

Depreciation and Amortization:

The Company's test year depreciation expense rates are based on a depreciation study completed by Foster & Associates in 2006

The study was performed in accordance with standard industry practice. The study was completed using Company data through December 31, 2005. Specific depreciation expense rates were calculated for each FERC property account. The rates reflect a straight-line, vintage-group, remaining-life approach. These depreciation rates were approved as part of Docket NG07-013, and again in NG11-003.

These rates are applied to the depreciation base for each FERC to calculate monthly depreciation expense. The depreciation base for each FERC is updated at the beginning of each calendar quarter. See Statement J for the calculation of depreciation expense for the test year

Gannett Fleming Valuation and Rate Consultants, LLC performed a depreciation study using data through December 31, 2022 as a supplement to this filing. Statement J has been completed using the new rates calculated in this study. The common rates were implemented as part of Docket EL23-016.