressures impacting the broader economy. Like peer utilities, Operations and Maintenance ("O&M") costs have continued to rise. At the same time customers are using natural gas more efficiently. These factors impact Kansas Gas Service's ability to earn a fair and reasonable return on the investment it has made to serve Kansans. As a result, Kansas Gas Service respectfully files its Application for a net increase in base rates of $58.1 million. After rebasing $35 million currently collected through the Gas System Reliability Surcharge, the overall requested revenue requirement increase is $93.1 million.

4. In addition, this Application contains three broader ratemaking proposals. First, Kansas Gas Service proposes to implement an A/B rate plan for residential customers to provide customers more options to control their bills. Second, Kansas Gas Service believes new facts and evidence have developed to allow a portion of financially based executive and officer incentive compensation be included in the Company's cost of service. Third, Kansas Gas Service proposes to use a performance-based ratemaking mechanism to annually adjust rates.

IV. REQUEST TO CHANGE RATES AND TARIFFS

5. Kansas Gas Service respectfully requests the Commission approve its request to change rates and tariffs. The testimony of fourteen (14) witnesses and the schedules required by K.A.R. 82-1-231 demonstrate Kansas Gas Service's requested revenue increase is just and reasonable. The testimony provided by Mr. Sean C. Postlethwait, Vice President of Operations, introduces the witnesses testifying for Kansas Gas Service in this case. Together, Kansas Gas Service's testimony, schedules, and evidence show that as of the test year ended September 30, 2023, Kansas Gas Service's:

a. adjusted rate base was $1,395,348,357;

b. adjusted return on the Company's investment in rate base was 2.6137%; and

c. gross revenue deficiency was $93,103,156 based on normalized operating results and adjusted for known and measurable changes in revenue, operating and maintenance expense, cost of capital, and taxes.

A. Key Drivers and Issues in The Case

6. Since Kansas Gas Service's last rate case, the Company has invested approximately $600 million in its natural gas infrastructure. This investment is necessary to maintain and expand Kansas Gas Service's natural gas distribution system. Beyond planned projects, Kansas Gas Service is constantly meeting government relocation requests or repairing damaged facilities. While the Company's operations never cease, Kansas Gas Service uses processes to control capital costs. Capital projects are reviewed, and senior management routinely meet to evaluate spending levels and adjust as appropriate. Projects that are outsourced are competitively bid. Materials are procured through a centralized purchasing department, which seeks to take advantage of volume discounts through approved vendors. Kansas Gas Service's investment in its distribution system

represents the necessary and reasonable cost of delivering natural gas to the more than 360 communities the Company serves.

7. At its current rates, Kansas Gas Service cannot earn a fair return on its investment. Accordingly, the Company is requesting the Commission set its Return on Equity ("ROE") at 10.25%. Two United States Supreme Court decisions have established principles for determining a fair rate of return for a utility's capital, which support Kansas Gas Service's request. In *Bluefield Water Works and Improvement Co. v. Public Service Comm'n* the Supreme Court held:

> A public utility is entitled to such rates as will permit it to earn a return on the value of the property which it employs for the convenience of the public **equal to that generally being made at the same time and in the same general part of the country on investments in other business undertakings which are attended by corresponding, risks and uncertainties**; but it has no constitutional right to profits such as are realized or anticipated in highly profitable enterprises or speculative ventures. **The return should be reasonably sufficient to assure confidence in the financial soundness of the utility and should be adequate, under efficient and economical management, to maintain and support its credit and enable it to raise the money necessary for the proper discharge of its public duties**. A rate of return may be reasonable at one time and become too high or too low by changes affecting opportunities for investment, the money market and business conditions generally. *Bluefield Waterworks & Imp. Co. v. Pub. Serv. Comm'n of W. Va.*, 262 U.S. 679, 692–93, 43 S. Ct. 675, 679, 67 L. Ed. 1176 (1923) (emphasis added).

In *Federal Power Comm'n v. Hope Natural Gas Co*., the Court further held:

> The rate-making process under the Act, i.e., the fixing of 'just and reasonable' rates, involves a balancing of the investor and the consumer interests. Thus we stated in the Natural Gas Pipeline Co. case that 'regulation does not insure that the business shall produce net revenues. But such considerations aside, the investor interest has a legitimate concern with the financial integrity of the company whose rates are being regulated. From the investor or company point of view it is important that there be enough revenue not only for operating expenses but also for the capital costs of the business. These include service on the debt and dividends on the stock. **By that standard the return to the equity owner should be commensurate with returns on investments in other enterprises having corresponding risks. That return, moreover, should be sufficient to assure confidence in the financial integrity of the enterprise, so as to maintain its credit and to attract capital**. *Fed. Power Comm'n v. Hope Nat. Gas Co.*, 320 U.S. 591, 603, 64 S. Ct. 281, 288, 88 L. Ed. 333 (1944) (emphasis added) (internal citations omitted).

The *Bluefield* and *Hope* decisions established how a fair return on equity should be calculated. While utilities are not guaranteed to earn a profit, an ROE should be: (1) comparable to returns investors expect to earn on other investments of similar risk; (2) sufficient to assure confidence in the utility's financial integrity and service its debt; and (3) adequate to maintain and support the company's credit and to attract capital. The Kansas Supreme Court has adopted these standards. *See Kansas City Power & Light Co. v. State Corp. Comm'n of State*, 52 Kan. App. 2d 514, 543, 371 P.3d 923, 940 (2016) (citing *Southwestern Bell Tel. Co.,* 192 Kan. at 58–59, 386 P.2d 515 (1963)*; Kansas Gas & Electric Co. v. Kansas Corporation Comm'n,* 239 Kan. 483, 488–89, 720 P.2d 1063 (1986)). An ROE of 10.25% provides a return commensurate with risks experienced by similarly situated companies. As Mr. Mark W. Smith testifies, Kansas Gas Service's ROE must capture the conditions of the financial markets public utilities operate in. Dr. Bruce H. Fairchild provides the cost of equity analysis supporting the Company's request, calculates the range of investor required returns to be 9.75% to 10.75%, and recommends the Commission approve an ROE at the midpoint of this range – 10.25%.

8. Kansas Gas Service requests the Commission approve a performance-based rate mechanism – the Annual Performance-based Rate Adjustment ("APRA"). Ms. Janet L. Buchanan testifies on the mechanics and benefits of performance-based rate mechanisms, how the proposed APRA would function, and how the APRA impacts customers. Ms. Buchanan also testifies how the APRA impacts Kansas Gas Service's use of expense trackers. In the event the APRA is not implemented, Kansas Gas Service requests the Company's existing trackers be allowed to continue.

9. In general, Kansas Gas Service is proposing a traditional two-part rate design with increases in the monthly customer and delivery charges. As explained by Paul H. Raab, the

increase in the monthly customer charge will more appropriately provide for the recovery of fixed utility costs. Kansas Gas Service further proposes to implement an A/B rate plan for residential customers. The Settlement Agreement approved by the Commission in Docket No. 22-KGSG-466-TAR requires Kansas Gas Service to study whether residential customers would benefit by being split into multiple subclasses similar to Kansas Gas Service's sister division, Oklahoma Natural Gas. Ms. Buchanan testifies that, for residential customers, income does not predict usage. Mr. Raab has prepared a rate design that implements an A/B rate structure for residential customers. An A/B rate structure adjusts the fixed and volumetric components of customer bills to better align with their consumption and provide another way to control costs. Customers who use less than the average amount of natural gas would be placed on the "A" plan, which has a lower fixed monthly charge and a higher volumetric charge. This allows lower-use customers to potentially save money by linking more of their overall bill to natural gas consumption. Customers who use more than the average amount of natural gas would be placed on the "B" plan, which has a higher monthly service charge and a lower volumetric charge. This allows higher-use customers to take advantage of lower volumetric charges since more of the cost to serve them is recovered through a higher fixed charge. In either event, residential customers could switch which rate plan they take service under once every twelve months. An A/B residential rate plan provides customers of all income ranges another tool to help control their utility bills.

10. Kansas Gas Service requests the Commission approve its updated depreciation rates. The Commission's August 1, 2013, Order in Docket No. 08-GIMX-1142-GIV requires natural gas public utilities to file depreciation studies every five to seven years concurrent with, or just before, rate cases. Kansas Gas Service's last depreciation study was included in the 18-560 Docket, which contained a 2017 Depreciation Rate Study and a 2018 Technical Update. To meet

the Commission's requirement, Kansas Gas Service commissioned Foster Associates, Inc. to conduct a 2023 Depreciation Rate Study for gas plant subject to the jurisdiction of the Commission. Kansas Gas Service witness Dr. Ronald E. White has prepared a depreciation study, which is adopted in his testimony and incorporated into Kansas Gas Service's request.

11. Kansas Gas Service requests to recover incentive compensation under the Commission's precedential order issued in Docket No. 19-ATMG-525-RTS. Ms. Lorna M. Eaton testifies new facts and evidence have developed which support recovering a portion of financially based officer and executive compensation. Further, Ms. Eaton describes how both customers and shareholders benefit from a financially strong utility, and how customers share in financial benefits more than shareholders under Kansas Gas Service's proposed APRA. For these reasons, Kansas Gas Service requests the Commission allow the recovery of 50% of financially based incentives awarded to officers and executives.

12. Kansas Gas Service is also proposing miscellaneous revisions to certain sections of its General Terms and Conditions ("GT&Cs"). In addition to operational clarifications, KGS request the Commission authorize it to resume collecting disconnection and reconnection charges. These charges were temporarily altered to implement a pilot waiver of the Commission's "Knock and Collect" requirement. In Docket No. 24-GIMG-453-GIG, Kansas Gas Service has requested to implement the Knock and Collect waiver on a permanent basis. Ms. Eaton testifies in support of the proposed tariff revisions.

B. Summary of Supporting Witnesses

13. Kansas Gas Service's Application is sponsored by fourteen (14) witnesses. Table 1 identifies the key issues each witness testifies in support of.

Table 1 – Summary of Supporting Witnesses

Name	Title or Organization	Issue(s) Addressed
Sean C. Postlethwait	Vice President of Operations	• Kansas Gas Service's operations • Operations & Maintenance expense • Capital investment • Compliance activities
Mark W. Smith	Vice President and Treasurer	• Capital Structure • Financial Markets • Rate of Return
Todd R. Hohn	Vice President of Environmental, Safety and Health	• Manufactured Gas Plant Sites o History o Background o Remediation efforts o Remediation costs
Janet L. Buchanan	Director of Rates and Regulatory Reporting	• Overall Application and request • APRA performance-based rate mechanism • Continued use of three trackers if the APRA is not implemented: o Cyber Security o Pension and Other Post-Employment Benefits o Ad Valorem Tax Rider • "A" and "B" rate plans for residential customers
Kenneth W. Eakins	Director of Tax Compliance and Reporting	• Accumulated Deferred Income Taxes • Excess Deferred Income Taxes ("EDIT") • IRS Private Letter Rulings on EDIT: o Cost of Removal o Use of Trackers • Over-refunding to customers
Lorna M. Eaton	Manager of Rates and Regulatory	• Privatization of Fort Riley • Cyber Security Tracker • Commission's Precedential Order on Incentive Compensation • Pro forma adjustments to the test year • Tariff revisions implementing the Company's Application
Megan Z. Gough	Manager of Compensation	• ONE Gas' compensation philosophy • Reasonableness and necessity of: o Base pay o Short-term incentives o Long-term incentives o Benefits

Graham A. Jaynes	Supervisor of Rates and Regulatory	• Minimum Filing Requirements • Summary of Kansas Gas Service's pro forma adjustments • Pro forma adjustments to the test year
Reid A. Simpson	Rates Analyst II	• Pro forma adjustments to the test year

Keara J. Downum	Rates Analyst II	• ONE Gas' cost allocation methodology
		  ○ Direct and causal allocations
		  ○ ONE Gas' Distrigas Methodology
		• Pro forma adjustments to the test year

Mindy R. Edwards	Rates Analyst II	• Pro forma adjustments to the test year
Bruce H. Fairchild, Ph.D	Financial Concepts and Applications, Inc.	• Cost of Debt • Return on Equity
Paul H. Raab	Independent Consultant	• Weather normalization • Customer normalization • Class Cost of Service Studies • Rate Design • "A" and "B" residential plan design
Ronald E. White, Ph.D	Foster Associates Consultants, LLC	• 2023 Depreciation Rate Study

C. Minimum Filing Requirements

14. K.A.R. 82-1-231 establishes the Commission's Minimum Filing Requirements ("MFR"). The MFR details the information, schedules, and testimony necessary to review a utility's operations and determine rates that are fair, just, and reasonable to both the utility and the public. Pursuant to K.A.R. 82-1-231(c)(2), Kansas Gas Service's Application is based upon a twelve (12) month test year with a period ending September 30, 2023. Adjustments have been proposed to the test year for known and measurable changes, and to normalize operating results.

15. The MFR is divided into eighteen (18) separate sections. Within each section, Kansas Gas Service must submit schedules with supporting information. Pursuant to K.A.R. 82-1-231(e), five witnesses sponsor Kansas Gas Service's MFR. Mr. Graham H. Jaynes' testimony provides an overview of the Commission's MFR, the schedules which are contained in

each section, and which witnesses are sponsoring adjustments to each schedule. Table 2 summarizes the witnesses who sponsor specific MFR Sections or Schedules.

Table 2 – Witnesses Sponsoring the MFR

Witness	MFR Sections and Schedule
Graham A. Jaynes	All MFR Sections and Schedules, except those specifically sponsored by other witnesses
Mark W. Smith	Section 7: Capital and Cost of Money
Kenneth W. Eakens	Section 11: Taxes • Schedules 11-C through 11-H
Keara J. Downum	Section 12: Allocation Ratios • Schedules 12-A and 12-B
Lorna M. Eaton	Section 18: Proposed Rate Schedules and GT&Cs

16. Pursuant to the Commission's orders issued in Docket No. 34,846-U, Kansas Gas Service maintains its books and records in accordance with the Federal Energy Regulatory Commission's Uniform System of Accounts, and Generally Accepted Accounting Principles.

V. CONCLUSION

17. The rate adjustment requested in this Application is just and reasonable and in the public interest. The request to change Kansas Gas Service's Rate Schedules allows the Company to maintain its financial integrity, continue to make investments in its distribution system, and provide service offerings for the benefit of the public. As a regulated public utility, Kansas Gas Service's Rate Schedules and GT&Cs are on file with the Commission. To implement the proposals contained in this Application, Kansas Gas Service requests the Commission replace certain Rate Schedules and GT&Cs as reflected in Section 18 of the Application. The proposed Rate Schedules and GT&Cs contained in Section 18 of the Application reflect the effects of: (1) the requested revenue increase, (2) rate design proposals, and (3) tariff revisions. Kansas Gas Service requests the proposed Rate Schedules and GT&Cs become effective thirty (30) days from the date of this filing, as permitted by law, or at such other date as the Commission may prescribe.

WHEREFORE, Kansas Gas Service, a division of ONE Gas, Inc., respectfully requests the Commission: approve the withdrawal, cancellation, and substitution of the referenced natural gas Rate Schedules and General Terms and Conditions contained in Section 18 of the Application, which will provide an overall annual revenue increase of $93.1 million; approve an A/B rate plan for residential customers; approve the Annual Performance-based Rate Adjustment mechanism; approve the other miscellaneous operational and policy requests contained herein; and for any other relief the Commission deems just and reasonable.

Respectfully submitted,

/s/ Robert Elliott Vincent
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Attorneys for Kansas Gas Service,
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VERIFICATION

STATE OF KANSAS)
)
COUNTY OF JOHNSON)

The undersigned, upon oath first duly sworn, states that he is the Managing Attorney for Kansas Gas Service, a division of ONE Gas, Inc., that he has read the foregoing *Application*, that he is familiar with the contents thereof, and that the statements contained therein are true and correct to the best of his knowledge and belief.

Robert Elliott Vincent

SUBSCRIBED AND SWORN to before me on 2/28/24.

Notary public

My Appointment Expires:

6/5/26

STEPHANIE FLEMING
My Appointment Expires
June 5, 2026

NOTARY PUBLIC STATE OF KANSAS

CERTIFICATE OF SERVICE

I, Robert Elliott Vincent, hereby certify that a copy of the above and foregoing *Kansas Gas Service's Application to Change Rates and Tariffs* was forwarded this 1st day of March 2024, addressed to:

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THIS SECTION SHOULD CONTAIN GENERAL INFORMATION ABOUT HOW COMPANY LET THE GENERAL PUBLIC WHICH IS AFFECTED BY THE FILING KNOW ABOUT THE FILING. IT SHALL INCLUDE GENERAI INFORMATION ABOUT THE FILING WHICH WILL BE OF INTEREST TO THE PUBLIC AND SUITABLE FOR PUBLICATION. INFORMATION SHALL INCLUDE:

i)	**ANNUAL REVENUE INCREASE PROPOSED IN THE FILING,**	Schedule 1, Col 6, Row 13
ii)	**AFFECTED COMMUNITIES**	Schedule 2
iii)	**NUMBER AND CLASSES OF CUSTOMERS AFFECTED,**	Schedule 1, Col 1 and Col 2
iv)	**AVERAGE MONTHLY INCREASE PER CUSTOMER,**	Schedule 1, Col 7
v)	**SUMMARY OF THE REASONS FOR THE FILING**	Schedule 3
vi)	**OTHER INFORMATION COMPANY WANTS OR KCC MAY REQUIRE, AND**	None
vii)	**COPIES OF PRESS RELEASES ISSUED PRIOR TO OR AT THE FILING DATE**	Schedule 4

KANSAS GAS SERVICE, A DIVISION OF ONE GAS, INC.
General Public Notification
Test Year Ended September 30, 2023

Line No.	Col. 1	Annualized Average Number of Customers Col. 2	Proforma MCF Col. 3	Base Revenues Col. 4	Proposed Revenues Col. 5	Proposed Revenue Increase Col. 6	Proposed Average Monthly Base Rate Increase Per Customer Col. 7
1	Residential	590,667	43,028,890	$229,907,719	$311,026,217	$81,118,498	$11.44
2	General Service Sales - Small	36,956	4,565,121	$23,086,960	$25,907,461	$2,820,501	$6.36
3	General Service Sales - Large	11,960	6,395,158	$17,801,599	$22,777,209	$4,975,610	$34.67
4	General Service Sales - Transport Eligible	665	2,539,849	$5,031,942	$4,881,507	-$150,435	-$18.85
5	Small Generator Sales Service	743	22,082	$472,336	$472,336	$0	$0.00
6	Irrigation Sales	178	93,190	$233,608	$229,770	-$3,838	-$1.80
7	KGSSD	0	0	$0	$0	$0	$0.00
8	Sales for Resale	16	28,043	$41,331	$42,893	$1,562	$8.14
9	Small Transportation	4,435	7,747,984	$15,146,432	$17,521,738	$2,375,306	$44.63
10	Compressed Natural Gas Transportation	12	410,671	$353,121	$370,807	$17,686	$122.82
11	Irrigation Transportation	509	865,129	$1,712,667	$1,712,665	-$2	$0.00
12	Large Volume Transport	504	19,271,264	$21,886,433	$23,833,218	$1,946,785	$321.89
13	Wholesale Transport	22	751,959	$947,058	$947,058	$0	$0.00
14		646,667	85,719,340	$316,621,206	$409,722,879	$93,101,673	$12.00
15	Other Operating Revenue			$19,817,690	$19,817,690		
16				$336,438,896	$429,540,569		

The difference between the $11.44 shown in Col. 7, line 1 in this Schedule as the monthly increase to a typical residential customer and the $7.87 shown in the press release in Section 2 of the Application is due to the fact that the $11.44 amount includes the Gas System Reliability Surcharge of $3.57 that is being placed into base rates and is already being paid for by the residential customer. Since those customers are already paying for that surcharge, they were not included in the annual increase shown in the press release.

KANSAS GAS SERVICE, A DIVISION OF ONE GAS, INC.
Affected Communities
Test Year Ended September 30, 2023

	Community		Community		Community		Community		Community
1	Abilene	51	Carbondale	101	Esbon	151	Industry	201	Madison
2	Alden	52	Carlyle	102	Everest	152	Inman	202	Mahaska
3	Alma	53	Carona	103	Fairview	153	Iola Rural	203	Manhattan
4	Alta Vista	54	Cawker City	104	Fairway	154	Isabel	204	Mankato
5	Ames	55	Centralia	105	Formoso	155	Iuka	205	Marquette
6	Andover	56	Chapman	106	Fort Scott	156	Jamestown	206	Marysville
7	Arkansas City	57	Chase	107	Frankfort	157	Jewell City	207	McPherson
8	Arlington	58	Cheney	108	Franklin	158	Johnson County	208	Mecca Acres
9	Arma	59	Cherokee	109	Frederick	159	Junction City	209	Medicine Lodge
10	Ashland	60	Cherryvale	110	Frontenac	160	Kanopolis	210	Medora
11	Assaria	61	Chicopee	111	Galena	161	Kansas City	211	Melvern
12	Atchison	62	Circleville	112	Galva	162	Kingman	212	Mentor
13	Atlanta	63	Claflin	113	Garden Plain	163	Kingman	213	Meridan
14	Atmos Energy	64	Clay Center	114	Gardner	164	Kingsdown	214	Merriam
15	Aubry	65	Clearwater	115	Garfield	165	Kinsley	215	Michigan Valley
16	Augusta	66	Clifton	116	Gas City	166	Kiowa	216	Midwest Energy, Inc
17	Aurora	67	Clyde	117	Geneseo	167	Kirkwood	217	Miltonvale
18	Axtell	68	Coldwater	118	Girard	168	Kiro	218	Minneapolis
19	Baileyville	69	Colony	119	Glasco	169	Kismet	219	Minneola
20	Baldwin	70	Columbus	120	Glen Elder	170	La Harpe	220	Mission
21	Barnard	71	Colwich	121	Goddard	171	LaCrosse	221	Mission Hills
22	Barnes	72	Concordia	122	Goessel	172	Lake Quivira	222	Mission Woods
23	Baxter Springs	73	Conway Springs	123	Gorham	173	Lake Waltana	223	Monticello
24	Beattie	74	Courtland	124	Grandview Plaza	174	Lancaster	224	Montrose
25	Bel Aire	75	Crestline	125	Grantville	175	Lane	225	Moran
26	Belle Plaine	76	Cuba	126	Great Bend	176	Langdon	226	Morganville
27	Belleville	77	Cullison	127	Greeley	177	Langdon Lane	227	Morrill
28	Beloit	78	Cunningham	128	Greenleaf	178	Lansing	228	Morrowville
29	Belpre	79	Delphos	129	Greensburg	179	Larned	229	Mount Hope
30	Belvue	80	Dennis	130	Grenola	180	Leavenworth	230	Mount Vernon
31	Bentley	81	Derby	131	Gypsum	181	Leawood	231	Mullinville
32	Benton	82	Detroit	132	Haddam	182	Lebanon	232	Mulvane
33	Berryton	83	Dexter	133	Hamlin	183	Lecompton	233	Munden
34	Beverly	84	Douglass	134	Hanover	184	Lehigh	234	Muscotah
35	Bison	85	Downs	135	Harper	185	LeLoup	235	Narka
36	Black Hills Energy	86	Dwight	136	Hartford	186	Lenexa	236	Nashville
37	Blaine	87	Eastborough	137	Haven	187	Leon	237	Netawaka
38	Bloom	88	Easter's Addition	138	Haviland	188	Lewis	238	New Ozawkie
39	Blue Mound	89	Edgerton	139	Haysville	189	Lincoln Center	239	New Salem
40	Blue Rapids	90	Effingham	140	Hiawatha	190	Lindsborg	240	Newton
41	Bronson	91	El Dorado	141	Highland	191	Linn	241	North Newton
42	Bucklin	92	Elbing	142	Hoisington	192	Longford	242	Nortonville
43	Buhler	93	Ellinwood	143	Holton	193	Loretta	243	Obeeville
44	Burden	94	Ellsworth	144	Holyrood	194	Lorraine	244	Ogden
45	Burns	95	Elmont	145	Home City	195	Louisville	245	Olmitz
46	Burr Oak	96	Elwood	146	Hope	196	Lowell	246	Olpe
47	Bushton	97	Emporia	147	Horton	197	Lucas	247	Onaga
48	Cambridge	98	Englewood	148	Hudson	198	Luray	248	Osawatomie
49	Canton	99	Enterprise	149	Huron	199	Lyndon	249	Osborne
50	Capaldo	100	Erie	150	Hutchinson	200	Macksville	250	Oskaloosa

KANSAS GAS SERVICE, A DIVISION OF ONE GAS, INC.
Affected Communities
Test Year Ended September 30, 2023

	Community
251	Oswego
252	Otis
253	Ottawa
254	Overbrook
255	Overland Park
256	Oxford
257	Ozawkie
258	Palmer
259	Paola
260	Park City
261	Parkerfield
262	Parsons
263	Partridge
264	Pauline
265	Perry
266	Petrolia
267	Pfeiffer
268	Piqua
269	Pittsburg
270	Pomona
271	Potwin
272	Prairie Village
273	Pratt
274	Preston
275	Pretty Prairie
276	Princeton
277	Protection
278	Quenemo
279	Rantoul
280	Raymond
281	Reserve
282	Richmond
283	Riverton
284	Robinson
285	Roeland Park
286	Rose Hill
287	Roseland
288	Rossville
289	Roxbury
290	Rozel
291	Russell
292	Sabetha
293	Salina
294	Scammon
295	Scandia
296	Scipio
297	Scranton
298	Sedgwick
299	Seneca
300	Shawnee
301	Shawnee Heights

	Community
302	Silver Lake
303	Smith Center
304	Smolan
305	Solomon
306	Somerset
307	South Hutchinson
308	South Mound
309	St. Benedict
310	St. George
311	St. John
312	St. Marys
313	St. Paul
314	Stafford
315	Stanley
316	Stilwell
317	Sylvan Grove
318	Tecumseh
319	Tescott
320	Thayer
321	Timkin
322	Tonganoxie
323	Topeka
324	Towanda
325	Town & County Est.
326	Troy
327	Turon
328	Udall
329	Valley Center
330	Valley Falls
331	Vermillion
332	Vesper
333	Victoria
334	Vining
335	Vliets
336	Wakefield
337	Walker
338	Walnut
339	Wamego
340	Washington
341	Waterville
342	Wathena
343	Waverly
344	Weir
345	Welda
346	Wellington
347	Wellsville
348	West Mineral
349	Westmoreland
350	Westwood
351	Westwood Hills
352	Wheaton

	Community
353	Whitewater
354	Whiting
355	Wichita
356	Williamsburg
357	Willis
358	Willowbrook Addition
359	Winchester
360	Zarah

KANSAS GAS SERVICE, A DIVISION OF ONE GAS, INC.
Summary of Reasons for Filing this Application

Kansas Gas Service, a division of ONE Gas, Inc. ("KGS" or "Company") files this rate application to give the Company an opportunity to recover increases in operating costs and to earn a reasonable rate of return on its investment. The Company's current base rates were last changed in February 2019 and were based upon a twelve-month test-year ending December 31, 2017. Kansas Gas Service is also filing this rate application to reset its Gas System Reliability Surcharge to zero.

Since our last general rate case filing, the Company has invested $600 million in its pipeline systems and operations resulting in increases in plant in service and depreciation expense. A significant portion of the proposed increase is related to changes in rate base, depreciation, and the proposed weighted average cost of capital. Increases in plant have also contributed to a significant increase in Ad Valorem tax expenses. KGS has also experienced increases in payroll expenses, costs for contractors (outside services), auto expenses, uncollectable accounts, and expenses related to corporate services.

While the effect of these increased costs was dampened by customer growth since the last rate case, it wasn't sufficient to entirely mitigate the increases. As a result, the Company does not have a reasonable opportunity to earn its authorized rate of return without an increase in its base rates.

Kansas Gas Service is also proposing new rate design options for residential customers. If approved, residential customers will be able to take advantage of rate plans that align more with their usage.

Additionally, the Company's Application seeks permission to implement an Annual Performance-based Rate Adjustment ("APRA") mechanism; and, if the APRA is not accepted, to renew its Cyber Security Expense Tracker. The APRA is a performance-based ratemaking mechanism, which allows for the annual review of KGS's cost of providing service in a streamlined fashion and permits KGS to adjust it rates if its earned return on equity is below a specified range. The mechanism will allow the Company to share in any earnings achieved if the earned rate of return is above a specified level if specific performance metrics are met. Even if performance metric criteria are met by KGS, customers will receive the majority of the benefit of exceeding the specified rate of return. If the APRA is not approved, the Cyber Security Expense Tracker will allow Kansas Gas Service to track and defer for future recovery its expenses related to cyber security, which are incurred between rate cases.

Kansas Gas Service is also proposing miscellaneous revisions to certain sections of its General Terms and Conditions.

PRESS RELEASE
Media Contact: Dawn Tripp, 913-660-4679, Dawn.Tripp@onegas.com

Kansas Gas Service Prioritizes Safety and Reliability in Rate Review Request

OVERLAND PARK, Kan. – March 1, 2024 – Kansas Gas Service, a division of ONE Gas, Inc., announced today that it has filed a request with the Kansas Corporation Commission (KCC) to increase its rates to recover the investments made to maintain a safe, reliable and environmentally responsible natural gas distribution system across Kansas.

"We're committed to safety, improving our system and the reliable delivery of natural gas, even in challenging weather like Winter Storm Uri in 2021 and Winter Storm Gerri this past January," said Sean Postlethwait, vice president of operations for Kansas Gas Service. "During these extraordinary winter events, our team worked around the clock to provide reliable natural gas service to more than 647,000 customer homes and businesses in 360 communities across Kansas."

The filing includes an increase in net base rates of $58 million. It also proposes new residential rate options that align with the energy used and give customers more control of their bills. If approved, the average monthly residential bill will increase by approximately $6.71 for customers who use less natural gas and $9.48 for those who use more natural gas.

This filing does not impact the portion of the bill associated with the cost of gas, which represented 52% of the average residential bill in 2023. The cost of gas continues to be competitively bid and then passed through to customers with no markup.

In Kansas, natural gas maintains a sizable cost advantage of approximately 3-to-1 when comparing electricity's average price and equivalent energy value to natural gas. Lower energy costs mean families have more money to meet their everyday needs.

"Our employees work hard to manage our expenses to help keep energy costs at reasonable rates," continued Postlethwait. "We are here to assist our customers with programs to manage their monthly bills and provide helpful energy-saving tools."

In accordance with Kansas law, the KCC has 240 days to consider Kansas Gas Service's filing. For additional information about the filing, helpful energy-saving tips and payment options available, visit kansasgasservice.com/ratecase.

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KANSAS GAS SERVICE, A DIVISION OF ONE GAS, INC.
Summary of Pro Forma Rate Base and Operating Income
Test Year Ended September 30, 2023

Line No.	Description	Schedule Reference	Pro Forma Adjusted Total
	Col. 1	Col. 2	Col. 3
	Rate Base		
1	Gas plant in service	3-B	$2,515,025,334
2	Less: Accumulated provision for depreciation and amortization	3-B	824,636,754
3	Net gas plant in service		$1,690,388,580
4	Working capital	3-B	(295,040,223)
5	Rate Base		$1,395,348,357
	Revenues and Expenses		
6	Total revenues	3-B	$336,438,899
7	Total expenses	3-B	$299,968,569
8	Operating income		$36,470,330
	Rate of Return		
9	Return on present rates (Line 8 / Line 5)		2.6137%
10	Required return on rate base	7-A	7.8849%
11	Operating income requirement (Line 5 X Line 10)		$110,021,823
	Revenue Requirement to Earn Required Rate of Return		
12	Additional operating income (Line 11 - Line 8)		$73,551,493
13	Associated income taxes		19,551,663
14	Revenue increase requirec		$93,103,156
	Portion of Base Rate Increase Surcharges		
15	Gas System Reliability Surcharge (1)		$35,029,489
16	Net rate increase required		$58,073,667

(1) Approved in Docket 24-KGSG-215-TAR.

KANSAS GAS SERVICE, A DIVISION OF ONE GAS, INC.
Summary of Pro Forma Rate Base and Operating Income
Test Year Ended September 30, 2023

Line No.	Description Col. 1	Schedule Reference Col. 2	Amount Per Books Col. 3	Pro Forma Adjustments Col. 4	Pro Forma Adjusted Total Col. 5
	Rate Base				
1	Gas plant in service	4-A	$2,410,872,769	$104,152,565	$2,515,025,334
2	Less: Accumulated provision for depreciation and amortization	5-A	791,876,703	32,760,050	824,636,754
3	Net gas plant in service		$1,618,996,066	$71,392,515	$1,690,388,580
4	Working capital	6-A	(331,034,152)	35,993,928	(295,040,223)
5	Rate Base		$1,287,961,914	$107,386,443	$1,395,348,357
	Revenues and Expenses				
6	Total revenues	9-A	$856,648,490	($520,209,591)	$336,438,899
7	Total expenses	9-A	773,172,492	(473,203,923)	299,968,569
8	Operating income		$83,475,998	($47,005,668)	$36,470,330

KANSAS GAS SERVICE, A DIVISION OF ONE GAS, INC.
Summary of Pro Forma Rate Base and Operating Income
Test Year Ended September 30, 2023

Line No.	Description	Schedule Reference	Amount Per Books	PLT 1 CWIP Adjustment	PLT 2 Asset Retirement Adjustment	PLT 3 Corporate Assets Adjustment
	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6
	Rate Base					
1	Gas plant in service	4-A	$2,410,872,769	$21,503,462	($3,303,970)	$90,173,610
2	Less: Accumulated provision for depreciation and amortization	5-A	791,876,703	0	0	0
3	Net gas plant in service		$1,618,996,066	$21,503,462	($3,303,970)	$90,173,610
4	Working capital	6-A	(331,034,152)	0	0	0
5	Rate Base		$1,287,961,914	$21,503,462	($3,303,970)	$90,173,610
	Revenues and Expenses					
6	Total revenues	9-A	$856,648,490	$0	$0	$0
7	Total expenses	9-A	773,172,492	0	0	0
8	Operating income		$83,475,998	$0	$0	$0

KANSAS GAS SERVICE, A DIVISION OF ONE GAS, INC.
Summary of Pro Forma Rate Base and Operating Income
Test Year Ended September 30, 2023

Line No.	Description	Schedule Reference	PLT 4 Not Used & Useful Plant Adjustment	PLT 5 CNG Adjustment	ADA-1 Asset Retirement Adjustment	ADA-2 Corporate Assets Adjustment
	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6
	Rate Base					
1	Gas plant in service	4-A	($3,675,848)	($544,688)	$0	$0
2	Less: Accumulated provision for depreciation and amortization	5-A	0	0	(3,303,970)	39,946,820
3	Net gas plant in service		($3,675,848)	($544,688)	$3,303,970	($39,946,820)
4	Working capital	6-A	0	0	0	0
5	Rate Base		($3,675,848)	($544,688)	$3,303,970	($39,946,820)
	Revenues and Expenses					
6	Total revenues	9-A	$0	$0	$0	$0
7	Total expenses	9-A	0	0	0	0
8	Operating income		$0	$0	$0	$0

KANSAS GAS SERVICE, A DIVISION OF ONE GAS, INC.
Summary of Pro Forma Rate Base and Operating Income
Test Year Ended September 30, 2023

Line No.	Description	Schedule Reference	ADA-3 Not Used & Useful Plant Adjustment	ADA-4 CNG Adjustment	WC 1 Corporate Materials and Supplies	WC 2 Fort Riley
	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6
	Rate Base					
1	Gas plant in service	4-A	$0	$0	$0	$0
2	Less: Accumulated provision for depreciation and amortization	5-A	(3,625,186)	(257,613)	0	0
3	Net gas plant in service		$3,625,186	$257,613	$0	$0
4	Working capital	6-A	0	0	4,263,528	8,275,102
5	Rate Base		$3,625,186	$257,613	$4,263,528	$8,275,102
	Revenues and Expenses					
6	Total revenues	9-A	$0	$0	$0	$0
7	Total expenses	9-A	0	0	0	0
8	Operating income		$0	$0	$0	$0

KANSAS GAS SERVICE, A DIVISION OF ONE GAS, INC.
Summary of Pro Forma Rate Base and Operating Income
Test Year Ended September 30, 2023

Line No.	Description	Schedule Reference	WC 3 Prepayments ADIT	WC 4 Long-Term Prepayments ADIT	WC 5 Pension/OPEB Funding ADIT	WC 6 Reduction to NOL ADIT
	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6
	Rate Base					
1	Gas plant in service	4-A	$0	$0	$0	$0
2	Less: Accumulated provision for depreciation and amortization	5-A	0	0	0	0
3	Net gas plant in service		$0	$0	$0	$0
4	Working capital	6-A	5,274,370	1,862,099	19,966,493	(6,282,196)
5	Rate Base		$5,274,370	$1,862,099	$19,966,493	($6,282,196)
	Revenues and Expenses					
6	Total revenues	9-A	$0	$0	$0	$0
7	Total expenses	9-A	0	0	0	0
8	Operating income		$0	$0	$0	$0

Line No.	Description	Schedule Reference	WC 7 Cost of Gas Rider ADIT	WC 8 Winter Storm Uri ADIT	WC 9 Winter Storm Uri ADIT	WC 10 Corporate ADIT
	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6
	Rate Base					
1	Gas plant in service	4-A	$0	$0	$0	$0
2	Less: Accumulated provision for depreciation and amortization	5-A	0	0	0	0
3	Net gas plant in service		$0	$0	$0	$0
4	Working capital	6-A	1,107,491	67,133,255	(67,133,255)	(3,186,706)
5	Rate Base		$1,107,491	$67,133,255	($67,133,255)	($3,186,706)
	Revenues and Expenses					
6	Total revenues	9-A	$0	$0	$0	$0
7	Total expenses	9-A	0	0	0	0
8	Operating income		$0	$0	$0	$0

Line No.	Description	Schedule Reference	WC 11 Pension/OPEB, PGA, NOL - Tax Cut and Jobs Act EDIT	WC 12 Pension/OPEB, PGA, NOL - State Tax Change EDIT	WC 13 Corporate EDIT	IS 1 Eliminate Accrued and Unbilled Revenues Adjustment
	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6
	Rate Base					
1	Gas plant in service	4-A	$0	$0	$0	$0
2	Less: Accumulated provision for depreciation and amortization	5-A	0	0	0	0
3	Net gas plant in service		$0	$0	$0	$0
4	Working capital	6-A	(901,196)	10,032,079	(4,417,136)	0
5	Rate Base		($901,196)	$10,032,079	($4,417,136)	$0
	Revenues and Expenses					
6	Total revenues	9-A	$0	$0	$0	($3,982,612)
7	Total expenses	9-A	0	0	0	635,939
8	Operating income		$0	$0	$0	($4,618,551)

Line No.	Description	Schedule Reference	IS 2 Eliminate Deferred WNA Adjustment	IS 3 Eliminate Cost of Gas Revenue and Expense Adjustment	IS 4 Eliminate Ad Valorem Revenue and Expenses Adjustment	IS 5 GSRS Adjustment
	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6
	Rate Base					
1	Gas plant in service	4-A	$0	$0	$0	$0
2	Less: Accumulated provision for depreciation and amortization	5-A	0	0	0	0
3	Net gas plant in service		$0	$0	$0	$0
4	Working capital	6-A	0	0	0	0
5	Rate Base		$0	$0	$0	$0
	Revenues and Expenses					
6	Total revenues	9-A	($8,801,792)	($474,145,016)	($12,999,793)	($26,230,086)
7	Total expenses	9-A	0	(474,145,016)	2,116,585	0
8	Operating income		($8,801,792)	$0	($15,116,377)	($26,230,086)

KANSAS GAS SERVICE, A DIVISION OF ONE GAS, INC.
Summary of Pro Forma Rate Base and Operating Income
Test Year Ended September 30, 2023

Line No.	Description	Schedule Reference	IS 6 Flex Revenue Adjustment Adjustment	IS 7 Remove CNG Revenue Adjustment	IS 8 Weather Normalizaion Adjustment Adjustment	IS 9 Customer Annualization Adjustment Adjustment
	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6
	Rate Base					
1	Gas plant in service	4-A	$0	$0	$0	$0
2	Less: Accumulated provision for depreciation and amortization	5-A	0	0	0	0
3	Net gas plant in service		$0	$0	$0	$0
4	Working capital	6-A	0	0	0	0
5	Rate Base		$0	$0	$0	$0
	Revenues and Expenses					
6	Total revenues	9-A	$664,195	($7,968)	$6,403,185	($1,433,801)
7	Total expenses	9-A	0	0	0	0
8	Operating income		$664,195	($7,968)	$6,403,185	($1,433,801)

KANSAS GAS SERVICE, A DIVISION OF ONE GAS, INC.
Summary of Pro Forma Rate Base and Operating Income
Test Year Ended September 30, 2023

Line No.	Description	Schedule Reference	IS 10 Miscellaneous Interest Charge Adjustment	IS 11 Fort Riley Adjustment	IS 12 Annualized Depreciation on Pro Forma Plant Adjustment	IS 13 Annualized Depreciation at Proposed Rates Adjustment
	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6
	Rate Base					
1	Gas plant in service	4-A	$0	$0	$0	$0
2	Less: Accumulated provision for depreciation and amortization	5-A	0	0	0	0
3	Net gas plant in service		$0	$0	$0	$0
4	Working capital	6-A	0	0	0	0
5	Rate Base		$0	$0	$0	$0
	Revenues and Expenses					
6	Total revenues	9-A	($230,252)	$7,564	$0	$0
7	Total expenses	9-A	0	329,472	2,731,923	15,266,187
8	Operating income		($230,252)	($321,908)	($2,731,923)	($15,266,187)

Line No.	Description	Schedule Reference	IS 14 O&M for Unused Assets Adjustment	IS 15 Reclass Interest on Customer Deposits Adjustment	IS 16 Elimination of Royalty Fee Adjustment	IS 17 Adjustment to Clearing Accounts Adjustment
	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6
	Rate Base					
1	Gas plant in service	4-A	$0	$0	$0	$0
2	Less: Accumulated provision for depreciation and amortization	5-A	0	0	0	0
3	Net gas plant in service		$0	$0	$0	$0
4	Working capital	6-A	0	0	0	0
5	Rate Base		$0	$0	$0	$0
	Revenues and Expenses					
6	Total revenues	9-A	$0	$0	$0	$0
7	Total expenses	9-A	(11,075)	696,027	(11,310,184)	(272,118)
8	Operating income		$11,075	($696,027)	$11,310,184	$272,118

KANSAS GAS SERVICE, A DIVISION OF ONE GAS, INC.
Summary of Pro Forma Rate Base and Operating Income
Test Year Ended September 30, 2023

Line No.	Description	Schedule Reference	IS 18 Insurance Adjustment Adjustment	IS 19 Workers Compensation Adjustment	IS 20 Medical Reserve Adjustment Adjustment	IS 21 Dues & Donations Adjustment
	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6
	Rate Base					
1	Gas plant in service	4-A	$0	$0	$0	$0
2	Less: Accumulated provision for depreciation and amortization	5-A	0	0	0	0
3	Net gas plant in service		$0	$0	$0	$0
4	Working capital	6-A	0	0	0	0
5	Rate Base		$0	$0	$0	$0
	Revenues and Expenses					
6	Total revenues	9-A	$0	$0	$0	$0
7	Total expenses	9-A	64,979	125,371	155,600	58,230
8	Operating income		($64,979)	($125,371)	($155,600)	($58,230)

KANSAS GAS SERVICE, A DIVISION OF ONE GAS, INC.
Summary of Pro Forma Rate Base and Operating Income
Test Year Ended September 30, 2023

Line No.	Description	Schedule Reference	IS 22 Miscellaneous Direct Adjustment Adjustment	IS 23 Brehm Storage Costs to COGR Adjustment	IS 24 Annualize Corporate Depreciation Adjustment	IS 25 Misc Corp Adjustment Adjustment
	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6
	Rate Base					
1	Gas plant in service	4-A	$0	$0	$0	$0
2	Less: Accumulated provision for depreciation and amortization	5-A	0	0	0	0
3	Net gas plant in service		$0	$0	$0	$0
4	Working capital	6-A	0	0	0	0
5	Rate Base		$0	$0	$0	$0
	Revenues and Expenses					
6	Total revenues	9-A	$0	$0	$0	$0
7	Total expenses	9-A	(141,187)	(1,242,314)	869,944	(508,788)
8	Operating income		$141,187	$1,242,314	($869,944)	$508,788

KANSAS GAS SERVICE, A DIVISION OF ONE GAS, INC.
Summary of Pro Forma Rate Base and Operating Income
Test Year Ended September 30, 2023

Line No.	Description	Schedule Reference	IS 26 Distrigas % Adjustment	IS 27 Normalized Compensation Adjustment	IS 28 Corp Pension & OPEB Adjustment	IS 29 Payroll Adjustment
	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6
	Rate Base					
1	Gas plant in service	4-A	$0	$0	$0	$0
2	Less: Accumulated provision for depreciation and amortization	5-A	0	0	0	0
3	Net gas plant in service		$0	$0	$0	$0
4	Working capital	6-A	0	0	0	0
5	Rate Base		$0	$0	$0	$0
	Revenues and Expenses					
6	Total revenues	9-A	$0	$0	$0	$0
7	Total expenses	9-A	(700,488)	(766,673)	828,436	4,775,550
8	Operating income		$700,488	$766,673	($828,436)	($4,775,550)

KANSAS GAS SERVICE, A DIVISION OF ONE GAS, INC.
Summary of Pro Forma Rate Base and Operating Income
Test Year Ended September 30, 2023

Line No.	Description	Schedule Reference	IS 30 MGP Amortization Adjustment	IS 31 Cyber Security Adjustment Adjustment	IS 32 Change in Pension and OPEB Costs Adjustment	IS 33 Amortization of Pension and OPEB Costs Adjustment
	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6
	Rate Base					
1	Gas plant in service	4-A	$0	$0	$0	$0
2	Less: Accumulated provision for depreciation and amortization	5-A	0	0	0	0
3	Net gas plant in service		$0	$0	$0	$0
4	Working capital	6-A	0	0	0	0
5	Rate Base		$0	$0	$0	$0
	Revenues and Expenses					
6	Total revenues	9-A	$0	$0	$0	$0
7	Total expenses	9-A	902,293	606,212	(5,795,720)	(3,349,420)
8	Operating income		($902,293)	($606,212)	$5,795,720	$3,349,420

Line No.	Description	Schedule Reference	IS 34 Rate Case Expense Amortization Adjustment	IS 35 Lease Adjustment Adjustment	IS 36 TCJA Over-refund Amortization Adjustment	IS 37 Income Tax Adjustment
	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6
	Rate Base					
1	Gas plant in service	4-A	$0	$0	$0	$0
2	Less: Accumulated provision for depreciation and amortization	5-A	0	0	0	0
3	Net gas plant in service		$0	$0	$0	$0
4	Working capital	6-A	0	0	0	0
5	Rate Base		$0	$0	$0	$0
	Revenues and Expenses					
6	Total revenues	9-A	$0	($80,906)	$0	$0
7	Total expenses	9-A	357,116	(344,169)	82,349	(10,199,097)
8	Operating income		($357,116)	$263,263	($82,349)	$10,199,097

KANSAS GAS SERVICE, A DIVISION OF ONE GAS, INC.
Summary of Pro Forma Rate Base and Operating Income
Test Year Ended September 30, 2023

Line No.	Description	Schedule Reference	IS 38 Bad Debt Adjustment	IS 39 Reconnect Charge Adjustment	IS 40 EDIT Amortization Adjustment	Pro Forma Adjusted Total
	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6
	Rate Base					
1	Gas plant in service	4-A	$0	$0	$0	$104,152,565
2	Less: Accumulated provision for depreciation and amortization	5-A	0	0	0	32,760,050
3	Net gas plant in service		$0	$0	$0	$71,392,515
4	Working capital	6-A	0	0	0	35,993,928
5	Rate Base		$0	$0	$0	$107,386,443
	Revenues and Expenses					
6	Total revenues	9-A	$0	$627,690	$0	($520,209,591)
7	Total expenses	9-A	599,070	0	4,381,045	(473,203,923)
8	Operating income		($599,070)	$627,690	($4,381,045)	($47,005,668)

KANSAS GAS SERVICE, A DIVISION OF ONE GAS, INC.
Summary - Functional Classification of Plant in Service
Test Year Ended September 30, 2023

Line No.	Description Col. 1	Reference Col. 2	Amount Per Books Col. 3	Pro Forma Adjustments Col. 4	Pro Forma Adjusted Total Col. 5
1	Intangible plant	4-B	$6,045	$0	$6,045
2	Production plant	4-B	852,915	0	852,915
3	Storage plant	4-B	0	0	0
4	Transmission plant	4-B	317,405,724	(2,931,666)	314,474,058
5	Distribution plant	4-B	1,918,985,431	14,255,090	1,933,240,521
6	General plant	4-B	173,622,654	2,655,531	176,278,185
7	Corporate allocated plant	4-B	0	90,173,610	90,173,610
8	Total plant in service		$2,410,872,769	$104,152,565	$2,515,025,334

Line No.	Account Number	Description Col. 1	Amount Per Books (Schedule 4-F) Col. 2	Pro Forma Adjustments (Schedule 4-D) Col. 3	Pro Forma Adjusted Total Col. 4
		Intangible Plant			
1	302	Franchises and consents	$6,045	$0	$6,045
2	303	Intangible-miscellaneous	0	0	0
3		Total intangible plant	$6,045	$0	$6,045
		Natural Gas Production and Gathering Plant			
4	325.4	Rights-of-way	$232,567	$0	$232,567
5	327	Field compressor station structures	3,053	0	3,053
6	328	Field meas. and reg. station structures	44,026	0	44,026
7	332	Field lines	45,302	0	45,302
8	333	Field compressor station equipment	12,877	0	12,877
9	334	Field meas. and reg. station equipment	515,090	0	515,090
10		Total production and gathering plant	$852,915	$0	$852,915
		Underground Storage Plant			
11	350.1	Land & Land rights	$0	$0	$0
12	351.1	Structures and improvements	0	0	0
13	351.2	Structures and improvements	0	0	0
14	351.3	Structures and improvements	0	0	0
15	352	Wells	0	0	0
16	352.1	Storage Lease and Rights	0	0	0
17	352.2	Reservoirs	0	0	0
18	352.3	Non-Recoverable Natural Gas	0	0	0
19	353	Storage Lines	0	0	0
20	354	Compressor station equipment	0	0	0
21	355	Measuring and regulating station equipment	0	0	0
22	356	Purification equipment	0	0	0
23	357	Other equipment	0	0	0
24		Total Storage plant	$0	$0	$0

KANSAS GAS SERVICE, A DIVISION OF ONE GAS, INC.
Detail - Functional Classification of Plant in Service
Test Year Ended September 30, 2023

Line No.	Account Number	Description	Amount Per Books (Schedule 4-F)	Pro Forma Adjustments (Schedule 4-D)	Pro Forma Adjusted Total
		Col. 1	Col. 2	Col. 3	Col. 4
		Transmission Plant			
1	365.1	Land and land rights	$899,920	$0	$899,920
2	365.2	Rights-of-way	12,169,196	44,110	12,213,306
3	366.1	Structures and imp. - compressor stations	7,610,356	(2,462,741)	5,147,615
4	366.2	Structures and imp. - meas. & reg. stations	2,350,612	0	2,350,612
5	367	Mains	250,489,520	423,038	250,912,558
6	368	Compressor station equipment	16,133,048	(792,624)	15,340,424
7	369	Measuring and regulating station equip.	27,724,689	(143,449)	27,581,240
8	371	Other Equipment	28,383	0	28,383
9		Total transmission plant	$317,405,724	($2,931,666)	$314,474,058
		Distribution Plant			
10	374.1	Land and land rights	$556,868	$2,723	$559,591
11	374.2	Rights-of-way	2,852,777	0	2,852,777
12	375.1	Structures and improvements	957,323	2,374	959,697
13	376	Mains	464,789,011	5,838,449	470,627,460
14	376.5	Mains - Metallic	351,891,285	0	351,891,285
15	376.9	Mains - Cathodic Protection	28,344,948	0	28,344,948
16	378	Meas. and reg. sta. equip. - general	30,582,952	243,600	30,826,552
17	379	Meas. and reg. sta. equip. - city gate	11,643,922	273,503	11,917,425
18	380	Services - Plastic	667,541,171	6,033,488	673,574,659
19	380.5	Services - Metallic	3,362,630	0	3,362,630
20	381	Meters	169,216,656	1,417,980	170,634,636
21	381.5	Meters - AMR	52,496,670	0	52,496,670
22	382	Meter installations	107,248,998	318,940	107,567,938
23	383	House regulators	27,276,095	124,033	27,400,128
24	386	Other Property on Customer Premises	224,125	0	224,125
25	387	Other Equipment	0	0	0
26		Total distribution plant	$1,918,985,431	$14,255,090	$1,933,240,521

Line No.	Account Number	Description Col. 1	Amount Per Books (Schedule 4-F) Col. 2	Pro Forma Adjustments (Schedule 4-D) Col. 3	Pro Forma Adjusted Total Col. 4
		General Plant			
1	389.1	Land and land rights	$4,528,624	$164,918	$4,693,542
2	390.1	Structures and improvements - owned	53,080,989	1,316,111	54,397,100
3	390.2	Structures and improvements - leasehold	3,183,183	0	3,183,183
4	391.1	Office furniture and equipment - computers	5,998,173	187,859	6,186,032
5	391.9	Computers and other electronic equipment	5,279,304	0	5,279,304
6	392	Transportation equipment	54,908,797	536,879	55,445,676
7	393	Stores equipment	152,032	0	152,032
8	394	Tool, shop and garage equipment	22,357,464	117,477	22,474,941
9	395	Laboratory equipment	250,914	0	250,914
10	396	Power operated equipment	17,999,857	182,537	18,182,394
11	397	Communication equipment	5,540,272	149,750	5,690,022
12	398	Miscellaneous equipment	343,045	0	343,045
13		Total general plant	$173,622,654	$2,655,531	$176,278,185
14		Corporate allocated plant	$0	$90,173,610	$90,173,610
15		Total gas plant in service	$2,410,872,769	$104,152,565	$2,515,025,334

KANSAS GAS SERVICE, A DIVISION OF ONE GAS, INC.
Summary of Pro Forma Adjustments to Plant in Service (a)
Test Year Ended September 30, 2023

Line No.	Description	PLT 1 Pro Forma Adjustment CWIP	PLT 2 Pro Forma Adjustment Asset Retirement	PLT 3 Pro Forma Adjustment Corporate Assets	PLT 4 Pro Forma Adjustment Not Used & Useful Plant	Subtotal Pro Forma Adjustments
	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6
1	Intangible plant	$0	$0	$0	$0	$0
2	Production and gathering plant	0	0	0	0	$0
3	Storage Plant	0	0	0	0	$0
4	Transmission plant	879,282	(135,100)	0	(3,675,848)	($2,931,666)
5	Distribution plant	16,842,986	(2,587,896)	0	0	$14,255,090
6	General plant	3,781,194	(580,974)	0	0	$3,200,220
7	Corporate Allocated Plant	0	0	90,173,610	0	$90,173,610
8	Total gas plant in service	$21,503,462	($3,303,970)	$90,173,610	($3,675,848)	$104,697,254

Note:
(a) See Schedule 4-E for explanation of pro forma adjustments.

KANSAS GAS SERVICE, A DIVISION OF ONE GAS, INC.
Summary of Pro Forma Adjustments to Plant in Service (a)
Test Year Ended September 30, 2023

Line No.	Description Col. 1	PLT 5 Pro Forma Adjustment CNG Col. 2	Total Pro Forma Adjustments Col. 3
1	Intangible plant	$0	$0
2	Production and gathering plant	0	0
3	Storage Plant	0	0
4	Transmission plant	0	(2,931,666)
5	Distribution plant	0	14,255,090
6	General plant	(544,688)	2,655,532
7	Corporate Allocated Plant	0	90,173,610
8	Total gas plant in service	($544,688)	$104,152,566

Note:
(a) See Schedule 4-E for explanation of pro forma adjustments.

KANSAS GAS SERVICE, A DIVISION OF ONE GAS, INC.
Pro Forma Adjustments to Plant In Service
Test Year Ended September 30, 2023

Line No.	Account Number	Description	PLT 1 Pro Forma Adjustment CWIP	PLT 2 Pro Forma Adjustment Asset Retirement	PLT 3 Pro Forma Adjustment Corporate Assets	PLT 4 Pro Forma Adjustment Not Used & Useful Plant	Sub-Total Pro Forma Adjustments
		Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6
		Intangible Plant					
1	302	Franchises and consents	$0	$0	$0	$0	$0
2	303	Intangible-miscellaneous	0	0	0	0	0
3		Total intangible plant	$0	$0	$0	$0	$0
		Natural Gas Production and Gathering Plant					
4	325.4	Rights-of-way	$0	$0	$0	$0	$0
5	327	Field compressor station structures	0	0	0	0	0
6	328	Field meas. and reg. station structures	0	0	0	0	0
7	332	Field lines	0	0	0	0	0
8	333	Field compressor station equipment	0	0	0	0	0
9	334	Field meas. and reg. station equipment	0	0	0	0	0
10		Total production and gathering plant	$0	$0	$0	$0	$0
		Underground Storage Plant					
11	350.1	Land and Land Rights	$0	$0	$0	$0	$0
12	351.1	Structures and improvements	0	0	0	0	0
13	351.2	Structures and improvements	0	0	0	0	0
14	351.3	Structures and improvements	0	0	0	0	0
15	352	Wells	0	0	0	0	0
16	352.1	Storage Lease and Rights	0	0	0	0	0
17	352.2	Reservoirs	0	0	0	0	0
18	352.3	Non-Recoverable Natural Gas	0	0	0	0	0
19	353	Storage Lines	0	0	0	0	0
20	354	Compressor station equipment	0	0	0	0	0
21	355	Measuring and regulating station equipment	0	0	0	0	0
22	356	Purification equipment	0	0	0	0	0
23	357	Other equipment	0	0	0	0	0
24		Total Storage plant	$0	$0	$0	$0	$0

KANSAS GAS SERVICE, A DIVISION OF ONE GAS, INC.
Pro Forma Adjustments to Plant In Service
Test Year Ended September 30, 2023

Line No.	Account Number	Description	PLT 1 Pro Forma Adjustment CWIP	PLT 2 Pro Forma Adjustment Asset Retirement	PLT 3 Pro Forma Adjustment Corporate Assets	PLT 4 Pro Forma Adjustment Not Used & Useful Plant	Sub-Total Pro Forma Adjustments
		Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6
		Transmission Plant					
1	365.1	Land and land rights	$0	$0	$0	$0	$0
2	365.2	Rights-of-way	52,118	(8,008)	0	0	44,110
3	366.1	Structures and imp. - compressor stations	19,808	(3,043)	0	(2,479,506)	(2,462,741)
4	366.2	Structures and imp. - meas. & reg. stations	0	0	0	0	0
5	367	Mains	526,450	(80,888)	0	(22,524)	423,038
6	368	Compressor station equipment	5,629	(865)	0	(797,388)	(792,624)
7	369	Measuring and regulating station equip.	275,277	(42,296)	0	(376,430)	(143,449)
8	371	Other Equipment	0	0	0	0	0
9		Total transmission plant	$879,282	($135,100)	$0	($3,675,848)	($2,931,666)
		Distribution Plant					
10	374.1	Land and land rights	$3,217	($494)	$0	$0	$2,723
11	374.2	Rights-of-way	0	0	0	0	0
12	375.1	Structures and improvements	2,805	(431)	0	0	2,374
13	376	Mains	6,898,372	(1,059,923)	0	0	5,838,449
14	376.5	Mains - Metallic	0	0	0	0	0
15	376.9	Mains - Cathodic Protection	0	0	0	0	0
16	378	Meas. and reg. sta. equip. - general	287,824	(44,224)	0	0	243,600
17	379	Meas. and reg. sta. equip. - city gate	323,155	(49,652)	0	0	273,503
18	380	Services - Plastic	7,128,819	(1,095,331)	0	0	6,033,488
19	380.5	Services - Metallic	0	0	0	0	0
20	381	Meters	1,675,403	(257,423)	0	0	1,417,980
21	381.5	Meters - AMR	0	0	0	0	0
22	382	Meter installations	376,841	(57,901)	0	0	318,940
23	383	House regulators	146,550	(22,517)	0	0	124,033
24	386	Other Property on Customer Premises	0	0	0	0	0
25	387	Other Equipment	0	0	0	0	0
26		Total distribution plant	$16,842,986	($2,587,896)	$0	$0	$14,255,090

KANSAS GAS SERVICE, A DIVISION OF ONE GAS, INC.
Pro Forma Adjustments to Plant In Service
Test Year Ended September 30, 2023

Line No.	Account Number	Description	PLT 1 Pro Forma Adjustment CWIP	PLT 2 Pro Forma Adjustment Asset Retirement	PLT 3 Pro Forma Adjustment Corporate Assets	PLT 4 Pro Forma Adjustment Not Used & Useful Plant	Sub-Total Pro Forma Adjustments
		Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6
		General Plant					
1	389.1	Land and land rights	$194,858	($29,940)	$0	$0	$164,918
2	390.1	Structures and improvements - owned	1,555,040	(238,929)	0	0	1,316,111
3	390.2	Structures and improvements - leasehold	0	0	0	0	0
4	391.1	Office furniture and equipment	221,963	(34,104)	0	0	187,859
5	391.9	Computers and other electronic equipment	0	0	0	0	0
6	392	Transportation equipment	634,345	(97,466)	0	0	536,879
7	393	Stores equipment	0	0	0	0	0
8	394	Tool, shop and garage equipment	782,377	(120,211)	0	0	662,166
9	395	Laboratory equipment	0	0	0	0	0
10	396	Power operated equipment	215,675	(33,138)	0	0	182,537
11	397	Communication equipment	176,936	(27,186)	0	0	149,750
12	398	Miscellaneous equipment	0	0	0	0	0
13		Total general plant	$3,781,194	($580,974)	$0	$0	$3,200,220
14		Corporate Allocated Plant	$0	$0	$90,173,610	$0	$90,173,610
15		Total gas plant in service	$21,503,462	($3,303,970)	$90,173,610	($3,675,848)	$104,697,254

KANSAS GAS SERVICE, A DIVISION OF ONE GAS, INC.
Pro Forma Adjustments to Plant In Service
Test Year Ended September 30, 2023

Line No.	Account Number	Description Col. 1	PLT 5 Pro Forma Adjustment CNG Col. 2	Total Pro Forma Adjustments Col. 3
		Intangible Plant		
1	302	Franchises and consents	$0	$0
2	303	Intangible-miscellaneous	0	0
3		Total intangible plant	$0	$0
		Natural Gas Production and Gathering Plant		
4	325.4	Rights-of-way	$0	$0
5	327	Field compressor station structures	0	0
6	328	Field meas. and reg. station structures	0	0
7	332	Field lines	0	0
8	333	Field compressor station equipment	0	0
9	334	Field meas. and reg. station equipment	0	0
10		Total production and gathering plant	$0	$0
		Underground Storage Plant		
11	350.1	Land & Land rights	0	0
12	351.1	Structures and improvements	0	0
13	351.2	Structures and improvements	0	0
14	351.3	Structures and improvements	0	0
15	352	Wells	0	0
16	352.1	Storage Lease and Rights	0	0
17	352.2	Reservoirs	0	0
18	352.3	Non-Recoverable Natural Gas	0	0
19	353	Storage Lines	0	0
20	354	Compressor station equipment	0	0
21	355	Measuring and regulating station equipment	0	0
22	356	Purification equipment	0	0
23	357	Other equipment	0	0
24		Total Storage plant	$0	$0

Line No.	Account Number	Description Col. 1	PLT 5 Pro Forma Adjustment CNG Col. 2	Total Pro Forma Adjustments Col. 3
		Transmission Plant		
1	365.1	Land and land rights	$0	$0
2	365.2	Rights-of-way	0	44,110
3	366.1	Structures and imp. - compressor stations	0	(2,462,741)
4	366.2	Structures and imp. - meas. & reg. stations	0	0
5	367	Mains	0	423,038
6	368	Compressor station equipment	0	(792,624)
7	369	Measuring and regulating station equip.	0	(143,449)
8	371	Other Equipment	0	0
9		Total transmission plant	$0	($2,931,666)
		Distribution Plant		
10	374.1	Land and land rights	$0	$2,723
11	374.2	Rights-of-way	0	0
12	375.1	Structures and improvements	0	2,374
13	376	Mains	0	5,838,449
14	376.5	Mains - Metallic	0	0
15	376.9	Mains - Cathodic Protection	0	0
16	378	Meas. and reg. sta. equip. - general	0	243,600
17	379	Meas. and reg. sta. equip. - city gate	0	273,503
18	380	Services - Plastic	0	6,033,488
19	380.5	Services - Metallic	0	0
20	381	Meters	0	1,417,980
21	381.5	Meters - AMR	0	0
22	382	Meter installations	0	318,940
23	383	House regulators	0	124,033
24	386	Other Property on Customer Premises	0	0
25	387	Other Equipment	0	0
26		Total distribution plant	$0	$14,255,090

Line No.	Account Number	Description	PLT 5 Pro Forma Adjustment CNG	Total Pro Forma Adjustments
		Col. 1	Col. 2	Col. 3
		General Plant		
1	389.1	Land and land rights	$0	$164,918
2	390.1	Structures and improvements - owned	0	1,316,111
3	390.2	Structures and improvements - leasehold	0	0
4	391.1	Office furniture and equipment - computers	0	187,859
5	391.9	Computers and other electronic equipment	0	0
6	392	Transportation equipment	0	536,879
7	393	Stores equipment	0	0
8	394	Tool, shop and garage equipment	(544,688)	117,477
9	395	Laboratory equipment	0	0
10	396	Power operated equipment	0	182,537
11	397	Communication equipment	0	149,750
12	398	Miscellaneous equipment	0	0
13		Total general plant	($544,688)	$2,655,531
14		Corporate allocated plant	$0	$90,173,610
15		Total Plant in Service	($544,688)	$104,152,565

KANSAS GAS SERVICE, A DIVISION OF ONE GAS, INC.
Explanation of Pro Forma Adjustments to Plant In Service
Test Year Ended September 30, 2023

Line No.	Description Col. 1	Increase Col. 2	Decrease Col. 3
	Adjustment PLT 1		
	CWIP		
1	Intangible plant	0	0
2	Production and gathering plant	0	0
3	Storage Plant	0	0
4	Transmission Plant	879,282	0
5	Distribution plant	16,842,986	0
6	General plant	3,781,194	0
7	Corporate Allocated Plant	0	0
8	Total	21,503,462	0

To include capital expenditures for projects underway at September 30, 2023 that will be completed within one year after the end of the test year.

Line No.	Description Col. 1	Increase Col. 2	Decrease Col. 3
	Adjustment PLT 2		
	Asset Retirement		
9	Intangible plant	0	0
10	Production and gathering plant	0	0
11	Storage Plant	0	0
12	Transmission Plant	0	135,100
13	Distribution plant	0	2,587,896
14	General plant	0	580,974
15	Corporate Allocated Plant	0	0
16	Total	0	3,303,970

To remove plant retirements in CWIP that will retire subsequent to the test year.

KANSAS GAS SERVICE, A DIVISION OF ONE GAS, INC.
Explanation of Pro Forma Adjustments to Plant In Service
Test Year Ended September 30, 2023

Line No.	Description Col. 1	Increase Col. 2	Decrease Col. 3
	Adjustment PLT 3		
	Corporate Assets		
1	Intangible plant	0	0
2	Production and gathering plant	0	0
3	Storage Plant	0	0
4	Transmission Plant	0	0
5	Distribution plant	0	0
6	General plant	0	0
7	Corporate Allocated Plant	90,173,610	0
8	Total	90,173,610	0

To include Corporate assets providing service to Kansas Gas Service.

Line No.	Description	Increase	Decrease
	Adjustment PLT 4		
	Not Used & Useful Plant		
9	Intangible plant	0	0
10	Production and gathering plant	0	0
11	Storage plant	0	0
12	Transmission plant	0	3,675,848
13	Distribution plant	0	0
14	General plant	0	0
15	Corporate Allocated Plant	0	0
16	Total	0	3,675,848

To remove the plant assets that are currently not used and useful.

KANSAS GAS SERVICE, A DIVISION OF ONE GAS, INC.
Explanation of Pro Forma Adjustments to Plant In Service
Test Year Ended September 30, 2023

Line No.	Description Col. 1	Increase Col. 2	Decrease Col. 3
	Adjustment PLT 5		
	CNG		
1	Intangible plant	0	0
2	Production and gathering plant	0	0
3	Storage Plant	0	0
4	Transmission Plant	0	0
5	Distribution plant	0	0
6	General plant	0	544,688
7	Corporate Allocated Plant	0	0
8	Total	0	544,688

To remove certain CNG assets used to provide CNG at public stations.

KANSAS GAS SERVICE, A DIVISION OF ONE GAS, INC.
Plant in Service by Primary Account
Test Year Ended September 30, 2023
Balance as of

Line No.	Account Number	Description Col. 1	December 31, 2020 Col. 2	December 31, 2021 Col. 3	December 31, 2022 Col. 4	September 30, 2022 Col. 5	September 30, 2023 Col. 6
		Intangible Plant					
1	302	Franchises and consents	$6,045	$6,045	$6,045	$6,045	$6,045
2	303	Intangible-miscellaneous	0	0	0	0	0
3		Total intangible plant	$6,045	$6,045	$6,045	$6,045	$6,045
		Natural Gas Production and Gathering Plant					
4	325.4	Rights-of-way	$232,567	$232,567	$232,567	$232,567	$232,567
5	327	Field compressor station structures	3,053	3,053	3,053	3,053	3,053
6	328	Field meas. and reg. station structures	44,026	44,026	44,026	44,026	44,026
7	332	Field lines	45,302	45,302	45,302	45,302	45,302
8	333	Field compressor station equipment	12,877	12,877	12,877	12,877	12,877
9	334	Field meas. and reg. station equipment	515,090	515,090	515,090	515,090	515,090
10		Total production and gathering plant	$852,915	$852,915	$852,915	$852,915	$852,915
		Underground Storage Plant					
11	350.1	Land & Land rights	-	-	-	-	-
12	351.1	Structures and improvements	0	0	0	0	0
13	351.2	Structures and improvements	0	0	0	0	0
14	351.3	Structures and improvements	0	0	0	0	0
15	352	Wells	0	0	0	0	0
16	352.1	Storage Lease and Rights	0	0	0	0	0
17	352.2	Reservoirs	0	0	0	0	0
18	352.3	Non-Recoverable Natural Gas	0	0	0	0	0
19	353	Storage Lines	0	0	0	0	0
20	354	Compressor station equipment	0	0	0	0	0
21	355	Measuring and regulating station equipment	0	0	0	0	0
22	356	Purification equipment	0	0	0	0	0
23	357	Other equipment	0	0	0	0	0
24		Total Storage plant	$0	$0	$0	$0	$0

KANSAS GAS SERVICE, A DIVISION OF ONE GAS, INC.
Plant in Service by Primary Account
Test Year Ended September 30, 2023
Balance as of

Line No.	Account Number	Description	December 31, 2020	December 31, 2021	December 31, 2022	September 30, 2022	September 30, 2023
		Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6
		Transmission Plant					
1	365.1	Land and land rights	$899,920	$899,920	$899,920	$899,920	$899,920
2	365.2	Rights-of-way	11,754,026	11,933,346	12,254,412	12,000,376	12,169,196
3	366.1	Compressor Station Structure	5,010,640	5,010,640	7,487,734	5,010,640	7,610,356
4	366.2	Measuring Station Structure	1,742,090	2,041,357	2,159,961	2,159,961	2,350,612
5	367	Mains	236,218,542	241,971,694	245,112,040	244,325,288	250,489,520
6	368	Compressor station equipment	18,286,606	18,303,917	15,861,502	18,310,248	16,133,048
7	369	Measuring and regulating station equip.	22,931,969	24,707,282	26,275,530	25,889,298	27,724,689
8	371	Other Equipment	28,384	28,384	28,384	28,383	28,383
9		Total transmission plant	$296,872,177	$304,896,540	$310,079,483	308,624,114	$317,405,724
		Distribution Plant					
10	374.1	Land and land rights	$221,935	$221,935	$221,935	$221,935	$556,868
11	374.2	Rights-of-way	2,705,928	2,797,109	2,816,924	2,802,448	2,852,777
12	375.1	Structures and improvements	931,777	929,837	947,117	944,919	957,323
13	376	Mains	397,526,770	418,322,362	440,065,615	434,013,269	464,789,011
14	376.5	Mains - Metallic	313,635,030	322,682,734	342,102,486	335,053,962	351,891,285
15	376.9	Mains - Cathodic Protection	28,643,390	27,904,367	27,321,545	27,824,913	28,344,948
16	378	Meas. and reg. sta. equip. - general	26,056,418	27,590,989	29,279,961	28,051,034	30,582,952
17	379	Meas. and reg. sta. equip. - city gate	9,266,282	9,399,164	11,388,378	11,054,908	11,643,922
18	380	Services - Plastic	548,284,433	582,255,997	635,075,787	608,978,734	667,541,171
19	380.5	Services - Metallic	28,129,963	27,376,370	5,100,746	21,768,624	3,362,630
20	381	Meters	147,748,259	154,852,062	162,554,660	162,125,557	169,216,656
21	381.5	Meters - AMR	44,045,726	45,566,299	46,478,519	46,353,579	52,496,670
22	382	Meter installations	100,006,561	102,614,535	104,894,471	104,037,720	107,248,998
23	383	House regulators	25,354,055	26,056,562	26,954,335	26,722,552	27,276,095
24	386	Other Property on Customers Premises	224,125	224,125	224,125	224,125	224,125
25	387	Other Equipment	0	0	0	0	0
26		Total distribution plant	$1,672,780,652	$1,748,794,447	$1,835,426,604	1,810,178,279	$1,918,985,431

KANSAS GAS SERVICE, A DIVISION OF ONE GAS, INC.
Plant in Service by Primary Account
Test Year Ended September 30, 2023
Balance as of

Line No.	Account Number	Description	December 31, 2020	December 31, 2021	December 31, 2022	September 30, 2022	September 30, 2023
		Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6
		General Plant					
1	389.1	Land and land rights	$1,814,624	$2,162,619	$3,363,011	$2,162,619	$4,528,624
2	390.1	Structures and improvements - owned	45,264,079	43,323,086	52,714,425	49,850,753	53,080,989
3	390.2	Structures and improvements - leasehold	3,118,689	3,142,995	3,183,183	3,183,183	3,183,183
4	391.1	Office furniture and equipment	4,915,936	4,861,262	6,015,382	5,095,079	5,998,173
5	391.9	Computers and other electronic equipment	4,963,417	4,752,403	4,278,880	4,867,728	5,279,304
6	392	Transportation equipment	47,382,626	49,897,116	53,228,038	53,029,367	54,908,797
7	393	Stores equipment	150,479	145,981	145,981	145,980	152,032
8	394	Tool, shop and garage equipment	14,501,318	16,495,647	20,805,720	19,160,667	22,357,464
9	395	Laboratory equipment	290,035	254,841	250,914	250,914	250,914
10	396	Power operated equipment	15,002,229	16,108,787	17,276,018	17,290,669	17,999,857
11	397	Communication equipment	4,207,858	4,427,499	5,058,477	4,788,389	5,540,272
12	398	Miscellaneous equipment	354,942	354,942	348,984	348,985	343,045
13		Total general plant	$141,966,232	$145,927,178	$166,669,013	$160,174,333	$173,622,654
14		Total gas plant in service	$2,112,478,021	$2,200,477,125	$2,313,034,060	$2,279,835,686	$2,410,872,769

KANSAS GAS SERVICE, A DIVISION OF ONE GAS, INC.
Summary - Functional Classification of Accumulated Provision for Depreciation and Amortization
Test Year Ended September 30, 2023

Line No.	Description Col. 1	Reference Col. 2	Amount Per Books Col. 3	Pro Forma Adjustments Col. 4	Pro Forma Adjusted Total Col. 5
	Accumulated Provision For Depreciation				
1	Production and gathering plant	5-B	$710,413	$0	$710,413
2	Storage plant	5-B	0	0	0
3	Transmission plant	5-B	120,733,452	(3,760,286)	116,973,166
4	Distribution plant	5-B	610,253,227	(2,587,896)	607,665,331
5	General plant	5-B	57,272,543	(838,587)	56,433,955
6	Corporate allocated accumulated depreciation	5-B	0	39,946,820	39,946,820
7	Total accumulated provision for depreciation		$788,969,635	$32,760,050	$821,729,685
	Accumulated Provision For Amortization				
8	Total accumulated provision for amortization	5-B	2,907,069	0	2,907,069
9	Total accumulated provision for depreciation and amortizatio		$791,876,703	$32,760,050	$824,636,754

Line No.	Account Number	Description Col. 1	Amount Per Books Col. 2	Pro Forma Adjustments Col. 3	Pro Forma Adjusted Total Col. 4
		ACCUMULATED PROVISION FOR DEPRECIATION			
		Natural Gas Production and Gathering Plant			
1	325.4	Rights-of-way	$127,276	$0	$127,276
2	327	Field Compressor Station Structure	3,053	0	3,053
3	328	Field meas. and reg. station structures	55,464	0	55,464
4	332	Field lines	45,302	0	45,302
5	333	Field Compressor Station Equipment	12,877	0	12,877
6	334	Field meas. and reg. station equipment	466,442	0	466,442
7		Total production and gathering plant	$710,413	$0	$710,413
		Underground Storage Plant			
8	350.1	Land & Land rights	$0	$0	$0
9	350.2	Rights of way	0	0	0
10	351.1	Structures and improvements	0	0	0
11	351.2	Structures and improvements	0	0	0
12	351.3	Structures and improvements	0	0	0
13	352	Wells	0	0	0
14	352.1	Storage Lease and Rights	0	0	0
15	352.2	Reservoirs	0	0	0
16	352.3	Non-Recoverable Natural Gas	0	0	0
17	353	Storage Lines	0	0	0
18	354	Compressor station equipment	0	0	0
19	355	Measuring and regulating station equipment	0	0	0
20	356	Purification equipment	0	0	0
21	357	Other equipment	0	0	0
22		Total Underground storage plant	$0	$0	$0

Line No.	Account Number	Description Col. 1	Amount Per Books Col. 2	Pro Forma Adjustments Col. 3	Pro Forma Adjusted Total Col. 4
		Transmission Plant			
1	365.2	Rights-of-way	$4,607,975	($8,008)	$4,599,967
2	366.1	Structures and imp. - compressor stations	7,070,433	(2,598,130)	4,472,303
3	366.2	Structures and imp. - meas. & reg. stations	1,258,962	0	1,258,962
4	367	Mains	84,747,446	(85,674)	84,661,772
5	368	Compressor station equipment	13,809,320	(840,269)	12,969,051
6	369	Measuring and regulating station equipment	9,239,316	(228,205)	9,011,111
7	371	Other Equipment	0	0	0
8		Total transmission plant	$120,733,452	($3,760,286)	$116,973,166
		Distribution Plant			
9	374.2	Rights-of-way	$750,145	($494)	$749,651
10	375.1	Structures and improvements	639,539	(431)	639,108
11	376	Mains	169,451,018	(1,059,923)	168,391,095
12	376.5	Mains - Metallic	102,182,290	0	102,182,290
13	376.9	Mains - Cathodic Protection	879,746	0	879,746
14	378	Meas. and reg. sta. equip. - general	14,013,113	(44,224)	13,968,889
15	379	Meas. and reg. sta. equip. - city gate	4,806,452	(49,652)	4,756,800
16	380	Services - Plastic	213,155,945	(1,095,331)	212,060,614
17	380.5	Services - Metallic	(17,789,998)	0	(17,789,998)
18	381	Meters	44,725,226	(257,423)	44,467,803
19	381.5	Meters - AMR	21,030,480	0	21,030,480
20	382	Meter installations	45,984,636	(57,901)	45,926,735
21	383	House regulators	10,206,563	(22,517)	10,184,046
22	386	Other Property Customer Premise	220,711	0	220,711
23	387	Other Equipment	(2,638)	0	(2,638)
24		Total distribution plant	$610,253,227	($2,587,896)	$607,665,331

Line No.	Account Number	Description Col. 1	Amount Per Books Col. 2	Pro Forma Adjustments Col. 3	Pro Forma Adjusted Total Col. 4
		General Plant			
1	389.1	Land	($4,953)	($29,940)	($34,893)
2	390.1	Structures and improvements - owned	15,921,846	(238,929)	15,682,917.0
3	391.1	Office furniture and equipment	2,398,916	(34,104)	2,364,812.0
4	391.9	Computers and other electronic equipment	3,477,853	0	3,477,853.0
5	392	Transportation equipment	20,668,885	(97,466)	20,571,419.0
6	393	Stores equipment	(63,511)	0	(63,511)
7	394	Tools Shop and Garage Equipment	4,665,583	(377,824)	4,287,759
8	395	Laboratory equipment	(129,977)	0	(129,977)
9	396	Power operated equipment	10,086,009	(33,138)	10,052,871
10	397	Communication equipment	30,784	(27,186)	3,598
11	398	Miscellaneous equipment	221,108	0	221,108
12		Total general plant	$57,272,543	($838,587)	$56,433,955
13		Corporate Allocated	$0	$39,946,820	$39,946,820
14		Total accumulated provision for depreciation	$788,969,635	$32,760,050	$821,729,685
		ACCUMULATED PROVISION FOR AMORTIZATION			
15	302	Franchises and Consents	($172)	$0	($172)
16	303	Miscellaneous Intangible Plant	0	0	0
17	390.2	Structures and improvements - leasehold	2,907,241	0	2,907,241
18		Total accumulated provision for amortization	$2,907,069	$0	$2,907,069
19		Total accumulated provision for depreciation and amortizatio	$791,876,703	$32,760,050	$824,636,754

KANSAS GAS SERVICE, A DIVISION OF ONE GAS, INC.
Summary of Pro Forma Adjustments to Accumulated Provision for Depreciation and Amortization (a)
Test Year Ended September 30, 2023

Line No.	Description	ADA 1 Pro Forma Adjustment Asset Retirement	ADA 2 Pro Forma Adjustment Corporate Assets	ADA 3 Pro Forma Adjustment Not Used & Useful Plant	Subtotal Pro Forma Adjustments
	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5
	Accumulated Provision for Depreciation				
1	Production and gathering plant	$0	$0	$0	$0
2	Underground storage plant	0	0	0	0
3	Transmission plant	(135,100)	0	(3,625,186)	(3,760,286)
4	Distribution plant	(2,587,896)	0	0	(2,587,896)
5	General plant	(580,974)	0	0	(580,974)
6	Corporate Allocated	0	39,946,820	0	39,946,820
7	Total accumulated provision for depreciation Pro forma	($3,303,970)	$39,946,820	($3,625,186)	$33,017,664
	Accumulated Provision for Amortization				
8	Total accumulated provision for amortization	0	0	0	0
9	Total accumulated provision for depreciation and amortizatio	($3,303,970)	$39,946,820	($3,625,186)	$33,017,664

Note:
(a) See Schedule 5-E for explanation of pro forma adjustments.

KANSAS GAS SERVICE, A DIVISION OF ONE GAS, INC.
Summary of Pro Forma Adjustments to Accumulated Provision for Depreciation and Amortization (a)
Test Year Ended September 30, 2023

Line No.	Description	ADA 4 Pro Forma Adjustment CNG	Total Pro Forma Adjustments
	Col. 1	Col. 2	Col. 3
	Accumulated Provision for Depreciation		
1	Production and gathering plant	$0	$0
2	Underground storage plant	0	0
3	Transmission plant	0	(3,760,286)
4	Distribution plant	0	(2,587,896)
5	General plant	(257,613)	(838,587)
6	Corporate Allocated	0	39,946,820
7	Total accumulated provision for depreciation Pro forma	($257,613)	$32,760,050
	Accumulated Provision for Amortization		
8	Total accumulated provision for amortization	0	0
9	Total accumulated provision for depreciation and amortizatio	($257,613)	$32,760,050

Note:
(a) See Schedule 5-E for explanation of pro forma adjustments.

KANSAS GAS SERVICE, A DIVISION OF ONE GAS, INC.
Detail - Functional Classification of Adjustments to Accumulated Provision for Depreciation and Amortization
Test Year Ended September 30, 2023

Line No.	Account Number	Description	ADA 1 Pro Forma Adjustment CWIP	ADA 2 Pro Forma Adjustment Corporate Assets	ADA 3 Pro Forma Adjustment Not Used & Useful Plant	Subtotal Pro Forma Adjustments
		Col. 1	Col. 2	Col. 3	Col. 4	Col. 5
		ACCUMULATED PROVISION FOR DEPRECIATION				
		Natural Gas Production and Gathering Plant				
1	325.4	Rights-of-way	$0	$0	$0	$0
2	327	Field Compressor Station Structure	0	0	0	0
3	328	Field meas. and reg. station structures	0	0	0	0
4	332	Field lines	0	0	0	0
5	333	Field Compressor Station Equipment	0	0	0	0
6	334	Field meas. and reg. station equipment	0	0	0	0
7		Total production and gathering plant	$0	$0	$0	$0
		Underground Storage Plant				
8	350.1	Land & Land rights	$0	$0	$0	$0
9	350.2	Rights of way	0	0	0	0
10	351.1	Structures and improvements	0	0	0	0
11	351.2	Structures and improvements	0	0	0	0
12	351.3	Structures and improvements	0	0	0	0
13	352	Wells	0	0	0	0
14	352.1	Storage Lease and Rights	0	0	0	0
15	352.2	Reservoirs	0	0	0	0
16	352.3	Non-Recoverable Natural Gas	0	0	0	0
17	353	Storage Lines	0	0	0	0
18	354	Compressor station equipment	0	0	0	0
19	355	Measuring and regulating station equipment	0	0	0	0
20	356	Purification equipment	0	0	0	0
21	357	Other equipment	0	0	0	0
22		Total Underground storage plant	$0	$0	$0	$0

Line No.	Account Number	Description	ADA 1 Pro Forma Adjustment Asset Retirement	ADA 2 Pro Forma Adjustment Corporate Assets	ADA-3 Pro Forma Adjustment Not Used & Useful Plant	Subtotal Pro Forma Adjustments
		Col. 1	Col. 2	Col. 3	Col. 4	Col. 5
		Transmission Plant				
1	365.2	Rights-of-way	($8,008)	$0	$0	($8,008)
2	366.1	Structures and imp. - compressor stations	(3,043)	0	(2,595,087)	(2,598,130)
3	366.2	Structures and imp. - meas. & reg. stations	0	0	0	0
4	367	Mains	(80,888)	0	(4,786)	(85,674)
5	368	Compressor station equipment	(865)	0	(839,404)	(840,269)
6	369	Measuring and regulating station equipment	(42,296)	0	(185,909)	(228,205)
7	371	Other Equipment	0	0	0	0
8		Total transmission plant	($135,100)	$0	($3,625,186)	($3,760,286)
		Distribution Plant				
9	374.2	Rights-of-way	($494)	$0	$0	($494)
10	375.1	Structures and improvements	(431)	0	0	(431)
11	376	Mains	(1,059,923)	0	0	(1,059,923)
12	376.5	Mains - Metallic	0	0	0	0
13	376.9	Mains - Cathodic Protection	0	0	0	0
14	378	Meas. and reg. sta. equip. - general	(44,224)	0	0	(44,224)
15	379	Meas. and reg. sta. equip. - city gate	(49,652)	0	0	(49,652)
16	380	Services - Plastic	(1,095,331)	0	0	(1,095,331)
17	380.5	Services - Metallic	0	0	0	0
18	381	Meters	(257,423)	0	0	(257,423)
19	381.5	Meters - AMR	0	0	0	0
20	382	Meter installations	(57,901)	0	0	(57,901)
21	383	House regulators	(22,517)	0	0	(22,517)
22	386	Other Property Customer Premise	0	0	0	0
23	387	Other Equipment	0	0	0	0
24		Total distribution plant	($2,587,896)	$0	$0	($2,587,896)

Line No.	Account Number	Description Col. 1	ADA 1 Pro Forma Adjustment Asset Retirement Col. 2	ADA 2 Pro Forma Adjustment Corporate Assets Col. 3	ADA-3 Pro Forma Adjustment Not Used & Useful Plant Col. 4	Subtotal Pro Forma Adjustments Col. 5
		General Plant				
1	389.1	Land	($29,940)	0	0	($29,940)
2	390.1	Structures and improvements - owned	(238,929)	0	0	(238,929)
3	391.1	Office furniture and equipment - computers	(34,104)	0	0	(34,104)
4	391.9	Computers and other electronic equipment	0	0	0	0
5	392	Transportation equipment	(97,466)	0	0	(97,466)
6	393	Stores equipment	0	0	0	0
7	394	Tool, shop and garage equipment	(120,211)	0	0	(120,211)
8	395	Laboratory equipment	0	0	0	0
9	396	Power operated equipment	(33,138)	0	0	(33,138)
10	397	Communication equipment	(27,186)	0	0	(27,186)
11	398	Miscellaneous equipment	0	0	0	0
12		Total general plant	($580,974)	$0	$0	($580,974)
13		Corporate Allocated	$0	$39,946,820	$0	$39,946,820
14		Total accumulated provision for depreciation	($3,303,970)	$39,946,820	($3,625,186)	$33,017,664
		ACCUMULATED PROVISION FOR AMORTIZATION				
15	302	Franchises and Consents	$0	$0	$0	$0
16	303	Miscellaneous Intangible Plant	0	0	0	0
17	390.2	Structures and improvements - leasehold	0	0	0	0
18		Total accumulated provision for amortization	$0	$0	$0	$0
19		Total accumulated provision for depreciation & Amortization	($3,303,970)	$39,946,820	($3,625,186)	$33,017,664

Line No.	Account Number	Description Col. 1	ADA 4 Pro Forma Adjustment CNG Col. 2	Total Pro Forma Adjustments Col. 3
		ACCUMULATED PROVISION FOR DEPRECIATION		
		Natural Gas Production and Gathering Plant		
1	325.4	Rights-of-way	$0	$0
2	327	Field Compressor Station Structure	0	0
3	328	Field meas. and reg. station structures	0	0
4	332	Field lines	0	0
5	333	Field Compressor Station Equipment	0	0
6	334	Field meas. and reg. station equipment	0	0
7		Total production and gathering plant	$0	$0
		Underground Storage Plant		
8	350.1	Land & Land rights	$0	$0
9	350.2	Rights of way	0	0
10	351.1	Structures and improvements	0	0
11	351.2	Structures and improvements	0	0
12	351.3	Structures and improvements	0	0
13	352	Wells	0	0
14	352.1	Storage Lease and Rights	0	0
15	352.2	Reservoirs	0	0
16	352.3	Non-Recoverable Natural Gas	0	0
17	353	Storage Lines	0	0
18	354	Compressor station equipment	0	0
19	355	Measuring and regulating station equipment	0	0
20	356	Purification equipment	0	0
21	357	Other equipment	0	0
22		Total Underground storage plant	$0	$0

KANSAS GAS SERVICE, A DIVISION OF ONE GAS, INC.
Detail - Functional Classification of Adjustments to Accumulated Provision for Depreciation and Amortization
Test Year Ended September 30, 2023

Line No.	Account Number	Description Col. 1	ADA 4 Pro Forma Adjustment CNG Col. 2	Total Pro Forma Adjustments Col. 3
		Transmission Plant		
1	365.2	Rights-of-way	$0	($8,008)
2	366.1	Structures and imp. - compressor stations	0	(2,598,130)
3	366.2	Structures and imp. - meas. & reg. stations	0	0
4	367	Mains	0	(85,674)
5	368	Compressor station equipment	0	(840,269)
6	369	Measuring and regulating station equipment	0	(228,205)
7	371	Other Equipment	0	0
8		Total transmission plant	$0	($3,760,286)
		Distribution Plant		
9	374.2	Rights-of-way	$0	($494)
10	375.1	Structures and improvements	0	(431)
11	376	Mains	0	(1,059,923)
12	376.5	Mains - Metallic	0	0
13	376.9	Mains - Cathodic Protection	0	0
14	378	Meas. and reg. sta. equip. - general	0	(44,224)
15	379	Meas. and reg. sta. equip. - city gate	0	(49,652)
16	380	Services - Plastic	0	(1,095,331)
17	380.5	Services - Metallic	0	0
18	381	Meters	0	(257,423)
19	381.5	Meters - AMR	0	0
20	382	Meter installations	0	(57,901)
21	383	House regulators	0	(22,517)
22	386	Other Property Customer Premise	0	0
23	387	Other Equipment	0	0
24		Total distribution plant	$0	($2,587,896)

Line No.	Account Number	Description Col. 1	ADA 4 Pro Forma Adjustment CNG Col. 2	Total Pro Forma Adjustments Col. 3
		General Plant		
1	389.1	Land	$0	($29,940)
2	390.1	Structures and improvements - owned	0	(238,929)
3	391.1	Office furniture and equipment - computers	0	(34,104)
4	391.9	Computers and other electronic equipment	0	0
5	392	Transportation equipment	0	(97,466)
6	393	Stores equipment	0	0
7	394	Tool, shop and garage equipment	(257,613)	(377,824)
8	395	Laboratory equipment	0	0
9	396	Power operated equipment	0	(33,138)
10	397	Communication equipment	0	(27,186)
11	398	Miscellaneous equipment	0	0
12		Total general plant	($257,613)	($838,587)
13		Corporate Allocated	$0	$39,946,820
14		Total accumulated provision for depreciation	($257,613)	$32,760,050
		ACCUMULATED PROVISION FOR AMORTIZATION		
15	302	Franchises and Consents	$0	$0
16	303	Miscellaneous Intangible Plant	0	0
17	390.2	Structures and improvements - leasehold	0	0
18		Total accumulated provision for amortization	$0	$0
19		Total accumulated provision for depreciation & Amortizatio	($257,613)	$32,760,050

KANSAS GAS SERVICE, A DIVISION OF ONE GAS, INC.
Explanation of Pro Forma Adjustments to Accumulated Provision for Depreciation and Amortization
Test Year Ended September 30, 2023

Line No.	Description Col. 1	Increase Col. 2	Decrease Col. 3
	Adjustment ADA 1		
	Asset Retirement		
1	Production and gathering plant	0	0
2	Underground storage plant	0	0
3	Transmission Plant	0	135,100
4	Distribution plant	0	2,587,896
5	General plant	0	580,974
6	Corporate Plant	0	0
7	Total	0	3,303,970

To remove accumulated depreciation related to plant retirements in CWIP that will retire subsequent to the test year.

Line No.	Description	Increase	Decrease
	Adjustment ADA 2		
	Corporate Assets		
8	Production and gathering plant	0	0
9	Underground storage plant	0	0
10	Transmission Plant	0	0
11	Distribution plant	0	0
12	General plant	0	0
13	Corporate Allocated Plant	39,946,820	0
14	Total	39,946,820	0

To include the accumulated depreciation reserve associated with Corporate assets providing service to Kansas Gas Service.

Line No.	Description Col. 1	Increase Col. 2	Decrease Col. 3
	Adjustment ADA 3		
	Not Used & Useful Plant		
15	Production and gathering plant	0	0
16	Underground storage plant	0	0
17	Transmission Plant	0	3,625,186
18	Distribution plant	0	0
19	General plant	0	0
20	Corporate Allocated Plant	0	0
21	Total	0	3,625,186

To remove the accumulated depreciation associated with assets that are currently not used and useful.

Line No.	Description Col. 1	Increase Col. 2	Decrease Col. 3
	Adjustment ADA 4		
	CNG		
1	Production and gathering plant	0	0
2	Underground storage plant	0	0
3	Transmission Plant	0	0
4	Distribution plant	0	0
5	General plant	0	257,613
6	Corporate Allocated Plant	0	0
7	Total	0	257,613

To remove the accumulated depreciation associated with CNG assets used to provide CNG at public stations.

KANSAS GAS SERVICE, A DIVISION OF ONE GAS, INC.
Accumulated Provision for Depreciation and Amortization by Primary Account
Test Year Ended September 30, 2023
Balance as of

Line No.	Account Number	Description	December 31, 2020	December 31, 2021	December 31, 2022	September 30, 2022	September 30, 2023
		Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6
		ACCUMULATED PROVISION FOR DEPRECIATION					
		Natural Gas Production and Gathering Plant					
1	325.4	Rights-of-way	$119,281	$122,188	$125,096	$124,369	$127,276
2	327	Field Compressor Station Structure	2,826	2,914	3,002	2,980	3,053
3	328	Field meas. and reg. station structures	55,464	55,464	55,464	55,464	55,464
4	332	Field lines	45,302	45,302	45,302	45,302	45,302
5	333	Field Compressor Station Equipment	12,877	12,877	12,877	12,877	12,877
6	334	Field meas. and reg. station equipment	445,619	453,191	460,763	458,870	466,442
7		Total production and gathering plant	$681,369	$691,936	$702,504	$699,862	$710,413
		Underground Storage Plant					
8	350.1	Land & Land Rights	$0	$0	$0	$0	$0
9	350.2	Rights of way	0	0	0	0	0
10	351.1	Structures and Improvements	0	0	0	0	0
11	351.2	Structures and Improvements	0	0	0	0	0
12	351.3	Structures and Improvements	0	0	0	0	0
13	352	Wells	0	0	0	0	0
14	352.1	Storage Leaseholds and Rights	0	0	0	0	0
15	352.2	Reservoirs	0	0	0	0	0
16	352.3	Nonrecoverable Natural Gas	0	0	0	0	0
17	353	Storage Lines	0	0	0	0	0
18	354	Compressor Station Equipment	0	0	0	0	0
19	355	Measuring and Regulating Equipment	0	0	0	0	0
20	356	Purification Equipment	0	0	0	0	0
21	357	Other Equipment	0	0	0	0	0
22		Total Storage Facilities	$0	$0	$0	$0	$0

KANSAS GAS SERVICE, A DIVISION OF ONE GAS, INC.
Accumulated Provision for Depreciation and Amortization by Primary Account
Test Year Ended September 30, 2023
Balance as of

Line No.	Account Number	Description	December 31, 2020	December 31, 2021	December 31, 2022	September 30, 2022	September 30, 2023
		Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6
		Transmission Plant					
1	365.2	Rights-of-way	$4,150,729	$4,331,720	$4,473,043	$4,437,835	$4,607,975
2	366.1	Structures and imp. - compressor stations	4,213,576	4,366,107	6,894,385	4,456,470	7,070,433
3	366.2	Structures and imp. - meas. & reg. stations	1,143,052	1,184,645	1,219,938	1,210,126	1,258,962
4	367	Mains	71,557,509	76,648,657	81,645,431	80,350,209	84,747,446
5	368	Compressor station equipment	15,311,562	15,974,245	14,107,949	16,383,347	13,809,320
6	369	Measuring and regulating station equipment	7,607,708	8,229,784	8,841,770	8,648,652	9,239,316
7	371	Other Equipment	0	0	0	0	0
8		Total transmission plant	$103,984,136	$110,735,158	$117,182,516	$115,486,639	$120,733,452
		Distribution Plant					
9	374.2	Rights-of-way	$643,102	$679,717	$719,713	$711,286	$750,145
10	375.1	Structures and improvements	548,529	577,518	613,152	605,407	639,539
11	376	Mains	141,647,579	150,892,740	161,295,724	158,853,180	169,451,018
12	376.5	Mains - Metallic	92,587,471	96,382,864	100,711,370	99,222,994	102,182,290
13	376.9	Mains - Cathodic Protection	(673,581)	(343,788)	190,772	341,508	879,746
14	378	Meas. and reg. sta. equip. - general	12,579,670	13,108,084	13,638,545	13,514,091	14,013,113
15	379	Meas. and reg. sta. equip. - city gate	4,420,001	4,428,724	4,638,847	4,590,160	4,806,452
16	380	Services - Plastic	214,120,274	225,015,044	202,274,350	231,323,330	213,155,945
17	380.5	Services - Metallic	(23,208,284)	(30,057,485)	(10,525,797)	(41,058,883)	(17,789,998)
18	381	Meters	38,725,590	39,843,674	42,565,783	43,198,680	44,725,226
19	381.5	Meters - AMR	12,792,397	15,687,086	18,685,582	17,963,888	21,030,480
20	382	Meter installations	37,707,936	40,589,136	43,623,154	42,914,789	45,984,636
21	383	House regulators	8,915,097	9,354,545	9,835,838	9,730,941	10,206,563
22	386	Other Property Customer Premise	222,303	221,419	221,057	221,561	220,711
23	387	Other Equipment	(2,657)	(2,647)	(2,643)	(2,649)	(2,638)
24		Total distribution plant	$541,025,427	$566,376,631	$588,485,447	$582,130,283	$610,253,227

KANSAS GAS SERVICE, A DIVISION OF ONE GAS, INC.
Accumulated Provision for Depreciation and Amortization by Primary Account
Test Year Ended September 30, 2023
Balance as of

Line No.	Account Number	Description	December 31, 2020	December 31, 2021	December 31, 2022	September 30, 2022	September 30, 2023
		Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6
		General Plant					
1	389.1	Land and land rights	($21,240)	($4,953)	($4,953)	($4,953)	($4,953)
2	390.1	Structures and improvements - owned	14,188,951	14,710,948	15,300,837	15,168,424	15,921,846
3	391.1	Office furniture and equipment - computers	2,315,976	2,174,062	2,211,877	2,194,067	2,398,916
4	391.9	Computers and other electronic equipment	2,986,419	3,018,990	2,981,921	3,401,571	3,477,853
5	392	Transportation equipment	16,472,181	17,347,913	19,633,919	18,981,052	20,668,885
6	393	Stores equipment	(83,662)	(76,297)	(68,998)	(70,823)	(63,511)
7	394	Tool, shop and garage equipment	2,746,865	3,308,303	4,016,667	3,850,401	4,665,583
8	395	Laboratory equipment	(173,010)	(155,336)	(142,523)	(146,705)	(129,977)
9	396	Power operated equipment	8,399,528	9,074,279	9,755,968	9,551,529	10,086,009
10	397	Communication equipment	97,854	(16,347)	(160,715)	(48,326)	30,784
11	398	Miscellaneous equipment	184,573	202,320	213,973	209,611	221,108
12	399	Other Tangible Property	0	0	0	0	0
13		Total general plant	$47,114,435	$49,583,882	$53,737,973	$53,085,848	$57,272,543
14		Total accumulated provision for depreciation	$692,805,367	$727,387,607	$760,108,440	$751,402,632	$788,969,635
		ACCUMULATED PROVISION FOR AMORTIZATION					
15	302	Franchises and Consents	($172)	($172)	($172)	($172)	($172)
16	303	Miscellaneous Intangible Plant	0	0	0	0	0
17	390.2	Structures and improvements - leasehold	2,855,114	2,873,078	2,890,998	2,885,583	2,907,241
18		Total accumulated provision for amortization	$2,854,942	$2,872,906	$2,890,826	$2,885,411	$2,907,069
19		Total accumulated provision for depreciation and amortizatior	$695,660,309	$730,260,513	$762,999,266	$754,288,043	$791,876,704

KANSAS GAS SERVICE, A DIVISION OF ONE GAS, INC.
Summary of Working Capital and Rate Base Offsets
Test Year Ended September 30, 2023

Line No.	Description	Schedule Reference	13 Month Avg. or Test Year End	Adjustment Reference	13 Month Average or TYE Per Books	Pro Forma Adjustments	Pro Forma Adjusted Average
	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6	Col. 7
1	Materials and supplies (154 - 163)	6-B	Avg.	WC 1	$18,315,019	$4,263,528	$22,578,547
2	Gas storage inventory (164.1)	6-B	Avg.		52,500,155	0	52,500,155
3	Ft. Riley (186)	6-C	Year End	WC 2	0	8,275,102	8,275,102
4	Prepayments (165)	6-D	Avg.	WC 3	1,465,528	5,274,370	6,739,898
5	Long Term Prepayments (186)	6-D	Avg.	WC 4	0	1,862,099	1,862,099
6	Accumulated Deferred Inc. Tax Liability	6-E	Year End	WC 5, 6, 7, 8, &9	(234,250,371)	14,791,788	(219,458,582)
7	Accumulated Deferred Inc. Tax Liab.- Corporate	6-E	Year End	WC 10	0	(3,186,706)	(3,186,706)
8	Excess Deferred Inc. Tax Liability	6-E	Year End	WC 11 & 12	(150,121,475)	9,130,883	(140,990,592)
9	Excess Deferred Inc. Tax Liability - Corporate	6-E	Year End	WC 13	0	(4,417,136)	(4,417,136)
10	Customer Deposits (235)	6-F	Avg.		(13,782,710)	0	(13,782,710)
11	Customer Advances (252)	6-F	Avg.		(5,160,298)	0	(5,160,298)
12	Total Working Capital				($331,034,152)	$35,993,928	($295,040,223)

KANSAS GAS SERVICE, A DIVISION OF ONE GAS, INC.
Working Capital
Gas Storage Inventory and Materials & Supplies
Test Year Ended September 30, 2023

		Corporate (**WC-1**)		Materials &Supplies		
Line No.	Month	Total Corporate Materials & Supplies	Kansas Gas Service Allocated @ 28.72%	KGS Amount Per Book Account 154	KGS Amount Per Book Account 163	Pro-Forma Total
	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6
1	September	$15,656,925	$4,496,669	$15,972,100	$130,295	$20,599,064
2	October	15,950,821	4,581,076	16,591,872	168,366	21,341,313
3	November	15,141,905	4,348,755	16,283,369	81,127	20,713,252
4	December	15,325,687	4,401,537	16,798,750	415,013	21,615,301
5	January	13,669,476	3,925,873	16,987,215	398,389	21,311,478
6	February	15,330,979	4,403,057	17,630,904	484,055	22,518,016
7	March	15,243,513	4,377,937	18,262,519	367,620	23,008,077
8	April	15,825,574	4,545,105	18,812,613	372,636	23,730,354
9	May	14,436,536	4,146,173	19,101,197	147,822	23,395,192
10	June	13,521,402	3,883,347	19,721,884	(34,278)	23,570,953
11	July	14,058,233	4,037,525	20,013,296	14,407	24,065,228
12	August	13,198,879	3,790,718	19,658,531	(58,258)	23,390,992
13	September	15,627,082	4,488,098	20,001,252	(227,457)	24,261,893
14	Total	$192,987,013	$55,425,870	$235,835,504	$2,259,738	$293,521,113
15	13 month average	$14,845,155	**$4,263,528**	**$18,141,193**	**$173,826**	**$22,578,547**

KANSAS GAS SERVICE, A DIVISION OF ONE GAS, INC.
Working Capital
Gas Storage Inventory and Materials & Supplies
Test Year Ended September 30, 2023

Line No.	Month	Gas Storage Inventory: Amount Per Book Account 164.1
	Col. 1	Col. 2
1	September	$108,369,415
2	October	107,375,139
3	November	94,851,173
4	December	78,763,497
5	January	50,440,840
6	February	30,616,706
7	March	17,661,504
8	April	22,562,429
9	May	25,748,991
10	June	29,268,603
11	July	33,224,125
12	August	39,496,295
13	September	44,123,297
14	Total	$682,502,015
15	13 month average	**$52,500,155**

KANSAS GAS SERVICE, A DIVISION OF ONE GAS, INC.
Working Capital
Fort Riley
Test Year Ended September 30, 2023

Line No.	Description Col. 1	Plant in Service Col. 2	Retirements Col. 3	Accumulated Reserve Col. 4	Net Col. 5
1	Fort Riley Plant	$8,821,864	($24,221)	($522,541)	$8,275,102
2	Net Plant in Service **(WC 2)**				$8,275,102

KANSAS GAS SERVICE, A DIVISION OF ONE GAS, INC.
Working Capital
Term Prepayments
Test Year Ended September 30, 2023

Line No.	Month	Corporate: Total Corporate Prepayments	Corporate: Kansas Gas Service Allocated @ 30.39%	Account 165 Amount Per Book Direct 165	Pro-Forma Total
	Col. 1	Col. 2	Col. 3	Col. 4	Col 5 (Col. 3 + Col. 4)
1	September	$15,215,175	$4,623,892	$933,084	$5,556,976
2	October	14,301,448	4,346,210	719,206	5,065,416
3	November	15,579,649	4,734,655	2,369,148	7,103,804
4	December	15,665,212	4,760,658	2,121,185	6,881,843
5	January	17,674,767	5,371,362	1,875,337	7,246,699
6	February	19,371,658	5,887,047	1,627,038	7,514,085
7	March	18,808,024	5,715,759	1,371,630	7,087,389
8	April	17,595,716	5,347,338	1,136,704	6,484,042
9	May	19,135,449	5,815,263	1,870,685	7,685,948
10	June	19,438,325	5,907,307	1,618,015	7,525,322
11	July	19,239,329	5,846,832	1,379,302	7,226,134
12	August	17,562,588	5,337,271	1,132,869	6,470,139
13	September	16,035,603	4,873,220	897,656	5,770,875
14	Total	$225,622,942	$68,566,812	$19,051,859	$87,618,671
15	13 month average	$17,355,611	$5,274,370	$1,465,528	$6,739,898
16	Distrigas %	30.39%			
17	Kansas Gas Service Allocated Portion **(WC 3)**	$5,274,370			

KANSAS GAS SERVICE, A DIVISION OF ONE GAS, INC.
Working Capital
Long Term Prepayments
Test Year Ended September 30, 2023

Line No.	Month	Corporate: Total Corporate Prepayments	Corporate: Kansas Gas Service Allocated @ 30.39%	Account 186 Amount Per Book Direct 186	Pro-Forma Total
	Col. 1	Col. 2	Col. 3	Col. 4	Col 5 (Col. 3 + Col. 4)
1	September	$4,597,111	$1,397,062	$0	$1,397,062
2	October	4,378,340	1,330,577	0	1,330,577
3	November	4,102,906	1,246,873	0	1,246,873
4	December	5,898,484	1,792,549	0	1,792,549
5	January	5,929,095	1,801,852	0	1,801,852
6	February	5,690,601	1,729,374	0	1,729,374
7	March	6,215,975	1,889,035	0	1,889,035
8	April	5,997,729	1,822,710	0	1,822,710
9	May	5,784,682	1,757,965	0	1,757,965
10	June	7,387,613	2,245,096	0	2,245,096
11	July	7,407,171	2,251,039	0	2,251,039
12	August	8,516,539	2,588,176	0	2,588,176
13	September	7,749,201	2,354,982	0	2,354,982
14	Total	$79,655,445	$24,207,290	$0	$24,207,290
15	13 month average	$6,127,342	$1,862,099	$0	$1,862,099
16	Distrigas %	30.39%			
17	Kansas Gas Service Allocated Portion **(WC 4)**	$1,862,099			

KANSAS GAS SERVICE, A DIVISION OF ONE GAS, INC.
Working Capital
Deferred Taxes
Test Year Ended September 30, 2023

Line No.	Description	9/30/2023 Balance	Pro Forma Adjustments	Pro Forma Balance
	Col. 1	Col. 2	Col. 3	Col. 4
	Accumulated Deferred Income Taxes			
	Kansas Gas Service			
1	283.0 Accumulated Deferred Taxes Current	$0		$0
2	283.0 Accumulated Deferred Federal/State Income Tax	(267,276,876)		(267,276,876)
3	283.0 Accumulated Deferred Federal/State ODC NOL	33,013,868		33,013,868
4	182.3 Regulatory Asset - Flow Through	12,637		12,637
5	ADIT associated with Pension/OPEB Funding **(WC 5)**		19,966,493	19,966,493
6	Reduction to NOL **(WC 6)**		(6,282,196)	(6,282,196)
7	ADIT associated with COGR Over/Under **(WC 7)**		1,107,491	1,107,491
8	Tax timing differences associated with URI **(WC 8)**		67,133,255	67,133,255
9	Net operating loss associated with URI **(WC 9)**		(67,133,255)	(67,133,255)
10	Total Accumulated Deferred Income Taxes	($234,250,371)	$14,791,788	($219,458,582)
	ONE Gas			
11	Accumulated Deferred Income Taxes **(WC 10)**		Assignment	$ (3,186,706)
	Excesss Deferred Income Taxes			
	Kansas Gas Service			
12	254.0 Accumulated Deferred Federal/State Income Tax Excess	(112,396,080)		($112,396,080)
13	254.0 Accumulated Deferred Federal/State ODC NOL Excess	29,063,136		$29,063,136
14	254.0 Accumulated Deferred Federal/State - State Rate Change	(66,788,531)		($66,788,531)
15	EDIT Removal for Pension/OPEB/PGA/NOL **(WC 11)**		(901,196)	($901,196)
16	EDIT Removal for Pension/OPEB/PGA/NOL - State Rate Change **(WC 12)**		10,032,079	$10,032,079
17	Total Excess Deferred Income Taxes	($150,121,475)	$9,130,883	($140,990,592)
	ONE Gas			
18	Excess Deferred Inc. Tax Liability - Corporate **(WC 13)**		Assignment	$ (4,417,136)

KANSAS GAS SERVICE, A DIVISION OF ONE GAS, INC.
Working Capital
Customer Deposits and Customer Advances
Test Year Ended September 30, 2023

Line No.	Month	Customer Deposits Amount Per Book Account 235	Customer Advances Amount Per Book Account 252
	Col. 1	Col. 2	Col. 3
1	September	13,701,329	$5,043,843
2	October	13,761,956	5,031,750
3	November	13,881,272	5,026,058
4	December	13,957,752	5,032,028
5	January	14,033,885	5,019,690
6	February	14,117,638	5,023,927
7	March	14,137,415	5,013,885
8	April	13,964,360	5,022,911
9	May	13,750,467	5,362,911
10	June	13,538,211	5,374,603
11	July	13,448,482	5,374,063
12	August	13,406,820	5,371,693
13	September	13,475,640	5,386,511
14	Total	$179,175,227	$67,083,875
15	13 month average	$13,782,710	$5,160,298

KANSAS GAS SERVICE, A DIVISION OF ONE GAS, INC
Test Year Ended September 30, 2023
ONE Gas Capital Structure

Applied Consolidated Capital Structure
Capital Structure as of December 31, 2023

Line No.	Description	Schedule Reference	ONE Gas December 31, 2023 Balance	Capitalization Ratios	Related Costs	Cost of Capital
	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6
1	Long term debt	7-B	$1,876,669,799	40.42%	4.3993%	1.7783%
2	Common equity		2,765,878,165	59.58%	10.2500%	6.1066%
	Total Capitalization		$4,642,547,964	100%		7.8849%

Line No.	Issue Date	Series	Gross Amount	Original Issuance Cost	Original Discount	Loss on Reacquired	Net Proceeds
		Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6
1	5/4/2020	2.00% 2030 $300MM	$ 300,000,000	$ 2,856,327	$ 1,572,000		$ 295,571,673
2	1/27/2014	4.658% 2044 $600MM	$ 600,000,000	$ 6,293,408	$ -		$ 593,706,592
3	11/5/2018	4.50% 2048 $400MM	$ 400,000,000	$ 4,244,005	$ 4,352,000		$ 391,403,995
4	8/4/2022	4.25% 2032 $300MM	$ 300,000,000	$ 2,712,616	$ 2,409,000		$ 294,878,384
5	12/13/2023	5.10% 2029 $300MM (1)	$ 300,000,000	$ 2,508,002	$ 417,000		$ 297,074,998
6		6.5%, 6.875%, and 8.7%				$ 3,435,085	
7		Total debt capital (2)	$ 1,900,000,000	$ 18,614,358	$ 8,750,000	$ 3,435,085	$ 1,872,635,642

Line No.	Issue Date	Series	Interest Rate Coupon Rate	Annual Interest	Using the Effective Interest Rate Method	Annual Cost
			Col. 7	Col. 8	Col. 9	Col. 10
8	5/4/2020	2.00% 2030 $300MM	2.000%	$ 6,494,880	2.16%	$ 6,494,880
9	1/27/2014	4.658% 2044 $600MM	4.658%	$ 28,342,506	4.72%	$ 28,342,506
10	11/5/2018	4.50% 2048 $400MM	4.500%	$ 18,533,213	4.63%	$ 18,533,213
11	8/4/2022	4.25% 2032 $300MM	4.250%	$ 13,390,540	4.46%	$ 13,390,540
12	12/13/2023	5.10% 2029 $300MM (1)	5.10%	$ 15,951,632	5.32%	$ 15,951,632
13		6.5%, 6.875%, and 8.7%		$ 723,175		$ 723,175
14		Total debt capital (2)		$ 83,435,946		$ 83,435,946
				Weighted Average Cost of Debt	**4.3993%**	

(1) Includes note issued on December 13, 2023
(2) Excludes KGSS-I debt, $300M 3.61% senior note maturing February 1, 2024 and $473M 1.10% Winter Storm Uri note maturing March 11, 2024

KANSAS GAS SERVICE, A DIVISION OF ONE GAS, INC
Test Year Ended September 30, 2023
ONE Gas Capital Structure

Consolidated Capital Structure
Test Year End

Line No.	Description	Schedule Reference	September 30, 2023 Balance	Capitalization Ratios	Related Costs	Cost of Capital
	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6
1	Long term debt		$1,879,220,859	41.52%	4.1454%	1.7212%
2	Common equity		2,646,746,835	58.48%	N/A	N/A
	Total Capitalization		$4,525,967,693	100%		N/A

Test Year Beginning

Line No.	Description	Schedule Reference	September 30, 2022 Balance	Capitalization Ratios	Related Costs	Cost of Capital
	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6
3	Long term debt		$1,878,200,306	43.43%	4.1470%	1.8011%
4	Common equity		2,446,274,717	56.57%	N/A	N/A
	Total Capitalization		$4,324,475,023	100%		N/A

KANSAS GAS SERVICE, A DIVISION OF ONE GAS, INC
Historical Interest Coverage
12 Months Ending

Line No.	Description	2020	2021	2022	September 30, 2022	September 30, 2023
	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6
	Revenues					
1	Operating revenues	$477,687,989	$547,500,038	$789,811,216	$708,007,404	$789,338,704
2	Non-operating revenues	56,733,595	59,078,639	63,943,260	62,290,650	67,309,786
3	Total	$534,421,584	$606,578,677	$853,754,476	$770,298,054	$856,648,490
	Expenses					
4	Operating expenses	$460,729,358	$533,407,259	$772,976,620	$692,471,971	$773,172,492
5	Miscellaneous deductions	(2,079,819)	(1,123,455)	2,316,657	2,455,862	(1,086,402)
6	Total	$458,649,539	$532,283,804	$775,293,277	$694,927,833	$772,086,090
7	Net revenues	$75,772,045	$74,294,873	$78,461,199	$75,370,220	$84,562,400
8	Income taxes included in line 4 above	5,461,561	3,754,262	3,144,654	3,099,987	4,086,712
9	Net earnings available for interest	$81,233,606	$78,049,135	$81,605,853	$78,470,207	$88,649,112
10	Annual interest on bonds outstanding	$21,799,640	$24,061,168	$31,181,055	$27,706,062	$30,682,964
11	Interest coverage (Line 9 / Line 10)	3.73	3.24	2.62	2.83	2.89

KANSAS GAS SERVICE, A DIVISION OF ONE GAS, INC.
Balance Sheet
Balance as of

Line No.	Account Number	Description	December 31, 2020	December 31, 2021	December 31, 2022	September 30, 2022	September 30, 2023
		Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6
		ASSETS AND OTHER DEBITS					
		Utility Plant					
1	101-106	Utility plant	$2,112,478,021	$2,200,477,125	$2,313,034,060	$2,279,835,686	$2,410,872,769
2	107	Construction work in progress	10,783,236	20,474,044	16,871,629	19,394,819	23,430,871
3	108,111	Less: Accumulated depreciation	(695,660,309)	(730,260,513)	(762,999,265)	(754,288,042)	(791,876,703)
			1,427,600,947	1,490,690,656	1,566,906,424	1,544,942,463	1,642,426,937
4	114	Acquisition Adjustment	$51,209,236	$51,209,236	$51,209,236	$51,209,236	$51,209,236
5	115	Accumulated Amortization of Acquisition	(1,270,429)	(1,270,429)	(1,270,429)	(1,270,429)	(1,270,429)
6		Net utility plant	$1,477,539,754	$1,540,629,462	$1,616,845,231	$1,594,881,270	$1,692,365,743
7	117	Gas stored underground - noncurrent	$0	$0	$0	$0	$0
8	121,122,123.1,124	Other Property and Investments	$0	$0	$0	$0	$0
		Current and Accrued Assets					
9	131	Cash	($54,326,048)	($490,960,673)	($127,784,764)	($446,406,535)	($17,605,541)
10	134	Special deposits	0	0	0	0	0
11	135	Working funds	0	0	0	0	0
12	136	Temporary cash investments	0	0	0	0	0
13	141-146	Receivables (Less: Provision for uncollectible accounts)	126,586,574	149,525,142	201,756,083	41,758,080	38,357,393
14	154	Plant material and operating supplies	14,625,306	14,101,778	16,798,750	15,972,100	20,001,252
15	156	Other materials and supplies	0	0	0	0	0
16	163	Stores expense undistributed	106,880	259,448	415,013	130,295	(227,457)
17	164.1	Gas stored underground - current	21,351,595	45,008,422	78,763,498	108,369,415	44,123,297
18	165	Prepayments	1,714,236	1,986,984	2,121,185	933,084	897,656
19	174	Miscellaneous current and accrued assets	0	219,752	0	1,833,579	0
20		Total current and accrued assets	$110,058,543	($279,859,147)	$172,069,765	($277,409,982)	$85,546,600

Line No.	Account Number	Description	December 31, 2020	December 31, 2021	December 31, 2022	September 30, 2022	September 30, 2023
		Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6
		ASSETS AND OTHER DEBITS (cont.)					
		Deferred Debits					
1	181	Unamortized debt discount and expense	$0	$0	$0	$0	$0
2	182.1	Extraordinary property losses	0	0	0	0	0
3	182.3	Other regulatory assets	65,076,251	74,348,875	74,475,975	77,293,097	68,437,033
4	184	Clearing accounts	2,395,560	2,808,974	3,953,650	1,804,031	(26,144)
5	186	Miscellaneous deferred debits	64,970,212	43,170,534	44,610,749	56,676,282	44,453,858
6	189	Unamortized loss on reacquired debt	0	0	0	0	0
7	190	Accumulated deferred income taxes	0	0	0	0	0
8	191	Unrecovered purchased gas cost	16,501,931	428,455,690	34,914,064	365,616,770	16,170,440
9		Total deferred debits	$148,943,954	$548,784,073	$157,954,438	$501,390,181	$129,035,187
10		Total assets and other debits	$1,736,542,251	$1,809,554,388	$1,946,869,434	$1,818,861,469	$1,906,947,530
		LIABILITIES AND OTHER CREDITS					
		Proprietary Capital					
11	201	Common stock issued	$0	$0	$0	$0	$0
12	204	Preferred stock issued	0	0	0	0	0
13	207	Premium on capital stock	0	0	0	0	0
14		Gain/(Loss) on reacquired stock	0	0	0	0	0
15	211	Other paid-in-capital	642,637,277	642,637,277	654,137,277	642,637,277	654,137,277
16	216	Retained earnings	97,555,166	103,788,871	114,569,015	130,393,701	147,773,136
17	217	Reacquired capital stock	0	0	0	0	0
18		Total proprietary capital	$740,192,443	$746,426,148	$768,706,292	$773,030,978	$801,910,413
		Other Noncurrent Liabilities					
19	224	Other Long Term Debt	$0	$0	$0	$0	$0
20	227	Obligations under capital leases	0	0	0	0	0
21		Total other noncurrent liabilities	$0	$0	$0	$0	$0

Line No.	Account Number	Description	December 31, 2020	December 31, 2021	December 31, 2022	September 30, 2022	September 30, 2023
		Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6
		LIABILITIES AND OTHER CREDITS (cont.)					
		Current and Accrued Liabilities					
1	231	Notes payable	$0	$0	$0	$0	$0
2	232	Accounts payable	35,633,950	73,520,139	124,374,020	72,106,488	57,109,165
3	233	Long Term Debt	486,700,000	469,860,000	548,360,000	469,860,000	548,360,000
4	234	Accounts payable to associated companies	27,591,491	34,851,105	34,744,225	24,523,187	23,473,398
5	235	Customer deposits	19,455,429	14,303,976	13,957,752	13,701,329	13,475,641
6	236	Taxes accrued	32,517,056	32,352,026	37,235,242	46,167,587	50,466,277
7	237	Interest accrued	380	(544)	981	18,041	443,053
8	238	Dividends declared	0	0	0	0	0
9	239	Matured long-term debt	0	0	0	0	0
10	241	Tax collections payable	5,322,765	6,197,448	10,170,482	2,561,096	2,401,328
11	242	Miscellaneous current and accrued liabilities	8,407,382	8,699,972	6,643,720	7,027,088	11,914,613
12	243	Obligations under capital leases - current	0	0	0	0	0
13		Total current and accrued liabilities	$615,628,452	$639,784,122	$775,486,422	$635,964,816	$707,643,475
		Deferred Credits					
14	252	Customer advances for construction	$6,993,291	$6,655,808	$5,032,028	$5,043,844	$5,386,511
15	253	Other deferred credits	7,847,649	25,320,720	12,000,815	14,384,365	7,660,369
16	254	Other Regulatory Liabilities	213,405,284	205,504,686	195,934,470	198,856,674	188,450,113
17	255	Accumulated deferred investment tax credits	37,921	10,057	(17,399)	(10,535)	(37,721)
18		Total deferred credits	$228,284,145	$237,491,271	$212,949,914	$218,274,348	$201,459,272
		Accumulated Deferred Income Taxes					
19	283	Other	$152,437,211	$185,852,847	$189,726,806	$191,591,327	$195,934,370
20		Total accumulated deferred income taxes	$152,437,211	$185,852,847	$189,726,806	$191,591,327	$195,934,370
21		Total liabilities and other credits	$1,736,542,251	$1,809,554,388	$1,946,869,434	$1,818,861,469	$1,906,947,530

KANSAS GAS SERVICE, A DIVISION OF ONE GAS, INC.
Comparative Income Statement
Balance as of
12 Months Ending

Line No.	Account Number	Description	December 31, 2020	December 31, 2021	December 31, 2022	September 30, 2022	September 30, 2023
		Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6
1	400	Operating Revenues	$534,421,584	$606,578,677	$853,754,476	$770,298,054.00	$856,648,490
		Operating Expenses					
2	401	Operation expense	$339,586,264	$406,910,322	$641,557,010	$561,836,307	$634,468,771
3	402	Maintenance expense	18,445,305	19,350,354	18,577,086	19,602,084	18,521,651
4	403	Depreciation	68,110,389	71,766,849	74,830,826	74,048,647	77,329,304
5	404-405	Amortization and depletion	17,964	17,964	18,287	17,363	21,658
6	406	Amortization of utility plant acquisition. adj.	0	0	0	0	0
7	407	Other amortization	0	0	0	0	0
8	407.3	Regulatory debit	2,419,331	4,791,706	8,097,166	7,032,333	11,872,495
9	407.4	Regulatory credit	0	0	0	0	0
10	408.1	Taxes other than income taxes	26,724,172	26,843,666	26,779,047	26,862,808	26,899,087
11	409.1	Income taxes	8,457,954	(1,726,119)	2,094,512	(298,619)	3,403,831
12	410.1	Deferred income taxes (Dr.)	(2,996,393)	5,480,381	1,050,142	3,398,606	682,881
13	411.4	Investment tax credits, net	(35,628)	(27,864)	(27,456)	(27,558)	(27,186)
14		Total utility operating expenses	$460,729,358	$533,407,259	$772,976,620	$692,471,971	$773,172,492
15		Net utility operating income	$73,692,226	$73,171,418	$80,777,856	$77,826,083	$83,475,998
		Other Income and Deductions					
16	415	Revenues from merch., jobbing & contract	($82,363)	($66,508)	($43,062)	($1,064)	($7,744)
17	416	(Less)Costs & expense of merch, job. & cont.	346	0	0	0	0
18	417 - 417.6	Revenues from non-utility operations - net	1,284,793	657,438	664,696	679,281	686,407
19	418	Non operating rental income	0	0	0	0	0
20	418.1	Equity in earnings of subsidiary companies	0	0	0	0	0
21	419	Interest & dividend income	(7,195)	673	645	673	(93,985)
22	419.1	AFUDC	0	0	0	0	0
23	421	Misc non-operating income	1,522,378	1,198,493	(2,305,288)	(2,476,853)	1,147,821
24	421.1	Gain on disposition of property	0	0	0	0	0
25		Total other income before tax	$2,717,267	$1,790,096	($1,683,009.06)	($1,797,963)	$1,732,499
26	421.2	Loss on disposition of property	$0	$0	$0	$0	$0
27	425	Miscellaneous amortization	0	0	0	0	0
28	426	Misc Income deductions	637,448.00	666,641	633,648	657,899	646,097
29		Total other income deductions before tax	$637,448	$666,641	$633,648.00	$657,899	$646,097

Comparative Income Statement
Balance as of
12 Months Ending

Line No.	Account Number	Description	December 31, 2020	December 31, 2021	December 31, 2022	September 30, 2022	September 30, 2023
		Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6
1	409.2	Income taxes	$0	$0	$0	$0	$0
2	410.2	Deferred taxes	0	0	0	0	0
3	411.2	Provision for deferred taxes - credit	0	0	0	0	0
4	411.4	ITC	0	0	0	0	0
5	420	Less: ITC credits	0	0	0	0	0
6		Total taxes on other inc & deductions	$0	$0	$0	$0	$0
7		Total other income and deductions	$2,079,819	$1,123,455	($2,316,657)	($2,455,862)	$1,086,402
8		Income before interest charges	$75,772,045	$74,294,873	$78,461,199	$75,370,221	$84,562,400
		Interest Charges					
9	427	Interest on long-term debt	$0.00	$0	$0	$0	$0
10	428	Amortization of debt discount and expense	$368,819.00	368,819	368,819	368,819	368,819
11	429	Amortization of premium on debt (Cr.)	$0.00	0	0	0	0
12	430	Interest on debt to assoc. companies	$21,235,288.00	22,237,899	21,791,746	21,659,118	24,780,662
13	431	Other interest expense	$560,388.00	1,749,670	9,519,966	6,075,144	6,153,736
14	432	Allowance for borrowed funds used during construction (Cr.)	(364,855.00)	(295,220)	(499,476)	(397,019)	(620,253)
15		Total interest charges	$21,799,640	$24,061,168	$31,181,055.10	$27,706,062	$30,682,964
		Extraordinary Items					
16	434 - 435	Extraordinary income - net	$0	$0	$0	$0	$0
17	409.3	Income taxes	0	0	0	0	0
18		Extraordinary Items after taxes	$0	$0	$0	$0	$0
19		Net income	$53,972,405	$50,233,705	$47,280,144	$47,664,159	$53,879,436

KANSAS GAS SERVICE, A DIVISION OF ONE GAS, INC.

Statement of Retained Earnings

Balance as of

12 Months Ending

Line No.	Account Number	Description	December 31, 2020	December 31, 2021	December 31, 2022	September 30, 2022	September 30, 2023
		Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6
		RETAINED EARNINGS					
1	216	Retained earnings, beginning balance	$90,782,760	$97,555,166	$103,788,871	$126,729,542	$130,393,701
		Additions:					
2	433	Net income	$53,972,405	$50,233,705	$47,280,144	$47,664,159	$53,879,436
		Less:					
3	439	Adjustments to retained earnings	($47,199,999)	($44,000,000)	($36,500,000)	($44,000,000)	($36,500,001)
4	437	Dividends declared -preferred stock	0	0	0		0
5	438	Dividends declared - common stock	0	0	0		0
6	131	Dividends to parent	0	0	0		0
7		Total adjustment and dividends declared	($47,199,999)	($44,000,000)	($36,500,000)	($44,000,000)	($36,500,001)
8	216	Retained earnings, ending balance	$97,555,166	$103,788,871	$114,569,015	$130,393,701	$147,773,136

KANSAS GAS SERVICE, A DIVISION OF ONE GAS, INC.
Operating Revenues by Primary Account
Balance as of
12 Months Ending

Line No.	Account Number	Description	December 31, 2020	December 31, 2021	December 31, 2022	September 30, 2022	September 30, 2023
		Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6
		OPERATING REVENUE					
		Gas Service Revenue					
1	480	Residential sales	$396,407,074	$446,717,041	$622,958,448	$560,856,360	$621,539,771
2	481	Non-Residential sales	81,019,204	99,798,727	165,142,460	145,471,492	166,065,965
3		Total sales to ultimate customers	$477,426,278.00	$546,515,768.00	$788,100,908.00	$706,327,852.29	$787,605,736
4	482	Other Sales to Public Authorities	$0	$787,995	$1,404,348	$1,404,348	$1,404,348
5	483	Sales for resale	261,711	196,275	305,960	275,204	328,620
		Total gas service revenue	$477,687,989.00	$547,500,038.04	$789,811,216.00	$708,007,403.84	$789,338,704
		Other Operating Revenue					
6	487	Forfeited discounts	$462,182	$608	$2,051	$1,797	$951,694
7	488	Miscellaneous service revenues	1,863,509	1,845,958	1,968,157	1,880,140	2,270,107
8	489	Revenue from transmission of gas of others	54,110,948	56,930,791	61,588,074	60,053,052	63,527,237
9	491	Revenue from natural gas processed by others	8,959	21,445	23,214	26,939	9,645
10	493	Rent from gas property	198,772	198,772	198,772	198,772	183,464
11	495	Other gas revenue (inc. acct 412&414)	89,225	81,065	162,993	129,950	367,639
12		Total other operating revenue	$56,733,595.00	$59,078,639.00	$63,943,260.00	$62,290,649.67	$67,309,786
13		Total gas operating revenue	$534,421,584.00	$606,578,677.00	$853,754,476.00	$770,298,054.00	$856,648,490

Operating Expenses by Primary Account
Balance as of
12 Months Ending

Line No.	Account Number	Description	December 31, 2020	December 31, 2021	December 31, 2022	September 30, 2022	September 30, 2023
		Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6
		OPERATIONS AND MAINTENANCE EXPENSES					
		Natural Gas Production and Gathering					
		Operation					
1	750	Operation supervision and engineering	$0	$0	$0	$0	$0
2	751	Production maps and records	0	0	0	0	0
3	753	Field lines expense	0	0	0	0	0
4	754	Field compressor station expenses	0	0	0	0	0
5	755	Field compressor station fuel and power	0	0	0	0	0
6	756	Field measuring and regulating station expenses	0	0	0	0	0
7	757	Purification expenses	0	0	0	0	0
8	759	Other expenses	0	0	0	0	0
9	760	Rents	0	0	0	0	0
10		Total operation	$0	$0	$0	$0	$0
		Maintenance					
11	761	Maintenance supervision and engineering	$0	$0	$0	$0	$0
12	762	Maintenance of structures and improvements	0	0	0	0	0
13	764	Maintenance of field lines	0	0	0	0	0
14	765	Maintenance of field compressor station equip.	0	0	0	0	0
15	766	Maintenance of field meas. and reg. sta. equip.	0	0	0	0	0
16	767	Maintenance of purification equipment	0	0	0	0	0
17	769	Maintenance of other equipment	0	0	0	0	0
18		Total maintenance	$0	$0	$0	$0	$0
19		Total natural gas production and gathering	$0	$0	$0	$0	$0

Operating Expenses by Primary Account
Balance as of
12 Months Ending

Line No.	Account Number	Description	December 31, 2020	December 31, 2021	December 31, 2022	September 30, 2022	September 30, 2023
		Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6
		Products Extraction					
		Operation					
1	776	Operations and Supplies expense	$0	$0	$0	$0	$0
2	777	Gas processed by others	14,136	15,107	14,051	14,441	7,418
3		Total products extraction	$14,136	$15,107	$14,051	$14,441	$7,418
		Other Gas Supply Expenses					
		Operation					
4	805	Other gas purchases	$191,569,765	$257,303,090	$486,800,711	$409,113,751	$473,509,077
5		Total purchased gas	$191,569,765	$257,303,090	$486,800,711	$409,113,751	$473,509,077
		Purchased Gas Expenses					
6	807.1	Well expenses- purchased gas	$0	$0	$0	$0	$0
7	807.2	Operation of purchased gas measuring stations	0	0	0	0	0
8	807.3	Maintenance of purchased gas measuring stations	0	0	0	0	0
9	807.4	Purchased gas calculations expenses	0	0	0	0	0
10	807.5	Other purchased gas expenses	1,248,213	1,244,771	1,247,532	1,245,925	1,242,314
11		Total purchased gas expenses	$1,248,213	$1,244,771	$1,247,532	$1,245,925	$1,242,314
		Gas Used in Utility Operations					
12	810	Gas used for compressor station fuel	($61,552)	($137,121)	($200,039)	($203,391)	($177,069)
13	811	Gas used for products extraction	(14,136)	(15,107)	(14,051)	(14,441)	(7,418)
14	812	Gas used for other utility operations	(10,866)	(15,117)	(16,946)	(18,272)	(27,109)
15		Total gas used in utility operations	($86,554)	($167,345)	($231,036)	($236,104)	($211,596)
16	813	Other gas supply expenses	$1,289,135	$1,284,895	$1,306,563	$1,302,958	$1,318,268
17		Total other gas supply expenses	$194,020,559	$259,665,411	$489,123,770	411,426,530	475,858,063
18		Total production expenses	$194,034,695	$259,680,518	$489,137,821	$411,440,971	$475,865,481

KANSAS GAS SERVICE, A DIVISION OF ONE GAS, INC.
Operating Expenses by Primary Account
Balance as of
12 Months Ending

Line No.	Account Number	Description	December 31, 2020	December 31, 2021	December 31, 2022	September 30, 2022	September 30, 2023
		Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6
		Underground Storage Expenses					
		Operation					
1	814	Operation, supervision and engineering	$0	$0	$0	$0	$0
2	815	Maps and records	0	0	0	0	0
3	816	Wells expenses	0	0	0	0	0
4	817	Lines expenses	0	0	0	0	0
5	818	Compressor station expenses	0	0	0	0	0
6	819	Compressor station fuel and power	53,629	76,311	133,400	135,300	63,057
7	820	Measuring and regulating station expenses	0	0	0	0	0
8	821	Purification expenses	6,320	6,950	3,279	5,277	0
9	822	Exploration and development	0	0	0	0	0
10	823	Gas losses	0	0	0	0	0
11	824	Other expenses	76	0	0	0	0
12	825	Storage well royalties	0	0	0	0	0
13	826	Rents	0	0	0	0	0
14		Total operation	$60,025	$83,261	$136,679	$140,577	$63,057
		Maintenance					
15	830	Maintenance, supervision and engineering	$0	$0	$0	$0	$0
16	831	Maintenance of structures and improvements	0	0	0	0	0
17	832	Maintenance of reservoirs and wells	0	0	0	0	0
18	833	Maintenance of lines	0	0	0	0	0
19	834	Maintenance of compressor station equipment	0	0	0	0	0
20	835	Maintenance of measuring & reg. station equipment	0	0	0	0	0
21	836	Maintenance of purification equipment	0	0	0	0	308
22	837	Maintenance of other equipment	0	0	0	0	0
23		Total maintenance	$0	$0	$0	$0	$308
24		Total underground storage expenses	$60,025	$83,261	$136,679	$140,577	$63,365

Operating Expenses by Primary Account
Balance as of
12 Months Ending

Line No.	Account Number	Description	December 31, 2020	December 31, 2021	December 31, 2022	September 30, 2022	September 30, 2023
		Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6
		Transmission Expenses					
		Operation					
1	850	Operation supervision and engineering	$195,564	$213,443	$189,734	$206,845	$138,475
2	851	System control and load dispatching	717,073	697,142	680,132	$684,897	700,648
3	852	Communication system expense	0	0	0	$0	0
4	853	Compressor station labor and expense	615,817	655,285	569,854	$625,585	635,534
5	854	Gas for compressor station fuel	7,923	60,810	66,639	$68,092	114,012
6	855	Other fuel and power for compressor stations	7,323	9,293	9,614	$9,237	10,369
7	856	Mains expenses	3,528,939	3,381,834	3,569,465	$3,635,277	3,890,735
8	857	Measuring and regulating station expenses	620,665	613,244	549,939	$564,025	579,145
9	858	Transmission and compression of gas by others	0	0	0	$0	0
10	859	Other expenses	262,714	274,798	192,724	$177,427	208,119
11	860	Rents	8,184	10,284	6,238	$7,228	6,676
12		Total operation	$5,964,202	$5,916,133	$5,834,339	$5,978,613	$6,283,713
		Maintenance					
13	861	Maintenance supervision and engineering	$98,918	$102,138	$103,422	$101,678	$82,621
14	862	Maintenance of structures and improvements	3,951	3,705	16,412	14,554	5,372
15	863	Maintenance of mains	457,732	688,317	364,453	681,026	377,887
16	864	Maintenance of compressor station equipment	245,946	245,668	265,464	241,523	329,896
17	865	Maintenance of meas. & regulating station equip.	418,946	353,633	308,299	327,675	316,044
18	866	Maintenance of communication equipment	0	0	0	0	0
19	867	Maintenance of other equipment	0	0	0	0	65
20		Total maintenance	$1,225,493	$1,393,461	$1,058,050	$1,366,456	$1,111,885
21		Total transmission expenses	$7,189,695	$7,309,594	$6,892,389	$7,345,069	$7,395,598

KANSAS GAS SERVICE, A DIVISION OF ONE GAS, INC.
Operating Expenses by Primary Account
Balance as of
12 Months Ending

Line No.	Account Number	Description	December 31, 2020	December 31, 2021	December 31, 2022	September 30, 2022	September 30, 2023
		Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6
		Distribution Expenses					
		Operation					
1	870	Operation supervision and engineering	$1,927,081	$1,972,538	$1,831,894	$1,836,896	$1,848,599
2	871	Distribution load dispatching	724,910	701,712	685,119	$687,055	702,933
3	874	Mains and services expense	14,754,579	15,848,493	20,250,591	$19,165,060	20,942,242
4	875	Meas. and reg. sta. expenses - general	2,361,135	2,219,813	2,311,769	$2,353,079	2,385,840
5	876	Meas. and reg. sta. expenses - industrial	319,202	264,726	242,874	$253,978	178,430
6	877	Meas. and reg. sta. expenses - city gate	122,836	38,635	184,719	$172,995	146,236
7	878	Meter and house regulator expenses	8,051,743	8,920,413	11,500,763	$10,525,150	12,180,552
8	879	Customer installations expenses	3,621,924	3,280,851	2,466,211	$2,685,810	2,377,159
9	880	Other expenses	1,370,225	2,739,401	3,041,807	$3,050,791	3,123,890
10	881	Rents	8,617	5,789	22,124	$15,426	43,724
11		Total operation	$33,262,252	$35,992,371	$42,537,871	$40,746,240	$43,929,605
		Maintenance					
12	885	Maintenance, supervision and engineering	$468,452	$542,196	$548,560	$547,717	$516,817
13	886	Maintenance of structures and improvements	1,537,061	1,726,588	1,935,164	2,038,558	1,814,600
14	887	Maintenance of mains	9,876,678	10,396,713	10,581,716	10,872,200	10,539,891
15	889	Maint. of meas. and reg. sta. equip. - general	1,176,788	1,315,891	1,428,765	1,452,082	1,423,540
16	890	Maint. of meas. and reg. sta. equip. - industrial	437,732	124,597	80,742	78,757	51,901
17	891	Maint. of meas. and reg. sta. equip. - city gate	230,416	276,083	231,548	225,581	214,311
18	892	Maintenance of services	1,857,651	1,770,947	1,705,256	1,725,570	1,917,349
19	893	Maintenance of meters and house regulators	1,124,852	1,209,912	606,271	824,418	416,109
20	894	Maintenance of other equipment	0	0	0	0	0
21		Total maintenance	$16,709,630	$17,362,927	$17,118,022	$17,764,883	$16,894,518
22		Total distribution expenses	$49,971,882	$53,355,298	$59,655,893	$58,511,123	$60,824,123

KANSAS GAS SERVICE, A DIVISION OF ONE GAS, INC.
Operating Expenses by Primary Account
Balance as of
12 Months Ending

Line No.	Account Number	Description	December 31, 2020	December 31, 2021	December 31, 2022	September 30, 2022	September 30, 2023
		Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6
		Customer Accounts Expense					
1	901	Supervision	$232,204	$285,588	$185,964	$258,793	$73,016
2	902	Meter reading expenses	2,277,275	2,198,376	2,164,960	2,179,711	2,167,724
3	903	Customer records and collection expense	9,217,675	9,308,283	8,559,797	8,758,993	9,224,593
4	904	Uncollectible accounts	5,658,435	2,399,327	3,093,874	1,136,212	4,671,094
5	905	Miscellaneous customer accounts expense	925,397	938,604	1,014,137	1,007,217	989,963
6		Total customer accounts expenses	$18,310,986	$15,130,178	$15,018,732	$13,340,926	$17,126,390
		Customer Service and Informational Expenses					
7	907	Supervision	$0	$0	$250	$0	$250
8	908	Customer assistance expenses	140,295	136,284	201,408	179,707	252,632
9	909	Informational and instructional expenses	960	99,077	108,664	94,498	131,684
10	910	Misc. customer service & informational expenses	0	0	0	0	0
11		Total customer. service and informational expenses	$141,255	$235,361	$310,322	$274,205	$384,566
		Sales Expense					
12	911	Supervision	$0	$0	$0	$0	$0
13	912	Demonstrating and selling expenses	431,198	435,784	452,434	444,966	477,858
14	913	Advertising expenses	385	1,555	0	0	2,047
15	916	Miscellaneous sales expenses	0	0	0	0	0
16		Total sales expenses	$431,583	$437,339	$452,434	$444,966	$479,905

KANSAS GAS SERVICE, A DIVISION OF ONE GAS, INC.
Operating Expenses by Primary Account
Balance as of
12 Months Ending

Line No.	Account Number	Description	December 31, 2020	December 31, 2021	December 31, 2022	September 30, 2022	September 30, 2023
		Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6
		Administrative and General Expenses					
		Operation					
1	920	Administrative and general salaries	$11,638,425	$11,390,361	$10,543,546	$11,128,639	$10,993,752
2	921	Office supplies and expenses	4,677,441	4,241,213	4,097,026	4,031,110	3,959,356
3	922	Administrative expenses transferred	(1,916,129)	(2,351,387)	(2,323,624)	(2,256,240)	(2,432,873)
4	923	Outside services employed	540,940	834,820	1,829,614	1,788,018	1,413,536
5	924	Property insurance	753,988	870,143	935,915	925,397	968,273
6	925	Injuries and damages	2,064,044	2,146,264	1,727,181	1,484,621	2,092,246
7	926	Employee pensions and benefits	21,614,035	22,576,994	20,654,378	21,479,825	19,619,071
8	927	Franchise requirements	1,697	5,192	201	2,007	130
9	928	Regulatory commission expense	959,041	854,169	1,321,651	1,153,755	1,006,594
10	929	Duplicate expenses	(402,145)	(423,765)	(484,410)	(490,658)	(441,900)
11	930.1	General advertising expense	50,154	37,652	43,788	29,158	27,489
12	930.2	Miscellaneous general expenses	45,919,717	47,788,958	48,548,275	48,893,161	51,905,190
13	931	Rents	1,480,058	1,464,547	1,235,271	1,301,016	1,225,191
14	932	Maintenance of General Plant	510,182	593,966	401,014	470,745	514,939
15		Total operation	$87,891,448	$90,029,127	$88,529,826	$89,940,554	$90,850,994
16		Total administrative and general expenses	$87,891,448	$90,029,127	$88,529,826	$89,940,554	$90,850,994
17		Total operation and maintenance expenses	$358,031,569	$426,260,676	$660,134,096	$581,438,391	$652,990,422

Line No.	Description	MCF Sales	Revenue	Average Number of Customers	MCF Sales per Customer	Revenue per MCF Sold ($)
	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6
	Residential					
1	RS - Residential Sales Service	41,107,073	$619,188,686	591,642	69	$15.0628
2	Revenue Accrual		2,351,083		N.A.	N.A.
3	Total Residential	41,107,073	$621,539,769	591,642	69	$15.1200
	Non-Residential					
4	GSS - General Sales Service Small	4,368,924	$65,081,765	37,020	118	$14.8965
5	GSL - General Sales Service Large	6,111,889	74,371,816	11,919	513	12.1684
6	GSTE - General Sales Service Transport Eligible	2,326,860	25,034,553	638	3,647	10.7589
7	GIS - Gas Irrigation Sales Service	98,735	924,935	179	551	9.3679
8	KGSSD - Kansas Gas Supply Sales Service D	0	0	0	0	0.0000
9	SGS-Small Generator Sales Service	21,026	694,401	740	28	33.0251
10	Revenue Accrual		(41,505)		N.A.	N.A.
11	Total Non-Residential	12,927,434	$166,065,965	50,496	256	$12.8460
	Sales for Resale					
12	Sales to Public Authorities	N.A.	$1,404,348	1	N.A.	N.A.
13	Sales Service For Resale	29,845	328,620	16	1,867	$11.0109
14	AAGS - As Available Gas Sales Service	0	0	0	0	N.A.
15	Revenue Accrual		0		N.A.	N.A.
16	Total Sales for Resale	29,845	$1,732,968	17	1,757	$58.0659
17	Total Sales of Gas	54,064,351	$789,338,701	642,154	84	$14.6000

Line No.	Description Col. 1	MCF Sales Col. 2	Revenue Col. 3	Average Number of Customers Col. 4	MCF Sales per Customer Col. 5	Revenue per MCF Sold ($) Col. 6
	Residential					
1	RS - Residential Sales Service	40,023,452	$551,454,170	591,669	68	$13.7783
2	Revenue Accrual		9,402,190		N.A.	N.A.
3	Total Residential	40,023,452	$560,856,360	591,669	68	$14.0132
	Non-Residential					
4	GSS - General Sales Service Small	4,110,493	$55,936,734	37,138	111	$13.6083
5	GSL - General Sales Service Large	5,776,867	64,282,086	11,858	487	11.1275
6	GSTE - General Sales Service Transport Eligible	2,086,075	21,128,786	590	3,533	10.1285
7	GIS - Gas Irrigation Sales Service	115,382	1,390,619	178	650	12.0523
8	KGSSD - Kansas Gas Supply Sales Service D	0	0	0	0	0.0000
9	SGS-Small Generator Sales Service	18,908	642,088	734	26	33.9585
10	Revenue Accrual		2,091,178		N.A.	N.A.
11	Total Non-Residential	12,107,725	$145,471,492	50,498	240	$12.0148
	Sales for Resale					
12	Sales to Public Authorities					
13	Sales Service For Resale	28,467	$273,524	17	1,675	$9.6085
14	AAGS - As Available Gas Sales Service	0	0	0	0	N.A.
15	Revenue Accrual		0		N.A.	N.A.
16	Total Sales for Resale	28,467	$273,524	17	1,675	$9.6085
17	Total Sales of Gas	52,159,644	$706,601,375	642,185	81	$13.5469

KANSAS GAS SERVICE, A DIVISION OF ONE GAS, INC.
Sales Usage, Revenues, and Customer Data
Year Ending December 2022

Line No.	Description	MCF Sales	Revenue	Average Number of Customers	MCF Sales per Customer	Revenue per MCF Sold ($)
	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6
	Residential					
1	RS - Residential Sales Service	42,818,411	$600,550,834	591,987	72	$14.0255
2	Revenue Accrual		22,407,614		N.A.	N.A.
3	Total Residential	42,818,411	$622,958,448	591,987	72	$14.5488
	Non-Residential					
4	GSS - General Sales Service Small	4,450,278	$61,427,738	37,140	120	$13.8031
5	GSL - General Sales Service Large	6,192,112	71,687,002	11,909	520	11.5771
6	GSTE - General Sales Service Transport Eligible	2,302,566	24,261,554	617	3,732	10.5367
7	GIS - Gas Irrigation Sales Service	117,734	1,453,109	176	669	12.3423
8	KGSSD - Kansas Gas Supply Sales Service D	0	0	0	0	0.0000
9	SGS-Small Generator Sales Service	20,309	668,237	736	28	32.9035
10	Revenue Accrual		5,644,820		N.A.	N.A.
11	Total Non-Residential	13,082,999	165,142,460	50,578	259	$12.6227
			159,497,640			
	Sales for Resale					
12	Sales to Public Authorities	N.A.	1,404,348	1	N.A.	N.A.
13	Sales Service For Resale	30,083	$305,960	16	1,880	$10.1705
14	AAGS - As Available Gas Sales Service	0	0	0	0	N.A.
15	Revenue Accrual		0		N.A.	N.A.
16	Total Sales for Resale	30,083	$305,960	16	1,880	$10.1705
17	Total Sales of Gas	55,931,493	788,406,868	642,581	87	$14.0959

Line No.	Description	MCF Sales	Revenue	Average Number of Customers	MCF Sales per Customer	Revenue per MCF Sold ($)
	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6
	Residential					
1	RS - Residential Sales Service	40,731,248	$433,207,018	591,117	69	$10.6357
2	Revenue Accrual		13,510,023		N.A.	N.A.
3	Total Residential	40,731,248	$446,717,041	591,117	69	$10.9674
	Non-Residential					
4	GSS - General Sales Service Small	4,036,035	$42,077,403	37,045	109	$10.4254
5	GSL - General Sales Service Large	5,568,255	44,187,243	11,649	478	7.9356
6	GSTE - General Sales Service Transport Eligible	1,146,091	8,522,022	509	2,252	7.4357
7	GIS - Gas Irrigation Sales Service	94,490	756,631	180	525	8.0075
8	KGSSD - Kansas Gas Supply Sales Service D	0	0	0	0	0.0000
9	SGS-Small Generator Sales Service	17,937	564,164	726	25	31.4525
10	Revenue Accrual		3,691,264		N.A.	N.A.
11	Total Non-Residential	10,862,808	$99,798,727	50,109	217	$9.1872
	Sales for Resale					
12	Sales to Public Authorities	N.A.	787,995	1	N.A.	N.A.
13	Sales Service For Resale	30,538	$196,275	17	1,796	$6.4272
14	AAGS - As Available Gas Sales Service	0	0	0	0	N.A.
15	Revenue Accrual		0		N.A.	N.A.
16	Total Sales for Resale	30,538	$196,275	17	1,796	$6.4272
17	Total Sales of Gas	51,624,594	$546,712,043	641,243	81	$10.5901

Line No.	Description	MCF Sales	Revenue	Average Number of Customers	MCF Sales per Customer	Revenue per MCF Sold ($)
	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6
	Residential					
1	RS - Residential Sales Service	42,081,667	$375,627,592	589,076	71	$8.9262
2	Revenue Accrual		20,779,482		N.A.	N.A.
3	Total Residential	42,081,667	$396,407,074	589,076	71	$9.4199
	Non-Residential					
4	GSS - General Sales Service Small	3,883,997	$35,240,871	36,902	105	$9.0734
5	GSL - General Sales Service Large	5,373,704	35,267,311	11,527	466	6.5629
6	GSTE - General Sales Service Transport Eligible	1,013,667	5,857,355	502	2,018	5.7784
7	GIS - Gas Irrigation Sales Service	88,336	556,624	197	450	6.3012
8	KGSSD - Kansas Gas Supply Sales Service D	0	0	0	0	0.0000
9	SGS-Small Generator Sales Service	13,291	495,642	690	19	37.2916
10	Revenue Accrual		3,601,401		N.A.	N.A.
11	Total Non-Residential	10,372,995	$81,019,204	49,818	208	$7.8106
	Sales for Resale					
12	Sales Service For Resale	52,096	$261,711	17	3,064	$5.0236
13	AAGS - As Available Gas Sales Service	0	0	0	0	N.A.
14	Revenue Accrual		0		N.A.	N.A.
15	Total Sales for Resale	52,096	$261,711	17	3,064	$5.0236
16	Total Sales of Gas	52,506,758	$477,687,989	638,911	82	$9.0976

Line No.	Description	MCF Sales	Revenue	Average Number of Customers	MCF Sales per Customer	Revenue per MCF Sold ($)
	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6
	Transmission					
1	ITt - Interruptible Gas Transportation Service	2,605,919	$735,620	N.A.	N.A.	$0.2823
2	Revenue Accrual		(8,360)		N.A.	N.A.
3	Total Transmission	2,605,919	$727,260	0	0	$0.2791
	Distribution - Retail					
4	STk - Small Transportation Service	5,800,921	$13,559,742	3,368	1,722	$2.3375
5	STt - Small Transportation Service	1,922,116	5,468,759	1,188	1,618	2.8452
6	CNGk - Compressed Natural Gas General Transp. Service	345,958	357,093	10	34,596	1.0322
7	CNGt - Compressed Natural Gas General Transp. Service	82,968	99,236	2	41,484	1.1961
8	GITt - Gas Irrigation Transportation Service	922,761	2,090,498	508	1,816	2.2655
9	LVTk - Large Volume Transportation Service Tier 1	870,257	1,549,707	168	5,194	1.7807
10	LVTk - Large Volume Transportation Service Tier 2	1,642,938	2,237,290	110	14,924	1.3618
11	LVTk - Large Volume Transportation Service Tier 3	1,966,524	2,468,046	66	29,947	1.2550
12	LVTk - Large Volume Transportation Service Tier 4	15,427,702	12,912,300	87	177,489	0.8370
13	LVTt - Large Volume Transportation Service Tier 1	141,306	352,510	25	5,638	2.4947
14	LVTt - Large Volume Transportation Service Tier 2	407,441	782,654	25	16,298	1.9209
15	LVTt - Large Volume Transportation Service Tier 3	701,179	1,296,974	26	26,968	1.8497
16	LVTt - Large Volume Transportation Service Tier 4	31,228,136	18,754,806	43	731,909	0.6006
17	Revenue Accrual		(762,160)		N.A.	N.A.
18	Total Distribution - Retail	61,460,207	$61,167,456	5,625	10,926	$0.9952
	Distribution - Sales for Resale					
19	WTt - Wholesale Transportation Service	2,956,627	$1,662,844	27	110,874	$0.5624
20	Revenue Accrual	0	(20,423)	0	N.A.	N.A.
21	Total Distribution - Sales for Resale	2,956,627	$1,642,421	27	110,874	$0.5555
22	Total Gas Transport	67,022,753	$63,537,137	5,652	11,859	$0.9480

Line No.	Description	MCF Sales	Revenue	Average Number of Customers	MCF Sales per Customer	Revenue per MCF Sold ($)
	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6
	Transmission					
1	ITt - Interruptible Gas Transportation Service	1,526,372	$618,812	27	56,532	$0.4054
2	Revenue Accrual		20,736		N.A.	N.A.
3	Total Transmission	1,526,372	$639,547	27	56,532	$0.4190
	Distribution - Retail					
4	STk - Small Transportation Service	5,838,813	$12,333,761	3,497	1,670	$2.1124
5	STt - Small Transportation Service	1,863,437	4,889,910	1,213	1,536	2.6241
6	CNGk - Compressed Natural Gas General Transp. Service	336,192	323,842	10	33,619	0.9633
7	CNGt - Compressed Natural Gas General Transp. Service	88,055	98,388	2	44,028	1.1173
8	GITt - Gas Irrigation Transportation Service	1,185,519	2,486,649	508	2,332	2.0975
9	LVTk - Large Volume Transportation Service Tier 1	1,113,047	1,639,358	180	6,185	1.4729
10	LVTk - Large Volume Transportation Service Tier 2	1,625,417	2,082,313	108	15,039	1.2811
11	LVTk - Large Volume Transportation Service Tier 3	1,791,019	2,082,050	61	29,522	1.1625
12	LVTk - Large Volume Transportation Service Tier 4	15,653,793	11,892,295	87	180,537	0.7597
13	LVTt - Large Volume Transportation Service Tier 1	385,262	700,457	27	14,181	1.8181
14	LVTt - Large Volume Transportation Service Tier 2	381,334	754,108	27	14,390	1.9776
15	LVTt - Large Volume Transportation Service Tier 3	680,639	1,190,817	25	27,072	1.7496
16	LVTt - Large Volume Transportation Service Tier 4	29,631,725	16,366,847	39	751,756	0.5523
17	Revenue Accrual		928,798		N.A.	N.A.
18	Total Distribution - Retail	60,574,252	$57,769,593	5,784	10,472	$0.9537
	Distribution - Sales for Resale					
19	WTt - Wholesale Transportation Service	3,118,076	$1,574,424	28	111,360	$0.5049
20	Revenue Accrual		20,736		N.A.	N.A.
21	Total Distribution - Sales for Resale	3,118,076	1,595,160	28	111,360	$0.5116
22	Total Gas Transport	65,218,700	$60,004,299	5,839	11,169	$0.9200

Line No.	Description Col. 1	MCF Sales Col. 2	Revenue Col. 3	Average Number of Customers Col. 4	MCF Sales per Customer Col. 5	Revenue per MCF Sold ($) Col. 6
	Transmission					
1	ITt - Interruptible Gas Transportation Service	2,036,201	$684,083	27	75,415	$0.3360
2	Revenue Accrual		37,847		N.A.	N.A.
3	Total Transmission	2,036,201	$721,930	27	75,415	$0.3545
	Distribution - Retail					
4	STk - Small Transportation Service	5,927,723	$12,706,561	3,435	1,726	$2.1436
5	STt - Small Transportation Service	1,908,455	5,067,341	1,202	1,588	2.6552
6	CNGk - Compressed Natural Gas General Transp. Service	340,555	332,022	10	34,056	0.9749
7	CNGt - Compressed Natural Gas General Transp. Service	89,442	101,089	2	44,721	1.1302
8	GITt - Gas Irrigation Transportation Service	1,228,760	2,585,853	509	2,414	2.1044
9	LVTk - Large Volume Transportation Service Tier 1	1,074,741	1,626,901	176	6,094	1.5138
10	LVTk - Large Volume Transportation Service Tier 2	1,682,789	2,161,335	108	15,570	1.2844
11	LVTk - Large Volume Transportation Service Tier 3	1,860,151	2,183,019	62	30,205	1.1736
12	LVTk - Large Volume Transportation Service Tier 4	16,017,130	12,231,461	87	184,893	0.7636
13	LVTt - Large Volume Transportation Service Tier 1	390,080	707,828	27	14,359	1.8146
14	LVTt - Large Volume Transportation Service Tier 2	372,387	747,664	27	14,052	2.0078
15	LVTt - Large Volume Transportation Service Tier 3	716,636	1,254,243	25	28,504	1.7502
16	LVTt - Large Volume Transportation Service Tier 4	29,938,629	17,019,928	39	759,542	0.5685
17	Revenue Accrual		382,262		N.A.	N.A.
18	Total Distribution - Retail	61,547,478	$59,107,507	5,709	10,781	$0.9604
	Distribution - Sales for Resale					
19	WTt - Wholesale Transportation Service	3,195,758	$1,645,050	27	118,361	$0.5148
20	Revenue Accrual		38,238		N.A.	N.A.
21	Total Distribution - Sales for Resale	3,195,758	$1,683,287	27	118,361	$0.5267
22	Total Gas Transport	66,779,437	$61,512,724	5,763	11,588	$0.9211

Line No.	Description	MCF Sales	Revenue	Average Number of Customers	MCF Sales per Customer	Revenue per MCF Sold ($)
	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6
	Transmission					
1	ITt - Interruptible Gas Transportation Service	1,633,929	$598,781	28	58,355	$0.3665
2	Revenue Accrual		(12,784)		N.A.	N.A.
3	Total Transmission	1,633,929	$585,998	28	58,355	$0.3586
	Distribution - Retail					
4	STk - Small Transportation Service	4,529,249	$11,343,001	3,698	1,225	$2.5044
5	STt - Small Transportation Service	2,002,936	5,143,600	1,258	1,592	2.5680
6	CNGk - Compressed Natural Gas General Transp. Service	333,917	310,034	10	33,392	0.9285
7	CNGt - Compressed Natural Gas General Transp. Service	84,012	90,566	2	42,006	1.0780
8	GITt - Gas Irrigation Transportation Service	904,943	1,915,574	514	1,761	2.1168
9	LVTk - Large Volume Transportation Service Tier 1	1,165,274	1,651,436	182	6,395	1.4172
10	LVTk - Large Volume Transportation Service Tier 2	1,680,669	2,068,965	112	14,973	1.2310
11	LVTk - Large Volume Transportation Service Tier 3	1,659,165	1,890,509	60	27,807	1.1394
12	LVTk - Large Volume Transportation Service Tier 4	14,426,539	10,885,695	87	165,791	0.7546
13	LVTt - Large Volume Transportation Service Tier 1	213,070	461,022	27	7,843	2.1637
14	LVTt - Large Volume Transportation Service Tier 2	438,358	783,777	27	16,542	1.7880
15	LVTt - Large Volume Transportation Service Tier 3	651,990	1,103,500	25	25,932	1.6925
16	LVTt - Large Volume Transportation Service Tier 4	28,620,262	15,688,441	39	726,095	0.5482
17	Revenue Accrual		(134,158)		N.A.	N.A.
18	Total Distribution - Retail	56,710,384	$53,201,961	6,041	9,388	$0.9381
	Distribution - Sales for Resale					
19	WTt - Wholesale Transportation Service	3,020,267	$1,523,020	28	107,867	$0.5043
20	Revenue Accrual		(21,539)		N.A.	N.A.
21	Total Distribution - Sales for Resale	3,020,267	$1,501,481	28	107,867	$0.4971
22	Total Gas Transport	61,364,580	$55,289,440	6,096	10,066	$0.9010

Line No.	Description	MCF Sales	Revenue	Average Number of Customers	MCF Sales per Customer	Revenue per MCF Sold ($)
	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6
	Transmission					
1	ITt - Interruptible Gas Transportation Service	3,527,650	$1,034,828	29	121,643	$0.2933
2	Revenue Accrual		(10,717)		N.A.	N.A.
3	Total Transmission	3,527,650	$1,024,112	29	121,643	$0.2903
	Distribution - Retail					
4	STk - Small Transportation Service	4,395,674	$10,561,278	3,703	1,187	$2.4027
5	STt - Small Transportation Service	1,913,826	4,793,169	1,278	1,498	2.5045
6	CNGk - Compressed Natural Gas General Transp. Service	312,453	280,082	10	31,245	0.8964
7	CNGt - Compressed Natural Gas General Transp. Service	79,282	82,607	2	39,641	1.0419
8	GITt - Gas Irrigation Transportation Service	882,237	1,832,629	513	1,720	2.0773
9	LVTk - Large Volume Transportation Service Tier 1	933,144	1,472,150	180	5,184	1.5776
10	LVTk - Large Volume Transportation Service Tier 2	1,634,652	1,977,756	118	13,853	1.2099
11	LVTk - Large Volume Transportation Service Tier 3	1,719,999	1,868,356	60	28,667	1.0863
12	LVTk - Large Volume Transportation Service Tier 4	14,774,849	10,197,187	88	167,896	0.6902
13	LVTt - Large Volume Transportation Service Tier 1	199,178	443,382	36	5,533	2.2261
14	LVTt - Large Volume Transportation Service Tier 2	355,508	641,976	26	13,673	1.8058
15	LVTt - Large Volume Transportation Service Tier 3	591,497	977,586	22	26,886	1.6527
16	LVTt - Large Volume Transportation Service Tier 4	29,122,652	14,695,744	46	633,101	0.5046
17	Revenue Accrual		317,144		N.A.	N.A.
18	Total Distribution - Retail	56,914,951	$50,141,045	6,082	9,358	$0.8810
	Distribution - Sales for Resale					
19	WTt - Wholesale Transportation Service	3,124,651	$1,457,399	28	111,595	$0.4664
20	Revenue Accrual		14,244		N.A.	N.A.
21	Total Distribution - Sales for Resale	3,124,651	$1,471,643	28	111,595	$0.4710
22	Total Gas Transport	63,567,252	$52,636,800	6,138	10,356	$0.8280

Line No.	Account Number	Description Col. 1	December 31, 2020 Col. 2	December 31, 2021 Col. 3	December 31, 2022 Col. 4	September 30, 2022 Col. 5	September 30, 2023 Col. 6
		Utility Plant Related Payroll					
1	106-107	Construction work in progress	$6,654,140	$5,845,006	$5,803,551	$5,687,260	$6,693,414
2	108	Plant removal	1,226,179	1,059,831	1,126,591	1,061,195	1,205,248
3	154	Materials	0	0	0	0	0
4	163	Stores Expense	1,783,014	1,775,458	1,746,187	1,743,029	1,739,102
5	184	Clearing Accounts	20,065,733	20,707,020	22,163,162	20,115,115	21,649,773
6		Other	168,529	261,051	39,292	39,292	0
7		Total utility plant related payroll	$29,897,595	$29,648,366	$30,878,783	$28,645,892	$31,287,536
		Operation and Maintenance Related Payroll Expenses					
		Natural Gas Production and Gathering Operation					
8	750	Operation, supervision and engineering	$0	$0	$0	$0	$0
9	751	Maps and records	0	0	0	0	0
10	753	Field lines expense	0	0	0	0	0
11	754	Field compressor station expenses	0	0	0	0	0
12	755	Field compressor station expenses	0	0	0	0	0
13	756	Field measuring and regulating station expenses	0	0	0	0	0
14	757	Purification expense	0	0	0	0	0
15	759	Other expenses	0	0	0	0	0
16	760	Rents	0	0	0	0	0
17		Total operation	$0	$0	$0	$0	$0

Line No.	Account Number	Description	December 31, 2020	December 31, 2021	December 31, 2022	September 30, 2022	September 30, 2023
		Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6
		Natural Gas Production and Gathering (cont.)					
		Maintenance					
1	761	Maintenance, supervision and engineering	$0	$0	$0	$0	$0
2	762	Maintenance of structures and improvements	0	0	0	0	0
3	764	Maintenance of field lines	0	0	0	0	0
4	765	Maintenance of field compressor station equipment	0	0	0	0	0
5	766	Maintenance of field measuring and regulating station	0	0	0	0	0
6	767	Maintenance of purification equipment	0	0	0	0	0
7	769	Maintenance of other equipment	0	0	0	0	0
8		Total maintenance	$0	$0	$0	$0	$0
9		Total natural gas production and gathering	$0	$0	$0	$0	$0
		Other Gas Supply Expenses					
10	805.1	Other gas purchases-special contracts	$0	$0	$0	$0	$0
11	807.1	Well expenses- purchased gas	0	0	0	0	0
12	807.2	Operation of purchased gas measuring stations	0	0	0	0	0
13	807.3	Maintenance of purchased gas measuring stations	0	0	0	0	0
14	807.4	Purchased gas calculations expenses	0	0	0	0	0
15	807.5	Other purchased gas expenses	0	0	0	0	0
16	810	Gas used for compressor station fuel- credit	0	0	0	0	0
17	813	Other gas supply expense	888,201	898,607	926,896	919,044	956,693
18		Total other gas supply expenses	$888,201	$898,607	$926,896	$919,044	$956,693
19		Total production expenses	$888,201	$898,607	$926,896	$919,044	$956,693

Line No.	Account Number	Description	December 31, 2020	December 31, 2021	December 31, 2022	September 30, 2022	September 30, 2023
		Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6
		Underground Storage Expenses					
		Operation					
1	814	Operation, supervision and engineering	$0	$0	$0	$0	$0
2	815	Maps and records	0	0	0	0	0
3	816	Wells expenses	0	0	0	0	0
4	817	Lines expenses	0	0	0	0	0
5	818	Compressor station expenses	0	0	0	0	0
6	819	Compressor station fuel and power	0	0	0	0	0
7	820	Measuring and regulating station expenses	0	0	0	0	0
8	821	Purification expenses	0	0	0	0	0
9	822	Exploration and Development	0	0	0	0	0
10	823	Gas losses	0	0	0	0	0
11	824	Other expenses	0	0	0	0	0
12		Total operation	$0	$0	$0	$0	$0
		Maintenance					
13	830	Maintenance, supervision and engineering	$0	$0	$0	$0	$0
14	831	Maintenance of structures and improvements	0	0	0	0	0
15	832	Maintenance of reservoirs and wells	0	0	0	0	0
16	833	Maintenance of lines	0	0	0	0	0
17	834	Maintenance of compressor station equipment	0	0	0	0	0
18	835	Maintenance of measuring and regulating station equi	0	0	0	0	0
19	836	Maintenance of purification equipment	0	0	0	0	308
20	837	Maintenance of other equipment	0	0	0	0	0
21		Total maintenance	$0	$0	$0	$0	$308
22		Total underground storage expenses	$0	$0	$0	$0	$308

KANSAS GAS SERVICE, A DIVISION OF ONE GAS, INC.
Payroll Data
12 Months Ending

Line No.	Account Number	Description	December 31, 2020	December 31, 2021	December 31, 2022	September 30, 2022	September 30, 2023
		Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6
		Transmission Expenses					
		Operation					
1	850	Operation, supervision and engineering	$175,045	$180,648	$174,431	$174,467	$126,125
2	851	System control and load dispatching	713,861	691,339	674,345	676,265	692,264
3	852	Communication system expense	0	0	0	0	0
4	853	Compressor station labor and expense	343,030	363,146	335,606	370,942	347,658
5	854	Gas for Compressor Station Fuel	0	0	0	0	0
6	855	Other fuel and power for compressor stations	0	0	0	0	0
7	856	Mains expenses	1,585,684	1,535,209	1,684,487	1,686,959	1,728,783
8	857	Measuring and regulating station expenses	475,327	434,087	379,583	364,727	402,955
9	859	Other expenses	187,930	193,396	99,799	86,210	128,344
10	860	Rents	0	0	0	0	0
11		Total operation	$3,480,877	$3,397,826	$3,348,251	$3,359,571	$3,426,129
		Maintenance					
12	861	Maintenance, supervision and engineering	$92,030	$91,648	$91,004	$89,210	$76,537
13	862	Maintenance of structures and improvements	1,741	311	190	194	168
14	863	Maintenance of mains	277,262	209,037	151,587	198,827	119,976
15	864	Maintenance of compressor station equipment	164,262	167,848	181,626	160,771	172,843
16	865	Maintenance of measuring and regulating station equi	216,248	230,221	229,955	233,192	249,108
17	866	Maintenance of communication equipment	0	0	0	0	0
18	867	Maintenance of other equipment	0	0	0	0	0
19		Total maintenance	$751,544	$699,065	$654,362	$682,194	$618,632
20		Total transmission expenses	$4,232,421	$4,096,891	$4,002,613	$4,041,765	$4,044,761

Line No.	Account Number	Description	December 31, 2020	December 31, 2021	December 31, 2022	September 30, 2022	September 30, 2023
		Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6
		Distribution Expenses					
		Operation					
1	870	Operation, supervision and engineering	$1,835,377	$1,871,507	$1,708,275	$1,722,843	$1,739,515
2	871	Distribution load dispatching	713,869	691,345	674,347	676,267	692,266
3	874	Mains and services expense	7,144,909	7,389,697	8,838,446	8,647,298	9,331,219
4	875	Measuring and regulating station expenses - general	1,603,031	1,615,071	1,620,897	1,645,699	1,534,802
5	876	Measuring and regulating station expenses - industrial	216,135	183,780	148,353	153,549	144,578
6	877	Measuring and regulating station expenses - city gate	23,048	46,865	64,584	62,962	62,788
7	878	Meter and house regulator expenses	6,372,872	6,585,088	8,492,332	7,771,075	8,984,988
8	879	Customer installations expenses	3,260,808	2,954,794	2,259,764	2,431,952	2,224,379
9	880	Other expenses	430,336	1,611,495	1,449,873	1,614,108	1,505,150
10	881	Rents	0	0	0	0	0
11		Total operation	$21,600,384	$22,949,641	$25,256,870	$24,725,753	$26,219,684
		Maintenance					
12	885	Maintenance, supervision and engineering	$423,071	$477,192	$468,242	$473,885	$447,185
13	886	Maintenance of structures and improvements	112	0	0	0	0
14	887	Maintenance of mains	6,053,353	6,583,334	6,384,862	6,558,956	6,088,039
15	889	Maintenance of measuring and regulating station expe	782,526	961,062	1,040,440	1,047,601	1,012,267
16	890	Maintenance of measuring and regulating station expe	45,302	8,996	16,469	15,556	8,620
17	891	Maintenance of measuring and regulating station expe	152,857	157,550	124,081	129,673	110,877
18	892	Maintenance of services	882,494	952,909	944,774	926,972	992,545
19	893	Maintenance of meters and house regulators	868,699	953,873	419,384	601,767	296,652
20	894	Maintenance of other equipment	0	0	0	0	0
21		Total maintenance	$9,208,416	$10,094,916	$9,398,252	$9,754,412	$8,956,185
22		Total distribution expenses	$30,808,800	$33,044,557	$34,655,122	$34,480,164	$35,175,869

Line No.	Account Number	Description Col. 1	December 31, 2020 Col. 2	December 31, 2021 Col. 3	December 31, 2022 Col. 4	September 30, 2022 Col. 5	September 30, 2023 Col. 6
		Customer Accounts Expense					
1	901	Supervision	$229,622	$284,149	$182,939	$255,583	$71,787
2	902	Meter reading expenses	1,114,752	1,129,266	1,020,252	1,050,117	1,000,273
3	903	Customer records and collection expense	5,123,571	4,921,152	4,309,076	4,545,848	4,010,258
4	905	Miscellaneous customer accounts expense	639,981	677,984	749,002	753,104	729,731
5		Total customer accounts expenses	$7,107,926	$7,012,552	$6,261,270	$6,604,653	$5,812,049
		Customer Service and Informational Expenses					
6	907	Supervision	$0	$0	$0	$0	$0
7	908	Customer assistance expenses	123,134	123,652	178,788	161,903	211,970
8	909	Informational and instructional expenses	0	0	351	0	1,296
9	910	Miscellaneous customer service and informational expenses	0	0	0	0	0
10		Total customer service and informational expenses	$123,134	$123,652	$179,138.99	$161,903	$213,266
		Sales Expense					
11	911	Supervision	$0	$0	$0	$0	$0
12	912	Demonstrating and selling expenses	370,318	383,165	396,464	392,136	412,594
13	913	Advertising expenses	0	0	0	0	0
14	916	Miscellaneous sales expenses	0	0	0	0	0
15		Total sales expenses	$370,318	$383,165	$396,464	$392,136	$412,594

Line No.	Account Number	Description	December 31, 2020	December 31, 2021	December 31, 2022	September 30, 2022	September 30, 2023
		Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6
		Administrative and General Expenses					
		Operation					
1	920	Administrative and general salaries	$7,846,162	$7,721,922	$7,498,458	$7,559,692	$7,528,947
2	921	Office supplies and expenses	0	0	0	0	0
3	922	Administrative Expenses Transferred - Credit	0	0	0	0	0
4	923	Outside services employed	0	0	0	0	0
5	925	Injuries and damages	0	0	0	0	0
6	926	Employee pensions and benefits	0	0	0	0	0
7	927	Franchise requirements	0	0	0	0	0
8	930	Miscellaneous general expenses	0	0	0	0	0
9	931	Rents	0	0	0	0	0
10	932		0	1,526	0		
11		Total operation	$7,846,162	$7,723,448	$7,498,458	$7,559,692	$7,528,947
		Maintenance					
12	935	Maintenance of general plant	$0	$0	$0	$0	$0
13		Total administrative and general expenses	$7,846,162	$7,723,448	$7,498,458	$7,559,692	$7,528,947
14		Total O & M payroll expenses	$51,376,963	$53,282,872	$53,919,962	$54,159,357	$54,144,487
15	417	Miscellaneous Non-Operating Income	$16,196	$6,534	$0	$0	$0
16	426	Miscellaneous Income Deduction	$164,671	$132,980	$139,230	$137,769	$141,106
17		Kansas gas operations payroll	$81,455,425	$83,070,752	$84,937,975	$82,943,018	$85,573,129

KANSAS GAS SERVICE, A DIVISION OF ONE GAS, INC.
Pro Forma Operating Income Statement
Test Year Ended September 30, 2023

Line No.	Description	Schedule Reference	Amount Per Books	Pro Forma Adjustments	Pro Forma Adjusted
	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5
	Operating Revenue				
1	Gas revenue	8-D, 9-B	$789,338,704	($511,351,295)	$277,987,409
2	Service and other	8-D, 9-B	67,309,786	(8,858,296)	58,451,490
3	Total revenue		$856,648,490	($520,209,591)	$336,438,899
	Operating Expenses				
4	Production	8-E, 9-B	$475,865,481	($474,706,679)	$1,158,802
5	Underground storage	8-E, 9-B	63,365	19	63,384
6	Transmission	8-E, 9-B	7,395,598	(66,445)	7,329,153
7	Distribution	8-E, 9-B	60,824,123	2,293,858	63,117,981
8	Customer accounts	8-E, 9-B	17,126,390	721,771	17,848,161
9	Customer service and information	8-E, 9-B	384,566	(3,748)	380,817
10	Sales	8-E, 9-B	479,905	19,590	499,495
11	Administrative and general	8-E, 9-B	90,850,994	(15,395,172)	75,455,822
12	Total operating expenses	8-E, 9-B	$652,990,422	($487,136,807)	$165,853,615
13	Depreciation and amortization	8-B, 9-B	$89,223,457	$4,379,107	$93,602,564
14	Taxes other than income taxes	8-B, 9-B	26,899,087	15,371,830	42,270,917
15	Income taxes-current	8-B, 9-B	3,403,831	(10,191,819)	(6,787,988)
16	Income taxes-deferred	8-B, 9-B	682,881	4,373,767	5,056,648
17	Investment Tax Credits	8-B, 9-B	(27,186)	0	(27,186)
18	Total expenses	8-B, 9-B	$773,172,492	($473,203,923)	$299,968,570
19	Operating Income		$83,475,998	($47,005,668)	$36,470,330

KANSAS GAS SERVICE, A DIVISION OF ONE GAS, INC.
Summary of Pro Forma Adjustments to Operating Revenues and Expenses
Test Year Ended September 30, 2023

		IS 1	IS 2	IS 3	IS 4
Line No.	Description	Eliminate Accrued and Unbilled Revenues	Eliminate Deferred WNA	Eliminate Cost of Gas Revenue and Expense	Eliminate Ad Valorem Revenue and Expenses
	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5
	Operating Revenue				
1	Gas revenue	($3,958,679)	($8,213,965)	($474,137,598)	($8,530,707)
2	Service and other	(23,933)	(587,827)	(7,418)	(4,469,085)
3	Total revenue	($3,982,612)	($8,801,792)	($474,145,016)	($12,999,793)
	Operating Expenses				
4	Production	$635,939	$0	($474,145,016)	$0
5	Underground storage	0	0	0	0
6	Transmission	0	0	0	0
7	Distribution	0	0	0	0
8	Customer accounts	0	0	0	0
9	Customer service and information	0	0	0	0
10	Sales	0	0	0	0
11	Administrative and general	0	0	0	0
12	Total operating expenses	$635,939	$0	($474,145,016)	$0
13	Depreciation and amortization	$0	$0	$0	($13,092,420)
14	Taxes other than income taxes	0	0	0	15,209,005
15	Income taxes-current	0	0	0	0
16	Income taxes-deferred	0	0	0	0
17	Investment Tax Credits	0	0	0	0
18	Total expenses	$635,939	$0	($474,145,016)	$2,116,585
19	Operating Income	($4,618,551)	($8,801,792)	$0	($15,116,377)

Line No.	Description	IS 5 GSRS	IS 6 Flex Revenue Adjustment	IS 7 Remove CNG Revenue	IS 8 Weather Normalizaion Adjustment
	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5
	Operating Revenue				
1	Gas revenue	($22,187,602)	$0	$0	$5,800,778
2	Service and other	(4,042,484)	664,195	(7,968)	602,407
3	Total revenue	($26,230,086)	$664,195	($7,968)	$6,403,185
	Operating Expenses				
4	Production	$0	$0	$0	$0
5	Underground storage	0	0	0	0
6	Transmission	0	0	0	0
7	Distribution	0	0	0	0
8	Customer accounts	0	0	0	0
9	Customer service and information	0	0	0	0
10	Sales	0	0	0	0
11	Administrative and general	0	0	0	0
12	Total operating expenses	$0	$0	$0	$0
13	Depreciation and amortization	$0	$0	$0	$0
14	Taxes other than income taxes	0	0	0	0
15	Income taxes-current	0	0	0	0
16	Income taxes-deferred	0	0	0	0
17	Investment Tax Credits	0	0	0	0
18	Total expenses	$0	$0	$0	$0
19	Operating Income	($26,230,086)	$664,195	($7,968)	$6,403,185

Line No.	Description	IS 9 Customer Annualization Adjustment	IS 10 Miscellaneous Interest Charge	IS 11 Fort Riley	IS 12 Annualized Depreciation on Pro Forma Plant
	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5
	Operating Revenue				
1	Gas revenue	($131,086)	$0	$7,564	$0
2	Service and other	(1,302,714)	(230,252)	0	0
3	Total revenue	($1,433,801)	($230,252)	$7,564	$0
	Operating Expenses				
4	Production	$0	$0	$0	$0
5	Underground storage	0	0	0	0
6	Transmission	0	0	0	0
7	Distribution	0	0	0	0
8	Customer accounts	0	0	0	0
9	Customer service and information	0	0	0	0
10	Sales	0	0	0	0
11	Administrative and general	0	0	0	0
12	Total operating expenses	$0	$0	$0	$0
13	Depreciation and amortization	$0	$0	$329,472	$2,731,923
14	Taxes other than income taxes	0	0	0	0
15	Income taxes-current	0	0	0	0
16	Income taxes-deferred	0	0	0	0
17	Investment Tax Credits	0	0	0	0
18	Total expenses	$0	$0	$329,472	$2,731,923
19	Operating Income	($1,433,801)	($230,252)	($321,908)	($2,731,923)

KANSAS GAS SERVICE, A DIVISION OF ONE GAS, INC.
Summary of Pro Forma Adjustments to Operating Revenues and Expenses
Test Year Ended September 30, 2023

Line No.	Description	IS 13 Annualized Depreciation at Proposed Rates	IS 14 O&M for Unused Assets	IS 15 Reclass Interest on Customer Deposits	IS 16 Elimination of Royalty Fee
	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5
	Operating Revenue				
1	Gas revenue	$0	$0	$0	$0
2	Service and other	$0	0	0	0
3	Total revenue	$0	$0	$0	$0
	Operating Expenses				
4	Production	$0	$0	$0	$0
5	Underground storage	0	0	0	0
6	Transmission	0	(11,075)	0	0
7	Distribution	0	0	0	0
8	Customer accounts	0	0	0	0
9	Customer service and information	0	0	0	0
10	Sales	0	0	0	0
11	Administrative and general	0	0	696,027	(11,310,184)
12	Total operating expenses	$0	($11,075)	$696,027	($11,310,184)
13	Depreciation and amortization	$15,266,187	$0	$0	$0
14	Taxes other than income taxes	0	0	0	0
15	Income taxes-current	0	0	0	0
16	Income taxes-deferred	0	0	0	0
17	Investment Tax Credits	0	0	0	0
18	Total expenses	$15,266,187	($11,075)	$696,027	($11,310,184)
19	Operating Income	($15,266,187)	$11,075	($696,027)	$11,310,184

Line No.	Description	IS 17 Adjustment to Clearing Accounts	IS 18 Insurance Adjustment	IS 19 Workers Compensation	IS 20 Medical Reserve Adjustment
	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5
	Operating Revenue				
1	Gas revenue	$0	$0	$0	$0
2	Service and other	0	0	0	0
3	Total revenue	$0	$0	$0	$0
	Operating Expenses				
4	Production	$0	$0	$0	$0
5	Underground storage	0	0	0	0
6	Transmission	(11,555)	0	0	0
7	Distribution	(260,563)	0	0	0
8	Customer accounts	0	0	0	0
9	Customer service and information	0	0	0	0
10	Sales	0	0	0	0
11	Administrative and general	0	64,979	125,371	155,600
12	Total operating expenses	($272,118)	$64,979	$125,371	$155,600
13	Depreciation and amortization	$0	$0	$0	$0
14	Taxes other than income taxes	0	0	0	0
15	Income taxes-current	0	0	0	0
16	Income taxes-deferred	0	0	0	0
17	Investment Tax Credits	0	0	0	0
18	Total expenses	($272,118)	$64,979	$125,371	$155,600
19	Operating Income	$272,118	($64,979)	($125,371)	($155,600)

Line No.	Description	IS 21 Dues & Donations	IS 22 Miscellaneous Direct Adjustment	IS 23 Brehm Storage Costs to COGR	IS 24 Annualize Corporate Depreciation
	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5
	Operating Revenue				
1	Gas revenue	$0	$0	$0	$0
2	Service and other	0	0	0	0
3	Total revenue	$0	$0	$0	$0
	Operating Expenses				
4	Production	$0	$0	($1,242,314)	$0
5	Underground storage	0	0	0	0
6	Transmission	0	0	0	0
7	Distribution	(625)	0	0	0
8	Customer accounts	0	0	0	0
9	Customer service and information	0	(16,997)	0	0
10	Sales	0	0	0	0
11	Administrative and general	58,855	(124,190)	0	0
12	Total operating expenses	$58,230	($141,187)	($1,242,314)	$0
13	Depreciation and amortization	$0	$0	$0	$869,944
14	Taxes other than income taxes	0	0	0	0
15	Income taxes-current	0	0	0	0
16	Income taxes-deferred	0	0	0	0
17	Investment Tax Credits	0	0	0	0
18	Total expenses	$58,230	($141,187)	($1,242,314)	$869,944
19	Operating Income	($58,230)	$141,187	$1,242,314	($869,944)

KANSAS GAS SERVICE, A DIVISION OF ONE GAS, INC.
Summary of Pro Forma Adjustments to Operating Revenues and Expenses
Test Year Ended September 30, 2023

Line No.	Description	IS 25 Misc Corp Adjustment	IS 26 Distrigas %	IS 27 Normalized Compensation	IS 28 Corp Pension & OPEB
	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5
	Operating Revenue				
1	Gas revenue	$0	$0	$0	$0
2	Service and other	0	0	0	0
3	Total revenue	$0	$0	$0	$0
	Operating Expenses				
4	Production	$0	$0	$0	$0
5	Underground storage	0	0	0	0
6	Transmission	0	0	0	0
7	Distribution	0	0	0	0
8	Customer accounts	0	0	0	0
9	Customer service and information	0	0	0	0
10	Sales	0	0	0	0
11	Administrative and general	(508,788)	(671,286)	(738,540)	828,436
12	Total operating expenses	($508,788)	($671,286)	($738,540)	$828,436
13	Depreciation and amortization	$0	$0	$0	$0
14	Taxes other than income taxes	0	(29,202)	(28,133)	0
15	Income taxes-current	0	0	0	0
16	Income taxes-deferred	0	0	0	0
17	Investment Tax Credits	0	0	0	0
18	Total expenses	($508,788)	($700,488)	($766,673)	$828,436
19	Operating Income	$508,788	$700,488	$766,673	($828,436)

KANSAS GAS SERVICE, A DIVISION OF ONE GAS, INC.
Summary of Pro Forma Adjustments to Operating Revenues and Expenses
Test Year Ended September 30, 2023

Line No.	Description	IS 29 Payroll	IS 30 MGP Amortization	IS 31 Cyber Security Adjustment	IS 32 Change in Pension and OPEB Costs
	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5
	Operating Revenue				
1	Gas revenue	$0	$0	$0	$0
2	Service and other	0	0	0	0
3	Total revenue	$0	$0	$0	$0
	Operating Expenses				
4	Production	$44,712	$0	$0	$0
5	Underground storage	19	0	0	0
6	Transmission	(43,816)	0	0	0
7	Distribution	2,555,046	0	0	0
8	Customer accounts	122,701	0	0	0
9	Customer service and information	13,249	0	0	0
10	Sales	19,590	0	0	0
11	Administrative and general	1,843,889	0	324,549	(5,795,720)
12	Total operating expenses	$4,555,389	$0	$324,549	($5,795,720)
13	Depreciation and amortization	$0	$902,293	$281,663	$0
14	Taxes other than income taxes	220,161	0	0	0
15	Income taxes-current	0	0	0	0
16	Income taxes-deferred	0	0	0	0
17	Investment Tax Credits	0	0	0	0
18	Total expenses	$4,775,550	$902,293	$606,212	($5,795,720)
19	Operating Income	($4,775,550)	($902,293)	($606,212)	$5,795,720

KANSAS GAS SERVICE, A DIVISION OF ONE GAS, INC.
Summary of Pro Forma Adjustments to Operating Revenues and Expenses
Test Year Ended September 30, 2023

Line No.	Description	IS 33 Amortization of Pension and OPEB Costs	IS 34 Rate Case Expense Amortization	IS 35 Lease Adjustment	IS 36 TCJA Over-refund Amortization
	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5
	Operating Revenue				
1	Gas revenue	$0	$0	$0	$0
2	Service and other	0	0	(80,906)	0
3	Total revenue	$0	$0	($80,906)	$0
	Operating Expenses				
4	Production	$0	$0	$0	$0
5	Underground storage	0	0	0	0
6	Transmission	0	0	0	0
7	Distribution	0	0	0	0
8	Customer accounts	0	0	0	0
9	Customer service and information	0	0	0	0
10	Sales	0	0	0	0
11	Administrative and general	0	0	(344,169)	0
12	Total operating expenses	$0	$0	($344,169)	$0
13	Depreciation and amortization	($3,349,420)	$357,116	$0	$82,349
14	Taxes other than income taxes	0	0	0	0
15	Income taxes-current	0	0	0	0
16	Income taxes-deferred	0	0	0	0
17	Investment Tax Credits	0	0	0	0
18	Total expenses	($3,349,420)	$357,116	($344,169)	$82,349
19	Operating Income	$3,349,420	($357,116)	$263,263	($82,349)

KANSAS GAS SERVICE, A DIVISION OF ONE GAS, INC.
Summary of Pro Forma Adjustments to Operating Revenues and Expenses
Test Year Ended September 30, 2023

Line No.	Description	IS 37 Income Tax	IS 38 Bad Debt	IS 39 Reconnect Charge	IS 40 EDIT Amortization
	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5
	Operating Revenue				
1	Gas revenue	$0	$0	$0	$0
2	Service and other	0	0	627,690	0
3	Total revenue	0	0	627,690	0
	Operating Expenses				
4	Production	$0	$0	$0	$0
5	Underground storage	0	0	0	0
6	Transmission	0	0	0	0
7	Distribution	0	0	0	0
8	Customer accounts	0	599,070	0	0
9	Customer service and information	0	0	0	0
10	Sales	0	0	0	0
11	Administrative and general	0	0	0	0
12	Total operating expenses	$0	$599,070	$0	$0
13	Depreciation and amortization	$0	$0	$0	$0
14	Taxes other than income taxes	0	0	0	0
15	Income taxes-current	(10,191,819)	0	0	0
16	Income taxes-deferred	(7,278)	0	0	4,381,045
17	Investment Tax Credits	0	0	0	0
18	Total expenses	($10,199,097)	$599,070	$0	$4,381,045
19	Operating Income	$10,199,097	($599,070)	$627,690	($4,381,045)

KANSAS GAS SERVICE, A DIVISION OF ONE GAS, INC.
Summary of Pro Forma Adjustments to Operating Revenues and Expenses
Test Year Ended September 30, 2023

Line No.	Description	Total Adjustments
	Col. 1	Col. 2
	Operating Revenue	
1	Gas revenue	($511,351,295)
2	Service and other	(8,858,296)
3	Total revenue	(520,209,591)
	Operating Expenses	
4	Production	($474,706,679)
5	Underground storage	19
6	Transmission	(66,445)
7	Distribution	2,293,858
8	Customer accounts	721,771
9	Customer service and information	(3,748)
10	Sales	19,590
11	Administrative and general	(15,395,172)
12	Total operating expenses	($487,136,807)
13	Depreciation and amortization	$4,379,107
14	Taxes other than income taxes	15,371,830
15	Income taxes-current	(10,191,819)
16	Income taxes-deferred	4,373,767
17	Investment Tax Credits	0
18	Total expenses	($473,203,923)
19	Operating Income	($47,005,668)

Line No.	Adj. No.	Description Col. 1	Increase Col. 2	Decrease Col. 3
	IS 1	Eliminate Accrued and Unbilled Revenues		
1		Operating Revenue	$0	$3,982,612
2		Production Expenses	635,939	0
3		Underground Storage Expenses	0	0
4		Transmission Expenses	0	0
5		Distribution Expenses	0	0
6		Customer Accounts Expenses	0	0
7		Cust. Service and Information Exp.	0	0
8		Sales and Advertising Expenses	0	0
9		Administration and General Expense	0	0
10		Depreciation and Amortization	0	0
11		Taxes Other Than Income Taxes	0	0
12		Income Taxes, Deferred Tax, Investment tax credit	0	0
		To eliminate accrued and unbilled revenues and gas costs from test year operating results.		
	IS 2	Eliminate Deferred WNA		
13		Operating Revenue	$0	$8,801,792
14		Production Expenses	0	0
15		Underground Storage Expenses	0	0
16		Transmission Expenses	0	0
17		Distribution Expenses	0	0
18		Customer Accounts Expenses	0	0
19		Cust. Service and Information Exp.	0	0
20		Sales and Advertising Expenses	0	0
21		Administration and General Expense	0	0
22		Depreciation and Amortization	0	0
23		Taxes Other Than Income Taxes	0	0
24		Income Taxes, Deferred Tax, Investment tax credit	0	0
		To eliminate deferred WNA revenues.		

Line No.	Adj. No.	Description	Increase	Decrease
		Col. 1	Col. 2	Col. 3
	IS 3	Eliminate Cost of Gas Revenue and Expense		
1		Operating Revenue	$0	$474,145,016
2		Production Expenses	0	474,145,016
3		Underground Storage Expenses	0	0
4		Transmission Expenses	0	0
5		Distribution Expenses	0	0
6		Customer Accounts Expenses	0	0
7		Cust. Service and Information Exp.	0	0
8		Sales and Advertising Expenses	0	0
9		Administration and General Expense	0	0
10		Depreciation and Amortization	0	0
11		Taxes Other Than Income Taxes	0	0
12		Income Taxes, Deferred Tax, Investment tax credit	0	0
		This adjustment eliminates the COGR revenues and the cost of gas expense to determine base rates.		
	IS 4	Eliminate Ad Valorem Revenue and Expenses		
13		Operating Revenue	$0	$12,999,793
14		Production Expenses	0	0
15		Underground Storage Expenses	0	0
16		Transmission Expenses	0	0
17		Distribution Expenses	0	0
18		Customer Accounts Expenses	0	0
19		Cust. Service and Information Exp.	0	0
20		Sales and Advertising Expenses	0	0
21		Administration and General Expense	0	0
22		Depreciation and Amortization	0	13,092,420
23		Taxes Other Than Income Taxes	15,209,005	0
24		Income Taxes, Deferred Tax, Investment tax credit	0	0
		To eliminate Ad Valorem Tax Surcharge Revenues and annualize ad valorem expenses.		

Line No.	Adj. No.	Description	Increase	Decrease
		Col. 1	Col. 2	Col. 3
	IS 5	GSRS		
1		Operating Revenue	$0	$26,230,086
2		Production Expenses	0	0
3		Underground Storage Expenses	0	0
4		Transmission Expenses	0	0
5		Distribution Expenses	0	0
6		Customer Accounts Expenses	0	0
7		Cust. Service and Information Exp.	0	0
8		Sales and Advertising Expenses	0	0
9		Administration and General Expense	0	0
10		Depreciation and Amortization	0	0
11		Taxes Other Than Income Taxes	0	0
12		Income Taxes, Deferred Tax, Investment tax credit	0	0
		To eliminate GSRS Revenues from test year revenues to determine base rate revenues.		
	IS 6	Flex Revenue Adjustment		
13		Operating Revenue	$664,195	$0
14		Production Expenses	0	0
15		Underground Storage Expenses	0	0
16		Transmission Expenses	0	0
17		Distribution Expenses	0	0
18		Customer Accounts Expenses	0	0
19		Cust. Service and Information Exp.	0	0
20		Sales and Advertising Expenses	0	0
21		Administration and General Expense	0	0
22		Depreciation and Amortization	0	0
23		Taxes Other Than Income Taxes	0	0
24		Income Taxes, Deferred Tax, Investment tax credit	0	0
		To normalize test year revenues and expenses for prior period adjustments, contract minimum quantities, and discounted rate annualization.		

Line No.	Adj. No.	Description Col. 1	Increase Col. 2	Decrease Col. 3
	IS 7	Remove CNG Revenue		
1		Operating Revenue	$0	$7,968
2		Production Expenses	0	0
3		Underground Storage Expenses	0	0
4		Transmission Expenses	0	0
5		Distribution Expenses	0	0
6		Customer Accounts Expenses	0	0
7		Cust. Service and Information Exp.	0	0
8		Sales and Advertising Expenses	0	0
9		Administration and General Expense	0	0
10		Depreciation and Amortization	0	0
11		Taxes Other Than Income Taxes	0	0
12		Income Taxes, Deferred Tax, Investment tax credit	0	0

This adjustment is to remove revenue associated with the public sale of CNG.

Line No.	Adj. No.	Description Col. 1	Increase Col. 2	Decrease Col. 3
	IS 8	Weather Normalizaion Adjustment		
13		Operating Revenue	$6,403,185	$0
14		Production Expenses	0	0
15		Underground Storage Expenses	0	0
16		Transmission Expenses	0	0
17		Distribution Expenses	0	0
18		Customer Accounts Expenses	0	0
19		Cust. Service and Information Exp.	0	0
20		Sales and Advertising Expenses	0	0
21		Administration and General Expense	0	0
22		Depreciation and Amortization	0	0
23		Taxes Other Than Income Taxes	0	0
24		Income Taxes, Deferred Tax, Investment tax credit	0	0

This adjustment adjusts test year revenue to a level based on normal weather.

Line No.	Adj. No.	Description Col. 1	Increase Col. 2	Decrease Col. 3
	IS 9	Customer Annualization Adjustment		
1		Operating Revenue	$0	$1,433,801
2		Production Expenses	0	0
3		Underground Storage Expenses	0	0
4		Transmission Expenses	0	0
5		Distribution Expenses	0	0
6		Customer Accounts Expenses	0	0
7		Cust. Service and Information Exp.	0	0
8		Sales and Advertising Expenses	0	0
9		Administration and General Expense	0	0
10		Depreciation and Amortization	0	0
11		Taxes Other Than Income Taxes	0	0
12		Income Taxes, Deferred Tax, Investment tax credit	0	0
		Adjustment synchronizes revenues related to customer count in the test year.		
	IS 10	Miscellaneous Interest Charge		
13		Operating Revenue	$0	$230,252
14		Production Expenses	0	0
15		Underground Storage Expenses	0	0
16		Transmission Expenses	0	0
17		Distribution Expenses	0	0
18		Customer Accounts Expenses	0	0
19		Cust. Service and Information Exp.	0	0
20		Sales and Advertising Expenses	0	0
21		Administration and General Expense	0	0
22		Depreciation and Amortization	0	0
23		Taxes Other Than Income Taxes	0	0
24		Income Taxes, Deferred Tax, Investment tax credit	0	0
		Adjustment to remove revenue related to miscellaneous interst charges.		

Line No.	Adj. No.	Description	Increase	Decrease
		Col. 1	Col. 2	Col. 3
	IS 11	Fort Riley		
1		Operating Revenue	$7,564	$0
2		Production Expenses	0	0
3		Underground Storage Expenses	0	0
4		Transmission Expenses	0	0
5		Distribution Expenses	0	0
6		Customer Accounts Expenses	0	0
7		Cust. Service and Information Exp.	0	0
8		Sales and Advertising Expenses	0	0
9		Administration and General Expense	0	0
10		Depreciation and Amortization	329,472	0
11		Taxes Other Than Income Taxes	0	0
12		Income Taxes, Deferred Tax, Investment tax credit	0	0
		Adjustment to include revenue and depreciation associated with For Riley.		
	IS 12	Annualized Depreciation on Pro Forma Plant		
13		Operating Revenue	$0	$0
14		Production Expenses	0	0
15		Underground Storage Expenses	0	0
16		Transmission Expenses	0	0
17		Distribution Expenses	0	0
18		Customer Accounts Expenses	0	0
19		Cust. Service and Information Exp.	0	0
20		Sales and Advertising Expenses	0	0
21		Administration and General Expense	0	0
22		Depreciation and Amortization	2,731,923	0
23		Taxes Other Than Income Taxes	0	0
24		Income Taxes, Deferred Tax, Investment tax credit	0	0
		To annualize the change depreciation expense on the pro forma plant in service.		

Line No.	Adj. No.	Description Col. 1	Increase Col. 2	Decrease Col. 3
	IS 13	Annualized Depreciation at Proposed Rates		
1		Operating Revenue	$0	$0
2		Production Expenses	0	0
3		Underground Storage Expenses	0	0
4		Transmission Expenses	0	0
5		Distribution Expenses	0	0
6		Customer Accounts Expenses	0	0
7		Cust. Service and Information Exp.	0	0
8		Sales and Advertising Expenses	0	0
9		Administration and General Expense	0	0
10		Depreciation and Amortization	15,266,187	0
11		Taxes Other Than Income Taxes	0	0
12		Income Taxes, Deferred Tax, Investment tax credit	0	0
		To annualize the change in depreciation rates on the pro forma plant in service as a result of the depreciation study.		
	IS 14	O&M for Unused Assets		
13		Operating Revenue	$0	$0
14		Production Expenses	0	0
15		Underground Storage Expenses	0	0
16		Transmission Expenses	0	11,075
17		Distribution Expenses	0	0
18		Customer Accounts Expenses	0	0
19		Cust. Service and Information Exp.	0	0
20		Sales and Advertising Expenses	0	0
21		Administration and General Expense	0	0
22		Depreciation and Amortization	0	0
23		Taxes Other Than Income Taxes	0	0
24		Income Taxes, Deferred Tax, Investment tax credit	0	0
		To remove the operation and maintenance costs associated with plant assets that are not currently used and useful.		

Line No.	Adj. No.	Description	Increase	Decrease
		Col. 1	Col. 2	Col. 3
	IS 15	Reclass Interest on Customer Deposits		
1		Operating Revenue	$0	$0
2		Production Expenses	0	0
3		Underground Storage Expenses	0	0
4		Transmission Expenses	0	0
5		Distribution Expenses	0	0
6		Customer Accounts Expenses	0	0
7		Cust. Service and Information Exp.	0	0
8		Sales and Advertising Expenses	0	0
9		Administration and General Expense	696,027	0
10		Depreciation and Amortization	0	0
11		Taxes Other Than Income Taxes	0	0
12		Income Taxes, Deferred Tax, Investment tax credit	0	0
		To adjust interest on customer deposits as an operating expense.		
	IS 16	Elimination of Royalty Fee		
13		Operating Revenue	$0	$0
14		Production Expenses	0	0
15		Underground Storage Expenses	0	0
16		Transmission Expenses	0	0
17		Distribution Expenses	0	0
18		Customer Accounts Expenses	0	0
19		Cust. Service and Information Exp.	0	0
20		Sales and Advertising Expenses	0	0
21		Administration and General Expense	0	11,310,184
22		Depreciation and Amortization	0	0
23		Taxes Other Than Income Taxes	0	0
24		Income Taxes, Deferred Tax, Investment tax credit	0	0
		Eliminate the Royalty Fees from the test period.		

Line No.	Adj. No.	Description Col. 1	Increase Col. 2	Decrease Col. 3
	IS 17	Adjustment to Clearing Accounts		
1		Operating Revenue	$0	$0
2		Production Expenses	0	0
3		Underground Storage Expenses	0	0
4		Transmission Expenses	0	11,555
5		Distribution Expenses	0	260,563
6		Customer Accounts Expenses	0	0
7		Cust. Service and Information Exp.	0	0
8		Sales and Advertising Expenses	0	0
9		Administration and General Expense	0	0
10		Depreciation and Amortization	0	0
11		Taxes Other Than Income Taxes	0	0
12		Income Taxes, Deferred Tax, Investment tax credit	0	0
		To normalize test year clearing charges.		
	IS 18	Insurance Adjustment		
13		Operating Revenue	$0	$0
14		Production Expenses	0	0
15		Underground Storage Expenses	0	0
16		Transmission Expenses	0	0
17		Distribution Expenses	0	0
18		Customer Accounts Expenses	0	0
19		Cust. Service and Information Exp.	0	0
20		Sales and Advertising Expenses	0	0
21		Administration and General Expense	64,979	0
22		Depreciation and Amortization	0	0
23		Taxes Other Than Income Taxes	0	0
24		Income Taxes, Deferred Tax, Investment tax credit	0	0
		This adjustment is to recognize the change in property, worker's compensation and excess liability insurance for our new policies.		

Line No.	Adj. No.	Description	Increase	Decrease
		Col. 1	Col. 2	Col. 3
	IS 19	Workers Compensation		
1		Operating Revenue	$0	$0
2		Production Expenses	0	0
3		Underground Storage Expenses	0	0
4		Transmission Expenses	0	0
5		Distribution Expenses	0	0
6		Customer Accounts Expenses	0	0
7		Cust. Service and Information Exp.	0	0
8		Sales and Advertising Expenses	0	0
9		Administration and General Expense	125,371	0
10		Depreciation and Amortization	0	0
11		Taxes Other Than Income Taxes	0	0
12		Income Taxes, Deferred Tax, Investment tax credit	0	0
		This adjustment normalizes the workers compensation expense.		
	IS 20	Medical Reserve Adjustment		
13		Operating Revenue	$0	$0
14		Production Expenses	0	0
15		Underground Storage Expenses	0	0
16		Transmission Expenses	0	0
17		Distribution Expenses	0	0
18		Customer Accounts Expenses	0	0
19		Cust. Service and Information Exp.	0	0
20		Sales and Advertising Expenses	0	0
21		Administration and General Expense	155,600	0
22		Depreciation and Amortization	0	0
23		Taxes Other Than Income Taxes	0	0
24		Income Taxes, Deferred Tax, Investment tax credit	0	0
		To adjust expenses for the increase in Health Benefits.		

Line No.	Adj. No.	Description	Increase	Decrease
		Col. 1	Col. 2	Col. 3
	IS 21	Dues & Donations		
1		Operating Revenue	$0	$0
2		Production Expenses	0	0
3		Underground Storage Expenses	0	0
4		Transmission Expenses	0	0
5		Distribution Expenses	0	625
6		Customer Accounts Expenses	0	0
7		Cust. Service and Information Exp.	0	0
8		Sales and Advertising Expenses	0	0
9		Administration and General Expense	58,855	0
10		Depreciation and Amortization	0	0
11		Taxes Other Than Income Taxes	0	0
12		Income Taxes, Deferred Tax, Investment tax credit	0	0
		To include certain donations from account 426 and eliminate other dues, donations, and memberships.		
	IS 22	Miscellaneous Direct Adjustment		
13		Operating Revenue	$0	$0
14		Production Expenses	0	0
15		Underground Storage Expenses	0	0
16		Transmission Expenses	0	0
17		Distribution Expenses	0	0
18		Customer Accounts Expenses	0	0
19		Cust. Service and Information Exp.	0	16,997
20		Sales and Advertising Expenses	0	0
21		Administration and General Expense	0	124,190
22		Depreciation and Amortization	0	0
23		Taxes Other Than Income Taxes	0	0
24		Income Taxes, Deferred Tax, Investment tax credit	0	0
		Removing miscellaneous expenses which KGS is not seeking recovery for and/or were out of period.		

Line No.	Adj. No.	Description Col. 1	Increase Col. 2	Decrease Col. 3
	IS 23	Brehm Storage Costs to COGR		
1		Operating Revenue	$0	$0
2		Production Expenses	0	1,242,314
3		Underground Storage Expenses	0	0
4		Transmission Expenses	0	0
5		Distribution Expenses	0	0
6		Customer Accounts Expenses	0	0
7		Cust. Service and Information Exp.	0	0
8		Sales and Advertising Expenses	0	0
9		Administration and General Expense	0	0
10		Depreciation and Amortization	0	0
11		Taxes Other Than Income Taxes	0	0
12		Income Taxes, Deferred Tax, Investment tax credit	0	0
		This adjustment removes the cost associated with the Brehm Storage field from base rates to include in the Cost of Gas Rider.		
	IS 24	Annualize Corporate Depreciation		
13		Operating Revenue	$0	$0
14		Production Expenses	0	0
15		Underground Storage Expenses	0	0
16		Transmission Expenses	0	0
17		Distribution Expenses	0	0
18		Customer Accounts Expenses	0	0
19		Cust. Service and Information Exp.	0	0
20		Sales and Advertising Expenses	0	0
21		Administration and General Expense	0	0
22		Depreciation and Amortization	869,944	0
23		Taxes Other Than Income Taxes	0	0
24		Income Taxes, Deferred Tax, Investment tax credit	0	0
		This adjustment is necessary to annualize the change in corporate depreciation from the test year.		

Line No.	Adj. No.	Description Col. 1	Increase Col. 2	Decrease Col. 3
	IS 25	Misc Corp Adjustment		
1		Operating Revenue	$0	$0
2		Production Expenses	0	0
3		Underground Storage Expenses	0	0
4		Transmission Expenses	0	0
5		Distribution Expenses	0	0
6		Customer Accounts Expenses	0	0
7		Cust. Service and Information Exp.	0	0
8		Sales and Advertising Expenses	0	0
9		Administration and General Expense	0	508,788
10		Depreciation and Amortization	0	0
11		Taxes Other Than Income Taxes	0	0
12		Income Taxes, Deferred Tax, Investment tax credit	0	0
		To adjust for certain expenses allocated through OGS Distrigas.		
	IS 26	Distrigas %		
13		Operating Revenue	$0	$0
14		Production Expenses	0	0
15		Underground Storage Expenses	0	0
16		Transmission Expenses	0	0
17		Distribution Expenses	0	0
18		Customer Accounts Expenses	0	0
19		Cust. Service and Information Exp.	0	0
20		Sales and Advertising Expenses	0	0
21		Administration and General Expense	0	671,286
22		Depreciation and Amortization	0	0
23		Taxes Other Than Income Taxes	0	29,202
24		Income Taxes, Deferred Tax, Investment tax credit	0	0
		This adjustment is necessary to account for the change in the allocation rate as of Q4 2023 Distrigas Allocation.		

Line No.	Adj. No.	Description	Increase	Decrease
		Col. 1	Col. 2	Col. 3
	IS 27	Normalized Compensation		
1		Operating Revenue	$0	$0
2		Production Expenses	0	0
3		Underground Storage Expenses	0	0
4		Transmission Expenses	0	0
5		Distribution Expenses	0	0
6		Customer Accounts Expenses	0	0
7		Cust. Service and Information Exp.	0	0
8		Sales and Advertising Expenses	0	0
9		Administration and General Expense	0	738,540
10		Depreciation and Amortization	0	0
11		Taxes Other Than Income Taxes	0	28,133
12		Income Taxes, Deferred Tax, Investment tax credit	0	0
		To normalize the compensation that was recorded during the test year.		
	IS 28	Corp Pension & OPEB		
13		Operating Revenue	$0	$0
14		Production Expenses	0	0
15		Underground Storage Expenses	0	0
16		Transmission Expenses	0	0
17		Distribution Expenses	0	0
18		Customer Accounts Expenses	0	0
19		Cust. Service and Information Exp.	0	0
20		Sales and Advertising Expenses	0	0
21		Administration and General Expense	828,436	0
22		Depreciation and Amortization	0	0
23		Taxes Other Than Income Taxes	0	0
24		Income Taxes, Deferred Tax, Investment tax credit	0	0
		To decreases expense by the increase of OPEB, Pension, and Health Benefits that are allocated through the Distrigas Methodology.		

Line No.	Adj. No.	Description Col. 1	Increase Col. 2	Decrease Col. 3
	IS 29	Payroll		
1		Operating Revenue	$0	$0
2		Production Expenses	44,712	0
3		Underground Storage Expenses	19	0
4		Transmission Expenses	0	43,816
5		Distribution Expenses	2,555,046	0
6		Customer Accounts Expenses	122,701	0
7		Cust. Service and Information Exp.	13,249	0
8		Sales and Advertising Expenses	19,590	0
9		Administration and General Expense	1,843,889	0
10		Depreciation and Amortization	0	0
11		Taxes Other Than Income Taxes	220,161	0
12		Income Taxes, Deferred Tax, Investment tax credit	0	0
		To annualize known changes to payroll expenses.		
	IS 30	MGP Amortization		
13		Operating Revenue	$0	$0
14		Production Expenses	0	0
15		Underground Storage Expenses	0	0
16		Transmission Expenses	0	0
17		Distribution Expenses	0	0
18		Customer Accounts Expenses	0	0
19		Cust. Service and Information Exp.	0	0
20		Sales and Advertising Expenses	0	0
21		Administration and General Expense	0	0
22		Depreciation and Amortization	902,293	0
23		Taxes Other Than Income Taxes	0	0
24		Income Taxes, Deferred Tax, Investment tax credit	0	0
		To amortize the balance of the MGP deferral.		

Line No.	Adj. No.	Description Col. 1	Increase Col. 2	Decrease Col. 3
	IS 31	Cyber Security Adjustment		
1		Operating Revenue	$0	$0
2		Production Expenses	0	0
3		Underground Storage Expenses	0	0
4		Transmission Expenses	0	0
5		Distribution Expenses	0	0
6		Customer Accounts Expenses	0	0
7		Cust. Service and Information Exp.	0	0
8		Sales and Advertising Expenses	0	0
9		Administration and General Expense	324,549	0
10		Depreciation and Amortization	281,663	0
11		Taxes Other Than Income Taxes	0	0
12		Income Taxes, Deferred Tax, Investment tax credit	0	0
		This adjustment is to amortize over 3 years the amount deferred into the Cyber Security Tracker that was approved in Docket 18-KGSG-560-RTS and resets the amount of cyber security expense to the test year level.		
	IS 32	Change in Pension and OPEB Costs		
13		Operating Revenue	$0	$0
14		Production Expenses	0	0
15		Underground Storage Expenses	0	0
16		Transmission Expenses	0	0
17		Distribution Expenses	0	0
18		Customer Accounts Expenses	0	0
19		Cust. Service and Information Exp.	0	0
20		Sales and Advertising Expenses	0	0
21		Administration and General Expense	0	5,795,720
22		Depreciation and Amortization	0	0
23		Taxes Other Than Income Taxes	0	0
24		Income Taxes, Deferred Tax, Investment tax credit	0	0
		To adjust expenses for the change in Pension and OPEB costs.		

Line No.	Adj. No.	Description Col. 1	Increase Col. 2	Decrease Col. 3
	IS 33	Amortization of Pension and OPEB Costs		
1		Operating Revenue	$0	$0
2		Production Expenses	0	0
3		Underground Storage Expenses	0	0
4		Transmission Expenses	0	0
5		Distribution Expenses	0	0
6		Customer Accounts Expenses	0	0
7		Cust. Service and Information Exp.	0	0
8		Sales and Advertising Expenses	0	0
9		Administration and General Expense	0	0
10		Depreciation and Amortization	0	3,349,420
11		Taxes Other Than Income Taxes	0	0
12		Income Taxes, Deferred Tax, Investment tax credit	0	0
		To amortize over 3 years the deferred Pension and OPEB expenses.		
	IS 34	Rate Case Expense Amortization		
13		Operating Revenue	$0	$0
14		Production Expenses	0	0
15		Underground Storage Expenses	0	0
16		Transmission Expenses	0	0
17		Distribution Expenses	0	0
18		Customer Accounts Expenses	0	0
19		Cust. Service and Information Exp.	0	0
20		Sales and Advertising Expenses	0	0
21		Administration and General Expense	0	0
22		Depreciation and Amortization	357,116	0
23		Taxes Other Than Income Taxes	0	0
24		Income Taxes, Deferred Tax, Investment tax credit	0	0
		This adjustment is for the amortization of the rate case costs in the current case.		

Line No.	Adj. No.	Description Col. 1	Increase Col. 2	Decrease Col. 3
	IS 35	Lease Adjustment		
1		Operating Revenue	$0	$80,906
2		Production Expenses	0	0
3		Underground Storage Expenses	0	0
4		Transmission Expenses	0	0
5		Distribution Expenses	0	0
6		Customer Accounts Expenses	0	0
7		Cust. Service and Information Exp.	0	0
8		Sales and Advertising Expenses	0	0
9		Administration and General Expense	0	344,169
10		Depreciation and Amortization	0	0
11		Taxes Other Than Income Taxes	0	0
12		Income Taxes, Deferred Tax, Investment tax credit	0	0
		Normalization of lease agreements.		
	IS 36	TCJA Over-refund Amortization		
13		Operating Revenue	$0	$0
14		Production Expenses	0	0
15		Underground Storage Expenses	0	0
16		Transmission Expenses	0	0
17		Distribution Expenses	0	0
18		Customer Accounts Expenses	0	0
19		Cust. Service and Information Exp.	0	0
20		Sales and Advertising Expenses	0	0
21		Administration and General Expense	0	0
22		Depreciation and Amortization	82,349	0
23		Taxes Other Than Income Taxes	0	0
24		Income Taxes, Deferred Tax, Investment tax credit	0	0
		Amortize the over-refunded bill credits associated with the Tax Cut and Jobs Act.		

Line No.	Adj. No.	Description Col. 1	Increase Col. 2	Decrease Col. 3
	IS 37	Income Tax		
1		Operating Revenue	$0	$0
2		Production Expenses	0	0
3		Underground Storage Expenses	0	0
4		Transmission Expenses	0	0
5		Distribution Expenses	0	0
6		Customer Accounts Expenses	0	0
7		Cust. Service and Information Exp.	0	0
8		Sales and Advertising Expenses	0	0
9		Administration and General Expense	0	0
10		Depreciation and Amortization	0	0
11		Taxes Other Than Income Taxes	0	0
12		Income Taxes, Deferred Tax, Investment tax credit	0	10,199,097
		To adjust for the change in income taxes associated pro-forma changes to the test-year.		
	IS 38	Bad Debt		
13		Operating Revenue	$0	$0
14		Production Expenses	0	0
15		Underground Storage Expenses	0	0
16		Transmission Expenses	0	0
17		Distribution Expenses	0	0
18		Customer Accounts Expenses	599,070	0
19		Cust. Service and Information Exp.	0	0
20		Sales and Advertising Expenses	0	0
21		Administration and General Expense	0	0
22		Depreciation and Amortization	0	0
23		Taxes Other Than Income Taxes	0	0
24		Income Taxes, Deferred Tax, Investment tax credit	0	0
		To adjust the test year bad debt to a three year average and reflect an increase in bad debt expense due to the requested revenue increase.		

Line No.	Adj. No.	Description Col. 1	Increase Col. 2	Decrease Col. 3
	IS 39	Reconnect Charge		
1		Operating Revenue	$627,690	$0
2		Production Expenses	0	0
3		Underground Storage Expenses	0	0
4		Transmission Expenses	0	0
5		Distribution Expenses	0	0
6		Customer Accounts Expenses	0	0
7		Cust. Service and Information Exp.	0	0
8		Sales and Advertising Expenses	0	0
9		Administration and General Expense	0	0
10		Depreciation and Amortization	0	0
11		Taxes Other Than Income Taxes	0	0
12		Income Taxes, Deferred Tax, Investment tax credit	0	0
		This adjustment is to recognize the change in reconnect and disconnect charges.		
	IS 40	EDIT Amortization		
13		Operating Revenue	$0	$0
14		Production Expenses	0	0
15		Underground Storage Expenses	0	0
16		Transmission Expenses	0	0
17		Distribution Expenses	0	0
18		Customer Accounts Expenses	0	0
19		Cust. Service and Information Exp.	0	0
20		Sales and Advertising Expenses	0	0
21		Administration and General Expense	0	0
22		Depreciation and Amortization	0	0
23		Taxes Other Than Income Taxes	0	0
24		Income Taxes, Deferred Tax, Investment tax credit	4,381,045	0
		Amortization of Excess Deferred Income Taxes.		

KANSAS GAS SERVICE, A DIVISION OF ONE GAS, INC.
Pro Forma Depreciation and Amortization Expense
Test Year Ended September 30, 2023

Line No.	Description Col. 1	Amount Per Books (Schedule 10-B) Col. 2	Pro Forma Adjustments (Schedule 10-C) Col. 3	Pro Forma Total Col. 4
	Depreciation Expense			
1	Intangible plant	$0	$0	$0
2	Production and gathering	13,642	(2,582)	11,060
3	Underground storage	0	0	0
4	Transmission plant	8,258,795	21,623	8,280,418
5	Distribution plant	61,824,620	14,378,776	76,203,396
6	General plant	194,030	3,600,294	3,794,324
7	Corporate Allocated	7,038,218	869,944	7,908,162
8	Total depreciation expense	$77,329,304	$18,868,054	$96,197,358
	Amortization Expense			
9	Intangible plant	$0	$0	$0
10	Distribution plant	0	0	0
11	General plant	21,658	0	21,658
12	Utility plant acquisition premium	0	0	0
13	Regulatory debit	11,872,495	(14,488,947)	(2,616,452)
14	Total amortization expense	$11,894,153	($14,488,947)	($2,594,794)
15	Total depreciation and amortization expense	$89,223,457	$4,379,107	$93,602,564

KANSAS GAS SERVICE, A DIVISION OF ONE GAS, INC.
Functional Classification Detail
Test Year Ended September 30, 2023

Line No.	Description	Depreciation Charged to Operating Expense	Depreciation Charged to Clearing Accounts	Total Expense
	Col. 1	Col. 2	Col. 3	Col. 4
	Depreciation Expense			
1	Intangible plant	$0	$0	$0
2	Production and gathering	13,642	0	13,642
3	Underground storage	0	0	0
4	Transmission plant	8,258,795	0	8,258,795
5	Distribution plant	61,824,620	0	61,824,620
6	General plant	3,647,621	(3,453,591)	194,030
7	Corporate Allocated	7,038,218	0	7,038,218
8	Total depreciation expense	$80,782,895	($3,453,591)	$77,329,304
	Amortization Expense			
9	Intangible plant	$0	$0	$0
10	Distribution plant	0	0	0
11	General plant	21,658	0	21,658
12	Utility plant acquisition premium	0	0	0
13	Regulatory debit	11,872,495	0	11,872,495
14	Total amortization expense	$11,894,153	$0	$11,894,153
15	Total depreciation and amortization expense	$92,677,048	($3,453,591)	$89,223,457

KANSAS GAS SERVICE, A DIVISION OF ONE GAS, INC.
Summary of Pro Forma Adjustments to Depreciation and Amortization Expense (a)
Test Year Ended September 30, 2023

Line No.	Description	IS 4 Eliminate Ad Valorem Revenue and Expenses	IS 11 Fort Riley	IS 12 Annualized Depreciation on Pro Forma Plant	IS 13 Annualized Depreciation at Proposed Rates	IS 24 Annualize Corporate Depreciation	Sub Total Pro Forma Adjustments
	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6	Col. 7
	Depreciation Expense						
1	Intangible plant	$0	$0	$0	$0	$0	$0
2	Production and gathering	0	0	(2,582)	0	0	(2,582)
3	Underground storage	0	0	0	0	0	0
4	Transmission plant	0	0	(493,170)	514,793	0	21,623
5	Distribution plant	0	0	(298,068)	14,676,844	0	14,378,776
6	General plant	0	0	3,525,744	74,550	0	3,600,294
7	Corporate Allocated	0	0	0	0	869,944	869,944
8	Total depreciation expense	$0	$0	$2,731,923	$15,266,187	$869,944	$18,868,054
	Amortization Expense						
9	Intangible plant	$0	$0	$0	$0	$0	$0
10	Distribution plant	0	0	0	0	0	$0
11	General plant	0	0	0	0	0	$0
12	Utility plant acquisition premium	0	0	0	0	0	$0
13	Regulatory debit	(13,092,420)	329,472	0	0	0	($12,762,948)
14	Total amortization expense	($13,092,420)	$329,472	$0	$0	$0	($12,762,948)
15	Total expense	($13,092,420)	$329,472	$2,731,923	$15,266,187	$869,944	$6,105,106

Note:
(a) See Schedule 9-C for explanation of pro forma adjustments.

KANSAS GAS SERVICE, A DIVISION OF ONE GAS, INC.
Summary of Pro Forma Adjustments to Depreciation and Amortization Expense (a)
Test Year Ended September 30, 2023

Line No.	Description	IS 30 MGP Amortization	IS 31 Cyber Security Adjustment	IS 33 Amortization of Pension and OPEB Costs	IS 36 TCJA Over-refund Amortization	IS 34 Rate Case Expense Amortization	Total Pro Forma Adjustments
	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6	Col. 7
	Depreciation Expense						
1	Intangible plant	$0	$0	$0	$0	$0	$0
2	Production and gathering	0	0	0	0	0	(2,582)
3	Underground storage	0	0	0	0	0	0
4	Transmission plant	0	0	0	0	0	21,623
5	Distribution plant	0	0	0	0	0	14,378,776
6	General plant	0	0	0	0	0	3,600,294
7	Corporate Allocated	0	0	0	0	0	869,944
8	Total depreciation expense	$0	$0	0	0	$0	$18,868,054
	Amortization Expense						
9	Intangible plant	$0	$0	$0	$0	$0	$0
10	Distribution plant	0	0	0	0	0	0
11	General plant	0	0	0	0	0	0
12	Utility plant acquisition premium	0	0	0	0	0	0
13	Regulatory debit	902,293	281,663	(3,349,420)	82,349	357,116	(14,488,947)
14	Total amortization expense	$902,293	$281,663	($3,349,420)	$82,349	$357,116	($14,488,947)
15	Total expense	$902,293	$281,663	($3,349,420)	$82,349	$357,116	$4,379,107

Note:
(a) See Schedule 9-C for explanation of pro forma adjustments.

Line No.	Account Number	Description	Depreciation Rates Current Rates	Proposed Rates
		Col. 1	Col. 2	Col. 3
		Intangible Plant		
1	302	Franchise and Consents	0.00%	0.00%
2	303	Miscellaneous Intangible Plant	3.03%	3.03%
3		Total Intangible Plant		
		Production and gathering plant		
4	325.4	Rights of way	1.25%	1.25%
5	327	Field compressor station structures	2.89%	2.89%
6	328	Field measuring and regulating station	0.00%	0.00%
7	332	Field lines	0.80%	0.80%
8	333	Field compressor station equipment	1.01%	1.01%
9	334	Field measuring and regulating station equipment	1.47%	1.47%
10		Total Production and gathering plant		
		Underground storage plant		
11	350.1	Land & Land rights	0.00%	0.00%
12	351.1	Structures and improvements	0.00%	0.00%
13	351.2	Structures and improvements	0.00%	0.00%
14	351.3	Structures and improvements	0.00%	0.00%
15	352	Wells	0.00%	0.00%
16	352.1	Storage Lease and Rights	0.00%	0.00%
17	352.2	Reservoirs	0.00%	0.00%
18	352.3	Non-Recoverable Natural Gas	0.00%	0.00%
19	353	Storage Lines	0.00%	0.00%
20	354	Compressor station equipment	0.00%	0.00%
21	355	Measuring and regulating station equipment	0.00%	0.00%
22	356	Purification equipment	0.00%	0.00%
23	357	Other equipment	0.00%	0.00%
24		Total Underground storage plant	0.00%	0.00%

Line No.	Account Number	Description Col. 1	Depreciation Rates Current Rates Col. 2	Proposed Rates Col. 3
		Transmission plant		
1	365.1	Land & Land rights	0.00%	0.00%
2	365.2	Rights of way	1.41%	1.43%
3	366.1	Structures and improvements	2.95%	3.13%
4	366.2	Measuring and regulating station equipment	2.18%	2.04%
5	367	Mains	2.38%	2.60%
6	368	Compressor station equipment	3.53%	3.70%
7	369	Measuring and regulating station equipment	3.18%	2.92%
8	371	Other Equipment	0.00%	0.00%
9		Total Transmission plant		
		Distribution plant		
10	374.1	Land & Land rights	0.00%	0.00%
11	374.2	Rights of way	1.45%	1.53%
12	375.1	Structures	3.84%	3.62%
13	376	Mains	2.66%	3.73%
14	376.5	Mains - Metallic	2.46%	2.94%
15	376.9	Mains - Cathodic Protection	6.67%	6.67%
16	378	M&R station equipment - general	2.44%	2.54%
17	379	M&R station equipment - city gate	2.13%	2.56%
18	380	Services - Plastic	3.69%	4.67%
19	380.5	Services - Metallic	4.63%	10.38%
20	381	Meters	2.84%	3.05%
21	381.5	Meters - AMR	6.67%	6.67%
22	382	Meter installations	3.20%	3.85%
23	383	House regulators	1.97%	2.04%
24	386	Other Property on Customer Premises	16.24%	15.67%
25	387	Other equipment	0.00%	0.00%
26		Total Distribution plant		

Line No.	Account Number	Description	Depreciation Rates Current Rates	Proposed Rates
		Col. 1	Col. 2	Col. 3
		General Plant		
1	389.1	Land & Land rights	0.00%	0.00%
2	390.1	Structures	1.57%	1.49%
3	390.2	Leasehold Improvements (1)	0.00%	0.00%
4	391.1	Office furniture and equipment	4.79%	5.00%
5	391.25	Computers and other electronic equipment	14.29%	14.29%
6	392	Transportation equipment	4.91%	3.89%
7	393	Stores equipment	4.88%	5.00%
8	394	Tools, shop and garage equipment	6.54%	6.67%
9	395	Laboratory equipment	6.67%	6.67%
10	396	Power operated equipment	4.74%	3.51%
11	397	Communications equipment	5.34%	6.67%
12	398	Miscellaneous equipment	5.00%	5.00%
13		Total General Plant		

(1) Included in amortization expense

Line No.	Account Number	Description Col. 1	Pro-Forma Plant in Service Col. 2	Depreciation Rate Col. 3	Pro-Forma Depreciation Col. 4
		Intangible Plant			
1	302	Franchise and Consents	$6,045	0.00%	$0
2	303	Miscellaneous Intangible Plant	0	3.03%	0
3		Total Intangible Plant	$6,045		$0
		Production and gathering plant			
4	325.4	Rights of way	$232,567	1.25%	$2,907
5	327	Field compressor station structures	3,053	2.89%	88
6	328	Field measuring and regulating station	44,026	0.00%	0
7	332	Field lines	45,302	0.80%	362
8	333	Field compressor station equipment	12,877	1.01%	130
9	334	Field measuring and regulating station equipment	515,090	1.47%	7,572
10		Total Production and gathering plant	$852,915		$11,060
		Underground storage plant			
11	350.1	Land & Land rights	$0	0.00%	$0
12	351.1	Structures and improvements	0	0.00%	0
13	351.2	Structures and improvements	0	0.00%	0
14	351.3	Structures and improvements	0	0.00%	0
15	352	Wells	0	0.00%	0
16	352.1	Storage Lease and Rights	0	0.00%	0
17	352.2	Reservoirs	0	0.00%	0
18	352.3	Non-Recoverable Natural Gas	0	0.00%	0
19	353	Storage Lines	0	0.00%	0
20	354	Compressor station equipment	0	0.00%	0
21	355	Measuring and regulating station equipment	0	0.00%	0
22	356	Purification equipment	0	0.00%	0
23	357	Other equipment	0	0.00%	0
24		Total Underground storage plant	$0	0.00%	$0

Line No.	Account Number	Description Col. 1	Pro-Forma Plant in Service Col. 2	Depreciation Rate Col. 3	Pro-Forma Depreciation Col. 4
		Transmission plant			
1	365.1	Land & Land rights	$899,920	0.00%	$0
2	365.2	Rights of way	12,213,306	1.41%	172,208
3	366.1	Structures and improvements	5,147,615	2.95%	151,855
4	366.2	Measuring and regulating station equipment	2,350,612	2.18%	51,243
5	367	Mains	250,912,558	2.38%	5,971,719
6	368	Compressor station equipment	15,340,424	3.53%	541,517
7	369	Measuring and regulating station equipment	27,581,240	3.18%	877,083
8	371	Other Equipment	28,383	0.00%	0
9		Total Transmission plant	$314,474,058		$7,765,625
		Distribution plant			
10	374.1	Land & Land rights	$559,591	0.00%	$0
11	374.2	Rights of way	2,852,777	1.45%	41,365
12	375.1	Structures	959,697	3.84%	36,852
13	376	Mains	470,627,460	2.66%	12,518,690
14	376.5	Mains - Metallic	351,891,285	2.46%	8,656,526
15	376.9	Mains - Cathodic Protection	28,344,948	6.67%	1,890,608
16	378	M&R station equipment - general	30,826,552	2.44%	752,168
17	379	M&R station equipment - city gate	11,917,425	2.13%	253,841
18	380	Services - Plastic	673,574,659	3.69%	24,854,905
19	380.5	Services - Metallic	3,362,630	4.63%	155,690
20	381	Meters	170,634,636	2.84%	4,846,024
21	381.5	Meters-AMR	52,496,670	6.67%	3,501,528
22	382	Meter installations	107,567,938	3.20%	3,442,174
23	383	House regulators	27,400,128	1.97%	539,783
24	386	Other Property on Customer Premises	224,125	16.24%	36,398
25	387	Other equipment	0	0.00%	0
26		Total Distribution plant	$1,933,240,521		$61,526,551

KANSAS GAS SERVICE, A DIVISION OF ONE GAS, INC.
Calculation of Pro-Forma Depreciation Expense - Existing Rates
Test Year Ended September 30, 2023

Line No.	Account Number	Description Col. 1	Pro-Forma Plant in Service Col. 2	Depreciation Rate Col. 3	Pro-Forma Depreciation Col. 4
		General Plant			
1	389.1	Land & Land rights	$4,693,542	0.00%	$0
2	390.1	Structures	54,397,100	1.57%	854,034
3	390.2	Leasehold Improvements (1)	3,183,183	0.00%	0
4	391.1	Office furniture and equipment	6,186,032	4.79%	296,311
5	391.9	Computers and other electronic equipment	5,279,304	14.29%	754,413
6	392	Transportation equipment	55,445,676	4.91%	2,722,383
7	393	Stores equipment	152,032	4.88%	7,419
8	394	Tools, shop and garage equipment	22,474,941	6.54%	1,469,861
9	395	Laboratory equipment	250,914	6.67%	16,736
10	396	Power operated equipment	18,182,394	4.74%	861,845
11	397	Communications equipment	5,690,022	5.34%	303,847
12	398	Miscellaneous equipment	343,045	5.00%	17,152
13		Total General Plant	$176,278,185		$7,304,002
14		Subtotal	$2,424,851,724		$76,607,238
		Less: Capitalized Depreciation			
15		392 Transportation Equipment			(2,722,383)
16		396 Power Operated Equipment			(861,845)
17		Pro-Forma Depreciation Expense			$73,023,010
18		Test Period Depreciation - Kansas Gas Service			70,291,086
19		Pro-Forma Depreciation Adjustment at Current Rates			$2,731,923

(1) Included in amortization expense

KANSAS GAS SERVICE, A DIVISION OF ONE GAS, INC.
Pro Forma Depreciation and Amortization Expense - Proposed Rates
Test Year Ended September 30, 2023

Line No.	Account Number	Description Col. 1	Pro-Forma Plant in Service Col. 2	Depreciation Rate Col. 3	Pro-Forma Depreciation Col. 4
		Intangible Plant			
1	302	Franchise and Consents	$6,045	0.00%	$0
2	303	Miscellaneous Intangible Plant	0	3.03%	0
3		Total Intangible Plant	$6,045		$0
4		Production and gathering plant			
5	325.4	Rights of way	$232,567	1.25%	$2,907
6	327	Field compressor station structures	3,053	2.89%	88
7	328	Field measuring and regulating station	44,026	0.00%	0
8	332	Field lines	45,302	0.80%	362
9	333	Field compressor station equipment	12,877	1.01%	130
10	334	Field measuring and regulating station equipment	515,090	1.47%	7,572
		Total Production and gathering plant	$852,915		$11,060
		Underground storage plant			
11	350.1	Land & Land rights	$0	0.00%	$0
12	351.1	Structures and improvements	0	0.00%	0
13	351.2	Structures and improvements	0	0.00%	0
14	351.3	Structures and improvements	0	0.00%	0
15	352	Wells	0	0.00%	0
16	352.1	Storage Lease and Rights	0	0.00%	0
17	352.2	Reservoirs	0	0.00%	0
18	352.3	Non-Recoverable Natural Gas	0	0.00%	0
19	353	Storage Lines	0	0.00%	0
20	354	Compressor station equipment	0	0.00%	0
21	355	Measuring and regulating station equipment	0	0.00%	0
22	356	Purification equipment	0	0.00%	0
23	357	Other equipment	0	0.00%	0
24		Total Underground storage plant	$0	0.00%	$0

Line No.	Account Number	Description Col. 1	Pro-Forma Plant in Service Col. 2	Depreciation Rate Col. 3	Pro-Forma Depreciation Col. 4
		Transmission plant			
1	365.1	Land & Land rights	$899,920	0.00%	$0
2	365.2	Rights of way	12,213,306	1.43%	174,650
3	366.1	Structures and improvements	5,147,615	3.13%	161,120
4	366.2	Measuring and regulating station equipment	2,350,612	2.04%	47,952
5	367	Mains	250,912,558	2.60%	6,523,727
6	368	Compressor station equipment	15,340,424	3.70%	567,596
7	369	Measuring and regulating station equipment	27,581,240	2.92%	805,372
8	371	Other Equipment	28,383	0.00%	0
9		Total Transmission plant	$314,474,058		$8,280,418
		Distribution plant			
10	374.1	Land & Land rights	$559,591	0.00%	$0
11	374.2	Rights of way	2,852,777	1.53%	43,647
12	375.1	Structures	959,697	3.62%	34,741
13	376	Mains	470,627,460	3.73%	17,554,404
14	376.5	Mains - Metallic	351,891,285	2.94%	10,345,604
15	376.9	Mains - Cathodic Protection	28,344,948	6.67%	1,890,608
16	378	M&R station equipment - general	30,826,552	2.54%	782,994
17	379	M&R station equipment - city gate	11,917,425	2.56%	305,086
18	380	Services - Plastic	673,574,659	4.67%	31,455,937
19	380.5	Services - Metallic	3,362,630	10.38%	349,041
20	381	Meters	170,634,636	3.05%	5,204,356
21	381.5	Meters - AMR	52,496,670	6.67%	3,501,528
22	382	Meter installations	107,567,938	3.85%	4,141,366
23	383	House regulators	27,400,128	2.04%	558,963
24	386	Other Property on Customer Premises	224,125	15.67%	35,120
25	387	Other equipment	0	0.00%	0
26		Total Distribution plant	1,933,240,521		76,203,396

Line No.	Account Number	Description Col. 1	Pro-Forma Plant in Service Col. 2	Depreciation Rate Col. 3	Pro-Forma Depreciation Col. 4
		General Plant			
1	389.1	Land & Land rights	$4,693,542	0.00%	$0
2	390.1	Structures	54,397,100	1.49%	810,517
3	390.2	Leasehold Improvements (1)	3,183,183	0.00%	0
4	391.1	Office furniture and equipment	6,186,032	5.00%	309,302
5	391.9	Computers and other electronic equipment	5,279,304	14.29%	754,413
6	392	Transportation equipment	55,445,676	3.89%	2,156,837
7	393	Stores equipment	152,032	5.00%	7,602
8	394	Tools, shop and garage equipment	22,474,941	6.67%	1,499,079
9	395	Laboratory equipment	250,914	6.67%	16,736
10	396	Power operated equipment	18,182,394	3.51%	638,202
11	397	Communications equipment	5,690,022	6.67%	379,524
12	398	Miscellaneous equipment	343,045	5.00%	17,152
13		Total General Plant	$176,278,185		$6,589,363
14		Subtotal	$2,424,851,724		$91,084,235
		Less: Capitalized Depreciation			
15		392 Transportation Equipment			(2,156,837)
16		396 Power Operated Equipment			(638,202)
17		Pro-Forma Depreciation Expense			$88,289,196
18		Less: Annualized Depreciation - Present Rates 10-E			73,023,010
19		Pro-Forma Depreciation Adjustment at Proposed Rates			$15,266,187

(1) Included in amortization expense

KANSAS GAS SERVICE, A DIVISION OF ONE GAS, INC.
Pro Forma Taxes Chargeable to Operations
Test Year Ended September 30, 2023

Line No.	Description	Schedule References	Amount Per Books	Pro Forma Adjustments	Pro Forma Adjusted Total
	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5
	Taxes other than income taxes:				
1	Payroll taxes	11-B	$3,952,119	$162,825	$4,114,944
2	Real estate and personal property taxes	11-B	21,144,627	15,209,005	36,353,632
3	Total other taxes	11-B	1,802,341	0	1,802,341
4	Total taxes other than income taxes		$26,899,087	$15,371,830	$42,270,917
	Income taxes:				
5	Income taxes - current	11-C	$3,403,831	($10,191,819)	($6,787,988)
6	Income taxes - deferred	11-E	682,881	4,373,767	5,056,648
7	Income taxes - amortization of ITC	11-E	(27,186)	0	(27,186)
8	Total income taxes		$4,059,526	($5,818,053)	($1,758,527)
9	Total taxes chargeable to operation		$30,958,613	$9,553,777	$40,512,390

KANSAS GAS SERVICE, A DIVISION OF ONE GAS, INC.
Pro Forma Taxes Other Than Income Taxes
Test Year Ended September 30, 2023

Line No.	Description Col. 1	Amount Per Books Col. 2	Pro Forma Adjustments (Schedule 9-B) Col. 3	Pro Forma Adjusted Total Col. 4
	Payroll taxes:			
1	Federal payroll taxes	$6,336,289	$162,825	$6,499,115
2	Federal unemployment (FUTA)	44,470	0	44,470
3	State unemployment (SUTA)	82,446	0	82,446
4	Capitalized payroll	(2,511,086)	0	(2,511,086)
5	Total payroll taxes	$3,952,119	$162,825	$4,114,944
6	General Tax Expense	$1,806,609	$0	$1,806,609
7	General Tax Sales Tax Allowance	(4,269)	0	(4,269)
8	Real estate and personal property taxes	21,144,627	15,209,005	36,353,632
	Total non-payroll taxes	$22,946,968	$15,209,005	$38,155,972
9	Total taxes other than income taxe	$26,899,087	$15,371,830	$42,270,917

KANSAS GAS SERVICE, A DIVISION OF ONE GAS, INC.
Pro Forma Current Income Taxes
Test Year Ended September 30, 2023

Line No.	Description Col. 1	Schedule Reference Col. 2	Amount Per Books Col. 3	Pro Forma Adjustments Col. 4	Pro Forma Adjusted Total Col. 5
	Provision for Kansas Income Tax:				
1	Taxable income	11-D	$16,208,719	($48,532,473)	($32,323,754)
2	Kansas income tax		$0	$0	$0
3	Adjustments [Provision-to-Return,Temp/Perm]		0	0	0
4	Kansas current income tax		$0	$0	$0
	Provision for Federal Income Tax:				
5	Taxable income		$16,208,719	($48,532,473)	($32,323,754)
6	Less: Provision for				
	Kansas income tax (Line 2)		0	0	0
7	Federal taxable income		$16,208,719	($48,532,473)	($32,323,754)
8	Federal income tax		$3,300,546	($10,191,819)	($6,891,273)
9	Adjustments [Provision-to-Return,Temp/Perm]		0	0	0
10	2018 Tax change		0	0	0
11	Federal current income tax		$3,300,546	($10,191,819)	($6,891,273)
	Summary of Current Income Taxes				
12	Kansas income tax (Line 4)		$0	$0	$0
13	Federal income tax (Line 11)		3,300,546	(10,191,819)	(6,891,273)
14	Total current income taxes		$3,300,546	($10,191,819)	($6,891,273)

KANSAS GAS SERVICE, A DIVISION OF ONE GAS, INC.
Pro Forma Taxable Income
Test Year Ended September 30, 2023

Line No.	Description	Schedule References	Amount Per Books	Pro Forma Adjustments	Pro Forma Adjusted Total
	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5
1	Operating revenues	9-A	$856,648,490	($520,209,591)	$336,438,899
2	Less: Operating expenses (accts. 431 and 432 included)	9-A	$652,990,422	($487,136,807)	$165,853,615
3	Depreciation and amortization	9-A	$89,223,457	$4,379,107	$93,602,564
4	Taxes other than income taxes	9-A	$26,899,087	$15,371,830	$42,270,917
5	Interest Expense	8-B	$30,682,964	($5,869,484)	$24,813,480
6	Other income & deductions	8-B	($1,086,402)	$1,086,402	$0
7	Total expenses before income taxes		$798,709,528	($472,168,952)	$326,540,576
8	Operating income before income taxes		$57,938,962	($48,040,639)	$9,898,323
	Increases/(decreases):				
9	Reverse Book Depreciation		$82,740,919	$0	$82,740,919
10	Other CIAC to Income		1,583,594	0	1,583,594
11	Workmen's Comp Settlement		259,228	0	259,228
12	Bad Debts		1,501,703	0	1,501,703
13	Amortizations		330,663	0	330,663
14	OPEB Cash Payments		0	0	0
15	Contingencies/Reserves		(10,103,865)	0	(10,103,865)
16	Pension: Book Accrual		8,753,910	0	8,753,910
17	Pension: Contributions		0	0	0
18	OPEB: Book Accrual		(1,761,575)	0	(1,761,575)
19	Book Reg Assets - Net		43,484	0	43,484
20	Purchased Gas Adjustment		67,647,860	0	67,647,860
21	Tax Depreciation		(125,774,436)	0	(125,774,436)
22	Rate Case Expenses		(2,620,487)	0	(2,620,487)
23	Active Employee Benefits		9,383	0	9,383
24	Net Operating Loss		(64,832,458)	0	(64,832,458)
25	Other (Eliminate below the line other income)		0	0	0
26	Total Temporary Differences increases/(decreases):		($42,222,077)	$0	($42,222,077)
27	Meal Disallowance - 50%		$166,409	($166,409)	$0
28	Lobbying Expenses		227,426	(227,426)	0
	Civic Disallowance - 50%		96,086	(96,086)	0
29	Club Memberships		1,150	(1,150)	0
30	Penalty		763	(763)	0
31	Permanent Differences		$491,834	($491,834)	$0
32	Taxable Income (Loss		$16,208,719	($48,532,473)	($32,323,754)

KANSAS GAS SERVICE, A DIVISION OF ONE GAS, INC.
Pro Forma Deferred Income Taxes
Test Year Ended September 30, 2023

Line No.	Description	Amount Per Books	Pro Forma Adjustments	Pro Forma Adjusted Total
	Col. 1	Col. 2	Col. 3	Col. 4
	Provision for Deferred Income Taxes :			
1	Reverse Book Depreciation	($17,375,593)		($17,375,593)
2	Other CIAC to Income	(332,555)		(332,555)
3	Workmen's Comp Settlement	(54,438)		(54,438)
4	Bad Debts	(315,358)		(315,358)
5	Amortizations	(69,439)		(69,439)
6	OPEB Cash Payments	0		0
7	Contingencies/Reserves	2,121,812		2,121,812
8	Pension: Book Accrual	(1,838,321)		(1,838,321)
9	Pension: Cash Payments	0		0
10	OPEB: Book Accrual	369,931		369,931
11	Book Reg Assets - Net	(9,132)		(9,132)
12	Purchased Gas Adjustment	(14,206,051)		(14,206,051)
13	Tax Depreciation	26,412,632		26,412,632
14	Rate Case Expenses	550,302		550,302
15	Active Employee Benefits	(1,970)		(1,970)
16	Net Operating Loss	13,614,816		13,614,816
17	Other (Eliminate below the line other income)	0		0
18	Sub-total Provision for deferred income taxes	$8,866,636	$0	$8,866,636
19	2021 FAS 109	$0	$0	$0
20	2021 Provision to Return	372	0	$372
21	Flow-Thru Adjustment	7,278	(7,278)	0
22	Other - Excess Deferred Income Tax Amortization	(8,202,217)	0	(8,202,217)
23	Sub-total Provision for deferred income taxes	$672,069	($7,278)	$664,791
24	Amortization of Deferred ITC	($27,186)	$0	($27,186)
25	Deferred Tax Turnaround on Def ITC	10,812	$0	10,812
26	Investment tax credit - net	($16,374)	$0	($16,374)
27	Total deferred income taxe	$655,695	($7,278)	$648,417

Line No.	Description Col. 1	Increase Col. 2	Decrease Col. 3
1	**Book depreciation** Depreciable plant in service is depreciated through account 403 for book purposes. Tax will reverse out the book depreciation expense.	82,740,919	0
2	**Contributions in Aid (CIAC)** Advance payments for a reimbursable construction job after 1986 are treated as contributions to capital for book purposes but are includible as taxable income for tax purposes.	1,583,594	0
3	**Workmen's Compensation Settlement** Tax reverses the book estimate of workmen's compensation, then records a tax deduction for the actual payments made.	259,228	0
4	**Bad Debts** Tax reverses the book estimate of bad debt expense, then records a tax deduction for the actual net charge-offs/recoveries.	1,501,703	0
5	**Amortization-Leasehold Improvements** Cost associated with remodeling company facilities are being amortized for income tax purposes.	330,663	0

Line No.	Description Col. 1	Increase Col. 2	Decrease Col. 3
1	**Non-Pension Cash Payments (FAS 106)** Cash benefits paid for other than pension employees medical benefits are deducted for tax when paid.	0	0
2	**Contingencies/Reserves** A general liability and damage claims expense is recorded for book purposes. Tax reverses this accrual and deducts actual cash payments.	0	10,103,865
3	**Pension - Book Accrual (FAS 87)** FAS 87 establishes standards for "pension benefits" to employees. The book accrual for pension benefits is reversed for tax purposes.	8,753,910	0
4	**Pension - Cash Contributions (FAS 87)** The cash contributions for pension benefits are deducted for tax purposes.		0
5	**Non-Pension - Book Accrual (Fas 106)** FAS 106 establishes standards for "postretirement benefits" other than pensions to employees. The book accrual for postretirement benefits is reversed for tax purposes.	0	1,761,575
6	**Regulatory Asset** These are regulatory assets set up and amortized for book purposes. For tax purposes these expenses are deductible when incurred. The book amortization is then reversed for tax purposes in the following years.	43,484	0
7	**Purchased Gas Adjustment** A public utility that uses the accrual method of accounting is authorized to include fuel charges in its customers' bills for natural gas. The charges may be adjusted monthly and are trued up annually. These estimates are reversed for tax purposes.	67,647,860	0

Line No.	Description Col. 1	Increase Col. 2	Decrease Col. 3
1	**Tax Depreciation** The IRS allows depreciable plant in service to be depreciated for tax purposes at an accelerated rate. Therefore, tax depreciation as computed under IRS guidelines is recognized as a deduction for tax purposes.	0	125,774,436
2	**Rate Case Expenses** Tax reverses the book accrual for rate case expenses and deducts these expenses as they are incurred.	0	2,620,487
3	**Active Employee Benefits** Tax reverses the book estimate for active employee benefits and records a tax deduction for the cash payments made for these benefits.	9,383	0
4	**Other** Other miscellaneous deductions to eliminate below the line other income.	0	0
5	**50% Disallowed Meals** Book recognizes meals and entertainment expenses for GAAP purposes. disallow 50% of such expenses are disallowed per IRS guidelines.	166,409	0
6	**Lobbying Expenses** Book recognizes lobbying expenses for GAAP purposes. Lobbying expenses are disallowed per IRS guidelines; therefore, the book entry is reversed out for tax purposes.	227,426	0
7	**Civic Disallowance- 50%** Civic expenses are treated as such for book purposes, but only 50% of those expenses can be recognized as expense for tax purposes.	96,086	0
8	**Club Memberships** Employee costs related memberships in certain social clubs are not deductible for income tax purposes. Any expenses related to these items on the books are reversed for tax and not deductible.	1,150	0

KANSAS GAS SERVICE, A DIVISION OF ONE GAS, INC.
Description of Increases/Decreases to
Operating Income Before Income Taxes
Test Year Ended September 30, 2023

Line No.	Description Col. 1	Increase Col. 2	Decrease Col. 3
1	**Tax Penalty** Penalties accrued determined to be non-deductible for tax purposes. The impact on income tax expense for this item has been eliminated.	763	0
2	**Net Operating Loss** A net operating loss (NOL) is a tax credit that occurs when a company's allowable deductions exceed its taxable income within a tax period. The NOL can generally be used to offset a company's tax payments in other periods through an IRS tax provision called a loss carryforward.	0	64,832,458
		163,362,578	205,092,821

KANSAS GAS SERVICE, A DIVISION OF ONE GAS, INC.
Composite Tax Rate
Test Year Ended September 30, 2023

Line No.	Description Col. 1		Tax Rates Effective 2023 Col. 2
1	State Income Tax Rate		0.0000%
2	Federal Income Tax Rate		21.0000%
3	Less: State Tax Deductible for Federal		0.0000%
4	Effective Federal Income Tax Rat		21.0000%
5	Composite Income Tax Rate		21.0000%
6	Inverse Tax Rate		79.0000%
7	Reciprocal Tax Rate (tax / 1- tax		26.5823%
8	Tax Gross-up		1.265823
9	Interest expense computation of synchronization:		
10	Rate Base	(Schedule 3A)	$1,395,348,357
11	Weighted Cost of Debt	(Schedule 7A)	1.7783%
12	Interest Expense		$24,813,480

Line No.	Year	Income Taxes Deferred	Credited to Income	Adjustments	Cumulative Balance
	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5
1	1997	$104,786,340	($4,802,035)	$4,939,865	$104,924,170
2	1998	1,237,460	(4,227,624)	(2,720,972)	99,213,034
3	1999	(4,275,619)	(376,006)	4,932,767	99,494,176
4	2000	7,343,120	13,303,552	(4,334,787)	115,806,061
5	2001	5,805,215	7,224,635	(6,371,877)	122,464,034
6	2002	18,800,446	15,594,814	(14,345,950)	142,513,344
7	2003	6,564,788	(8,831,752)	(4,323,130)	135,923,250
8	2004	5,779,043	15,460,658	(11,101,266)	146,061,685
9	2005	5,864,481	12,675,978	(8,428,449)	156,173,695

KANSAS GAS SERVICE, A DIVISION OF ONE GAS, INC.
Accumulated Deferred Income Taxes
Accrual Charges and Credits to Account 283

Line No.	Year Col. 1	Income Taxes Deferred Col. 2	Credited to Income Col. 3	Adjustments Col. 4	Cumulative Balance Col. 5
1	2006	$17,646,429	($1,683,508)	($942,000)	$171,194,616
2	2007	7,448,708	(1,743,302)	1,261,054	178,161,076
3	2008	17,521,108	(7,086,508)	(1,110,556)	187,485,120
4	2009	20,682,151	(10,172,617)	36,528,301	234,522,954
5	2010	13,673,583	(4,870,182)	14,161,853	257,488,209
6	2011	35,072,154	(1,793,891)	14,681,666	305,448,137
7	2012	26,658,221	(272,363)	4,955,029	336,789,024
8	2013	22,902,177	(14,741,659)	(538,311)	344,411,231
9	2014	27,903,600	(18,619,684)	(285,451)	353,409,696
10	2015	24,965,789	(8,901,517)	1,133,983	370,607,951
11	2016	37,993,036	(3,440,712)	3,404,746	408,565,021
12	2017	11,204,793	(2,003,275)	(112,510,063)	305,256,476

Line No.	Year	Income Taxes Deferred	Credited to Income	Adjustments	Cumulative Balance
	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5
1	2018	$6,597,476	($12,280,969)	$5,613,526	$305,186,509
2	2019	15,071,744	(7,065,397)	(1,680,710)	311,512,146
3	2020	10,916,136	(8,169,412)	(65,900,488)	248,358,382
4	2021	96,474,639	(85,083,156)	(3,476,067)	256,273,798
5	2022	27,256,596	(18,703,213)	(2,178,995)	262,648,186

Accumulated Deferred Investment Tax Credit
Accrual Charges and Credits to Account 255

Line No.	Year	Beginning Balance	Investment Credits Deferred	Credited to Income	Adjustments	Ending Balance
	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5	Col. 6
1	1997	$8,083,139	$0	($39,125)	$0	$8,044,014
2	1998	8,044,014	0	(307,981)	0	7,736,033
3	1999	7,736,033	0	(611,742)	0	7,124,291
4	1999SY	7,124,291	0	(180,656)	0	6,943,635
5	2000	6,943,635	0	(536,034)	0	6,407,601
6	2001	6,407,601	0	(501,120)	(247,755)	5,658,726
7	2002	5,658,726	0	(505,388)	457,650	5,610,988
8	2003	5,610,988	0	(444,807)	0	5,166,181
9	2004	5,166,181	0	(514,644)	0	4,651,537
10	2005	4,651,537	0	(499,464)	0	4,152,073

Line No.	Year Col. 1	Beginning Balance Col. 2	Investment Credits Deferred Col. 3	Credited to Income Col. 4	Adjustments Col. 5	Ending Balance Col. 6
1	2006	$4,152,073	$0	($484,224)	$0	$3,667,849
2	2007	3,667,849	0	(454,044)	0	3,213,805
3	2008	3,213,805	0	(417,516)	0	2,796,289
4	2009	2,796,289	0	(395,244)	0	2,401,045
5	2010	2,401,045	0	(414,792)	0	1,986,253
6	2011	1,986,253	0	(384,288)	0	1,601,965
7	2012	1,601,965	0	(347,388)	0	1,254,577
8	2013	1,254,577	0	(291,960)	0	962,617
9	2014	962,617	0	(266,532)	0	696,085
10	2015	696,085	0	(201,384)	0	494,701
11	2016	494,701	0	(149,172)	0	345,529
12	2017	345,529	0	(128,796)	0	216,733

Line No.	Year Col. 1	Beginning Balance Col. 2	Investment Credits Deferred Col. 3	Credited to Income Col. 4	Adjustments Col. 5	Ending Balance Col. 6
1	2018	$216,733	$0	($83,736)	$0	132,997
2	2019	132,997	0	(59,448)	0	73,549
3	2020	73,549	0	(35,628)	0	37,921
4	2021	37,921	0	(27,864)	0	10,057
5	2022	10,057	0	(27,456)	0	(17,399)

Line No.	Description	Kansas Gas Service	Total Company ONE Gas, Inc.	Kansas Gas Service Percentage
	Col. 1	Col. 2	Col. 3	Col. 4
	4th Quarter 2022 - based on 12 months Ended September 2022			
1	Gross Plant and Investment	$2,299,230,506	$7,360,602,102	31.24%
2	Operating Income	$92,340,616	$331,650,937	27.84%
3	Labor Expense	$54,297,127	$153,096,129	35.47%
4	Average Percentage			31.52%

Line No.	Description	Kansas Gas Service	Total Company ONE Gas, Inc.	Kansas Gas Service Percentage
	1st Quarter 2023 - based on 12 months Ended December 2022			
5	Gross Plant and Investment	$2,329,905,690	$7,530,008,052	30.94%
6	Operating Income	$95,432,694	$352,575,692	27.07%
7	Labor Expense	$54,059,190	$154,824,709	34.92%
8	Average Percentage			30.98%

Line No.	Description Col. 1	Kansas Gas Service Col. 2	Total Company ONE Gas, Inc. Col. 3	Kansas Gas Service Percentage Col. 4
	2nd Quarter 2023 - based on 12 months Ended March 2023			
1	Gross Plant and Investment	$2,357,816,903	$7,654,601,602	30.80%
2	Operating Income	$96,557,323	$357,647,456	27.00%
3	Labor Expense	$54,230,871	$157,227,537	34.49%
4	Average Percentage			30.76%

Line No.	Description	Kansas Gas Service	Total Company ONE Gas, Inc.	Kansas Gas Service Percentage
	3rd Quarter 2023 - based on 12 months Ended June 2023			
5	Gross Plant and Investment	$2,395,435,424	$7,810,044,657	30.67%
6	Operating Income	$96,179,379	$357,951,697	26.87%
7	Labor Expense	$54,419,676	$160,488,221	33.91%
8	Average Percentage			30.48%

Line No.	Description	Kansas Gas Service	Total Company ONE Gas, Inc.	Kansas Gas Service Percentage
	Col. 1	Col. 2	Col. 3	Col. 4
	4th Quarter 2023 - based on 12 months Ended September 2023			
1	Gross Plant and Investment	$2,434,303,640	$7,975,188,264	30.52%
2	Operating Income	$99,532,115	$363,886,288	27.35%
3	Labor Expense	$54,285,594	$163,072,345	33.29%
4	Average Percentage			30.39%

KANSAS GAS SERVICE, A DIVISION OF ONE GAS, INC.
Causal Allocation Ratios
Test Year Ended September 30, 2023

Causal Allocation Percentages for 2022

Line No.	Description	Allocation Basis	Kansas Gas Service	Total Company ONE Gas, Inc.	Kansas Gas Service Percentage
	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5
1	OGS Accounts Payable and AP Software	KGS's percent of Invoice Count at year end 2021	32,357	177,518	18.00%
2	OGS Human Resources, IT HR Services, Resource Management, Administrative cost for 401k Thrift Plan	KGS's percent of Employee count at year end 2021	986	3,637	27.11%
3	Billing Control, Banner (customer billing software), Meter sho	KGS's percent of Customer count at year end 2021	647,000	2,241,000	28.87%
4	Property Accounting	KGS's percent of Gross PP&E year end 2021	2,216,517,229	6,996,101,427	31.68%
5	Engineering, Operations, and Maximo	KGS's percent of total miles of pipe at year end 2021	13,200	44,000	30.00%
6	PowerPlant	KGS's percent of Gross PP&E and adjustments year end 2021	2,220,951,169	7,000,535,367	31.73%
7	Administrative Cost for Pension	KGS's percent of Pension costs for 2022	13,058,077	16,130,027	80.96%
8	Administrative Cost for SERP	KGS's percent of SERP costs for 2022	202,126	1,600,603	12.63%

KANSAS GAS SERVICE, A DIVISION OF ONE GAS, INC.
Causal Allocation Ratios
Test Year Ended September 30, 2023

Causal Allocation Percentages for 2023

Line No.	Description	Allocation Basis	Kansas Gas Service	Total Company ONE Gas, Inc.	Kansas Gas Service Percentage
	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5
1	OGS Accounts Payable and AP Software	KGS's percent of Invoice Count at year end 2022	34,152	186,556	18.00%
2	OGS Human Resources, IT HR Services, Resource Management, Administrative cost for 401k Thrift Plan	KGS's percent of Employee count at year end 2022	979	3,763	26.02%
3	Billing Control, Banner (customer billing software), Meter sho	KGS's percent of Customer count at year end 2022	648,000	2,256,000	28.72%
4	Property Accounting	KGS's percent of Gross PP&E year end 2022	2,325,471,750	7,525,574,112	30.90%
5	Engineering, Operations, and Maximo	KGS's percent of total miles of pipe at year end 2022	13,200	44,500	29.66%
6	PowerPlant	KGS's percent of Gross PP&E and adjustments year end 2022	2,329,905,690	7,530,008,052	30.94%
7	Administrative Cost for Pension	KGS's percent of Pension costs for 2023	1,990,303	6,989,756	28.47%
8	Administrative Cost for SERP	KGS's percent of SERP costs for 2023	197,803	1,384,689	14.29%

KANSAS GAS SERVICE, A DIVISION OF ONE GAS, INC.
Labor Capitalization Ratio
Test Year Ended September 30, 2023

Line No.	Labor Capitalization Ratio for KGS	Labor	Labor % to Total
	Col. 1	Col. 2	Col. 3
1	Labor Expensed	$55,827,082	64.08%
2	Labor Capitalized	$31,287,536	35.92%
3	Total KGS	$87,114,618	

THIS SECTION CONTAINS THE 2022 ANNUAL REPORT

ONE Gas

2022 Annual Report

Delivering Reliable & Affordable Energy

About Us

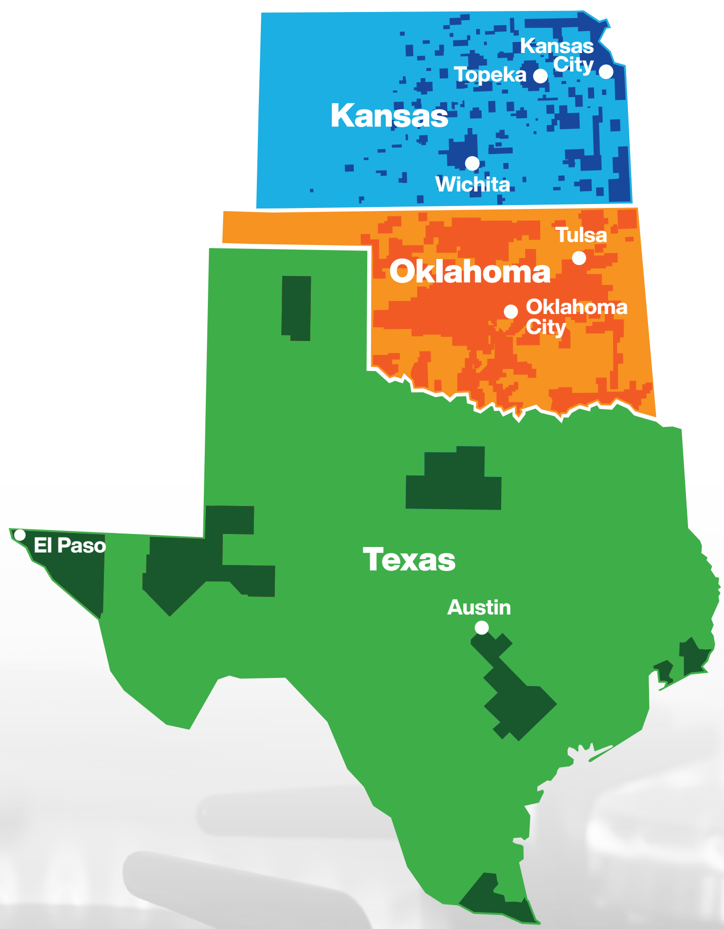
ONE Gas, Inc. is a 100% regulated natural gas utility and trades on the New York Stock Exchange under the symbol "OGS." ONE Gas is included in the S&P MidCap 400 Index and is one of the largest natural gas utilities in the United States.

We provide natural gas distribution services to approximately 2.3 million customers in Kansas, Oklahoma and Texas. We are headquartered in Tulsa, Oklahoma.

Mission

We deliver natural gas for a better tomorrow.

ONE Gas



Our Divisions

Kansas Gas Service
72% market share,
the largest in Kansas

Oklahoma Natural Gas
88% market share,
the largest in Oklahoma

Texas Gas Service
13% market share,
the third largest in Texas

Core Values

Safety

We are committed to operating safely and in an environmentally responsible manner.

Ethics

We are accountable to the highest ethical standards and are committed to compliance.

Inclusion & Diversity

We embrace an inclusive and diverse culture that encourages collaboration. Every employee makes a difference and contributes to our success.

Service

We provide exceptional service to our customers and support each other.

Value

We create value for all stakeholders, including our customers, employees, investors and communities.

2022 Highlights

Net income increased to
$222 million
compared with
$206 million in 2021

27,000 new customers
9% increase in meters over 2021

Earnings per share
$4.08 compared with
$3.85 in 2021

Contributed
$3.4 million
in ONE Gas Foundation grants and community giving

$657 million
in capital investments;
~70% for system integrity and reliability

5th year
recognized by the American Gas Association for having the lowest incident rate for the number of days away from work, restricted or transferred (DART), the most serious types of injuries

460 miles
of distribution mains, service lines and transmission lines replaced

Creating Value for a Better Tomorrow

To Our Fellow Shareholders:

Since our founding in 2014, ONE Gas has consistently delivered strong financial performance and excellence in operations and capital allocation. Our 3,800 dedicated co-workers are focused on the safety of our customers and the systems we operate while also maintaining exceptional service for our 2.3 million customers.

We remain focused on the prudent management of our assets, along with our commitment to the long-term execution of our core business and growth strategies. Our financial, operational and safety achievements this year underscore the success of executing these strategies, which we are pleased to share in this year's report.

Safety and Reliable Energy

Safety is at the foundation of everything we do. Our co-workers drive our safety culture and are committed to a goal of zero harm. Our commitment to safety carries over into all areas of our work, resulting in pipeline safety improvements, reliable service to our customers and an improved emissions profile of our system.

Safe driving, personal injury prevention and public safety are essential aspects of our daily work. Our training, processes and procedures are designed to prevent incidents and harm to our co-workers, customers and communities.

We leverage data in all areas of our pipeline safety program to guide decision-making and improve our processes. Vintage distribution main and service pipeline replacement projects are optimized for risk mitigation by our asset integrity management technology and contribute to emissions reductions.

We also use data from impactful weather events for system reliability planning and to further reinforce our operations. After Winter Storm Uri in 2021, we applied the lessons learned and made additional investments in our system, which included adding additional leased natural gas storage capacity and further diversifying our gas supply portfolio, which have enhanced reliability and resiliency. The benefits of this approach were clear during Winter Storm Elliott in December 2022, which brought extreme cold, snow and ice to our service territories. Our systems, processes and co-workers performed well with no significant service disruptions.

Our safety focus also extends to physical security, information technology and operational technology to keep our customers, co-workers and systems safe and secure. The ONE Gas Cybersecurity and Physical Security teams operate 24/7, continuously analyzing our company's cybersecurity and physical security risks. We understand threats are ever-present and strive to remain vigilant in conducting drills and providing employee training.

2022 Financial Performance at a Glance

New revenues from system integrity investments and expansions to serve new customers contributed to our earnings growth. **In 2022, despite significant macroeconomic headwinds, net income increased to $222 million compared with $206 million in 2021**. Diluted earnings per share increased approximately 6% to $4.08, compared with $3.85 per diluted share last year. Dividends rose 7% in 2022 versus the prior year.

In 2022, we continued to address the impact of 2021's Winter Storm Uri successfully. **Securitized bonds were issued in Kansas and Oklahoma, and are expected to be issued soon in Texas.** Securitization proved to be the most effective tool in helping limit the monthly economic impact on customers from this devastating natural disaster.

Resolution of the financial impact of Winter Storm Uri had positive implications for our credit ratings. S&P upgraded our credit rating one notch to A-, and both S&P and Moody's returned our outlook to Stable.

In November 2022, we detailed our 2023 and five-year financial outlook, candidly discussing how altered macroeconomic conditions impacted our business and our company's actions in response. **We will be thoughtful about the sequence and timing of our regulatory activities to address the impacts of elevated inflation and interest rates as we continue to provide affordable service for customers.**

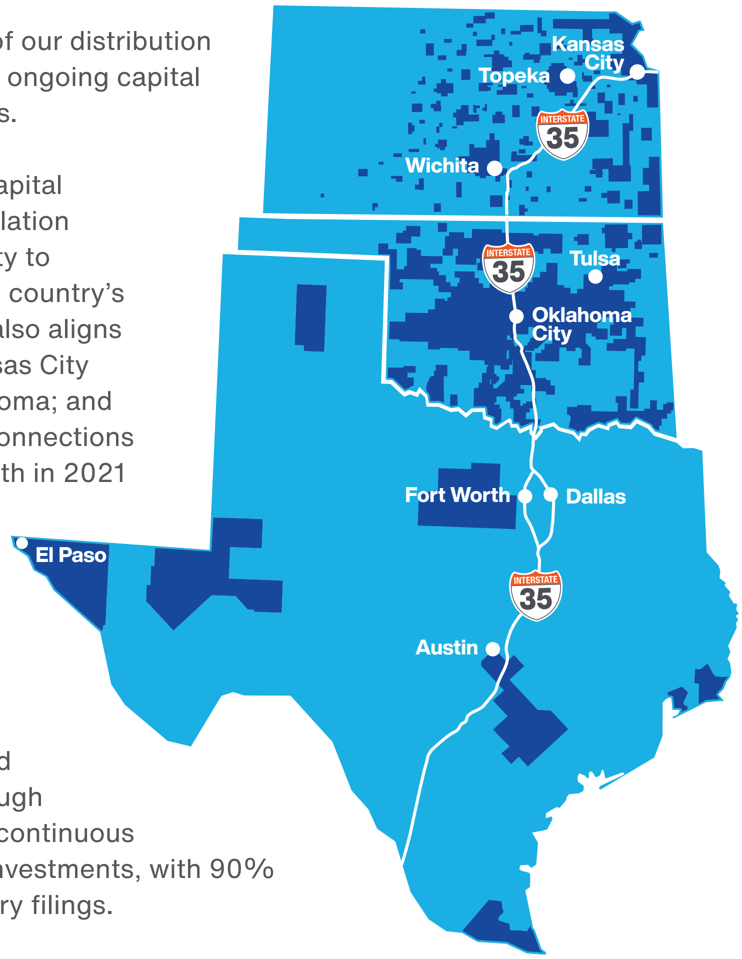
Capital Demand Growth

We continue to enhance the reliability and resiliency of our distribution network and meet growing customer demand through ongoing capital investments in system integrity and service extensions.

Over the next several years, a portion of our growth capital will focus on expanding our system into growing population areas along the Interstate 35 corridor from Kansas City to Austin. This vibrant region is recognized as one of the country's fastest-growing population and job creation areas. It also aligns with five of our seven major metro service areas: Kansas City and Wichita, Kansas; Tulsa and Oklahoma City, Oklahoma; and Austin, Texas. We added over 27,000 new customer connections in 2022, up nearly 9% compared with customer growth in 2021 and marking a new record for annual meter sets at ONE Gas.

In 2022, we invested over $650 million in capital projects, a 20% increase over 2021. Total capital spending for the next five years is anticipated to be $3.6 billion, including growth capital of approximately $1.1 billion. The capital forecast results in an estimated average rate base growth of 7% to 9% annually through 2027. A portfolio of regulatory mechanisms supports continuous improvements to our systems and recovery of those investments, with 90% of our capital investments included in annual regulatory filings.

I-35 Corridor



State-of-the-art Training Center

The ONE Gas Training Center marked a full year of operations in June 2022. The 17,000-square-foot specialized training center allows field service technicians across our three-state service area to experience standardized hands-on training for real-world, on-the-job scenarios. **Our co-workers logged more than 23,000 training hours in 2022, covering safe operations related to pressure and measurement, construction and maintenance, and customer service.**

Industry-leading Safety Performance

In 2022, the American Gas Association recognized ONE Gas for having the lowest incident rate among similar-sized natural gas distribution companies for the number of days away, restricted or transferred (DART), which reflects the most severe types of injuries.

It was the fifth consecutive year that ONE Gas ranked among the safest natural gas distribution companies nationwide, based on safety scores.

Clean Energy Solutions

A key component of our business strategy is reducing emissions. We believe our co-workers and assets will play an essential role in a cleaner energy future. We are actively evaluating opportunities for additional emissions reduction, including improving operational practices and expanding energy efficiency and education programs.

Energy choice is essential to a clean energy future, and a growing number of customers are looking for ways to reduce their carbon footprint. We continue to prepare for opportunities and technologies, such as supplementing the traditional natural gas in our system with renewable natural gas (RNG) and the utilization of low-carbon hydrogen. As of Dec. 31, 2022, we had more than 20 RNG projects in various stages of negotiation and development.

In 2022, ONE Gas filed an application with our Oklahoma regulators to approve a voluntary RNG tariff. This tariff is a proposed three-year pilot that would allow Oklahoma Natural Gas customers the opportunity to offset their natural gas carbon footprint for an additional charge. Additionally, we are authorized to spend up to $5 million annually to purchase RNG as part of our natural gas supply portfolio and recover the cost through our purchased gas-cost mechanism. This tariff will go into effect in 2023 if approved by the Oklahoma Corporation Commission.

We invite you to learn more about our environmental milestones at esg.onegas.com.

Serving Customers

Natural gas maintains a competitive price advantage of an average of 2.5-to-1 compared with electricity in our service areas. Cost savings are a crucial differentiator for our customers facing rising costs in all areas of their lives. The American Gas Association estimates households that use natural gas for heating, cooking and clothes drying save an average of $1,068 per year compared with homes using electricity for those activities.

Part of serving our customers well is looking for innovative ways to keep their energy costs low, like expanding our energy efficiency programs, which help our customers use less energy, save money and reduce their environmental impact. We also continue to expand our low-income programs and assist customers with financial hardships.

In 2022, we filed a rate case requesting the consolidation of three service areas (West Texas, North Texas and Borger/Skellytown) into one West-North service area and a new rate design. Our regulators approved the requests, and residential customers in the new West-North service area may now choose a rateplan that aligns with their usage patterns and needs.

Showcasing the Best of Natural Gas

In 2022, ONE Gas completed construction of the Education & Training Area, a 2,900-square-foot multi-use training and demonstration commercial kitchen in Tulsa, Oklahoma. Industry partners, commercial customers and community groups from across our service territory may use the space and learn about the latest natural gas technologies and innovations in the culinary field. The mission is for every guest to leave with a deeper appreciation for the reliability, affordability and efficiency of natural gas as they operate their food service businesses.

Designed with education in mind, culinary professionals can try top-of-the-line natural gas equipment and technologies in a state-of-the-art commercial test kitchen. Specialized software will show real-time energy use and operating cost comparisons. The residential filming kitchen is ideal for educational content creation and hands-on demonstrations. Food industry professionals, equipment retailers and culinary schools are already booking the space for use in 2023.

High-performing Workforce

A high-performing workforce is the foundation of our strategic plan. We believe that every one of our co-workers makes a difference and contributes to our success. We create a safe, ethical and inclusive work culture welcoming all viewpoints. Our programs and policies help attract and develop diverse talent and support our co-workers' physical, social, emotional and financial well-being. The result is an engaged workforce and an environment where top talent wants to work.

Inclusion & Diversity is a Core Value for ONE Gas and a critical element of a high-performing workforce. 2022 saw an increase in the number of our co-workers participating in employee-led programs designed to strengthen our "speak-up" culture, an essential element of both engagement and our focus on safety.

Our safety metrics and annual employee engagement survey also provide insight into our company's culture and the effectiveness of our programs. Research shows engaged employees have fewer safety incidents, reduced turnover and increased productivity. In 2022, our engagement scores were in the top quartile of Gallup's Overall Company Database.

In Closing

While external circumstances may change, our commitment to safely delivering reliable and affordable natural gas and creating value for our stakeholders will not waver.

We remain confident in our long-term strategy, bolstered by a desirable geographic footprint with proven growth potential, constructive regulatory frameworks and a long runway of capital investment opportunities.

Through ongoing investments in system integrity and extension to serve new customers, we continue to enhance the resiliency of our distribution network and fulfill our mission of delivering natural gas for a better tomorrow.

Thank you for your support and interest in ONE Gas.

John W. Gibson	**Robert S. McAnnally**
Chairman	President and CEO
ONE Gas, Inc.	*ONE Gas, Inc.*

Financial Overview

We reported 2022 net income of $222 million, or $4.08 per diluted share, compared with $206 million, or $3.85 per diluted share, in 2021; and 2022 capital expenditures and asset removal costs of $657 million, compared with $544 million in 2021. Our 2022 operating income increased $39.7 million compared with last year, which primarily is reflected by new rates along with an increase in our average residential customer count in our service territories.

In 2023, our diluted earnings per share performance is expected to be within a range of $4.02 to $4.26 per share.

Our 2023 capital expenditures and asset removal costs are expected to be approximately $675 million.

On Jan. 24, 2023, the ONE Gas Board of Directors increased the quarterly dividend by 3 cents per share to 65 cents per share, effective for first-quarter 2023, resulting in an annualized dividend of $2.60 per share.

Our average annual dividend growth rate is expected to increase 4% to 6% through 2027, with a targeted dividend payout ratio of 55% to 65% of net income, all subject to Board approval.

Highlights

	2022	2021	2020
Total Revenues and Net Income			
Total Revenues (thousands)	$2,578,005	$1,808,597	$1,530,268
Net Income (thousands)	$221,742	$206,434	$196,412
Earnings and Dividends			
Basic	$4.09	$3.85	$3.70
Diluted	$4.08	$3.85	$3.68
Dividends Per Share	$2.48	$2.32	$2.16
Volumes and Weather			
Total Volumes Delivered (Bcf)	401.3	387.8	385.1
Actual Heating Degree Days	10,350	9,025	9,241
Normal Heating Degree Days	9,832	9,717	9,765
Customers and Employees			
Average Number of Customers	2,256,000	2,241,000	2,220,000
Employees	3,800*	3,650	3,650
Common Stock			
Market Value Per Share: Year-end Closing Price	$75.72	$77.59	$76.77
Average Shares of Common Stock, Outstanding (thousands):			
Basic	54,207	53,575	53,133
Diluted	54,338	53,674	53,370

*As of Feb., 2023

Board of Directors

The ONE Gas Board of Directors is responsible for oversight of the company's business and affairs, including the review and approval of the company's strategic and financial plan and the company's environmental, social and governance initiatives. For complete information on our corporate governance, including Board qualifications, committees and charters, visit onegas.com.

Michael G. Hutchinson
Retired Partner
Deloitte & Touche

John W. Gibson
Chairman
ONE Gas, Inc.

Tracy E. Hart
President and Chief
Executive Officer
Tarlton Corporation

Pattye L. Moore
Retired Board Chair and
Interim Chief Executive Officer
Red Robin Gourmet Burgers

Robert S. McAnnally
President and Chief
Executive Officer
ONE Gas, Inc.

Robert B. Evans
Retired President and
Chief Executive Officer
Duke Energy Americas

Eduardo A. Rodriguez
President
Strategic Communication
Consulting Group

Douglas H. Yaeger
Retired Chairman, President and
Chief Executive Officer
The Laclede Group, Inc. (Spire, Inc.)

Executive Team

As of April 1, 2023

Robert S. McAnnally, 59
President and
Chief Executive Officer

Caron A. Lawhorn, 62
Senior Vice President and
Chief Financial Officer

Joseph L. McCormick, 63
Senior Vice President, General Counsel
and Assistant Secretary

Curtis L. Dinan, 55
Senior Vice President and
Chief Operating Officer

Mark A. Bender, 58
Senior Vice President,
Administration and
Chief Information Officer

W. Kent Shortridge, 56
Senior Vice President,
Operations and Customer Service

Julie A. White, 52
Vice President, Communications

ONE Gas

Form 10-K

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-K

☒ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended December 31, 2022.
OR
☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from __________ to __________.
Commission file number 001-36108

ONE Gas, Inc.

(Exact name of registrant as specified in its charter)

Oklahoma	**46-3561936**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
15 East Fifth Street Tulsa, OK	**74103**
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code **(918) 947-7000**

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of exchange on which registered
Common Stock, par value $0.01 per share	OGS	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None
Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐
Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒
Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act. Large accelerated filer ☒ Accelerated filer ☐ Non-accelerated filer ☐ Smaller reporting company ☐ Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ☐ No ☒

The aggregate market value of the equity securities held by nonaffiliates based on the closing trade price of the registrant on June 30, 2022, was $4.2 billion.

On February 17, 2023, we had 55,350,277 shares of common stock outstanding.

DOCUMENTS INCORPORATED BY REFERENCE:
Portions of the definitive proxy statement to be delivered to shareholders in connection with the Annual Meeting of Shareholders to be held May 25, 2023, are incorporated by reference in Part III.

ONE Gas, Inc.
2022 ANNUAL REPORT

As used in this Annual Report, references to “we,” “our,” “us” or the “Company” refer to ONE Gas, Inc., an Oklahoma corporation, and its predecessors and subsidiaries, unless the context indicates otherwise.

GLOSSARY

The abbreviations, acronyms and industry terminology used in this Annual Report are defined as follows:

AAO	Accounting Authority Order
ADIT	Accumulated deferred income taxes
AFUDC	Allowance for funds used during construction
Annual Report	Annual Report on Form 10-K for the year ended December 31, 2022
ASC	Accounting Standards Codification
ASU	Accounting Standards Update
Bcf	Billion cubic feet
CAA	Federal Clean Air Act, as amended
CERCLA	Federal Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended
CFTC	Commodities Futures Trading Commission
CISA	Cybersecurity and Infrastructure Security Agency
Clean Water Act	Federal Water Pollution Control Amendments of 1972, as amended
CNG	Compressed natural gas
Code	Internal Revenue Code of 1986, as amended
COSA	Cost-of-Service Adjustment
COVID-19	Coronavirus Disease 2019
DART	Days Away, Restricted or Transferred Incident Rate; calculated by multiplying the total number of recordable injuries and illnesses, or one or more restricted days that resulted in an employee transferring to a different job within the company by 200,000, and then dividing that number by the total number of hours worked by all employees
DHS	United States Department of Homeland Security
DOT	United States Department of Transportation
Dth	Dekatherm
ECP	The ONE Gas, Inc. Amended and Restated Equity Compensation Plan (2018)
EDIT	Excess accumulated deferred income taxes resulting from a decrease in enacted tax rates
EPA	United States Environmental Protection Agency
EPS	Earnings per share
ERT	Emergency Response Time; calculated as the time between the creation of an emergency order and the arrival of a first company responder to the scene expressed as the percentage of emergency orders with a response time of 30 minutes or less
ESG	Environmental, social and governance
ESPP	The ONE Gas, Inc. Amended and Restated Employee Stock Purchase Plan
Exchange Act	Securities Exchange Act of 1934, as amended
FASB	Financial Accounting Standards Board
FERC	Federal Energy Regulatory Commission
GAAP	Accounting principles generally accepted in the United States of America
GRIP	Texas Gas Reliability Infrastructure Program
GSRS	Gas System Reliability Surcharge
HCA(s)	High consequence area(s)
HDD	Heating degree day is a measure designed to reflect the demand for energy needed for heating based on the extent to which the daily average temperature falls below a reference temperature for which no heating is required, usually 65 degrees Fahrenheit
IRA of 2022	Inflation Reduction Act of 2022
IT	Information technology
KCC	Kansas Corporation Commission
KDHE	Kansas Department of Health and Environment
KGSS-I	Kansas Gas Service Securitization I, L.L.C.
LDC	Local distribution company
LIBOR	London Interbank Offered Rate
MAOP(s)	Maximum allowable operating pressure(s)
MGP	Manufactured gas plant
MMcf	Million cubic feet

Moody's	Moody's Investors Service, Inc.
NPRM	Notice of proposed rulemaking
NYSE	New York Stock Exchange
OCC	Oklahoma Corporation Commission
ODFA	Oklahoma Development Finance Authority
ONE Gas	ONE Gas, Inc.
ONE Gas 2021 Term Loan Facility	ONE Gas' $2.5 billion two-year unsecured term loan facility, dated February 22, 2021, which terminated on March 11, 2021
ONE Gas 364-day Credit Agreement	ONE Gas' $250 million 364-day revolving credit agreement, dated April 7, 2020, which terminated on March 16, 2021
ONE Gas Credit Agreement	ONE Gas' $1.0 billion revolving credit agreement, as amended
OSHA	Occupational Safety and Health Administration
PBRC	Performance-Based Rate Change
PHMSA	United States Department of Transportation Pipeline and Hazardous Materials Safety Administration
Pipeline Safety, Regulatory Certainty and Job Creation Act	Pipeline Safety, Regulatory Certainty and Job Creation Act of 2011, as amended
PIPES Act	Protecting Our Infrastructure of Pipelines and Enhancing Safety Act of 2020
PPE	Personal protective equipment
PVIR	Preventable Vehicle Incident Rate; calculated by multiplying the number of total preventable vehicle incidents by 1,000,000 and then dividing that number by the total number of business use miles driven
Quarterly Report(s)	Quarterly Report(s) on Form 10-Q
RNG	Renewable natural gas
ROE	Return on equity calculated consistent with utility ratemaking principles in each jurisdiction in which we operate
RRC	Railroad Commission of Texas
S&P	Standard and Poor's Rating Services
SEC	Securities and Exchange Commission
Securities Act	Securities Act of 1933, as amended
Securitized Utility Tariff Bonds	Series 2022-A Senior Secured Securitized Utility Tariff Bonds, Tranche A
Securitized Utility Tariff Property	Securitized Utility Tariff Property as defined in the financing order issued by the KCC in August 2022
Senior Notes	ONE Gas' registered notes consisting of $300 million of 3.61 percent senior notes due February 2024, $473 million of 1.10 percent senior notes due March 2024, $300 million of 2.00 percent senior notes due May 2030, $300 million of 4.25 percent senior notes due September 2032, $600 million of 4.66 percent senior notes due February 2044 and $400 million of 4.50 percent senior notes due November 2048
SOFR	Secured Overnight Financing Rate administered by the Federal Reserve Bank of New York
TCEQ	Texas Commission on Environmental Quality
TPFA	Texas Public Finance Authority
TSA	United States Department of Homeland Security's Transportation Security Administration
TRIR	Total Recordable Incident Rate; calculated by multiplying the number of recordable cases by 200,000, and then dividing that number by the number of hours worked by all employees
WNA	Weather normalization adjustment(s)
XBRL	eXtensible Business Reporting Language

The statements in this Annual Report that are not historical information, including statements concerning plans and objectives of management for future operations, economic performance or related assumptions, are forward-looking statements. Forward-looking statements may include words such as "will," "anticipate," "estimate," "expect," "project," "intend," "plan," "believe," "should," "goal," "forecast," "guidance," "could," "may," "continue," "might," "potential," "scheduled," "likely" and other words and terms of similar meaning. Although we believe that our expectations regarding future events are based on reasonable assumptions, we can give no assurance that such expectations and assumptions will be achieved. Important factors that could cause actual results to differ materially from those in the forward-looking statements are *described under Part I, Item 1A, Risk Factors, and Part II, Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operation, Forward-Looking Statements, in this Annual Report.*

PART I.

ITEM 1. BUSINESS

OUR BUSINESS

ONE Gas, Inc. is incorporated under the laws of the state of Oklahoma. Our common stock is listed on the NYSE under the trading symbol "OGS," and is included in the S&P MidCap 400 Index. We are a 100-percent regulated natural gas distribution utility, headquartered in Tulsa, Oklahoma, and one of the largest publicly traded natural gas utilities in the United States. We are the successor to the company founded in 1906 as Oklahoma Natural Gas Company, which became ONEOK, Inc. (NYSE: OKE) in 1980. On January 31, 2014, ONE Gas officially separated from ONEOK, Inc.

We provide natural gas distribution services to approximately 2.3 million customers and are the largest natural gas distributor in Oklahoma and Kansas and the third largest in Texas, in terms of customers. We primarily serve residential, commercial and transportation customers in all three states. Our largest natural gas distribution markets in terms of customers are Oklahoma City and Tulsa, Oklahoma; Kansas City, Wichita and Topeka, Kansas; and Austin and El Paso, Texas. Our three divisions, Oklahoma Natural Gas, Kansas Gas Service and Texas Gas Service, distribute natural gas to approximately 88 percent, 71 percent and 13 percent of the natural gas distribution customers in Oklahoma, Kansas and Texas, respectively.

OUR STRATEGY

Our mission is to deliver natural gas for a better tomorrow. Our business strategy is focused on:

- Safe and Reliable Energy - We are committed, first and foremost, to pursuing a zero-incident safety and 100-percent compliance culture. A significant portion of our capital spending is focused on the safety, integrity and reliability of our natural gas distribution system. We also deploy a variety of operational and damage prevention procedures and technologies to monitor and maintain our natural gas distribution system. Our Company's focus on safety also extends to protecting our assets and information systems from physical damage and cyber intrusions.

- A High-performing Workforce - Our employees are the foundation of our Company. Our success begins with a values-driven culture and a commitment to engaging people to do their best work in an inclusive environment.

- Capital Demand Growth - Through capital investments, we meet growing customer demand, support economic development, and manage our system investments for the long-term.

- Clean Energy Solutions - Our assets are essential to a clean energy future. We are focused on reducing our emissions and supporting our customers' emission reduction efforts.

- Serving Customers - We provide reliable and affordable energy to our customers by efficiently managing our resources and leveraging technology solutions to enhance operational efficiency. Our energy efficiency and education programs help our customers invest in higher efficiency appliances and reduce energy usage. For customers needing assistance, we offer payment arrangement options and seek to connect customers to social service agencies that provide financial assistance.

REGULATORY OVERVIEW

We are subject to regulation and oversight of the state and local regulatory authorities of the territories in which we operate. Rates and charges for natural gas distribution services are established by the OCC for Oklahoma Natural Gas and by the KCC for Kansas Gas Service. Rates and charges in the incorporated cities of our service areas in Texas are established by those cities, which have primary jurisdiction for their respective service areas. Rates and charges in the unincorporated areas of our service territory in Texas are established by the RRC. All appellate matters in Texas are subject to regulatory oversight by the RRC. These regulatory authorities have the responsibility of ensuring that the utilities under their jurisdiction provide safe and reliable service at a reasonable cost, while providing utilities the opportunity to earn a fair and reasonable return on their investments.

Generally, our rates and charges are established in rate case proceedings. Regulatory authorities may also approve mechanisms that allow for adjustments between rate cases for investments made or specific costs incurred. Due to the nature of the regulatory process, there is an inherent lag between the time that we make investments or incur additional costs and the setting of new rates and/or charges to recover those investments or costs. Additionally, we are not allowed recovery of certain costs we incur.

The following provides additional detail on the regulatory mechanisms in the jurisdictions we serve.

Oklahoma - Oklahoma Natural Gas currently operates under a PBRC mechanism, which provides for streamlined annual rate reviews between rate cases to adjust rates for incremental capital investment and changes in revenue and allowed expenses. Under this mechanism, we have an authorized ROE of 9.4 percent, with a 100 basis point dead-band of 8.9 to 9.9 percent. If our achieved ROE is below 8.9 percent, our base rates are increased upon OCC approval to an amount necessary to restore the ROE to 9.4 percent. If our achieved ROE exceeds 9.9 percent, the portion of the earnings that exceeds 9.9 percent is shared with our customers, who receive the benefit of 75 percent of those earnings. We retain the benefit of the remaining 25 percent. Oklahoma Natural Gas is required to make filings pursuant to the PBRC mechanism for the 12 months ended December 31 for each of the years 2021 through 2025. Oklahoma Natural Gas is also required to file a rate case on or before June 30, 2027, based on a test year ending December 31, 2026.

Kansas - Kansas Gas Service files periodic rate cases with the KCC as needed. Between rate cases, Kansas Gas Service adjusts rates through provisions of the GSRS statute. The GSRS statute allows Kansas Gas Service to file for a rate adjustment providing a recovery of and return on qualifying infrastructure investments incurred between rate case filings, including safety-related investments to replace, upgrade or modernize obsolete facilities, as well as projects that enhance the integrity of pipeline system components or extend the useful life of such assets. Eligible investments also include expenditures for relocations and physical and cyber security. Filings cannot occur more often than once every 12 months and the rate adjustment cannot increase the monthly charge by more than $0.80 per residential customer per month compared with the most recent GSRS filing. Rate adjustments reflected in the GSRS surcharge may only be collected for 60 months before Kansas Gas Service is required to file a rate case or cease collection of the surcharge. A full rate case may be filed at shorter intervals if desired by either Kansas Gas Service or the KCC.

Texas - Texas Gas Service provides service to customers in various service areas. These service areas are further divided into incorporated cities and unincorporated areas. Periodic rate cases are filed with cities or the RRC, as needed. Between rate cases, Texas Gas Service can adjust rates through annual filings pursuant to the GRIP statute or a COSA filing. In 2022, Texas Gas Service's customers were aggregated in five service areas. Effective February 2023, three of these service areas were consolidated, reducing the total number of service areas to three.

Annual filings under the GRIP statute allow Texas Gas Service to recover depreciation, taxes, and a return on the annual net increase in investment for a service area. After the fifth anniversary of the effective date of the rate schedules from the first GRIP filing for a service area, Texas Gas Service is required to file a full rate case. A full rate case may be filed at shorter intervals if desired by either Texas Gas Service or the regulator. In 2022, Texas Gas Service made annual GRIP filings for the incorporated cities in two of its service areas and for the unincorporated areas in all five service areas, which combined comprise 91 percent of Texas Gas Service's customers.

COSA tariffs permit Texas Gas Service to recover depreciation, taxes, and a return on the annual increases in net investment, and adjust rates for annual increases or decreases in certain expenses and revenues. The various COSAs have a cap on the increase in expenses. A full rate case may be filed when desired by Texas Gas Service or the regulatory authority but is not required. Texas Gas Service makes an annual COSA filing for the incorporated cities in one of its service areas, comprising 9 percent of its customers.

Weather normalization - All of our service areas utilize weather normalization mechanisms. These mechanisms are designed to reduce the delivery charge component of customers' bills for the additional volumes used when actual HDDs exceed normalized HDDs and to increase the delivery charge component of customers' bills for the reduction in volumes used when actual HDDs are less than normal HDDs. Normal HDDs are established through rate proceedings in each of our jurisdictions.

The following tables provide additional detail on our rate structures and the regulatory mechanisms in each of our jurisdictions:

Division	Jurisdiction	Effective Date of Last Action[(1)]	Rate Base (millions)	Pre-Tax Rate of Return	Equity Ratio	ROE
Oklahoma Natural Gas [(2)]	Oklahoma	November 2022	$1,854	8.95%	59%	9.40%
Kansas Gas Service [(3)]	Kansas	November 2022	$1,261	8.60%	N/A	9.30%
Texas Gas Service [(2)]	Central-Gulf	June 2022	$617	8.95%	59%	9.50%
	West-North[(7)]	February 2023	$589	8.91%	60%	9.60%
	Rio Grande Valley	August 2022	$160	8.89%	61%	9.50%

Division	Jurisdiction	Interim Rate Adjustment Mechanism	Interim Capital Recovery	WNA	WNA Effective Dates	Energy Efficiency / Conservation Program
Oklahoma Natural Gas	Oklahoma	PBRC	Yes	Yes	November - April	Yes
Kansas Gas Service [(3)]	Kansas	GSRS	Yes	Yes	January - December	No
Texas Gas Service	Central-Gulf	GRIP	Yes	Yes	September - May	Yes
	West-North	GRIP	Yes	Yes	September - May	No
	Rio Grande Valley	GRIP / COSA	Yes	Yes	September - May	Yes

Division	Jurisdiction	Purchased Gas Adjustment[(4)]	Bad Debt Recovery[(5)]	Expense Trackers[(6)]
Oklahoma Natural Gas	Oklahoma	Yes	Yes	N/A
Kansas Gas Service [(3)]	Kansas	Yes	Yes	Yes
Texas Gas Service	Central-Gulf	Yes	Yes	Yes
	West-North	Yes	Yes	Yes
	Rio Grande Valley	Yes	Yes	Yes

(1) Effective date of last approved rate case or interim filing.

(2) The rate base, authorized ROE, authorized debt/equity ratio and authorized return on equity presented in this table are those from the most recent approved regulatory filing for Oklahoma Natural Gas and Texas Gas Service.

(3) Kansas Gas Service's most recent rate case, approved in February 2019, settled without a determination of rate base, ROE, authorized debt/equity ratio and authorized return on equity. This reflects Kansas Gas Service's estimate of rate base from that rate case adjusted for approved GSRS filings and ROE embedded in the pre-tax carrying charge utilized in its GSRS filing.

(4) Our purchased gas adjustment mechanisms allow recovery of expenses the Company incurs to purchase, transport, and store natural gas for our customers. These costs are passed on to customers without markup.

(5) We recover the gas cost portion of bad debts through our various purchased gas adjustment mechanisms.

(6) Expense trackers include pension and other postemployment benefits costs for Kansas Gas Service and Texas Gas Service, ad-valorem taxes in Kansas and pipeline integrity testing expenses in Texas.

(7) Effective February 1, 2023, the West Texas, North Texas and Borger/Skellytown service areas were consolidated into the West-North service area.

Our natural gas sales include fixed and variable charges related to the delivery of natural gas and gas costs that are passed through to our customers in accordance with our cost of natural gas regulatory mechanisms. Fixed charges reflect the portion of our natural gas sales attributable to the monthly fixed customer charge component of our rates, which does not fluctuate based on customer usage in each period. Variable charges reflect the portion of our natural gas sales that fluctuate with the volumes delivered and billed and the effects of weather normalization.

For the year ended December 31, 2022, approximately 88 percent, 56 percent, and 69 percent of our revenues from sales customers, excluding the cost of natural gas, were recovered from fixed charges for Oklahoma Natural Gas, Kansas Gas Service, and Texas Gas Service, respectively.

MARKET CONDITIONS AND SEASONALITY

Supply - We purchased 165 Bcf and 164 Bcf of natural gas supply in 2022 and 2021, respectively. Our natural gas supply portfolio consists of contracts with varying terms from a diverse group of suppliers. We award these contracts through competitive-bidding processes to ensure reliable and competitively priced natural gas supply. We acquire our natural gas supply from natural gas processors, marketers and producers.

An objective of our supply-sourcing strategy is to provide value to our customers through reliable, competitively priced and flexible natural gas supply and transportation from multiple production areas and suppliers. This strategy is designed to mitigate the impact on our supply from physical interruptions, financial difficulties of a single supplier, natural disasters and other unforeseen force majeure events, as well as to ensure that adequate supply is available to meet the variations of customer demand.

We do not anticipate problems with securing natural gas supply to satisfy customer demand; however, if supply shortages were to occur, we have curtailment provisions in our tariffs that allow us to reduce or discontinue natural gas service to large industrial users and to request that residential and commercial customers reduce their natural gas requirements to an amount essential for public health and safety. In addition, during times of critical supply disruptions, curtailments of deliveries to customers with firm contracts may be made in accordance with guidelines established by appropriate federal, state and local regulatory agencies.

Natural gas supply requirements for our sales customers are impacted by weather and economic conditions. Our customers' usage may also change in response to a variety of factors, including:

- the occurrence of a significant disruption in natural gas supplies, either by itself, or accompanied by higher or lower natural gas prices;
- the availability of more energy-efficient construction methods or home improvements such as installation or replacement of insulated doors and windows, additional or energy efficient insulation and installation or replacement of existing appliances with more efficient appliances; and
- fuel switching from natural gas to other energy alternatives.

In each jurisdiction in which we operate, changes in customer usage are considered in the periodic redesign of our rates.

As of December 31, 2022, we had 57.6 Bcf of natural gas storage capacity under contract with remaining terms ranging from one to ten years and maximum allowable daily withdrawal capacity of approximately 1.7 Bcf. This storage capacity allows us to purchase natural gas during the off-peak season and store it for use in the winter periods. This storage is also needed to support the reliability of gas deliveries during peak demands for natural gas. Approximately 33 percent of our winter natural gas supply needs for our sales customers is expected to be supplied from storage.

In managing our natural gas supply portfolios, we partially mitigate price volatility for our customers using a combination of financial derivatives and natural gas in storage. We have natural gas financial hedging programs that have been authorized by the OCC, KCC and certain jurisdictions in Texas. We do not utilize financial derivatives for speculative purposes, nor do we have trading operations associated with our business.

<u>Demand</u> - See discussions below under Seasonality, Competition and CNG for factors affecting demand for our services.

<u>Seasonality</u> - Natural gas sales to residential and commercial customers are seasonal, as a substantial portion of their natural gas requirements are for heating. Accordingly, the volume of natural gas sales is normally higher during the months of November through March than in other months of the year. The impact on our natural gas sales resulting from weather temperatures that are above or below normal is offset partially through our WNA mechanisms. See the tables above under Regulatory Overview for additional information.

<u>Competition</u> - We encounter competition based on customers' preference for natural gas, compared with other energy alternatives and their comparative prices. We compete primarily to supply energy for space and water heating, cooking and clothes drying. Significant energy usage competition occurs between natural gas and electricity in the residential and small commercial markets. Customers and builders typically make the decision on the type of equipment, and therefore the energy source, at initial installation, generally locking in the chosen energy source for the life of the equipment. Changes in the competitive position of natural gas relative to electricity and other energy alternatives have the potential to cause a decline in consumption of natural gas or in the number of natural gas customers.

We are subject to competition from other pipelines for our large industrial and commercial customers. Under our transportation tariffs, qualifying industrial and commercial customers are able to purchase their natural gas supply from the provider of their choice and contract with us to transport it for a fee. A portion of the transportation services that we provide are at negotiated rates that are below the maximum approved transportation tariff rates. Reduced-rate transportation service may be negotiated when a competitive pipeline is in close proximity or another viable energy option is available to the customer.

CNG - In meeting demand for CNG for motor vehicle transportation, particularly from fleet operators who value its lower greenhouse gas emissions and operating fuel costs relative to gasoline- or diesel-powered vehicles, we supply natural gas to CNG fueling stations. We deploy capital to connect our system to CNG stations built and operated by third parties. As of December 31, 2022, we supply 147 fueling stations, 36 of which we operate in conjunction with our own fleets. Of the 111 remaining stations, 66 are retail and 45 are private stations. We transported approximately 2.8 million Dth to CNG stations each year in 2022 and 2021.

Alternative Fuels – RNG and hydrogen technologies offer potential opportunities to secure new gas supply sources that could be transported through our pipelines. Our evaluation of these technologies and opportunities includes: (1) establishing interconnection guidelines for delivery of alternative fuels to our system, (2) working directly with developers and end-use customers to identify potential alternative fuel supply projects, (3) analyzing pipeline system integrity and gas supply implications, including sourcing opportunities, related to hydrogen use in our system, (4) partnering with industry groups to identify opportunities for hydrogen blending and utilization, and (5) evaluating the opportunity to reduce greenhouse gas emissions through the use of alternative fuels.

ENVIRONMENTAL AND SAFETY MATTERS

See Note 17 of the Notes to Consolidated Financial Statements and Management's Discussion and Analysis of Financial Condition and Results of Operations in this Annual Report for information regarding environmental and safety matters.

HUMAN CAPITAL

We intentionally foster an inclusive work culture, where all viewpoints are welcome, to develop an engaged and high-performing workforce and an environment where top talent wants to work.

Employment - We employed approximately 3,800 people at February 1, 2023, including approximately 700 people at Kansas Gas Service who are subject to collective bargaining agreements. The following table sets forth our contracts with collective bargaining units at February 1, 2023:

Union	Approximate Employees	Contract Expires
The United Steelworkers	400	May 31, 2025
International Brotherhood of Electrical Workers	300	June 30, 2024

We recognize that employees are a key stakeholder group for the success of our business. Therefore, we perform an annual survey to monitor and assess employee engagement.

Workplace Health and Safety - Safety is our number one core value. We are committed to pursuing a zero-incident safety culture, which can reduce risk, enhance productivity and build a strong reputation in the communities in which we operate. Our success is reliant on training and development, performance management and shared responsibility that focuses on engagement and ensures our employees know what is expected to keep themselves, their co-workers, our customers and communities safe. To reinforce our commitment to the safety and well-being of our co-workers, customers and communities, our short-term incentive compensation program includes four operational measures, TRIR, DART, PVIR and ERT. These measures focus on the importance of personal injury prevention, reducing the severity of injuries, safe driving, and public safety. The following table sets forth our performance for the periods indicated:

	Years Ended December 31,		
Operational measure	**2022**	**2021**	**2020**
TRIR	**1.37**	0.96	1.02
DART	**0.22**	0.22	0.28
PVIR	**1.84**	2.10	1.76
ERT	**62.7%**	62.7%	64.5%

TRIR, DART and PVIR are personal safety metrics tracked by the American Gas Association. We regularly rank in the top quartile for similar-sized LDCs for these metrics.

As part of our culture of safety, we continue to closely monitor the COVID-19 pandemic and have maintained many of the precautions put in place in 2020 to allow us to continue to provide safe, reliable service while protecting our co-workers, customers, and communities.

We also are committed to a supportive culture of physical, financial, emotional and social wellness for employees. We provide health and wellness programs to support and inspire our employees to make healthy personal and professional lifestyle choices.

Inclusion and Diversity - Our core values include inclusion and diversity, and we believe in equity and the value and voice of every employee. As part of our commitment, we have and continue to consider inclusion and diversity implications in our recruiting process, Company training, and Company performance monitoring. For example, we monitor our workforce diversity statistics across roles and seniority levels. Additionally, we make available conscious inclusion training to all employees.

We have an Inclusion and Diversity Council, which is chaired by our Chief Executive Officer, and includes five employees serving as permanent members, and 16 employees serving as rotating members with three-year terms. The Inclusion and Diversity Council provides governance and guidance for implementing our strategy and sharing our vision of an inclusive and diverse workforce. In addition, we have employee-led resource groups to provide community and support to our employees based on shared characteristics, interests or experiences.

INFORMATION ABOUT OUR EXECUTIVE OFFICERS

All executive officers are elected annually by our Board of Directors and each serves until such person resigns, is removed or is otherwise disqualified to serve or until such officer's successor is duly elected. Our executive officers listed below include the officers who have been designated by our Board of Directors as our Section 16 officers.

Name	Age*		Business Experience in Past Five Years
Robert S. McAnnally	59	2021 to present	President, Chief Executive Officer and Director
		2020 to 2021	Senior Vice President and Chief Operating Officer
		2015 to 2020	Senior Vice President, Operations
Caron A. Lawhorn	61	2019 to present	Senior Vice President and Chief Financial Officer
		2014 to 2019	Senior Vice President, Commercial
Joseph L. McCormick	63	2014 to present	Senior Vice President, General Counsel and Assistant Secretary
Curtis L. Dinan	55	2021 to present	Senior Vice President and Chief Operating Officer
		2020 to 2021	Senior Vice President and Chief Commercial Officer
		2019 to 2020	Senior Vice President, Commercial
		2018 to 2019	Senior Vice President and Chief Financial Officer
		2014 to 2018	Senior Vice President, Chief Financial Officer and Treasurer
Mark A. Bender	58	2015 to present	Senior Vice President, Administration and Chief Information Officer
W. Kent Shortridge	56	2022 to present	Senior Vice President, Operations and Customer Service
		2018 to 2022	Managing Vice President, Operations
		2014 to 2018	Vice President, Operations - Oklahoma Natural Gas
Brian F. Brumfield	55	2022 to present	Vice President, Chief Accounting Officer and Controller
		2017 to 2022	Controller, Tucson Electric Power/UNS Energy

* As of January 1, 2023

No family relationship exists between any of the executive officers, nor is there any arrangement or understanding between any executive officer and any other person pursuant to which the officer was selected.

AVAILABLE INFORMATION

We make available, free of charge, on our website (www.onegas.com) our Annual Reports, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, amendments to those reports filed or furnished to the SEC pursuant to Section 13(a) or 15(d) of the Exchange Act and reports of holdings of our securities filed by our officers and directors under Section 16 of the Exchange Act. Such materials are available as soon as reasonably practicable after filing such material electronically or otherwise furnishing it to the SEC, which also makes these materials available on its website (www.sec.gov). Our Code of Business Conduct and Ethics, Corporate Governance Guidelines, Certificate of Incorporation, bylaws, the written charters of our Audit Committee, Executive Compensation Committee, Corporate Governance Committee and Executive Committee and our ESG Report are also available on our website, and copies of these documents are available upon request.

In addition to filings with the SEC and materials posted on our website, we also use social media platforms as channels of information distribution to reach investors and other stakeholders. Information contained on our website and posted on or disseminated through our social media accounts is not incorporated by reference into this report.

ITEM 1A. RISK FACTORS

Our investors should consider the following risks that could affect us and our business. Although we believe we have discussed the key factors, our investors need to be aware that other risks may prove to be important in the future. New risks may emerge at any time, and we cannot predict such risks or estimate the extent to which they may affect our financial performance. Investors should carefully consider the following discussion of risks and the other information included or incorporated by reference in this Annual Report, including Forward-Looking Statements, which are included in Part II, Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations.

OPERATIONAL RISKS

Our business is subject to operational hazards and unforeseen interruptions that could materially and adversely affect our business and for which we may not be insured adequately.

We are subject to all the risks and hazards typically associated with the natural gas distribution business that could affect the public safety and reliability of our distribution system. Operating risks include, but are not limited to, leaks, accidents, pipeline ruptures and the breakdown or failure of equipment or processes. Other operational hazards and unforeseen interruptions include adverse weather conditions, accidents, explosions, fires, the collision of equipment or vehicles with our pipeline facilities and catastrophic events, such as severe weather events, hurricanes, thunderstorms, tornadoes, sustained extreme temperatures, earthquakes, floods, acts of terrorism, pandemics and other health crises, or other similar events beyond our control. Climate change could cause these catastrophic events to become more severe or more frequent. It is also possible that our facilities, or those of our counterparties or service providers, could be direct targets or indirect casualties of an act of terrorism, including cyber-attacks. These issues could result in legal liability, repair and remediation costs, increased operating costs, significant increased capital expenditures, regulatory fines and penalties and other costs and a loss of customer confidence.

Our general liability, cyber, and property insurance policies for many of these hazards and risks are subject to certain limits, deductibles, and policy exclusions. The insurance proceeds received for any loss of, or any damage to, any of our systems or facilities or to third parties may not be sufficient to restore the total loss or damage. Further, the proceeds of any such insurance may not be received in a timely manner. The occurrence of any of the foregoing could have a material adverse effect on our financial condition, results of operations and cash flows.

We may be unable to attract and retain management and professional and technical employees, or experience workforce disruptions due to strikes or work stoppages by our unionized employees, which could adversely impact our operations, earnings, and cash flows.

Our ability to implement our business strategy, satisfy our regulatory requirements, and serve our customers is dependent upon our ability to continue to recruit and employ a skilled, agile, diverse, and engaged workforce consisting of talented and experienced managers, professional and technical employees. The competition for talent has become increasingly intense and we may experience increased employee turnover due to a tightening labor market. If we are unable to recruit and retain an appropriately qualified workforce, we could encounter operating challenges primarily due to a loss of institutional knowledge and expertise, errors due to inexperience, or the lengthy time period typically required to adequately train replacement personnel. In addition, higher costs could result from loss of productivity, increased safety compliance issues, or cost of contract labor. Additionally, approximately 19 percent of our employees are represented by collective-bargaining units under collective-bargaining agreements. Disputes over the agreements or failure to timely and effectively renegotiate new agreements upon their expiration could have a negative effect on our business, financial condition and results of operations or result in a work stoppage. Any future work stoppage could, depending on the breadth and the length of the work stoppage, have a material adverse effect on our financial condition, results of operations and cash flows.

The availability of adequate natural gas pipeline transportation and storage capacity and natural gas supply may decrease and impair our ability to meet customers' natural gas requirements and our financial condition may be adversely affected.

In order to meet customers' natural gas demands, we rely on and must obtain sufficient natural gas supplies, pipeline transportation and storage capacity from third parties. If we are unable to obtain these, our ability to meet our customers' natural gas requirements could be impaired. If a substantial disruption to or reduction in natural gas supply, pipeline capacity or storage capacity occurred due to operational failures or disruptions, legislative or regulatory actions, hurricanes, tornadoes, floods, earthquakes, extreme cold weather, acts of terrorism, or cyber-attacks or acts of war, our operations or financial results could be adversely affected.

Our business increasingly relies on technology, the failure of which may adversely affect our financial results and cash flows.

Due to increased technology advances, we have become more reliant on technology to effectively operate our business. We use computer programs and applications to help run our business, including an enterprise resource planning system that integrates data and reporting activities across our Company. Additionally, certain portions of our IT systems and infrastructure are provided or maintained by third-party vendors. The failure of these or other similarly important technologies, the lack of alternative technologies, or our inability to have these technologies supported, updated, expanded, or integrated into other technologies, could hinder our operations, and adversely impact our financial condition and results of operations.

The occurrence of cyber breaches or physical security attacks on our business, or those of third parties, may disrupt or adversely affect our operations or result in the loss or misuse of confidential and proprietary information.

Any cyber breaches or physical security attacks, or threats of such attacks, that affect our IT systems, distribution facilities, customers, suppliers and third-party service providers or any financial data could disrupt normal business operations, expose sensitive information, and/or lead to physical damages that may have a material adverse effect on our business. A severe attack or security breach could adversely affect our business reputation, diminish customer confidence, disrupt operations, subject us to financial liability or increased regulation, increase our costs and expose us to material legal claims and liability which may not be fully covered by insurance, and our business, financial condition, results of operations and cash flows could be adversely affected. As cyber or physical security attacks become more frequent and sophisticated, we could be required to incur increased costs to strengthen our systems or to obtain additional insurance coverage against potential losses. Federal and state regulatory agencies, such as DHS and TSA, are increasingly focused on risks related to physical security and cybersecurity in general and have promulgated more stringent security regulations specifically for certain federal contractors and critical infrastructure sectors, including natural gas distribution. Any failure to comply with such government regulations may have a material adverse effect on our results of operations and financial condition.

We are subject to various risks associated with climate change which could increase our operating costs or restrict our opportunities in new or existing markets, adversely affecting our financial results, growth, cash flows and results of operations.

Climate change may increase the likelihood of extreme weather in our service territory, and our customers' energy use could increase or decrease depending on the duration and magnitude of any changes. A decrease in energy use due to weather changes may affect our financial condition through decreased revenues and cash flows which are not adequately offset by our WNA mechanisms. Extreme weather conditions in general require increased system resiliency, adding to costs, and can contribute to increased system stresses, including service interruptions. Weather conditions outside of our operating territory could also have an impact on our revenues and cash flows by affecting natural gas prices and the availability of our leased transportation and storage capacity. Weather impacts our operations primarily through severe weather events, including hurricanes, thunderstorms, tornadoes, sustained extreme temperatures, snow and ice storms, earthquakes, floods, or other similar events beyond our control. To the extent the frequency of extreme weather events increases, our costs of providing service and our working capital requirements could increase.

REGULATORY AND LEGISLATIVE RISKS

We are subject to federal, state, and local regulation of the safety of our systems and operations, including pipeline safety, system integrity, and the safety of our employees and facilities that may require significant expenditures or, in the case of noncompliance, substantial fines or penalties.

We are subject to regulation under federal pipeline safety statutes promulgated by PHMSA, DOT, OSHA, and any analogous state regulations. These include safety requirements for the design, construction, operation, and maintenance of pipelines, including transmission and distribution pipelines. Additionally, the workplaces associated with our facilities are subject to the requirements of DOT and OSHA, and comparable state statutes that regulate the protection of the health and safety of workers. Compliance with existing or new laws and regulations may result in increased capital, operating and other costs which may not be recoverable in rates from our customers or may impact materially our competitive position relative to other energy providers. The failure to comply with these laws, regulations and other requirements, or an accident or injury to employees could expose us to civil or criminal liability, enforcement actions, fines, penalties, or injunctive measures that may not be recoverable through our rates and could have a material adverse effect on our business, financial condition, results of operations, cash flows, and reputation.

We are subject to federal, state, and local laws, rules and regulations that could impact our ability to earn a reasonable rate of return on our invested capital and to fully recover our invested capital, operating costs, and natural gas costs.

We are subject to regulatory oversight from various federal, state, and local regulatory authorities, including the OCC, KCC, RRC and various municipalities in Texas. Regulatory actions from these authorities relate to allowed rates of return, rate design and construct, and purchased gas and operating cost recovery. Therefore, our returns are continuously monitored and are subject to challenge for their reasonableness by regulatory authorities or third-party intervenors. Our ability to obtain timely future rate increases depends on regulatory discretion and therefore, there can be no assurance that we will be able to obtain rate increases, fully recover our costs or that our authorized rates of return will continue at the current levels, which could adversely impact our results of operations, financial condition, and cash flows.

In the normal course of business, assets are placed in service before regulatory action is taken, such as filing a rate case or seeking interim recovery under a capital tracking mechanism that could result in an adjustment of our returns. Once we make a regulatory filing, regulatory bodies have the authority to suspend implementation of the new rates while evaluating the filing. Because of this process, we may suffer the negative financial effects of having placed assets in service that do not initially earn our authorized rate of return or may not be allowed recovery on such expenditures at all.

We are subject to environmental regulations and legislation, including those intended to address climate change, which could increase our operating costs, adversely affecting our financial results, growth, cash flows and results of operations.

We are subject to laws, regulations and other legal requirements enacted or adopted by federal, state and local governmental authorities, including the EPA and any analogous state agencies, relating to protection of the environment, including those that govern discharges of substances into the air and water, the management and disposal of hazardous substances and waste, the clean-up of contaminated sites, groundwater quality and availability, plant and wildlife protection, as well as work practices related to employee health and safety. Environmental legislation also requires that our facilities, sites, and other properties associated with our operations be operated, maintained, abandoned, and reclaimed to the satisfaction of applicable regulatory authorities. The failure to comply with any laws, regulations, permits and other requirements, or the discovery of presently unknown environmental conditions, could expose us to civil or criminal liability, enforcement actions and regulatory fines and penalties and could have a material adverse effect on our business, financial condition, results of operations and cash flows.

International, federal, regional and/or state legislative and/or regulatory initiatives may attempt to regulate greenhouse gas emissions, including carbon dioxide and methane, as a response to the threat of climate change. Various states and municipalities have adopted or are considering adopting legislation, regulations or other regulatory initiatives that are focused on areas such as greenhouse gas cap and trade programs, carbon taxes, reporting and tracking programs, and restrictions on emissions. Such laws or regulations could impose costs tied to carbon emissions, operational requirements or restrictions, or additional charges to fund energy efficiency activities. They could also incentivize alternative energy sources, impose costs or restrictions on end users of natural gas, or result in other costs or requirements, such as costs associated with the adoption of new infrastructure and technology to respond to new mandates.

We are subject to federal, state, and local laws, rules and regulations that could affect our operations and financial results.

Our business and operations are subject to regulation by a number of federal agencies, including FERC, CFTC, IRS and various state agencies in Oklahoma, Kansas, and Texas, and we are subject to numerous other federal and state laws and regulations. Future changes to laws, regulations and policies may impair our ability to compete for business or recover costs and could adversely affect our cash flows, restrict our ability to make capital investments and may cause us to increase debt and take other actions to conserve cash. Any compliance failure related to these laws and regulations may result in fines, penalties or injunctive measures affecting our operating assets. The fines or penalties for noncompliance with laws and regulations may not be recoverable through our rates. Our failure to comply with applicable regulations could result in a material adverse effect on our business, financial condition, results of operations and cash flows.

FINANCIAL, ECONOMIC AND MARKET RISKS

Unfavorable economic and market conditions could adversely affect our financial condition, earnings, cash flows and limit our future growth.

Weakening economic activity in our markets and supply chain disruptions could result in a loss of existing customers, fewer new customers, especially in newly constructed homes and other buildings, or a decline in energy consumption, any of which could adversely affect our revenues or restrict our future growth. These conditions may make it more difficult for customers to pay their natural gas bills, leading to slow collections and higher-than-normal levels of accounts receivable, which in turn could increase our financing requirements and bad debt expense. Customers may also experience difficulties paying their natural gas bills in the instance of severe weather events that result in higher usage and higher natural gas prices, reducing our collections and increasing our financing requirements and bad debt expense, which could have a material adverse effect on our business, contracts, financial condition, operating results, cash flow, liquidity, and prospects.

Changes in supply and demand within the natural gas markets, as well as other factors, could cause an increase in the price of natural gas. Market conditions can also lead to short-term price spikes in natural gas prices, such as high demand during periods of extreme cold weather or system constraints at specific delivery locations. An increase in the price of natural gas could cause us to experience a significant increase in short-term or long-term debt because we must pay suppliers for natural gas when purchased.

We cannot predict the timing, severity, or duration of any future economic slowdowns or natural gas market disruptions. Fluctuations and uncertainties in the economy may result in higher interest rates and inflationary pressures on the costs of goods, services, and labor. This could increase our expenses and capital spending and decrease our cash flows if we are not able to recover or recover timely such increased costs from our customers. The foregoing could adversely affect our business, financial condition, results of operations and cash flows.

Our business activities are concentrated in three states.

We provide natural gas distribution services to customers in Oklahoma, Kansas, and Texas. Changes in the regional economies, politics, regulations, regulatory decisions by state and local regulatory authorities, and weather patterns of these states could adversely impact our financial condition, results of operations and cash flows.

The inability to access capital or significant increases in the cost of capital could adversely affect our results of operations, cash flows and financial condition.

Our ability to obtain adequate and cost-effective financing is dependent upon the liquidity of the financial markets, as well as our financial condition and credit ratings. Our long-term debt is currently rated as “investment grade” by both of our rating agencies. We rely upon access to both the short-term and long-term credit and capital markets to satisfy our liquidity requirements. If adverse credit conditions or a downgrade in our ratings outlook were to cause a significant limitation on our access to the private credit and public capital markets, we could see a reduction in our liquidity. A significant reduction in our liquidity could in turn trigger a negative change in our ratings outlook or a reduction in our credit ratings by one or both of our rating agencies. Such a downgrade could further limit our access to private credit and/or public capital markets and increase our costs of borrowing. Additionally, the inability to access adequate capital or an increase in the cost of capital may require us to conserve cash, prevent or delay us from making capital expenditures, and require us to reduce or eliminate our dividend or other discretionary uses of cash.

Our financing arrangements subject us to various restrictions that could limit our operating flexibility, earnings, and cash flows.

The indentures governing our Senior Notes and our ONE Gas Credit Agreement contain customary covenants that restrict our ability to create or permit certain liens, to consolidate or merge, or to convey, transfer or lease substantially all of our properties and assets. Events beyond our control could impair our ability to satisfy these requirements. As long as our indebtedness remains outstanding, these restrictive covenants could impair our ability to expand or pursue our growth strategy.

In addition, the breach of any covenants or any payment obligations in any of these debt agreements will result in an event of default under the applicable debt instrument. If an event of default were to occur, the holders of the defaulted debt may have the ability to cause all amounts outstanding with respect to that debt to be due and payable, subject to applicable grace periods. This could trigger cross-defaults under our other debt agreements, including our Senior Notes. Forced repayment of some or all of our indebtedness could require us to incur new debt at a higher cost, which would have an adverse impact on our financial condition, results of operations and cash flows.

We may pursue acquisitions, divestitures, and other strategic opportunities which, if not successful, may adversely impact our results of operations, cash flows and financial condition.

As part of our strategic objectives, we may pursue acquisitions to complement or expand our business, as well as divestitures and other strategic opportunities. We may not be able to successfully negotiate, finance or receive regulatory approval for future acquisitions or integrate the acquired businesses with our existing business and services. These efforts may also distract our management and employees from day-to-day operations and require substantial commitments of time and resources. Future acquisitions could result in potentially dilutive issuances of equity securities, a decrease in our liquidity as a result of our using a significant portion of our available cash or borrowing capacity to finance the acquisition, the incurrence of debt, contingent liabilities and amortization expenses and substantial goodwill. The effects of these strategic decisions may have long-term implications that are not likely to be known to us in the short-term. We may be materially and adversely affected if we are unable to successfully integrate businesses that we acquire.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 2. PROPERTIES

The following table sets forth the approximate miles of distribution mains and transmission pipelines we own as of December 31, 2022:

Properties (miles)	OK	KS	TX	Total
Distribution	**19,400**	**11,700**	**11,000**	**42,100**
Transmission	**600**	**1,500**	**300**	**2,400**
Total properties	**20,000**	**13,200**	**11,300**	**44,500**

We lease approximately 300 thousand square feet of office space and other facilities for our operations. In addition, we have 57.6 Bcf of natural gas storage capacity under contract, with maximum allowable daily withdrawal capacity of approximately 1.7 Bcf.

ITEM 3. LEGAL PROCEEDINGS

See Note 17 of the Notes to Consolidated Financial Statements in this Annual Report for information regarding legal proceedings.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

PART II.

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

MARKET HOLDERS AND DIVIDENDS

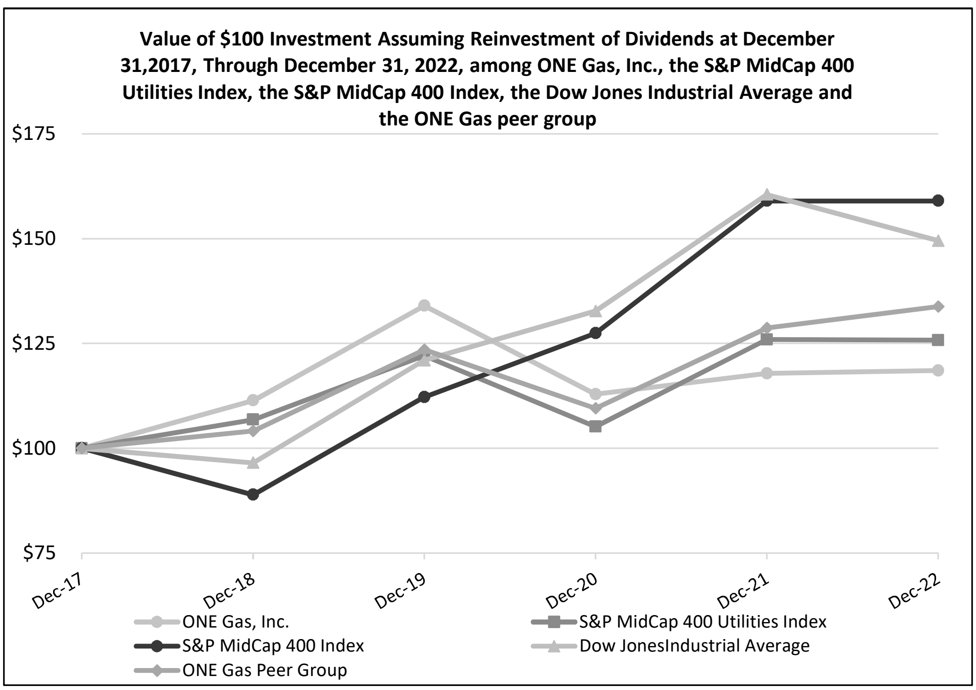
Our common stock is listed on the NYSE under the trading symbol "OGS."

At February 17, 2023, there were 9,437 registered shareholders of our common stock.

In January 2023, we declared a dividend of $0.65 per share ($2.60 per share on an annualized basis) for shareholders of record on February 24, 2023, payable on March 10, 2023.

Performance Graph

The following performance graph compares the performance of our common stock with the S&P MidCap 400 Utilities Index, the S&P MidCap 400 Index, the Dow Jones Industrial Average and a ONE Gas peer group during the period beginning December 31, 2017 and ending on December 31, 2022. This graph assumes a $100 investment in our common stock and in each of the indices at the beginning of the period and a reinvestment of dividends paid on such investments throughout the period.



	Cumulative Total Return As of Each Year Ended December 31,				
	2018	2019	2020	2021	2022
ONE Gas, Inc.	$ 111.40	$ 133.99	$ 112.91	$ 117.83	$ 118.53
S&P MidCap 400 Utilities Index	$ 106.81	$ 122.12	$ 105.18	$ 125.96	$ 125.76
S&P MidCap 400 Index	$ 88.90	$ 112.17	$ 127.48	$ 159.01	$ 159.01
Dow Jones Industrial Average	$ 96.52	$ 120.98	$ 132.75	$ 160.55	$ 149.53
ONE Gas Peer Group*	$ 104.14	$ 123.50	$ 109.50	$ 128.69	$ 133.82

* The ONE Gas peer group used in this graph is the same peer group that will be used in determining our level of performance under our 2022 performance units at the end of the three-year performance period and is comprised of the following companies: Alliant Energy Corporation; Atmos Energy Corporation; Avista Corporation; CenterPoint Energy, Inc.; Chesapeake Utilities Corporation; CMS Energy Corporation; New Jersey Resources Corporation; NiSource Inc.; Northwest Natural Holding Company; NorthWestern Corporation; South Jersey Industries, Inc.; Southwest Gas Holdings, Inc.; and Spire Inc.

ITEM 6. [RESERVED]

ITEM 7. MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis should be read in conjunction with our audited consolidated financial statements and Notes to Consolidated Financial Statements in this Annual Report.

EXECUTIVE SUMMARY

We are a 100-percent regulated natural gas distribution company. As such, our regulators determine the rates we are allowed to charge for our service based on the revenue requirements needed to achieve our authorized rates of return. We earn revenues from the delivery of natural gas, but do not earn a profit on the natural gas that we deliver, as those costs are passed through to our customers at cost. The primary components of our revenue requirements are the amount of capital invested in our business, which is also known as rate base, our allowed rate of return on our capital investments and our recoverable operating expenses, including depreciation, interest expense and income taxes. The variable component of our rates is dependent on the consumption of natural gas, which is impacted primarily by the weather and, to a lesser extent, economic activity. While we have WNA mechanisms that adjust sales customers’ bills when actual HDDs differ from normalized HDDs, these mechanisms are in place for only a portion of the year, except in Kansas, and do not offset all fluctuations in usage resulting from weather variability. Accordingly, the weather can have either a positive or negative impact on our financial performance.

Our financial performance, therefore, is contingent on a number of factors, including: (1) our regulatory construct, including the rates we are allowed to charge for our service, and the authorized rates of return on our investments in rate base; (2) the consumption of natural gas, which impacts the amount of natural gas sales derived from the variable component of our rates; (3) customer growth; (4) our operating performance; and (5) the perceived value of natural gas relative to other energy sources, particularly electricity, which influences our customers’ choice of natural gas to provide a portion of their energy needs.

We are subject to regulatory requirements for pipeline integrity, pipeline and cyber security and environmental compliance. These requirements impact our operating expenses and the level of capital expenditures required for compliance. Historically, our regulators have allowed recovery of these expenditures. However, because integrity and environmental regulations are frequently changing, our capital and operating expenditures to comply are changing as well. Although we believe our regulators will continue to allow recovery of such expenditures in the future, we will continue to make these expenditures with no assurance about if, or over what period, we will be permitted to recover them.

RECENT DEVELOPMENTS

<u>Long-term Debt and Securitization Transactions</u> - On August 8, 2022, we issued $300 million of 4.25 percent senior notes due September 2032. The proceeds from the issuance were used to repay amounts outstanding under our commercial paper program and for general corporate purposes.

In August 2022, Oklahoma Natural Gas received proceeds of approximately $1.3 billion, which represents the amount of the securitization bonds issued by the ODFA, less issuance costs. The receipt of these proceeds represents Oklahoma Natural Gas’ recovery of approximately $1.3 billion of authorized extraordinary natural gas purchase costs and other operational costs incurred during Winter Storm Uri, as well as carrying costs.

In August 2022, we called $750 million of the $1.0 billion of 0.85 percent senior notes due March 2023, $150 million of the $700 million of 1.10 percent senior notes due March 2024 and the remaining $400 million of outstanding floating-rate senior notes due March 2023, using the proceeds received from the securitization transaction for Oklahoma Natural Gas.

In November 2022, KGSS-I issued $336 million of 5.486 percent Securitized Utility Tariff Bonds. KGSS-I used the proceeds from the issuance to purchase the Securitized Utility Tariff Property from Kansas Gas Service, pay for debt issuance costs, and reimburse Kansas Gas Service for upfront securitization costs paid by Kansas Gas Service on behalf of KGSS-I.

In November 2022, we called the remaining $250 million of the $1.0 billion of 0.85 percent senior notes due March 2023 and $77 million of the $700 million of 1.10 percent senior notes due March 2024, using the proceeds from the securitization transaction for Kansas Gas Service.

See “Regulatory Activities,” “Liquidity and Capital Resources,” and Notes 1 and 10 of the Notes to Consolidated Financial Statements in this Annual Report for additional discussion of the securitization transactions.

At-the-Market Equity Program - For the year ended December 31, 2022, we sold and issued 403,792 shares of our common stock for $35.0 million, generating proceeds, net of issuance costs, of $34.7 million. Additionally, for the year ended December 31, 2022, we executed forward sale agreements for 1,451,474 shares of our common stock. On December 30, 2022, we settled forward sales agreements with respect to 1,162,071 shares of our common stock for net proceeds of $93.8 million. Had we settled the remaining 289,403 shares under the outstanding forward sale agreements as of December 31, 2022, we would have generated net proceeds of approximately $21.7 million.

See “Liquidity and Capital Resources” and Note 6 of the Notes to Consolidated Financial Statements in this Annual Report for additional discussion of our at-the-market equity program.

ONE Gas Credit Agreement - On March 16, 2022, we entered into the first amendment to the second amended and restated ONE Gas Credit Agreement, which was previously amended and restated on March 16, 2021. The amendment extends the maturity date of the ONE Gas Credit Agreement to March 16, 2027, from March 16, 2026, and amends the ONE Gas Credit Agreement to provide that we may extend the maturity date, subject to the lenders’ consent, by one year two additional times. The amendment also changes the benchmark rate defined in the ONE Gas Credit Agreement to SOFR. All other material terms and conditions of the ONE Gas Credit Agreement remain in full force and effect.

Dividend - In January 2023, we declared a dividend of $0.65 per share ($2.60 per share on an annualized basis) for shareholders of record on February 24, 2023, payable on March 10, 2023.

REGULATORY ACTIVITIES

Oklahoma - In April 2021, Oklahoma Natural Gas submitted an initial application requesting a financing order pursuant to the securitization legislation in Oklahoma. In January 2022, the OCC approved a financing order that reflected the terms of a settlement agreement reached in November 2021, which included an agreement that all extreme gas purchase and extraordinary costs incurred as a result of Winter Storm Uri were reasonable and prudent and a financing order should be issued to recover these costs through securitization. In May 2022, pursuant to the securitization statute in Oklahoma, the Oklahoma Supreme Court validated that the bond issuance proposed by the ODFA complied with the securitization statute and the laws of Oklahoma.

In August 2022, the ODFA completed the issuance of $1.35 billion in ratepayer-backed bonds with varying scheduled final maturities over 30 years, consistent with the OCC financing order. The bonds are limited and special revenue obligations of the ODFA, payable solely from the securitization bond collateral and are not an obligation of Oklahoma Natural Gas or any of its affiliates.

The proceeds received by Oklahoma Natural Gas were approximately $1.3 billion, which represents the amount of the securitization bonds issued by the ODFA less issuance costs. The receipt of these proceeds represents Oklahoma Natural Gas’ recovery of the approximately $1.3 billion of authorized extraordinary natural gas purchase costs and other operational costs incurred during Winter Storm Uri, as well as carrying costs. Beginning September 1, 2022, Oklahoma Natural Gas acts as a servicer, with responsibility for collecting the securitization charges from Oklahoma customers that are then submitted to the ODFA to repay the securitization bonds.

As required, PBRC filings are made annually on or before March 15, until the next general rate case which is required to be filed on or before June 30, 2027. In March 2022, Oklahoma Natural Gas filed its required PBRC application for a calendar year 2021 test year. The filed request included a $19.7 million base rate revenue increase, $2.3 million energy efficiency incentive, and $9.1 million of estimated EDIT to be credited to customers in 2023. In May 2022, the Public Utility Division (“PUD”) of the OCC filed responsive testimony supporting an increase of $19.6 million and the Office of the Attorney General filed a statement of position supporting PUD’s position. Pursuant to its tariff, Oklahoma Natural Gas placed new rates into effect on July 13, 2022, reflecting a base rate revenue increase of $19.6 million. These rates were subject to refund until approved by the OCC. In August 2022, a stipulation was filed reflecting the $19.6 million increase supported by PUD and unopposed by the office of the Attorney General. In September 2022, a hearing was held and the administrative law judge recommended approval of the joint stipulation. In November 2022, the OCC issued an order approving the joint stipulation.

As required by OCC rule, in April 2022, Oklahoma Natural Gas filed a request for approval of a demand portfolio of conservation and energy efficiency programs for calendar years 2023-2025. The request included an annual portfolio of program costs of $17.4 million, with an estimated annual utility incentive of $2.6 million. In September 2022, a joint stipulation and settlement agreement was entered into with the PUD supporting Oklahoma Natural Gas' request. A hearing was held in October 2022, and the administrative law judge recommended approval of the joint stipulation and settlement agreement. In December 2022, the OCC issued an order approving the joint stipulation.

In May 2021, Oklahoma Natural Gas filed a general rate case. In October 2021, a joint stipulation and settlement agreement was signed by all parties to the rate case. In November 2021, the OCC issued an order approving the joint stipulation and settlement agreement. Upon approval of the order, Oklahoma Natural Gas' base rates increased by $15.3 million. Premised on an ROE of 9.4 percent and a common equity ratio of 58.55 percent, the order also includes the continuation of the PBRC tariff that was established in 2009. The approved order allows Oklahoma Natural Gas to recover commodity costs of no more than $5.0 million annually for the purchase of RNG and requires Oklahoma Natural Gas to file an application on or before December 31, 2022, requesting approval of an RNG pilot program including an "opt-in" tariff allowing Oklahoma Natural Gas to allocate costs and benefits of RNG to those customers who choose RNG for their fuel source.

In December 2022, Oklahoma Natural Gas filed the required request for an RNG Pilot Program and Voluntary Tariff pursuant to the requirement in the rate case order. The proposed tariff will allow all residential, small commercial and industrial sales customers to voluntarily purchase the environmental attributes of RNG up to the equivalent of 10 Dth per month. If approved, the tariff will be in effect through 2027. Assessment of the tariff and pilot program will be made in the rate case required to be filed on or before June 30, 2027. An order is expected no earlier than the third quarter of 2023.

In May 2021, a bill amending the Oklahoma state income tax code was signed into law that reduced the state income tax rate to four percent from six percent beginning January 1, 2022. As a result of the enactment of this legislation, we remeasured our ADIT. As a regulated entity, the reduction in ADIT of $29.3 million was recorded as a regulatory liability. The impact of the change in the state income tax rate on Oklahoma Natural Gas' rates, as well as the timing and amount of the impact on the annual crediting mechanism for the EDIT regulatory liability, was not material and is included in the March 15, 2022 PBRC filing, as approved in November 2022.

Kansas - In March 2021, the KCC issued an order adopting the KCC staff's recommendation to open company-specific dockets to accept each utility's filing of financial impact compliance reports and permit the KCC staff to conduct a review of the utility's compliance report and its actions during Winter Storm Uri. In April 2021, a bill permitting the utilities to pursue securitization to finance extraordinary expenses, such as fuel costs incurred during extreme weather events, was signed into law by the Kansas governor. The law gives the KCC the authority to oversee and authorize the issuance of ratepayer-backed securitized bonds issued by a public utility.

In May 2021, Kansas Gas Service filed a motion in its company-specific docket opened by the KCC, requesting a limited waiver of the penalty provisions of its tariff to eliminate the multipliers in the penalty calculation when calculating the penalties to assess on marketers and individually-balanced transportation customers for their unauthorized natural gas usage during Winter Storm Uri. In March 2022, the KCC issued an order approving a settlement, which modified the penalty provisions of Kansas Gas Service's tariffs and included a carrying charge of two percent on amounts due to Kansas Gas Service. Amounts collected from these penalties reduce the regulatory asset for the winter weather event, up to $52.6 million. Through December 31, 2022, we have collected $50.5 million of these penalties.

In July 2021, Kansas Gas Service submitted its financial plan to the KCC as required by the company-specific docket opened by the KCC in March 2021. The plan included a proposal for a newly formed, bankruptcy remote subsidiary of the Company to issue securitized utility tariff bonds to recover the extraordinary costs resulting from Winter Storm Uri from Kansas Gas Service's customers. In February 2022, the KCC issued an order approving a unanimous settlement agreement that allows Kansas Gas Service to recover extraordinary costs, net of any penalties recovered from marketers and individually-balanced transportation customers, plus carrying costs, by seeking a financing order from the KCC for the issuance of securitized utility tariff bonds.

In March 2022, Kansas Gas Service submitted its application for a financing order to the KCC as contemplated by the unanimous settlement agreement, requesting approval to issue securitized utility tariff bonds to recover extraordinary costs resulting from Winter Storm Uri. In July 2022, Kansas Gas Service, the KCC Staff and the Citizens' Utility Ratepayer Board reached a settlement agreement for the issuance of a financing order allowing a newly formed, bankruptcy remote subsidiary of the Company to issue securitized utility tariff bonds. In August 2022, the KCC issued an order approving the agreement and also issued a financing order.

As part of the order, we created KGSS-I, a special-purpose, wholly-owned subsidiary of ONE Gas, and filed a registration statement with the SEC, for the purpose of issuing securitized utility tariff bonds. The registration statement was declared effective on November 7, 2022.

In November 2022, KGSS-I issued $336 million of 5.486 percent Securitized Utility Tariff Bonds. KGSS-I used the proceeds from the issuance to purchase the Securitized Utility Tariff Property from Kansas Gas Service, pay for debt issuance costs, and reimburse Kansas Gas Service for upfront securitization costs paid by Kansas Gas Service on behalf of KGSS-I. See Note 4 of the Notes to Consolidated Financial Statements in this Annual Report for additional information about the Securitized Utility Tariff Bonds and Notes 10 and 11 of the Notes to Consolidated Financial Statements in this Annual Report for additional information about the securitization transaction.

In August 2022, Kansas Gas Service submitted an application to the KCC requesting an increase of approximately $7.8 million related to its GSRS. The KCC issued an order in November 2022 authorizing an increase of $7.7 million, and the new surcharge became effective on December 1, 2022.

In August 2022, Kansas Gas Service submitted an application to the KCC requesting certain changes to Section 7 of its General Terms and Conditions tariff. These changes would revise the tariff to use Kansas Gas Service’s average embedded cost to determine the cost for service line installations and replacements as well as certain customer requested work. The KCC has 240 days to review the request.

In August 2021, Kansas Gas Service submitted an application to the KCC requesting an increase of approximately $7.6 million related to its GSRS. The KCC issued an order in November 2021, and the new surcharge became effective on December 1, 2021.

In May 2020, a bill amending the Kansas state income tax code was signed into law that exempts public utilities regulated by the KCC from paying Kansas state income taxes beginning January 1, 2021, and authorizes the KCC to adjust utility rates for the elimination of Kansas state income tax beginning January 1, 2021. As a result of the enactment of this legislation, we remeasured our ADIT. As a regulated entity, the reduction in ADIT of $84.2 million was recorded as a regulatory liability and will be refunded to our customers. This adjustment had no material impact on our income tax expense and no impact on our cash flows for the years ended December 31, 2022 and 2021. The bill stipulates that, if requested by the utility, this EDIT will be returned to Kansas customers over a period of no less than 30 years, with the exact timing to be determined in our next general rate proceeding. In August 2020, Kansas Gas Service submitted an application to the KCC to reduce its base rates by approximately $4.9 million to reflect the elimination of Kansas state income taxes. In December 2020, the KCC approved the application, effective January 1, 2021.

<u>Texas</u> - Pursuant to securitization legislation enacted in Texas as a result of Winter Storm Uri and a June 2021 RRC Notice to Gas Utilities, Texas Gas Service submitted an application to the RRC in July 2021, for an order authorizing the amount of extraordinary costs for recovery and other such specifications necessary for the issuance of securitized bonds.

In November 2021, the RRC approved a unanimous settlement agreement between Texas Gas Service, the other natural gas utilities in Texas participating in the securitization process, the staff of the RRC and all intervenors. The settlement agreement provides that all costs incurred by Texas Gas Service to purchase natural gas during Winter Storm Uri were reasonable, necessary and prudently incurred.

In February 2022, the RRC issued a single financing order for Texas Gas Service and other natural gas utilities in Texas participating in the securitization process, which included a determination that the approved costs will be collected from customers over a period of not more than 30 years. The TPFA formed the Texas Natural Gas Securitization Finance Corporation, a new independent public authority, that will issue the securitized bonds, which are expected to be issued by April 2023. At December 31, 2022, Texas Gas Service has deferred approximately $243.1 million in extraordinary costs associated with Winter Storm Uri, which includes $43.8 million attributable to the former West Texas service area. Pursuant to the approved settlement order, in January 2022, Texas Gas Service began collecting the extraordinary costs, including carrying costs, associated with Winter Storm Uri attributable to the former West Texas service area from those customers.

West-North Service Area - In June 2022, Texas Gas Service filed a rate case seeking to consolidate its West Texas, North Texas and Borger/Skellytown service areas into a single West-North service area and requesting a rate increase of $13.0 million. In January 2023, the RRC approved the consolidation and a rate increase of $8.8 million premised on a return on equity of 9.6 percent and a common equity ratio of 59.74 percent equity. The new rates were implemented in February 2023.

West Texas Service Area - In March 2022, Texas Gas Service made GRIP filings for all customers in the former West Texas service area, requesting a $5.0 million increase to be effective in July 2022. In June 2022, the city of El Paso denied the requested increase and assessed fees associated with its review of the filing. Texas Gas Service appealed the city’s action to the

RRC. In August 2022, the RRC approved the appealed rates. All other municipalities, and the RRC, approved the new rates or allowed them to take effect with no action. Texas Gas Service implemented the new rates in July 2022.

In March 2021, Texas Gas Service made GRIP filings for all customers in the former West Texas service area, requesting an increase of $9.7 million to be effective in July 2021. In June 2021, the city of El Paso approved a motion which found the GRIP filing to be in compliance with the GRIP statute. The city subsequently denied the requested increase and assessed fees associated with its review of the filing. In July 2021, Texas Gas Service appealed the city's action to the RRC. The RRC granted and approved the appeal, and new rates became effective in August 2021. All other municipalities, and the RRC, approved the new rates or allowed them to take effect with no action.

Central-Gulf Service Area - In February 2023, Texas Gas Service made GRIP filings for all customers in the Central-Gulf service area, requesting an $11.5 million increase to be effective in June 2023.

In February 2022, Texas Gas Service made GRIP filings for all customers in the Central-Gulf service area, requesting a $9.1 million increase to be effective in June 2022. All municipalities, and the RRC, approved the new rates and new rates became effective in June 2022.

In February 2021, Texas Gas Service made GRIP filings for all customers in the Central-Gulf service area, requesting an increase of $10.7 million to be effective in June 2021. All municipalities, and the RRC, approved the new rates or allowed them to take effect with no action.

Other Texas Service Areas - In April 2022, Texas Gas Service made its annual COSA filings for the incorporated area of the Rio Grande Valley service area, requesting an increase of $2.9 million. In July 2022, the municipalities approved an increase of $2.5 million, and new rates became effective in August 2022.

In April 2021, Texas Gas Service made its annual COSA filings for the incorporated areas of the Rio Grande Valley service area and the North Texas service area. In July 2021, the cities in the Rio Grande Valley and North Texas service areas agreed to increases of $3.5 million and $1.4 million, respectively. New rates became effective in August 2021.

In the normal course of business, Texas Gas Service has filed rate cases and sought GRIP and COSA increases in various other Texas jurisdictions to address investments in rate base and changes in expenses. For the years ended December 31, 2022 and 2021, the impact of these filings was not material.

<u>Winter Storm Uri Deferred Costs</u> - In accordance with regulatory orders associated with the winter weather event, our regulatory asset totaled approximately $258.2 million in extraordinary costs for natural gas purchases, related financing and carrying costs and other operational costs that have not been recovered at December 31, 2022. The amounts deferred include invoiced costs for natural gas purchases that have not been paid as we work with our suppliers to resolve discrepancies in invoiced amounts. The amounts deferred may be adjusted as the differences are resolved. As these amounts are related to the extraordinary gas purchase costs associated with Winter Storm Uri, which are deferred, future adjustments to the amounts deferred are not expected to have a material impact on earnings.

<u>Other</u> - Certain costs to be recovered through the ratemaking process have been capitalized as regulatory assets. Should recovery cease due to regulatory actions, certain of these assets may no longer meet the criteria for recognition and accordingly, a write-off of regulatory assets and stranded costs may be required. There were no write-offs of regulatory assets resulting from the failure to meet the criteria for capitalization during 2022, 2021 or 2020.

FINANCIAL RESULTS AND OPERATING INFORMATION

Selected Financial Results - Net income was $221.7 million, or $4.08 per diluted share, $206.4 million, or $3.85 per diluted share, and $196.4 million, or $3.68 per diluted share, for the years ended December 31, 2022, 2021 and 2020, respectively. We operate in one reportable business segment: regulated public utilities that deliver natural gas to residential, commercial and transportation customers. We evaluate our financial performance principally on net income.

The following table sets forth certain selected financial results for our operations for the periods indicated:

	Years Ended December 31,			Variances 2022 vs. 2021		Variances 2021 vs. 2020	
Financial Results	**2022**	**2021**	**2020**	**Increase (Decrease)**		**Increase (Decrease)**	
				(Millions of dollars, except percentages)			
Natural gas sales	**$ 2,418.7**	$ 1,661.7	$ 1,389.2	**$ 757.0**	**46 %**	$ 272.5	20 %
Transportation revenues	**126.5**	119.0	114.1	**7.5**	**6 %**	4.9	4 %
Other revenues	**32.8**	27.9	27.0	**4.9**	**18 %**	0.9	3 %
Total revenues	**2,578.0**	1,808.6	1,530.3	**769.4**	**43 %**	278.3	18 %
Cost of natural gas	**1,459.1**	775.0	537.4	**684.1**	**88 %**	237.6	44 %
Operating costs	**540.4**	516.1	494.5	**24.3**	**5 %**	21.6	4 %
Depreciation and amortization	**228.5**	207.2	194.9	**21.3**	**10 %**	12.3	6 %
Operating income	**$ 350.0**	$ 310.3	$ 303.5	**$ 39.7**	**13 %**	$ 6.8	2 %
Net income	**$ 221.7**	$ 206.4	$ 196.4	**$ 15.3**	**7 %**	$ 10.0	5 %
Capital expenditures and asset removal costs	**$ 656.5**	$ 544.3	$ 512.2	**$ 112.2**	**21 %**	$ 32.1	6 %

Natural gas sales to customers represent revenue from contracts with customers through implied contracts established by our tariffs and rates approved by regulatory authorities, as well as revenues from regulatory mechanisms related to natural gas sales. Additionally, natural gas sales includes recovery of the cost of natural gas.

Transportation revenues represent revenue from contracts with customers through implied contracts established by our tariffs and rates approved by regulatory authorities, as well as tariff-based negotiated contracts.

Other revenues include primarily miscellaneous service charges, which represent implied contracts with customers established by our tariffs and rates approved by regulatory authorities and other revenues from regulatory mechanisms.

Our average cost of gas rate increased to $8.22 per Mcf for the year ended December 31, 2022, compared to $4.87 per Mcf in the prior year. Cost of natural gas includes commodity purchases, fuel, storage, transportation, hedging costs and settlement proceeds for natural gas price volatility mitigation programs approved by our regulators and other gas purchase costs recovered through our cost of natural gas regulatory mechanisms and does not include an allocation of general operating costs or depreciation and amortization. These regulatory mechanisms provide a method of recovering natural gas costs on an ongoing basis without a profit. Therefore, although our revenues will fluctuate with the cost of natural gas that we pass-through to our customers, operating income is not affected by fluctuations in the cost of natural gas.

2022 vs. 2021 - Operating income increased $39.7 million due primarily to the following:

- an increase of $58.7 million from new rates;
- an increase of $7.0 million in residential sales due primarily to net customer growth; and
- a decrease of $3.1 million in bad debt expense.

These increases were offset partially by:

- an increase of $15.4 million in outside service costs;
- an increase of $14.1 million in depreciation expense due to additional capital expenditures being placed in service; and
- an increase of $3.2 million in employee-related costs.

Other Factors Affecting Net Income - Other factors that affect net income for the year ended December 31, 2022, compared with 2021, include an increase of $1.0 million in other expense, net, and an increase of $17.2 million in interest expense. The increase in other expense, net, is due primarily to a $10.9 million decrease in the market value of investments associated with our nonqualified employee benefit plans, offset partially by a $7.7 million decrease in net periodic benefit costs other than service costs. The increase in interest expense is due primarily to interest on our commercial paper, the issuance of $300 million of 4.25 percent senior notes in August 2022 and $336 million of 5.486 percent Securitized Utility Tariff Bonds in November 2022, compared with the same period last year.

EDIT - The return of EDIT to our customers is not expected to have a material impact on earnings, as any reduction or credit in rates is offset by a reduction in income tax expense. During the years ended December 31, 2022 and 2021, we credited income tax expense $18.0 million and $17.3 million, respectively, for the amortization of the regulatory liability associated with EDIT that was returned to customers.

Capital Expenditures and Asset Removal Costs - Our capital expenditures program includes expenditures for pipeline integrity, extending service to new areas, increasing system capabilities, pipeline replacements, automated meter reading, government-mandated pipeline relocations, fleet, facilities, IT assets and cybersecurity. It is our practice to maintain and upgrade our infrastructure, facilities and systems to ensure safe, reliable and efficient operations. Asset removal costs include expenditures associated with the replacement or retirement of long-lived assets that result from the construction, development and/or normal use of our assets, primarily our pipeline assets.

Capital expenditures and asset removal costs increased $112.2 million for 2022, compared with 2021, due primarily to expenditures for system integrity and extension of service to new areas. Our capital expenditures and asset removal costs are expected to be approximately $675 million for 2023. While we did not experience a significant impact to our capital expenditure program during the year ended December 31, 2022, our future capital expenditure activity is dependent on a number of factors, including economic conditions and our supply chains for contract labor, materials and supplies.

Selected Operating Information - The following tables set forth certain selected operating information for the periods indicated:

	Years Ended December 31,								Variances 2022 vs. 2021			
(in thousands)	2022				2021				Increase (Decrease)			
Average Number of Customers	**OK**	**KS**	**TX**	**Total**	**OK**	**KS**	**TX**	**Total**	**OK**	**KS**	**TX**	**Total**
Residential	**831**	**592**	**656**	**2,079**	824	591	650	2,065	**7**	**1**	**6**	**14**
Commercial and industrial	**76**	**50**	**35**	**161**	75	50	35	160	**1**	**—**	**—**	**1**
Other	**1**	**—**	**3**	**4**	—	—	3	3	**1**	**—**	**—**	**1**
Transportation	**5**	**6**	**1**	**12**	6	6	1	13	**(1)**	**—**	**—**	**(1)**
Total customers	**913**	**648**	**695**	**2,256**	905	647	689	2,241	**8**	**1**	**6**	**15**

	Years Ended December 31,								Variances 2021 vs. 2020			
(in thousands)	2021				2020				Increase (Decrease)			
Average Number of Customers	**OK**	**KS**	**TX**	**Total**	**OK**	**KS**	**TX**	**Total**	**OK**	**KS**	**TX**	**Total**
Residential	824	591	650	2,065	814	589	641	2,044	10	2	9	21
Commercial and industrial	75	50	35	160	75	50	35	160	—	—	—	—
Other	—	—	3	3	—	—	3	3	—	—	—	—
Transportation	6	6	1	13	6	6	1	13	—	—	—	—
Total customers	905	647	689	2,241	895	645	680	2,220	10	2	9	21

The increase in the average number of customers for 2022, compared with 2021, is due primarily to the connection of new customers resulting from the extension and expansion of our system in our service areas. For 2022, our average customer count includes 27,100 new customer connections compared to 24,900 in 2021.

The following table reflects the total volumes delivered, excluding the effects of WNA mechanisms:

	Years Ended December 31,		
Volumes *(MMcf)*	**2022**	**2021**	**2020**
Natural gas sales			
Residential	**125,286**	117,758	121,967
Commercial and industrial	**43,184**	37,615	36,169
Other	**2,725**	2,521	2,427
Total sales volumes delivered	**171,195**	157,894	160,563
Transportation	**230,080**	229,935	224,531
Total volumes delivered	**401,275**	387,829	385,094

Total sales volumes delivered increased for 2022, compared with 2021, due primarily to colder weather in the fourth quarter 2022. The impact of weather on residential and commercial natural gas sales is mitigated by WNA mechanisms in all jurisdictions.

The following table sets forth the HDDs by state for the periods indicated:

	Years Ended December 31,						
	2022		**2021**		**2022 vs. 2021**	**2022**	**2021**
HDDs	**Actual**	**Normal**	**Actual**	**Normal**	**Actual Variance**	**Actual as a percent of Normal**	
Oklahoma	**3,621**	**3,346**	3,224	3,229	**12 %**	**108 %**	100 %
Kansas	**4,779**	**4,722**	4,251	4,722	**12 %**	**101 %**	90 %
Texas	**1,950**	**1,764**	1,550	1,766	**26 %**	**111 %**	88 %

	Years Ended December 31,						
	2021		**2020**		**2021 vs. 2020**	**2021**	**2020**
HDDs	**Actual**	**Normal**	**Actual**	**Normal**	**Actual Variance**	**Actual as a percent of Normal**	
Oklahoma	3,224	3,229	3,253	3,264	(1)%	100 %	100 %
Kansas	4,251	4,722	4,408	4,722	(4)%	90 %	93 %
Texas	1,550	1,766	1,580	1,779	(2)%	88 %	89 %

Normal HDDs are established through rate proceedings in each of our rate jurisdictions for use primarily in weather normalization billing calculations. Normal HDDs disclosed above are based on:

- *Oklahoma* - For years 2021 through the current period, 10-year weighted average HDDs as of June 30, 2021, as calculated using 11 weather stations across Oklahoma and weighted on average customer count. For 2020, 10-year weighted average HDDs as of December 31, 2014, as calculated using 11 weather stations across Oklahoma and weighted on average customer count.
- *Kansas* - A 30-year rolling average for years 1988-2017 calculated using three weather stations across Kansas and weighted on HDDs by weather station and customers.
- *Texas* - An average of HDDs authorized in our most recent rate proceeding in each jurisdiction and weighted using a rolling 10-year average of actual natural gas distribution sales volumes by service area.

Actual HDDs are based on year-to-date, weighted average of:

- 11 weather stations and customers by month for Oklahoma;
- 3 weather stations and customers by month for Kansas; and
- 9 weather stations and natural gas distribution sales volumes by service area for Texas.

Selected financial results and operating information for 2021, compared with 2020, is described in Part II, Item 7 "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our Annual Report on Form 10-K for the year ended December 31, 2021.

CONTINGENCIES

We are a party to various litigation matters and claims that have arisen in the normal course of our operations. While the results of litigation and claims cannot be predicted with certainty, we believe the reasonably possible losses from such matters, individually and in the aggregate, are not material. Additionally, we believe the probable final outcome of such matters will not have a material adverse effect on our results of operations, financial position or cash flows. See Note 17 of the Notes to Consolidated Financial Statements in this Annual Report for information with respect to legal proceedings.

LIQUIDITY AND CAPITAL RESOURCES

General - We have relied primarily on operating cash flow and commercial paper for our liquidity and capital resource requirements. We fund operating expenses, working capital requirements, including purchases of natural gas, and capital expenditures primarily with cash from operations and commercial paper.

We believe that the combination of the significant residential component of our customer base, the fixed-charge component of our natural gas sales revenues and our rate mechanisms that we have in place result in a stable cash flow profile and historically has generated stable earnings. Additionally, we have rate mechanisms in place in our jurisdictions that reduce the lag in earning a return on our capital expenditures and provide for recovery of certain changes in our cost of service by allowing for adjustments to rates between rate cases. We anticipate that our cash flow generated from operations and our expected short- and long-term financing arrangements will enable us to maintain our current and planned level of operations and provide us flexibility to finance our infrastructure investments. Our ability to access capital markets for debt and equity financing under reasonable terms depends on market conditions, our financial condition and credit ratings.

Short-term Debt - On March 16, 2022, we entered into the first amendment to the second amended and restated ONE Gas Credit Agreement, which was previously amended and restated on March 16, 2021. The amendment extends the maturity date of the ONE Gas Credit Agreement to March 16, 2027, from March 16, 2026, and amends the ONE Gas Credit Agreement to provide that we may extend the maturity date, subject to the lenders' consent, by one year two additional times. The amendment also changes the benchmark rate defined in the ONE Gas Credit Agreement to SOFR. All other material terms and conditions of the ONE Gas Credit Agreement remain in full force and effect.

The ONE Gas Credit Agreement provides for a $1.0 billion revolving unsecured credit facility and includes a $20 million letter of credit subfacility and a $60 million swingline subfacility. We can request an increase in commitments of up to an additional $500 million upon satisfaction of customary conditions, including receipt of commitments from either new lenders or increased commitments from existing lenders. The ONE Gas Credit Agreement is available to provide liquidity for working capital, capital expenditures, acquisitions and mergers, the issuance of letters of credit and for other general corporate purposes.

The ONE Gas Credit Agreement contains certain financial, operational and legal covenants. Among other things, these covenants include maintaining ONE Gas' total debt-to-capital ratio of no more than 70 percent at the end of any calendar quarter. At December 31, 2022, our total debt-to-capital ratio was 56 percent and we were in compliance with all covenants under the ONE Gas Credit Agreement. We may reduce the unutilized portion of the ONE Gas Credit Agreement in whole or in part without premium or penalty. The ONE Gas Credit Agreement contains customary events of default. Upon the occurrence of certain events of default, the obligations under the ONE Gas Credit Agreement may be accelerated and the commitments may be terminated.

In connection with the second amendment and restatement of the ONE Gas Credit Agreement on March 16, 2021, all commitments under the ONE Gas 364-day Credit Agreement were terminated and all obligations under the ONE Gas 364-day Credit Agreement were paid in full and discharged.

In June 2021, we increased the size of our commercial paper program to permit the issuance of commercial paper to fund short-term borrowing needs in an aggregate principal amount not to exceed $1.0 billion outstanding at any time. Prior to this increase, our commercial paper program permitted us to issue commercial paper in an aggregate principal amount not to exceed $700 million outstanding at any time. The maturities of the commercial paper notes may vary but may not exceed 270 days from the date of issue. Commercial paper is generally sold at par less a discount representing an interest factor. At December 31, 2022 and 2021, we had $552.0 million and $494.0 million of commercial paper outstanding, respectively. The weighted-average interest rate on our commercial paper was 4.75 percent and 0.38 percent at December 31, 2022 and 2021, respectively.

At December 31, 2022, we had $1.2 million in letters of credit issued and no borrowings under the ONE Gas Credit Agreement, with $998.8 million of remaining credit available to repay our commercial paper borrowings.

Long-term Debt - On August 8, 2022, we issued $300 million of 4.25 percent senior notes due September 2032. The proceeds from the issuance were used to repay amounts outstanding under our commercial paper program and for general corporate purposes.

On August 25, 2022, the ODFA completed the issuance of $1.35 billion in ratepayer-backed bonds with varying scheduled final maturities over 30 years, consistent with the OCC financing order. The bonds are limited and special revenue obligations of the ODFA, payable solely from the securitization bond collateral and are not an obligation of Oklahoma Natural Gas or any of its affiliates.

The proceeds received by Oklahoma Natural Gas were approximately $1.3 billion, which represents the amount of the securitization bonds issued by the ODFA less issuance costs. The receipt of these proceeds represents Oklahoma Natural Gas' recovery of the approximately $1.3 billion of authorized extraordinary natural gas purchase costs and other operational costs incurred during Winter Storm Uri, as well as carrying costs.

In August 2022, we called $750 million of the $1.0 billion of 0.85 percent senior notes due March 2023, $150 million of the $700 million of 1.10 percent senior notes due March 2024 and the remaining $400 million of outstanding floating-rate senior notes due March 2023, using the proceeds received from Oklahoma Natural Gas' securitization transaction.

On November 18, 2022, KGSS-I issued $336 million of 5.486 percent Securitized Utility Tariff Bonds. The Securitized Utility Tariff Bonds have an interest rate of 5.486 percent and a term of 10 years with semi-annual principal repayments, which results in an expected weighted average life of the bonds of 5.5 years. The bonds are governed by an indenture between KGSS-I and the indenture trustee. The indenture contains certain covenants that restrict KGSS-I's ability to sell, transfer, convey, exchange, or otherwise dispose of its assets.

In November 2022, we called the remaining $250 million of the $1.0 billion of 0.85 percent senior notes due March 2023 and $77 million of the $700 million of 1.10 percent senior notes due March 2024, using the proceeds from the securitization transaction for Kansas Gas Service. See Note 10 of the Notes to Consolidated Financial Statements in this Annual Report for additional discussion of the securitization transactions.

In March 2021, we issued $1.0 billion of 0.85 percent senior notes due March 2023, $700 million of 1.10 percent senior notes due March 2024, and $800 million of floating-rate senior notes due March 2023. The net proceeds from the issuance were used for payment of gas purchases and related costs resulting from Winter Storm Uri and general corporate purposes.

In September 2021, we called $400 million of the floating-rate senior notes due March 2023 at par, using a combination of cash on hand and commercial paper. We did not have the right to call these senior notes prior to September 11, 2021.

The indenture governing our Senior Notes includes an event of default upon the acceleration of other indebtedness of $100 million or more. Such events of default would entitle the trustee or the holders of 25 percent in aggregate principal amount of the outstanding Senior Notes to declare those Senior Notes immediately due and payable in full.

Depending on the series, we may redeem our Senior Notes at par, plus accrued and unpaid interest to the redemption date, starting three months or six months before their maturity dates. Prior to these dates, we may redeem these Senior Notes, in whole or in part, at a redemption price equal to the principal amount, plus accrued and unpaid interest and a make-whole premium. The redemption price will never be less than 100 percent of the principal amount of the respective Senior Note plus accrued and unpaid interest to the redemption date. Our Senior Notes are senior unsecured obligations, ranking equally in right of payment with all of our existing and future unsecured senior indebtedness.

In February 2021, we entered into the ONE Gas 2021 Term Loan Facility as part of the financing of our natural gas purchases in order to provide sufficient liquidity to satisfy our obligations as a result of Winter Storm Uri. The net proceeds of the March 2021 debt issuance reduced the commitments under the ONE Gas 2021 Term Loan Facility on a dollar-for-dollar basis, and as a result no commitments remained outstanding and the facility was terminated concurrently with the closing of the debt issuance.

At December 31, 2022, our long-term debt-to-capital ratio was 51 percent.

Credit Ratings - Our credit ratings at December 31, 2022, were:

Rating Agency	Rating	Outlook
Moody’s	A3	Stable
S&P	A-	Stable

At December 31, 2022, our commercial paper was rated Prime-2 by Moody’s and A-2 by S&P. We intend to maintain credit metrics at a level that supports our balanced approach to capital investment and a return of capital to shareholders via a dividend that we believe will be competitive with our peer group.

At-the-Market Equity Program - In February 2020, we initiated an at-the-market equity program by entering into an equity distribution agreement under which we may issue and sell shares of our common stock with an aggregate offering price up to $250 million (including any shares of common stock that may be sold pursuant to the master forward sale confirmation entered into in connection with the equity distribution agreement and the related supplemental confirmations). Sales of common stock are made by means of ordinary brokers’ transactions on the NYSE, in block transactions or as otherwise agreed to between us and the sales agent. We are under no obligation to offer and sell common stock under the program.

For the years ended December 31, 2022 and 2021, we sold and issued 403,792 and 281,124 shares of our common stock for $35.0 million and $21.4 million, respectively, generating proceeds, net of issuance costs, of $34.7 million and $21.1 million, respectively.

For the year ended December 31, 2022, we also executed forward sale agreements for 1,451,474 shares of our common stock. We did not enter into any forward sale agreements in 2021. On December 30, 2022, we settled forward sales agreements with respect to 1,162,071 shares of our common stock for net proceeds of $93.8 million. Had we settled the remaining 289,403 shares under the outstanding forward sale agreements as of December 31, 2022, we would have generated net proceeds of approximately $21.7 million.

At December 31, 2022, we had $63.1 million of equity available for issuance under the program.

Pension and Other Postemployment Benefit Plans - For the year ended December 31, 2022, we contributed $1.5 million to our defined benefit pension plans and $1.9 million to our other postemployment benefit plans. For the year ended December 31, 2021, we contributed $1.0 million to our defined benefit pension plans and $2.0 million to our other postemployment benefit plans. Additional information about our pension and other postemployment benefits plans, including anticipated contributions, is included under “Estimates and Critical Accounting Policies - Pension and Other Postemployment Benefits” and under Note 14 of the Notes to Consolidated Financial Statements in this Annual Report.

CASH FLOW ANALYSIS

We use the indirect method to prepare our consolidated statements of cash flows. Under this method, we reconcile net income to cash flows provided by operating activities by adjusting net income for those items that impact net income but may not result in actual cash receipts or payments and changes in our assets and liabilities not classified as investing or financing activities during the period. Items that impact net income but may not result in actual cash receipts or payments include, but are not limited to, depreciation and amortization, deferred income taxes, share-based compensation expense and provision for doubtful accounts.

The following table sets forth the changes in cash flows by operating, investing and financing activities for the periods indicated:

	Years Ended December 31,			Variances	
	2022	**2021**	**2020**	**2022 vs. 2021**	**2021 vs. 2020**
			(Millions of dollars)		
Total cash provided by (used in):					
Operating activities	**1,570.8**	$ (1,535.7)	$ 364.5	**$ 3,106.5**	$ (1,900.2)
Investing activities	**(614.1)**	(501.1)	(470.4)	**$ (113.0)**	(30.7)
Financing activities	**(947.4)**	2,037.6	96.0	**(2,985.0)**	1,941.6
Change in cash, cash equivalents, restricted cash and restricted cash equivalents	**9.3**	0.8	(9.9)	**8.5**	10.7
Cash, cash equivalents, restricted cash and restricted cash equivalents at beginning of period	**8.8**	8.0	17.9	**0.8**	(9.9)
Cash, cash equivalents, restricted cash and restricted cash equivalents at end of period	**$ 18.1**	$ 8.8	$ 8.0	**$ 9.3**	$ 0.8

Operating Cash Flows - Changes in cash flows from operating activities are due primarily to changes in operating income and expenses discussed in "Financial Results and Operating Information," the effects of tax reform discussed in "Regulatory Activities" and changes in working capital. Changes in natural gas prices and demand for our services or natural gas, whether because of general economic conditions, variations in weather not mitigated by WNAs, changes in supply or increased competition from other energy providers, could affect our earnings and operating cash flows. Typically, our cash flows from operations are greater in the first half of the year compared with the second half of the year.

2022 vs. 2021 - Cash flows from operating activities were higher in 2022 compared with 2021, due primarily to recovery of regulatory assets associated with Winter Storm Uri, through securitization in Oklahoma compared to increased natural gas purchases and other extraordinary costs in the prior period resulting from Winter Storm Uri, which were deferred and included in regulatory assets. See Notes 10 and 11 of the Notes to Consolidated Financial Statements in this Annual Report for additional information.

Investing Cash Flows - 2022 vs. 2021 - Cash used in investing activities increased for 2022, compared to 2021, due primarily to an increase in capital expenditures for system integrity and extension of service to new areas.

Financing Cash Flows - 2022 vs. 2021 - Cash flows from financing activities were lower in 2022 compared with 2021, due primarily to a net outflow of cash for repayments of long-term debt in 2022 compared to a net inflow of cash from issuances of long-term debt in 2021. See Notes 4 and 11 of the Notes to Consolidated Financial Statements in this Annual Report for additional information.

2021 vs. 2020 - Cash flows in 2021, compared with 2020, are described in Part II, Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our Annual Report on Form 10-K for the year ended December 31, 2021.

ENVIRONMENTAL, SAFETY AND REGULATORY MATTERS

Environmental Matters - We are subject to multiple laws and regulations regarding protection of the environment and natural and cultural resources, which affect many aspects of our present and future operations. Regulated activities include, but are not limited to, those involving air emissions, storm water and wastewater discharges, handling and disposal of solid and hazardous wastes, wetland preservation, plant and wildlife protection, hazardous materials use, storage and transportation, and pipeline and facility construction. These laws and regulations require us to obtain and/or comply with a wide variety of environmental clearances, registrations, licenses, permits and other approvals. Failure to comply with these laws, regulations, licenses and permits or the discovery of presently unknown environmental conditions may expose us to fines, penalties and/or interruptions in our operations that could be material to our results of operations. In addition, emission controls and/or other regulatory or permitting mandates under the CAA and other similar federal and state laws could require unexpected capital expenditures. We cannot assure that existing environmental statutes and regulations will not be revised or that new regulations will not be adopted or become applicable to us. Revised or additional statutes or regulations that result in increased compliance costs or additional operating restrictions could have a material adverse effect on our business, financial condition and results of operations. Our expenditures for environmental investigation and remediation compliance to-date have not been significant in relation to our financial position, results of operations or cash flows, and our expenditures related to environmental matters had no material effects on earnings or cash flows during 2022, 2021 and 2020.

We own or retain legal responsibility for certain environmental conditions at 12 former MGP sites in Kansas. These sites contain contaminants generally associated with MGP sites and are subject to control or remediation under various environmental laws and regulations. A consent agreement with the KDHE governs all environmental investigation and remediation work at these sites. The terms of the consent agreement require us to investigate these sites and set remediation activities based upon the results of the investigations and risk analysis. Remediation typically involves the management of contaminated soils and may involve removal of structures and monitoring and/or remediation of groundwater. Regulatory closure has been achieved at five of the 12 sites, but these sites remain subject to potential future requirements that may result in additional costs.

We have an AAO that allows Kansas Gas Service to defer and seek recovery of costs necessary for investigation and remediation at, and nearby, these 12 former MGP sites that are incurred after January 1, 2017, up to a cap of $15.0 million, net of any related insurance recoveries. Costs approved for recovery in a future rate proceeding would then be amortized over a 15-year period. The unamortized amounts will not be included in rate base or accumulate carrying charges. Following a determination that future investigation and remediation work approved by the KDHE is expected to exceed $15.0 million, net of any related insurance recoveries, Kansas Gas Service will be required to file an application with the KCC for approval to increase the $15.0 million cap. At December 31, 2022 and 2021, we have deferred $29.8 million and $29.9 million, respectively, for accrued investigation and remediation costs pursuant to our AAO. Kansas Gas Service expects to file an application as soon as practicable after the KDHE approves the plans we have submitted.

We have completed or are addressing removal of the source of soil contamination at all 12 sites and continue to monitor groundwater at seven of the 12 sites according to plans approved by the KDHE. In 2019, we completed a project to remove a source of contamination and associated contaminated materials at the twelfth site where no active soil remediation had previously occurred. Remediation plans concerning various sites were submitted to the KDHE in 2021 and 2020 and the KDHE has provided comments that we are addressing. We are also working on a remediation plan for another of these sites for submission to the KDHE.

We also own or retain legal responsibility for certain environmental conditions at a former MGP site in Texas. At the request of the TCEQ, we began investigating the level and extent of contamination associated with the site under their Texas Risk Reduction Program. A preliminary site investigation revealed that this site contains contaminants generally associated with MGP sites and is subject to control or remediation under various environmental laws and regulations. Impacts have been identified in the soil and groundwater at the site with limited impacts observed in surrounding areas. In April 2022, we submitted a remediation work plan to address the areas impacted to the TCEQ. At December 31, 2022, estimated costs associated with expected remediation activities for this site are not material.

Our expenditures for environmental evaluation, mitigation, remediation and compliance to date have not been significant in relation to our financial position, results of operations or cash flows, and our expenditures related to environmental matters had no material effects on earnings or cash flows during the years ended December 31, 2022, 2021 and 2020. The reserve for remediation of our MGP sites was $12.7 million and $22.8 million at December 31, 2022 and December 31, 2021, respectively. Environmental issues may exist with respect to MGP sites that are unknown to us. Accordingly, future costs are dependent on the final determination and regulatory approval of any remedial actions, the complexity of the site, level of remediation required, changing technology and governmental regulations, and to the extent not recovered by insurance or recoverable in rates from our customers, could be material to our financial condition, results of operations or cash flows.

We are subject to environmental regulation by federal, state and local authorities. Due to the inherent uncertainties surrounding the development of federal and state environmental laws and regulations, we cannot determine with specificity the impact such laws and regulations may have on our existing and future facilities. With the trend toward stricter standards, greater regulation and more extensive permit requirements for the types of assets operated by us, our environmental expenditures could increase in the future, and such expenditures may not be fully recovered by insurance or recoverable in rates from our customers, and those costs may adversely affect our financial condition, results of operations and cash flows.

Environmental Footprint - Our environmental and climate change strategy focuses on taking steps to minimize the impact of our operations on the environment. These strategies include: (1) developing and maintaining an accurate greenhouse gas emissions inventory according to current rules issued by the EPA; (2) monitoring and improving the integrity of our pipelines; (3) reducing operational emissions through the implementation of advanced leak detection technology and damage prevention programs; (4) promoting end-use conservation through programs that incentivize the use of high-efficiency equipment; and (5) increased utilization of CNG for vehicles. In addition, we are considering potential avenues to incorporate RNG and hydrogen into our operations. RNG and hydrogen technologies offer potential opportunities to secure lower-carbon supply sources that could be transported on our pipeline system and potentially reduce the carbon intensity of the product we deliver.

We participate in several programs to voluntarily reduce methane emissions including the EPA's Natural Gas STAR Program, the EPA's Natural Gas STAR Methane Challenge Program, and Our Nation's Energy Future (ONE Future). By joining these programs, we committed to: (1) evaluate our methane emission reduction opportunities; (2) implement practices to reduce methane emissions where feasible; and (3) annually report our methane emissions and/or our methane reduction activities. As part of the Methane Challenge Program, we have committed to annually replace or rehabilitate at least two percent of our combined inventory of cast iron and noncathodically-protected steel pipe, which aligns with our planned system integrity expenditures for infrastructure replacements. We exceeded our goal by achieving an overall replacement rate greater than two percent annually every year from 2016 through 2021 and anticipate reporting on our 2022 progress in 2023.

In September 2020, we announced membership in ONE Future, a group of natural gas companies working together to voluntarily reduce methane emissions across the natural gas value chain to one percent or less by 2025. We have submitted our 2020 and 2021 data, which ONE Future aggregates with peer members. In its most recent annual report, ONE Future stated that its members registered a 2021 methane intensity of 0.462 percent, which surpassed the 2025 goal of 1.0 percent. The intensity for the distribution sector, which includes us, was 0.113 percent, beating the 2021 goal of 0.225 percent by 50 percent. Participating distribution companies represented 47 percent of the natural gas delivered in the U.S. in 2021.

Additional information about our environmental matters is included in the section entitled "Environmental Matters" in Note 17 of the Notes to Consolidated Financial Statements in this Annual Report. We cannot assure that existing environmental statutes and regulations will not be revised or that new regulations will not be adopted or become applicable to us. Revised or additional regulations that result in increased compliance costs or additional operating restrictions could have a material adverse effect on our business, financial condition and results of operations. Our expenditures for environmental investigation, and remediation compliance to-date have not been significant in relation to our financial position, results of operations or cash flows, and our expenditures related to environmental matters had no material effects on earnings or cash flows during 2022, 2021 or 2020.

Pipeline Safety - We are subject to regulation under federal pipeline safety statutes and any analogous state regulations. These include safety requirements for the design, construction, operation, and maintenance of pipelines, including transmission and distribution pipelines. At the federal level, we are regulated by PHMSA. PHMSA regulations require the following for certain pipelines: inspection and maintenance plans; integrity management programs, including the determination of pipeline integrity risks and periodic assessments on certain pipeline segments; an operator qualification program, which includes certain trainings; a public awareness program that provides certain information; and a control room management plan.

As part of regulating pipeline safety, PHMSA promulgates various regulations. In April 2016, PHMSA published a NPRM, the Safety of Gas Transmission & Gathering Lines Rule, in the Federal Register to revise pipeline safety regulations applicable to the safety of onshore natural gas transmission and gathering pipelines. Proposals included changes to pipeline integrity management requirements and other safety-related requirements, which were split into three separate rulemakings. At December 31, 2022, all three final rules have been published and the potential capital and operating expenditures associated with compliance were not material or did not apply to us.

Separately, as part of the Consolidated Appropriations Act, 2021, the PIPES Act of 2020 reauthorized PHMSA through 2023 and directed the agency to move forward with several regulatory actions, including the "Pipeline Safety: Class Location Change Requirements" and the "Pipeline Safety: Safety of Gas Transmission and Gathering Pipelines" proposed rulemakings. Congress has also instructed PHMSA to issue final regulations that will require operators of non-rural gas gathering lines and new and existing transmission and distribution pipeline facilities to conduct certain leak detection and repair programs and to require facility inspection and maintenance plans to align with those regulations. To the extent such rulemakings impose more stringent requirements on our facilities, we may be required to incur expenditures that may be material.

Air and Water Emissions - The CAA, the Clean Water Act, and analogous state laws and/or regulations promulgated thereunder, impose restrictions and controls regarding the discharge of pollutants into the air and water in the United States. Failure to comply with these requirements may result in substantial fines or other penalties, including (in certain cases) the revocation of necessary permits. Under the CAA, a federally enforceable operating permit is required for sources of significant air emissions. We may be required to incur certain capital expenditures for air-pollution-control equipment in connection with obtaining or maintaining permits and approvals for sources of air emissions. Such expenditures have not had a material impact on our results of operations, financial position or cash flows; however, we cannot predict the impacts of any future requirements. The Clean Water Act imposes substantial potential liability for the discharge of pollutants into waters of the United States, including the potential for fines, civil enforcement, or orders to perform remediation of waters affected by such discharge.

Climate – The threat of climate change continues to attract considerable attention. International, federal, state and/or local statute and/or regulatory initiatives may be proposed in the future to regulate greenhouse gas emissions. We monitor relevant legislation and regulatory initiatives to assess the potential impact on our operations. On August 16, 2022, the IRA of 2022 was signed into law. The IRA of 2022 contains approximately $369 billion in climate funding, largely consisting of tax credits for clean energy. Based upon our review of the legislation, we do not anticipate it to have any material impacts on our future results of operations.

The EPA's Mandatory Greenhouse Gas Reporting Rule requires annual greenhouse gas emissions reporting as carbon dioxide equivalents from affected facilities and for the natural gas delivered by us to our natural gas distribution customers who are not otherwise required to report their own emissions. The additional cost to gather and report this emission data did not have, and we do not expect it to have, a material impact on our results of operations, financial position or cash flows. In addition, Congress has considered, and may consider in the future, legislation to reduce greenhouse gas emissions, including carbon dioxide and methane. While the IRA of 2022 imposes a charge on methane emissions from certain facilities, the charge does not apply to distribution companies such as ONE Gas. Likewise, the EPA may institute additional regulatory rulemaking associated with greenhouse gas emissions. At this time, no rule or legislation has been enacted for natural gas distribution that assesses any costs, fees or expenses on any of these emissions.

Our operations may also be indirectly impacted by regulations attempting to limit or control climate impacts. For example, there is a risk that financial institutions may be required to adopt policies that have the effect of reducing the funding provided to the fossil fuel sector. Recently, President Biden signed an executive order calling for the development of a climate finance plan and, separately, the Federal Reserve announced that it has joined the Network for Greening the Financial System, a consortium of financial regulators focused on addressing climate-related risks in the financial sector.

Waste and Hazardous Substances - During the course of our operations, we may use or generate hazardous substances and wastes, including hazardous wastes. The generation, use, storage, transportation, handling, and disposal of such materials may be subject to federal, state, and local laws. For example, the Resource Conservation and Recovery Act regulates both solid and hazardous wastes, including the imposition of detailed requirements for the handling, storage, treatment, and disposal of hazardous wastes. Separately, CERCLA, also commonly known as Superfund, imposes strict, joint and several liability, without regard to fault or the legality of the original act, on certain classes of "persons" (defined under CERCLA). These persons include, but are not limited to, the owner or operator of a facility where the release occurred and/or companies that disposed or arranged for the disposal of the hazardous substances found at the facility. Under CERCLA, these persons may be liable for the costs of cleaning up the hazardous substances released into the environment, damages to natural resources and the costs of certain health studies.

Pipeline Security - In May and July 2021, TSA issued security directives which included several new cybersecurity requirements for critical pipeline owners and operators. The first security directive requires critical pipeline owners and operators to (1) report confirmed and potential cybersecurity incidents to the CISA; (2) designate a cybersecurity coordinator to be available 24 hours a day, seven days a week; (3) review current practices; and (4) identify any gaps and related remediation measures to address cyber-related risks and report the results to TSA and CISA within 30 days. The second security directive requires owners and operators of TSA-designated critical pipelines to implement specific mitigation measures to protect against ransomware and other known threats to information technology and operational technology systems, develop and implement a cybersecurity contingency and recovery plan, and conduct a cybersecurity architecture design review. Compliance with these measures has not had a material impact on our operations. We continue to evaluate the potential effect of these directives on our operations and facilities, as well as the potential cost of implementation, and will continue to monitor for any clarifications or amendments to these directives.

COVID-19 - Throughout the COVID-19 pandemic, we continued to provide essential services to our customers. We implemented a comprehensive set of policies, procedures and guidelines to protect the safety of our employees, customers and communities. Safety protocols developed during the pandemic include remote work for our office-based employees, limiting direct contact with our customers and requiring the use of PPE and a self-assessment health screening mobile application.

Impacts on our results of operations as a result of COVID-19 include but are not limited to:

- lower late payment, reconnect and collection fees and incremental expenses for bad debts related to the suspension of disconnects for nonpayment until the second quarter of 2021;
- incremental expenses for PPE, cleaning supplies, outside services and other expenses; and
- lower expenses for travel and employee training that have been impacted by the pandemic.

We received accounting orders in each of our jurisdictions authorizing us to accumulate and defer for regulatory purposes certain incremental costs incurred, including bad debt expenses, and certain lost revenues, net of offsetting expense reductions associated with COVID-19. Recovery of any net incremental costs and lost revenue deferred pursuant to these orders will be determined in future rate cases or alternative rate recovery filings in each jurisdiction. At December 31, 2022, we have not requested recovery of any deferrals pursuant to these orders and no regulatory assets have been recorded.

Regulatory - Several regulatory initiatives impacted the earnings and future earnings potential of our business. See additional information regarding our regulatory initiatives in "Regulatory Activities" in Management's Discussion and Analysis of Financial Condition and Results of Operations.

IMPACT OF NEW ACCOUNTING STANDARDS

Information about the impact of new accounting standards is included in Note 1 of the Notes to Consolidated Financial Statements in this Annual Report.

CRITICAL ESTIMATES AND ACCOUNTING POLICIES

The preparation of our consolidated financial statements and related disclosures in accordance with GAAP requires us to make estimates and assumptions with respect to values or conditions that cannot be known with certainty that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the consolidated financial statements. These estimates and assumptions also affect the reported amounts of revenue and expenses during the reporting period. Although we believe these estimates and assumptions are reasonable, actual results could differ from our estimates. See our "Risk Factors" and/or "Forward-Looking Statements" in this Annual Report for factors which could impact our estimates.

The following summary sets forth what we consider to be our most critical estimates and accounting policies. Our critical accounting policies are defined as those estimates and policies most important to the portrayal of our financial condition and results of operations and that require management's most difficult, subjective or complex judgment, particularly because of the need to make estimates concerning the impact of inherently uncertain matters.

Regulation - Our operations are subject to regulation with respect to rates, service, maintenance of pipeline and accounting records and various other matters by the respective regulatory authorities in the states in which we operate. We account for the financial effects of the ratemaking and accounting practices and policies of the various regulatory authorities in our consolidated financial statements. We record regulatory assets for costs that have been deferred for which future recovery through customer rates is considered probable and regulatory liabilities when it is probable that revenues will be reduced for amounts that will be returned to customers through the ratemaking process. As a result, certain costs that would normally be expensed under GAAP are capitalized or deferred on the balance sheet because it is probable they can be recovered through rates. Discontinuing the application of this method of accounting for regulatory assets and liabilities could significantly increase our operating expenses, as fewer costs would likely be capitalized or deferred on the balance sheet, which could reduce our net income. Further, regulation may impact the period in which revenues or expenses are recognized. The amounts to be recovered or recognized are based upon historical experience and our understanding of the regulations. The impact of regulation on our operations may be affected by decisions of the regulatory authorities or the issuance of new regulations.

For further discussion of regulatory assets and liabilities, see Note 10 of the Notes to Consolidated Financial Statements in this Annual Report.

Revenue Recognition - For regulated deliveries of natural gas, we read meters and bill customers on a monthly cycle. We recognize revenues upon the delivery of natural gas or services rendered to customers. The billing cycles for customers do not necessarily coincide with the accounting periods used for financial reporting purposes. We accrue unbilled revenues for natural gas that has been delivered but not yet billed at the end of an accounting period. Accrued unbilled revenue is based on a percentage estimate of amounts unbilled each month, which is dependent upon a number of factors, some of which require management's judgment. These factors include customer consumption patterns and the impact of weather on usage. The accrued unbilled natural gas sales revenue at December 31, 2022 and 2021 was $269.5 million and $183.2 million, respectively, and is included in accounts receivable on our consolidated balance sheets.

We have determined the majority of our natural gas sales and transportation tariffs to be implied contracts with customers, which are settled over time, where our performance obligation is settled with our customer when natural gas is delivered and simultaneously consumed by the customer. In addition, we use the invoice method practical expedient, where we recognize revenue for volumes delivered for which we have a right to invoice. For our other utility revenue, which are primarily one-time service fees that meet the requirements under ASC 606, the performance obligation is satisfied at a point in time when services are rendered to the customer. Certain revenues that do not meet the requirements under ASC 606 as revenues from contracts with customers are reflected as other revenues in determining total revenue. See Note 2 of the Notes to Consolidated Financial Statements in this Annual Report for additional information regarding our revenues.

Pension and Other Postemployment Benefits - We have defined benefit pension plans covering eligible retirees and full-time employees. We also sponsor welfare plans that provide other postemployment medical and life insurance benefits to eligible retirees and employees who retire with at least five years of service.

To calculate the expense and liabilities related to our plans, we utilize an outside actuarial consultant, which uses statistical and other factors to anticipate future events. These factors include assumptions about the discount rate, expected return on plan assets, rate of future compensation increases, age and mortality and employment periods. We use tables issued by the Society of Actuaries to estimate mortality rates. In determining the projected benefit costs, assumptions can change from period to period and may result in material changes in the costs and liabilities we recognize.

For the year ended December 31, 2022, we contributed \$1.5 million to our defined benefit pension plans and \$1.9 million to our other postemployment benefit plans. For the year ended December 31, 2021, we contributed \$1.0 million to our defined benefit pension plans and \$2.0 million to our other postemployment benefit plans. In 2023, our contributions are expected to be \$1.4 million to our defined benefit pension plans, and no contributions are expected to be made to our other postemployment benefit plans.

We recorded net periodic benefit costs for our defined benefit pension plans, prior to regulatory deferrals, of \$5.0 million in 2022, and estimate that in 2023, we will record a credit of approximately \$7.5 million. Net periodic benefits costs for our postemployment benefit plans, prior to regulatory deferrals, were a credit of \$5.2 million in 2022, and we estimate that in 2023, we will record expense of approximately \$0.3 million, prior to regulatory deferrals.

The following table sets forth the significant assumptions used to determine our estimated 2023 net periodic benefit cost related to our defined benefit pension and other postemployment benefit plans and sensitivity to changes with respect to these assumptions:

	Rate Used	Cost Sensitivity (a)	Obligation Sensitivity (b)
		(Millions of dollars)	
Discount rate for pension	**5.60 %**	**\$ 2.3**	**\$ 20.9**
Discount rate for other postemployment benefits	**5.70 %**	**\$ (0.1)**	**\$ 3.6**
Expected long-term return on plan assets for pension	**6.75 %**	**\$ 2.2**	**\$ —**
Expected long-term return on plan assets for other postemployment benefits	**5.55 %**	**\$ 0.4**	**\$ —**

(a) Approximate impact a quarter percentage point decrease in the assumed rate would have on net periodic pension costs.
(b) Approximate impact a quarter percentage point decrease in the assumed rate would have on defined benefit pension obligation.

See Note 14 of the Notes to Consolidated Financial Statements in this Annual Report for additional information regarding our pension and other postretirement benefit plans.

Contingencies - Our accounting for contingencies covers a variety of business activities, including contingencies for legal and environmental exposures. We accrue these contingencies when our assessments indicate that it is probable that a liability has been incurred or an asset will not be recovered and an amount can be reasonably estimated. We expense legal fees as incurred and base our legal liability estimates on currently available facts and our assessments of the ultimate outcome or resolution. Accruals for estimated losses from environmental remediation obligations generally are recognized no later than the completion of a remediation feasibility study. Recoveries of environmental remediation costs from other parties are recorded as assets when their receipt is deemed probable.

Our expenditures for environmental evaluation, mitigation, remediation and compliance to date have not been significant in relation to our financial position, results of operations or cash flows, and our expenditures related to environmental matters had no material effect on earnings or cash flows for the years ended December 31, 2022, 2021 and 2020. Environmental issues may exist with respect to these MGP sites that are unknown to us. Accordingly, future costs are dependent on the final determination and regulatory approval of any remedial actions, the complexity of the site, level of remediation required, changing technology and governmental regulations, and to the extent not recovered by insurance or recoverable in rates from our customers, could be material to our financial condition, results of operations or cash flows.

See “Environmental Matters” and Note 17 of the Notes to Consolidated Financial Statements in this Annual Report for additional discussion of contingencies.

CONTRACTUAL OBLIGATIONS

Long-term debt, commercial paper borrowings and interest payments on debt - Long-term debt includes our Senior Notes and Securitized Utility Tariff Bonds. See Notes 3 and 4 in the Notes to Consolidated Financial Statements in this Annual Report for additional information on our long-term debt, commercial paper borrowings and interest payments on our debt. Interest payments on debt are calculated by multiplying our long-term debt by the respective coupon rates or effective floating rate.

Firm transportation and storage contracts - We are party to fixed-price contracts providing us with firm transportation and storage capacity. The commitments associated with these contracts are recoverable through our purchased-gas cost mechanisms as allowed by the applicable regulatory authority.

Natural gas purchase commitments - We are party to fixed-price and variable-price contracts for the purchase of natural gas. Future variable-price natural gas purchase commitments are estimated based on market price information as of December 31, 2022. Actual future variable-price purchase commitments may vary depending on market prices at the time of delivery. As market information changes daily and is potentially volatile, these values may change significantly. The commitments associated with these contracts are recoverable through our purchased-gas cost mechanisms as allowed by the applicable regulatory authority.

Operating leases - Our operating leases consist primarily of office facilities and IT leases. See Note 5 of the Notes to Consolidated Financial Statements in this Annual Report for discussion of leases.

FORWARD-LOOKING STATEMENTS

Some of the statements contained and incorporated in this Annual Report are forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act. The forward-looking statements relate to our anticipated financial performance, liquidity, management’s plans and objectives for our future operations, our business prospects, the outcome of regulatory and legal proceedings, market conditions and other matters. We make these forward-looking statements in reliance on the safe harbor protections provided under the Private Securities Litigation Reform Act of 1995. The following discussion is intended to identify important factors that could cause future outcomes to differ materially from those set forth in the forward-looking statements.

Forward-looking statements include the items identified in the preceding paragraph, the information concerning possible or assumed future results of our operations and other statements contained or incorporated in this Annual Report identified by words such as “anticipate,” “estimate,” “expect,” “project,” “intend,” “plan,” “believe,” “should,” “goal,” “forecast,” “guidance,” “could,” “may,” “continue,” “might,” “potential,” “scheduled,” “likely,” and other words and terms of similar meaning.

One should not place undue reliance on forward-looking statements, which are applicable only as of the date of this Annual Report. Known and unknown risks, uncertainties and other factors may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by forward-looking statements. Those factors may affect our operations, costs, liquidity, markets, products, services and prices. In addition to any assumptions and other factors referred to specifically in connection with the forward-looking statements, factors that could cause our actual results to differ materially from those contemplated in any forward-looking statement include, among others, the following:

- our ability to recover costs (including operating costs and increased commodity costs related to Winter Storm Uri in February 2021), income taxes and amounts equivalent to the cost of property, plant and equipment, regulatory assets and our allowed rate of return in our regulated rates or other recovery mechanisms;
- cyber-attacks, which, according to experts, have increased in volume and sophistication since the beginning of the COVID-19 pandemic, or breaches of technology systems that could disrupt our operations or result in the loss or exposure of confidential or sensitive customer, employee or Company information; further, increased remote working arrangements as a result of the pandemic have required enhancements and modifications to our IT infrastructure (e.g. Internet, Virtual Private Network, remote collaboration systems, etc.), and any failures of the technologies, including third-party service providers, that facilitate working remotely could limit our ability to conduct ordinary operations or expose us to increased risk or effect of an attack;
- our ability to manage our operations and maintenance costs;

- the concentration of our operations in Oklahoma, Kansas, and Texas;
- changes in regulation of natural gas distribution services, particularly those in Oklahoma, Kansas and Texas;
- the economic climate and, particularly, its effect on the natural gas requirements of our residential and commercial customers;
- the length and severity of a pandemic or other health crisis, such as the outbreak of COVID-19, including the impact to our operations, customers, contractors, vendors and employees, the effectiveness of vaccine campaigns (including the COVID-19 vaccine campaign) on our workforce and customers and the effect of other measures or mandates that international, federal, state and local governments, agencies, law enforcement and/or health authorities implement to address the pandemic or other health crisis, which could (as with COVID-19) precipitate or exacerbate one or more of the above-mentioned and/or other risks, and significantly disrupt or prevent us from operating our business in the ordinary course for an extended period;
- competition from alternative forms of energy, including, but not limited to, electricity, solar power, wind power, geothermal energy and biofuels;
- adverse weather conditions and variations in weather, including seasonal effects on demand and/or supply, the occurrence of severe storms in the territories in which we operate, and climate change, and the related effects on supply, demand, and costs;
- indebtedness could make us more vulnerable to general adverse economic and industry conditions, limit our ability to borrow additional funds and/or place us at competitive disadvantage compared with competitors;
- our ability to secure reliable, competitively priced and flexible natural gas transportation and supply, including decisions by natural gas producers to reduce production or shut-in producing natural gas wells and expiration of existing supply and transportation and storage arrangements that are not replaced with contracts with similar terms and pricing;
- our ability to complete necessary or desirable expansion or infrastructure development projects, which may delay or prevent us from serving our customers or expanding our business;
- operational and mechanical hazards or interruptions;
- adverse labor relations;
- the effectiveness of our strategies to reduce earnings lag, revenue protection strategies and risk mitigation strategies, which may be affected by risks beyond our control such as commodity price volatility, counterparty performance or creditworthiness and interest rate risk;
- the capital-intensive nature of our business, and the availability of and access to, in general, funds to meet our debt obligations prior to or when they become due and to fund our operations and capital expenditures, either through (i) cash on hand, (ii) operating cash flow, or (iii) access to the capital markets and other sources of liquidity;
- our ability to obtain capital on commercially reasonable terms, or on terms acceptable to us, or at all;
- limitations on our operating flexibility, earnings and cash flows due to restrictions in our financing arrangements;
- cross-default provisions in our borrowing arrangements, which may lead to our inability to satisfy all of our outstanding obligations in the event of a default on our part;
- changes in the financial markets during the periods covered by the forward-looking statements, particularly those affecting the availability of capital and our ability to refinance existing debt and fund investments and acquisitions to execute our business strategy;
- actions of rating agencies, including the ratings of debt, general corporate ratings and changes in the rating agencies' ratings criteria;
- changes in inflation and interest rates;
- our ability to recover the costs of natural gas purchased for our customers, including those related to Winter Storm Uri and any related financing required to support our purchase of natural gas supply, including the securitized financing currently contemplated in Texas;
- impact of potential impairment charges;
- volatility and changes in markets for natural gas and our ability to secure additional and sufficient liquidity on reasonable commercial terms to cover costs associated with such volatility;
- possible loss of LDC franchises or other adverse effects caused by the actions of municipalities;
- payment and performance by counterparties and customers as contracted and when due, including our counterparties maintaining ordinary course terms of supply and payments;
- changes in existing or the addition of new environmental, safety, tax and other laws to which we and our subsidiaries are subject, including those that may require significant expenditures, significant increases in operating costs or, in the case of noncompliance, substantial fines or penalties;
- the effectiveness of our risk-management policies and procedures, and employees violating our risk-management policies;
- the uncertainty of estimates, including accruals and costs of environmental remediation;
- advances in technology, including technologies that increase efficiency or that improve electricity's competitive position relative to natural gas;

- population growth rates and changes in the demographic patterns of the markets we serve, and economic conditions in these areas' housing markets;
- acts of nature and the potential effects of threatened or actual terrorism and war, including recent events in Europe;
- the sufficiency of insurance coverage to cover losses;
- the effects of our strategies to reduce tax payments;
- the effects of litigation and regulatory investigations, proceedings, including our rate cases, or inquiries and the requirements of our regulators as a result of the Tax Cuts and Jobs Act of 2017;
- changes in accounting standards;
- changes in corporate governance standards;
- existence of material weaknesses in our internal controls;
- our ability to comply with all covenants in our indentures and the ONE Gas Credit Agreement, a violation of which, if not cured in a timely manner, could trigger a default of our obligations;
- our ability to attract and retain talented employees, management and directors, and shortage of skilled-labor;
- unexpected increases in the costs of providing health care benefits, along with pension and postemployment health care benefits, as well as declines in the discount rates on, declines in the market value of the debt and equity securities of, and increases in funding requirements for, our defined benefit plans; and
- our ability to successfully complete merger, acquisition or divestiture plans, regulatory or other limitations imposed as a result of a merger, acquisition or divestiture, and the success of the business following a merger, acquisition or divestiture.

These factors are not necessarily all of the important factors that could cause actual results to differ materially from those expressed in any of our forward-looking statements. Other factors could also have material adverse effects on our future results. These and other risks are described in greater detail in Part 1, Item 1A, Risk Factors, in this Annual Report. All forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by these factors. Other than as required under securities laws, we undertake no obligation to update publicly any forward-looking statement whether as a result of new information, subsequent events or change in circumstances, expectations or otherwise.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Our exposure to market risk discussed below includes forward-looking statements. Our views on market risk are not necessarily indicative of actual results that may occur and do not represent the maximum possible gains and losses that may occur since actual gains and losses will differ from those estimated based on actual fluctuations in commodity prices or interest rates and the timing of transactions.

Commodity Price Risk

Our commodity price risk, driven primarily by fluctuations in the price of natural gas, is mitigated by our purchased-gas cost adjustment mechanisms through which we pass-through natural gas costs to our customers without profit. We may use derivative instruments to hedge the cost of a portion of our anticipated natural gas purchases during the winter heating months to reduce the impact on our customers of upward market price volatility of natural gas. Additionally, we inject natural gas into storage during the summer months, when natural gas prices are typically lower, and withdraw the natural gas during the winter heating season. Gains or losses associated with these derivative instruments and storage activities are included in, and recoverable through our purchased-gas cost adjustment mechanisms, which are subject to review by regulatory authorities.

Interest-Rate Risk

We are exposed to interest-rate risk primarily associated with commercial paper borrowings, borrowings under our credit agreement, and new debt financing needed to fund capital requirements, including future contractual obligations and maturities of long-term and short-term debt. We may manage interest-rate risk on future borrowings through the use of fixed-rate debt, floating-rate debt and, at times, interest-rate swaps. Fixed-rate swaps may be used to reduce our risk of increased interest costs during periods of rising interest rates. Floating-rate swaps may be used to convert the fixed rates of long-term borrowings into short-term variable rates.

Counterparty Credit Risk

We assess the creditworthiness of our customers. Those customers who do not meet minimum standards are required to provide security, including deposits or other forms of collateral, when appropriate and allowed by tariff. With approximately 2.3 million customers across three states, we are not exposed materially to a concentration of credit risk. We maintain a provision for doubtful accounts based upon factors surrounding the credit risk of customers, historical trends, consideration of the current credit environment and other information. We are able to recover the fuel-related portion of bad debts through our purchased-gas cost adjustment mechanisms.

ITEM 8. CONSOLIDATED FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Shareholders of ONE Gas, Inc.

Opinions on the Financial Statements and Internal Control over Financial Reporting

We have audited the accompanying consolidated balance sheets of ONE Gas, Inc. and its subsidiaries (the "Company") as of December 31, 2022 and 2021, and the related consolidated statements of income, of comprehensive income, of equity and of cash flows for each of the three years in the period ended December 31, 2022, including the related notes (collectively referred to as the "consolidated financial statements"). We also have audited the Company's internal control over financial reporting as of December 31, 2022, based on criteria established in *Internal Control - Integrated Framework* (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2022 and 2021, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2022 in conformity with accounting principles generally accepted in the United States of America. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2022, based on criteria established in *Internal Control - Integrated Framework* (2013) issued by the COSO.

Basis for Opinions

The Company's management is responsible for these consolidated financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in Management's Report on Internal Control over Financial Reporting appearing under Item 9A. Our responsibility is to express opinions on the Company's consolidated financial statements and on the Company's internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the consolidated financial statements included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Critical Audit Matters

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that (i) relates to accounts or disclosures that are material to the consolidated financial statements and (ii) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Accounting for the Effects of Regulatory Matters

As described in Notes 1 and 10 to the consolidated financial statements, the Company is subject to rate regulation and accounting requirements of regulatory authorities in the states in which it operates, and it follows the accounting and reporting guidance for regulated operations, including evaluating regulatory decisions to determine appropriate revenue recognition, cost deferrals, recoverability for regulatory assets and refund requirements for regulatory liabilities. As disclosed by management, regulatory assets are recorded for costs that have been deferred for which future recovery through customer rates is considered probable and regulatory liabilities are recorded when it is probable that revenues will be reduced for amounts that will be credited to customers through the ratemaking process. As a result, certain costs that would normally be expensed under accounting principles generally accepted in the United States of America for non-regulated entities are capitalized or deferred on the balance sheet because it is probable they can be recovered through rates. The amounts to be recovered or recognized are based upon historical experience and management's understanding of regulations and may be affected by decisions of the regulatory authorities or the issuance of new regulations. Should recovery cease due to regulatory actions, certain regulatory assets may no longer meet the criteria for recognition, and accordingly, the Company may be required to write off the regulatory assets at that time. As described in Note 10, in August 2022, the proceeds received related to the securitization of the costs related to the winter weather event reflected the recovery of the related regulatory asset. As of December 31, 2022, there were $606 million of deferred costs included in regulatory assets and $577 million of regulatory liabilities awaiting cash outflow or potential refund.

The principal considerations for our determination that performing procedures relating to the Company's accounting for the effects of regulatory matters is a critical audit matter are (i) the significant judgment by management in evaluating the impact of regulatory orders and accounting guidance on relevant transactions and (ii) a high degree of auditor judgment, subjectivity, and effort in performing procedures and evaluating audit evidence related to management's evaluation of revenue recognition, cost deferrals, and recoverability of regulatory assets, including the securitization of the costs related to the winter weather event and the recovery of the related regulatory assets, and refund requirements for regulatory liabilities.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included testing the effectiveness of controls relating to the impact of regulatory orders and accounting guidance on relevant transactions, including controls over management's process for evaluating and recording (i) deferred costs, including the amounts to be deferred and the future recovery, resulting in regulatory assets or (ii) a reduction to revenues for amounts that will be credited to customers, resulting in regulatory liabilities. These procedures also included, among others, (i) evaluating management's process for identifying relevant transactions which require application of regulatory accounting guidance; (ii) evaluating the reasonableness of management's assessment regarding revenue recognition, probability of recovery and establishment of regulatory assets, including the securitization of the costs related to the winter weather event and the recovery of the related regulatory assets, and the establishment of regulatory liabilities; and (iii) testing the regulatory assets and regulatory liabilities considering the provisions and formulas outlined in rate orders and other regulatory correspondence.

/s/ PricewaterhouseCoopers LLP

Tulsa, Oklahoma
February 23, 2023

We have served as the Company's auditor since 2013.

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ONE Gas, Inc.
CONSOLIDATED STATEMENTS OF INCOME

	Years Ended December 31,		
	2022	**2021**	**2020**
	(Thousands of dollars, except per share amounts)		
Total revenues	**$ 2,578,005**	$ 1,808,597	$ 1,530,268
Cost of natural gas	**1,459,087**	775,006	537,445
Operating expenses			
Operations and maintenance	**472,265**	449,676	431,115
Depreciation and amortization	**228,479**	207,233	194,881
General taxes	**68,217**	66,424	63,311
Total operating expenses	**768,961**	723,333	689,307
Operating income	**349,957**	310,258	303,516
Other expense, net	**(4,183)**	(3,207)	(3,020)
Interest expense, net	**(77,506)**	(60,301)	(62,505)
Income before income taxes	**268,268**	246,750	237,991
Income taxes	**(46,526)**	(40,316)	(41,579)
Net income	**$ 221,742**	$ 206,434	$ 196,412
Earnings per share			
Basic	**$ 4.09**	$ 3.85	$ 3.70
Diluted	**$ 4.08**	$ 3.85	$ 3.68
Average shares (*thousands*)			
Basic	**54,207**	53,575	53,133
Diluted	**54,338**	53,674	53,370
Dividends declared per share of stock	**$ 2.48**	$ 2.32	$ 2.16

See accompanying Notes to Consolidated Financial Statements.

ONE Gas, Inc.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Years Ended December 31,		
	2022	**2021**	**2020**
	(*Thousands of dollars*)		
Net income	**$ 221,742**	$ 206,434	$ 196,412
Other comprehensive income (loss), net of tax			
Change in pension and other postemployment benefit plans liability, net of tax of $(1,705), $(379), and $289, respectively	**5,823**	1,250	(1,038)
Total other comprehensive income (loss), net of tax	**5,823**	1,250	(1,038)
Comprehensive income	**$ 227,565**	$ 207,684	$ 195,374

See accompanying Notes to Consolidated Financial Statements.

ONE Gas, Inc.
CONSOLIDATED BALANCE SHEETS

	December 31, 2022	December 31, 2021
Assets	*(Thousands of dollars)*	
Property, plant and equipment		
Property, plant and equipment	**$ 7,834,557**	$ 7,274,268
Accumulated depreciation and amortization	**2,205,717**	2,083,433
Net property, plant and equipment	**5,628,840**	5,190,835
Current assets		
Cash and cash equivalents	**9,681**	8,852
Restricted cash and cash equivalents	**8,446**	—
Total cash, cash equivalents and restricted cash and cash equivalents	**18,127**	8,852
Accounts receivable, net	**553,834**	341,756
Materials and supplies	**70,873**	54,892
Natural gas in storage	**269,205**	179,646
Regulatory assets	**275,572**	1,611,676
Other current assets	**29,997**	27,742
Total current assets	**1,217,608**	2,224,564
Goodwill and other assets		
Regulatory assets	**330,831**	724,862
Securitized intangible asset, net	**323,838**	—
Goodwill	**157,953**	157,953
Other assets	**117,326**	103,906
Total goodwill and other assets	**929,948**	986,721
Total assets	**$ 7,776,396**	$ 8,402,120

See accompanying Notes to Consolidated Financial Statements.

ONE Gas, Inc.
CONSOLIDATED BALANCE SHEETS
(Continued)

		December 31, 2022		December 31, 2021
Equity and Liabilities		*(Thousands of dollars)*		
Equity and long-term debt				
Common stock, $0.01 par value: authorized 250,000,000 shares; issued and outstanding 55,349,954 shares at December 31, 2022; issued and outstanding 53,633,210 shares at December 31, 2021	**$**	**553**	$	536
Paid-in capital		**1,932,714**		1,790,362
Retained earnings		**651,863**		565,161
Accumulated other comprehensive loss		**(704)**		(6,527)
Total equity		**2,584,426**		2,349,532
Other long-term debt, excluding current maturities, net of issuance costs		**2,352,400**		3,683,378
Securitized utility tariff bonds, excluding current maturities, net of issuance costs		**309,343**		—
Total-long term debt, excluding current maturities, net of issuance costs		**2,661,743**		**3,683,378**
Total equity and long-term debt		**5,246,169**		6,032,910
Current liabilities				
Current maturities of securitized utility tariff bonds		**20,716**		—
Notes payable		**552,000**		494,000
Accounts payable		**360,493**		258,554
Accrued taxes other than income		**78,352**		67,035
Regulatory liabilities		**47,867**		8,090
Customer deposits		**57,854**		62,454
Other current liabilities		**72,137**		90,360
Total current liabilities		**1,189,419**		980,493
Deferred credits and other liabilities				
Deferred income taxes		**698,456**		695,284
Regulatory liabilities		**529,441**		552,928
Employee benefit obligations		**19,587**		35,226
Other deferred credits		**93,324**		105,279
Total deferred credits and other liabilities		**1,340,808**		1,388,717
Commitments and contingencies				
Total liabilities and equity	**$**	**7,776,396**	$	8,402,120

See accompanying Notes to Consolidated Financial Statements.

ONE Gas, Inc.
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Years Ended December 31,		
	2022	2021	2020
	(*Thousands of dollars*)		
Operating activities			
Net income	**$ 221,742**	$ 206,434	$ 196,412
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	**228,479**	207,233	194,881
Deferred income taxes	**(22,034)**	43,449	18,485
Share-based compensation expense	**10,741**	10,498	9,803
Provision for doubtful accounts	**6,003**	9,131	15,450
Proceeds from government securitization of winter weather event costs	**1,330,582**	—	—
Changes in assets and liabilities:			
Accounts receivable	**(213,656)**	(57,902)	(58,423)
Materials and supplies	**(15,981)**	(2,126)	2,966
Natural gas in storage	**(89,559)**	(85,700)	10,313
Asset removal costs	**(47,032)**	(49,029)	(40,833)
Accounts payable	**85,915**	107,207	28,376
Accrued taxes other than income	**11,317**	3,235	15,844
Customer deposits	**(4,600)**	(5,574)	10,041
Regulatory assets and liabilities - current	**52,417**	(1,562,574)	(38,773)
Regulatory assets and liabilities - noncurrent	**53,992**	(367,210)	23,648
Employee benefit obligation	**—**	—	(3,109)
Other assets and liabilities - current	**(23,377)**	18,461	(12,877)
Other assets and liabilities - noncurrent	**(14,107)**	(11,190)	(7,704)
Cash provided by (used in) operating activities	**1,570,842**	(1,535,657)	364,500
Investing activities			
Capital expenditures	**(609,486)**	(495,246)	(471,345)
Other investing expenditures	**(8,632)**	(7,554)	(2,804)
Other investing receipts	**4,008**	1,717	3,777
Cash used in investing activities	**(614,110)**	(501,083)	(470,372)
Financing activities			
Borrowings (repayment) on notes payable, net	**58,000**	75,775	(98,275)
Issuance of other long-term debt, net of discounts	**297,591**	2,498,895	298,428
Issuance of securitized utility tariff bonds, net of discounts	**335,931**	—	—
Long-term debt financing costs	**(8,567)**	(35,110)	(2,885)
Issuance of common stock	**133,711**	26,662	19,383
Repayment of other long-term debt	**(1,627,000)**	(400,000)	—
Dividends paid	**(133,954)**	(123,912)	(114,372)
Tax withholdings related to net share settlements of stock compensation	**(3,169)**	(4,711)	(6,267)
Cash provided by (used in) financing activities	**(947,457)**	2,037,599	96,012
Change in cash, cash equivalents, restricted cash and restricted cash equivalents	**9,275**	859	(9,860)
Cash, cash equivalents, restricted cash and restricted cash equivalents at beginning of period	**8,852**	7,993	17,853
Cash, cash equivalents, restricted cash and restricted cash equivalents at end of period	**$ 18,127**	$ 8,852	$ 7,993
Supplemental cash flow information:			
Cash paid for interest, net of amounts capitalized	**$ 84,871**	$ 70,066	$ 60,126
Cash paid (received) for income taxes, net	**$ 67,421**	$ (10,809)	$ 30,361

See accompanying Notes to Consolidated Financial Statements.

ONE Gas, Inc.
CONSOLIDATED STATEMENTS OF EQUITY

	Common Stock Issued	Common Stock	Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Income/(Loss)	Total Equity
	(Shares)	*(Thousands of dollars)*				
January 1, 2020	52,771,749	$ 528	$ 1,733,092	$ 402,509	$ (6,739)	$ 2,129,390
Net income	—	—	—	196,412	—	196,412
Other comprehensive loss	—	—	—	—	(1,038)	(1,038)
Common stock issued and other	394,984	4	22,915	—	—	22,919
Common stock dividends - $2.16 per share	—	—	914	(115,286)	—	(114,372)
December 31, 2020	53,166,733	532	1,756,921	483,635	(7,777)	2,233,311
Net income	—	—	—	206,434	—	206,434
Other comprehensive income	—	—	—	—	1,250	1,250
Common stock issued and other	466,477	4	32,445	—	—	32,449
Common stock dividends - $2.32 per share	—	—	996	(124,908)	—	(123,912)
December 31, 2021	53,633,210	536	1,790,362	565,161	(6,527)	2,349,532
Net income	**—**	**—**	**—**	**221,742**	**—**	**221,742**
Other comprehensive income	**—**	**—**	**—**	**—**	**5,823**	**5,823**
Common stock issued and other	**1,716,744**	**17**	**141,266**	—	—	**141,283**
Common stock dividends - $2.48 per share	**—**	**—**	**1,086**	**(135,040)**	—	**(133,954)**
December 31, 2022	**55,349,954**	**$ 553**	**$ 1,932,714**	**$ 651,863**	**$ (704)**	**$ 2,584,426**

See accompanying Notes to Consolidated Financial Statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Nature of Operations - We provide natural gas distribution services to approximately 2.3 million customers in Oklahoma, Kansas and Texas through our three divisions, Oklahoma Natural Gas, Kansas Gas Service and Texas Gas Service, respectively. We primarily serve residential, commercial and transportation customers in all three states. We are a corporation incorporated under the laws of the state of Oklahoma, and our common stock is listed on the NYSE under the trading symbol "OGS."

Basis of Presentation - The consolidated financial statements include the accounts of our natural gas distribution business as set forth in "Organization and Nature of Operations" above. All significant balances and transactions between our subsidiaries have been eliminated.

Use of Estimates - The preparation of our consolidated financial statements and related disclosures in accordance with GAAP requires us to make estimates and assumptions with respect to values or conditions that cannot be known with certainty that affect the reported amount of assets and liabilities, and the disclosure of contingent assets and liabilities at the date of the consolidated financial statements. These estimates and assumptions also affect the reported amounts of revenue and expenses during the reporting period. Items that may be estimated include, but are not limited to, the economic useful life of assets, fair value of assets and liabilities, provisions for doubtful accounts receivable, unbilled revenues for natural gas delivered but for which meters have not been read, natural gas purchased but for which no invoice has been received, provision for income taxes, including any deferred income tax valuation allowances, the results of litigation and various other recorded or disclosed amounts.

We evaluate these estimates on an ongoing basis using historical experience and other methods we consider reasonable based on the particular circumstances. Nevertheless, actual results may differ significantly from the estimates. Any effects on our financial position or results of operations from revisions to these estimates are recorded in the period when the facts that give rise to the revision become known.

Revenues - We recognize revenue from contracts with customers to depict the transfers of goods and services to customers at an amount that we expect to be entitled to receive in exchange for these goods and services. Our sources of revenue are disaggregated by natural gas sales, transportation revenues, and miscellaneous revenues, which are primarily one-time service fees, that meet the requirements of ASC 606. Certain revenues that do not meet the requirements of ASC 606 are classified as other revenues in our Notes to Consolidated Financial Statements in this Annual Report.

Our natural gas sales to customers and transportation revenues represent revenues from contracts with customers through implied contracts established by our tariffs approved by regulatory authorities. Our customers receive the benefits of our performance when the commodity is delivered to the customer. The performance obligation is satisfied over time as the customer receives the natural gas.

For deliveries of natural gas, we read meters and bill customers on a monthly cycle. We recognize revenues upon the delivery of natural gas or services rendered to customers. The billing cycles for customers do not necessarily coincide with the accounting periods used for financial reporting purposes. We accrue unbilled revenues for natural gas that has been delivered but not yet billed at the end of an accounting period. We use the invoice method practical expedient, where we recognize revenue for volumes delivered for which we have a right to invoice. Our estimate of accrued unbilled revenue is based on a percentage estimate of amounts unbilled each month, which is dependent upon a number of factors, some of which require management's judgment. These factors include customer consumption patterns and the impact of weather on usage. The accrued unbilled natural gas sales revenue at December 31, 2022 and 2021 was $269.5 million and $183.2 million, respectively, and is included in accounts receivable on our consolidated balance sheets.

Our miscellaneous revenues from contracts with customers represent implied contracts established by our tariff rates approved by the regulatory authorities and include miscellaneous utility services with the performance obligation satisfied at a point in time when services are rendered to the customer.

Total other revenues consist of revenues associated with regulatory mechanisms that do not meet the requirements of ASC 606 as revenue from contracts with customers, but authorize us to accrue revenues earned based on tariffs approved by regulatory authorities. Other revenues - natural gas sales primarily relate to the WNA mechanism in Kansas. This mechanism adjusts our revenues earned for the variance between actual and normal HDDs. This mechanism can have either positive (warmer than normal) or negative (colder than normal) effects on revenues.

We collect and remit other taxes on behalf of governmental authorities, and we record these amounts in accrued taxes other than income in our consolidated balance sheets. See Note 2 for additional discussion of revenues.

Cost of Natural Gas - Cost of natural gas includes commodity purchases, fuel, storage, transportation and other gas purchase costs recovered through our cost of natural gas regulatory mechanisms and does not include an allocation of general operating costs or depreciation and amortization. These cost of natural gas regulatory mechanisms provide a method of recovering natural gas costs on an ongoing basis without a profit. See Note 10 for additional discussion of purchased gas cost recoveries.

Cash, Cash Equivalents and Restricted Cash and Cash Equivalents - Cash and cash equivalents consist of highly liquid investments, which are readily convertible into cash and have original maturities of three months or less. Restricted cash consists of funds that are contractually or legally restricted as to usage or withdrawal and have been presented separately from cash and cash equivalents on our consolidated balance sheets. Restricted cash and cash equivalents accounts were established for payment of Securitized Utility Tariff Bond issuance costs and payment of debt service on those bonds.

Accounts Receivable - Accounts receivable represent valid claims against nonaffiliated customers for natural gas sold or services rendered, net of an allowance for doubtful accounts. We assess the creditworthiness of our customers. Those customers who do not meet minimum standards may be required to provide security, including deposits and other forms of collateral, when appropriate and allowed by our tariffs. With approximately 2.3 million customers across three states, we are not exposed materially to a concentration of credit risk. We maintain an allowance for doubtful accounts based upon factors surrounding the credit risk of customers, historical trends, consideration of the current credit environment and other information. We are able to recover natural gas costs related to uncollectible accounts through purchased-gas cost adjustment mechanisms. At December 31, 2022 and 2021, our allowance for doubtful accounts was $16.7 million and $18.7 million, respectively.

Inventories - Natural gas in storage is accounted for on the basis of weighted-average cost. Materials and supplies inventories are stated at the lower of weighted-average cost or net realizable value.

Leases - We determine if an arrangement is a lease at inception if the contract conveys the right to control the use and obtain substantially all the economic benefits from the use of an identified asset for a period of time in exchange for consideration. We identify a lease as a finance lease if the agreement includes any of the following criteria: transfer of ownership by the end of the lease term; an option to purchase the underlying asset that the lessee is reasonably certain to exercise; a lease term that represents 75 percent or more of the remaining economic life of the underlying asset; a present value of lease payments and any residual value guaranteed by the lessee that equals or exceeds 90 percent of the fair value of the underlying asset; or an underlying asset that is so specialized in nature that there is no expected alternative use to the lessor at the end of the lease term. A lease that does not meet any of these criteria is considered an operating lease.

Lease right-of-use assets represent our right to use an underlying asset for the lease term and lease liabilities represent our obligation to make lease payments arising from the lease. Right-of-use assets and liabilities are recognized at the commencement date of a lease based on the present value of lease payments over the lease term. Our lease terms may include options to extend or terminate the lease. We include these extension or termination options in the determination of the lease term when it is reasonably certain that we will exercise that option. We have lease agreements with lease and non-lease components, which are accounted for separately. Additionally, for certain office equipment leases, we apply a portfolio approach to effectively account for the operating lease right-of-use assets and liabilities. We do not recognize leases having a term of less than one year in our consolidated balance sheets.

For purposes of determining the present value of the lease payments, we use a lease's implicit interest rate when readily determinable. As most of our leases do not provide an implicit interest rate, we use an incremental borrowing rate based on available information at the commencement of the lease. Lease cost for operating leases is recognized on a straight-line basis over the lease term. See Note 5 for additional information regarding our leases.

Derivatives and Risk Management Activities - We record all derivative instruments at fair value, with the exception of normal purchases and normal sales that are expected to result in physical delivery. The accounting for changes in the fair value of a derivative instrument depends on whether it has been designated and qualifies as part of a hedging relationship and, if so, the reason for holding it, or if regulatory requirements impose a different accounting treatment.

If certain conditions are met, we may elect to designate a derivative instrument as a hedge of exposure to changes in fair values or cash flows. We have not elected to designate any of our derivative instruments as hedges.

The table below summarizes the various ways in which we account for our derivative instruments and the impact on our consolidated financial statements:

	Recognition and Measurement	
Accounting Treatment	**Balance Sheet**	**Income Statement**
Normal purchases and normal sales	- Fair value not recorded	- Change in fair value not recognized in earnings
Mark-to-market	- Recorded at fair value	- Change in fair value recognized in, and recoverable through, the purchased-gas cost adjustment mechanisms

See Note 9 for additional information regarding our economic hedging activities using derivatives.

Fair Value Measurements - We define fair value as the price that would be received from the sale of an asset or the transfer of a liability in an orderly transaction between market participants at the measurement date. We use the market and income approaches to determine the fair value of our assets and liabilities and consider the markets in which the transactions are executed. We measure the fair value of a group of financial assets and liabilities consistent with how a market participant would price the net risk exposure at the measurement date.

<u>Fair Value Hierarchy</u> - At each balance sheet date, we utilize a fair value hierarchy to classify fair value amounts recognized or disclosed in our consolidated financial statements based on the observability of inputs used to estimate such fair value. The levels of the hierarchy are described below:

- Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 - Significant observable pricing inputs other than quoted prices included within Level 1 that are, either directly or indirectly, observable as of the reporting date. Essentially, this represents inputs that are derived principally from or corroborated by observable market data; and
- Level 3 - May include one or more unobservable inputs that are significant in establishing a fair value estimate. These unobservable inputs are developed based on the best information available and may include our own internal data.

We recognize transfers into and out of the levels as of the end of each reporting period.

Determining the appropriate classification of our fair value measurements within the fair value hierarchy requires management's judgment regarding the degree to which market data is observable or corroborated by observable market data. We categorize derivatives for which fair value is determined using multiple inputs within a single level, based on the lowest level input that is significant to the fair value measurement in its entirety. See Note 9 for additional information regarding our fair value measurements.

Property, Plant and Equipment - Our properties are stated at cost, which includes direct construction costs such as direct labor, materials, burden and AFUDC. Generally, the cost of our property retired or sold, plus removal costs, less salvage, is charged to accumulated depreciation. Gains and losses from sales or retirement of an entire operating unit or system of our properties are recognized in income. Maintenance and repairs are charged directly to expense.

AFUDC represents the cost of borrowed funds used to finance construction activities. We capitalize interest costs during the construction or upgrade of qualifying assets. Capitalized interest is recorded as a reduction to interest expense.

Our properties are depreciated using the straight-line method over their estimated useful lives. Generally, we apply composite depreciation rates to functional groups of property having similar economic circumstances. We periodically conduct depreciation studies to assess the economic lives of our assets. These depreciation studies are completed as a part of our regulatory proceedings, and the changes in economic lives, if applicable, are implemented prospectively when the new rates are approved by our regulators and become effective. Changes in the estimated economic lives of our property, plant and equipment could have a material effect on our financial position, results of operations or cash flows.

Property, plant and equipment on our consolidated balance sheets includes construction work in process for capital projects that have not yet been placed in service and therefore are not being depreciated. Assets are transferred out of construction work in process when they are substantially complete and ready for their intended use.

See Note 12 for additional information regarding our property, plant and equipment.

Impairment of Goodwill and Long-Lived Assets - We assess our goodwill for impairment at least annually as of July 1, unless events or a change in circumstances indicate an impairment may have occurred before that time. As part of our goodwill impairment test, we first assess qualitative factors (including macroeconomic conditions, industry and market considerations, cost factors and overall financial performance) to determine whether it is more likely than not that our fair value is less than the carrying amount of our net assets. If further testing is necessary or a quantitative test is elected to refresh our recurring qualitative assessment, we perform a quantitative impairment test for goodwill.

Our impairment assessment is performed by comparing our fair value with our book value, including goodwill. If the fair value is less than the book value, an impairment is measured by the amount of our carrying value that exceeds fair value, not to exceed the carrying amount of our goodwill.

To estimate fair value, we use two generally accepted valuation approaches, an income approach and a market approach, using assumptions consistent with a market participant's perspective. Under the income approach, we use anticipated cash flows over a period of years plus a terminal value and discount these amounts to their present value using appropriate discount rates. Under the market approach, we apply acquisition multiples to forecasted cash flows. The acquisition multiples used are consistent with historical market transactions. The forecasted cash flows are based on average forecasted cash flows over a period of years.

Our goodwill impairment analysis performed in 2022 and 2021 utilized a qualitative assessment and did not result in any impairment indicators, nor did our analysis reflect our reporting unit at risk. Subsequent to July 1, 2022, no event has occurred indicating that it is more likely than not that our fair value is less than the carrying value of our net assets.

We assess our long-lived assets for impairment whenever events or changes in circumstances indicate that an asset's carrying amount may not be recoverable. An impairment is indicated if the carrying amount of a long-lived asset exceeds the sum of the undiscounted future cash flows expected to result from the use and eventual disposition of the asset. If an impairment is indicated, we record an impairment loss equal to the difference between the carrying value and the fair value of the long-lived asset. We determined that there were no material asset impairments in 2022, 2021 or 2020.

Securitized Intangible Asset - On November 18, 2022, KGSS-I acquired the Securitized Utility Tariff Property from Kansas Gas Service for $327.4 million. The Securitized Utility Tariff Property is classified as a securitized intangible asset on our consolidated balance sheets. This securitized intangible asset will be amortized over 10 years, the estimated period needed to collect the required amounts from Kansas Gas Service's customers to service the Securitized Utility Tariff Bonds. The amortization expense related to the securitized intangible asset will be included in depreciation and amortization expense in our consolidated statements of income. For the year ended December 31, 2022, we recorded $3.5 million of amortization expense related to the securitized intangible asset. At the end of its life, this securitized intangible asset will have no residual value. See Note 4 for additional information about the Securitized Utility Tariff Bonds and Notes 10 and 11 for additional information about the securitization transaction.

Finite-lived intangible assets are stated at cost, net of accumulated amortization, which is recorded on a straight-line or accelerated basis over the life of the asset. We review amortizable intangible assets for impairment whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. If such a review should indicate that the carrying amount of amortizable intangible assets is not recoverable, we reduce the carrying amount of such assets to fair value.

Regulation - We are subject to the rate regulation and accounting requirements of the OCC, KCC, RRC and various municipalities in Texas. We follow the accounting and reporting guidance for regulated operations, including evaluating regulatory decisions to determine appropriate revenue recognition, cost deferrals and recoverability for regulatory assets and refund requirements for regulatory liabilities. During the ratemaking process, regulatory authorities set the framework for what we can charge customers for our services and establish the manner that our costs are accounted for, including allowing us to defer recognition of certain costs and permitting recovery of the amounts through rates over time, as opposed to expensing such costs as incurred. Examples include weather normalization, unrecovered purchased-gas costs, extraordinary costs associated with Winter Storm Uri, pension and postemployment benefit costs and ad-valorem taxes. This allows us to stabilize rates over time rather than passing such costs on to the customer for immediate recovery. Actions by regulatory authorities could have an effect on the amount recovered from customers. Any difference in the amount recoverable and the amount deferred is recorded as income or expense at the time of the regulatory action. A write-off of regulatory assets and costs not recovered may be required if all or a portion of the regulated operations have rates that are no longer:

- established by independent regulators;
- designed to recover our costs of providing regulated services; and
- set at levels that will recover our costs when considering the demand and competition for our services.

Should recovery cease due to regulatory actions, certain of these assets may no longer meet the criteria for recognition and accordingly, a write-off of regulatory assets and stranded costs may be required. There were no write-offs of regulatory assets resulting from the failure to meet the criteria for capitalization during 2022, 2021 and 2020.

See Note 10 for additional information regarding our regulatory assets and liabilities.

Pension and Other Postemployment Employee Benefits - We have defined benefit pension plans covering eligible employees. We also sponsor welfare plans that provide other postemployment medical and life insurance benefits to eligible employees who retire with at least five years of service. To calculate the costs and liabilities related to our plans, we utilize an outside actuarial consultant, which uses statistical and other factors to anticipate future events. These factors include assumptions about the discount rate, expected return on plan assets, rate of future compensation increases, age and mortality and employment periods. We use tables issued by the Society of Actuaries to estimate mortality rates. In determining the projected benefit obligations and costs, assumptions can change from period to period and may result in material changes in the cost and liabilities we recognize.

Income Taxes - Deferred income taxes are recorded for the difference between the financial statement and income tax basis of assets and liabilities and carryforward items, based on income tax laws and rates existing at the time the temporary differences are expected to reverse. The effect on deferred income taxes of a change in tax rates is deferred and amortized for operations regulated by the OCC, KCC, RRC and various municipalities in Texas, if, as a result of an action by a regulator, it is probable that the effect of the change in tax rates will be recovered from or returned to customers through future rates. We continue to amortize previously deferred investment tax credits for ratemaking purposes over the periods prescribed by our regulators.

A valuation allowance for deferred income tax assets is recognized when it is more likely than not that some or all of the benefit from the deferred income tax asset will not be realized. To assess that likelihood, we use estimates and judgment regarding our future taxable income, as well as the jurisdiction in which such taxable income is generated, to determine whether a valuation allowance is required. Such evidence can include our current financial position, our results of operations, both actual and forecasted, the reversal of deferred income tax liabilities, as well as the current and forecasted business economics of our industry. We had no valuation allowance at December 31, 2022 and 2021.

We utilize a more-likely-than-not recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position that is taken or expected to be taken in a tax return. We reflect penalties and interest as part of income tax expense as they become applicable for tax provisions that do not meet the more-likely-than-not recognition threshold and measurement attribute. There were no material uncertain tax positions at December 31, 2022 and 2021.

Changes in tax laws or tax rates are recognized in the financial reporting period that includes the enactment date.

See Note 15 for additional information regarding income taxes.

Asset Retirement Obligations - Asset retirement obligations represent legal obligations associated with the retirement of long-lived assets that result from the acquisition, construction, development and/or normal use of the asset. Certain long-lived assets that comprise our natural gas distribution systems, primarily our pipeline assets, are subject to agreements or regulations that give rise to an asset retirement obligation for removal or other disposition costs associated with retiring the assets in place upon the discontinued use of the natural gas distribution system. We recognize the fair value of a liability for an asset retirement obligation in the period when it is incurred if a reasonable estimate of the fair value can be made. We are not able to estimate reasonably the fair value of the asset retirement obligations for portions of our assets because the settlement dates are indeterminable given our expected continued use of the assets with proper maintenance. We expect our natural gas distribution systems will continue in operation for the foreseeable future. Based on our proximity to significant natural gas reserves and infrastructure and the widespread use of natural gas for heating and cooking activities by residential and commercial customers in our service areas, we expect supply and demand to exist for the foreseeable future.

In accordance with long-standing regulatory treatment, we collect through rates the estimated costs of removal on certain regulated properties through depreciation expense as a portion of the net salvage value component of our composite deprecation rates, with a corresponding credit to accumulated depreciation and amortization. These removal costs collected through our rates include costs attributable to legal and nonlegal removal obligations. These costs are addressed prospectively in depreciation rates, rather than as a regulatory liability, in each general rate order.

For financial reporting purposes, if the removal costs collected have exceeded our removal costs incurred, we estimate a regulatory liability using current rates since the last general rate order in each of our jurisdictions. At December 31, 2022 and

2021, we have not recorded a regulatory liability, as our removal costs incurred have exceeded amounts collected through our depreciation rates. Significant uncertainty exists regarding the recording of these regulatory liabilities, pending, among other issues, clarification of regulatory intent. We continue to monitor the regulatory requirements, and any future regulatory liabilities incurred may be adjusted as more information is obtained. To the extent these estimated liabilities are adjusted, such amounts will be reclassified between accumulated depreciation and amortization and regulatory liabilities on our balance sheet and therefore will not have an impact on earnings.

Contingencies - Our accounting for contingencies covers a variety of business activities, including contingencies for legal and environmental exposures. We accrue these contingencies when our assessments indicate that it is probable that a liability has been incurred or an asset will not be recovered and an amount can be estimated reasonably. We expense legal fees as incurred and base our legal liability estimates on currently available facts and our estimates of the ultimate outcome or resolution. Accruals for the estimated cost of environmental remediation obligations generally are recognized no later than the completion of a remediation feasibility study. Recoveries of environmental remediation costs from other parties are recorded as assets when their receipt is deemed probable. Actual results may differ from our estimates resulting in an impact, positive or negative, on earnings.

See Note 17 for additional information regarding contingencies.

Share-Based Payments - We expense the fair value of share-based payments net of estimated forfeitures. We estimate forfeiture rates based on historical forfeitures under our share-based payment plans.

Earnings per share - Basic EPS is calculated by dividing net income by the daily weighted-average number of common shares outstanding during the periods presented. Also, this calculation includes fully vested stock awards that have not yet been issued as common stock. Diluted EPS includes the above, plus unvested stock awards granted under our compensation plans and equity forward sale agreements, but only to the extent these instruments dilute earnings per share.

Segments - We operate in one reportable business segment: regulated public utilities that deliver natural gas primarily to residential, commercial and transportation customers. We define reportable business segments as components of an organization for which discrete financial information is available and operating results are evaluated on a regular basis by the chief operating decision maker ("CODM") in order to assess performance and allocate resources. Our CODM is our Chief Executive Officer. Characteristics of our organization that were relied upon in making this determination include the similar nature of services we provide, the functional alignment of our organizational structure, and the reports that are regularly reviewed by the CODM for the purpose of assessing performance and allocating resources. Our management is functionally aligned and centralized, with performance evaluated based upon results of the entire distribution business. Capital allocation decisions are driven by asset integrity management, operating efficiency, growth opportunities and government-requested pipeline relocations, not geographic location or regulatory jurisdiction.

In 2022, 2021 and 2020, we had no single external customer from which we received 10 percent or more of our gross revenues.

Recently Issued Accounting Standards Update - In November 2021, the FASB issued ASU 2021-10, "Government Assistance (Topic 832): Disclosures by Business Entities about Government Assistance," which will require disclosure about government assistance in the notes to the financial statements. The amendment requires annual disclosures about transactions with a government that are accounted for by applying a grant or contribution accounting model by analogy, including information about the nature of the transactions and the related accounting policy used to account for the transactions, the line items on the balance sheet and income statement that are affected by the transactions and the significant terms and conditions of the transactions, including commitments and contingencies. The amendment became effective for us beginning January 1, 2022. As the guidance is related only to disclosures in the notes to the financial statements, we do not anticipate any impact on our financial position, results of operations or cash flows. See Note 10 for additional discussion regarding our securitization transaction with the Oklahoma government that is accounted for by applying a grant accounting model by analogy.

In March 2020, the FASB issued ASU 2020-04, "Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting," which provides relief from the accounting analysis and impacts that may otherwise be required for modifications to agreements (e.g., loans, debt securities, derivatives, borrowings) necessitated by reference rate reform. It also provides optional expedients to enable companies to continue to apply hedge accounting to certain hedging relationships impacted by reference rate reform. In the first quarter 2020, we adopted this new guidance effective for contracts modified between March 12, 2020 and December 31, 2022. In March 2022, we amended the ONE Gas Credit Agreement to change the defined benchmark rate to SOFR from LIBOR. Our adoption and subsequent amendment of the ONE Gas Credit Agreement did not result in a material impact to our consolidated financial statements.

2. REVENUE

The following table sets forth our revenues disaggregated by source for the periods indicated:

	Year Ended December 31,		
	2022	2021	2020
	(Thousands of dollars)		
Natural gas sales to customers	**$ 2,410,048**	$ 1,652,566	$ 1,381,141
Transportation revenues	**125,951**	118,492	113,855
Securitization customer charges (Note 11)	**5,769**	—	—
Miscellaneous revenues	**19,850**	16,757	15,505
Total revenues from contracts with customers	**2,561,618**	1,787,815	1,510,501
Other revenues - natural gas sales related	**3,403**	9,650	8,299
Other revenues	**12,984**	11,132	11,468
Total other revenues	**16,387**	20,782	19,767
Total revenues	**$ 2,578,005**	$ 1,808,597	$ 1,530,268

3. CREDIT FACILITY AND SHORT-TERM DEBT

On March 16, 2022, we entered into the first amendment to the second amended and restated ONE Gas Credit Agreement, which was previously amended and restated on March 16, 2021. The amendment extends the maturity date of the ONE Gas Credit Agreement to March 16, 2027, from March 16, 2026, and amends the ONE Gas Credit Agreement to provide that we may extend the maturity date, subject to the lenders' consent, by one year two additional times. The amendment also changed the benchmark rate defined in the ONE Gas Credit Agreement to SOFR. All other material terms and conditions of the ONE Gas Credit Agreement remain in full force and effect.

The ONE Gas Credit Agreement provides for a $1.0 billion revolving unsecured credit facility and includes a $20 million letter of credit subfacility and a $60 million swingline subfacility. We can request an increase in commitments of up to an additional $500 million upon satisfaction of customary conditions, including receipt of commitments from either new lenders or increased commitments from existing lenders. The ONE Gas Credit Agreement is available to provide liquidity for working capital, capital expenditures, acquisitions and mergers, the issuance of letters of credit and for other general corporate purposes.

The ONE Gas Credit Agreement contains certain financial, operational and legal covenants. Among other things, these covenants include maintaining ONE Gas' total debt-to-capital ratio of no more than 70 percent at the end of any calendar quarter. At December 31, 2022, our total debt-to-capital ratio was 56 percent and we were in compliance with all covenants under the ONE Gas Credit Agreement. We may reduce the unutilized portion of the ONE Gas Credit Agreement in whole or in part without premium or penalty. The ONE Gas Credit Agreement contains customary events of default. Upon the occurrence of certain events of default, the obligations under the ONE Gas Credit Agreement may be accelerated and the commitments may be terminated.

At December 31, 2022, we had $1.2 million in letters of credit issued and no borrowings under the ONE Gas Credit Agreement, with $998.8 million of remaining credit available to repay our commercial paper borrowings.

In June 2021, we increased the size of our commercial paper program to permit the issuance of commercial paper to fund short-term borrowing needs in an aggregate principal amount not to exceed $1.0 billion outstanding at any time. Prior to this increase, our commercial paper program permitted us to issue commercial paper in an aggregate principal amount not to exceed $700 million outstanding at any time. The maturities of the commercial paper notes may vary, but may not exceed 270 days from the date of issue. Commercial paper is generally sold at par less a discount representing an interest factor. At December 31, 2022 and 2021, we had $552.0 million and $494.0 million of commercial paper outstanding, respectively. The weighted-average interest rate on our commercial paper was 4.75 percent and 0.38 percent at December 31, 2022 and 2021, respectively.

In connection with the second amendment and restatement of the ONE Gas Credit Agreement on March 16, 2021, all commitments under the ONE Gas 364-day Credit Agreement were terminated and all obligations under the ONE Gas 364-day Credit Agreement were discharged.

4. LONG-TERM DEBT

The table below presents a summary of our long-term debt outstanding for the periods indicated:

	Interest rate at December 31, 2022	December 31, 2022	December 31, 2021
		(Thousands of dollars)	
Senior unsecured notes:			
Senior unsecured notes due March 2023		$ —	$ 1,000,000
Senior unsecured floating rate notes due March 2023		—	400,000
Senior unsecured notes due February 2024	**3.610%**	**300,000**	300,000
Senior unsecured notes due March 2024	**1.100%**	**473,000**	700,000
Senior unsecured notes due May 2030	**2.000%**	**300,000**	300,000
Senior unsecured notes due September 2032	**4.250%**	**300,000**	—
Senior unsecured notes due February 2044	**4.658%**	**600,000**	600,000
Senior unsecured notes due November 2048	**4.500%**	**400,000**	400,000
Total senior unsecured notes		**2,373,000**	3,700,000
KGSS-I Securitized Utility Tariff Bonds	**5.486%**	**336,000**	—
Other	**8.000%**	**1,250**	1,261
Unamortized discounts on long-term debt		**(7,636)**	(5,454)
Debt issuance costs		**(20,143)**	(12,418)
Total long-term debt, net		**2,682,471**	3,683,389
Less: current maturities of securitized utility tariff bonds		**20,716**	—
Less: current maturities of long-term debt		**12**	11
Noncurrent portion of long-term debt, net		**$ 2,661,743**	$ 3,683,378

Senior Notes - In August 2022, we issued $300 million of 4.25 percent senior notes due September 2032. The proceeds from the issuance were used to repay amounts outstanding under our commercial paper program and for general corporate purposes.

In August 2022, we called $750 million of the $1.0 billion of 0.85 percent senior notes due March 2023, $150 million of the $700 million of 1.10 percent senior notes due March 2024 and the remaining $400 million of outstanding floating-rate senior notes due March 2023, using the proceeds received from the Oklahoma government in our securitization transaction for Oklahoma Natural Gas.

On November 18, 2022, KGSS-I issued $336 million of 5.486 percent Securitized Utility Tariff Bonds. The Securitized Utility Tariff Bonds have an interest rate of 5.486 percent and a term of 10 years with semi-annual principal repayments, which results in an expected weighted average life of the bonds of 5.5 years. The bonds are governed by an indenture between KGSS-I and the indenture trustee. The indenture contains certain covenants that restrict KGSS-I's ability to sell, transfer, convey, exchange, or otherwise dispose of its assets. See Note 10 for additional discussion of the securitization transactions.

In November 2022, we called the remaining $250 million of the $1.0 billion of 0.85 percent senior notes due March 2023 and $77 million of the $700 million of 1.10 percent senior notes due March 2024, using the proceeds from the securitization transaction for Kansas Gas Service.

In March 2021, we issued $1.0 billion of 0.85 percent senior notes due March 2023, $700 million of 1.10 percent senior notes due March 2024, and $800 million of floating-rate senior notes due March 2023. The net proceeds from the issuance were used for payment of gas purchases and related costs resulting from Winter Storm Uri and general corporate purposes.

In September 2021, we called $400 million of the floating-rate senior notes due March 2023 at par, using a combination of cash on hand and commercial paper. We did not have the right to call these senior notes prior to September 11, 2021.

The indenture governing our Senior Notes includes an event of default upon the acceleration of other indebtedness of $100 million or more. Such events of default would entitle the trustee or the holders of 25 percent in aggregate principal amount of the outstanding Senior Notes to declare those Senior Notes immediately due and payable in full.

Depending on the series, we may redeem our Senior Notes at par, plus accrued and unpaid interest to the redemption date, starting three months or six months before their maturity dates. Prior to these dates, we may redeem these Senior Notes, in whole or in part, at a redemption price equal to the principal amount, plus accrued and unpaid interest and a make-whole premium. The redemption price will never be less than 100 percent of the principal amount of the respective Senior Note plus accrued and unpaid interest to the redemption date. Our Senior Notes are senior unsecured obligations, ranking equally in right of payment with all of our existing and future unsecured senior indebtedness.

ONE Gas 2021 Term Loan Facility - On February 22, 2021, we entered into the ONE Gas 2021 Term Loan Facility as part of the financing of our natural gas purchases in order to provide sufficient liquidity to satisfy our obligations as a result of Winter Storm Uri. The net proceeds of the March 2021 debt issuance reduced the commitments under the ONE Gas 2021 Term Loan Facility on a dollar-for-dollar basis, and as a result no commitments remained outstanding and the facility was terminated concurrently with the closing of the debt issuance.

5. LEASES

We have operating leases for office facilities, gas storage facilities, IT equipment and right-of-way contracts. Our leases have remaining lease terms of one year to seven years, some of which include options to extend the leases for up to 10 years, and some of which include options to terminate the leases within specified time frames. We have not entered into any finance leases.

Our right-of-use asset is $23.3 million and $30.9 million as of December 31, 2022 and 2021, respectively, and is reported within other assets in our consolidated balance sheets. Operating lease liabilities are reported within our other current liabilities and other liabilities in our consolidated balance sheets. Total operating lease cost including immaterial amounts attributable to short-term operating leases was $7.8 million, $8.2 million, and $8.4 million in 2022, 2021 and 2020, respectively.

In 2022, we reassessed certain operating leases for office facilities and IT which were extended or modified, resulting in an decrease in our right-of-use asset and operating lease liability of $1.3 million and $1.3 million, respectively.

Other information related to operating leases	Years Ended December 31, 2022	2021	2020
		(Millions of dollars)	
Weighted-average remaining lease term	**5 years**	6 years	7 years
Weighted-average discount rate	**4.04 %**	2.78 %	2.81 %
Supplemental cash flows information			
Lease payments	**$ (8.2)**	$ (8.0)	$ (8.0)
Right-of-use assets obtained in exchange for lease obligations	**$ 0.3**	$ 0.4	$ 9.8

Future minimum lease payments under non-cancellable operating leases	December 31, 2022
	(Millions of dollars)
2023	**$ 6.5**
2024	**4.7**
2025	**4.0**
2026	**3.2**
2027	**3.0**
Thereafter	**4.3**
Total future minimum lease payments	**$ 25.7**
Imputed interest	**(2.6)**
Total operating lease liability	**$ 23.1**
Consolidated balance sheets as of December 31, 2022	
Current operating lease liability	**$ 5.7**
Long-term operating lease liability	**17.4**
Total operating lease liability	**$ 23.1**

6. EQUITY

Preferred Stock - At December 31, 2022, we had 50 million, $0.01 par value, authorized shares of preferred stock available. We have not issued or established any classes or series of shares of preferred stock.

Common Stock - At December 31, 2022, we had approximately 194.7 million shares of authorized common stock available for issuance.

At-the-Market Equity Program - In February 2020, we initiated an at-the-market equity program by entering into an equity distribution agreement under which we may issue and sell shares of our common stock with an aggregate offering price up to $250 million (including any shares of common stock that may be sold pursuant to the master forward sale confirmation entered into in connection with the equity distribution agreement and the related supplemental confirmations). Sales of common stock are made by means of ordinary brokers' transactions on the NYSE, in block transactions or as otherwise agreed to between us and the sales agent. We are under no obligation to offer and sell common stock under the program.

For the years ended December 31, 2022 and 2021, we sold and issued 403,792 and 281,124 shares of our common stock for $35.0 million and $21.4 million, respectively, generating proceeds, net of issuance costs, of $34.7 million and $21.1 million, respectively.

For the year ended December 31, 2022, we also executed forward sale agreements for 1,451,474 shares of our common stock. We did not enter into any forward sale agreements in 2021. On December 30, 2022, we settled forward sales agreements with respect to 1,162,071 shares of our common stock for net proceeds of $93.8 million. Had we settled the remaining 289,403 shares under the outstanding forward sale agreements as of December 31, 2022, we would have generated net proceeds of approximately $21.7 million.

At December 31, 2022, we had $63.1 million of equity available for issuance under the program.

Dividends Declared - For the years ended December 31, 2022 and 2021, we declared and paid dividends of $2.48 per share ($0.62 per share quarterly) and $2.32 per share ($0.58 per share quarterly), respectively. In January 2023, we declared a dividend of $0.65 per share ($2.60 per share on an annualized basis) for shareholders of record on February 24, 2023, payable on March 10, 2023.

7. ACCUMULATED OTHER COMPREHENSIVE LOSS

The following table sets forth the balance in accumulated other comprehensive loss for the periods indicated:

	Accumulated Other Comprehensive Income (Loss)
	(Thousands of dollars)
January 1, 2021	$ (7,777)
Pension and other postemployment benefit plans obligations	
Other comprehensive income before reclassification, net of tax of $11	78
Amounts reclassified from accumulated other comprehensive income (loss), net of tax of $(390)	1,172
Other comprehensive income	1,250
December 31, 2021	(6,527)
Pension and other postemployment benefit plans obligations	
Other comprehensive income before reclassification, net of tax of $(1,669)	**5,701**
Amounts reclassified from accumulated other comprehensive income (loss), net of tax of $(36)	**122**
Other comprehensive income	**5,823**
December 31, 2022	**$ (704)**

The following table sets forth the effect of reclassifications from accumulated other comprehensive loss on our consolidated statements of income for the periods indicated:

Details about Accumulated Other Comprehensive Income (Loss) Components	Years Ended December 31, 2022	2021	2020	Affected Line Item in the Consolidated Statements of Income
	(*Thousands of dollars*)			
Pension and other postemployment benefit plan obligations (a)				
Amortization of net loss	**$ 17,010**	$ 45,896	$ 42,492	
Amortization of unrecognized prior service cost (credit)	**289**	(279)	(117)	
	17,299	45,617	42,375	
Regulatory adjustments (b)	**(17,141)**	(44,055)	(41,183)	
	158	1,562	1,192	Income before income taxes
	(36)	(390)	(298)	Income tax expense
Total reclassifications for the period	**$ 122**	$ 1,172	$ 894	Net income

(a) These components of accumulated other comprehensive loss are included in the computation of net periodic benefit cost. See Note 14 for additional information regarding our net periodic benefit cost.
(b) Regulatory adjustments represent pension and other postemployment benefit costs expected to be recovered through rates and are deferred as part of our regulatory assets. See Note 10 for additional information regarding our regulatory assets and liabilities.

8. EARNINGS PER SHARE

Basic EPS is calculated by dividing net income by the daily weighted-average number of common shares outstanding during the periods presented, which includes fully vested stock awards that have not yet been issued as common stock. Diluted EPS is based on shares outstanding for the calculation of basic EPS, plus unvested stock awards granted under our compensation plans and equity forward sale agreements, but only to the extent these instruments dilute earnings per share.

The following tables set forth the computation of basic and diluted EPS from continuing operations for the periods indicated:

	Year Ended December 31, 2022 Income	Shares	Per Share Amount
	(*Thousands, except per share amounts*)		
Basic EPS Calculation			
Net income available for common stock	**$ 221,742**	**54,207**	**$ 4.09**
Diluted EPS Calculation			
Effect of dilutive securities	—	**131**	
Net income available for common stock and common stock equivalents	**$ 221,742**	**54,338**	**$ 4.08**

	Year Ended December 31, 2021 Income	Shares	Per Share Amount
	(*Thousands, except per share amounts*)		
Basic EPS Calculation			
Net income available for common stock	$ 206,434	53,575	$ 3.85
Diluted EPS Calculation			
Effect of dilutive securities	—	99	
Net income available for common stock and common stock equivalents	$ 206,434	53,674	$ 3.85

		Year Ended December 31, 2020			
		Income	Shares		Per Share Amount
		(*Thousands, except per share amounts*)			
Basic EPS Calculation					
Net income available for common stock	$	196,412	53,133	$	3.70
Diluted EPS Calculation					
Effect of dilutive securities		—	237		
Net income available for common stock and common stock equivalents	$	196,412	53,370	$	3.68

9. DERIVATIVE FINANCIAL INSTRUMENTS AND FAIR VALUE MEASUREMENTS

Derivative Instruments - At December 31, 2022, we held purchased natural gas call options for the heating season ending March 2023, with total notional amounts of 19.4 Bcf, for which we paid premiums of $14.1 million, and which had no fair value. At December 31, 2021, we held purchased natural gas call options for the heating season ended March 2022, with total notional amounts of 13.2 Bcf, for which we paid premiums of $9.5 million, and which had a fair value of $3.6 million. These contracts are included in, and recoverable through, our purchased-gas cost adjustment mechanisms. Additionally, premiums paid, changes in fair value and any settlements received associated with these contracts are deferred as part of our unrecovered purchased-gas costs in our consolidated balance sheets. Our natural gas call options are classified as Level 1, as fair value amounts are based on unadjusted quoted prices in active markets including settled prices on the New York Mercantile Exchange. There were no transfers between levels for the periods presented.

Other Financial Instruments - The approximate fair value of cash and cash equivalents, restricted cash and cash equivalents, accounts receivable and accounts payable is equal to book value, due to the short-term nature of these items. Our cash and cash equivalents and restricted cash and cash equivalents are comprised of cash and money market accounts, which we consider to be Level 1. At December 31, 2022, other current and noncurrent assets included $9.7 million of corporate bonds and $4.7 million of United States treasury notes, for which the fair value approximates our cost, and are classified as Level 2 and Level 1, respectively. At December 31, 2021, other current and noncurrent assets included $6.9 million of corporate bonds and $3.5 million of United States treasury notes, for which the fair value approximates our cost, and are classified as Level 2 and Level 1, respectively.

Short-term notes payable and commercial paper are due upon demand and, therefore, the carrying amounts approximate fair value and are classified as Level 1. The book value of our long-term debt, including current maturities, was $2.7 billion and $3.7 billion at December 31, 2022 and 2021, respectively. The estimated fair value of our long-term debt, including current maturities, was $2.5 billion and $3.9 billion at December 31, 2022 and 2021, respectively. The estimated fair value of our long-term debt was determined using quoted market prices, and is considered Level 2.

10. REGULATORY ASSETS AND LIABILITIES

The tables below present a summary of regulatory assets, net of amortization, and liabilities for the periods indicated:

		December 31, 2022		
	Remaining Recovery Period	Current	Noncurrent	Total
		(*Thousands of dollars*)		
Winter weather event costs	(a)	**$ 221,926**	**$ 36,291**	**$ 258,217**
Under-recovered purchased-gas costs	1 year	**19,755**	**—**	**19,755**
Pension and other postemployment benefit costs	See Note 14	**—**	**258,257**	**258,257**
Reacquired debt costs	6 years	**812**	**3,347**	**4,159**
MGP remediation costs	15 years	**98**	**29,743**	**29,841**
Ad-valorem tax	1 year	**13,359**	**—**	**13,359**
WNA	1 year	**8,474**	**—**	**8,474**
Customer credit deferrals	1 year	**9,504**	**—**	**9,504**
Other	1 to 18 years	**1,644**	**3,193**	**4,837**
Total regulatory assets, net of amortization		**275,572**	**330,831**	**606,403**
Pension and other postemployment benefit costs	See Note 14	**(8,228)**	**—**	**(8,228)**
Income tax rate changes	(a)	**—**	**(529,441)**	**(529,441)**
Over-recovered purchased-gas costs	1 year	**(39,639)**	**—**	**(39,639)**
Total regulatory liabilities		**(47,867)**	**(529,441)**	**(577,308)**
Net regulatory assets and liabilities		**$ 227,705**	**$ (198,610)**	**$ 29,095**

(a) Recovery period varies by jurisdiction. See discussion below for additional information regarding our regulatory assets related to winter weather event costs and regulatory liabilities related to federal income tax rate changes.

		December 31, 2021		
	Remaining Recovery Period	Current	Noncurrent	Total
		(*Thousands of dollars*)		
Winter weather event costs	(a)	$ 1,536,054	$ 428,023	$ 1,964,077
Under-recovered purchased-gas costs	1 year	31,863	—	31,863
Pension and other postemployment benefit costs	See Note 14	11,507	260,559	272,066
Reacquired debt costs	6 years	812	4,070	4,882
MGP remediation costs	15 years	98	29,841	29,939
Ad-valorem tax	1 year	8,561	—	8,561
WNA	1 year	10,044	—	10,044
Customer credit deferrals	1 year	10,685	—	10,685
Other	1 to 18 years	2,052	2,369	4,421
Total regulatory assets, net of amortization		1,611,676	724,862	2,336,538
Income tax rate changes	(a)	—	(552,928)	(552,928)
Over-recovered purchased-gas costs	1 year	(8,090)	—	(8,090)
Total regulatory liabilities		(8,090)	(552,928)	(561,018)
Net regulatory assets and liabilities		$ 1,603,586	$ 171,934	$ 1,775,520

(a) Recovery period varies by jurisdiction. See discussion below for additional information regarding our regulatory liabilities related to federal income tax rate changes.

Regulatory assets in our consolidated balance sheets, as authorized by various regulatory authorities, are probable of recovery. Base rates and certain riders are designed to provide a recovery of costs during the period such rates are in effect, but do not generally provide for a return on investment for amounts we have deferred as regulatory assets. All of our regulatory assets are subject to review by the respective regulatory authorities during future regulatory proceedings. We are not aware of any evidence that these costs will not be recoverable through either riders, base rates, or securitization.

Winter weather event costs - In February 2021, the U.S. experienced Winter Storm Uri, a historic winter weather event impacting supply, market pricing and demand for natural gas in a number of states, including our service territories of Oklahoma, Kansas, and Texas. During this time, the governors of Oklahoma, Kansas, and Texas each declared a state of emergency, and certain regulatory agencies issued emergency orders that impacted the utility and natural gas industries, including statewide utility curtailment programs and orders requiring jurisdictional natural gas and electric utilities to do all things possible and necessary to ensure that natural gas and electricity utility services continued to be provided to their customers. Due to the historic nature of this winter weather event, we experienced unforeseeable and unprecedented market pricing for natural gas in our Oklahoma, Kansas, and Texas jurisdictions, which resulted in aggregated natural gas purchases for the month of February 2021 of approximately $2.1 billion.

Oklahoma - Beginning in the first quarter 2021, Oklahoma Natural Gas began deferring to a regulatory asset the extraordinary costs associated with this unprecedented winter weather event, including commodity costs, operational costs and carrying costs, in accordance with an order issued by the OCC in March 2021. In April 2021, a bill permitting the state of Oklahoma to pursue securitized financing of extraordinary expenses, such as fuel costs, financing costs and other operational costs incurred by regulated utilities during extreme weather events, was signed into law. This law gives the OCC the authority to approve amounts to be recovered from the issuance of ratepayer-backed securitized bonds by the ODFA.

In April 2021, Oklahoma Natural Gas submitted an initial application requesting a financing order pursuant to the securitization legislation in Oklahoma. In January 2022, the OCC approved the financing order that reflected the terms of a settlement agreement, which included an agreement that all extreme gas purchase and extraordinary costs incurred as a result of Winter Storm Uri were reasonable and prudent and a financing order should be issued to recover these costs through securitization. Pursuant to the securitization statute in Oklahoma, the Oklahoma Supreme Court validated that the bond issuance proposed by the ODFA complied with the securitization statute and the laws of Oklahoma in May 2022.

In August 2022, the ODFA completed the issuance of $1.35 billion in ratepayer-backed bonds with varying scheduled final maturities over 30 years, consistent with the OCC financing order. The bonds are limited and special revenue obligations of the ODFA, payable solely from the securitization bond collateral and are not an obligation of Oklahoma Natural Gas or any of its affiliates.

The proceeds received by Oklahoma Natural Gas were approximately $1.3 billion, which represents the amount of the securitization bonds issued by the ODFA less issuance costs. The receipt of these proceeds represents Oklahoma Natural Gas' recovery of the approximately $1.3 billion of authorized extraordinary natural gas purchase costs and other operational costs incurred during Winter Storm Uri, as well as carrying costs. GAAP does not provide comprehensive recognition and measurement guidance for many forms of government assistance received by business entities. Accordingly, we have accounted for the proceeds received from the ODFA by analogy to International Accounting Standards No. 20, "Accounting for Government Grants and Disclosure of Government Assistance" consistent with a grant related to income. The proceeds received and the corresponding recognition of the deferred regulatory asset have been reflected in cost of natural gas in our consolidated statements of income. As the proceeds reflect the recovery of our winter weather event regulatory asset, there was no material impact to earnings. Beginning September 1, 2022, Oklahoma Natural Gas acts as a servicer, with responsibility for collecting the securitization charges from Oklahoma customers that are then submitted to the ODFA to repay the securitization bonds. The collection and remittance of these funds on behalf of the ODFA are recorded in other current liabilities in our consolidated balance sheets.

Kansas - In March 2021, the KCC issued an order adopting the KCC staff's recommendation to open company-specific dockets to accept each utility's filing of financial impact compliance reports and permit the KCC staff to conduct a review of the utility's compliance report and its actions during Winter Storm Uri. In April 2021, a bill permitting the utilities to pursue securitization to finance extraordinary expenses, such as fuel costs incurred during extreme weather events, was signed into law by the Kansas governor. The law gives the KCC the authority to oversee and authorize the issuance of ratepayer-backed securitized bonds issued by a public utility.

In May 2021, Kansas Gas Service filed a motion in its company-specific docket opened by the KCC, requesting a limited waiver of the penalty provisions of its tariff to eliminate the multipliers in the penalty calculation when calculating the penalties to assess on marketers and individually-balanced transportation customers for their unauthorized natural gas usage during Winter Storm Uri. In March 2022, the KCC issued an order approving a settlement which modified the penalty provisions of Kansas Gas Service's tariffs and included a carrying charge of two percent on amounts due to Kansas Gas Service. Amounts collected from these penalties will reduce the regulatory asset for the winter weather event, up to $52.6 million. Through December 31, 2022, we have collected $50.5 million of these penalties.

In July 2021, Kansas Gas Service submitted its financial plan to the KCC as required by the company-specific docket opened by the KCC in March 2021. The plan includes a proposal for a newly formed, bankruptcy remote subsidiary of the Company to issue securitized utility tariff bonds to recover the extraordinary costs resulting from Winter Storm Uri from Kansas Gas Service's customers. In February 2022, the KCC issued an order approving a unanimous settlement agreement that allows

Kansas Gas Service to recover extraordinary costs, net of any penalties recovered from marketers and individually-balanced transportation customers, plus carrying costs, by seeking a financing order from the KCC for the issuance of securitized utility tariff bonds.

In March 2022, Kansas Gas Service submitted its application for a financing order to the KCC as contemplated by the unanimous settlement agreement, requesting approval to issue securitized utility tariff bonds to recover extraordinary costs resulting from Winter Storm Uri and flexibility to recover the costs. In July 2022, Kansas Gas Service, the KCC Staff and the Citizens' Utility Ratepayer Board reached a settlement agreement for the issuance of a financing order allowing a newly formed, bankruptcy remote subsidiary of the Company to issue securitized utility tariff bonds. In August 2022, the KCC issued an order approving the agreement and also issued a financing order.

As part of the order, we created KGSS-I, a special-purpose, wholly-owned subsidiary of ONE Gas, and filed a registration statement with the SEC, for the purpose of issuing securitized utility tariff bonds. The registration statement was declared effective on November 7, 2022.

In November 2022, KGSS-I issued $336 million of 5.486 percent Securitized Utility Tariff Bonds. KGSS-I used the proceeds from the issuance to purchase the Securitized Utility Tariff Property from Kansas Gas Service, pay for debt issuance costs, and reimburse Kansas Gas Service for upfront securitization costs paid by Kansas Gas Service on behalf of KGSS-I. See Notes 1 and 4 for additional information about the Securitized Utility Tariff Bonds and Note 11 for additional information about the securitization transaction.

Texas - Pursuant to securitization legislation enacted in Texas as a result of Winter Storm Uri and a June 2021 RRC Notice to Gas Utilities, Texas Gas Service submitted an application to the RRC in July 2021, for an order authorizing the amount of extraordinary costs for recovery and other such specifications necessary for the issuance of securitized bonds.

In November 2021, the RRC approved a unanimous settlement agreement among Texas Gas Service, the other natural gas utilities in Texas participating in the securitization process, the staff of the RRC and all intervenors. The settlement agreement provides that all costs incurred by Texas Gas Service to purchase natural gas during Winter Storm Uri were reasonable, necessary and prudently incurred.

In February 2022, the RRC issued a single financing order for Texas Gas Service and other natural gas utilities in Texas participating in the securitization process, which included a determination that the approved costs will be collected from customers over a period of not more than 30 years. The TPFA formed the Texas Natural Gas Securitization Finance Corporation, a new independent public authority, that will issue the securitized bonds, which are expected to be issued by April 2023. At December 31, 2022, Texas Gas Service has deferred approximately $243.1 million in extraordinary costs associated with Winter Storm Uri, which includes $43.8 million attributable to the former West Texas service area. Pursuant to the approved settlement order, Texas Gas Service is collecting the extraordinary costs, including carrying costs, associated with Winter Storm Uri attributable to the former West Texas service area from those customers over a period of three years that began in January 2022.

General - In accordance with these regulatory orders associated with the winter weather event, our regulatory asset totaled approximately $258.2 million in extraordinary costs for natural gas purchases, related financing and carrying costs and other operational costs that have not been recovered at December 31, 2022. The amounts deferred include invoiced costs for natural gas purchases that have not been paid as we work with our suppliers to resolve discrepancies in invoiced amounts. The amounts deferred may be adjusted as the differences are resolved. As these amounts are related to the gas purchase costs associated with Winter Storm Uri, which are deferred, future adjustments to the amounts deferred are not expected to have a material impact on earnings.

Other regulatory assets and liabilities - Purchased-gas costs represent the natural gas costs that have been over- or under-recovered from customers through the purchased-gas cost adjustment mechanisms, and includes natural gas utilized in our operations and premiums paid and any cash settlements received from our purchased natural gas call options.

The OCC, KCC and regulatory authorities in Texas have approved the recovery of pension costs and other postemployment benefits costs through rates for Oklahoma Natural Gas, Kansas Gas Service and Texas Gas Service, respectively. The costs recovered through rates are based on the net periodic benefit cost for defined benefit pension and other postemployment costs. Differences, if any, between the net periodic benefit cost, net of deferrals, and the amount recovered through rates are reflected in earnings. We historically have recovered defined benefit pension and other postemployment benefit costs through rates. We believe it is probable that regulators will continue to include the net periodic pension and other postemployment benefit costs in our cost of service.

We amortize reacquired debt costs in accordance with the accounting guidelines prescribed by the OCC and KCC.

See Note 17 for additional information regarding our regulatory assets for MGP remediation costs.

Ad-valorem tax represents the difference in Kansas Gas Service's taxes incurred each year above or below the amount approved in base rates. This difference is deferred as a regulatory asset or liability for a 12-month period. Kansas Gas Service then applies an adjustment to customers' bills to refund the over-collected revenue or bill the under-collected revenue over the subsequent 12 months.

Weather normalization represents revenue over- or under- recovered through the WNA rider in Kansas. This amount is deferred as a regulatory asset or liability for a 12-month period. Kansas Gas Service then applies an adjustment to the customers' bills for 12 months to refund the over-collected revenue or bill the under-collected revenue.

The customer credit deferrals and the regulatory liability for income tax rate changes represents deferral of the effects of enacted federal and state income tax rate changes on our ADIT and the effects of these changes on our rates. See Note 15 for additional information regarding the impact of income tax rate changes during the year ended December 31, 2022.

Recovery through rates resulted in amortization of regulatory assets of approximately $9.4 million, $5.5 million and $3.2 million for the years ended December 31, 2022, 2021 and 2020, respectively.

11. VARIABLE INTEREST ENTITY

KGSS-I is a special-purpose, wholly owned subsidiary of ONE Gas that was formed for the purpose of issuing securitized utility tariff bonds to recover extraordinary costs incurred by Kansas Gas Service resulting from Winter Storm Uri. On November 18, 2022, the securitized financing was complete. KGSS-I's assets cannot be used to settle ONE Gas' obligations and the holders of the Securitized Utility Tariff Bonds have no recourse against ONE Gas. See Notes 1, 4 and 10 for additional information about the securitization financing.

Because KGSS-I's equity at risk is less than 1 percent of its total assets, it is considered to be a variable interest entity. Through its equity ownership interest and role as servicer, ONE Gas has the power to direct the most significant financial and operating activities of KGSS-I, including billing, collections, and remittance of customer cash receipts to enable KGSS-I to service the principal and interest payments due under the Securitized Utility Tariff Bonds. Therefore, ONE Gas is the primary beneficiary of KGSS-I, and as a result, KGSS-I is included in the consolidated financial statements of ONE Gas. No gain or loss was recognized upon initial consolidation.

The following table summarizes the impact of KGSS-I on our consolidated balance sheets:

		December 31, 2022
		(Thousands of dollars)
Restricted cash and cash equivalents	**$**	**8,446**
Accounts receivable		**4,862**
Securitized intangible asset, net		**323,838**
Current maturities of securitized utility tariff bonds		**20,716**
Accounts payable		**3,204**
Accrued interest		**2,202**
Securitized utility tariff bonds, excluding current maturities, net of issuance costs		**309,343**
Equity	**$**	**1,681**

The following table summarizes the impact of KGSS-I on our consolidated statements of income:

	Year ended December 31, 2022
	(Thousands of dollars)
Operating revenues	**$ 5,769**
Operating expense	**(52)**
Amortization expense	**(3,521)**
Interest income	**6**
Interest expense	**(2,202)**
Income before income taxes	**$ —**

The following table summarizes the amortization expense related to the securitized intangible asset expected to be recognized in our consolidated statements of income:

For the year ending:	*(Thousands of dollars)*
2023	**$ 27,851**
2024	**$ 27,843**
2025	**$ 29,391**
2026	**$ 31,025**
2027	**$ 32,751**

12. PROPERTY, PLANT AND EQUIPMENT

The following table sets forth our property, plant and equipment by property type, for the periods indicated:

	December 31, 2022	December 31, 2021
	(Thousands of dollars)	
Natural gas distribution pipelines and related equipment	**$ 6,240,236**	$ 5,836,066
Natural gas transmission pipelines and related equipment	**661,379**	624,528
General plant and other	**782,870**	712,659
Construction work in process	**150,072**	101,015
Property, plant and equipment	**7,834,557**	7,274,268
Accumulated depreciation and amortization	**(2,205,717)**	(2,083,433)
Net property, plant and equipment	**$ 5,628,840**	$ 5,190,835

We compute depreciation expense by applying composite, straight-line rates of approximately 2.5 percent to 3.5 percent as approved by various regulatory authorities.

We recorded capitalized interest of $4.5 million, $4.2 million and $4.2 million for the years ended December 31, 2022, 2021 and 2020, respectively. We incurred liabilities for construction work in process that had not been paid at December 31, 2022, 2021 and 2020 of $28.6 million, $25.6 million and $24.3 million, respectively. Such amounts are not included in capital expenditures or in the change of working capital items on our consolidated statements of cash flows.

13. SHARE-BASED PAYMENTS

The ECP provides for the granting of stock-based compensation, including incentive stock options, nonstatutory stock options, stock bonus awards, restricted stock awards, restricted stock unit awards, performance stock awards and performance unit awards to eligible employees and the granting of stock awards to non-employee directors. At December 31, 2022, we have 4.3 million shares of common stock reserved for issuance under the ECP. At December 31, 2022, we had approximately 1.4 million shares available for issuance under the ECP, which reflect shares issued and estimated shares expected to be issued upon vesting of outstanding awards granted under the plan, less forfeitures. The plan allows for the deferral of awards granted in stock or cash, in accordance with the Code section 409A requirements.

Compensation expense for our ECP share-based payment plans was $6.8 million, net of tax benefits of $2.3 million, for 2022, $7.5 million, net of tax benefits of $2.5 million, for 2021, and $7.0 million, net of tax benefits of $2.3 million, for 2020.

Restricted Stock Unit Awards - We have granted restricted stock unit awards to key employees that vest over a service period of generally three years and entitle the grantee to receive shares of our common stock. Restricted stock unit awards granted accrue dividend equivalents in the form of additional restricted stock units prior to vesting. Restricted stock unit awards are measured at fair value as if they were vested and issued on the grant date and adjusted for estimated forfeitures. Compensation expense is recognized on a straight-line basis over the vesting period of the award. A forfeiture rate of 3 percent per year based on historical forfeitures under our share-based payment plans is used.

Performance Stock Unit Awards - We have granted performance stock unit awards to key employees. The shares of common stock underlying the performance stock units vest at the expiration of a service period of generally three years if certain performance criteria are met by us as determined by the Executive Compensation Committee of the Board of Directors. Upon vesting, a holder of performance stock units is entitled to receive a number of shares of common stock equal to a percentage (0 percent to 200 percent) of the performance stock units granted, based on our total shareholder return over the vesting period, compared with the total shareholder return of a peer group of other utilities over the same period.

If paid, the outstanding performance stock unit awards entitle the grantee to receive shares of our common stock. The outstanding performance stock unit awards are equity awards with a market-based condition, which results in the compensation expense for these awards being recognized on a straight-line basis over the requisite service period, provided that the requisite service period is fulfilled, regardless of when, if ever, the market condition is satisfied. The performance stock unit awards granted accrue dividend equivalents in the form of additional performance stock units prior to vesting. The fair value of these performance stock units was estimated on the grant date based on a Monte Carlo model. The compensation expense on these awards will only be adjusted for forfeitures. A forfeiture rate of 3 percent per year based on historical forfeitures under our share-based payment plans is used.

Restricted Stock Unit Award Activity

As of December 31, 2022, there was $3.7 million of total unrecognized compensation expense related to the nonvested restricted stock unit awards, which is expected to be recognized over a weighted-average period of 1.8 years. The following tables set forth activity and various statistics for restricted stock unit awards outstanding under the respective plans for the period indicated:

	Number of Units	**Weighted-Average Grant Date Fair Value**
Nonvested at December 31, 2021	94,274	$ 82.16
Granted	**56,420**	**$ 76.96**
Vested	**(28,830)**	**$ 78.91**
Forfeited	**(5,231)**	**$ 84.06**
Nonvested at December 31, 2022	**116,633**	**$ 79.32**

	2022	**2021**	**2020**
Weighted-average grant date fair value (per share)	**$ 76.96**	$ 72.69	$ 96.21
Fair value of shares granted (thousands of dollars)	**$ 4,342**	$ 3,660	$ 3,005

For the years ended December 31, 2022, 2021 and 2020, the fair value of restricted stock vested was $2.9 million, $3.4 million, and $3.3 million, respectively.

Performance Stock Unit Award Activity

As of December 31, 2022, there was $8.0 million of total unrecognized compensation expense related to the nonvested performance stock unit awards, which is expected to be recognized over a weighted-average period of 1.8 years. The following tables set forth activity and various statistics related to our performance stock unit awards and the assumptions used by us in the valuations of the 2022, 2021 and 2020 grants at the grant date:

	Number of Units		Weighted-Average Grant Date Fair Value
Nonvested at December 31, 2021	198,599	$	90.13
Granted	**87,266**	**$**	**95.80**
Vested	**(63,389)**	**$**	**89.86**
Forfeited	**(7,939)**	**$**	**91.41**
Nonvested at December 31, 2022	**214,537**	**$**	**92.47**

	2022	2021	2020
Volatility (a)	**34.00%**	32.70%	16.40%
Dividend yield	**3.22%**	3.19%	2.25%
Risk-free interest rate (b)	**1.65%**	0.20%	1.40%

(a) - Volatility based on historical volatility over three years using daily stock price observations of our peer utilities.
(b) - Using 3-year treasury rate.

		2022		2021		2020
Weighted-average grant date fair value (per share)	**$**	**95.80**	$	82.51	$	102.77
Fair value of shares granted (thousands of dollars)	**$**	**8,360**	$	8,860	$	6,502

For the years ended December 31, 2022, 2021 and 2020, the fair value of performance stock vested was $5.2 million, $7.2 million, and $10.2 million, respectively.

Employee Stock Purchase Plan

We have reserved a total of 1.25 million shares of common stock for issuance under our ESPP. Employees can choose to have up to 10 percent of their annual base pay withheld to purchase our common stock, subject to terms and limitations of the plan. The purchase price of the stock is 85 percent of the lower of the average market price of our common stock on the grant date or exercise date. Approximately 42 percent, 44 percent and 50 percent of employees participated in the plan in 2022, 2021 and 2020, respectively. For the years ended December 31, 2022, 2021 and 2020, employees purchased 86,657, 89,240, and 92,507 shares, respectively, at an average price of $65.21, $63.41 and $64.77, respectively.

Compensation expense related to our ESPP, before taxes, was $1.1 million for each of the years ended December 31, 2022, 2021 and 2020.

14. EMPLOYEE BENEFIT PLANS

Defined Benefit Pension and Other Postemployment Benefit Plans

Defined Benefit Pension Plans - We have a defined benefit pension plan and a supplemental executive retirement plan, both of which are closed to new participants. Certain employees of the Texas Gas Service division are entitled to benefits under a frozen cash-balance pension plan. We fund our defined benefit pension costs at a level needed to maintain or exceed the minimum funding levels required by the Employee Retirement Income Security Act of 1974, as amended, and the Pension Protection Act of 2006.

Other Postemployment Benefit Plans - We sponsor health and welfare plans that provide postemployment medical and life insurance benefits to certain employees who retire with at least five years of service. The postemployment medical plan is contributory based on hire date, age and years of service, with retiree contributions adjusted periodically, and contains other cost-sharing features such as deductibles and coinsurance.

Actuarial Assumptions - The following table sets forth the weighted-average assumptions used to determine benefit obligations for pension and postemployment benefits for the periods indicated:

	December 31,	
	2022	**2021**
Discount rate - pension plans	**5.60%**	3.05%
Discount rate - other postemployment plans	**5.70%**	3.00%
Compensation increase rate	**3.60% - 5.00%**	3.10% - 5.00%

The following table sets forth the weighted-average assumptions used by us to determine the periodic benefit costs for pension and postemployment benefits for the periods indicated:

	Years Ended December 31,		
	2022	**2021**	**2020**
Discount rate - pension plans	**3.05%/4.55% (a)**	2.80%	3.50%
Discount rate - other postemployment plans	**3.00%**	2.70%	3.40%
Expected long-term return on plan assets - pension plans	**6.40%**	7.15%	7.20%
Expected long-term return on plan assets - other postemployment plans	**5.85%**	7.50%	7.65%
Compensation increase rate	**3.10% - 5.00%**	3.10% - 3.90%	3.10% - 4.00%

(a) Pension plans were remeasured as of April 30, 2022.

We determine our discount rates annually. We estimate our discount rate based upon a comparison of the expected cash flows associated with our future payments under our defined benefit pension and other postemployment obligations to a hypothetical bond portfolio created using high-quality bonds that closely match expected cash flows. Bond portfolios are developed by selecting a bond for each of the next 60 years based on the maturity dates of the bonds. Bonds selected to be included in the portfolios are only those rated by Moody’s as AA- or better and exclude callable bonds, bonds with less than a minimum issue size, yield outliers and other filtering criteria to remove unsuitable bonds.

We determine our overall expected long-term rate of return on plan assets based on our review of historical returns and economic growth models. We update our assumed mortality rates to incorporate new tables issued by the Society of Actuaries as needed.

Regulatory Treatment - The OCC, KCC and regulatory authorities in Texas have approved the recovery of pension and other postemployment benefits costs through rates for Oklahoma Natural Gas, Kansas Gas Service and Texas Gas Service, respectively. The costs recovered through rates are based on current funding requirements and the net periodic benefit cost for defined benefit pension and other postemployment costs. Differences, if any, between the net periodic benefit cost, net of deferrals, and the amount recovered through rates are reflected in earnings.

We historically have recovered defined benefit pension and other postemployment benefit costs through rates. We believe it is probable that regulators will continue to include the net periodic pension and other postemployment benefit costs in our cost of service.

We capitalize all eligible service cost and non-service cost components pursuant to the accounting requirements of ASC Topic 980 (Regulated Operations) for rate-regulated entities, as these costs are authorized by our regulators to be included in capitalized costs. Noncurrent regulatory assets in our consolidated balance sheets reflect the capitalized non-service cost components of $2.8 million and $6.1 million as of December 31, 2022 and December 31, 2021, respectively. See Note 10 for additional information.

Obligations and Funded Status - The following table sets forth our defined benefit pension and other postemployment benefit plans, benefit obligations and fair value of plan assets for the periods indicated:

	Pension Benefits		Other Postemployment Benefits	
	December 31,		December 31,	
	2022	2021	2022	2021
Changes in Benefit Obligation	*(Thousands of dollars)*			
Benefit obligation, beginning of period	**$ 1,049,990**	$ 1,077,641	**$ 222,806**	$ 239,530
Service cost	**10,369**	13,811	**1,274**	1,587
Interest cost	**36,150**	29,458	**6,448**	6,251
Plan participants' contributions	**—**	—	**3,035**	3,226
Actuarial loss (gain)	**(259,261)**	(19,587)	**(48,609)**	(8,894)
Benefits paid	**(55,326)**	(51,333)	**(16,612)**	(18,894)
Plan amendments	**2,711**	—	**—**	—
Benefit obligation, end of period	**784,633**	1,049,990	**168,342**	222,806
Change in Plan Assets				
Fair value of plan assets, beginning of period	**1,013,244**	987,583	**231,994**	230,895
Actual return (loss) on plan assets	**(190,484)**	75,999	**(38,432)**	14,786
Employer contributions	**1,527**	995	**1,892**	1,981
Plan participants' contributions	**—**	—	**3,035**	3,226
Benefits paid	**(55,326)**	(51,333)	**(16,612)**	(18,894)
Fair value of assets, end of period	**768,961**	1,013,244	**181,877**	231,994
Benefit Asset (Obligation), net at December 31	**$ (15,672)**	$ (36,746)	**13,535**	$ 9,188
Other noncurrent assets	**5,267**	—	**13,535**	9,188
Current liabilities	**(1,352)**	(1,521)	**—**	—
Noncurrent liabilities	**(19,587)**	(35,225)	**—**	—
Benefit Asset (Obligation), net at December 31	**$ (15,672)**	$ (36,746)	**$ 13,535**	$ 9,188

The accumulated benefit obligation for our defined benefit pension plans was $746.8 million and $1.0 billion at December 31, 2022 and 2021, respectively.

For the years ended December 31, 2022 and 2021, the pension benefit obligations experienced actuarial gains of $259.3 million and $19.6 million, respectively, primarily due to the impact of increases in the discount rates used to calculate the benefit obligations.

In 2023, our contributions are expected to be $1.4 million to our defined benefit pension plans, and no contributions are expected to be made to our other postemployment benefit plans.

Components of Net Periodic Benefit Cost - The following tables set forth the components of net periodic benefit cost, prior to regulatory deferrals, for our defined benefit pension and other postemployment benefit plans for the period indicated:

	Pension Benefits		
	Year Ended December 31,		
	2022	2021	2020
	(Thousands of dollars)		
Components of net periodic benefit cost			
Service cost	**$ 10,369**	$ 13,811	$ 12,869
Interest cost (a)	**36,150**	29,458	34,179
Expected return on assets (a)	**(58,528)**	(62,382)	(61,119)
Amortization of unrecognized prior service cost (a)	**248**	—	—
Amortization of net loss (a)	**16,793**	45,523	42,319
Net periodic benefit cost	**$ 5,032**	$ 26,410	$ 28,248

(a) These amounts, net of any amounts capitalized as a regulatory asset since adoption of ASU 2017-07 on January 1, 2018, have been recognized as other income (expense), net in the consolidated statements of income. See Note 16 for additional detail of our other income (expense), net.

	Other Postemployment Benefits		
	Year Ended December 31,		
	2022	2021	2020
	(Thousands of dollars)		
Components of net periodic benefit cost			
Service cost	**$ 1,274**	$ 1,587	$ 1,692
Interest cost (a)	**6,448**	6,251	7,557
Expected return on assets (a)	**(13,181)**	(16,807)	(15,469)
Amortization of unrecognized prior service cost (credit) (a)	**41**	(279)	(117)
Amortization of net loss (a)	**217**	373	173
Net periodic benefit cost (credit)	**$ (5,201)**	$ (8,875)	$ (6,164)

(a) These amounts, net of any amounts capitalized as a regulatory asset since adoption of ASU 2017-07 on January 1, 2018, have been recognized as other income (expense), net in the consolidated statements of income. See Note 16 for additional detail of our other income (expense), net.

We use a December 31 measurement date for our plans. On April 30, 2022, we amended our defined benefit pension plans to change the variable cost of living adjustment for eligible participants to a fixed rate. Accordingly, we remeasured our net benefit obligations as of April 30, 2022, resulting in an adjustment of approximately $7.2 million to our pension expense, net of capitalization and regulatory deferrals, for the year ended December 31, 2022.

Other Comprehensive Income (Loss) - The following table sets forth the amounts recognized in other comprehensive income (loss), net of regulatory deferrals, related to our defined benefit pension benefits for the period indicated:

	Pension Benefits		
	Year Ended December 31,		
	2022	2021	2020
	(Thousands of dollars)		
Net gain (loss) arising during the period	**$ 7,369**	$ 67	$ (2,519)
Amortization of loss	**159**	1,562	1,192
Deferred income taxes	**(1,705)**	(379)	289
Total recognized in other comprehensive income (loss)	**$ 5,823**	$ 1,250	$ (1,038)

Due to our regulatory deferrals, there were no amounts recognized in other comprehensive income (loss) related to our other postemployment benefits for the periods presented.

The tables below set forth the amounts in accumulated other comprehensive loss that had not yet been recognized as components of net periodic benefit expense for the periods indicated:

	Pension Benefits	
	December 31,	
	2022	2021
	(Thousands of dollars)	
Prior service cost	**$ (2,463)**	$ —
Accumulated loss	**(245,290)**	(272,332)
Accumulated other comprehensive loss before regulatory assets	**(247,753)**	(272,332)
Regulatory asset for regulated entities	**246,975**	264,027
Accumulated other comprehensive loss after regulatory assets	**(778)**	(8,305)
Deferred income taxes	**74**	1,778
Accumulated other comprehensive loss, net of tax	**$ (704)**	$ (6,527)

	Other Postemployment Benefits	
	December 31,	
	2022	2021
	(Thousands of dollars)	
Prior service cost	**$ (153)**	$ (194)
Accumulated loss	**(8,557)**	(5,887)
Accumulated other comprehensive loss before regulatory assets	**(8,710)**	(6,081)
Regulatory asset for regulated entities	**8,710**	6,081
Accumulated other comprehensive loss after regulatory assets	**$ —**	$ —

Health Care Cost Trend Rates - The following table sets forth the assumed health care cost-trend rates for the periods indicated:

	2022	2021
Health care cost-trend rate assumed for next year	**6.50%**	6.00%
Rate to which the cost-trend rate is assumed to decline (the ultimate trend rate)	**4.50%**	4.50%
Year that the rate reaches the ultimate trend rate	**2030**	2028

Plan Assets - Our investment strategy is to invest plan assets in accordance with sound investment practices that emphasize long-term fundamentals. The goal of this strategy is to maximize investment returns while managing risk in order to meet the plan's current and projected financial obligations. To achieve this strategy, we have established a liability-driven investment strategy to change the allocations as the funded status of the defined benefit pension plan increases. The plan's investments include a diverse blend of various domestic and international equities, investment-grade debt securities which mirror the cash flows of our liability, insurance contracts and alternative investments. The current target allocation for the assets of our defined benefit pension plan is as follows:

Investment-grade bonds	60.0 %
U.S. large-cap equities	14.0 %
Alternative investments	10.0 %
Developed foreign large-cap equities	7.0 %
Mid-cap equities	5.0 %
Emerging markets equities	1.0 %
Small-cap equities	3.0 %
Total	100 %

As part of our risk management for the plans, minimums and maximums have been set for each of the asset classes listed above. All investment managers for the plan are subject to certain restrictions on the securities they purchase and, with the exception of indexing purposes, are prohibited from owning our stock.

The current target allocation for the assets of our other postemployment benefits plan is 90 percent fixed income securities and 10 percent equity securities.

The following tables set forth our pension and other postemployment benefits plan assets by fair value category as of the measurement date:

	Pension Benefits December 31, 2022			
Asset Category	**Level 1**	**Level 2**	**Level 3**	**Total**
	(Thousands of dollars)			
Investments:				
Equity securities (a)	$ **150,027**	$ **—**	$ **—**	$ **150,027**
Government obligations	**—**	**160,799**	**—**	**160,799**
Corporate obligations (b)	**—**	**329,973**	**—**	**329,973**
Cash and money market funds (c)	**4,466**	**22,185**	**—**	**26,651**
Insurance contracts and group annuity contracts	**—**	**—**	**14,480**	**14,480**
Other investments (d)	**—**	**—**	**87,031**	**87,031**
Total assets	$ **154,493**	$ **512,957**	$ **101,511**	$ **768,961**

(a) - This category represents securities of the various market sectors from diverse industries.
(b) - This category represents bonds from diverse industries.
(c) - This category primarily represents money market funds.
(d) - This category represents alternative investments such as hedge funds and other financial instruments.

Asset Category	Pension Benefits December 31, 2021			
	Level 1	Level 2	Level 3	Total
	(Thousands of dollars)			
Investments:				
Equity securities (a)	$ 223,871	$ —	$ —	$ 223,871
Government obligations	—	205,741	—	205,741
Corporate obligations (b)	—	440,445	—	440,445
Cash and money market funds (c)	3,864	30,546	—	34,410
Insurance contracts and group annuity contracts	—	—	17,301	17,301
Other investments (d)	—	20	91,456	91,476
Total assets	$ 227,735	$ 676,752	$ 108,757	$ 1,013,244

(a) - This category represents securities of the various market sectors from diverse industries.
(b) - This category represents bonds from diverse industries.
(c) - This category primarily represents money market funds.
(d) - This category represents alternative investments such as hedge funds and other financial instruments.

Asset Category	Other Postemployment Benefits December 31, 2022			
	Level 1	Level 2	Level 3	Total
	(Thousands of dollars)			
Investments:				
Equity securities (a)	**$ 5,983**	**$ —**	**$ —**	**$ 5,983**
Government obligations	**—**	**43,291**	**—**	**43,291**
Corporate obligations (b)	**—**	**38,095**	**—**	**38,095**
Cash and money market funds (c)	**750**	**7,621**	**—**	**8,371**
Insurance contracts and group annuity contracts (d)	**—**	**86,137**	**—**	**86,137**
Total assets	**$ 6,733**	**$ 175,144**	**$ —**	**$ 181,877**

(a) - This category represents securities of the various market sectors from diverse industries.
(b) - This category represents bonds from diverse industries.
(c) - This category primarily represents money market funds.
(d) - This category includes equity securities and bonds held in a captive insurance product.

Asset Category	Other Postemployment Benefits December 31, 2021 Level 1	Level 2	Level 3	Total
	(Thousands of dollars)			
Investments:				
Equity securities (a)	$ 25,577	$ —	$ —	$ 25,577
Government obligations	—	41,366	—	41,366
Corporate obligations (b)	—	41,601	—	41,601
Cash and money market funds (c)	542	12,990	—	13,532
Insurance contracts and group annuity contracts (d)	—	109,918	—	109,918
Total assets	$ 26,119	$ 205,875	$ —	$ 231,994

(a) - This category represents securities of the various market sectors from diverse industries.
(b) - This category represents bonds from diverse industries.
(c) - This category primarily represents money market funds.
(d) - This category includes equity securities and bonds held in a captive insurance product.

Insurance contracts and group annuity contracts include investments in the Immediate Participation Guarantee Fund ("IPG Fund") with John Hancock and are valued at fair value. John Hancock invests the IPG Fund in its general fund portfolio. The contract value of the IPG Fund at the end of the year, which approximates fair value, is estimated. The difference between this estimated balance and the actual balance, as subsequently determined by John Hancock, is charged or credited to the net assets of the plans.

Certain investments that are categorized as money market funds in Level 2 and "Other investments" in Level 3 represent alternative investments such as hedge funds and other financial instruments measured using the net asset value per share (or its equivalent) practical expedient.

The following tables set forth additional information regarding commitments and redemption limitations of these other investments at the periods indicated:

	December 31, 2022 Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
	(in thousands)			(in days)
Grosvenor Registered Multi Limited Partnership	**$ 40,160**	**$ —**	**quarterly**	**65**
K2 Institutional Investors II Limited Partnership	**$ 46,871**	**$ —**	**quarterly**	**91**

	December 31, 2021 Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
	(in thousands)			(in days)
Grosvenor Registered Multi Limited Partnership	$ 44,818	$ —	quarterly	65
K2 Institutional Investors II Limited Partnership	$ 46,638	$ —	quarterly	91

The following table sets forth the reconciliation of Level 3 fair value measurements of our pension plans for the periods indicated:

	Pension Benefits		
	Insurance Contracts	Other Investments	Total
	(Thousands of dollars)		
January 1, 2021	$ 24,603	$ 87,634	$ 112,237
Unrealized gains	—	1,625	1,625
Unrealized losses	(3,368)	—	(3,368)
Purchases	—	2,197	2,197
Settlements	(3,934)	—	(3,934)
December 31, 2021	$ 17,301	$ 91,456	$ 108,757
Unrealized gains	**1,467**	—	**1,467**
Unrealized losses	—	**(7,458)**	**(7,458)**
Purchases	**182**	**3,033**	**3,215**
Settlements	**(4,470)**	—	**(4,470)**
December 31, 2022	**$ 14,480**	**$ 87,031**	**$ 101,511**

Pension and Other Postemployment Benefit Payments - Benefit payments for our defined benefit pension and other postemployment benefit plans for the year ended December 31, 2022 were $55.3 million and $16.6 million, respectively. The following table sets forth the pension benefits and other postemployment benefits payments expected to be paid in 2023-2032:

	Pension Benefits	Other Postemployment Benefits
Benefits to be paid in:	(Thousands of dollars)	
2023	$ 53,970	$ 15,502
2024	$ 54,807	$ 15,150
2025	$ 55,446	$ 14,878
2026	$ 56,241	$ 14,488
2027	$ 56,546	$ 14,199
2028 through 2032	$ 287,424	$ 65,748

The expected benefits to be paid are based on the same assumptions used to measure our benefit obligations at December 31, 2022, and include estimated future employee service.

Other Employee Benefit Plans

401(k) Plan - We have a 401(k) plan which covers all full-time employees. Employee contributions are discretionary and we match 100 percent of each participant's eligible contribution up to 6 percent of eligible compensation, subject to certain limits. Our contributions to the plan were $15.3 million, $14.3 million and $13.8 million in 2022, 2021 and 2020, respectively.

Effective December 30, 2021, our profit sharing-plan was merged with and into our 401(k) Plan. We plan to make a profit-sharing contribution to the 401(k) Plan each quarter equal to 1 percent of each participant's eligible compensation during the quarter. Additional discretionary profit-sharing contributions may be made at the end of each year. Our profit-sharing contributions made to the plan were $10.9 million, $9.9 million and $9.4 million in 2022, 2021 and 2020, respectively.

15. INCOME TAXES

The following table sets forth our provision for income taxes for the periods indicated:

	Years Ended December 31,		
	2022	**2021**	**2020**
	(*Thousands of dollars*)		
Current income tax provision (benefit)			
Federal	**$ 61,745**	$ (1,568)	$ 20,129
State	**6,815**	(1,565)	2,965
Total current income tax provision (benefit)	**68,560**	(3,133)	23,094
Deferred income tax provision (benefit)			
Federal	**(22,234)**	37,810	10,757
State	**200**	5,639	7,728
Total deferred income tax provision (benefit)	**(22,034)**	43,449	18,485
Total provision for income taxes	**$ 46,526**	$ 40,316	$ 41,579

The following table is a reconciliation of our income tax provision for the periods indicated:

	Years Ended December 31,		
	2022	**2021**	**2020**
	(*Thousands of dollars*)		
Income before income taxes	**$ 268,268**	$ 246,750	$ 237,991
Federal statutory income tax rate	**21 %**	21 %	21 %
Provision for federal income taxes	**56,335**	51,817	49,978
State income taxes, net of federal tax benefit	**7,016**	4,074	10,693
Amortization of EDIT regulatory liability	**(17,986)**	(17,289)	(17,031)
Tax (expense) benefit for employee share-based compensation	**350**	(469)	(1,489)
Other, net	**811**	2,183	(572)
Total provision for income taxes	**$ 46,526**	$ 40,316	$ 41,579

As of December 31, 2022, we have no uncertain tax positions. Changes in tax laws or tax rates are recognized in the financial reporting period that includes the enactment date. As a regulated entity, the decrease in ADIT resulting from a change in tax laws or tax rates is recorded as a regulatory liability and is subject to refund to our customers.

In May 2021, a bill amending the Oklahoma state income tax code was signed into law that reduced the state income tax rate to four percent from six percent beginning January 1, 2022. As a result of the enactment of this legislation, we remeasured our ADIT. As a regulated entity, the reduction in ADIT of $29.3 million was recorded as a regulatory liability. The impact of the change in the state income tax rate on Oklahoma Natural Gas' rates, as well as the timing and amount of the impact on the annual crediting mechanism for the EDIT regulatory liability, was included in the March 15, 2022 PBRC filing, as approved in November 2022, and was not material.

Income tax expense reflects credits for the amortization of the regulatory liability associated with EDIT that was returned to customers of $18.0 million and $17.3 million for the years ending December 31, 2022, and 2021, respectively.

The following table sets forth the tax effects of temporary differences that gave rise to significant portions of the deferred tax assets and liabilities for the periods indicated:

	December 31, 2022	December 31, 2021
	(Thousands of dollars)	
Deferred tax assets		
Employee benefits and other accrued liabilities	**$ 4,256**	$ 11,126
Regulatory adjustments for enacted tax rate changes	**114,551**	120,051
Net operating loss	**161,320**	424,861
Lease obligation basis	**9,158**	6,906
Purchased-gas cost adjustment	**3,384**	—
Other	**3,014**	12,597
Total deferred tax assets	**295,683**	575,541
Deferred tax liabilities		
Excess of tax over book depreciation	**792,570**	734,051
Winter weather event costs	**121,347**	421,070
Purchased-gas cost adjustment	**—**	37,433
Other regulatory assets and liabilities, net	**71,180**	71,541
Right-of-use asset basis	**9,042**	6,730
Total deferred tax liabilities	**994,139**	1,270,825
Net deferred tax liabilities	**$ 698,456**	$ 695,284

We deduct our purchased gas costs for federal income tax purposes in the period they are paid. As a result of the impacts from government securitization of Winter Storm Uri, we recorded a $299.7 million decrease in our deferred tax liability for the year ended December 31, 2022. At December 31, 2022, we had $152.2 million (tax effected) of federal net operating loss carryforwards and $9.1 million (tax effected) of state net operating loss carryforwards available to offset future taxable income.

We have filed our consolidated federal and state income tax returns for years 2019, 2020 and 2021. We are no longer subject to income tax examination for years prior to 2019.

16. OTHER INCOME AND OTHER EXPENSE

The following table sets forth the components of other income and other expense for the periods indicated:

	Years Ended December 31, 2022	2021	2020
	(Thousands of dollars)		
Net periodic benefit (cost) other than service cost	**$ 3,766**	$ (3,930)	$ (5,071)
Earnings (losses) on investments associated with nonqualified employee benefit plans	**(7,197)**	3,699	4,616
Other, net	**(752)**	(2,976)	(2,565)
Total other expense, net	**$ (4,183)**	$ (3,207)	$ (3,020)

17. COMMITMENTS AND CONTINGENCIES

Leases - See Note 5 of the Notes to Consolidated Financial Statements in this Annual Report for discussion of operating leases.

Environmental Matters - We are subject to multiple laws and regulations regarding protection of the environment and natural and cultural resources, which affect many aspects of our present and future operations. Regulated activities include, but are not limited to, those involving air emissions, storm water and wastewater discharges, handling and disposal of solid and hazardous wastes, wetland preservation, plant and wildlife protection, hazardous materials use, storage and transportation, and pipeline and facility construction. These laws and regulations require us to obtain and/or comply with a wide variety of environmental clearances, registrations, licenses, permits and other approvals. Failure to comply with these laws, regulations, licenses and permits or the discovery of presently unknown environmental conditions may expose us to fines, penalties and/or interruptions in our operations that could be material to our results of operations. In addition, emission controls and/or other regulatory or permitting mandates under the CAA and other similar federal and state laws could require unexpected capital expenditures. We cannot assure that existing environmental statutes and regulations will not be revised or that new regulations will not be adopted or become applicable to us. Revised or additional statutes or regulations that result in increased compliance costs or additional operating restrictions could have a material adverse effect on our business, financial condition and results of operations. Our expenditures for environmental investigation and remediation compliance to-date have not been significant in relation to our financial position, results of operations or cash flows, and our expenditures related to environmental matters had no material effects on earnings or cash flows during 2022, 2021 or 2020.

We own or retain legal responsibility for certain environmental conditions at 12 former MGP sites in Kansas. These sites contain contaminants generally associated with MGP sites and are subject to control or remediation under various environmental laws and regulations. A consent agreement with the KDHE governs all environmental investigation and remediation work at these sites. The terms of the consent agreement require us to investigate these sites and set remediation activities based upon the results of the investigations and risk analysis. Remediation typically involves the management of contaminated soils and may involve removal of structures and monitoring and/or remediation of groundwater. Regulatory closure has been achieved at five of the 12 sites, but these sites remain subject to potential future requirements that may result in additional costs.

We have an AAO that allows Kansas Gas Service to defer and seek recovery of costs necessary for investigation and remediation at, and nearby, these 12 former MGP sites that are incurred after January 1, 2017, up to a cap of $15.0 million, net of any related insurance recoveries. Costs approved for recovery in a future rate proceeding would then be amortized over a 15-year period. The unamortized amounts will not be included in rate base or accumulate carrying charges. Following a determination that future investigation and remediation work approved by the KDHE is expected to exceed $15.0 million, net of any related insurance recoveries, Kansas Gas Service will be required to file an application with the KCC for approval to increase the $15.0 million cap. At December 31, 2022 and 2021, we have deferred $29.8 million and $29.9 million, respectively, for accrued investigation and remediation costs pursuant to our AAO. Kansas Gas Service expects to file an application as soon as practicable after the KDHE approves the plans we have submitted.

We have completed or are addressing removal of the source of soil contamination at all 12 sites and continue to monitor groundwater at seven of the 12 sites according to plans approved by the KDHE. In 2019, we completed a project to remove a source of contamination and associated contaminated materials at the twelfth site where no active soil remediation had previously occurred. Remediation plans concerning various sites were submitted to the KDHE in 2021 and 2020 and the KDHE has provided comments that we are addressing. We are also working on a remediation plan for another of these sites for submission to the KDHE.

We also own or retain legal responsibility for certain environmental conditions at a former MGP site in Texas. At the request of the TCEQ, we began investigating the level and extent of contamination associated with the site under their Texas Risk Reduction Program. A preliminary site investigation revealed that this site contains contaminants generally associated with MGP sites and is subject to control or remediation under various environmental laws and regulations. Impacts have been identified in the soil and groundwater at the site with limited impacts observed in surrounding areas. On April 14, 2022, we submitted a remediation work plan to address the areas impacted to the TCEQ. At December 31, 2022, estimated costs associated with expected remediation activities for this site are not material.

Our expenditures for environmental evaluation, mitigation, remediation and compliance to date have not been significant in relation to our financial position, results of operations or cash flows, and our expenditures related to environmental matters had no material effects on earnings or cash flows during the years ended December 31, 2022, 2021 and 2020. The reserve for remediation of our MGP sites was $12.7 million and $22.8 million at December 31, 2022 and December 31, 2021, respectively. Environmental issues may exist with respect to MGP sites that are unknown to us. Accordingly, future costs are dependent on the final determination and regulatory approval of any remedial actions, the complexity of the site, level of remediation required, changing technology and governmental regulations, and to the extent not recovered by insurance or recoverable in rates from our customers, could be material to our financial condition, results of operations or cash flows.

We are subject to environmental regulation by federal, state and local authorities. Due to the inherent uncertainties surrounding the development of federal and state environmental laws and regulations, we cannot determine with specificity the impact such laws and regulations may have on our existing and future facilities. With the trend toward stricter standards, greater regulation and more extensive permit requirements for the types of assets operated by us, our environmental expenditures could increase in the future, and such expenditures may not be fully recovered by insurance or recoverable in rates from our customers, and those costs may adversely affect our financial condition, results of operations and cash flows.

Pipeline Safety - We are subject to regulation under federal pipeline safety statutes and any analogous state regulations. These include safety requirements for the design, construction, operation, and maintenance of pipelines, including transmission and distribution pipelines. At the federal level, we are regulated by PHMSA. PHMSA regulations require the following for certain pipelines: inspection and maintenance plans; integrity management programs, including the determination of pipeline integrity risks and periodic assessments on certain pipeline segments; an operator qualification program, which includes certain trainings; a public awareness program that provides certain information; and a control room management plan.

As part of regulating pipeline safety, PHMSA promulgates various regulations. In April 2016, PHMSA published a NPRM, the Safety of Gas Transmission & Gathering Lines Rule, in the Federal Register to revise pipeline safety regulations applicable to the safety of onshore natural gas transmission and gathering pipelines. Proposals included changes to pipeline integrity management requirements and other safety-related requirements, which were split into three separate rulemakings. At December 31, 2022, all three final rules have been published and the potential capital and operating expenditures associated with compliance were not material or did not apply to us.

Separately, as part of the Consolidated Appropriations Act, 2021, the PIPES Act of 2020 reauthorized PHMSA through 2023 and directed the agency to move forward with several regulatory actions, including the "Pipeline Safety: Class Location Change Requirements" and the "Pipeline Safety: Safety of Gas Transmission and Gathering Pipelines" proposed rulemakings. Congress has also instructed PHMSA to issue final regulations that will require operators of non-rural gas gathering lines and new and existing transmission and distribution pipeline facilities to conduct certain leak detection and repair programs and to require facility inspection and maintenance plans to align with those regulations. To the extent such rulemakings impose more stringent requirements on our facilities, we may be required to incur expenditures that may be material.

Legal Proceedings - We are a party to various litigation matters and claims that have arisen in the normal course of our operations. While the results of litigation and claims cannot be predicted with certainty, we believe the reasonably possible losses from such matters, individually and in the aggregate, are not material. Additionally, we believe the probable outcome of such matters will not have a material adverse effect on our results of operations, financial position or cash flows.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 9A. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

We carried out an evaluation, under the supervision and with the participation of our management, including our Chief Executive Officer (Principal Executive Officer) and Chief Financial Officer (Principal Financial Officer), of the effectiveness of the Company's disclosure controls and procedures, as such term is defined in Rule 13a-15(e) under the Exchange Act. Based on this evaluation, the Company's Principal Executive Officer and Principal Financial Officer have concluded that our disclosure controls and procedures were effective as of the end of the period covered by this Annual Report based on the evaluation of the controls and procedures required by Rule 13a-15(b) of the Exchange Act.

Management's Report on Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Exchange Act Rule 13a-15(f). Under the supervision and with the participation of our management, including our Principal Executive Officer and Principal Financial Officer, we evaluated the effectiveness of our internal control over financial reporting based on the framework in *Internal Control-Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission. Because of inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate. Based on our evaluation under that framework and applicable SEC rules, our management concluded that our internal control over financial reporting was effective as of December 31, 2022.

The effectiveness of our internal control over financial reporting as of December 31, 2022, has been audited by PricewaterhouseCoopers LLP, an independent registered public accounting firm, as stated in their report which is included herein (Item 8).

Changes in Internal Control Over Financial Reporting

There have been no changes in our internal control over financial reporting during the quarter ended December 31, 2022, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

ITEM 9B. OTHER INFORMATION

Not applicable.

ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

Not applicable.

PART III.

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

Directors of the Registrant

Information concerning our directors is set forth in our 2023 definitive Proxy Statement and is incorporated herein by this reference.

Executive Officers of the Registrant

Information concerning our executive officers is included in Part I, Item 1, Business, of this Annual Report.

Compliance with Section 16(a) of the Exchange Act

Information on compliance with Section 16(a) of the Exchange Act is set forth in our 2023 definitive Proxy Statement and is incorporated herein by this reference.

Code of Ethics

Information concerning the code of ethics, or code of business conduct, is set forth in our 2023 definitive Proxy Statement and is incorporated herein by this reference.

Nominating Procedures

Information concerning the nominating procedures is set forth in our 2023 definitive Proxy Statement and is incorporated herein by this reference.

The Audit Committee

Information concerning the Audit Committee is set forth in our 2023 definitive Proxy Statement and is incorporated herein by this reference.

The Audit Committee Financial Experts

Information concerning the Audit Committee Financial Experts is set forth in our 2023 definitive Proxy Statement and is incorporated herein by this reference.

The Executive Compensation Committee

Information concerning the Executive Compensation Committee is set forth in our 2023 definitive Proxy Statement and is incorporated herein by this reference.

The Corporate Governance Committee

Information concerning the Corporate Governance Committee is set forth in our 2023 definitive Proxy Statement and is incorporated herein by this reference.

The Executive Committee

Information concerning the Executive Committee is set forth in our 2023 definitive Proxy Statement and is incorporated herein by this reference.

Committee Charters

The full text of our Audit Committee charter, Executive Compensation Committee charter, Corporate Governance Committee charter and Executive Committee charter are published on and may be printed from our website at www.onegas.com and are also available from our corporate secretary upon request.

ITEM 11. EXECUTIVE COMPENSATION

Information on executive compensation is set forth in our 2023 definitive Proxy Statement and is incorporated herein by this reference.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

Security Ownership of Certain Beneficial Owners

Information concerning the ownership of certain beneficial owners is set forth in our 2023 definitive Proxy Statement and is incorporated herein by this reference.

Security Ownership of Management

Information on security ownership of directors and officers is set forth in our 2023 definitive Proxy Statement and is incorporated herein by this reference.

Equity Compensation Plan Information

Information on equity compensation plans is set forth in our 2023 definitive Proxy Statement and is incorporated herein by this reference.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

Information on certain relationships and related transactions and director independence is set forth in our 2023 definitive Proxy Statement and is incorporated herein by this reference.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

Information on the principal accountant's fees and services is set forth in our 2023 definitive Proxy Statement and is incorporated herein by this reference.

PART IV.

ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES

(2) Consolidated Financial Statements Schedules

All schedules have been omitted because of the absence of conditions under which they are required.

(3) Exhibits

3.1	Amended and Restated Certificate of Incorporation of ONE Gas, Inc., dated May 24, 2018 (incorporated by reference to Exhibit 3.1 to ONE Gas, Inc.'s Current Report on Form 8-K filed on May 30, 2018 (File No. 1-36108)).
3.2	Amended and Restated By-Laws of ONE Gas, Inc. dated February 21, 2023 (incorporated by reference to Exhibit 3.1 to ONE Gas, Inc.'s Current Report on Form 8-K filed on February 21, 2023 (File No. 1-36108)).
3.3	Amended and Restated Limited Liability Company Agreement of Kansas Gas Service Securitization I, L.L.C., dated as of November 16, 2022 (incorporated by reference to Exhibit 3.3 to ONE Gas, Inc.'s Current Report on Form 8-K filed on November 18, 2022 (File No. 1-36108)).
4.1	Form of Common Stock Certificate (incorporated by reference to Exhibit 4.2 to ONE Gas, Inc.'s Registration Statement on Form 10, Amendment No. 2 filed on December 23, 2013 (File No. 1-36108)).
4.2	Indenture, dated January 27, 2014, between ONE Gas, Inc. and U.S. Bank National Association, as trustee (incorporated by reference to Exhibit 10.1 to ONE Gas, Inc.'s Current Report on Form 8-K filed on January 30, 2014 (File No. 1-36108)).
4.3	Supplemental Indenture No. 1, dated January 27, 2014, between ONE Gas, Inc. and U.S. Bank National Association, as trustee, with respect to the 2.070% Senior Notes due 2019, the 3.610% Senior Notes due 2024 and the 4.685% Senior Notes due 2044-(incorporated by reference to Exhibit 10.2 to ONE Gas, Inc.'s Current Report on Form 8-K filed on January 30, 2014 (File No. 1-36108)).
4.4	Supplemental Indenture No. 2, dated November 5, 2018, among ONE Gas, Inc. and U.S. Bank National Bank Association, as trustee, with respect to the 4.50% Senior Notes due 2048 (incorporated by reference to Exhibit 4.2 to ONE Gas, Inc.'s Current Report on Form 8-K filed on November 6, 2018 (File No. 1-36108)).

4.5	Supplemental Indenture No. 3, dated May 4, 2020, among ONE Gas, Inc. and U.S. Bank National Bank Association, as trustee, with respect to the 2.00% Senior Notes due 2030 (incorporated by reference to Exhibit 4.2 to ONE Gas, Inc.'s Current Report on Form 8-K filed on May 4, 2020 (File No. 1-36108)).
4.6	Fourth Supplemental Indenture, dated as of March 11, 2021, between ONE Gas, Inc. and U.S. Bank National Association, as trustee, with respect to the 0.85% Senior Notes due 2023 and 1.10% Senior Notes due 2024 (incorporated by reference to Exhibit 4.2 to ONE Gas, Inc.'s Current Report on Form 8-K filed on March 11, 2021 (File No. 1-36108)).
4.7	Fifth Supplemental Indenture, dated as of March 11, 2021, between ONE Gas, Inc. and U.S. Bank National Association, as trustee, with respect to the Floating Rate Senior Notes due 2023 (incorporated by reference to Exhibit 4.3 to ONE Gas, Inc.'s Current Report on Form 8-K filed on March 11, 2021 (File No. 1-36108)).
4.8	Description of the Registrant's securities registered pursuant to Section 12 of the Securities Act of 1934 (incorporated by reference to Exhibit 4.6 to ONE Gas, Inc.'s Annual Report on Form 10-K filed on February 26, 2021 (File No. 1-36108)).
4.9	Sixth Supplemental Indenture, dated as of August 8, 2022, between ONE Gas, Inc. and U.S. Bank Trust Company, National Association, as trustee, with respect to the 4.25% Notes due 2032 (incorporated by reference to Exhibit 4.2 of ONE Gas Inc.'s Current Report on Form 8-K filed on August 8, 2022 (File No. 1-36108)).
4.10	Indenture by and among Kansas Gas Service Securitization I, L.L.C., U.S. Bank Trust Company, National Association, as Indenture Trustee, and U.S. Bank National Association, as Securities Intermediary (including the form of the Securitized Utility Tariff Bonds and the Series Supplement), dated as of November 18, 2022 (incorporated by reference to Exhibit 4.1 to ONE Gas, Inc.'s Current Report on Form 8-K filed on November 18, 2022 (File No. 1-36108)).
4.11	Series Supplement by and among Kansas Gas Service Securitization I, L.L.C. and U.S. Bank Trust Company, National Association, as Indenture Trustee, dated as of November 18, 2022 (incorporated by reference to Exhibit 4.2 to ONE Gas, Inc.'s Current Report on Form 8-K filed on November 18, 2022 (File No. 1-36108)).
10.1*	Form of ONE Gas, Inc. Indemnification Agreement between ONE Gas, Inc. and ONE Gas, Inc. officers and directors (incorporated by reference to Exhibit 10.5 to ONE Gas, Inc.'s Registration Statement on Form 10 filed on October 1, 2013 (File No. 1-36108)).
10.2*	ONE Gas, Inc. Pre-2005 Nonqualified Deferred Compensation Plan (incorporated by reference to Exhibit 10.7 to ONE Gas, Inc.'s Registration Statement on Form 10, Amendment No. 2 filed on December 23, 2013 (File No. 1-36108)).
10.3*	ONE Gas, Inc. Nonqualified Deferred Compensation Plan (incorporated by reference to Exhibit 10.8 to ONE Gas, Inc.'s Registration Statement on Form 10, Amendment No. 2 filed on December 23, 2013 (File No. 1-36108)).
10.4*	ONE Gas, Inc. Pre-2005 Supplemental Executive Retirement Plan (incorporated by reference to Exhibit 10.9 to ONE Gas, Inc.'s Registration Statement on Form 10, Amendment No. 2 filed on December 23, 2013 (File No. 1-36108)).
10.5*	ONE Gas, Inc. Supplemental Executive Retirement Plan, as amended and restated effective December 1, 2017 (incorporated by reference to Exhibit 10.8 to ONE Gas, Inc.'s Annual Report on Form 10-K filed on February 22, 2018 (File No. 1-36108)).
10.6*	ONE Gas, Inc. Officer Change in Control Severance Plan (incorporated by reference to Exhibit 10.12 to ONE Gas, Inc.'s Registration Statement filed on Form 10, Amendment No. 2 filed on December 23, 2013 (File No. 1-36108)).

10.7*	ONE Gas, Inc. Equity Compensation Plan, as amended and restated effective December 1, 2017 (incorporated by reference to Exhibit 10.11 to ONE Gas, Inc.'s Annual Report on Form 10-K filed on February 22, 2018 (File No. 1-36108)).
10.8*	Form of 2019 Restricted Unit Award Agreement (incorporated by reference to Exhibit 10.12 to ONE Gas, Inc.'s Annual Report on Form 10-K filed on February 20, 2019 (File No. 1-36108)).
10.9*	Form of 2019 Performance Unit Award Agreement (incorporated by reference to Exhibit 10.13 to ONE Gas, Inc.'s Annual Report on Form 10-K filed on February 20, 2019 (File No. 1-36108)).
10.10*	Form of 2023 Restricted Unit Award Agreement.
10.11*	Form of 2023 Performance Unit Award Agreement.
10.12	Extension Agreement dated as of October 5, 2018, among ONE Gas, Inc., Bank of America, N.A., as administrative agent, swing line lender, a letter of credit issuer and a lender, and the other lenders and letter of credit issuers parties thereto (incorporated by reference to Exhibit 10.1 to ONE Gas Inc's Current Report on Form 8-K filed on October 5, 2018 (File No. 1-36108)).
10.13*	ONE Gas, Inc. Amended and Restated Employee Stock Purchase Plan (incorporated by reference to Exhibit 10.16 to ONE Gas, Inc.'s Annual Report on Form 10-K filed on February 20, 2020 (File No. 1-36108)).
10.14	Credit Agreement, dated as of April 7, 2020, among ONE Gas, Inc., Bank of America, N.A., as administrative agent, and the other lenders party thereto (incorporated by reference to Exhibit 10.1 to ONE Gas, Inc.'s Current Report on Form 8-K filed on April 7, 2020 (File No. 1-36108)).
10.15	Form of Commercial Paper Dealer Agreement (incorporated by reference to Exhibit 10.1 to ONE Gas, Inc.'s Current Report on Form 8-K filed on September 10, 2014 (File No. 1-36108)).
10.16*	Form of 2020 Performance Unit Award Agreement (incorporated by reference to Exhibit 10.20 to ONE Gas, Inc.'s Annual Report on Form 10-K filed on February 20, 2020 (File No. 1-36108)).
10.17*	Form of 2020 Restricted Unit Award Agreement (incorporated by reference to Exhibit 10.21 to ONE Gas, Inc.'s Annual Report on Form 10-K filed on February 20, 2020 (File No. 1-36108)).
10.18	Equity Distribution Agreement, dated as of February 26, 2020, among ONE Gas, Inc. and Morgan Stanley & Co. LLC, BofA Securities, Inc., and Mizuho Securities USA LLC, acting as managers; Morgan Stanley & Co. LLC, Bank of America, N.A. and Mizuho Securities Americas LLC, acting as forward purchasers; and Morgan Stanley & Co. LLC, BofA Securities, Inc. and Mizuho Securities USA LLC, acting as forward sellers (incorporated by reference to Exhibit 1.1 to ONE Gas, Inc.'s Current Report on Form 8-K filed on February 26, 2020 (File No. 1-36108)).
10.19	Form of Master Forward Sale Confirmation (incorporated by reference to Exhibit 1.2 to ONE Gas, Inc.'s Current Report on Form 8-K filed on February 26, 2020 (File No. 1-36108)).
10.20*	Form of 2021 Restricted Unit Award Agreement (incorporated by reference to Exhibit 10.28 to ONE Gas, Inc.'s Annual Report on Form 10-K filed on February 26, 2021 (File No. 1-36108)).
10.21*	Form of 2021 Performance Unit Award Agreement (incorporated by reference to Exhibit 10.29 to ONE Gas, Inc.'s Annual Report on Form 10-K filed on February 26, 2021 (File No. 1-36108)).
10.22	Amended and Restated Credit Agreement, dated as of October 5, 2017, among ONE Gas, Inc., Bank of America, N.A., as administrative agent, swingline lender and a letter of credit issuer, and the other lenders and letter of credit issuers parties thereto (incorporated by reference to Exhibit 10.1 to ONE Gas, Inc.'s Current Report on Form 8-K filed on October 6, 2017 (File No. 1-36108)).

10.23*	ONE Gas, Inc. Nonqualified Deferred Compensation Plan, as amended and restated effective January 1, 2018 (incorporated by reference to Exhibit 10.28 to ONE Gas, Inc.'s Annual Report on Form 10-K filed February 22, 2018 (File No. 1-36108)).
10.24	First Amendment and Extension Agreement, dated as of October 4, 2019, among ONE Gas, Inc., Bank of America, N.A., as administrative agent, swing line lender, a letter of credit issuer and a lender, and the other lenders and letter of credit issuers parties thereto (incorporated by reference to Exhibit 10.1 to ONE Gas, Inc.'s Current Report on Form 8-K filed on October 4, 2019 (File No. 1-36108)).
10.25*	ONE Gas, Inc. Amended and Restated Equity Compensation Plan (2018) (incorporated by reference to Appendix A to ONE Gas, Inc.'s Definitive Proxy Statement on Schedule 14A filed on April 4, 2018 (File No. 1-36108)).
10.26*	ONE Gas, Inc. Amended and Restated Annual Officer Incentive Plan, effective January 1, 2020 (incorporated by reference to Exhibit 10.31 to ONE Gas, Inc.'s Annual Report on Form 10-K filed on February 20, 2020 (File No. 1-36108)).
10.27*	Form of 2022 Restricted Unit Award Agreement (incorporated by reference to Exhibit 10.28 to ONE Gas, Inc's Annual Report on Form 10-K filed on February 24, 2022 (File No. 1-36108)).
10.28*	Form of 2022 Performance Unit Award Agreement (incorporated by reference to Exhibit 10.29 to ONE Gas, Inc's Annual Report on Form 10-K filed on February 24, 2022 (File No. 1-36108)).
10.29*	Form of 2021 Restricted Unit Award Agreement dated June 2021 (incorporated by reference to Exhibit 10.30 to ONE Gas, Inc's Annual Report on Form 10-K filed on February 24, 2022 (File No. 1-36108)).
10.30*	Form of 2021 Performance Unit Award Agreement dated June 2021 (incorporated by reference to Exhibit 10.31 to ONE Gas, Inc's Annual Report on Form 10-K filed on February 24, 2022 (File No. 1-36108)).
10.31*	Form of 2021 Restricted Unit Award Agreement dated September 2021 (incorporated by reference to Exhibit 10.32 to ONE Gas, Inc's Annual Report on Form 10-K filed on February 24, 2022 (File No. 1-36108)).
10.32*	Form of 2021 Performance Unit Award Agreement dated September 2021 (incorporated by reference to Exhibit 10.33 to ONE Gas, Inc's Annual Report on Form 10-K filed on February 24, 2022 (File No. 1-36108)).
10.33*	Form of 2020 Restricted Unit Award Agreement dated July 2020 (incorporated by reference to Exhibit 10.30 to ONE Gas, Inc.'s Annual Report on Form 10-K filed February 26, 2021 (File No. 1-36108)).
10.34*	ONE Gas Inc. Annual Officer Incentive Plan, effective January 1, 2019 (incorporated by reference to Exhibit 10.30 to ONE Gas, Inc.'s Annual Report on Form 10-K filed February 20, 2019 (File No. 1-36108)).
10.35	Credit Agreement, dated as of February 22, 2021, among ONE Gas, Inc., the lenders from time to time party thereto and Bank of America, N.A., as administrative agent (incorporated by reference to Exhibit 10.1 to ONE Gas Inc.'s Current Report on Form 8-K filed on February 22, 2021 (File No. 1-36108)).
10.36	Credit Agreement, dated as of March 16, 2021, among ONE Gas, Inc., the lenders from time to time party thereto and Bank of America, N.A., as administrative agent (incorporated by reference to Exhibit 10.1 to ONE Gas, Inc.'s Current Report on Form 8-K filed on March 16, 2021 (File No. 1-36108)).
10.37*	ONE Gas, Inc. Nonqualified Deferred Compensation Plan, as amended and restated effective January 1, 2022 (incorporated by reference to Exhibit 10.1 to ONE Gas, Inc.'s Quarterly Report on Form 10-Q filed on November 2, 2021 (File No. 1-36108)).
10.38*	ONE Gas, Inc. Amended and Restated Employee Stock Purchase Plan (incorporated by reference to Appendix A to ONE Gas, Inc.'s Definitive Proxy Statement on Schedule 14A filed on April 7, 2021 (File No. 1-36108)).

10.39	First Amendment to Second Amended and Restated Credit Agreement, dated as of March 16, 2022, among ONE Gas, Inc., Bank of America, N.A., as administrative agent, swing line lender and letter of credit issuer, and the lenders party thereto (incorporated by reference to Exhibit 10.1 to ONE Gas, Inc.'s Current Report on Form 8-K filed on March 17, 2022 (File No. 1-36108)).
10.40	Securitization Property Purchase and Sale Agreement dated as of August 25, 2022 by and between the Oklahoma Development Finance Authority, as Issuer, and Oklahoma Natural Gas Company, a division of ONE Gas, Inc., as Seller (incorporated by reference to Exhibit 10.1 of ONE Gas, Inc.'s Current Report on Form 8-K filed on August 26, 2022 (File No. 1-36108)).
10.41	ONE Gas, Inc. Deferred Compensation Plan for Non-Employee Directors, amended and restated effective July 18, 2022 (incorporated by reference to Exhibit 10.3 of ONE Gas, Inc.'s Quarterly Report on Form 10-Q filed on November 1, 2022 (File No. 1-36108)).
10.42	Securitized Utility Tariff Property Servicing Agreement between Kansas Gas Service Securitization I, L.L.C. and Kansas Gas Service, a Division of ONE Gas, Inc., as Servicer, dated as of November 18, 2022 (incorporated by reference to Exhibit 10.1 to ONE Gas, Inc.'s Current Report on Form 8-K filed on November 18, 2022 (File No. 1-36108)).
10.43	Securitized Utility Tariff Property Purchase and Sale Agreement between Kansas Gas Service Securitization I, L.L.C. and Kansas Gas Service, a Division of ONE Gas, Inc., as Seller, dated as of November 18, 2022 (incorporated by reference to Exhibit 10.2 to ONE Gas, Inc.'s Current Report on Form 8-K filed on November 18, 2022 (File No. 1-36108)).
10.44	Administration Agreement between Kansas Gas Service Securitization I, L.L.C. and Kansas Gas Service, a Division of ONE Gas, Inc., as Administrator, dated as of November 18, 2022 (incorporated by reference to Exhibit 10.3 to ONE Gas, Inc.'s Current Report on Form 8-K filed on November 18, 2022 (File No. 1-36108)).
21.1	Subsidiaries of ONE Gas, Inc.
23.1	Consent of Independent Registered Public Accounting Firm - PricewaterhouseCoopers LLP.
31.1	Certification of Robert S. McAnnally pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of Caron A. Lawhorn pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification of Robert S. McAnnally pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (furnished only pursuant to Rule 13a-14(b)).
32.2	Certification of Caron A. Lawhorn pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (furnished only pursuant to Rule 13a-14(b)).

101.INS	XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH	XBRL Schema Document.
101.CAL	XBRL Calculation Linkbase Document.
101.LAB	XBRL Label Linkbase Document.
101. PRE	XBRL Presentation Linkbase Document.
101.DEF	XBRL Extension Definition Linkbase Document.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document and contained in Exhibit 101).

* Management contract or compensatory plan or arrangement

Attached as Exhibit 101 to this Annual Report are the following XBRL-related documents: (i) Document and Entity Information; (ii) Consolidated Statements of Income for the years ended December 31, 2022, 2021 and 2020; (iii) Consolidated Statements of Comprehensive Income for the years ended December 31, 2022, 2021 and 2020; (iv) Consolidated Balance Sheets as of December 31, 2022 and 2021; (v) Consolidated Statements of Cash Flows for the years ended December 31, 2022, 2021 and 2020; (vi) Consolidated Statements of Equity for the years ended December 31, 2022, 2021 and 2020; and (vii) Notes to Consolidated Financial Statements.

We also make available on our website the Interactive Data Files submitted as Exhibit 101 to this Annual Report.

ITEM 16. FORM 10-K SUMMARY

None.

Signatures

Pursuant to the requirements of Section 13 or 15(d) of the Exchange Act, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: February 23, 2023

ONE Gas, Inc.
Registrant

By: /s/ Caron A. Lawhorn
Caron A. Lawhorn
Senior Vice President and
Chief Financial Officer

Pursuant to the requirements of the Exchange Act, this report has been signed below by the following persons on behalf of the registrant and in the capacities indicated on this 23rd day of February 2023.

/s/ John W. Gibson John W. Gibson Chairman of the Board	/s/ Robert S. McAnnally Robert S. McAnnally President, Chief Executive Officer and Director
/s/ Caron A. Lawhorn Caron A. Lawhorn Senior Vice President and Chief Financial Officer	/s/ Brian F. Brumfield Brian F. Brumfield Vice President, Chief Accounting Officer and Controller (Principal Accounting Officer)
/s/ Robert B. Evans Robert B. Evans Director	/s/ Tracy E. Hart Tracy E. Hart Director
/s/ Michael G. Hutchinson Michael G. Hutchinson Director	/s/ Pattye L. Moore Pattye L. Moore Director
/s/ Eduardo A. Rodriguez Eduardo A. Rodriguez Director	/s/ Douglas H. Yaeger Douglas H. Yaeger Director

Forward-looking Statements

Statements contained in this annual report that include company expectations, our business outlook, our future plans or predictions relating to any matters should be considered forward-looking statements that are covered by the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, the Securities Act of 1933 and the Securities Exchange Act of 1934, each as amended.

It is important to note that the actual results could differ materially from those projected in such forward-looking statements.

For additional information that could cause actual results to differ materially from such forward-looking statements, refer to ONE Gas' Securities and Exchange Commission filings.

Shareholder Information

EQ Shareowner Services
P.O. Box 64854
St. Paul, MN 55164-0854
P: 855-217-6403
P: (Outside U.S.) 651-450-4064
TDD number: 651-450-4144
shareowneronline.com

Direct Stock Purchase & Dividend Reinvestment Plan

ONE Gas' Direct Stock Purchase and Dividend Reinvestment Plan provides new investors and current shareholders a convenient way to purchase ONE Gas common stock without paying processing fees or service charges and to reinvest cash dividends.

For more information or to enroll in a plan, call EQ at 855-217-6403. The Prospectus is also available at onegas.com.

Annual Meeting Details

The 2023 annual meeting of shareholders will be held Thursday, May 25, 2023, at 9 a.m. Central Daylight Time as a virtual meeting only. The meeting will be held online, accessible through a live webcast.

Auditors

PricewaterhouseCoopers LLP
Two Warren Place
6120 South Yale Avenue, Suite 1850
Tulsa, OK 74136

Corporate Headquarters

First Place Tower
15 East Fifth Street
Tulsa, OK 74103

Credit Ratings

Moody's: A3 (Stable)
Standard & Poor's: A- (Stable)

ONE Gas Investor Relations

P.O. Box 21049
Tulsa, OK 74121
P: 855-496-0200
E: IR@onegas.com

15 East Fifth Street, Tulsa, OK 74103
918-947-7000 | ONEGas.com

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FINANCIAL STATEMENTS ARE PROVIDED IN SECTION 13

KANSAS GAS SERVICE, A DIVISION OF ONE Gas, INC.
Summary of Revenue by General Customer Classification
Test Year Ended September 30, 2023

Line No.	Description	Pro Forma Revenue Existing Tariffs	Revenue Increase	Pro Forma Revenue Proposed Tariffs
	Col. 1	Col. 2	Col. 3	Col. 4
	Operating Revenues			
	Sales service revenue			
1	Residential sales service	$229,907,719	$81,118,498	$311,026,217
2	General sales service small	23,086,960	2,820,501	25,907,461
3	General sales service large	17,801,599	4,975,610	22,777,209
4	General sales service transport eligible	5,031,942	(150,435)	4,881,507
5	Small generator sales service	472,336	0	472,336
6	Gas irrigation service	233,608	(3,838)	229,770
7	Kansas Gas Supply sales service D	0	0	0
8	Sales service for resale	41,331	1,562	42,893
9	Total sales revenue	$276,575,495	$88,761,898	$365,337,393
	Transportation service revenue			
10	Small transportation service	$15,146,432	$2,375,306	$17,521,738
11	Compressed natural gas general transportation service	353,121	17,686	370,807
12	Gas irrigation transportation service	1,712,667	(2)	1,712,665
13	Large volume transportation service	21,886,433	1,946,785	23,833,218
14	Wholesale transportation service	947,058	0	947,058
15	Total transportation revenue	$40,045,711	$4,339,775	$44,385,486
16	Other operating revenue	$19,817,690	$0	19,817,690
17	Total operating revenues	$336,438,896	$93,101,673	$429,540,569
18	Proposed target revenue			429,542,055
19	Rate design difference			($1,486)

Line No.	Description	Reference	Residential Sales Service Tariff Schedule - RS Sales	Transport
	Col. 1	Col. 2	Col. 3	Col. 4
	Customers			
1	Average number of customers per books	8-F	591,642	0
2	Pro forma adjustments		(975)	0
3	Pro forma average number of customers		590,667	0
	Deliveries			
4	Deliveries (Mcf) per books	8-F	41,107,073	0
5	Pro forma adjustments		1,921,817	0
6	Pro forma deliveries (Mcf)		43,028,890	0
	Revenue			
7	Base revenue		$258,352,450	$0
8	Cost of Gas		360,836,236	0
9	Total revenue per books	8-F	$619,188,686	$0
10	Pro forma revenue adjustments		(389,280,967)	0
11	Pro forma revenue		$229,907,719	$0
12	Revenue per unit (line 11 / line 6)		$5.3431	$0.0000

Line No.	Description	Reference	General Sales Service Small Tariff Schedule - GSS: Sales	Transport
	Col. 1	Col. 2	Col. 3	Col. 4
	Customers			
1	Average number of customers per books	8-F	37,020	0
2	Pro forma adjustments		(64)	0
3	Pro forma average number of customers		36,956	0
	Deliveries			
4	Deliveries (Mcf) per books	8-F	4,368,924	0
5	Pro forma adjustments		196,197	0
6	Pro forma deliveries (Mcf)		4,565,121	0
	Revenue			
7	Base revenue		$25,894,588	$0
8	Cost of Gas		39,187,178	0
9	Total revenue per books	8-F	$65,081,765	$0
10	Pro forma revenue adjustments		(41,994,805)	0
11	Pro forma revenue		$23,086,960	$0
12	Revenue per unit (line 11 / line 6)		$5.0573	$0.0000

Line No.	Description	Reference	General Sales Service Large Tariff Schedule - GSL Sales	Transport
	Col. 1	Col. 2	Col. 3	Col. 4
	Customers			
1	Average number of customers per books	8-F	11,919	0
2	Pro forma adjustments		41	0
3	Pro forma average number of customers		11,960	0
	Deliveries			
4	Deliveries (Mcf) per books	8-F	6,111,889	0
5	Pro forma adjustments		283,269	0
6	Pro forma deliveries (Mcf)		6,395,158	0
	Revenue			
7	Base revenue		$20,721,506	$0
8	Cost of Gas		53,650,311	0
9	Total revenue per books	8-F	$74,371,816	$0
10	Pro forma revenue adjustments		(56,570,217)	0
11	Pro forma revenue		$17,801,599	$0
12	Revenue per unit (line 11 / line 6)		$2.7836	$0.0000

Line No.	Description	Reference	General Sales Service Transport Eligible Tariff Schedule - GSTE Sales	Transport
	Col. 1	Col. 2	Col. 3	Col. 4
	Customers			
1	Average number of customers per books	8-F	638	0
2	Pro forma adjustments		27	0
3	Pro forma average number of customers		665	0
	Deliveries			
4	Deliveries (Mcf) per books	8-F	2,326,860	$0
5	Pro forma adjustments		212,989	0
6	Pro forma deliveries (Mcf)		2,539,849	$0
	Revenue			
7	Base revenue		$5,661,717	$0
8	Cost of Gas		19,372,835	0
9	Total revenue per books	8-F	$25,034,553	$0
10	Pro forma revenue adjustments		(20,002,611)	0
11	Pro forma revenue		$5,031,942	$0
12	Revenue per unit (line 11 / line 6)		$1.9812	$0.0000

Line No.	Description	Reference	Small Generator Sales Service Tariff Schedule - SGS Sales	Transport
	Col. 1	Col. 2	Col. 3	Col. 4
	Customers			
1	Average number of customers per books	8-F	740	0
2	Pro forma adjustments		3	0
3	Pro forma average number of customers		743	0
	Deliveries			
4	Deliveries (Mcf) per books	8-F	21,026	0
5	Pro forma adjustments		1,056	0
6	Pro forma deliveries (Mcf)		22,082	0
	Revenue			
7	Base revenue		$511,292	$0
8	Cost of Gas		183,109	0
9	Total revenue per books	8-F	$694,401	$0
10	Pro forma revenue adjustments		(222,065)	0
11	Pro forma revenue		$472,336	$0
12	Revenue per unit (line 11 / line 6)		$21.3901	$0.0000

Line No.	Description	Reference	Gas Irrigation Service Tariff Schedule - GIS Sales	Transport
	Col. 1	Col. 2	Col. 3	Col. 4
	Customers			
1	Average number of customers per books	8-F	179	0
2	Pro forma adjustments		(1)	0
3	Pro forma average number of customers		178	0
	Deliveries			
4	Deliveries (Mcf) per books	8-F	98,735	0
5	Pro forma adjustments		(5,545)	0
6	Pro forma deliveries (Mcf)		93,190	0
	Revenue			
7	Base revenue		$281,456	$0
8	Cost of Gas		643,479	0
9	Total revenue per books	8-F	$924,935	$0
10	Pro forma revenue adjustments		(691,326)	0
11	Pro forma revenue		$233,608	$0
12	Revenue per unit (line 11 / line 6)		$2.5068	$0.0000

Line No.	Description	Reference	Kansas Gas Supply Sales Service D Tariff Schedule - KGSSD Sales	Transport
	Col. 1	Col. 2	Col. 3	Col. 4
	<u>Customers</u>			
1	Average number of customers per books	8-F	0	0
2	Pro forma adjustments		0	0
3	Pro forma average number of customers		0	0
	<u>Deliveries</u>			
4	Deliveries (Mcf) per books	8-F	0	0
5	Pro forma adjustments		0	0
6	Pro forma deliveries (Mcf)		0	0
	<u>Revenue</u>			
7	Base revenue		$0	$0
8	Cost of Gas		0	0
9	Total revenue per books	8-F	$0	$0
10	Pro forma revenue adjustments		0	0
11	Pro forma revenue		$0	$0
12	Revenue per unit (line 11 / line 6)		$0.0000	$0.0000

Line No.	Description	Reference	Sales Service for Resale Tariff Schedule - SSR: Sales	Sales Service for Resale Tariff Schedule - SSR: Transport
	Col. 1	Col. 2	Col. 3	Col. 4
	Customers			
1	Average number of customers per books	8-F	16	0
2	Pro forma adjustments		0	0
3	Pro forma average number of customers		16	0
	Deliveries			
4	Deliveries (Mcf) per books	8-F	29,845	0
5	Pro forma adjustments		(1,802)	0
6	Pro forma deliveries (Mcf)		28,043	0
	Revenue			
7	Base revenue		$64,170	$0
8	Cost of Gas		264,450	0
9	Total revenue per books	8-F	$328,620	$0
10	Pro forma revenue adjustments		(287,289)	0
11	Pro forma revenue		$41,331	$0
12	Revenue per unit (line 11 / line 6)		$1.4738	$0.0000

Line No.	Description	Reference	Small Transportation Service Tariff Schedule - STk Sales	Small Transportation Service Tariff Schedule - STk Transport
	Col. 1	Col. 2	Col. 3	Col. 4
	Customers			
1	Average number of customers per books	8-F	0	3,369
2	Pro forma adjustments		0	(98)
3	Pro forma average number of customers		0	3,271
	Deliveries			
4	Deliveries (Mcf) per books	8-F	0	5,808,036
5	Pro forma adjustments		0	14,739
6	Pro forma deliveries (Mcf)		0	5,822,775
	Revenue			
7	Base revenue		$0	$13,566,638
8	Cost of Gas		0	0
9	Total revenue per books	8-F	$0	$13,566,638
10	Pro forma revenue adjustments		0	(2,881,451)
11	Pro forma revenue		$0	$10,685,188
12	Revenue per unit (line 11 / line 6)		$0.0000	$1.8351

Line No.	Description	Reference	Small Transportation Service Tariff Schedule - STt Sales	Transport
	Col. 1	Col. 2	Col. 3	Col. 4
	Customers			
1	Average number of customers per books	8-F	0	1,188
2	Pro forma adjustments		0	(24)
3	Pro forma average number of customers		0	1,164
	Deliveries			
4	Deliveries (Mcf) per books	8-F	0	1,922,116
5	Pro forma adjustments		0	3,093
6	Pro forma deliveries (Mcf)		0	1,925,209
	Revenue			
7	Base revenue		$0	$5,468,759
8	Cost of Gas		0	0
9	Total revenue per books	8-F	$0	$5,468,759
10	Pro forma revenue adjustments		0	(1,007,515)
11	Pro forma revenue		$0	$4,461,244
12	Revenue per unit (line 11 / line 6)		$0.0000	$2.3173

Line No.	Description	Reference	Compressed Natural Gas General Transportation Service Tariff Schedule - CNGk Sales	Transport
	Col. 1	Col. 2	Col. 3	Col. 4
	Customers			
1	Average number of customers per books	8-F	0	10
2	Pro forma adjustments		0	(0)
3	Pro forma average number of customers		0	10
	Deliveries			
4	Deliveries (Mcf) per books	8-F	0	345,958
5	Pro forma adjustments		0	(12,997)
6	Pro forma deliveries (Mcf)		0	332,961
	Revenue			
7	Base revenue		$0	$357,093
8	Cost of Gas		0	0
9	Total revenue per books	8-F	$0	$357,093
10	Pro forma revenue adjustments		0	(79,913)
11	Pro forma revenue		$0	$277,180
12	Revenue per unit (line 11 / line 6)		$0.0000	$1.2481

Line No.	Description	Reference	Compressed Natural Gas General Transportation Service Tariff Schedule - CNGt	
			Sales	Transport
	Col. 1	Col. 2	Col. 3	Col. 4
	Customers			
1	Average number of customers per books	8-F	0	2
2	Pro forma adjustments		0	(0)
3	Pro forma average number of customers		0	2
	Deliveries			
4	Deliveries (Mcf) per books	8-F	0	82,968
5	Pro forma adjustments		0	(5,258)
6	Pro forma deliveries (Mcf)		0	77,710
	Revenue			
7	Base revenue		$0	$99,236
8	Cost of Gas		0	0
9	Total revenue per books	8-F	$0	$99,236
10	Pro forma revenue adjustments		0	(23,295)
11	Pro forma revenue		$0	$75,941
12	Revenue per unit (line 11 / line 6)		$0.0000	$1.0925

Line No.	Description	Reference	Gas Irrigation Transportation Service Tariff Schedule - GITt Sales	Transport
	Col. 1	Col. 2	Col. 3	Col. 4
	Customers			
1	Average number of customers per books	8-F	0	508
2	Pro forma adjustments		0	0
3	Pro forma average number of customers		0	509
	Deliveries			
4	Deliveries (Mcf) per books	8-F	0	922,761
5	Pro forma adjustments		0	(57,632)
6	Pro forma deliveries (Mcf)		0	865,129
	Revenue			
7	Base revenue		$0	$2,090,498
8	Cost of Gas		0	0
9	Total revenue per books	8-F	$0	$2,090,498
10	Pro forma revenue adjustments		0	(377,831)
11	Pro forma revenue		$0	$1,712,667
12	Revenue per unit (line 11 / line 6)		$0.0000	$1.9797

Line No.	Description	Reference	Large Volume Transportation Service Tariff Schedule - LVTk Tier 1 Sales	Transport
	Col. 1	Col. 2	Col. 3	Col. 4
	Customers			
1	Average number of customers per books	8-F	0	168
2	Pro forma adjustments		0	(6)
3	Pro forma average number of customers		0	162
	Deliveries			
4	Deliveries (Mcf) per books	8-F	0	870,257
5	Pro forma adjustments		0	8,604
6	Pro forma deliveries (Mcf)		0	878,861
	Revenue			
7	Base revenue		$0	$1,549,707
8	Cost of Gas		0	0
9	Total revenue per books	8-F	$0	$1,549,707
10	Pro forma revenue adjustments		0	(273,204)
11	Pro forma revenue		$0	$1,276,504
12	Revenue per unit (line 11 / line 6)		$0.0000	$1.4525

Line No.	Description	Reference	Large Volume Transportation Service Tariff Schedule - LVTk Tier 2 Sales	Transport
	Col. 1	Col. 2	Col. 3	Col. 4
	Customers			
1	Average number of customers per books	8-F	0	110
2	Pro forma adjustments		0	(4)
3	Pro forma average number of customers		0	106
	Deliveries			
4	Deliveries (Mcf) per books	8-F	0	1,642,938
5	Pro forma adjustments		0	(11,972)
6	Pro forma deliveries (Mcf)		0	1,630,966
	Revenue			
7	Base revenue		$0	$2,237,290
8	Cost of Gas		0	0
9	Total revenue per books	8-F	$0	$2,237,290
10	Pro forma revenue adjustments		0	(421,121)
11	Pro forma revenue		$0	$1,816,169
12	Revenue per unit (line 11 / line 6)		$0.0000	$1.1136

Line No.	Description	Reference	Large Volume Transportation Service Tariff Schedule - LVTk Tier 3 Sales	Transport
	Col. 1	Col. 2	Col. 3	Col. 4
	Customers			
1	Average number of customers per books	8-F	0	66
2	Pro forma adjustments		0	0
3	Pro forma average number of customers		0	66
	Deliveries			
4	Deliveries (Mcf) per books	8-F	0	1,966,524
5	Pro forma adjustments		0	54,775
6	Pro forma deliveries (Mcf)		0	2,021,299
	Revenue			
7	Base revenue		$0	$2,468,046
8	Cost of Gas		0	0
9	Total revenue per books	8-F	$0	$2,468,046
10	Pro forma revenue adjustments		0	(407,512)
11	Pro forma revenue		$0	$2,060,533
12	Revenue per unit (line 11 / line 6)		$0.0000	$1.0194

Line No.	Description	Reference	Large Volume Transportation Service Tariff Schedule - LVTk Tier 4	
			Sales	Transport
	Col. 1	Col. 2	Col. 3	Col. 4
	Customers			
1	Average number of customers per books	8-F	0	87
2	Pro forma adjustments		0	(16)
3	Pro forma average number of customers		0	71
	Deliveries			
4	Deliveries (Mcf) per books	8-F	0	15,427,702
5	Pro forma adjustments		0	(6,757,620)
6	Pro forma deliveries (Mcf)		0	8,670,082
	Revenue			
7	Base revenue		$0	$12,912,300
8	Cost of Gas		0	0
9	Total revenue per books	8-F	$0	$12,912,300
10	Pro forma revenue adjustments		0	(4,869,307)
11	Pro forma revenue		$0	$8,042,993
12	Revenue per unit (line 11 / line 6)		$0.0000	$0.9277

Line No.	Description	Reference	Large Volume Transportation Service Tariff Schedule - LVTt Tier 1: Sales	Large Volume Transportation Service Tariff Schedule - LVTt Tier 1: Transport
	Col. 1	Col. 2	Col. 3	Col. 4
	Customers			
1	Average number of customers per books	8-F	0	25
2	Pro forma adjustments		0	(3)
3	Pro forma average number of customers		0	22
	Deliveries			
4	Deliveries (Mcf) per books	8-F	0	141,306
5	Pro forma adjustments		0	(12,436)
6	Pro forma deliveries (Mcf)		0	128,870
	Revenue			
7	Base revenue		$0	$352,510
8	Cost of Gas		0	0
9	Total revenue per books	8-F	$0	$352,510
10	Pro forma revenue adjustments		0	(86,984)
11	Pro forma revenue		$0	$265,526
12	Revenue per unit (line 11 / line 6)		$0.0000	$2.0604

Line No.	Description	Reference	Large Volume Transportation Service Tariff Schedule - LVTt Tier 2 Sales	Transport
	Col. 1	Col. 2	Col. 3	Col. 4
	Customers			
1	Average number of customers per books	8-F	0	25
2	Pro forma adjustments		0	(1)
3	Pro forma average number of customers		0	24
	Deliveries			
4	Deliveries (Mcf) per books	8-F	0	407,441
5	Pro forma adjustments		0	(2,719)
6	Pro forma deliveries (Mcf)		0	404,722
	Revenue			
7	Base revenue		$0	$782,654
8	Cost of Gas		0	0
9	Total revenue per books	8-F	$0	$782,654
10	Pro forma revenue adjustments		0	(121,030)
11	Pro forma revenue		$0	$661,624
12	Revenue per unit (line 11 / line 6)		$0.0000	$1.6348

Line No.	Description	Reference	Large Volume Transportation Service Tariff Schedule - LVTt Tier 3 Sales	Transport
	Col. 1	Col. 2	Col. 3	Col. 4
	Customers			
1	Average number of customers per books	8-F	0	26
2	Pro forma adjustments		0	0
3	Pro forma average number of customers		0	26
	Deliveries			
4	Deliveries (Mcf) per books	8-F	0	701,179
5	Pro forma adjustments		0	15,353
6	Pro forma deliveries (Mcf)		0	716,532
	Revenue			
7	Base revenue		$0	$1,296,974
8	Cost of Gas		0	0
9	Total revenue per books	8-F	$0	$1,296,974
10	Pro forma revenue adjustments		0	(181,988)
11	Pro forma revenue		$0	$1,114,986
12	Revenue per unit (line 11 / line 6)		$0.0000	$1.5561

Line No.	Description	Reference	Large Volume Transportation Service Tariff Schedule - LVTt Tier 4 Sales	Transport
	Col. 1	Col. 2	Col. 3	Col. 4
	Customers			
1	Average number of customers per books	8-F	0	43
2	Pro forma adjustments		0	(15)
3	Pro forma average number of customers		0	27
	Deliveries			
4	Deliveries (Mcf) per books	8-F	0	31,228,136
5	Pro forma adjustments		0	(26,408,204)
6	Pro forma deliveries (Mcf)		0	4,819,932
	Revenue			
7	Base revenue		$0	$18,754,806
8	Cost of Gas		0	0
9	Total revenue per books	8-F	$0	$18,754,806
10	Pro forma revenue adjustments		0	(12,106,709)
11	Pro forma revenue		$0	$6,648,098
12	Revenue per unit (line 11 / line 6)		$0.0000	$1.3793

Line No.	Description	Reference	Wholesale Transportation Service Tariff Schedule - WTt Sales	Wholesale Transportation Service Tariff Schedule - WTt Transport
	Col. 1	Col. 2	Col. 3	Col. 4
	Customers			
1	Average number of customers per books	8-F	0	27
2	Pro forma adjustments		0	(5)
3	Pro forma average number of customers		0	22
	Deliveries			
4	Deliveries (Mcf) per books	8-F	0	2,956,627
5	Pro forma adjustments		0	(2,204,668)
6	Pro forma deliveries (Mcf)		0	751,959
	Revenue			
7	Base revenue		$0	$1,662,844
8	Cost of Gas		0	0
9	Total revenue per books	8-F	$0	$1,662,844
10	Pro forma revenue adjustments		0	(715,786)
11	Pro forma revenue		$0	$947,058
12	Revenue per unit (line 11 / line 6)		$0.0000	$1.2595

Line No.	Description	Reference	Residential Sales Service Tariff Schedule - RS Sales	Transport
	Col. 1	Col. 2	Col. 3	Col. 4
	Customers			
1	Pro forma average number of customers	17-B	590,667	0
	Deliveries			
2	Pro forma deliveries (Mcf)	17-B	43,028,890	0
	Revenue			
3	Proposed revenue		$311,026,217	$0
4	Pro forma revenue - existing tariffs	17-B	229,907,719	0
5	Additional revenue from proposed tariffs (line 3 - line 4)		$81,118,498	$0
6	COGR revenue		$377,357,984	$0
7	Percent increase (line 5 / (line 4+6))		13.36%	0.00%
8	Revenue per unit - proposed tariffs (line 3 / line 2)		$7.2283	$0.0000

Line No.	Description	Reference	General Sales Service Small Tariff Schedule - GSS Sales	General Sales Service Small Tariff Schedule - GSS Transport
	Col. 1	Col. 2	Col. 3	Col. 4
	Customers			
1	Pro forma average number of customers	17-B	36,956	0
	Deliveries			
2	Pro forma deliveries (Mcf)	17-B	4,565,121	0
	Revenue			
3	Proposed revenue		$25,907,461	$0
4	Pro forma revenue - existing tariffs	17-B	23,086,960	0
5	Additional revenue from proposed tariffs (line 3 - line 4)		$2,820,501	$0
6	COGR revenue		$40,035,540	$0
7	Percent increase (line 5 / (line 4+6))		4.47%	0.00%
8	Revenue per unit - proposed tariffs (line 3 / line 2)		$5.6751	$0.0000

Line No.	Description	Reference	General Sales Service Large Tariff Schedule - GSL Sales	Transport
	Col. 1	Col. 2	Col. 3	Col. 4
	Customers			
1	Pro forma average number of customers	17-B	11,960	0
	Deliveries			
2	Pro forma deliveries (Mcf)	17-B	6,395,158	0
	Revenue			
3	Proposed revenue		$22,777,209	$0
4	Pro forma revenue - existing tariffs	17-B	17,801,599	0
5	Additional revenue from proposed tariffs (line 3 - line 4)		$4,975,610	$0
6	COGR revenue		$56,084,733	$0
7	Percent increase (line 5 / (line 4+6))		6.73%	0.00%
8	Revenue per unit - proposed tariffs (line 3 / line 2)		$3.5616	$0.0000

Line No.	Description	Reference	General Sales Service Transport Eligible Tariff Schedule - GSTE Sales	Transport
	Col. 1	Col. 2	Col. 3	Col. 4
	Customers			
1	Pro forma average number of customers	17-B	665	0
	Deliveries			
2	Pro forma deliveries (Mcf)	17-B	2,539,849	0
	Revenue			
3	Proposed revenue		$4,881,507	$0
4	Pro forma revenue - existing tariffs	17-B	5,031,942	0
5	Additional revenue from proposed tariffs (line 3 - line 4)		($150,435)	$0
6	COGR revenue		$22,274,157	$0
7	Percent increase (line 5 / (line 4+6))		-0.55%	0.00%
8	Revenue per unit - proposed tariffs (line 3 / line 2)		$1.9220	$0.0000

Line No.	Description	Reference	Small Generator Sales Service Tariff Schedule - SGS Sales	Small Generator Sales Service Tariff Schedule - SGS Transport
	Col. 1	Col. 2	Col. 3	Col. 4
	Customers			
1	Pro forma average number of customers	17-B	743	0
	Deliveries			
2	Pro forma deliveries (Mcf)	17-B	22,082	0
	Revenue			
3	Proposed revenue		$472,336	$0
4	Pro forma revenue - existing tariffs	17-B	472,336	0
5	Additional revenue from proposed tariffs (line 3 - line 4)		$0	$0
6	COGR revenue		$193,656	$0
7	Percent increase (line 5 / (line 4+6))		0.00%	0.00%
8	Revenue per unit - proposed tariffs (line 3 / line 2)		$21.3901	$0.0000

Line No.	Description	Reference	Gas Irrigation Service Tariff Schedule - GIS Sales	Transport
	Col. 1	Col. 2	Col. 3	Col. 4
	Customers			
1	Pro forma average number of customers	17-B	178	0
	Deliveries			
2	Pro forma deliveries (Mcf)	17-B	93,190	0
	Revenue			
3	Proposed revenue		$229,770	$0
4	Pro forma revenue - existing tariffs	17-B	233,608	0
5	Additional revenue from proposed tariffs (line 3 - line 4)		($3,838)	$0
6	COGR revenue		$817,265	$0
7	Percent increase (line 5 / (line 4+6))		-0.37%	0.00%
8	Revenue per unit - proposed tariffs (line 3 / line 2)		$2.4656	$0.0000

Line No.	Description	Reference	Kansas Gas Supply Sales Service D Tariff Schedule - KGSSD Sales	Transport
	Col. 1	Col. 2	Col. 3	Col. 4
	Customers			
1	Pro forma average number of customers	17-B	0	0
	Deliveries			
2	Pro forma deliveries (Mcf)	17-B	0	0
	Revenue			
3	Proposed revenue		$0	$0
4	Pro forma revenue - existing tariffs	17-B	0	0
5	Additional revenue from proposed tariffs (line 3 - line 4)		$0	$0
6	COGR revenue		$0	$0
7	Percent increase (line 5 / (line 4+6))		0.00%	0.00%
8	Revenue per unit - proposed tariffs (line 3 / line 2)		$0.0000	$0.0000

Line No.	Description	Reference	Sales Service for Resale Tariff Schedule - SSR Sales	Sales Service for Resale Tariff Schedule - SSR Transport
	Col. 1	Col. 2	Col. 3	Col. 4
	Customers			
1	Pro forma average number of customers	17-B	16	0
	Deliveries			
2	Pro forma deliveries (Mcf)	17-B	28,043	0
	Revenue			
3	Proposed revenue		$42,893	$0
4	Pro forma revenue - existing tariffs	17-B	41,331	0
5	Additional revenue from proposed tariffs (line 3 - line 4)		$1,562	$0
6	COGR revenue		$245,934	$0
7	Percent increase (line 5 / (line 4+6))		0.54%	0.00%
8	Revenue per unit - proposed tariffs (line 3 / line 2)		$1.5295	$0.0000

Line No.	Description	Reference	Small Transportation Service Tariff Schedule - STk Sales	Transport
	Col. 1	Col. 2	Col. 3	Col. 4
	Customers			
1	Pro forma average number of customers	17-B	0	3,271
	Deliveries			
2	Pro forma deliveries (Mcf)	17-B	0	5,822,775
	Revenue			
3	Proposed revenue		$0	$12,453,628
4	Pro forma revenue - existing tariffs	17-B	0	10,685,188
5	Additional revenue from proposed tariffs (line 3 - line 4)		$0	$1,768,440
6	COGR revenue		$0	$0
7	Percent increase (line 5 / (line 4+6))		0.00%	16.55%
8	Revenue per unit - proposed tariffs (line 3 / line 2)		$0.0000	$2.1388

Line No.	Description	Reference	Small Transportation Service Tariff Schedule - STt Sales	Transport
	Col. 1	Col. 2	Col. 3	Col. 4
	Customers			
1	Pro forma average number of customers	17-B	0	1,164
	Deliveries			
2	Pro forma deliveries (Mcf)	17-B	0	1,925,209
	Revenue			
3	Proposed revenue		$0	$5,068,110
4	Pro forma revenue - existing tariffs	17-B	0	4,461,244
5	Additional revenue from proposed tariffs (line 3 - line 4)		$0	$606,866
6	COGR revenue		$0	$0
7	Percent increase (line 5 / (line 4+6))		0.00%	13.60%
8	Revenue per unit - proposed tariffs (line 3 / line 2)		$0.0000	$2.6325

Line No.	Description	Reference	Compressed Natural Gas General Transportation Service Tariff Schedule - CNGk Sales	Transport
	Col. 1	Col. 2	Col. 3	Col. 4
	Customers			
1	Pro forma average number of customers	17-B	0	10
	Deliveries			
2	Pro forma deliveries (Mcf)	17-B	0	332,961
	Revenue			
3	Proposed revenue		$0	$277,180
4	Pro forma revenue - existing tariffs	17-B	0	277,180
5	Additional revenue from proposed tariffs (line 3 - line 4)		$0	$0
6	COGR revenue		$0	$0
7	Percent increase (line 5 / (line 4+6))		0.00%	0.00%
8	Revenue per unit - proposed tariffs (line 3 / line 2)		$0.0000	$0.8325

Line No.	Description	Reference	Compressed Natural Gas General Transportation Service Tariff Schedule - CNGt	
			Sales	Transport
	Col. 1	Col. 2	Col. 3	Col. 4
	Customers			
1	Pro forma average number of customers	17-B	0	2
	Deliveries			
2	Pro forma deliveries (Mcf)	17-B	0	77,710
	Revenue			
3	Proposed revenue		$0	$93,627
4	Pro forma revenue - existing tariffs	17-B	0	75,941
5	Additional revenue from proposed tariffs (line 3 - line 4)		$0	$17,686
6	COGR revenue		$0	$0
7	Percent increase (line 5 / (line 4+6))		0.00%	0.00%
8	Revenue per unit - proposed tariffs (line 3 / line 2)		$0.0000	$1.2048

Line No.	Description	Reference	Gas Irrigation Transportation Service Tariff Schedule - GITt Sales	Gas Irrigation Transportation Service Tariff Schedule - GITt Transport
	Col. 1	Col. 2	Col. 3	Col. 4
	Customers			
1	Pro forma average number of customers	17-B	0	509
	Deliveries			
2	Pro forma deliveries (Mcf)	17-B	0	865,129
	Revenue			
3	Proposed revenue		$0	$1,712,665
4	Pro forma revenue - existing tariffs	17-B	0	1,712,667
5	Additional revenue from proposed tariffs (line 3 - line 4)		$0	($2)
6	COGR revenue		$0	$0
7	Percent increase (line 5 / (line 4+6))		0.00%	0.00%
8	Revenue per unit - proposed tariffs (line 3 / line 2)		$0.0000	$1.9797

Line No.	Description	Reference	Large Volume Transportation Service Tariff Schedule - LVTk Tier 1 Sales	Transport
	Col. 1	Col. 2	Col. 3	Col. 4
	Customers			
1	Pro forma average number of customers	17-B	0	162
	Deliveries			
2	Pro forma deliveries (Mcf)	17-B	0	878,861
	Revenue			
3	Proposed revenue		$0	$1,552,462
4	Pro forma revenue - existing tariffs	17-B	0	1,276,504
5	Additional revenue from proposed tariffs (line 3 - line 4)		$0	$275,958
6	COGR revenue		$0	$0
7	Percent increase (line 5 / (line 4+6))		0.00%	21.62%
8	Revenue per unit - proposed tariffs (line 3 / line 2)		$0.0000	$1.7664

Line No.	Description	Reference	Large Volume Transportation Service Tariff Schedule - LVTk Tier 2 Sales	Transport
	Col. 1	Col. 2	Col. 3	Col. 4
	Customers			
1	Pro forma average number of customers	17-B	0	106
	Deliveries			
2	Pro forma deliveries (Mcf)	17-B	0	1,630,966
	Revenue			
3	Proposed revenue		$0	$2,114,919
4	Pro forma revenue - existing tariffs	17-B	0	1,816,169
5	Additional revenue from proposed tariffs (line 3 - line 4)		$0	$298,750
6	COGR revenue		$0	$0
7	Percent increase (line 5 / (line 4+6))		0.00%	16.45%
8	Revenue per unit - proposed tariffs (line 3 / line 2)		$0.0000	$1.2967

Line No.	Description	Reference	Large Volume Transportation Service Tariff Schedule - LVTk Tier 3 Sales	Transport
	Col. 1	Col. 2	Col. 3	Col. 4
	Customers			
1	Pro forma average number of customers	17-B	0	66
	Deliveries			
2	Pro forma deliveries (Mcf)	17-B	0	2,021,299
	Revenue			
3	Proposed revenue		$0	$2,302,832
4	Pro forma revenue - existing tariffs	17-B	0	2,060,533
5	Additional revenue from proposed tariffs (line 3 - line 4)		$0	$242,299
6	COGR revenue		$0	$0
7	Percent increase (line 5 / (line 4+6))		0.00%	11.76%
8	Revenue per unit - proposed tariffs (line 3 / line 2)		$0.0000	$1.1393

Line No.	Description	Reference	Large Volume Transportation Service Tariff Schedule - LVTk Tier 4 Sales	Transport
	Col. 1	Col. 2	Col. 3	Col. 4
	Customers			
1	Pro forma average number of customers	17-B	0	71
	Deliveries			
2	Pro forma deliveries (Mcf)	17-B	0	8,670,082
	Revenue			
3	Proposed revenue		$0	$8,881,390
4	Pro forma revenue - existing tariffs	17-B	0	8,042,993
5	Additional revenue from proposed tariffs (line 3 - line 4)		$0	$838,397
6	COGR revenue		$0	$0
7	Percent increase (line 5 / (line 4+6))		0.00%	10.42%
8	Revenue per unit - proposed tariffs (line 3 / line 2)		$0.0000	$1.0244

Line No.	Description	Reference	Large Volume Transportation Service Tariff Schedule - LVTt Tier 1 Sales	Transport
	Col. 1	Col. 2	Col. 3	Col. 4
	Customers			
1	Pro forma average number of customers	17-B	0	22
	Deliveries			
2	Pro forma deliveries (Mcf)	17-B	0	128,870
	Revenue			
3	Proposed revenue		$0	$282,805
4	Pro forma revenue - existing tariffs	17-B	0	265,526
5	Additional revenue from proposed tariffs (line 3 - line 4)		$0	$17,279
6	COGR revenue		$0	$0
7	Percent increase (line 5 / (line 4+6))		0.00%	6.51%
8	Revenue per unit - proposed tariffs (line 3 / line 2)		$0.0000	$2.1945

Line No.	Description	Reference	Large Volume Transportation Service Tariff Schedule - LVTt Tier 2 Sales	Transport
	Col. 1	Col. 2	Col. 3	Col. 4
	Customers			
1	Pro forma average number of customers	17-B	0	24
	Deliveries			
2	Pro forma deliveries (Mcf)	17-B	0	404,722
	Revenue			
3	Proposed revenue		$0	$721,465
4	Pro forma revenue - existing tariffs	17-B	0	661,624
5	Additional revenue from proposed tariffs (line 3 - line 4)		$0	$59,841
6	COGR revenue		$0	$0
7	Percent increase (line 5 / (line 4+6))		0.00%	9.04%
8	Revenue per unit - proposed tariffs (line 3 / line 2)		$0.0000	$1.7826

Line No.	Description	Reference	Large Volume Transportation Service Tariff Schedule - LVTt Tier 3 Sales	Transport
	Col. 1	Col. 2	Col. 3	Col. 4
	Customers			
1	Pro forma average number of customers	17-B	0	26
	Deliveries			
2	Pro forma deliveries (Mcf)	17-B	0	716,532
	Revenue			
3	Proposed revenue		$0	$1,142,716
4	Pro forma revenue - existing tariffs	17-B	0	1,114,986
5	Additional revenue from proposed tariffs (line 3 - line 4)		$0	$27,730
6	COGR revenue		$0	$0
7	Percent increase (line 5 / (line 4+6))		0.00%	2.49%
8	Revenue per unit - proposed tariffs (line 3 / line 2)		$0.0000	$1.5948

Line No.	Description	Reference	Large Volume Transportation Service Tariff Schedule - LVTt Tier 4 Sales	Transport
	Col. 1	Col. 2	Col. 3	Col. 4
	Customers			
1	Pro forma average number of customers	17-B	0	27
	Deliveries			
2	Pro forma deliveries (Mcf)	17-B	0	4,819,932
	Revenue			
3	Proposed revenue		$0	$6,834,629
4	Pro forma revenue - existing tariffs	17-B	0	6,648,098
5	Additional revenue from proposed tariffs (line 3 - line 4)		$0	$186,531
6	COGR revenue		$0	$0
7	Percent increase (line 5 / (line 4+6))		0.00%	2.81%
8	Revenue per unit - proposed tariffs (line 3 / line 2)		$0.0000	$1.4180

Line No.	Description	Reference	Wholesale Transportation Service Tariff Schedule - WTt	
			Sales	Transport
	Col. 1	Col. 2	Col. 3	Col. 4
	Customers			
1	Pro forma average number of customers	17-B	0	22
	Deliveries			
2	Pro forma deliveries (Mcf)	17-B	0	751,959
	Revenue			
3	Proposed revenue		$0	$947,058
4	Pro forma revenue - existing tariffs	17-B	0	947,058
5	Additional revenue from proposed tariffs (line 3 - line 4)		$0	$0
6	COGR revenue		$0	$0
7	Percent increase (line 5 / (line 4+6))		0.00%	0.00%
8	Revenue per unit - proposed tariffs (line 3 / line 2)		$0.0000	$1.2595

Section 18
Redline Tariffs

Rate Schedule Index

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Effective:	~~December 1, 2022~~	
By:	/S/ Janet L. Buchanan Janet L. Buchanan, Director – Regulatory Affairs	

General Terms and Conditions for Gas Service

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Effective:	~~January 1, 2024~~	
By:	/S/ Janet L. Buchanan	
	Janet L. Buchanan, Director – Regulatory Affairs	

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5. **Discontinuation of Service**

5.01 **Notice to Customer for Discontinuing Service**

5.01.01 **Notice to Customer**: Company will give customer 10 days written notice before discontinuing service unless the discontinuance is made for any of the following reasons, in which case Company may discontinue service immediately:

(1) Upon customer request.

(2) The service is abandoned.

(3) Because of a dangerous condition.

(4) Because customer interferes with or diverts service (including meter bypass).

(5) To protect the safety of customer or other person.

(6) To maintain the integrity of Company's system.

(7) In order to comply with curtailment orders as issued by Company.

Company will restore service as soon as practicable as soon as the physical problems described in items (3) through (7) above have been corrected.

5.01.02 **Notice to Other Residents**: If Company has knowledge that persons other than customer or members of customer's family are residing at the premises where unauthorized interference, diversion, or use is taking place, Company shall give such persons a 2 day written or 24 hour oral notice prior to discontinuance, provided no dangerous conditions exist. Except as provided in Section 4.07 Cold Weather Rule, all written notices to customers for discontinuing service shall contain:

(1) The name and address of customer and the address, if different, where service is rendered.

(2) A clear and concise statement of the reason for the proposed discontinuance of service.

(3) The dates which service can be discontinued unless customer takes appropriate action.

(4) Terms under which customer may avoid discontinuance, including a statement that discontinuance may be postponed or avoided if customer can demonstrate that special circumstances prevent complete

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payment and satisfactory credit arrangements are made with Company for amounts not in dispute.

(5) The cost and conditions for reconnection.

Disconnection notices will also contain a statement to apprise customer of the administrative procedure which may be used in the event of a bona fide dispute or under other circumstances, such as provided in Section 5.04 Discontinuing Service - Special Circumstances. Such notices will include the telephone number, address and office of Company at which customer may meet with a designated Company employee to present reasons for disputing a bill or Company's reasons for discontinuance, request credit arrangements or request a postponement of discontinuance.

Disconnection notices will be mailed separately from customer's regular monthly bill to the normal mailing address and to the service address, if different, and will be considered as having been served as of the date of mailing, as indicated by Company's records. Company will maintain a record of the date of mailing and the effective dates of the notice. The disconnect shall become effective 10 days following the date of mailing and shall remain in effect for one month during which time Company may disconnect service. A telephone contact with customer will be attempted at least 2 days prior to date of disconnection advising customer of pending disconnection.

In situations where Company's records show that the service account proposed to be disconnected serves more than one residential dwelling unit, Company shall also post a Notice of Disconnection in an area common to the dwelling units at least 5 days prior to the discontinuance date specified therein.

When Company has evidence documenting that customer is receiving service through false identity, it may disconnect customer upon 48 hours notice given by personal or telephone contact and the telephone number of the Commission's Consumer Protection Office is provided to customer. Company will also mail its normal 10 day disconnect notice immediately; so that if contact is not made, service may be disconnected at the end of the 10 day period.

5.02 **Conditions for Discontinuing Service**: Company may discontinue or refuse service for any of the following reasons:

(1) Upon customer request.

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(2) When a dangerous condition exists on customer's premises.

(3) When a service bill becomes delinquent, as provided in Section 4.01 Payment of Bills, and after proper notice, as provided in Section 5.01 Notice to Customer for Discontinuing Service.

(4) When customer defaults under the Cold Weather Rule pursuant to Section 4.07 Cold Weather Rule or Section 4.08 Extended Payment Plan.

(5) When customer causes or permits unauthorized use, interference, tampering or diversion of service (meter bypass) on or about customer's premises.

(6) When service supplied by Company is used or misapplied by customer causing an unsatisfactory condition affecting the quality, safety or continuity of service to other customers.

(7) When service is resold or shared by customer or customers without written consent of Company.

(8) When customer fails to provide credit information or a security deposit or guarantee as may be required by Section 3.01 Credit Requirements or Section 3.02 Security Deposits.

(9) When customer has a previous undisputed and unpaid separate account for Company's service which accrued within the last 5 years, if the service was provided under a written agreement, or 3 years if service was provided under an oral agreement.

(10) When customer fails to comply with Company's General Terms and Conditions, or with an executed contract for service or applicable rate schedule as approved by the Commission.

(11) When customer fails to comply with curtailment orders as issued by Company.

(12) When customer's identity is misrepresented for the purpose of obtaining or retaining service or when any other means of fraud, as defined in Section 1, Definitions, is committed.

(13) When customer refuses to grant Company personnel access, during normal working hours, to Company facilities installed upon the premises of customer for the purpose of inspection, meter reading, maintenance or replacement.

(14) When customer abandons service.

(15) When customer tenders an insufficient funds check as the initial payment or an installment payment under a Cold Weather Rule Payment Plan pursuant to

General Terms and Conditions for Gas Service

Section 4.07 Cold Weather Rule and does not cure the insufficient payment during the 10-day period after a disconnection notice is sent to the customer.

When conditions listed in (2), (5) and (6) above are discovered by Company, Company may disconnect service immediately. However, when the Cold Weather Rule is in effect, service must be reconnected as soon as practicable after the physical problem described in (2), (5) and (6) above has been corrected.

5.03 **Conditions Insufficient to Cause Discontinuation of Service**: Company shall not disconnect or refuse service for any of the following reasons:

(1) The failure of customer to pay for charges other than those specifically identified in Company's approved tariffs and terms and conditions.

(2) The failure of customer to pay for service received at a concurrent and separate metering point, residence or location.

(3) The failure of customer to pay for a different class of service received at the same location. The placing of more than one meter at the same location for the purpose of billing the usage of specific devices under optional rate schedules or provisions is not considered as a separate class of service for purposes of this rule.

(4) The failure of customer to pay a bill which is in dispute; provided, however, that customer pays that portion of the bill not in dispute.

(5) Undisputed and unpaid accounts which have accrued that are more than 5 years old for service provided under a written agreement or more than 3 years old for service provided under an oral agreement.

5.04 **Discontinuing Service - Special Circumstances**: In addition to the provisions of Section 4.07 Cold Weather Rule, Company will either allow payment in reasonable installments or postpone discontinuing service for at least 21 days so that a residential customer may make arrangements for payment of service bill either in full or by reasonable installment payments, if the customer notifies Company and establishes that:

(1) Discontinuing service would be especially dangerous to the health of customer, resident member of customer's family or other permanent resident of the premises where service is rendered, and that

(2) Customer is unable to pay for such service in accordance with Company's billing or is able to pay for such service only in installments.

In determining whether discontinuing service would be especially dangerous to health, consideration shall be given to the weather, customer's or other resident's medical condition, age or disability.

General Terms and Conditions for Gas Service

5.05 **Procedures for Discontinuing Service**: Except as provided in Section 4.07 Cold Weather Rule, Company's employee who is to disconnect service will make a reasonable effort to contact and establish identity with customer or other responsible person then upon the premises, announce the purpose of Company employee's presence, identify and record the name of the person contacted, accept payment of all amounts tendered which are necessary to avoid disconnection, record any statements disputing the accuracy of the delinquent bills, the cause of discontinuance, or concerning the medical condition of any permanent resident of the premises. Company may refuse to accept cash payments at the customer's premises pursuant to the Commission's order in Docket No. 11-KGSG-503-MIS.

If contact with customer or other responsible individual is not made, Company's employee shall leave notice upon the premises in a manner conspicuous to customer stating the date and time of discontinuing service and the address and telephone number of Company where customer may arrange to have service restored.

Except for discontinuing service pursuant to Section 5.02 Conditions for Discontinuing Service, Parts (1), (2), (5), (6) and (10) Company shall discontinue service only when, at the time of the proposed discontinuance, Company's office or personnel identified in the notices given pursuant to Section 5.01 Notice to Customer for Discontinuing Service, are open or available to customer for one hour after discontinuance and on the full working day following discontinuance to enable customer to obtain reconnection. Company personnel with authority to approve reasonable pay arrangements shall be available during this period.

5.06 **Restoration of Service**: Upon customer request, Company will restore service promptly when the cause of discontinuing service has been eliminated, applicable charges paid, and/or if required, satisfactory credit arrangements have been made. Every effort will be made to restore service to existing customers defined under Section 2.02.03 on the day requested but in no event shall restoration be later than the next normal business day following the day requested by customer.

5.07 **Disputed Bills**: When customer advises Company in any reasonable manner such as written notice, in person, or by telephone call directed to the appropriate personnel prior to the date of proposed discontinuance of service that all or any part of a bill rendered is in dispute or that Company's reasons for discontinuing service are factually invalid, Company shall record the date, time and place that customer notice of a dispute is given, and postpone discontinuing service until a prompt and full investigation is completed.

Company and customer shall attempt to informally resolve the dispute to the mutual satisfaction of both Company and customer. In the event the dispute is not resolved

General Terms and Conditions for Gas Service

Company shall advise customer of informal and formal procedures available before the Commission and shall then discontinue service if proper notice has been given to customer.

5.08 **Collection or Disconnection Charge**: When it is necessary for Company to make a service call for the purpose of collection or disconnection of service because of non-payment, a service charge as specified in Section 12.05 Collection or Disconnection Charge, will be collected from customer by Company.

5.09 **Reconnection Charge**: When a customer has been disconnected for conditions in Section 5.02 Conditions for Discontinuing Service, Company may require a service charge as specified in Section 12.06 Reconnection Charge, for reconnecting service. In addition, Company may require a security deposit, as specified in Section 3.01 Credit Requirements and Section 3.02 Security Deposits, before service is reestablished. In the event a customer orders a disconnection and a reconnection at the same premises within a period of 12 months, Company will collect, as a reconnection charge, the sum of such minimum bills as would have occurred during the period of disconnection, but in no event less than the reconnection charge provided for in Section 12.06 Reconnection Charge. If service has been discontinued because of unauthorized use, interference, tampering or diversion of service (meter bypass), customer shall pay Company an amount estimated by Company to be a reasonable payment for the unauthorized service used and the reconnection charge pursuant to Section 12.13 Diversion Reconnection Charge. If Company disconnected Customer's service elsewhere due to Customer's refusal to provide access to Company's pipelines, facilities, or equipment located on Customer's premises, Company may require Customer to pay the additional costs associated with service disconnection prior to reconnection.

Company shall not charge both a reconnection fee as specified in Section 12.06 Reconnection Charge, and a reconnection charge as specified in Section 12.13 Diversion Reconnection Charge for the same reconnect.

5.10 **Transfer of Account Balances**: In the event of discontinuance or termination of service at customer's metering point, residence or other location, Company may transfer any unpaid balance to another concurrent active account of customer only with customer's written consent. In the event of the failure of customer to pay a final bill at a metering point, residence or other location, Company may transfer such unpaid balance to any successive service account opened by customer for the same class of service, and may discontinue service, upon proper notice at such successive metering point, residence or location for non-payment of such transferred amount.

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Effective:	~~January 1, 2017~~	
By:	/S/ Janet Buchanan	
	~~David N. Dittemore~~Janet Buchanan, Director – Regulatory Affairs	

General Terms and Conditions for Gas Service

6. Customer's Service Obligations

6.01 Customer's Appliances and Piping

6.01.01 **Customer's Piping**: The term "customer's piping" is used to designate all piping, fixtures, valves, appliances and apparatus of any kind or nature on customer's side of the point of delivery. All piping shall be installed and maintained by customer at customer's expense in conformity with these General Terms and Conditions, Orders and Rules and Regulations prescribed by the Commission and state and local governmental standards and/or requirements. Where Company's rate schedules provide for different classes of service, customer's piping, at customer's expense, shall be so arranged that each class of service can be metered separately. If customer's piping cannot be so arranged, Company shall reserve the right to assign rate schedules and priority to customer's total requirement.

6.01.02 **Multi-Metering Installations**: Where building or premises are occupied by more than one customer, Company will set as many meters as there are separate applications for service. Customer piping shall be so arranged as to permit the installation of Company's meters adjacent to each other and shall not be interconnected. Customer piping shall be clearly and permanently marked to indicate the particular customer supplied by it.

6.02 Standards and Approvals of Customer's Facilities

6.02.01 **Compliance with Safety Requirements**: All piping, appliances and appurtenances installed by customer shall be of types certified by the American Gas Association and/or listed by the Underwriters Laboratories. These installations shall also meet the standards of the National Fire Protection Association and shall comply with federal, state and municipal codes insofar as they apply and all reasonable requirements of Company, and shall be maintained by customer in a good, safe and serviceable condition.

6.02.02 **Inspection and Testing of Customer's Facilities**: Prior to the original connection of service to any specific location, customer's piping, appliances and appurtenances shall be inspected and approved by a city inspector or other such authorized person for the proper receipt and use of utility service. If a certificate of approval is required by local authorities, it shall be obtained by customer at customer's expense. In the absence of an authorized person representing a governmental agency, the facilities will be inspected by a representative of Company. Such Company inspection shall not impose on Company any responsibility or liability for the safe condition of the facilities.

General Terms and Conditions for Gas Service

After the commencement of service, Company will not be obligated to inspect customer's facilities, although at its discretion, Company shall have the right to inspect and test customer's facilities for suspected unsafe conditions at any time.

6.03 **Defective Customer Equipment**: In any case where Company discovers that a dangerous condition exists with regard to customer's appliances, equipment, or piping, it may, without advance notice, shut off the service and immediately notify customer. Service shall not be resumed until such dangerous condition has been eliminated. If customer is aware that gas is escaping from any equipment or pipe in or about customer's premises, or in case of interruption of service, customer shall notify Company at once.

6.04 **Company Equipment on Customer's Premises**

6.04.01 **Facilities on Customer's Premises**: If required, customer shall furnish, without cost to Company, right-of-way for mains or other facilities necessary to serve customer. Where customer is not owner of the premises to be served, written consent of the owner shall be furnished to Company.

6.04.02 **Protection of Equipment on Customer's Premises**: All facilities owned and installed by Company at its own expense are the property of Company. If the meter or other equipment belonging to Company are damaged or destroyed due to negligence or misuse by customer or by any member of customer's family, or by an agent, or employee or other representative of customer, then the cost of necessary repairs and/or replacements shall be paid by customer.

~~6.04.02~~6.04.03 **Encroachment and Enclosure Prohibited:** Unless authorized by Company in writing, Customer shall not create, build, erect, or construct any building, structure, engineering works, or other obstruction on, over, or around any Company pipelines, facilities, or equipment located on Customer's Premises. Unless authorized by Company in writing, Customer shall not enclose any of Company's pipelines, facilities, or equipment. Company may require Customer to remove any such encroachment or enclosure, or if Customer fails to act Company may remove such encroachment or enclosure and bill customer for removal costs. Company may discontinue or refuse service to Customer if Customer does not remedy an encroachment or enclosure.

6.05 **Company's Access to Customer's Premises**: Company's representatives shall have free access to customer's premises for the purpose of reading the meter or inspecting the metering equipment and all other equipment relating to Company's service or for making necessary repairs or tests to its equipment, or for removing its meter and equipment.

If Customer refuses to grant Company access to Customer's premises Company may discontinue or refuse service to Customer in accordance with Section 5.02. If Company is required to disconnect Customer's service elsewhere due to Customer's refusal to grant access to Customer's premises Company may bill customer for the additional costs associated with disconnection. In accordance with Section 5.09 Company may require Customer to pay the additional costs associated with disconnecting Customer's service elsewhere prior to Company restoring Customer's service.

~~6.05~~6.06 **Tampering with and Care of Company's Property**: No one other than a Company representative or other person authorized by Company shall be permitted to repair or remove Company's meter or facilities, or any of the property of Company on or about customer's premises.

Any unauthorized person tampering with Company's meter or facilities is in violation of this restriction and such tampering shall be considered cause for immediate discontinuance of service by Company. Any seals placed by Company on meters or regulators shall not be broken or disturbed by anyone other than authorized representatives of Company.

~~6.06~~6.07 **Charges for Work Done on Customer's Premises by Company**: Except as provided in Subsection 6.02.02 Inspection and Testing of Customer's Facilities, Company shall charge for all materials furnished and for all work done on a customer's premises beyond the point of delivery except in cases where gas odor or a suspected unsafe condition is being investigated. The charges shall apply for trouble calls not occasioned by negligence on the part of Company, for repair of appliances, and any other work or service requested and authorized by the customer. Company shall not charge for replacement or repair of equipment furnished and owned by Company on the customer's premises except when repairs or replacements are caused by negligence or misuse by the customer or the customer's agents.

Except as provided in Section 7.02 Equipment Furnished by Company, Company may charge for upgrades necessitated by a change in service requirements of customer or any other work requested and authorized by customer.

These charges shall be based upon Company's existing schedule of charges.

~~6.07~~6.08 **Notice to Company to Discontinue Service**: Any contract made for service shall continue in full force and effect during its term. Service shall be discontinued by a customer in accordance with the terms of the contract. If no terms are specified, the customer may discontinue service upon giving a two day notice to Company. In case no

General Terms and Conditions for Gas Service

such notice is given to Company, the terminating customer shall be responsible for all service supplied until such notice is given to Company. In the case of rental property, the owner may contract in writing for service to be continued automatically in owner's name, with full responsibility for payment of all service thereafter delivered, when service is terminated at the request of any tenant.

~~6.08~~6.09 **Request for Investigation of Unsatisfactory Service**: If a customer feels that service is not adequate and sufficient, Company should be advised in writing of the nature of the complaint in order that a proper investigation may be made.

Knock and Collect Waiver of On-Premise Collection Pilot

13.04.02 **Cold Weather Rule Months (November 1 – March 31):**

a) Ten (10) days prior to disconnection, Company shall mail a "Notice of Disconnection" letter to customer. Company shall mail this letter separately from a utility bill or any other correspondence as established in Company's General Terms and Conditions.

b) Five to Seven (5-7) days prior to disconnection, Company shall attempt to contact customer via phone call, email, or text message, informing customer of Company's intent to disconnect.

c) Two (2) days prior to disconnection, Company shall attempt to contact customer via a phone call, informing customer of Company's intent to disconnect as established in Company's General Terms and Conditions.

d) One (1) day prior to disconnection, Company shall attempt to contact customer via phone call or text message, informing customer of Company's intent to disconnect.

e) If the attempted phone contact described in letter (d) above is not successful, Company shall place a disconnection notice at customer's premise on the day prior to disconnection. Company may then disconnect service on the day of disconnection unless otherwise prohibited by the Cold Weather Rule.

f) If the attempted phone contact described in letter (d) above is successful, Company shall not be required to place a disconnection notice at customer's premise on the day prior to disconnection. Company may then disconnect service on the day of disconnection unless otherwise prohibited by the Cold Weather Rule.

13.05 **Disconnection and Reconnection Fees:** The disconnection fee and reconnection fee shall be as specified in Schedule 12.05 and 12.06 respectively. ~~$5.00 and the reconnection fee shall be $0.~~

13.06 **Definitions and Conditions:** Any provisions of this schedule are subject to changes made by order of the regulatory authority having jurisdiction.

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Effective:	~~June 19, 2020~~	~~Approved~~
		~~Kansas Corporation Commission~~
By:	/S/ Janet L. Buchanan	~~June 19, 2020~~
	Janet L. Buchanan, Director – Regulatory Affairs	~~/S/ Lynn Retz~~

Residential Sales Service

Availability

Available in and around the communities specified in the Index to residential customers at single locations. Service is subject to the Definitions and Conditions section below.

Net Monthly Bill

Rate Choice A:

$~~18.18~~20.00 Service Charge, plus

Applicable adjustments and charges provided in Company's Gas System Reliability Surcharge and Winter Event Securitized Cost Recovery Rider, plus

$~~2.3485~~4.3818 Delivery Charge per Mcf for all gas delivered, plus

Applicable adjustments and charges provided in Company's Cost of Gas Rider, Weather Normalization Adjustment Rider and Ad Valorem Tax Surcharge Rider.

Rate Choice B:

$35.00 Service Charge, plus

Applicable adjustments and charges provided in Company's Gas System Reliability Surcharge and Winter Event Securitized Cost Recovery Rider, plus

$1.9160 Delivery Charge per Mcf for all gas delivered, plus

Applicable adjustments and charges provided in Company's Cost of Gas Rider, Weather Normalization Adjustment Rider and Ad Valorem Tax Surcharge Rider.

The Net Monthly Bill shall be no less than the Service Charge plus any minimum charges set forth in a customer's Service Agreement.

Customer Choice Rate Placement

Each customer's individual rate schedule will be determined based on the annual normalized volume at the customer's premise for the twelve (12) month period ending on June 30, 2024. If the customer's annual normalized volume is less than or equal to 74 mcf, then the customer's account will be placed on Choice A.

If the customer's annual normalized volume is more than 74 mcf, then the customer's account will be placed on Choice B.

A customer may switch rate choices at any time during the year provided that the customer agrees to remain on the alternative rate choice for a period of no less than twelve (12) months after switching options. Changes will be effective with the Customer's next scheduled bill.

Definitions and Conditions

Residential Sales Service

1. Sales service under this rate schedule is available to residential customers for use by the customer as provided for in Company's General Terms and Conditions for Gas Service.
2. Sales service is provided for the charge specified in the Net Monthly Bill when supplied from Company's existing facilities. When additional facilities are needed to serve a customer, an additional charge may be required.
3. Sales service under this rate schedule is subject to the provisions and applicable charges contained in Company's General Terms and Conditions for Gas Service, or successor documents, approved by the Commission.
4. All provisions of this rate schedule are subject to changes made by order of the Commission.

General Sales Service Small

Availability

Available in and around the communities specified in the Index to nonresidential customers at single locations. Not available for service to separately metered generators with a capacity less than 20 kilowatts. Service is subject to the Definitions and Conditions section below.

Net Monthly Bill

$~~27.88~~31.30 Service Charge, plus

Applicable adjustments and charges provided in Company's Gas System Reliability Surcharge and Winter Event Securitized Cost Recovery Rider, plus

$~~2.3472~~2.6345 Delivery Charge per Mcf for all gas delivered, plus

Applicable adjustments and charges provided in Company's Cost of Gas Rider, Weather Normalization Adjustment Rider and Ad Valorem Tax Surcharge Rider.

The Net Monthly Bill shall be no less than the Service Charge plus any minimum charges set forth in a customer's Service Agreement.

Definitions and Conditions

1. Annual deliveries less than 200 Mcf at an individual meter during the last 12 billing periods shall qualify a customer for service under this rate schedule.
2. If a customer does not select a general service rate schedule for which it may qualify, Company may select the applicable general service rate schedule on the customer's behalf. A customer may change the general service rate schedule which the customer is being billed during the first 12 months of service under the selected rate schedule. Thereafter, the customer is prohibited from making more than one change in a 12-month period.
3. Sales service is provided for the charge specified in the Net Monthly Bill section when supplied from Company's existing facilities. When additional facilities are needed to serve a customer, an additional charge may be required.
4. Multiple meter installations, installed at a single location for a customer's convenience, shall be billed additional Service Charges for each additional meter installation.
5. Sales service under this rate schedule is subject to the provisions and applicable charges contained in Company's General Terms and Conditions for Gas Service, or successor documents, approved by the Commission.
6. All provisions of this rate schedule are subject to changes made by order of the Commission.

Issued:	~~November 21, 2022~~March 1, 2024	~~22-KGSG-466-TAR~~ ~~Approved~~ ~~Kansas Corporation Commission~~ ~~August 13, 2022~~ ~~/s/ Lynn Retz~~
Effective:	~~December 1, 2022~~	
By:	/S/ Janet Buchanan Janet L. Buchanan, Director – Regulatory Affairs	

General Sales Service Large

Availability

Available in and around the communities specified in the Index to nonresidential customers at single locations. Not available for service to separately metered generators with a capacity less than 20 kilowatts. Service is subject to the Definitions and Conditions section below.

Net Monthly Bill

$55.19~~43.11~~ Service Charge, plus

Applicable adjustments and charges provided in Company's Gas System Reliability Surcharge and Winter Event Securitized Cost Recovery Rider, plus

$2.3231~~1.8145~~ Delivery Charge per Mcf for all gas delivered, plus

Applicable adjustments and charges provided in Company's Cost of Gas Rider, Weather Normalization Adjustment Rider and Ad Valorem Tax Surcharge Rider.

The Net Monthly Bill shall be no less than the Service Charge plus any minimum charges set forth in a customer's Service Agreement.

Definitions and Conditions

1. Annual deliveries between 200 and 1,500 Mcf at an individual meter during the last 12 billing periods shall qualify a customer for service under this rate schedule.
2. If a customer does not select a general service rate schedule for which it may qualify, Company may select the applicable general service rate schedule on the customer's behalf. A customer may change the general service rate schedule which the customer is being billed during the first 12 months of service under the selected rate schedule. Thereafter, the customer is prohibited from making more than one change in a 12-month period.
3. Sales service is provided for the charge specified in the Net Monthly Bill section when supplied from Company's existing facilities. When additional facilities are needed to serve a customer, an additional charge may be required.
4. Multiple meter installations, installed at a single location for a customer's convenience, shall be billed additional Service Charges for each additional meter installation.
5. Sales service under this rate schedule is subject to the provisions and applicable charges contained in Company's General Terms and Conditions for Gas Service, or successor documents, approved by the Commission.
6. All provisions of this rate schedule are subject to changes made by order of the Commission.

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Effective:	~~December 1, 2022~~	
By:	/S/ Janet Buchanan Janet L. Buchanan, Director – Regulatory Affairs	

General Sales Service Transport Eligible

Availability

Available in and around the communities specified in the Index to nonresidential customers at single locations. Not available for service to separately metered generators with a capacity less than 20 kilowatts. Service is subject to the Definitions and Conditions section below.

Net Monthly Bill

~~$53.70~~60.26 Service Charge, plus

Applicable adjustments and charges provided in Company's Gas System Reliability Surcharge and Winter Event Securitized Cost Recovery Rider, plus

~~$1.8177~~1.7325 Delivery Charge per Mcf for all gas delivered, plus

Applicable adjustments and charges provided in Company's Cost of Gas Rider, Weather Normalization Adjustment Rider and Ad Valorem Tax Surcharge Rider.

The Net Monthly Bill shall be no less than the Service Charge plus any minimum charges set forth in a customer's Service Agreement.

Definitions and Conditions

1. Annual deliveries greater than 1,500 Mcf at an individual meter during the last 12 billing periods shall qualify a customer for service under this rate schedule.
2. If a customer does not select a general service rate schedule for which it may qualify, Company may select the applicable general service rate schedule on the customer's behalf. A customer may change the general service rate schedule which the customer is being billed during the first 12 months of service under the selected rate schedule. Thereafter, the customer is prohibited from making more than one change in a 12-month period.
3. Sales service is provided for the charge specified in the Net Monthly Bill section when supplied from Company's existing facilities. When additional facilities are needed to serve a customer, an additional charge may be required.
4. Multiple meter installations, installed at a single location for a customer's convenience, shall be billed additional Service Charges for each additional meter installation.
5. Sales service under this rate schedule is subject to the provisions and applicable charges contained in Company's General Terms and Conditions for Gas Service, or successor documents, approved by the Commission.
6. All provisions of this rate schedule are subject to changes made by order of the Commission.

Issued:	~~November 21, 2022~~March 1, 2024	~~22-KGSG-466-TAR~~ ~~Approved~~ ~~Kansas Corporation Commission~~ ~~August 13, 2022~~ ~~/s/ Lynn Retz~~
Effective:	~~December 1, 2022~~	
By:	/S/Janet Buchanan Janet L. Buchanan, Director – Regulatory Affairs	

Kansas Gas Supply Sales Service D

~~**Availability**~~
~~Available to customers which were served under this tariff on September 15, 2003, and which continue to be served hereunder. Service is subject to the Definitions and Conditions section below.~~

~~**Net Monthly Bill**~~
~~$326.67 Service Charge, plus~~

~~Applicable adjustments and charges provided in Company's Gas System Reliability Surcharge and Winter Event Securitized Cost Recovery Rider, plus~~

~~$0.9574 Delivery Charge per Mcf for all gas delivered, plus~~

~~Applicable adjustments and charges provided in Company's Cost of Gas Rider and Ad Valorem Tax Surcharge Rider.~~

~~**Definitions and Conditions**~~
1. ~~Service shall be provided only from Company's existing facilities. When additional facilities are needed to serve customer, an additional charge may be needed.~~
2. ~~Service under this rate schedule is subject to the provisions and applicable charges contained in Company's General Terms and Conditions for Gas Service, or successor documents, approved by the Commission.~~
3. ~~All provisions of this rate schedule are subject to changes made by order of the Commission.~~

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Effective:	~~December 1, 2022~~	
By:	~~/S/~~ ~~Janet L. Buchanan, Director – Regulatory Affairs~~	

Sales Service for Resale

Availability
Available to utilities and municipal gas systems at single locations for gas for resale outside Company's service territory. Service is subject to Definitions and Conditions below**.**

Net Monthly Bill

$68.14	Service Charge, plus
	Applicable adjustments and charges provided in Company's Gas System Reliability Surcharge, plus
$~~1.2497~~1.3054	Delivery Charge per Mcf for all gas delivered, plus
	Applicable adjustments and charges provided in Company's Cost of Gas Rider, Sales Service for Resale Winter Event Cost Recovery Rider and Ad Valorem Tax Surcharge Rider.

The Net Monthly Bill shall be no less than the Service Charge plus any minimum charges set forth in a customer's Service Agreement.

Definitions and Conditions

1. Sales service is provided for the charge specified in the Net Monthly Bill section when supplied from Company's existing facilities. When additional facilities are needed to serve a customer, an additional charge may be required.
2. Multiple meter installations, installed at a single location for a customer's convenience, shall be billed additional Service Charges for each additional meter installation.
3. Service under this rate schedule is subject to the provisions and applicable charges contained in Company's General Terms and Conditions for Gas Service, or successor documents, approved by the Commission.
4. All provisions of this rate schedule are subject to changes made by order of the Commission.

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Effective:	~~December 1, 2022~~	
By:	/S/Janet Buchanan Janet L. Buchanan, Director – Regulatory Affairs	

Small Transportation Service – k System

Availability

Available in and around the communities specified in the Index to nonresidential customers. Service is subject to the Definitions and Conditions section below**.**

Net Monthly Bill

$~~55.66~~60.26 Service Charge, plus

Applicable adjustments and charges provided in Company's Gas System Reliability Surcharge, plus

$1.~~4598~~7325 Delivery Charge per Mcf for all gas delivered, plus

Applicable adjustments and charges provided in Company's Weather Normalization Adjustment Rider and Ad Valorem Tax Surcharge Rider.

The Net Monthly Bill shall be no less than the Service Charge plus any minimum charges set forth in a customer's Service Agreement.

Definitions and Conditions

1. Annual deliveries of at least 800 Mcf at a single location during the last 12 billing periods shall qualify a customer for service under this schedule. A customer, once qualified, shall remain eligible for service under this schedule.
2. A customer shall meet all conditions of the following tariffs to maintain service under this rate schedule:
   a. Electronic Flow Measurement Rider
   b. Company's General Terms and Conditions for Gas Service (GTC), Section 10 Requirements for Transportation Service.
3. Company may base a bill on a customer's normal meter reading cycle, but may issue that bill at the beginning of the next billing month. Although the bill may indicate a different period, it shall reflect actual information obtained from the regular-cycle meter reading. A customer served under this rate schedule and who desires a calendar month-based bill must install electronic flow measurement equipment and will not be eligible for RDQ balancing.
4. Service under this rate schedule shall be terminated upon notification by the customer, but not before the next regular-cycle meter reading date.
5. Transportation service is provided for the charge specified in the Net Monthly Bill section when supplied from Company's existing facilities. When additional facilities are needed to serve a customer, an additional charge may be required.
6. Multiple meter installations, installed at a single location for a customer's convenience, shall be billed additional Service Charges for each additional meter installation. Usage recorded on these multiple meters shall be aggregated for purposes of qualifying for this rate schedule.

Issued:	~~December 1 2020~~March 1, 2024	~~21-KGSG-097-RTS~~ ~~Approved~~ ~~Kansas Corporation Commission~~ ~~December 1, 2020~~ ~~/S/ Lynn Retz~~
Effective:	~~January 1, 2021~~	
By:	/S/Janet Buchanan Janet L. Buchanan, Director – Regulatory Affairs	

Small Transportation Service – k System

7. Transportation service under this rate schedule is subject to the provisions and applicable charges contained in Company's GTC, or successor documents, approved by the Commission.

8. All provisions of this rate schedule are subject to changes made by order of the Commission.

Small Transportation Service – t System

Availability

Available in and around the communities specified in the Index to nonresidential customers. Service is subject to the Definitions and Conditions section below**.**

Net Monthly Bill

$~~55.16~~62.66 Service Charge, plus

Applicable adjustments and charges provided in Company's Gas System Reliability Surcharge, plus

$~~1.9170~~2.1778 Delivery Charge per Mcf for all gas delivered, plus

Applicable adjustments and charges provided in Company's Weather Normalization Adjustment Rider and Ad Valorem Tax Surcharge Rider.

The Net Monthly Bill shall be no less than the Service Charge plus any minimum charges set forth in a customer's Service Agreement.

Definitions and Conditions

1. Annual deliveries of at least 800 Mcf at a single location during the last 12 billing periods shall qualify a customer for service under this schedule. A customer, once qualified, shall remain eligible for service under this schedule.
2. A customer shall meet all conditions of the following tariffs to maintain service under this rate schedule:
   a. Electronic Flow Measurement Rider
   b. Company's General Terms and Conditions for Gas Service (GTC), Section 10 Requirements for Transportation Service.
3. Company may base a bill on a customer's normal meter reading cycle, but may issue that bill at the beginning of the next billing month. Although the bill may indicate a different period, it shall reflect actual information obtained from the regular-cycle meter reading. A customer served under this rate schedule and who desires a calendar month-based bill must install electronic flow measurement equipment and will not be eligible for RDQ balancing.
4. Service under this rate schedule shall be terminated upon notification by the customer, but not before the next regular-cycle meter reading date.
5. Transportation service is provided for the charge specified in the Net Monthly Bill section when supplied from Company's existing facilities. When additional facilities are needed to serve a customer, an additional charge may be required.
6. Multiple meter installations, installed at a single location for a customer's convenience, shall be billed additional Service Charges for each additional meter installation. Usage recorded on these multiple meters shall be aggregated for purposes of qualifying for this rate schedule.

Small Transportation Service – t System

7. Transportation service under this rate schedule is subject to the provisions and applicable charges contained in Company's GTC, or successor documents, approved by the Commission.
8. All provisions of this rate schedule are subject to changes made by order of the Commission.

Large Volume Transportation Service – k System

Availability

Available in and around the communities specified in the Index to nonresidential customers. Service is subject to the Definitions and Conditions section below**.**

Net Monthly Bill

Service Charge:

$~~249.46~~347.99	Tier 1 (Annual Use: Below 10,000 Mcf)
$~~271.32~~382.38	Tier 2 (Annual Use: 10,001-20,000 Mcf)
$~~298.26~~357.20	Tier 3 (Annual Use: 20,001-40,000 Mcf)
$258.03	Tier 4 (Annual Use: Above 40,001 Mcf) plus, for each Tier
	Applicable adjustments and charges provided in Company's Gas System Reliability Surcharge, plus
$~~0.9023~~0.9990	Delivery Charge (applicable to all Tiers) per Mcf for all gas delivered, plus
	Applicable adjustments and charges provided in Company's Ad Valorem Tax Surcharge Rider.

The Net Monthly Bill shall be no less than the Service Charge plus any minimum charges set forth in a customer's Service Agreement.

Definitions and Conditions

1. Peak delivery of at least 1,500 Mcf at a single location during any of the last 12 billing periods shall qualify a customer for service under this schedule. Qualification for this rate schedule shall be reviewed by June 1 of each year. A customer may be removed from this rate schedule effective each November 1 if the customer's peak delivery during the 12 most recent billing periods ending April 30 is less than 1,500 Mcf. The customer so removed shall receive transportation service under the rate schedule applicable to the customer's reduced requirement. The customer shall be returned to this rate schedule, upon request, after re-establishing a peak delivery of at least 1,500 Mcf.

2. Annual Use shall be the total volumes billed to the applicable meter in the most recent 12 month billing period ending April 30. Company may rely on estimated historical usage or projected volumes to establish Annual Use when actual usage is not available.

3. A customer shall meet all conditions of the following tariffs to maintain service under this rate schedule:

   a. Electronic Flow Measurement Rider

   b. Company's General Terms and Conditions for Gas Service (GTC), Section 10 Requirements for Transportation Service.

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Effective:	~~January 1, 2021~~	
By:	/S/ Janet Buchanan	
	Janet L. Buchanan, Director – Regulatory Affairs	

Large Volume Transportation Service – k System

4. The Delivery Charge may be reduced by Company to meet a competitive alternative to Company’s transportation service. The customer shall be required to sign a special agreement listing the reduced charge, term of service and other conditions of the service to be provided to the customer. Discounts shall be subject to the following conditions:

   a. The rate reduction must be necessary to retain or obtain a customer who has a credible competitive alternative available.

   b. The amount of the discount from the maximum approved tariff rate must be the least necessary to retain or obtain the customer.

   c. Under the discounted rate, the customer must, at a minimum, cover all incremental costs of serving that customer, plus make a contribution to common fixed costs.

   d. Company’s decision to enter into a discounted service agreement and the amount of the discount shall be subject to review at Company’s next rate case.

   e. In situations where the discounted service agreement involves a Company affiliate, Company shall file with the Commission a copy of the agreement with all supporting documentation and worksheets, within 10 days of the date of the agreement.

5. Transportation service is provided for the charge specified in the Net Monthly Bill section when supplied from Company's existing facilities. When additional facilities are needed to serve a customer, an additional charge may be required.

6. Multiple meter installations, installed at a single location for a customer's convenience, shall be billed additional Service Charges for each additional meter installation. Usage recorded on these multiple meters shall be aggregated for purposes of qualifying for this rate schedule.

7. Transportation service under this rate schedule is subject to the provisions and applicable charges contained in Company's GTC or successor documents, approved by the Commission.

8. All provisions of this rate schedule are subject to changes made by order of the Commission.

Issued:	~~December 1 2020~~March 1, 2024	~~21-KGSG-097-RTS~~ ~~Approved~~ ~~Kansas Corporation Commission~~ ~~December 1, 2020~~ ~~/S/ Lynn Retz~~
Effective:	~~January 1, 2021~~	
By:	/S/ Janet Buchanan Janet L. Buchanan, Director – Regulatory Affairs	

Large Volume Transportation Service – t System

Availability

Available in and around the communities specified in the Index to nonresidential customers. Service is subject to the Definitions and Conditions section below**.**

Net Monthly Bill

Service Charge:

$~~341.68~~387.69	Tier 1 (Annual Use: Below 10,000 Mcf)
$~~396.12~~549.09	Tier 2 (Annual Use: 10,001-20,000 Mcf)
$461.48	Tier 3 (Annual Use: 20,001-40,000 Mcf)
$397.53	Tier 4 (Annual Use: Above 40,001 Mcf) plus, for each Tier
	Applicable adjustments and charges provided in Company's Gas System Reliability Surcharge, plus
$~~1.3521~~1.3908	Delivery Charge (applicable to all Tiers) per Mcf for all gas delivered, plus
	Applicable adjustments and charges provided in Company's Ad Valorem Tax Surcharge Rider.

The Net Monthly Bill shall be no less than the Service Charge plus any minimum charges set forth in a customer's Service Agreement.

Definitions and Conditions

1. Peak delivery of at least 1,500 Mcf at a single location during any of the last 12 billing periods shall qualify a customer for service under this schedule. Qualification for this rate schedule shall be reviewed by June 1 of each year. A customer may be removed from this rate schedule effective each November 1 if the customer's peak delivery during the 12 most recent billing periods ending April 30 is less than 1,500 Mcf. The customer so removed shall receive transportation service under the rate schedule applicable to the customer's reduced requirement. The customer shall be returned to this rate schedule, upon request, after re-establishing a peak delivery of at least 1,500 Mcf.
2. Annual Use shall be the total volumes billed to the applicable meter in the most recent 12 month billing period ending April 30. Company may rely on estimated historical usage or projected volumes to establish Annual Use when actual usage is not available.
3. A customer shall meet all conditions of the following tariffs to maintain service under this rate schedule:
   a. Electronic Flow Measurement Rider
   b. Company's General Terms and Conditions for Gas Service (GTC), Section 10 Requirements for Transportation Service.

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Effective:	~~January 1, 2021~~	
By:	/S/ Janet Buchanan	
	Janet L. Buchanan, Director – Regulatory Affairs	

Large Volume Transportation Service – t System

4. The Delivery Charge may be reduced by Company to meet a competitive alternative to Company’s transportation service. The customer shall be required to sign a special agreement listing the reduced charge, term of service and other conditions of the service to be provided to the customer. Discounts shall be subject to the following conditions:

   a. The rate reduction must be necessary to retain or obtain a customer who has a credible competitive alternative available.

   b. The amount of the discount from the maximum approved tariff rate must be the least necessary to retain or obtain the customer.

   c. Under the discounted rate, the customer must, at a minimum, cover all incremental costs of serving that customer, plus make a contribution to common fixed costs.

   d. Company’s decision to enter into a discounted service agreement and the amount of the discount shall be subject to review at Company’s next rate case.

   e. In situations where the discounted service agreement involves a Company affiliate, Company shall file with the Commission a copy of the agreement with all supporting documentation and worksheets, within 10 days of the date of the agreement.

5. Transportation service is provided for the charge specified in the Net Monthly Bill section when supplied from Company's existing facilities. When additional facilities are needed to serve a customer, an additional charge may be required.

6. Multiple meter installations, installed at a single location for a customer's convenience, shall be billed additional Service Charges for each additional meter installation. Usage recorded on these multiple meters shall be aggregated for purposes of qualifying for this rate schedule.

7. Transportation service under this rate schedule is subject to the provisions and applicable charges contained in Company's GTC or successor documents, approved by the Commission.

8. All provisions of this rate schedule are subject to changes made by order of the Commission.

Compressed Natural Gas General Transportation Service - t System

Availability

Available in and around the communities specified in the Index to operators and retail distributors at single locations for the sole purpose of compressing natural gas for use as a fuel in vehicles. Service is subject to the Definitions and Conditions section below.

Net Monthly Bill

$~~33.89~~41.78 Service Charge, plus

Applicable adjustments and charges provided in Company’s Gas System Reliability Surcharge Rider and Tax Change Rider, plus

$~~0.9674~~1.1927 Delivery Charge per Mcf for all gas delivered, plus

Applicable adjustments and charges provided in Company’s Ad Valorem Tax Surcharge Rider and Tax Change Rider.

The Net Monthly Bill shall be no less than the Service Charge plus any minimum charges set forth in a customer’s Service Agreement.

Definitions and Conditions

1. A customer shall meet all conditions of the following tariffs to maintain service under this rate schedule:
   a. Electronic Flow Measurement Rider
   b. Company's General Terms and Conditions for Gas Service (GTC), Section 10 Requirements for Transportation Service.
2. The Delivery Charge may be reduced by Company to meet a competitive alternative to Company's delivery service. The customer shall be required to sign a special agreement listing the reduced charge, term of service and other conditions of the service to be provided to the customer. Discounts shall be subject to the following conditions:
   a. The rate reduction must be necessary to retain or obtain a customer who has a credible competitive alternative available.
   b. The amount of the discount from the maximum approved tariff rate must be the least necessary to retain or obtain the customer.
   c. Under the discounted rate, the customer must, at a minimum, cover all incremental costs of serving that customer, plus make a contribution to common fixed costs.
   d. Company’s decision to enter into a discounted service agreement and the amount of the discount shall be subject to review at Company’s next rate case.

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By:	/S/ Janet Buchanan	
	Janet L. Buchanan, Director – Regulatory Affairs	

Compressed Natural Gas General Transportation Service - t System

e. In situations where the discounted service agreement involves a Company affiliate, Company shall file with the Commission a copy of the agreement with all supporting documentation and worksheets, within 10 days of the date of the agreement.

3. Transportation service is provided for the charge specified in the Net Monthly Bill section when supplied from Company's existing facilities. When additional facilities are needed to serve a customer, an additional charge may be required.

4. Multiple meter installations, installed at a single location for a customer's convenience, shall be billed additional Service Charges for each meter installation. Usage recorded on these multiple meters shall be aggregated for purposes of qualifying for this rate schedule.

5. Transportation service under this rate schedule is subject to the provisions and applicable charges contained in Company's GTC, or successor documents, approved by the Commission.

6. All provisions of this rate schedule are subject to changes made by order of the Commission.

Weather Normalization Adjustment Rider

Applicability

This rider is applicable to all service provided to all customers served under sales rate schedules RS, GSS, GSL, ~~and~~ GSTE, STk and STt. ~~This rider shall also be applicable to all service provided to all customers served under transportation rate schedules STk and STt pursuant to the Commission's Final Order in Docket. No. 18-KGSG-560-RTS in the first WNAR calculation period following the issuance of the Final Order.~~ Service is subject to the Definitions and Conditions section below.

Net Annual Charge

A Weather Normalization Adjustment (WNA) factor shall be applied to all monthly usage to refund revenue excesses or collect revenue deficiencies which occur as a result of deviations from normal weather. The WNA factor shall be calculated by the formula:

WNA Factor = [Revenue + Adjustment] / Volumes

Where:

Revenue = WDF * Rate * Customers for the WNA Calculation Period

WDF = Weather Deviation Factor is the per capita volume deviation due to non-normal weather.
(NHDDp – AHDDp) * HSFp + (NHDDc – AHDDc) * HSFc
Where p = prior month data and c = current month data for the given class and weather station.

NHDD = Normal Heating Degree Days for the applicable month.

AHDD = Actual Heating Degree Days for the applicable month.

HSF = Heat Sensitivity Factor is the usage per degree day calculation which is specific to the applicable weather station and Company service schedule.

Customers = Count of customers for the given class and weather station.

Rate = The applicable customer delivery charge per Mcf.

Volumes = Estimated volumes for the current WNA Collection Period.

Adjustment = Revenue from the prior year WNA Calculation Period less Recoveries.

Recoveries = WNA Factor times the monthly actual sales volumes.

Definitions and Conditions

1. All provisions set forth in the rate schedule under which a customer takes service shall apply to the extent they are not superseded by provisions of this rider.
2. WNA factors shall be calculated to the nearest $0.0001 per Mcf.
3. The Heat Sensitivity Factors and the Heating Degree Day normals, as approved in KCC Docket

Weather Normalization Adjustment Rider

No. ~~16~~24-KGSG-~~491~~xxx-RTS shall be used for each rate schedule and weather station beginning with the November, 2024~~April 2017~~ WNA calculation~~ period~~.~~ Beginning with the April 2019 calculation period Heat Sensitivity Factors and the Heating Degree Day Normals, as approved in KCC Docket No. 18-KGSG-560-RTS shall be used for each rate schedule and weather station.~~

4. The WNA Collection Year, consisting of the twelve month period ending May 31 of each calendar year, shall define the period during which a WNA factor is collected.

5. ~~The WNA Calculation Period shall consist of the five cycle billing months of November 2016 through March 2017 prior to the WNA Collection Year. Thereafter, the~~The WNA Calculation Period shall consist of the twelve cycle billing months of April through March prior to the Collection Year. The WNA Calculation Period shall define the period over which the revenue excess or deficiency is calculated.

6. Company shall file a report with the Commission by May 25 of each year, detailing the calculations deriving the WNA factors authorized by this rider to be applied during the subsequent WNA Collection Year.

Issued:	~~February 5, 2019~~March 1, 2024	~~18-KGSG-560-RTS~~ ~~Approved~~ ~~Kansas Corporation Commission~~ ~~February 5, 2019~~ ~~/S/ Lynn Retz~~
Effective:	~~February 6, 2019~~	
By:	/S/ Janet L. Buchanan Janet L. Buchanan, Director – Regulatory Affairs	

Gas System Reliability Surcharge Rider

Availability

This rider is applicable to every bill for service provided under each of the Company's sales and transportation rate schedules except where not permitted under a separately negotiated contract with a customer. Not applicable to bills for As-Available Gas Sales Service or Interruptible Gas Transportation Service.

Net Monthly Charge

The Gas System Reliability Surcharge (GSRS) shall be a fixed monthly amount calculated as the applicable GSRS times the number of meters serving the customer's account, as indicated by the total number of Service Charges billed.

RS	Residential Sales Service	$	~~3.57~~0.00
GSS	General Sales Service Small	$	~~5.39~~0.00
GSL	General Sales Service Large	$	~~13.22~~0.00
GSTE	General Sales Service Transport Eligible	$	~~43.99~~0.00
SGS	Small Generator Sales Service	$	~~5.89~~0.00
KGSSD	Kansas Gas Supply D	$	~~232.86~~0.00
GIS	Gas Irrigation Sales Service	$	~~14.31~~0.00
SSR	Sales Service Resale	$	~~112.64~~0.00
STk	Small Transportation Service (k)	$	~~30.34~~0.00
STt	Small Transportation Service (t)	$	~~33.85~~0.00
LVTk	Large Volume Transportation Service (k)		
Annual Use:	Below 10,000 Mcf	$	~~75.11~~0.00
	10,001 Mcf – 20,000 Mcf	$	~~165.39~~0.00
	20,001 Mcf – 40,000 Mcf	$	~~293.86~~0.00
	Above 40,001 Mcf	$	~~1,305.94~~0.00
LVTt	Large Volume Transportation Service (t)		
Annual Use:	Below 10,000 Mcf	$	~~142.16~~0.00
	10,001 Mcf – 20,000 Mcf	$	~~233.78~~0.00
	20,001 Mcf – 40,000 Mcf	$	~~392.07~~0.00
	Above 40,001 Mcf	$	~~2,742.63~~0.00
WTt	Wholesale Transportation Service (t)	$	~~479.29~~0.00
GITt	Gas Irrigation Transportation Service (t)	$	~~30.68~~0.00
CNGk	Compressed Natural Gas General Transportation (k)	$	~~167.31~~0.00
CNGt	Compressed Natural Gas General Transportation (t)	$	~~310.14~~0.00

Issued:	~~November 9, 2023~~March 1, 2024	~~24-KGSG-215-TAR~~ ~~Approved~~ ~~Kansas Corporation Commission~~ ~~November 9, 2023~~ ~~/s/ Lynn Retz~~
Effective:	~~December 1, 2023~~	
By:	/S/ Janet L. Buchanan	
	Janet L. Buchanan, Director- Regulatory Affairs	

Section 18
Clean Tariffs

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General Terms and Conditions for Gas Service

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Issued:	March 1, 2024	
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	Janet L. Buchanan, Director – Regulatory Affairs	

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Issued:	March 1, 2024	
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By:	/S/ Janet L. Buchanan	
	Janet L. Buchanan, Director – Regulatory Affairs	

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	Janet L. Buchanan, Director – Regulatory Affairs	

General Terms and Conditions for Gas Service

5. **Discontinuation of Service**

5.01 **Notice to Customer for Discontinuing Service**

5.01.01 **Notice to Customer**: Company will give customer 10 days written notice before discontinuing service unless the discontinuance is made for any of the following reasons, in which case Company may discontinue service immediately:

(1) Upon customer request.

(2) The service is abandoned.

(3) Because of a dangerous condition.

(4) Because customer interferes with or diverts service (including meter bypass).

(5) To protect the safety of customer or other person.

(6) To maintain the integrity of Company's system.

(7) In order to comply with curtailment orders as issued by Company.

Company will restore service as soon as practicable as soon as the physical problems described in items (3) through (7) above have been corrected.

5.01.02 **Notice to Other Residents**: If Company has knowledge that persons other than customer or members of customer's family are residing at the premises where unauthorized interference, diversion, or use is taking place, Company shall give such persons a 2 day written or 24 hour oral notice prior to discontinuance, provided no dangerous conditions exist. Except as provided in Section 4.07 Cold Weather Rule, all written notices to customers for discontinuing service shall contain:

(1) The name and address of customer and the address, if different, where service is rendered.

(2) A clear and concise statement of the reason for the proposed discontinuance of service.

(3) The dates which service can be discontinued unless customer takes appropriate action.

(4) Terms under which customer may avoid discontinuance, including a statement that discontinuance may be postponed or avoided if customer can demonstrate that special circumstances prevent complete payment and satisfactory credit arrangements are made with Company

General Terms and Conditions for Gas Service

for amounts not in dispute.

(5) The cost and conditions for reconnection.

Disconnection notices will also contain a statement to apprise customer of the administrative procedure which may be used in the event of a bona fide dispute or under other circumstances, such as provided in Section 5.04 Discontinuing Service - Special Circumstances. Such notices will include the telephone number, address and office of Company at which customer may meet with a designated Company employee to present reasons for disputing a bill or Company's reasons for discontinuance, request credit arrangements or request a postponement of discontinuance.

Disconnection notices will be mailed separately from customer's regular monthly bill to the normal mailing address and to the service address, if different, and will be considered as having been served as of the date of mailing, as indicated by Company's records. Company will maintain a record of the date of mailing and the effective dates of the notice. The disconnect shall become effective 10 days following the date of mailing and shall remain in effect for one month during which time Company may disconnect service. A telephone contact with customer will be attempted at least 2 days prior to date of disconnection advising customer of pending disconnection.

In situations where Company's records show that the service account proposed to be disconnected serves more than one residential dwelling unit, Company shall also post a Notice of Disconnection in an area common to the dwelling units at least 5 days prior to the discontinuance date specified therein.

When Company has evidence documenting that customer is receiving service through false identity, it may disconnect customer upon 48 hours notice given by personal or telephone contact and the telephone number of the Commission's Consumer Protection Office is provided to customer. Company will also mail its normal 10 day disconnect notice immediately; so that if contact is not made, service may be disconnected at the end of the 10 day period.

5.02 **Conditions for Discontinuing Service**: Company may discontinue or refuse service for any of the following reasons:

(1) Upon customer request.

(2) When a dangerous condition exists on customer's premises.

General Terms and Conditions for Gas Service

(3) When a service bill becomes delinquent, as provided in Section 4.01 Payment of Bills, and after proper notice, as provided in Section 5.01 Notice to Customer for Discontinuing Service.

(4) When customer defaults under the Cold Weather Rule pursuant to Section 4.07 Cold Weather Rule or Section 4.08 Extended Payment Plan.

(5) When customer causes or permits unauthorized use, interference, tampering or diversion of service (meter bypass) on or about customer's premises.

(6) When service supplied by Company is used or misapplied by customer causing an unsatisfactory condition affecting the quality, safety or continuity of service to other customers.

(7) When service is resold or shared by customer or customers without written consent of Company.

(8) When customer fails to provide credit information or a security deposit or guarantee as may be required by Section 3.01 Credit Requirements or Section 3.02 Security Deposits.

(9) When customer has a previous undisputed and unpaid separate account for Company's service which accrued within the last 5 years, if the service was provided under a written agreement, or 3 years if service was provided under an oral agreement.

(10) When customer fails to comply with Company's General Terms and Conditions, or with an executed contract for service or applicable rate schedule as approved by the Commission.

(11) When customer fails to comply with curtailment orders as issued by Company.

(12) When customer's identity is misrepresented for the purpose of obtaining or retaining service or when any other means of fraud, as defined in Section 1, Definitions, is committed.

(13) When customer refuses to grant Company personnel access, during normal working hours, to Company facilities installed upon the premises of customer for the purpose of inspection, meter reading, maintenance or replacement.

(14) When customer abandons service.

(15) When customer tenders an insufficient funds check as the initial payment or an installment payment under a Cold Weather Rule Payment Plan pursuant to Section 4.07 Cold Weather Rule and does not cure the insufficient payment during the 10-day period after a disconnection notice is sent to the customer.

General Terms and Conditions for Gas Service

When conditions listed in (2), (5) and (6) above are discovered by Company, Company may disconnect service immediately. However, when the Cold Weather Rule is in effect, service must be reconnected as soon as practicable after the physical problem described in (2), (5) and (6) above has been corrected.

5.03 **Conditions Insufficient to Cause Discontinuation of Service**: Company shall not disconnect or refuse service for any of the following reasons:

(1) The failure of customer to pay for charges other than those specifically identified in Company's approved tariffs and terms and conditions.

(2) The failure of customer to pay for service received at a concurrent and separate metering point, residence or location.

(3) The failure of customer to pay for a different class of service received at the same location. The placing of more than one meter at the same location for the purpose of billing the usage of specific devices under optional rate schedules or provisions is not considered as a separate class of service for purposes of this rule.

(4) The failure of customer to pay a bill which is in dispute; provided, however, that customer pays that portion of the bill not in dispute.

(5) Undisputed and unpaid accounts which have accrued that are more than 5 years old for service provided under a written agreement or more than 3 years old for service provided under an oral agreement.

5.04 **Discontinuing Service - Special Circumstances**: In addition to the provisions of Section 4.07 Cold Weather Rule, Company will either allow payment in reasonable installments or postpone discontinuing service for at least 21 days so that a residential customer may make arrangements for payment of service bill either in full or by reasonable installment payments, if the customer notifies Company and establishes that:

(1) Discontinuing service would be especially dangerous to the health of customer, resident member of customer's family or other permanent resident of the premises where service is rendered, and that

(2) Customer is unable to pay for such service in accordance with Company's billing or is able to pay for such service only in installments.

In determining whether discontinuing service would be especially dangerous to health, consideration shall be given to the weather, customer's or other resident's medical condition, age or disability.

5.05 **Procedures for Discontinuing Service**: Except as provided in Section 4.07 Cold Weather Rule, Company's employee who is to disconnect service will make a reasonable effort to contact and establish identity with customer or other responsible person then upon the premises, announce the purpose of Company employee's presence, identify and record the name of the person contacted, accept payment of all amounts tendered which are necessary to avoid disconnection, record any statements disputing the accuracy of the delinquent bills, the cause of discontinuance, or concerning the medical condition of any permanent resident of the premises. Company may refuse to accept cash payments at the customer's premises pursuant to the Commission's order in Docket No. 11-KGSG-503-MIS.

If contact with customer or other responsible individual is not made, Company's employee shall leave notice upon the premises in a manner conspicuous to customer stating the date and time of discontinuing service and the address and telephone number of Company where customer may arrange to have service restored.

Except for discontinuing service pursuant to Section 5.02 Conditions for Discontinuing Service, Parts (1), (2), (5), (6) and (10) Company shall discontinue service only when, at the time of the proposed discontinuance, Company's office or personnel identified in the notices given pursuant to Section 5.01 Notice to Customer for Discontinuing Service, are open or available to customer for one hour after discontinuance and on the full working day following discontinuance to enable customer to obtain reconnection. Company personnel with authority to approve reasonable pay arrangements shall be available during this period.

5.06 **Restoration of Service**: Upon customer request, Company will restore service promptly when the cause of discontinuing service has been eliminated, applicable charges paid, and/or if required, satisfactory credit arrangements have been made. Every effort will be made to restore service to existing customers defined under Section 2.02.03 on the day requested but in no event shall restoration be later than the next normal business day following the day requested by customer.

5.07 **Disputed Bills**: When customer advises Company in any reasonable manner such as written notice, in person, or by telephone call directed to the appropriate personnel prior to the date of proposed discontinuance of service that all or any part of a bill rendered is in dispute or that Company's reasons for discontinuing service are factually invalid, Company shall record the date, time and place that customer notice of a dispute is given, and postpone discontinuing service until a prompt and full investigation is completed.

Company and customer shall attempt to informally resolve the dispute to the mutual satisfaction of both Company and customer. In the event the dispute is not resolved Company shall advise customer of informal and formal procedures available before the Commission and shall then discontinue service if proper notice has been given to customer.

General Terms and Conditions for Gas Service

5.08 **Collection or Disconnection Charge**: When it is necessary for Company to make a service call for the purpose of collection or disconnection of service because of non-payment, a service charge as specified in Section 12.05 Collection or Disconnection Charge, will be collected from customer by Company.

5.09 **Reconnection Charge**: When a customer has been disconnected for conditions in Section 5.02 Conditions for Discontinuing Service, Company may require a service charge as specified in Section 12.06 Reconnection Charge, for reconnecting service. In addition, Company may require a security deposit, as specified in Section 3.01 Credit Requirements and Section 3.02 Security Deposits, before service is reestablished. In the event a customer orders a disconnection and a reconnection at the same premises within a period of 12 months, Company will collect, as a reconnection charge, the sum of such minimum bills as would have occurred during the period of disconnection, but in no event less than the reconnection charge provided for in Section 12.06 Reconnection Charge. If service has been discontinued because of unauthorized use, interference, tampering or diversion of service (meter bypass), customer shall pay Company an amount estimated by Company to be a reasonable payment for the unauthorized service used and the reconnection charge pursuant to Section 12.13 Diversion Reconnection Charge. If Company disconnected Customer’s service elsewhere due to Customer’s refusal to provide access to Company’s pipelines, facilities, or equipment located on Customer's premises, Company may require Customer to pay the additional costs associated with service disconnection prior to reconnection.

Company shall not charge both a reconnection fee as specified in Section 12.06 Reconnection Charge, and a reconnection charge as specified in Section 12.13 Diversion Reconnection Charge for the same reconnect.

5.10 **Transfer of Account Balances**: In the event of discontinuance or termination of service at customer's metering point, residence or other location, Company may transfer any unpaid balance to another concurrent active account of customer only with customer's written consent. In the event of the failure of customer to pay a final bill at a metering point, residence or other location, Company may transfer such unpaid balance to any successive service account opened by customer for the same class of service, and may discontinue service, upon proper notice at such successive metering point, residence or location for non-payment of such transferred amount.

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	Janet Buchanan, Director – Regulatory Affairs	

General Terms and Conditions for Gas Service

6. Customer’s Service Obligations

6.01 Customer's Appliances and Piping

6.01.01 **Customer's Piping**: The term "customer's piping" is used to designate all piping, fixtures, valves, appliances and apparatus of any kind or nature on customer's side of the point of delivery. All piping shall be installed and maintained by customer at customer's expense in conformity with these General Terms and Conditions, Orders and Rules and Regulations prescribed by the Commission and state and local governmental standards and/or requirements. Where Company's rate schedules provide for different classes of service, customer's piping, at customer's expense, shall be so arranged that each class of service can be metered separately. If customer's piping cannot be so arranged, Company shall reserve the right to assign rate schedules and priority to customer's total requirement.

6.01.02 **Multi-Metering Installations**: Where building or premises are occupied by more than one customer, Company will set as many meters as there are separate applications for service. Customer piping shall be so arranged as to permit the installation of Company's meters adjacent to each other and shall not be interconnected. Customer piping shall be clearly and permanently marked to indicate the particular customer supplied by it.

6.02 Standards and Approvals of Customer's Facilities

6.02.01 **Compliance with Safety Requirements**: All piping, appliances and appurtenances installed by customer shall be of types certified by the American Gas Association and/or listed by the Underwriters Laboratories. These installations shall also meet the standards of the National Fire Protection Association and shall comply with federal, state and municipal codes insofar as they apply and all reasonable requirements of Company, and shall be maintained by customer in a good, safe and serviceable condition.

6.02.02 **Inspection and Testing of Customer's Facilities**: Prior to the original connection of service to any specific location, customer's piping, appliances and appurtenances shall be inspected and approved by a city inspector or other such authorized person for the proper receipt and use of utility service. If a certificate of approval is required by local authorities, it shall be obtained by customer at customer's expense. In the absence of an authorized person representing a governmental agency, the facilities will be inspected by a representative of Company. Such Company inspection shall not impose on Company any responsibility or liability for the safe condition of the facilities. After the commencement of service, Company will not be obligated to inspect

General Terms and Conditions for Gas Service

customer's facilities, although at its discretion, Company shall have the right to inspect and test customer's facilities for suspected unsafe conditions at any time.

6.03 **Defective Customer Equipment**: In any case where Company discovers that a dangerous condition exists with regard to customer's appliances, equipment, or piping, it may, without advance notice, shut off the service and immediately notify customer. Service shall not be resumed until such dangerous condition has been eliminated. If customer is aware that gas is escaping from any equipment or pipe in or about customer's premises, or in case of interruption of service, customer shall notify Company at once.

6.04 **Company Equipment on Customer's Premises**

6.04.01 **Facilities on Customer's Premises**: If required, customer shall furnish, without cost to Company, right-of-way for mains or other facilities necessary to serve customer. Where customer is not owner of the premises to be served, written consent of the owner shall be furnished to Company.

6.04.02 **Protection of Equipment on Customer's Premises**: All facilities owned and installed by Company at its own expense are the property of Company. If the meter or other equipment belonging to Company are damaged or destroyed due to negligence or misuse by customer or by any member of customer's family, or by an agent, or employee or other representative of customer, then the cost of necessary repairs and/or replacements shall be paid by customer.

6.04.03 **Encroachment and Enclosure Prohibited:** Unless authorized by Company in writing, Customer shall not create, build, erect, or construct any building, structure, engineering works, or other obstruction on, over, or around any Company pipelines, facilities, or equipment located on Customer's Premises. Unless authorized by Company in writing, Customer shall not enclose any of Company's pipelines, facilities, or equipment. Company may require Customer to remove any such encroachment or enclosure, or if Customer fails to act Company may remove such encroachment or enclosure and bill customer for removal costs. Company may discontinue or refuse service to Customer if Customer does not remedy an encroachment or enclosure.

6.05 **Company's Access to Customer's Premises**: Company's representatives shall have free access to customer's premises for the purpose of reading the meter or inspecting the metering equipment and all other equipment relating to Company's service or for making necessary repairs or tests to its equipment, or for removing its meter and equipment.

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If Customer refuses to grant Company access to Customer's premises Company may discontinue or refuse service to Customer in accordance with Section 5.02. If Company is required to disconnect Customer's service elsewhere due to Customer's refusal to grant access to Customer's premises Company may bill customer for the additional costs associated with disconnection. In accordance with Section 5.09 Company may require Customer to pay the additional costs associated with disconnecting Customer's service elsewhere prior to Company restoring Customer's service.

6.06 **Tampering with and Care of Company's Property**: No one other than a Company representative or other person authorized by Company shall be permitted to repair or remove Company's meter or facilities, or any of the property of Company on or about customer's premises.

Any unauthorized person tampering with Company's meter or facilities is in violation of this restriction and such tampering shall be considered cause for immediate discontinuance of service by Company. Any seals placed by Company on meters or regulators shall not be broken or disturbed by anyone other than authorized representatives of Company.

6.07 **Charges for Work Done on Customer's Premises by Company**: Except as provided in Subsection 6.02.02 Inspection and Testing of Customer's Facilities, Company shall charge for all materials furnished and for all work done on a customer's premises beyond the point of delivery except in cases where gas odor or a suspected unsafe condition is being investigated. The charges shall apply for trouble calls not occasioned by negligence on the part of Company, for repair of appliances, and any other work or service requested and authorized by the customer. Company shall not charge for replacement or repair of equipment furnished and owned by Company on the customer's premises except when repairs or replacements are caused by negligence or misuse by the customer or the customer's agents.

Except as provided in Section 7.02 Equipment Furnished by Company, Company may charge for upgrades necessitated by a change in service requirements of customer or any other work requested and authorized by customer.

These charges shall be based upon Company's existing schedule of charges.

6.08 **Notice to Company to Discontinue Service**: Any contract made for service shall continue in full force and effect during its term. Service shall be discontinued by a customer in accordance with the terms of the contract. If no terms are specified, the customer may discontinue service upon giving a two day notice to Company. In case no such notice is given to Company, the terminating customer shall be responsible for all service supplied until such notice is given to Company. In the case of rental property, the owner may contract in writing for service to be continued automatically in owner's

General Terms and Conditions for Gas Service

name, with full responsibility for payment of all service thereafter delivered, when service is terminated at the request of any tenant.

6.09 **Request for Investigation of Unsatisfactory Service**: If a customer feels that service is not adequate and sufficient, Company should be advised in writing of the nature of the complaint in order that a proper investigation may be made.

Knock and Collect Waiver of On-Premise Collection Pilot

13.04.02 **Cold Weather Rule Months (November 1 – March 31):**

a) Ten (10) days prior to disconnection, Company shall mail a "Notice of Disconnection" letter to customer. Company shall mail this letter separately from a utility bill or any other correspondence as established in Company's General Terms and Conditions.
b) Five to Seven (5-7) days prior to disconnection, Company shall attempt to contact customer via phone call, email, or text message, informing customer of Company's intent to disconnect.
c) Two (2) days prior to disconnection, Company shall attempt to contact customer via a phone call, informing customer of Company's intent to disconnect as established in Company's General Terms and Conditions.
d) One (1) day prior to disconnection, Company shall attempt to contact customer via phone call or text message, informing customer of Company's intent to disconnect.
e) If the attempted phone contact described in letter (d) above is not successful, Company shall place a disconnection notice at customer's premise on the day prior to disconnection. Company may then disconnect service on the day of disconnection unless otherwise prohibited by the Cold Weather Rule.
f) If the attempted phone contact described in letter (d) above is successful, Company shall not be required to place a disconnection notice at customer's premise on the day prior to disconnection. Company may then disconnect service on the day of disconnection unless otherwise prohibited by the Cold Weather Rule.

13.05 **Disconnection and Reconnection Fees:** The disconnection fee and reconnection fee shall be as specified in Schedule 12.05 and 12.06 respectively.

13.06 **Definitions and Conditions:** Any provisions of this schedule are subject to changes made by order of the regulatory authority having jurisdiction.

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Residential Sales Service

Availability
Available in and around the communities specified in the Index to residential customers at single locations. Service is subject to the Definitions and Conditions section below.

Net Monthly Bill
Rate Choice A:

$20.00 Service Charge, plus

Applicable adjustments and charges provided in Company's Gas System Reliability Surcharge and Winter Event Securitized Cost Recovery Rider, plus

$4.3818 Delivery Charge per Mcf for all gas delivered, plus

Applicable adjustments and charges provided in Company's Cost of Gas Rider, Weather Normalization Adjustment Rider and Ad Valorem Tax Surcharge Rider.

Rate Choice B:

$35.00 Service Charge, plus

Applicable adjustments and charges provided in Company's Gas System Reliability Surcharge and Winter Event Securitized Cost Recovery Rider, plus

$1.9160 Delivery Charge per Mcf for all gas delivered, plus

Applicable adjustments and charges provided in Company's Cost of Gas Rider, Weather Normalization Adjustment Rider and Ad Valorem Tax Surcharge Rider.

The Net Monthly Bill shall be no less than the Service Charge plus any minimum charges set forth in a customer's Service Agreement.

Customer Choice Rate Placement

Each customer's individual rate schedule will be determined based on the annual normalized volume at the customer's premise for the twelve (12) month period ending on June 30, 2024. If the customer's annual normalized volume is less than or equal to 74 mcf, then the customer's account will be placed on Choice A.

If the customer's annual normalized volume is more than 74 mcf, then the customer's account will be placed on Choice B.

A customer may switch rate choices at any time during the year provided that the customer agrees to remain on the alternative rate choice for a period of no less than twelve (12) months after switching options. Changes will be effective with the Customer's next scheduled bill.

Definitions and Conditions
1. Sales service under this rate schedule is available to residential customers for use by the customer as provided for in Company's General Terms and Conditions for Gas Service.

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Residential Sales Service

2. Sales service is provided for the charge specified in the Net Monthly Bill when supplied from Company's existing facilities. When additional facilities are needed to serve a customer, an additional charge may be required.

3. Sales service under this rate schedule is subject to the provisions and applicable charges contained in Company's General Terms and Conditions for Gas Service, or successor documents, approved by the Commission.

4. All provisions of this rate schedule are subject to changes made by order of the Commission.

General Sales Service Small

Availability

Available in and around the communities specified in the Index to nonresidential customers at single locations. Not available for service to separately metered generators with a capacity less than 20 kilowatts. Service is subject to the Definitions and Conditions section below.

Net Monthly Bill

$31.30	Service Charge, plus
	Applicable adjustments and charges provided in Company’s Gas System Reliability Surcharge and Winter Event Securitized Cost Recovery Rider, plus
$2.6345	Delivery Charge per Mcf for all gas delivered, plus
	Applicable adjustments and charges provided in Company's Cost of Gas Rider, Weather Normalization Adjustment Rider and Ad Valorem Tax Surcharge Rider.

The Net Monthly Bill shall be no less than the Service Charge plus any minimum charges set forth in a customer’s Service Agreement.

Definitions and Conditions

1. Annual deliveries less than 200 Mcf at an individual meter during the last 12 billing periods shall qualify a customer for service under this rate schedule.
2. If a customer does not select a general service rate schedule for which it may qualify, Company may select the applicable general service rate schedule on the customer’s behalf. A customer may change the general service rate schedule which the customer is being billed during the first 12 months of service under the selected rate schedule. Thereafter, the customer is prohibited from making more than one change in a 12-month period.
3. Sales service is provided for the charge specified in the Net Monthly Bill section when supplied from Company's existing facilities. When additional facilities are needed to serve a customer, an additional charge may be required.
4. Multiple meter installations, installed at a single location for a customer's convenience, shall be billed additional Service Charges for each additional meter installation.
5. Sales service under this rate schedule is subject to the provisions and applicable charges contained in Company’s General Terms and Conditions for Gas Service, or successor documents, approved by the Commission.
6. All provisions of this rate schedule are subject to changes made by order of the Commission.

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General Sales Service Large

Availability

Available in and around the communities specified in the Index to nonresidential customers at single locations. Not available for service to separately metered generators with a capacity less than 20 kilowatts. Service is subject to the Definitions and Conditions section below.

Net Monthly Bill

$55.19	Service Charge, plus
	Applicable adjustments and charges provided in Company's Gas System Reliability Surcharge and Winter Event Securitized Cost Recovery Rider, plus
$2.3231	Delivery Charge per Mcf for all gas delivered, plus
	Applicable adjustments and charges provided in Company's Cost of Gas Rider, Weather Normalization Adjustment Rider and Ad Valorem Tax Surcharge Rider.

The Net Monthly Bill shall be no less than the Service Charge plus any minimum charges set forth in a customer's Service Agreement.

Definitions and Conditions

1. Annual deliveries between 200 and 1,500 Mcf at an individual meter during the last 12 billing periods shall qualify a customer for service under this rate schedule.
2. If a customer does not select a general service rate schedule for which it may qualify, Company may select the applicable general service rate schedule on the customer's behalf. A customer may change the general service rate schedule which the customer is being billed during the first 12 months of service under the selected rate schedule. Thereafter, the customer is prohibited from making more than one change in a 12-month period.
3. Sales service is provided for the charge specified in the Net Monthly Bill section when supplied from Company's existing facilities. When additional facilities are needed to serve a customer, an additional charge may be required.
4. Multiple meter installations, installed at a single location for a customer's convenience, shall be billed additional Service Charges for each additional meter installation.
5. Sales service under this rate schedule is subject to the provisions and applicable charges contained in Company's General Terms and Conditions for Gas Service, or successor documents, approved by the Commission.
6. All provisions of this rate schedule are subject to changes made by order of the Commission.

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General Sales Service Transport Eligible

Availability

Available in and around the communities specified in the Index to nonresidential customers at single locations. Not available for service to separately metered generators with a capacity less than 20 kilowatts. Service is subject to the Definitions and Conditions section below.

Net Monthly Bill

60.26	Service Charge, plus
	Applicable adjustments and charges provided in Company’s Gas System Reliability Surcharge and Winter Event Securitized Cost Recovery Rider, plus
1.7325	Delivery Charge per Mcf for all gas delivered, plus
	Applicable adjustments and charges provided in Company's Cost of Gas Rider, Weather Normalization Adjustment Rider and Ad Valorem Tax Surcharge Rider.

The Net Monthly Bill shall be no less than the Service Charge plus any minimum charges set forth in a customer’s Service Agreement.

Definitions and Conditions

1. Annual deliveries greater than 1,500 Mcf at an individual meter during the last 12 billing periods shall qualify a customer for service under this rate schedule.
2. If a customer does not select a general service rate schedule for which it may qualify, Company may select the applicable general service rate schedule on the customer’s behalf. A customer may change the general service rate schedule which the customer is being billed during the first 12 months of service under the selected rate schedule. Thereafter, the customer is prohibited from making more than one change in a 12-month period.
3. Sales service is provided for the charge specified in the Net Monthly Bill section when supplied from Company's existing facilities. When additional facilities are needed to serve a customer, an additional charge may be required.
4. Multiple meter installations, installed at a single location for a customer's convenience, shall be billed additional Service Charges for each additional meter installation.
5. Sales service under this rate schedule is subject to the provisions and applicable charges contained in Company’s General Terms and Conditions for Gas Service, or successor documents, approved by the Commission.
6. All provisions of this rate schedule are subject to changes made by order of the Commission.

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Sales Service for Resale

Availability

Available to utilities and municipal gas systems at single locations for gas for resale outside Company's service territory. Service is subject to Definitions and Conditions below**.**

Net Monthly Bill

$68.14	Service Charge, plus
	Applicable adjustments and charges provided in Company's Gas System Reliability Surcharge, plus
$1.3054	Delivery Charge per Mcf for all gas delivered, plus
	Applicable adjustments and charges provided in Company's Cost of Gas Rider, Sales Service for Resale Winter Event Cost Recovery Rider and Ad Valorem Tax Surcharge Rider.

The Net Monthly Bill shall be no less than the Service Charge plus any minimum charges set forth in a customer's Service Agreement.

Definitions and Conditions

1. Sales service is provided for the charge specified in the Net Monthly Bill section when supplied from Company's existing facilities. When additional facilities are needed to serve a customer, an additional charge may be required.
2. Multiple meter installations, installed at a single location for a customer's convenience, shall be billed additional Service Charges for each additional meter installation.
3. Service under this rate schedule is subject to the provisions and applicable charges contained in Company's General Terms and Conditions for Gas Service, or successor documents, approved by the Commission.
4. All provisions of this rate schedule are subject to changes made by order of the Commission.

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Small Transportation Service – k System

Availability
Available in and around the communities specified in the Index to nonresidential customers. Service is subject to the Definitions and Conditions section below**.**

Net Monthly Bill

$60.26	Service Charge, plus
	Applicable adjustments and charges provided in Company's Gas System Reliability Surcharge, plus
$1.7325	Delivery Charge per Mcf for all gas delivered, plus
	Applicable adjustments and charges provided in Company's Weather Normalization Adjustment Rider and Ad Valorem Tax Surcharge Rider.

The Net Monthly Bill shall be no less than the Service Charge plus any minimum charges set forth in a customer's Service Agreement.

Definitions and Conditions

1. Annual deliveries of at least 800 Mcf at a single location during the last 12 billing periods shall qualify a customer for service under this schedule. A customer, once qualified, shall remain eligible for service under this schedule.
2. A customer shall meet all conditions of the following tariffs to maintain service under this rate schedule:
   a. Electronic Flow Measurement Rider
   b. Company's General Terms and Conditions for Gas Service (GTC), Section 10 Requirements for Transportation Service.
3. Company may base a bill on a customer's normal meter reading cycle, but may issue that bill at the beginning of the next billing month. Although the bill may indicate a different period, it shall reflect actual information obtained from the regular-cycle meter reading. A customer served under this rate schedule and who desires a calendar month-based bill must install electronic flow measurement equipment and will not be eligible for RDQ balancing.
4. Service under this rate schedule shall be terminated upon notification by the customer, but not before the next regular-cycle meter reading date.
5. Transportation service is provided for the charge specified in the Net Monthly Bill section when supplied from Company's existing facilities. When additional facilities are needed to serve a customer, an additional charge may be required.
6. Multiple meter installations, installed at a single location for a customer's convenience, shall be billed additional Service Charges for each additional meter installation. Usage recorded on these multiple meters shall be aggregated for purposes of qualifying for this rate schedule.

Small Transportation Service – k System

7. Transportation service under this rate schedule is subject to the provisions and applicable charges contained in Company's GTC, or successor documents, approved by the Commission.
8. All provisions of this rate schedule are subject to changes made by order of the Commission.

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Small Transportation Service – t System

Availability

Available in and around the communities specified in the Index to nonresidential customers. Service is subject to the Definitions and Conditions section below.

Net Monthly Bill

$62.66	Service Charge, plus
	Applicable adjustments and charges provided in Company's Gas System Reliability Surcharge, plus
$2.1778	Delivery Charge per Mcf for all gas delivered, plus
	Applicable adjustments and charges provided in Company's Weather Normalization Adjustment Rider and Ad Valorem Tax Surcharge Rider.

The Net Monthly Bill shall be no less than the Service Charge plus any minimum charges set forth in a customer's Service Agreement.

Definitions and Conditions

1. Annual deliveries of at least 800 Mcf at a single location during the last 12 billing periods shall qualify a customer for service under this schedule. A customer, once qualified, shall remain eligible for service under this schedule.
2. A customer shall meet all conditions of the following tariffs to maintain service under this rate schedule:
   a. Electronic Flow Measurement Rider
   b. Company's General Terms and Conditions for Gas Service (GTC), Section 10 Requirements for Transportation Service.
3. Company may base a bill on a customer's normal meter reading cycle, but may issue that bill at the beginning of the next billing month. Although the bill may indicate a different period, it shall reflect actual information obtained from the regular-cycle meter reading. A customer served under this rate schedule and who desires a calendar month-based bill must install electronic flow measurement equipment and will not be eligible for RDQ balancing.
4. Service under this rate schedule shall be terminated upon notification by the customer, but not before the next regular-cycle meter reading date.
5. Transportation service is provided for the charge specified in the Net Monthly Bill section when supplied from Company's existing facilities. When additional facilities are needed to serve a customer, an additional charge may be required.
6. Multiple meter installations, installed at a single location for a customer's convenience, shall be billed additional Service Charges for each additional meter installation. Usage recorded on these multiple meters shall be aggregated for purposes of qualifying for this rate schedule.

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Small Transportation Service – t System

7. Transportation service under this rate schedule is subject to the provisions and applicable charges contained in Company's GTC, or successor documents, approved by the Commission.

8. All provisions of this rate schedule are subject to changes made by order of the Commission.

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Large Volume Transportation Service – k System

Availability
Available in and around the communities specified in the Index to nonresidential customers. Service is subject to the Definitions and Conditions section below**.**

Net Monthly Bill
Service Charge:

$347.99	Tier 1 (Annual Use: Below 10,000 Mcf)
$382.38	Tier 2 (Annual Use: 10,001-20,000 Mcf)
$357.20	Tier 3 (Annual Use: 20,001-40,000 Mcf)
$258.03	Tier 4 (Annual Use: Above 40,001 Mcf) plus, for each Tier
	Applicable adjustments and charges provided in Company's Gas System Reliability Surcharge, plus
$0.9990	Delivery Charge (applicable to all Tiers) per Mcf for all gas delivered, plus
	Applicable adjustments and charges provided in Company's Ad Valorem Tax Surcharge Rider.

The Net Monthly Bill shall be no less than the Service Charge plus any minimum charges set forth in a customer's Service Agreement.

Definitions and Conditions

1. Peak delivery of at least 1,500 Mcf at a single location during any of the last 12 billing periods shall qualify a customer for service under this schedule. Qualification for this rate schedule shall be reviewed by June 1 of each year. A customer may be removed from this rate schedule effective each November 1 if the customer's peak delivery during the 12 most recent billing periods ending April 30 is less than 1,500 Mcf. The customer so removed shall receive transportation service under the rate schedule applicable to the customer's reduced requirement. The customer shall be returned to this rate schedule, upon request, after re-establishing a peak delivery of at least 1,500 Mcf.
2. Annual Use shall be the total volumes billed to the applicable meter in the most recent 12 month billing period ending April 30. Company may rely on estimated historical usage or projected volumes to establish Annual Use when actual usage is not available.
3. A customer shall meet all conditions of the following tariffs to maintain service under this rate schedule:
   a. Electronic Flow Measurement Rider
   b. Company's General Terms and Conditions for Gas Service (GTC), Section 10 Requirements for Transportation Service.

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Large Volume Transportation Service – k System

4. The Delivery Charge may be reduced by Company to meet a competitive alternative to Company’s transportation service. The customer shall be required to sign a special agreement listing the reduced charge, term of service and other conditions of the service to be provided to the customer. Discounts shall be subject to the following conditions:
   a. The rate reduction must be necessary to retain or obtain a customer who has a credible competitive alternative available.
   b. The amount of the discount from the maximum approved tariff rate must be the least necessary to retain or obtain the customer.
   c. Under the discounted rate, the customer must, at a minimum, cover all incremental costs of serving that customer, plus make a contribution to common fixed costs.
   d. Company’s decision to enter into a discounted service agreement and the amount of the discount shall be subject to review at Company’s next rate case.
   e. In situations where the discounted service agreement involves a Company affiliate, Company shall file with the Commission a copy of the agreement with all supporting documentation and worksheets, within 10 days of the date of the agreement.
5. Transportation service is provided for the charge specified in the Net Monthly Bill section when supplied from Company's existing facilities. When additional facilities are needed to serve a customer, an additional charge may be required.
6. Multiple meter installations, installed at a single location for a customer's convenience, shall be billed additional Service Charges for each additional meter installation. Usage recorded on these multiple meters shall be aggregated for purposes of qualifying for this rate schedule.
7. Transportation service under this rate schedule is subject to the provisions and applicable charges contained in Company's GTC or successor documents, approved by the Commission.
8. All provisions of this rate schedule are subject to changes made by order of the Commission.

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Large Volume Transportation Service – t System

Availability
Available in and around the communities specified in the Index to nonresidential customers. Service is subject to the Definitions and Conditions section below**.**

Net Monthly Bill
Service Charge:

$387.69	Tier 1 (Annual Use: Below 10,000 Mcf)
$549.09	Tier 2 (Annual Use: 10,001-20,000 Mcf)
$461.48	Tier 3 (Annual Use: 20,001-40,000 Mcf)
$397.53	Tier 4 (Annual Use: Above 40,001 Mcf) plus, for each Tier
	Applicable adjustments and charges provided in Company's Gas System Reliability Surcharge, plus
$1.3908	Delivery Charge (applicable to all Tiers) per Mcf for all gas delivered, plus
	Applicable adjustments and charges provided in Company's Ad Valorem Tax Surcharge Rider.

The Net Monthly Bill shall be no less than the Service Charge plus any minimum charges set forth in a customer's Service Agreement.

Definitions and Conditions

1. Peak delivery of at least 1,500 Mcf at a single location during any of the last 12 billing periods shall qualify a customer for service under this schedule. Qualification for this rate schedule shall be reviewed by June 1 of each year. A customer may be removed from this rate schedule effective each November 1 if the customer's peak delivery during the 12 most recent billing periods ending April 30 is less than 1,500 Mcf. The customer so removed shall receive transportation service under the rate schedule applicable to the customer's reduced requirement. The customer shall be returned to this rate schedule, upon request, after re-establishing a peak delivery of at least 1,500 Mcf.
2. Annual Use shall be the total volumes billed to the applicable meter in the most recent 12 month billing period ending April 30. Company may rely on estimated historical usage or projected volumes to establish Annual Use when actual usage is not available.
3. A customer shall meet all conditions of the following tariffs to maintain service under this rate schedule:
   a. Electronic Flow Measurement Rider
   b. Company's General Terms and Conditions for Gas Service (GTC), Section 10 Requirements for Transportation Service.

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Large Volume Transportation Service – t System

4. The Delivery Charge may be reduced by Company to meet a competitive alternative to Company’s transportation service. The customer shall be required to sign a special agreement listing the reduced charge, term of service and other conditions of the service to be provided to the customer. Discounts shall be subject to the following conditions:

   a. The rate reduction must be necessary to retain or obtain a customer who has a credible competitive alternative available.

   b. The amount of the discount from the maximum approved tariff rate must be the least necessary to retain or obtain the customer.

   c. Under the discounted rate, the customer must, at a minimum, cover all incremental costs of serving that customer, plus make a contribution to common fixed costs.

   d. Company’s decision to enter into a discounted service agreement and the amount of the discount shall be subject to review at Company’s next rate case.

   e. In situations where the discounted service agreement involves a Company affiliate, Company shall file with the Commission a copy of the agreement with all supporting documentation and worksheets, within 10 days of the date of the agreement.

5. Transportation service is provided for the charge specified in the Net Monthly Bill section when supplied from Company's existing facilities. When additional facilities are needed to serve a customer, an additional charge may be required.

6. Multiple meter installations, installed at a single location for a customer's convenience, shall be billed additional Service Charges for each additional meter installation. Usage recorded on these multiple meters shall be aggregated for purposes of qualifying for this rate schedule.

7. Transportation service under this rate schedule is subject to the provisions and applicable charges contained in Company's GTC or successor documents, approved by the Commission.

8. All provisions of this rate schedule are subject to changes made by order of the Commission.

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Compressed Natural Gas General Transportation Service - t System

Availability
Available in and around the communities specified in the Index to operators and retail distributors at single locations for the sole purpose of compressing natural gas for use as a fuel in vehicles. Service is subject to the Definitions and Conditions section below**.**

Net Monthly Bill

$41.78	Service Charge, plus
	Applicable adjustments and charges provided in Company's Gas System Reliability Surcharge Rider and Tax Change Rider, plus
$1.1927	Delivery Charge per Mcf for all gas delivered, plus
	Applicable adjustments and charges provided in Company's Ad Valorem Tax Surcharge Rider and Tax Change Rider.

The Net Monthly Bill shall be no less than the Service Charge plus any minimum charges set forth in a customer's Service Agreement.

Definitions and Conditions

1. A customer shall meet all conditions of the following tariffs to maintain service under this rate schedule:
   a. Electronic Flow Measurement Rider
   b. Company's General Terms and Conditions for Gas Service (GTC), Section 10 Requirements for Transportation Service.
2. The Delivery Charge may be reduced by Company to meet a competitive alternative to Company's delivery service. The customer shall be required to sign a special agreement listing the reduced charge, term of service and other conditions of the service to be provided to the customer. Discounts shall be subject to the following conditions:
   a. The rate reduction must be necessary to retain or obtain a customer who has a credible competitive alternative available.
   b. The amount of the discount from the maximum approved tariff rate must be the least necessary to retain or obtain the customer.
   c. Under the discounted rate, the customer must, at a minimum, cover all incremental costs of serving that customer, plus make a contribution to common fixed costs.
   d. Company's decision to enter into a discounted service agreement and the amount of the discount shall be subject to review at Company's next rate case.

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Compressed Natural Gas General Transportation Service - t System

e. In situations where the discounted service agreement involves a Company affiliate, Company shall file with the Commission a copy of the agreement with all supporting documentation and worksheets, within 10 days of the date of the agreement.

3. Transportation service is provided for the charge specified in the Net Monthly Bill section when supplied from Company's existing facilities. When additional facilities are needed to serve a customer, an additional charge may be required.
4. Multiple meter installations, installed at a single location for a customer's convenience, shall be billed additional Service Charges for each meter installation. Usage recorded on these multiple meters shall be aggregated for purposes of qualifying for this rate schedule.
5. Transportation service under this rate schedule is subject to the provisions and applicable charges contained in Company's GTC, or successor documents, approved by the Commission.
6. All provisions of this rate schedule are subject to changes made by order of the Commission.

Weather Normalization Adjustment Rider

Applicability

This rider is applicable to all service provided to all customers served under sales rate schedules RS, GSS, GSL, GSTE, STk and STt. Service is subject to the Definitions and Conditions section below.

Net Annual Charge

A Weather Normalization Adjustment (WNA) factor shall be applied to all monthly usage to refund revenue excesses or collect revenue deficiencies which occur as a result of deviations from normal weather. The WNA factor shall be calculated by the formula:

WNA Factor = [Revenue + Adjustment] / Volumes

Where:

Revenue = WDF * Rate * Customers for the WNA Calculation Period

WDF = Weather Deviation Factor is the per capita volume deviation due to non-normal weather.
(NHDDp – AHDDp) * HSFp + (NHDDc – AHDDc) * HSFc
Where p = prior month data and c = current month data for the given class and weather station.

NHDD = Normal Heating Degree Days for the applicable month.

AHDD = Actual Heating Degree Days for the applicable month.

HSF = Heat Sensitivity Factor is the usage per degree day calculation which is specific to the applicable weather station and Company service schedule.

Customers = Count of customers for the given class and weather station.

Rate = The applicable customer delivery charge per Mcf.

Volumes = Estimated volumes for the current WNA Collection Period.

Adjustment = Revenue from the prior year WNA Calculation Period less Recoveries.

Recoveries = WNA Factor times the monthly actual sales volumes.

Definitions and Conditions

1. All provisions set forth in the rate schedule under which a customer takes service shall apply to the extent they are not superseded by provisions of this rider.
2. WNA factors shall be calculated to the nearest $0.0001 per Mcf.
3. The Heat Sensitivity Factors and the Heating Degree Day normals, as approved in KCC Docket No. 24-KGSG-xxx-RTS shall be used for each rate schedule and weather station beginning with the November, 2024 WNA calculation.
4. The WNA Collection Year, consisting of the twelve month period ending May 31 of each calendar year, shall define the period during which a WNA factor is collected.

Weather Normalization Adjustment Rider

5. The WNA Calculation Period shall consist of the twelve cycle billing months of April through March prior to the Collection Year. The WNA Calculation Period shall define the period over which the revenue excess or deficiency is calculated.
6. Company shall file a report with the Commission by May 25 of each year, detailing the calculations deriving the WNA factors authorized by this rider to be applied during the subsequent WNA Collection Year.

Gas System Reliability Surcharge Rider

Availability

This rider is applicable to every bill for service provided under each of the Company's sales and transportation rate schedules except where not permitted under a separately negotiated contract with a customer. Not applicable to bills for As-Available Gas Sales Service or Interruptible Gas Transportation Service.

Net Monthly Charge

The Gas System Reliability Surcharge (GSRS) shall be a fixed monthly amount calculated as the applicable GSRS times the number of meters serving the customer's account, as indicated by the total number of Service Charges billed.

RS	Residential Sales Service	$	0.00
GSS	General Sales Service Small	$	0.00
GSL	General Sales Service Large	$	0.00
GSTE	General Sales Service Transport Eligible	$	0.00
SGS	Small Generator Sales Service	$	0.00
KGSSD	Kansas Gas Supply D	$	0.00
GIS	Gas Irrigation Sales Service	$	0.00
SSR	Sales Service Resale	$	0.00
STk	Small Transportation Service (k)	$	0.00
STt	Small Transportation Service (t)	$	0.00
LVTk	Large Volume Transportation Service (k)		
Annual Use:	Below 10,000 Mcf	$	0.00
	10,001 Mcf – 20,000 Mcf	$	0.00
	20,001 Mcf – 40,000 Mcf	$	0.00
	Above 40,001 Mcf	$	0.00
LVTt	Large Volume Transportation Service (t)		
Annual Use:	Below 10,000 Mcf	$	0.00
	10,001 Mcf – 20,000 Mcf	$	0.00
	20,001 Mcf – 40,000 Mcf	$	0.00
	Above 40,001 Mcf	$	0.00
WTt	Wholesale Transportation Service (t)	$	0.00
GITt	Gas Irrigation Transportation Service (t)	$	0.00
CNGk	Compressed Natural Gas General Transportation (k)	$	0.00
CNGt	Compressed Natural Gas General Transportation (t)	$	0.00

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Annual Performance-based Rate Adjustment (APRA) Mechanism

Availability

This Schedule is applicable to every bill for service provided under each of the Company's sales and transportation rate schedules except where not permitted under a separately negotiated contract with a customer. Not applicable to bills for As-Available Gas Sales Service or Interruptible Gas Transportation Service.

Purpose

The purpose of this Annual Performance-based Rate Adjustment (APRA) mechanism is to provide for an annual review of the Company's earnings and operational performance in order to adjust rates to reflect the most recent historical 12-month costs necessary for the provision of natural gas utility service.

APRA General Terms

1. Each annual application submitted by the Company under this APRA Schedule shall be calculated following the provisions set forth below. No provision contained within this schedule will limit the Commission's authority to issue a show cause order or limit the Company's ability to file a general rate change application. The Company shall have the burden of proof to demonstrate the reasonableness of the APRA application and resulting rates.
2. The Company shall file an Application for a Commission determination pursuant to Schedule APRA for the calendar years 2024, 2025, 2026, 2027 and 2028. Each filing will be submitted by March 15^{th}.
3. The Company's Allowed Return on Equity (AROE) is set pursuant to order of the Commission in Docket No. 24-KGSG-____-RTS. The AROE shall be the effective AROE until modified by Commission order. Any such modification shall be applied prospectively.
4. The Company's Earned Return on Equity (ER) shall be recalculated annually under the APRA for use in determining any rate change adjustments that become effective in subsequent years. Except as otherwise provided in other sections of this Schedule APRA, the calculation shall be performed using the same methodology used to calculate the ER pursuant to KGS's 2024 base rate filing.
5. An AROE dead-band of 100 basis points is established for the APRA calculation procedure. The dead-band shall be from 50 basis points below the AROE to 50 basis points above the AROE established in Docket No. 24-KGSG-____-RTS. The Company may request a rate increase under this APRA Schedule only when the ER falls more than 50 basis points below the AROE. Similarly, any credit and sharing with the Company's customers shall occur when the ER is greater than 50 basis points above the AROE. However, giving consideration to practical constraints, no adjustments provided for under this Schedule will be made for amounts that are less than $200,000. Any revenue increase or customer credit will be allocated to customer classes based on each class's relative percentage of the total revenue established in the proof of revenues in the Company's most recent base rate case.
6. The Company will submit revised rate schedules to the Commission when a rate increase is required pursuant to this Schedule. Should this Schedule require a credit to the Company's

Annual Performance-based Rate Adjustment (APRA) Mechanism

customers, the credit shall be made to customer bills over a 12-month period. Any rate schedule changes or bill credits will be implemented with the first billing cycle in July.

Application

1. The Company shall, on or before March 15, file an application with the Commission and provide copies to the Staff of the Commission and the Citizens' Utility Ratepayer Board ("CURB"). Where applicable, the data provided shall include by FERC account: test period actual data, listing of individual adjustments to test period data and the adjusted balance. The filing shall include information consistent with the requirements of sections of K.A.R. 82-1-231 listed below:

    Section 1: Application, Letter of Transmittal and Authorization
    Section 3: Summary of Rate Base, Operating Income and Rate of Return
    Section 4: Plant in Service
    Section 5: Accumulated Provision for Depreciation and Amortization
    Section 6: Working Capital
    Section 7: Capital Structure and Cost of Capital
    Section 9: Test Period and Pro-forma Income Statements
    Section 10: Depreciation and Amortization
    Section 11: Taxes
    Section 12: Allocation Rations
    Section 17: Allocation of Revenue Requirement, Rate Design, Proof of Revenues
    Section 18: Proposed Tariffs

   The application shall also include pre-filed testimony in support of the test period financial information as well as each pro-forma test period adjustment.

2. The filing shall be accompanied by work papers supporting each pro forma adjustment and shall be provided to the Staff of the Commission and CURB.
3. An expedited processing schedule shall be established to provide notice to all interested parties, including customers. Any calculations disputed by the parties shall be identified to the Company prior to May 1. The parties will work in good faith to resolve all disputes prior to May 30.
4. Unless disputed by the parties, any rate changes will become effective with the first billing cycle of July. If the parties have not resolved disputed issues, the issues will be set for hearing before the Commission. If the Commission has not issued an order by June 1, then the rates may be placed into effect and collected on an interim basis subject to refund.

APRA Calculation

1. The calendar year shall be the Test Year.
2. Rate base and cost of service shall be computed in the same manner as approved in the Company's last base rate case and shall include Construction Work in Progress balance at December 31.

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3. Operating revenues shall be modified consistent with the Commission's findings in the base rate case. Additionally, operating revenues will be adjusted as follows:
   a. Include annualized revenue if necessary as discussed in (4) below; and,
   b. Test period weather normalization accruals based on the weather coefficients as determined in the base rate case.
4. If the ER falls below the dead-band, the calculated revenue requirement deficiency shall be offset by including an adjustment to annualize any base rate revenue increase authorized after the beginning of the test year. This annualization adjustment shall not be applied when the ER without such adjustment falls within or above the dead-band.
5. Operating expenses shall be modified consistent with the Commission's findings in the Company's base rate case and upon annualized December 31 balances for the following:
   a. Depreciation expense calculated based on December 31 balances multiplied by the Commission authorized depreciation rates; and,
   b. The level of salaries and wages, savings plans expenses, payroll taxes, and other payroll-related expenses will be based on compensation and employment levels at December 31.

APRA Rate Change

1. If, for the 12-month period ending December 31, it is determined that the jurisdictional non-fuel revenues should be increased or decreased, the Company's rate schedules will be adjusted in the manner set forth in this Rate Schedule. These adjustments will be added to or subtracted from the rate schedules previously in effect and the revised rate schedules will become effective by order of the Commission for the first billing cycle in July and remain in effect until changed under provisions set forth in this Schedule and by order of the Commission.
2. If, for the 12-month period ending December 31, the Company's ER is more than 50 basis points below the AROE, the base rates provided for under the Company's sales and transportation rate schedules (unless not permitted under a separately negotiated contract), shall be increased upon Commission approval for the amount necessary to restore the ER to the AROE.
3. If, for the 12-month period ending December 31, the Company's ER is more than 50 basis points above the AROE, the portion of the ER that is greater than the AROE will be shared between customers and the Company, with customers receiving the greater amount. The sharing percentages will be determined based upon the Company's performance as measured by the performance metrics defined and measured as agreed upon and approved by the Commission in Docket No. 14-KGSG-100-MIS. Those performance measures are the Answered Call Rate, the Estimated Bills per 1,000 Customers and the Response Time to Odor Reports. The Company will also provide data concerning the average age of leaks in inventory and average number of KCC referred complaints responded to within 24 hours; however, these metrics will not affect the percentage of ER shared between customers and the Company.
4. The sharing of ER that is more than 50 basis points above the AROE will be determined by the Table 1 below which sets out performance targets and earnings sharing percentages. To receive 25% of the earnings above the dead-band, the Company must meet the target level of

Annual Performance-based Rate Adjustment (APRA) Mechanism

performance indicated in the Table 1 for all three metrics. Otherwise, the Company's earnings share would be determined by the next highest level of performance for which the Company's performance meets or exceeds the target level for two metrics.

Table 1: Performance Metrics Targets and Earnings Sharing %

Customers' Share of Earnings	KGS's Share of Earnings		Answered Call Rate	Estimated Bills	Response Time to Odor Reports
75%	25%		> 94.5%	≤ 224	< 28 minutes
80%	20%		> 93.5% and ≤ 94.5%	225 to 235	28 to 28.49 minutes
85%	15%		>92.5% and ≤ 93.5%	236 to 246	28.50 to 28.99 minutes
90%	10%		>91.5% and ≤ 92.5%	247 to 257	29 to 29.49 minutes
95%	5%		>90.5% and ≤91.5%	258 to 268	29.50 to 29.99 minutes
100%	0%		≤ 90.5%	≥ 269	≥ 30 minutes

Force Majeure Provision

If any cause beyond the reasonable control of the Company, such as natural disaster, orders or acts of civil or military authority, terrorist attacks, or government mandates, which results in a deficiency in the revenues which are not readily capable of being addressed in a timely manner under this Schedule, the Company may file for expedited rate relief. This expedited or out of cycle rate relief will still be subject to the filing requirements of Section 7 but will not be bound by the timelines identified herein. Such expedited rate relief would result in a calendar year containing multiple filings.

Definitions and Conditions

1. All provisions of this schedule are subject to changes made by order of the Commission.