

April 1, 2019

Ms. Kimberly D. Bose, Secretary Federal Energy Regulatory Commission 888 First Street, N.E. Washington, D.C. 20426

Re: Bear Creek Storage Company, L.L.C.

Docket No. RP19-51 Cost and Revenue Study

Dear Ms. Bose:

In accordance with the Federal Energy Regulatory Commission's ("Commission") January 16, 2019 Order Instituting Investigation and Setting Matter for Hearing Pursuant to Section Five of the Natural Gas Act (the "Order") in the above-referenced proceeding, On February 15, 2019, Bear Creek Storage Company, L.L.C. ("Bear Creek") filed a request for rehearing of such Order. Notwithstanding such request for rehearing, Bear Creek electronically submits herewith a cost and revenue study required by the Order and one additional cost and revenue study permitted by the Order as described more fully below. Bear Creek is serving this transmittal letter and filing on each party on the official service list in this proceeding.

As required by the Order, the first cost and revenue study (Appendix A) provides Bear Creek's cost and revenues for the twelve-month period from January 1, 2018 through December 31, 2018 (which is the latest 12-month period available as of the date of the Order). In compliance with the Order, this cost and revenue study includes each of the applicable schedules specified in Section 154.312 of the Commission's regulations except for Statement P. Furthermore, as required by the Order, it does not reflect any projections that may be attributable to a test period². The Appendix A study reflects an overall annual cost of service of \$28,885,526. At Bear Creek's current rates, Bear Creek would under-collect this cost of service by \$1,745,382, absent an increase in Bear Creek's rates.

As permitted by the Order, Bear Creek has prepared a second study (Appendix B) illustrating cost and revenues that reflect adjustments for changes that are expected to occur through June 30, 2019 (i.e. a six month test period). The Appendix B study reflects an overall cost

¹ 166 FERC ¶ 61,034 (2019).

² Operating expenses were adjusted to remove fuel related gas costs since Bear Creek has a fuel tracker.

Ms. Kimberly D. Bose, Secretary April 1, 2019 Page 2

of service of \$28,948,501. At Bear Creek's current rates, Bear Creek would under-collect this cost of service by approximately \$1,808,357, absent an increase in Bear Creek's rates.

Bear Creek is submitting these two cost and revenue studies to comply with the Commission's Order. Nothing contained herein shall serve as evidence of Bear Creek's preferred rate design or cost allocation methodology. Bear Creek reserves the right to propose, in any answering testimony in this proceeding, in any Section 4 rate proceeding, at hearing, or in any other appropriate filing, without prejudice, different methods of allocating and adjusting costs and revenues than are contained in this cost and revenue study, updated costs or revenues (including the provision for a test period adjustment), different rate designs, a different rate of return, different depreciation rates, a negative salvage rate, modified services or tariff provisions, including storage cycling provisions, as well as alternative methods to establish just and reasonable rates. This filing is without prejudice to any petition Bear Creek may make for judicial review of the Order and/or Bear Creek's request for rehearing of the Order filed on February 15, 2019.

The names, addresses, and telephone numbers of the persons to whom communications concerning this filing are to be addressed and upon whom service is to be made are as follows:

T. Brooks Henderson Director, Rates & Regulatory Bear Creek Storage Company, L.L.C. Post Office Box 2563 Birmingham, Alabama 35202-2563 (205) 325-3843 brooks_henderson@kindermorgan.com Patricia S. Francis Assistant General Counsel Bear Creek Storage Company, L.L.C. Post Office Box 2563 Birmingham, Alabama 35202-2563 (205) 325-7696 patricia francis@kindermorgan.com

Respectfully submitted,

Bear Creek Storage Company, L.L.C.

By: /s/ T. Brooks Henderson
T. Brooks Henderson
Director, Rates & Regulatory
Bear Creek Storage Company, L.L.C.

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon each person designated on the official service list compiled by the Secretary in this proceeding in accordance with the requirements of Rule 2010 of the Federal Energy Regulatory Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.2010.

Dated at Birmingham, Alabama this 1st day of April, 2019.

/s/ T. Brooks Henderson
T. Brooks Henderson
Director, Rates & Regulatory
Bear Creek Storage Company, L.L.C.

STATEMENT OF ACCOUNTING DIRECTOR

Filing of Cost and Revenue Study on April 1, 2019

For Bear Creek Storage Company, L.L.C.

Docket No. RP19-51

To the Federal Energy Regulatory Commission:

I, Lindsey Glisson, Director of Accounting of Bear Creek Storage Company,

L.L.C. ("Bear Creek"), do hereby represent that the financial cost statements, supporting

data and workpapers submitted as a part of the above identified filing by Bear Creek,

which purport to reflect the books of Bear Creek do, in fact, set forth the results shown by

such books.

/s/ Lindsey Glisson

Lindsey Glisson

Director of Accounting

Bear Creek Storage Company, L.L.C.

Dated: April 1, 2019

Birmingham, Alabama

BEAR CREEK STORAGE COMPANY, L.L.C.

APPENDIX A

WITHOUT TEST PERIOD

Bear Creek Storage Company, L.L.C. Overall Cost of Service Twelve Months Ended December 31, 2018, As Adjusted

Line No.	<u>Description</u> (a)	Reference (b)	Total (c)
1 2 3	Operation and Maintenance Expenses Underground Storage Administrative and General	Statement H-1 Statement H-1	\$ 5,530,294 1,418,090 \$ 6,948,384
4	Total Operation and Maintenance Expense Depreciation/Amortization Expense	Statement H-2	\$ 940,811
5	Amortization of DIT Regulatory Liability	Statement H-2	(45,565)
6	Taxes Other than Income Taxes	Statement H-4	2,315,640
7	State Income Taxes	Statement H-3	1,011,790
8	Federal Income Taxes	Statement H-3	3,149,108
9	Return	Statement B	14,565,358
10	Total Cost of Service		\$ 28,885,526

Bear Creek Storage Company, L.L.C. Rate Base and Return Twelve Months Ended December 31, 2018, As Adjusted

Line <u>No.</u>	<u>Description</u> (a)	Reference (b)		Total <u>Storage</u> (c)
1	Gas Plant in Service	Statement C	\$	186,277,348
2 3	Gas Plant Purchased or Sold Gas Plant Held for Future Use	Statement C Statement C		_
4	Construction Work In Progress	Statement C		-
5	Gas Plant Stored Underground (Non-Current)			95,598,428
6	Accumulated Provision for Depreciation			, ,
	of Gas Utility Plant	Statement D		(155,074,268)
7	Accumulated Provision for Depletion and			
	Amortization of Gas Utility Plant	Statement D		(534,391)
8	Net Utility Plant		\$	126,267,117
9	Working Capital	Statement E	\$	2,673,737
10	Accumulated Deferred Income Taxes	Schedule B-1	Ψ	(2,358,506)
11	Regulatory Assets /(Liabilities)	Schedule B-2		(1,342,812)
	regulatory / toooto / (Liabilitioo)	Conocidio B 2		(1,012,012)
12	Total Rate Base		\$	125,239,536
13	Return on Rate Base at	11.63%	\$	14,565,358

Bear Creek Storage Company, L.L.C. Accumulated Deferred Income Taxes 12 Month Period Ending December 31, 2018

Line <u>No.</u>	<u>Description</u> (a)	Account No. 190 (b)		Account No. 282 (c)	Account No. 283 (d)	Total (e)
	Monthly Balances					
1	January, 2018	\$ -	\$	(3,032,862)	\$ (38,504)	\$ (3,071,366)
2	February	0		(3,122,179)	(38,710)	(3,160,889)
3	March	338,137		(2,248,286)	(38,712)	(1,948,861)
4	April	338,137		(2,362,684)	(39,348)	(2,063,895)
5	May	338,137		(2,390,848)	(39,263)	(2,091,974)
6	June	338,137		(2,504,169)	(39,219)	(2,205,251)
7	July	338,137		(2,524,571)	(39,216)	(2,225,650)
8	August	338,137		(2,539,989)	(39,247)	(2,241,099)
9	September	350,640		(2,626,802)	(39,247)	(2,315,409)
10	October	350,640		(2,641,562)	(39,115)	(2,330,037)
11	November	350,640		(2,659,125)	(39,067)	(2,347,552)
12	December	349,034		(2,826,813)	(40,241)	(2,518,020)
13	Adjustments	 <u> </u>	_	119,273	 40,241	 159,514
14	Claimed in Rate Base	\$ 349,034	\$	(2,707,540)	\$ 	\$ (2,358,506)

Bear Creek Storage Company, L.L.C. Accumulated Deferred Income Taxes 12 Month Period Ending December 31, 2018

Line <u>No.</u>	<u>Description</u> (a)	Acct (b)	Base Period Balance (c)		ccluded From Rate Base (d)	Adjusted Balance (e)
	Account 190					
1	Excess DFIT	190	\$	349,034	\$ -	\$ 349,034
2	Total Account 190		\$	349,034	\$ -	\$ 349,034
	Account 282					
3 4 5 6	Depreciation AFUDC - Post 1987 Interest Capitalized Removal Cost	282 282 282 282	\$	(1,911,353) (119,273) 41,706 (837,893)	\$ - 119,273 - -	\$ (1,911,353) - 41,706 (837,893)
7	Total Account 282		\$	(2,826,813)	\$ 119,273	\$ (2,707,540)
	Account 283					
8	AFUDC Gross-up	283	\$	(40,241)	\$ 40,241	\$ _
9	Total Account 283			(40,241)	 40,241	 <u>-</u>
10	Total DIT		\$	(2,518,020)	\$ 159,514	\$ (2,358,506)

Bear Creek Storage Company, L.L.C. Regulatory Assets and Liabilities Twelve Months Ended December 31, 2018, As Adjusted

Line No.	<u>Description</u>	<u>Total</u>	Acc	ount 182.3	Α	ccount 254
	(a)	(b)		(c)		(d)
1	January, 2018	\$ (955,647)	\$	186,879	\$	(1,142,526)
2	February	(917,065)		163,116		(1,080,181)
3	March	(2,216,753)		180,914		(2,397,667)
4	April	(2,371,078)		177,371		(2,548,449)
5	May	(2,508,073)		172,755		(2,680,828)
6	June	(2,621,299)		168,299		(2,789,598)
7	July	(2,692,589)		164,008		(2,856,597)
8	August	(2,825,306)		212,011		(3,037,317)
9	September	(2,976,455)		207,453		(3,183,908)
10	October	(1,508,315)		202,862		(1,711,177)
11	November	(1,947,056)		198,325		(2,145,381)
12	December	(2,405,274)		193,930		(2,599,204)
13	Adjustments	\$ 1,062,462	\$	(193,930)	\$	1,256,392
14	Adjusted Balance	\$ (1,342,812)	\$		\$	(1,342,812)

Bear Creek Storage Company, L.L.C. Regulatory Assets and Liabilities Twelve Months Ended December 31, 2018, As Adjusted

Line No.	<u>Description</u> (a)		nce 12/31/18 (b)	<u>A</u>	djustments (c)	Adjusted Balance (d)		
	Account No. 182.3							
1 2	FERC ACA Regulatory Asset AFUDC Regulatory Asset	\$	39,122 154,808	\$	(39,122) (154,808)	\$	- -	
3	Total Account No. 182.3	\$	193,930	\$	(193,930)	\$	<u>-</u>	
	Account No. 254							
4 5	L& U Fuel Regulatory Liability DIT Regulatory Liability 1/	\$	(1,256,392) (1,342,812)	\$	1,256,392	\$	- (1,342,812)	
6	Total Account No. 254	\$	(2,599,204)	\$	1,256,392	\$	(1,342,812)	
7	Total	\$	(2,405,274)	\$	1,062,462	\$	(1,342,812)	

^{1/} Established per Tax Cuts and Jobs Act of 2017.

Bear Creek Storage Company, L.L.C. Cost of Plant Twelve Months Ended December 31, 2018

Line No.	<u>Description</u> (a)	FERC Account No. (b)		Balance Per Books at nuary 1, 2018 (c)	Additions (d)	Reductions (e)	Other <u>Changes</u> (f)		Balance Per Books at cember 31, 2018 (g)	Adjustments (h)	Plant as <u>Adjusted</u> (i)
1	Gas Plant in Service	101	\$	183,311,932	\$ 3,546,346	\$ (580,929)	\$	- \$	186,277,348	\$ -	\$ 186,277,348
2	Gas Plant Purchased or Sold	102		-	-	-		-	-	-	-
3	Experimental Gas Plant, Unclassified	103		-	-	-		-	-	-	-
4	Gas Plant Leased to Others	104		-	-	-		-	-	-	-
5	Gas Plant Held for Future Use	105		-	-	-		-	-	-	-
6	Completed Construction, Not Classified	106		-	-	-		-	-	-	-
7	Construction Work in Progress	107		642,570	3,190,422	(3,507,657)		-	325,335	(325,335)	-
8	Gas Stored Underground - Noncurrent	117.1		95,598,428	-	-		-	95,598,428	-	95,598,428
9	Gas Stored Underground - Noncurrent	117.2	_								
10	Total Cost of Plant		\$	279,552,930	\$ 6,736,768	\$ (4,088,586)	\$	<u>-</u> \$	282,201,112	\$ (325,335)	\$ 281,875,777

Bear Creek Storage Company, L.L.C. Detailed Plant Accounts FERC Prime Account Nos. 101 and 105 Twelve Months Ended December 31, 2018

<u>Line No.</u>	Account No.	Description (b)		Balance Per Books at ember 31, 2018 (c)		stments (d)		Plant as <u>Adjusted</u> (e)
		Intangible						
1 2 3	301 302 303	Organization Franchises and Consents Miscellaneous Intangible Plant	\$	477,992 187,793	\$	<u>-</u>	\$	477,992 187,793
4	Total Intang	ible	\$	665,785	\$	-	\$	665,785
		Production and Gathering						
5 6 7 8 9 10 11 12	325.4 325.5 328 329 332 334 336 371	Rights-of-Way Other Land and Land Rights Field Measuring and Regulating Station Structures Other Structures Field Lines Field Measuring and Regulating Station Equipment Purification Equipment Other Equipment	\$	- - - - - - -	\$	- - - - - - -	\$	- - - - - - -
13	Total Produc	ction	\$	-	\$	-	\$	-
		Natural Gas Storage - Underground						
14 15 16 17 18 19 20 21 22 23 24 25 26	350.1 350.2 351 352 352.1 352.2 352.3 353 354 355 356 357 369	Land Rights-of-Way Structures and Improvements Wells Storage Leaseholds and Rights Reservoirs Nonrecoverable Natural Gas Lines Compressor Station Equipment Measuring and Regulating Equipment Purification Equipment Other Equipment Measuring and Regulating Equipment	\$	1,205,252 1,888,059 13,560,561 43,142,346 3,169,669 21,840,651 6,896,425 20,083,667 53,677,186 4,181,298 15,122,911 32,806	\$	- - - - - - - - - - - - - - - - - - -	\$	1,205,252 1,888,059 13,560,561 43,142,346 3,169,669 21,840,651 6,896,425 20,083,667 53,677,186 4,181,298 15,122,911 32,806
27	Total Natura	al Gas Storage - Underground	\$	184,800,829	\$	-	\$	184,800,829
		Transmission - Onshore						
28 29 30 31 32 33 34 35	365.1 365.2 366 367 368 369 370 371	Land and Land Rights Rights-of-Way Structures and Improvements Mains Compressor Station Equipment Measuring and Regulating Station Equipment Communication Equipment Other Equipment	\$ 	- - - - - - -	\$	-	\$ \$	- - - - - - -
55	Total Harlot		Ψ		Ψ		Ψ	

Bear Creek Storage Company, L.L.C. Detailed Plant Accounts FERC Prime Account Nos. 101 and 105 Twelve Months Ended December 31, 2018

Line No.	Account No	<u>Description</u> (b)		Balance Per Books at ember 31, 2018 (c)	Adjustments (d)		Plant as <u>Adjusted</u> (e)
		Transmission - Offshore					
37	365.1	Land and Land Rights	\$	-	\$ -	\$	-
38	365.2	Rights-of-Way		-	_		-
39	366	Structures and Improvements		-	-		-
40	367	Mains		-	-		-
41	368	Compressor Station Equipment		-	-		-
42	369	Measuring and Regulating Station Equipment		-	-		-
43	370	Communication Equipment		-	-		-
44	371	Other Equipment				_	
45	Total Trans	mission - Offshore	\$		\$ -	\$	
					•	_	
46	Total Tran	smission Plant	<u>\$</u>		\$ -	\$	
		General Plant					
47	200.4	land	œ.		c	æ	
47 48	389.1 390	Land Structures and Improvements	\$	-	\$ -	\$	-
40 49	391.1	Structures and Improvements Office Furniture and Supplies		25,710	-		25,710
50	391.2	Computer Equipment		64,807	_		64,807
51	391.3	Electronic Test Equipment		04,007	_		04,007
52	392	Transportation Equipment		150,304	_		150,304
53	393	Stores Equipment		-	_		-
54	394	Tools, Shop and Garage Equipment		464,675	_		464,675
55	395	Laboratory Equipment		- /	-		-
56	396	Power Operated Equipment		69,020	-		69,020
57	397	Communication Equipment		23,743	-		23,743
58	398	Miscellaneous Equipment		12,476			12,476
59	Total Gene	eral Plant - Onshore	\$	810,734	\$ -	\$	810,734
60	Total Acco	unt 101	\$	186,277,348	\$ -	\$	186,277,348
		Gas Plant - Held for Future Use					
61	302	Franchise and Consents	\$	-	\$ -	\$	_
62	365.1	Land and Land Rights	•	_	· .	•	-
63	365.2	Rights-of-Way		_	-		-
64	366.2	Measuring and Regulating Station Structures		-	-		-
65	367	Mains		-	-		-
66	369	Measuring and Regulating Station Equipment					
67	Total Gas I	Plant - Held for Future Use	\$		\$ -	\$	
68	Total Acco	unt 105	\$	-	\$ -	\$	-
						<u>-</u>	
69	Total Acco	unts 101 and 105	\$	186,277,348	\$ -	\$	186,277,348

Bear Creek Storage Company, L.L.C. Work Orders Claimed in Rate Base

	Work Order			Dollar Amounts		
Line No.	Number	Description	Number	Account 106	Account 107	Account 108
<u>. </u>	(a)	(b)	(c)	(d)	(e)	(f)

No work orders claimed in rate base since using 12/31/18 actuals per paragraph #15 in FERC order issued 1/16/19 in RP19-51.

Bear Creek Storage Company, L.L.C Storage Data Twelve Months Ending 12/31/18 Volumes in Dth

Line	Storage	Storage Account	Storage Activity	Beginning Balance	Beg	ginning Balance	Storage Activity	Sto	rage Activity	Ending Balance	En	ding Balance
No.	Account	Name	Date	Volume		Cost	Volume		Cost	Volume	Cost	
	(a)	(b)	(c)	(d)		(e)	(f)		(g)	(h)		(i)
1	117.1	Base Gas	January-18	43,225,310	\$	95,598,428	_		_	43,225,310	\$	95,598,428
2	117.1	Base Gas	February-18	43,225,310	\$	95,598,428	_		_	43,225,310	\$	95,598,428
3	117.1	Base Gas	March-18	43,225,310	\$	95,598,428	-			43,225,310	\$	95,598,428
4	117.1	Base Gas	April-18	43,225,310	\$	95,598,428	-		_	43,225,310	\$	95,598,428
5	117.1	Base Gas	May-18	43,225,310	\$	95,598,428	-		-	43,225,310	\$	95,598,428
6	117.1	Base Gas	June-18	43,225,310	\$	95,598,428	-		-	43,225,310	\$	95,598,428
7	117.1	Base Gas	July-18	43,225,310	\$	95,598,428	-		-	43,225,310	\$	95,598,428
8	117.1	Base Gas	August-18	43,225,310	\$	95,598,428	-		-	43,225,310	\$	95,598,428
9	117.1	Base Gas	September-18	43,225,310	\$	95,598,428	-		-	43,225,310	\$	95,598,428
10	117.1	Base Gas	October-18	43,225,310	\$	95,598,428	-		-	43,225,310	\$	95,598,428
11	117.1	Base Gas	November-18	43,225,310	\$	95,598,428	-		-	43,225,310	\$	95,598,428
12	117.1	Base Gas	December-18	43,225,310	\$	95,598,428	-		-	43,225,310	\$	95,598,428
13	117.2	System Gas	January-18									
13 14	117.2	System Gas	February-18	-		-	-		-	-		-
15	117.2	System Gas	March-18	-		-	-		-	-		-
16	117.2	•	April-18	-		-	-		-	-		-
17	117.2	System Gas	•	-		-	-		-	-		-
18	117.2	System Gas	May-18 June-18	-		-	-		-	-		-
19	117.2	System Gas		-		-	-		-	-		-
20	117.2	System Gas	July-18	-		-	-		-	-		-
21	117.2	System Gas	August-18	-		-	-		-	-		-
21	117.2	System Gas	September-18 October-18	-		-	-		-	-		-
		System Gas		-		-	-		-	-		-
23	117.2	System Gas	November-18	-		-	-		-	-		-
24	117.2	System Gas	December-18	-		-	-		-	-		-
25	117.4	Gas Owed to System	January-18	285,129	\$	321,716	(2,926)	\$	(13,292)	282,203	\$	308,423
26	117.4	Gas Owed to System	February-18	282,203	\$	308,423	135,810	\$	575,547	418,013	\$	883,970
27	117.4	Gas Owed to System	March-18	418,013	\$	883,970	(16,869)	\$	(254,094)	401,144	\$	629,876
28	117.4	Gas Owed to System	April-18	401,144	\$	629,876	12,618	\$	(26,622)	413,762	\$	603,255
29	117.4	Gas Owed to System	May-18	413,762	\$	603,255	47,645	\$	152,228	461,407	\$	755,482
30	117.4	Gas Owed to System	June-18	461,407	\$	755,482	9,813	\$	67,663	471,220	\$	823,145
31	117.4	Gas Owed to System	July-18	471,220	\$	823,145	40,516	\$	167,445	511,736	\$	990,590
32	117.4	Gas Owed to System	August-18	511,736	\$	990,590	35,133	\$	53,302	546,869	\$	1,043,892
33	117.4	Gas Owed to System	September-18	546,869	\$	1,043,892	46,845	\$	166,297	593,714	\$	1,210,189
34	117.4	Gas Owed to System	October-18	593,714	\$	1,210,189	27,204	\$	102,495	620,918	\$	1,312,684
35	117.4	Gas Owed to System	November-18	620,918	\$	1,312,684	(577,896)	\$	(1,515,680)	43,022	\$	(202,996)
36	117.4	Gas Owed to System	December-18	43,022	\$	(202,996)	197,425	\$	817,291	240,447	\$	614,296
		•										

Docket No. RP19-51 Schedule C-4 (Working Papers)

Bear Creek Storage Company, L.L.C. Methods and Procedures Used in Capitalizing Allowance for Funds Used During Construction and Other Construction Overheads

The company has not changed the methods and procedures used in capitalizing the allowance for funds used during construction and other construction overheads since the end of the year reported in the last FERC Form No. 2.

Docket No. RP19-51 Schedule C-5 (Working Papers)

Bear Creek Storage Company, L.L.C. Gas Utility Plant Which Is Not Being Used In Rendering Gas Service

No significant change in amount has occurred since the end of the year reported in the last FERC Form 2.

Bear Creek Storage Company, L.L.C. Accumlated Provision for Depreciation and Amortization Twelve Months Ended December 31, 2018

Line No.	<u>Description</u> (a)	Beginning Balance <u>January 1, 2018</u> (b)		Accruals (c)	ļ	Retirements (d)		Other (e)		Balance Per Books sember 31, 2018 (f)
	Account 108.1 Accumulated Provision for Depreciation of Gas Utility Plant									
1	Production Plant Natural Gas Production and Gathering Plant Onshore	\$	- \$	-	\$	-	\$	-	\$	-
2	Offshore		-	-		-		-		-
3 4	Products Extraction Plant Total Production Plant	\$	<u>-</u> - \$		Φ.	<u>-</u>	\$		\$	<u>-</u>
4	Total Production Plant	Φ	<u>-</u> ф	-	\$	<u>-</u>	Ф		<u>a</u>	-
5	Underground Storage Plant	\$ 156,254,89	<u>\$</u>	911,012	\$	(2,242,854)	\$	<u>-</u>	\$	154,923,052
	Transmission Plant									
6	Onshore	\$	- \$	-	\$	-	\$	-	\$	-
7	Offshore				_	<u> </u>		<u> </u>	_	<u> </u>
8	Total Transmission Plant	\$	- \$		\$	<u>-</u>	\$	<u>-</u>	\$	<u>-</u>
9	General Plant	\$ 147,48	<u>\$</u>	3,736	\$	<u>-</u>	\$		\$	151,216
10	Total Account 108.1	\$ 156,402,37	<u> \$</u>	914,748	\$	(2,242,854)	\$	<u>-</u>	\$	155,074,268
11	Account 108.2 Retirement Work in Progress	\$	- \$		\$	<u>-</u>	\$		\$	<u>-</u>
	Account 108.3 Reimbursements for Alterations to Existing Facilities									
	Natural Gas Production & Gathering Plant									
12	Onshore	\$	- \$	-	\$	-	\$	-	\$	-
13	Offshore		-	-		-		-		-
	Transmission Plant									
14	Onshore	\$	- \$	-	\$	-	\$	-	\$	-
15	Offshore		-	-		-		-		-
16	Underground Storage Plant	\$	- \$		\$	<u> </u>	\$		\$	<u> </u>
17	Total Account 108.3	\$	- \$		\$		\$	<u>-</u>	\$	<u>-</u>
18	Total Account 108	\$ 156,402,37	<u> \$</u>	914,748	\$	(2,242,854)	\$	<u>-</u>	\$	155,074,268
	Account 111.3 Accumulated Provision for Amortization of Other Gas Plant in Service									
19	Intangible Plant	\$ 517,26	2 \$	17,130	\$	-	\$	-	\$	534,391
20	General Plant	_		<u>-</u>		-		<u>-</u>		<u>-</u>
21	Total Account 111.3	\$ 517,26	2 \$	17,130	\$	-	\$	-	\$	534,391
22	Total Accumulated Provision for Depreciation and Amortization	\$ 156,919,63	<u>\$</u>	931,878	\$	(2,242,854)	\$	-	\$	155,608,660

Docket No. RP19-51 Schedule D-1 (Working Papers)

Bear Creek Storage Company, L.L.C. Depreciation Reserve Book Balance Workpaper

Bear Creek's current depreciation rates were established as part of a settlement approved by the FERC on August 15, 2012 in Docket No. RP121-121-000 (140 FERC ¶ 61,129).

Docket No. RP19-51 Schedule D-2 (Working Papers)

Bear Creek Storage Company, L.L.C. Methods and Procedures for Depreciating, Depleting, and Amortizing Plant

Bear Creek has not made a change in the methods and procedures followed in depreciating, depleting, or amortizing plant and recording abandonments since the period covered by the last annual report on FERC Form 2 (pages 336-338).

Bear Creek Storage Company, L.L.C. Working Capital Twelve Months Ended December 31, 2018

Line			
No.	<u>Description</u>	<u>Reference</u>	<u>Total</u>
	(a)	(b)	(c)
1	Prepaid Rent	Schedule E-2	\$ -
2	Other Prepayments	Schedule E-2	20,860
3	Materials and Supplies	Schedule E-2	 2,652,877
4	Total Working Capital		\$ 2,673,737

Bear Creek Storage Company, L.L.C. Cash Working Capital

Bear Creek has not reflected any cash working capital in the rate base calculation.

Bear Creek Storage Company, L.L.C. Working Capital - Monthly Balances Twelve Months Ended December 31, 2018

			Accou	ınt 16	5	A	ccount 154		
Line No.	Description (a)	Re	Prepaid <u>Rent</u> (b)		epayments (c)	Materials and <u>Supplies</u> (d)			<u>Total</u> (e)
1 2 3 4 5 6 7 8 9 10 11	December, 2017 January, 2018 Febraury March April May June July August September October November	\$	- - - - - - -	\$	37,000 - - - - - 38,060 30,448 22,836 55,224 47,612	\$	2,654,140 2,660,321 2,695,765 2,586,669 2,554,990 2,528,042 2,481,207 2,668,475 2,662,868 2,748,545 2,693,970 2,767,952	\$	2,691,140 2,660,321 2,695,765 2,586,669 2,554,990 2,528,042 2,481,207 2,706,535 2,693,316 2,771,381 2,749,194 2,815,564
13	December				40,000		2,784,457	_	2,824,457
14	13 Month Total	\$		\$	271,180	\$	34,487,401	\$	34,758,581
15	13 Month Average Balance	\$	-	\$	20,860	\$	2,652,877	\$	2,673,737
16	Test Period Adjustment	\$		\$	<u>-</u>	\$		\$	
17	Adjusted Balance	\$		\$	20,860	\$	2,652,877	\$	2,673,737

Bear Creek Storage Company, L.L.C. Storage Information Twelve Months Ended December 31, 2018

Schedule E-3 is not applicable since there are no quantities and respective costs for FERC accounts 117.3, 164.1, 164.2 and 164.3.

Rate of Return For Bear Creek Storage Company, L.L.C.

This cost and revenue study reflects an overall rate of return of 11.63%. Bear Creek is owned 50% by Southern Natural Gas Company, L.L.C. ("SNG") and 50% by Tennessee Gas Pipeline Company, L.L.C. ("TGP"). Consequently, as depicted on Statement F-2, the overall rate of return reflects the average equity capitalization of SNG and TGP of 65.22% and the average debt capitalization of SNG and TGP of 34.78% as of December 31, 2018. A return on equity of 14.50% is utilized. This return on equity of 14.50% is equivalent to equity returns filed in recent proceedings (Texas Eastern, RP19-343; WBI Energy Transmission, RP19-165). Bear Creek reserves the right to support a different return on equity in its answering testimony. Statement F-3 indicates a debt cost of 6.23%, which is the average debt cost of SNG and TGP as of December 31, 2018. Statement F-4 indicates that Bear Creek has no preferred stock.

Bear Creek Storage Company, L.L.C. Capitalization and Rate of Return

Line <u>No.</u>	Capital <u>Categories</u> (a)	(Base Period Capitalization At 12/31/18 (b)		Percent of Total Capital (%)	Cost of Capital (%)		Claimed Rate of Return (%)
1	Long-Term Debt	\$	1,450,500,000	1/	34.78%	6.23% 3	3/	2.17%
2	Preferred Stock	\$	-		0.00%	0.00%		0.00%
3	Common Stock	\$	2,719,972,628	2/	<u>65.22</u> %	14.50%		9.46%
4	Total Capital	\$	4,170,472,628		100.00%			11.63%

1/ Reflects average of TGP and SNG as follows:

SNG debt \$1,111,000,000 TGP debt \$1,790,000,000 Average \$1,450,500,000

2/ Reflects average of TGP and SNG as follows:

SNG equity \$1,400,806,128 TGP equity \$4,039,139,128 Average \$2,719,972,628

3/ Reflects average of TGP and SNG debt cost as reflected in Statement F-3

Bear Creek Storage Company, L.L.C. Long -Term Debt Capital As of December 31, 2018

Line No.	Debt Instrument	Date of Issuance	Date of Maturity	Interest Rate	Acct No. 221 Principal Amount Outstanding	Unamortized Debt Discount	Unamortized Debt Expense	Loss on Reacquired Debt	Net Proceeds Amount	Net Proceeds as a Percent of Principal	Interest Cost on Principal	of Debt Discount	Acc No. 428 Amortization of Debt Expense	Amortization of Loss on Reacquired Debt		Debt Cost
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i) (e-f-g-h)	(j) (i) / (e)	(k) (d) x (e)	(1)	(m)	(n)	(o) (k+l+m+n)	(p) (o) / (i)
									(3 /	() - (-)	(-)				,	(-)-()
	<u>TGP</u>															
1	TGP 4.75% Intercompany Note	2/1/16	2/1/19	4.750%	250,000,000	-	-	-	250,000,000	100.00%	11,875,000	-	-	-	11,875,000	
2	TGP 7% Debenture Due 2027	3/31/1997	3/15/2027	7.000%	300,000,000	1,039,449	226,851	-	298,733,700	99.58%	21,000,000	126,677	27,646	-	21,154,323	
3	TGP 7% Debenture Due 2028	10/9/1988	10/15/2028	7.000%	400,000,000	2,904,620	115,786	-	396,979,594	99.24%	28,000,000	296,726	11,828	-	28,308,554	
4	TGP 3.00% Intercompany Note	4/1/17	4/1/2020	3.000%	300,000,000	-	-	-	300,000,000	100.00%	9,000,000	-	-	-	9,000,000	
5	TGP 7.625% Debenture Due 2037	3/13/1997	4/1/2037	7.625%	300,000,000	3,029,365	88,754	-	296,881,881	98.96%	22,875,000	165,993	4,863	-	23,045,856	
6	TGP 8.375% Debenture Due 2032	6/10/2002	6/15/2032	8.375%	240,000,000	1,060,921	45,426		238,893,653	99.54%	20,100,000	78,846	3,376		20,182,222	•
7	Total TGP At 12/31/18				1,790,000,000	8,034,355	476,817	-	1,781,488,828		112,850,000	668,242	47,714	-	113,565,955	6.37%
	SNG															
	SNG 4.80% Due 2047	04/15/17	04/15/47		\$400,000,000		\$1,122,302		\$395,061,615	98.77%	\$19,200,000	\$0	\$17,941		\$ 19,278,488	
	SNG 7.35% Due 2031	02/15/01	02/15/31		\$153,280,000	\$5,293,145	\$65,016		\$146,973,458	95.89%	\$11,266,080	\$403,373	\$4,955	. ,	\$ 11,746,843	
	SNG 8.00% Due 2032 SNG 4.40% Due 2021	03/01/02 06/15/11	03/01/32 06/15/21		\$257,720,000 \$300,000,000	\$3,556,865	\$345,631 \$92,059	\$1,703,144 \$1,013,878	\$252,114,360 \$298,894,063	97.82% 99.63%	\$20,617,600 \$13,200,000	\$251,073	\$24,397 \$26,641		\$ 21,013,292 \$ 13,520,044	
	Total SNG At 12/31/18	00/15/11	00/13/21			\$0 \$0,050,010				99.03%		\$0 \$654.446				•
12	10tal SING At 12/31/18				\$1,111,000,000	\$8,850,010	\$1,625,008	\$7,481,486	\$1,093,043,496		\$64,283,680	\$654,446	\$73,934	\$546,607	\$65,558,667	<u>6.00%</u>

¹³ Weighted Average Debt Cost of TGP and SNG

6.23%

^{14 (}Bear Creek owned 50% by TGP and 50% by SNG; therefore, using average debt cost of TGP and SNG)

Bear Creek Storage Company, L.L.C. Preferred Stock Capital As of December 31, 2018

Bear Creek has no preferred stock as of December 31, 2018.

BEAR CREEK STORAGE COMPANY, L.L.C. SUMMARY OF REVENUES, CREDITS AND BILLING DETERMINANTS TWELVE MONTH PERIOD ENDING 12/31/2018 BASE PERIOD

Line No.	Service Type	Billing Determinants	Revenue
		(Dth)	_
	(a)	(b)	(c)
1	SSP-DELIVERABILITY	6,126,000	\$ 13,260,003
2	SSP-CAPACITY	796,380,000	\$ 13,259,727
3	SSP-INJECTIONS/WITHDRAWALS	115,168,817	\$ 620,414
4	TOTAL REVENUE		\$ 27,140,144

BEAR CREEK STORAGE COMPANY, L.L.C. SUMMARY OF REVENUES, CREDITS AND BILLING DETERMINANTS TWELVE MONTH PERIOD ENDING 12/31/2018, AS ADJUSTED FOR UPDATED RATES

Line No.	Service Type	Billing Determinants	Revenue
		(Dth)	
	(a)	(b)	(c)
1	SSP-DELIVERABILITY	6,126,000	\$ 13,157,764
2	SSP-CAPACITY	796,380,000	\$ 13,157,764
3	SSP-INJECTIONS/WITHDRAWALS	115,168,817	\$ 2,569,998
4	TOTAL REVENUE		\$ 28,885,526

BEAR CREEK STORAGE COMPANY, L.L.C. BILLING DETERMINANTS 12 MONTHS ENDING DECEMBER 31, 2018 (DTH)

Line	Rate														
No. Affil	iate Schedule	Shipper Name	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	12 Mo. Total
(8	a) (b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(I)	(m)	(n)	(0)	(p)
1	Reservation - Demand														
2 '	SSP-DELIVERABILITY	SOUTHERN NATURAL GAS COMPANY	255,250	255,250	255,250	255,250	255,250	255,250	255,250	255,250	255,250	255,250	255,250	255,250	3,063,000
3 '	SSP-DELIVERABILITY	TENNESSEE GAS PIPELINE	255,250	255,250	255,250	255,250	255,250	255,250	255,250	255,250	255,250	255,250	255,250	255,250	3,063,000
4	TOTAL RESERVATION - SSP DELIVERAB	BILITY	510,500	510,500	510,500	510,500	510,500	510,500	510,500	510,500	510,500	510,500	510,500	510,500	6,126,000
5	Reservation - Capacity														
6 '	SSP-CAPACITY	SOUTHERN NATURAL GAS COMPANY	33,182,500	33,182,500	33,182,500	33,182,500	33,182,500	33,182,500	33,182,500	33,182,500	33,182,500	33,182,500	33,182,500	33,182,500	398,190,000
7 '	SSP-CAPACITY	TENNESSEE GAS PIPELINE	33,182,500	33,182,500	33,182,500	33,182,500	33,182,500	33,182,500	33,182,500	33,182,500	33,182,500	33,182,500	33,182,500	33,182,500	398,190,000
8	TOTAL RESERVATION - SSP CAPACITY		66,365,000	66,365,000	66,365,000	66,365,000	66,365,000	66,365,000	66,365,000	66,365,000	66,365,000	66,365,000	66,365,000	66,365,000	796,380,000
9	Commodity														
10	SSP-INJECTIONS/WITHDRAWALS	SOUTHERN NATURAL GAS COMPANY	6,952,353	3,741,005	2,343,589	3,278,289	4,162,915	3,359,179	2,399,333	2,084,161	1,856,530	2,587,653	3,791,689	5,075,047	41,631,743
11 '	SSP-INJECTIONS/WITHDRAWALS	TENNESSEE GAS PIPELINE	11,632,276	5,891,120	7,172,458	3,764,195	3,477,179	4,017,805	3,322,807	4,722,619	4,459,521	5,124,145	9,171,787	10,781,162	73,537,074
12	TOTAL COMMODITY - SSP-INJECTIONS/V	VITHDRAWALS	18,584,629	9,632,125	9,516,047	7,042,484	7,640,094	7,376,984	5,722,140	6,806,780	6,316,051	7,711,798	12,963,476	15,856,209	115,168,817

*Affiliate

BEAR CREEK STORAGE COMPANY, L.L.C. BILLING REVENUES 12 MONTHS ENDING DECEMBER 31, 2018

Line		Rate														
No.	Affiliat	e Schedule	Shipper Name	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	12 Mo. Total
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(1)	(m)	(n)	(o)	(p)
1		Reservation - Demand														
2	*	SSP-DELIVERABILITY	SOUTHERN NATURAL GAS COMPANY	\$ 552,500	\$ 552,500	\$ 552,500	\$ 552,500 \$	552,500 \$	552,500	\$ 552,500 \$	552,500	\$ 552,500 \$	552,500	552,500	\$ 552,500	\$ 6,630,001
3	*	SSP-DELIVERABILITY	TENNESSEE GAS PIPELINE	\$ 552,500	\$ 552,500	\$ 552,500	\$ 552,500 \$	552,500 \$	552,500	\$ 552,500 \$	552,500	\$ 552,500 \$	552,500	552,500	\$ 552,500	\$ 6,630,001
4	ļ	TOTAL RESERVATION - SSP DELIVERABIL	ITY	\$1,105,000	\$1,105,000	\$1,105,000	\$1,105,000 \$	1,105,000 \$	1,105,000	\$ 1,105,000 \$	1,105,000	\$ 1,105,000 \$	1,105,000	1,105,000	\$ 1,105,000	\$ 13,260,003
5	;	Reservation - Capacity														
6	*	SSP-CAPACITY	SOUTHERN NATURAL GAS COMPANY	\$ 552,489	\$ 552,489	\$ 552,489	\$ 552,489 \$	552,489 \$	552,489	\$ 552,489 \$	552,489	\$ 552,489 \$	552,489	552,489	\$ 552,489	\$ 6,629,864
7	*	SSP-CAPACITY	TENNESSEE GAS PIPELINE	\$ 552,489	\$ 552,489	\$ 552,489	\$ 552,489 \$	552,489 \$	552,489	\$ 552,489 \$	552,489	\$ 552,489 \$	552,489	552,489	\$ 552,489	\$ 6,629,864
8	3	TOTAL RESERVATION - SSP CAPACITY		\$1,104,977	\$1,104,977	\$1,104,977	\$1,104,977 \$	1,104,977 \$	1,104,977	\$ 1,104,977 \$	1,104,977	\$ 1,104,977 \$	1,104,977	1,104,977	\$ 1,104,977	\$ 13,259,727
9)	Commodity														
10	*	SSP-INJECTIONS/WITHDRAWALS	SOUTHERN NATURAL GAS COMPANY	\$ 37,452	\$ 20,153	\$ 12,625	\$ 17,660 \$	22,426 \$	18,096	\$ 12,925 \$	11,227	\$ 10,001 \$	13,940	20,426	\$ 27,339	\$ 224,270
11	*	SSP-INJECTIONS/WITHDRAWALS	TENNESSEE GAS PIPELINE	\$ 62,663	\$ 31,735	\$ 38,638	\$ 20,278 \$	18,732 \$	21,644	\$ 17,900 \$	25,441	\$ 24,023 \$	27,604	49,408	\$ 58,078	\$ 396,144
12	2	TOTAL COMMODITY - SSP-INJECTIONS/WI	THDRAWALS	\$ 100,115	\$ 51,888	\$ 51,263	\$ 37,938 \$	41,157 \$	39,740	\$ 30,825 \$	36,668	\$ 34,025 \$	41,543	69,834	\$ 85,417	\$ 620,414

*Affiliate

BEAR CREEK STORAGE COMPANY, L.L.C. BILLING DETERMINANTS 12 MONTHS ENDING DECEMBER 31, 2018, AS ADJUSTED FOR UPDATED RATES

Billing determinants same as reflected on Schedule G-1.1.

BEAR CREEK STORAGE COMPANY, L.L.C. BILLING REVENUES 12 MONTHS ENDING December 31, 2018, AS ADUSTED FOR UPDATED RATES

Line	Rate														
No. Affil	liate Schedule	Shipper Name	January	February	March	April	May	June	July	August	September	October	November	December	12 Mo. Total
(a	a) (b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(1)	(m)	(n)	(o)	(p)
1	Reservation - Demand														
2 ,	* SSP-DELIVERABILITY	SOUTHERN NATURAL GAS COMPANY	\$ 548,240	\$ 548,240	\$ 548,240 \$	548,240 \$	548,240	\$ 548,240	\$ 548,240	\$ 548,240	\$ 548,240 \$	\$ 548,240	\$ 548,240	\$ 548,240 \$	\$ 6,578,882
3 *	* SSP-DELIVERABILITY	TENNESSEE GAS PIPELINE	\$ 548,240	\$ 548,240	\$ 548,240 \$	548,240 \$	548,240	\$ 548,240	\$ 548,240	\$ 548,240	\$ 548,240	\$ 548,240	\$ 548,240	\$ 548,240	\$ 6,578,882
4	TOTAL RESERVATION - SSP DELIVERAB	ILITY	\$ 1,096,480	\$ 1,096,480	\$ 1,096,480 \$	1,096,480 \$	1,096,480	\$ 1,096,480	\$ 1,096,480	\$ 1,096,480	\$ 1,096,480	\$ 1,096,480	\$ 1,096,480	\$ 1,096,480	\$ 13,157,764
5 6 7	Reservation - Capacity SSP-CAPACITY SSP-CAPACITY	SOUTHERN NATURAL GAS COMPANY TENNESSEE GAS PIPELINE	\$ 548,240 \$ 548,240	\$ 548,240 \$ 548,240	7	548,240 \$ 548,240 \$	548,240 548,240	\$ 548,240 \$ 548,240	\$ 548,240 \$ 548,240	\$ 548,240 \$ 548,240	\$ 548,240 S \$ 548,240 S	\$ 548,240 \$ 548,240	Ψ 0.0,2.0		,,
8	TOTAL RESERVATION - SSP CAPACITY		\$ 1,096,480	\$ 1,096,480	\$ 1,096,480 \$	1,096,480 \$	1,096,480	\$ 1,096,480	\$ 1,096,480	\$ 1,096,480	\$ 1,096,480	\$ 1,096,480	\$ 1,096,480	\$ 1,096,480	\$ 13,157,764
9 10 * 11 *	Commodity SSP-INJECTIONS/WITHDRAWALS SSP-INJECTIONS/WITHDRAWALS	SOUTHERN NATURAL GAS COMPANY TENNESSEE GAS PIPELINE	\$ 155,142 \$ 259,575		\$ 52,297 \$ \$ 160,054 \$	73,155 \$ 83,998 \$	92,896 77,593	\$ 74,960 \$ 89,658	\$ 53,541 \$ 74,149	\$ 46,508 \$ 105,385	\$ 41,429 S \$ 99,514 S	\$ 57,744 \$ 114,346	\$ 84,612 \$ 204,669	\$ 113,250 S \$ 240,582 S	
12	TOTAL COMMODITY - SSP-INJECTIONS/V	VITHDRAWALS	\$ 414,717	\$ 214,941	\$ 212,351.07 \$	157,153 \$	170,489	\$ 164,618	\$127,689.84	\$151,893.64	\$140,943.00	\$ 172,089	\$ 289,281	\$ 353,832	\$ 2,569,998

*Affiliate

BEAR CREEK STORAGE COMPANY, L.L.C. SUMMARY OF BILLING DETERMINANT ADJUSTMENTS TWELVE MONTH PERIOD ENDING 12/31/2018

Not Applicable

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BEAR CREEK STORAGE COMPANY, L.L.C. AT-RISK REVENUE TWELVE MONTH PERIOD ENDING 12/31/2018

Not Applicable

Bear Creek Storage Company, L.L.C. Other Revenues Twelve Months Ended December 31, 2018

Line <u>No.</u>	<u>Description</u> (a)	FERC Account No. (b)	<u>Jan-18</u> (c)	Feb-18 (d)	<u>Mar-18</u> (e)	<u>Apr-18</u> (f)	May-18 (g)	<u>Jun-18</u> (h)	<u>Jul-18</u> (i)	<u>Aug-18</u> (j)	Sep-18 (k)	Oct-18 (l)	Nov-18 (m)	<u>Dec-18</u> (n)	Total (o)
1	Sales of Products Extracted from Natural Gas	490	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Revenue from Natural Gas Processed by Others	491	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Incidental Gasoline and Oil Sales	492	\$ 197,354	\$ 618,613	\$ 142,523	\$ -	\$ 9,485	\$ 10,069	\$ 29,051	\$ 51,300	\$ 58,625	\$ 83,156	\$ -	\$ 278,645	\$ 1,478,820 1/
4	Rent from Gas Property	493	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Interdepartmental Rents	494	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Other Gas Revenues	495	-	-	-	-	-	-	-	-	-	-	-	-	-

^{1/} These revenues are from condensate sales and are partially offset by gas purchases in FERC account 803 relating to the replacement of gas from these condensate sales (ie the removal of condensate from the gas stream reduces the btu content of the gas). As set forth on Statement H-1.1, the cost of such gas purchases has also been excluded from Bear Creek's cost of service reflected in this cost and revenue study. Furthermore, such condensate sale activity and the associated gas purchases are not subject to the FERC's jurisdiction since they are attributable to the production of condensates from the Pettit reservoir.

BEAR CREEK STORAGE COMPANY, L.L.C. MISCELLANEOUS REVENUE TWELVE MONTH PERIOD ENDING 12/31/2018

Not Applicable

LINE FERC NO. ACCT.	# DESCRIPTION	JAN 2018		FEB 2018		MAR 2018	APR 2018		MAY 2018	JU 201		JUL 2018	AUG 2018	SEP 2018		OCT 2018	NOV 2018		DEC 2018	TOTAL PER BOOKS	AD	OJ.	TOTAL AS	
(a)	(b)	(c)		(d)		(e)	(f)	_	(g)	(h)	(i)	(j)	(k)		(1)	(m)		(n)	(o)	(p	o)	(q)	
1 Product 2	ion Expenses Natural Gas Prod. & Gath. Exp	\$	- \$		- \$	- (5	- \$	-	\$	- 9	\$ - :	\$		\$	-	\$.	- \$	- ;	\$ -	\$	- (6	_
3 Operation																								
4 750	Supervision and Engineering	\$	- \$		- \$	- 9	5	- \$	-	\$	- 9	\$ -	\$		\$	-	\$	- \$	- :	\$ -	\$	- 9	5	-
5 751	Production maps and records	-		-		-	-		-		-	-	-	-		-	-		-	-		-		-
6 753 7 754	Field lines expenses Field compressor station expenses	-		-		-	-		-		-	-	-	-		-	-		-	-		-		-
8 755	Field compressor station expenses	-				-			-		-	-		-		-	-		-	-		-		_
9 756	Field meas and regulating station ex	_		_		_	_		_		_	_	_	_		_	_		_	_		_		_
10 757	Purification Expenses	_		_		-	_		_		_	-	_	_		-	_		-	_		_		_
11 759	Other expenses	-		-		-	-		-		-	-	-	-		-	-		-	-		-		-
12 760	Rents	-		-		-	-		-		-	-	-	-		-	-		-	-		-		-
13	Total Operation	\$	- \$		- \$	- (5	- \$	-	\$	- (\$ - :	\$		\$	-	\$	- \$	- ;	\$ -	\$	- (5	
14 Mainten																								
15 761	Supervision and engineering	\$	- \$		- \$	- (5	- \$	-	\$	- 5	\$ - :	\$		\$	-	\$	- \$	- ;	\$ -	\$	- 5	5	-
16 762	Structures and improvements	-		-		-	-		-		-	-	-	-		-	-		-	-		-		-
17 764 18 765	Field lines	-		-		-	-		-		-	-	-	-		-	-		-	-		-		-
19 766	Field compressor station equipment Field meas and regulating station ex	-				-	-		-		-	-	-	-		-	-		-	-		-		-
20 767	Purification expenses	-		-		-	-		-		-	-	-	_		-	-		-	_		-		_
21	Total Maintenance	\$	- \$		- \$	- (6	- \$	-	\$	- 5	\$ -	\$		\$	-	\$.	- \$	- ;	\$ -	\$	- 5	6	
22	Total Natural Gas Prod	\$	- \$		- \$	- 9	5	- \$	_	\$	- (\$ - :	\$		\$	-	\$.	- \$	- :	\$ -	\$	- 9	6	-
24 Operation	s and Extraction Expenses on Gas shrinkage	\$	- \$		- \$	- {		- \$	_	\$	- 9	\$ - :	\$		\$		s .	- \$	- :	ŝ -	\$	- 9		_
26 777	Gas processed by others	٠.	•	-	•	-	_	•	-	*	- '	-	-	-	•	-	-	•	-	-	•	- '		-
27	Total Operation	\$	- \$		- \$	- (- \$		\$	- (\$	-		- \$	- ;		\$	- (
28 Total Pr	oducts Extraction Ex	\$	- \$		- \$	- 9	5	- \$	-	\$	- (\$ -	\$		\$	-	\$	- \$	- :	\$ -	\$	- 9	5	-
	sed Gas Expenses																							
30 Pulchas 31 800	sed Gas Cost Natural gas well head purchases	\$	- \$. ¢	_ (2	- \$		\$	_ (e -	\$		\$	_	c .	- \$		t	•	- 9		_
32 801	Natural gas field line purchases	Ψ -	- ψ	_	- ψ	- `	-	Ψ		Ψ	- `	φ - ·	Ψ -	-	Ψ	_	ψ -	- ψ	- '	φ - -	Ψ	- `	p .	
33 802	Natural gas gasoline plant outlet pur	-		-		-	-		-		-	-	-	-		-	-		-	-		-		-
34 803	Natural gas transmission line purch.	-		-		-	-		-		-	-	-	-		-	-		-	-		-		-
35 805	Other gas purchases	655,8	18	(62,384	1)	(22,946)	150,747	7	67,523	173	,551	67,198	180,486	96,989	9 (1,472,766)	434,163	3	501,337	769,715	(76	69,715)		-
36 8051	Purchased gas cost adjustment	-		-		-	-		-		-	-	-	-		-	-		-	-		-		-
37 806	Exchange gas	-		-		-	-		-		-	-	-	-		-	-		-	-		-		-
38 806a 39	Adjusted purchased gas cost Total Purchased Gas	\$ 655,8	18 \$	(62,384	1) \$	(22,946)	150.747	7 \$	67,523	\$ 173	5.551 9	5 67.198 S	180,486	96,989) \$ (·	1,472,766)	- \$ 434,163	3 \$	501,337	\$ 769,715	\$ (76	- 69,715) S		-
39	Total Fulchased Gas	φ 000,0	10 ф	(02,304	+) Þ	(22,940)	130,747	φ	07,323	φ 173	,,551 (D 07,190 .	p 100,400	90,96	9 4 (1,472,700)	φ 434,103	Ф	301,337	\$ 709,715	Φ (/ C	09,713)	P	-
40 807	Purchased gas expenses	\$	- \$		- \$	- 9	5	- \$	-	\$	- 5	\$ -	\$		\$	-	\$.	- \$	- :	\$ -	\$	- 9	5	-
41 8072	Operations of meter stations	-		-		-	-		-		-	-	-	-		-	-		-	-		-		-
42 8073	Maintenance of meter stations	-		-		-	-		-		-	-	-	-		-	-		-	-		-		-
43 8074	Calculation expenses	-		-		-	-		-		-	-	-	-		-	-		-	-		-		-
44 8075	Other expenses	-		-	•		-		-	•	-	-	-	-		-	-		-	-	•	-		
45	Total Purchased Gas expenses	\$	- \$		- \$	- (- \$	-	\$	- (\$ -	Þ		\$	-	\$	- \$	- :	-	\$	- (Þ	-
46 8081 47 8082	Gas withdrawn from storage Gas delivered to storage	\$ (41,03 (538,75		379,580 (143,331		106,294 S (46,720)	(150,747	- \$ 7)	2,517 (67,523)			\$ 52,781 (112,268)	\$ 13,087 (180,486			23,758 1,472,766	\$ 75 (434,163	5 \$ 3)	136,974 (513,251)	\$ 692,433 (985,013)		92,433) \$ 85,013	5	-
	-		-				-							, ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,										

LINE FERC NO. ACCT. #	# DESCRIPTION (b)	JAN 2018 (c)		FEB 2018 (d)	MAR 2018 (e)	APR 2018 (f)	MAY 2018 (g)	JUN 2018 (h)	JUL 2018 (i)	AUG 2018 (j)	SEP 2018 (k)	OCT 2018 (I)	NOV 2018 (m)	DEC 2018 (n)	TOTAL PER BOOKS (o)	ADJ. (p)	TOTAL AS ADJUSTED (q)
48	Total - Net	\$ (579,7	82) \$	236,249	\$ 59,575	\$ (150,747) \$	(65,006)	\$ (170,897)	\$ (59,487)	(167,399)	(81,247)	\$ 1,496,525	\$ (434,087)	\$ (376,277)	\$ (292,580)	\$ 292,580	\$ -
49 Gas use 50 810 51 811 52 812 53	d in utility operations Gas used for comp. station fuel Gas used for products extraction Gas used for other utility operations Total Gas Used in Utility Operations	(24,0	68)	(1,931)	\$ (271,333) - (34,187) \$ (305,521)	(9,675)	(6,072)	(16,277)	\$ (65,792) \$ - (2,546) \$ (68,338) \$	(50,931) - (8,160) (59,091)	(11,822)	\$ (114,773) - (6,212) \$ (120,985)	(19,461)	\$ (245,173) - (8,437) \$ (253,610)	(148,849)	\$ 1,870,534 - 148,849 \$ 2,019,383	<u> </u>
54 Other E: 55 813 56	xpenses Other gas supply expenses Total Other Expenses	\$	- \$ - \$	<u>-</u>	\$ - \$ -	\$ - 5	<u>-</u>	\$ - \$ -	\$ - \$ \$ - \$	<u>.</u>	-	\$ - \$ -	\$ - \$ -	\$ - \$ -	\$ - \$ -	\$ - \$ -	\$ - \$ -
57	Total Other Gas Supply Expense	\$ (62,6	56) \$	(19,067)	\$ (268,892)	\$ (102,652) \$	(274,651)	\$ (172,535)	\$ (60,627)	(46,003)	(126,527)	\$ (97,226)	\$ (182,863)	\$ (128,550)	\$ (1,542,248)	\$ 1,542,248	\$ -
58 Total Pr	oduction Expenses	\$ (62,6	56) \$	(19,067)	\$ (268,892)	\$ (102,652) \$	(274,651)	\$ (172,535)	\$ (60,627)	(46,003)	(126,527)	\$ (97,226)	\$ (182,863)	\$ (128,550)	\$ (1,542,248)	\$ 1,542,248	\$ -
59 Storage 60 61 814 62 815 63 816 64 817 65 818 66 819 67 820 68 821 69 823 70 824 71 826	Operation Supervision and engineering Maps and records Wells expenses Lines expenses Compressor station expenses Compressor station fuel & power Measuring and regulation station ex Purification expenses Gas losses Other expenses Rents	\$ 32,8 5,1 34,6 103,3 114,6 2 - - 13,8 \$ 304.8	86 55 60 23 14	1,235 18,433 113,928 191,001 15 - 13,505	\$ 31,927 - 1,086 46,737 185,193 271,333 5 - - 13,452 - \$ 549,734	\$ 32,298 \$ 1,014 28,011 167,849 92,977 71 - 11,664 \$ 333,883 \$ \$	16,042 30,369 170,156 271,096 364 - - 12,897	\$ 30,505 - 994 36,323 113,932 158,912 3 - - 12,171 - \$ 352,841	\$ 31,931 \$. 8,672 47,046 71,568 65,792	32,615 63,900 82,540 50,931 8 - - 11,895	76,530 56,326 107,629 130,447 73 - 11,525	\$ 32,613 2,753 46,285 152,949 114,773 16,003 - - 8,548	103,651 43,508 143,692 163,477 4 - 10,312	\$ 31,541 - 39,805 41,661 137,618 245,173 796 11,375 \$ 507,969	\$ 386,927 - 289,583 493,253 1,550,414 1,870,534 17,556 	(148,849) - (1,870,534) - - - - -	\$ 386,927 289,583 344,404 1,550,414 - 17,556 - 141,992 \$ 2,730,876
73 74 830 75 831 76 832 77 833 78 834 79 835 80 836 81 837 82 8472 83 8477	Maintenance Supervision and engineering Structures and improvements Maintenance of wells Maintenance of lines Compressor station equipment Measuring and regulation station Maintenance of purification equip. Maintenance of other equipment Structures and improvements Communication equipment	\$ 5,4 - 2,6 3,2 66,3 1,8 - 4,8 	58 \$ 93 67 02 56	4,972 - 4,493 2,422 149,978 1,658 - 2,500 -	\$ 4,632 - 2,449 2,515 136,778 1,771 - 1,438 \$ 149,583	\$ 5,014 \$ -2,367 2,568 253,579 1,237 -2,274 -3 \$ 267,038 \$	4,365 89,818 11,454 153,750 3,304 - 808 -	\$ 3,217 136,120 15,379 125,123 3,481 - 1,592	\$ 2,658 \$ 34,891 7,481 103,421 972 - 1,234 - \$ 150,657 \$	•	1,242 - 15,772 4,261 89,766 1,697 - 2,642 -		\$ 2,410 - 2,579 12,222 191,029 37,518 - 1,286 -	,	\$ 43,493 19,976 332,551 295,871 2,038,220 45,900 - 23,407 - \$ 2,799,418	,	\$ 43,493 19,976 332,551 295,871 2,038,220 45,900 - 23,407 -
85 Total St	orage Expenses	\$ 389,2	19 \$	534,084	\$ 699,317	\$ 600,921	804,064	\$ 637,753	\$ 386,419 \$	597,681	526,680	\$ 991,466	\$ 743,718	\$ 638,356	\$ 7,549,677	\$ (2,019,383)	\$ 5,530,294
86 Transmi 87 88 850 89 851 90 852	ssion Expenses Operation Supervision and engineering System control and load dispatching Communication system expenses	\$	- \$; - - -	\$ - - -	\$ - S	- - -	\$ - - -	\$ - \$ - -	; - - -	- - -	\$ - - -	\$ - - -	\$ -	\$ - - -	\$ - - -	\$ - - -

LINE FERC NO. ACCT.# DESCRIPTION	JAN 2018		FEB 2018	MAR 2018	APR 2018	MAY 2018	JUN 2018	JUL 2018	AUG 2018	SEP 2018	OCT 2018	NOV 2018	DEC 2018	TOTAL PER BOOKS	ADJ.	TOTAL AS ADJUSTED	
(a) (b)	(c)		(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(1)	(m)	(n)	(0)	(p)	(q)	_
91 853 Compressor station labor and exper 92 854 Gas for compressor station fuel 93 855 Other fuel and power for compressor 94 856 Mains expenses 95 857 Measuring and regulation station ex 96 858 Transmission and comp of gas by o 97 859 Other expenses 98 860 Rents	- - - - - - -	- \$	- - - - - -	- - - - - -	- - - - - - -	- - - - - - -	- - - - - -	- - - - - - -	- - - - - - - - - - - - - - - - - - -	- - - - - - -	- - - - - - - - -	- - - - - - - - -	- - - - - -	- - - - - - - - - - - - - - - - - - -	- - - - - - -	- - - - - - -	_
100 Maintenance 101 861 Supervision and engineering \$ 102 862 Structures and improvements 103 863 Mains		- \$	- { - -	- - -	\$ - -	* \$ - -	- \$	- \$ -	\$ - -	- - -	\$ - - -	\$ - \$ - -		\$ - \$ - -	; - -	- \$	-
104 864 Compressor station equipment 105 865 Measuring and regulation station 106 866 Communication equipment 107 867 Other equipment	-		- - -	- - -	- - -	- - -	- - -	- - - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	
108 Total Maintenance \$	5	- \$	- (-	\$ -	\$	- \$	- \$ -	\$ -	-	\$ -	\$ - \$	-	\$ - \$	5	- \$	-
109 Total Transmission Expenses	5	- \$	- (-	\$ -	\$	- \$	- \$ -	\$ -	-	\$ -	\$ - \$	-	\$ - \$	5	- \$	
110 Customer Accounts 111 901 Supervision \$ 112 903 Customer records & collections 113 904 Uncollectable accounts 114 Total Customer Accounts \$	-	- \$	- \$ - -	- -	\$ - - - \$	· \$	- \$ - - \$	· -	\$ - - - - \$ -	-	· -	\$ - \$ - - - \$ - \$	- - -	\$ - \$ - - \$ - \$	-	- \$ - - - \$	<u>-</u>
115 Customer Serv. & Informational 116 907 Supervision \$ 117 908 Customer assistance expense 118 909 Informational & instructional adverti: 119 Total Customer & Information \$	-	- \$ - \$	- { - -	- -	\$ - - - \$	· \$	- \$ - - - \$	- \$ - - - - \$ -	\$ - - - - \$ -	-	\$ - - - - -	\$ - \$ - - - \$ - \$	-	\$ - \$ - - \$ - \$	-	- \$ - - - \$	-
120 Sales 121 911 Supervision \$ 122 912 Demonstration & selling 123 913 Advertising expenses 124 916 Miscellaneous sales expense 125 Total Sales \$	- - -	- \$	-	- - - -	\$ - - - -	· \$	- \$ \$ 	- \$ - - - - - - -	\$ - - - -	- - -	\$ - - - - - - -	\$ - \$ - - -	- - - -	\$ - \$ - - -	; - - -	- \$ - \$ \$	- -
126 Administrative and General 127 920 Administrative and general salaries \$ 128 921 Office supplies and expenses 129 922 Administrative expenses transferrec 130 923 Outside services employed 131 924 Property insurance 132 925 Injuries and damages 133 926 Employee pensions and benefits 134 927 Franchise requirements 135 928 Regulatory commission expenses	5 58,62 3,87 - 42,46 3,66 6,14 38,29 - 4,28	73 66 64 13 16	52,623 5,063 - 5,155 3,664 6,143 85,070 - 4,281	\$ 39,854 1,169 - 6,182 3,664 6,238 22,245 - 4,281	\$ 53,401 175 - 4,172 3,664 6,143 34,286 - 4,281	6,58 6,58 3,37 6,14 37,48	1 2,66 - 9 4,29 0 3,37 9 6,14 0 30,91	7,665 - 12 6,178 0 3,370 19 6,149 2 34,693	\$ 64,515 1,593 - 6,799 3,336 5,077 35,092 - 4,281	24,609 481 - 4,695 3,335 5,077 27,111 - 4,281	\$ 64,811 673 - 7,411 3,336 5,077 39,113 - 4,347	\$ 70,847 \$ 6,778	25,737 (9,226) - 7,198 2,718 2,486 (15,174) - 4,347	\$ 604,352 \$ 21,366	; - - - - - -	- \$ 604,35 21,36 - 109,60 40,82 65,90 410,20 - 51,56	05 23 06 03

LINE FERC NO. ACCT.# DES	SCRIPTION	JAN 2018	FEB 2018	MAR 2018	APR 2018	MAY 2018	JUN 2018	JUL 2018	AUG 2018	SEP 2018	OCT 2018	NOV 2018	DEC 2018	TOTAL PER BOOKS	ADJ.	TOTAL AS ADJUSTED
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(I)	(m)	(n)	(0)	(p)	(q)
	rges - credit rtising expenses s general expenses	- - 6,470 6,756	- - 6,941 6.733	- - 1,364 6,730	- - 7,108 6,724	- - 7,386 6.662	- - (2,611) 7.630	- - 6,157 6,744	- - 5,132 6.800	- (4,254) 6,726	- - 6,458 6,692	- - 5,821 7,567	- - (10,279) 2.813	- - 35,691 78,576	:	- - 35,691 78,576
	of general plant	\$ 170,576	\$ 175,671	\$ 91,725	- \$ 119,951 \$	- 3 131,387	\$ 91,754	\$ 130,487 \$	132,623	72,060	\$ 137,917	\$ 153,320 \$	-	\$ 1,418,090	- \$	1,418,090
142 Total Gas Operating 6	expenses	\$ 497,139	\$ 690,688	\$ 522,150	\$ 618,220	660,800	\$ 556,972	\$ 456,278 \$	684,301	472,213	\$ 1,032,157	\$ 714,175 \$	520,426	\$ 7,425,519	(477,135) \$	6,948,384

Bear Creek Storage Company, L.L.C. Adjustment No. 1

To eliminate Bear Creek's base period cost of purchased gas and costs associated with withdrawals from storage and deliveries to storage.

Line No.	Account No.	Description	<u>Total</u>
	(a)	(b)	(c)
1	803	Transmission Line Purchases	\$ -
2	805	Other Gas Purchases	(769,715)
3	808.1	Gas Withdrawn from Storage - Debit	(692,433)
4	808.2	Gas Delivered to Storage - Credit	985,013
5	813	Other Gas Costs	
	Total		\$ (477,135)

Bear Creek Storage Company, L.L.C. Adjustment No. 2

To eliminate gas used from Bear Creek's operations and maintenance expenses.

Line No.	Account No.	<u>Description</u>	<u> </u>	<u>Amount</u>
	(a)	(b)		(c)
1	810	Gas Used for Compressor Station Fuel	\$	1,870,534
2	812	Gas used for other utility operations		148,849
3	817	Line expenses		(148,849)
4	819	Compressor station fuel & power		(1,870,534)
5		Total	\$	-

LINE NO.	ACCT.#	DESCRIPTION		AN 018		FEB 2018		MAR 2018		APR 2018		MAY 2018		JUN 2018		JUL 2018		AUG 2018		SEP 2018		OCT 2018		NOV 2018		DEC 2018		TOTAL ER BOOKS	ADJ		TOTAL AS
	(a)	(b)		(c)		(d)		(e)		(f)		(g)		(h)		(i)		(j)		(k)		(I)		(m)		(n)		(o)	(p)		(q)
1	Production E	xpenses																													
2		tural Gas Prod. & Gath. Exp	\$	_	\$		- \$		- \$		- \$		- \$		- 9	ĥ	- 9	3	- \$		- \$		- \$;	- \$		- \$	- 5	;	- \$	_
3	Operation	idiai odo i rodi d odiii Exp	Ψ		•		~		Ψ		Ψ		Ψ.		,	-	,	•	Ψ.		Ψ		•		•		Ψ	`	,	Ť	
4		pervision and Engineering	\$	_	\$		- \$		- \$		- \$		- \$		- 9	\$	- 9	;	- \$		- \$		- \$:	- \$		- \$	- \$:	- \$	_
5		oduction maps and records	Ψ	-	•	_	~	_	Ψ	_	Ψ	_	Ψ.	_	,	-	. `	_	Ψ.	_	Ψ	-	•	_	•	_	Ψ	- `	•	- *	_
6		eld lines expenses		_		_		_		_		_		_			_	_		_		_		_		_		_		_	_
7		eld compressor station expenses		_		_		_		_				_			_	_						_		_		_		_	_
8		eld compressor sta fuel and power																													
9		eld meas and regulating station exp										_		_			-									_				-	
10		rification Expenses																													
11		her expenses		-		-		-		-		-		-			-	-		-		-		-		-		-		-	-
12				-		-		-		-		-		-			-	-		-		-		-		-		-		-	-
13	760 Re		\$		\$		•		- \$		•		Φ.		- 9	•	- 9		- \$		- \$		•		- \$		Φ.	- :		-	
		tal Operation	Ф	-	Ф	•	- \$		- ф		- \$		- \$		- 1	₽	- 1)	- ф		- ф		- \$)	- ф		- \$	- 3	•	- \$	-
14	Maintenance		•		•		•		•		•		Φ.			•			•		•		•		•		•			•	
15		pervision and engineering	\$	-	\$		- \$		- \$		- \$		- \$		- \$	₽	- \$	Ó	- \$		- \$		- \$	•	- \$		- \$	- 9	•	- \$	-
16		uctures and improvements		-		-		-		-		-		-			-	-		-		-		-		-		-		-	-
17	764 Fie			-		-		-		-		-		-			-	-		-		-		-		-		-		-	-
18		eld compressor station equipment		-		-		-		-		-		-			-	-		-		-		-		-		-		-	-
19		eld meas and regulating station exp		-		-		-		-		-		-			-	-		-		-		-		-		-		-	-
20		rification expenses		-		-		-		-		-		-			-	-		-		-		-		-		-		-	-
21	To	tal Maintenance	\$	-	\$	-	- \$		- \$		- \$		- \$		- \$	\$	- 9	6	- \$		- \$		- \$	5	- \$		- \$	- \$;	- \$	-
22	То	tal Natural Gas Prod	\$	-	\$		- \$		- \$		- \$		- \$		- \$	\$	- \$	5	- \$		- \$		- \$;	- \$		- \$	- \$;	- \$	-
	5																														
23		d Extraction Expenses																													
24	Operation				_		_		_		_												_		_		_				
25		s shrinkage	\$	-	\$		- \$		- \$		- \$		- \$		- \$		- 9	5	- \$		- \$		- \$	5	- \$		- \$	- \$	i	- \$	-
26		s processed by others		-		-		-		-		-		-			-	-		-		-		-		-		-		-	
27		tal Operation	\$		\$		- \$		- \$		- \$		- \$		- 9		- 9		- \$		- \$		- \$		- \$		- \$			- \$	
28	Total Produc	ets Extraction Ex	\$	-	\$		- \$		- \$		- \$		- \$		- \$	₿	- \$	6	- \$		- \$		- \$	5	- \$		- \$	- (i	- \$	-
29	Purchased G	Sas Expenses																													
30	Purchased G	Sas Cost																													
31	800 Na	tural gas well head purchases	\$	-	\$		- \$		- \$		- \$		- \$		- 9	\$	- 9	3	- \$		- \$		- \$	5	- \$		- \$	- 9	;	- \$	-
32	801 Na	tural gas field line purchases		-		-		-		-		-		-			-	-		-		-		-		-		-		-	-
33		tural gas gasoline plant outlet purch.		-		-		-		-		-		-			-	-		-		-		-		-		-		-	-
34		tural gas transmission line purch.		-		_		-		-		-		_			-	_		-		_		_		_		_		-	_
35		her gas purchases		-		_		_		_		_		_			_	_		_		-		_		_		_		_	_
36		rchased gas cost adjustment		-		_		_		_		_		_			_	_		_		-		_		_		_		_	_
37		change gas		_		_		_		_		_		_			_	_		_		_		_		_				_	_
38		justed purchased gas cost		_		_		_		_		_		_			_	_		_		_		_		_				_	_
39		tal Purchased Gas	\$	-	\$		- \$		- \$		- \$		- \$		- \$	\$	- 9	3	- \$		- \$		- \$;	- \$		- \$	- (;	- \$	
40	007 D	and an and an	•		•		•		•		•		•			•			•		•		•		•		•			•	
40		rchased gas expenses	\$	-	\$		- \$		- \$		- \$		- \$		- \$	₽	- 9)	- \$		- \$		- \$	•	- \$		- \$	- 9	•	- \$	-
41		perations of meter stations		-		-		-		-		-		-			-	-		-		-		-		-		-		-	-
42		intenance of meter stations		-		-		-		-		-		-			-	-		-		-		-		-		-		-	-
43		Iculation expenses		-		-		-		-		-		-			-	-		-		-		-		-		-		-	-
44		ner expenses		-		-		-		-		-					-	-		-		-		-		-		-		-	
45	То	tal Purchased Gas expenses	\$	-	\$		- \$		- \$		- \$		- \$		- \$	\$	- 9	5	- \$		- \$		- \$	5	- \$		- \$	- \$	i	- \$	-
46	808.1 Ga	s withdrawn from storage	\$	-	\$		- \$		- \$		- \$		- \$		- 9	\$	- 9	6	- \$		- \$		- \$;	- \$		- \$	- 9	;	- \$	-
47		is delivered to storage	•	-	•	-	•	-	•	_	*	-	•	-	,		- `	-	•	_	·	-	,	-	•	-	ŕ	- `		- "	-
48		tal - Net	\$	-	\$. \$		- \$		- \$		- \$		- \$	\$	- \$	6	- \$		- \$		- \$	3	- \$		- \$	- \$;	- \$	-
49	Gae usod in	utility operations																													
50		us used for comp. station fuel	\$	-	\$		- \$		- \$		- \$		- \$		- 9	\$	- \$	5	- \$		- \$		- \$;	- \$		- \$	- \$;	- \$	-

LINE NO.	ACCT.#	DESCRIPTION		JAN 2018	FE 20		MAR 2018		APR 2018		MAY 2018	JU 20	JN 18		JUL 2018		AUG 2018	SEP 2018	OC ⁻ 201		NOV 2018		DEC 2018		OTAL BOOKS	Al		TOTAL AS
'	(a)	(b)		(c)	(0	i)	(e)		(f)		(g)	(h	h)		(i)		(j)	(k)	(I)		(m)		(n)		(o)	()	p)	(q)
51	811 Gas use	ed for products extraction		-		-	-		-		-		-		-		-	-		-	-		-		-		-	-
52	812 Gas use	ed for other utility operations		-		-	-		-		-		-		-		-	-		-	-		-		-		-	-
53		as Used in Utility Operations	\$	-	\$	-	\$ -	\$	-	\$	- (\$	-	\$	-	\$	- :	\$ -	\$	- :	\$ -	\$	-	\$	-	\$	- \$	
54	Other Expenses																											
55		as supply expenses	\$	_	\$	-	\$ -	\$	_	\$	- 9	\$	_	\$	-	\$	- :	\$ -	\$	- :	\$ -	\$	_	\$	_	\$	- \$	_
56		her Expenses	\$	-	\$	-	\$ -	\$	-	\$	- (\$	-	\$	-	\$	- ;	\$ -	\$	- :	\$ -	\$	-	\$	-	\$	- \$	-
57	Total O	her Gas Supply Expense	\$	-	\$	-	\$ -	\$	-	\$	- 9	\$	-	\$	-	\$	- :	\$ -	\$	- :	\$ -	\$	-	\$	-	\$	- \$	-
58	Total Production	Expenses	\$	_	\$	-	\$ -	\$		\$	- 5	\$	-	\$	_	\$	- ;	\$ -	\$	-	\$ -	\$		\$	-	\$	- \$	
59	Storage Expense	3																										
60	Operation																											
61		sion and engineering	\$	30,027	\$ 2	7,162	\$ 29,799	\$	28,884	\$	30,646 \$	\$ 27	7,956	\$	28,911	\$	30,662	\$ 26,586	\$ 30,	267	\$ 29,214	\$	29,612	\$	349,724	\$	- \$	349,724
62	815 Maps a			-		-	· -		-		-		-		-		· <u>-</u>	· -		-			· -		· -		- '	
63	816 Wells e	xpenses		1,154		997	1,050		1,014		1,225		994		1,072		1,241	974	1,	097	1,105		1,069		12,992		-	12,992
64	817 Lines ex	penses		7,489		6,611	8,303		10,024		10,712	(6,155		4,510		9,320	5,709	7,	359	5,948		8,660		91,301		-	91,301
65	818 Compre	ssor station expenses		59,923	50	0,421	48,779		45,687		50,962	42	2,873		41,945		30,197	35,707	48,	156	49,196		40,867		544,713		-	544,713
66	819 Compre	ssor station fuel & power		-		-	-		-		-		-		-		-	-		-	-		-		-		-	-
67		ng and regulation station ex.		214		15	5		69		364		3		-		8	72		3	4		149		907		-	907
68		tion expenses		-		-	-		-		-		-		-		-	-		-	-		-		-		-	-
69	823 Gas los			-		-	-		-		-		-		-		-	-		-	-		-		-		-	-
70	824 Other e	xpenses		-		-	-		-		-		-		-		-	-		-	-		-		-		-	-
71 72	826 Rents Total O	peration	•	98.808	\$ 8	5.206	\$ 87.936	\$	85.677	\$	93.909 \$	\$ 7	7.982	\$	76.438	\$	71.426	\$ 69.047	\$ 87.	-	\$ 85.468	\$	80.357	\$	999.637	\$	- \$	999.637
			Ψ	50,000	Ψ	5,200	Ψ 07,000	Ψ	00,011	Ψ	σο,σσσ φ		1,002	Ψ	70,400	Ψ	71,420	Ψ 00,047	Ψ 01,	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	Ψ 00,400	Ψ	00,007	Ψ	000,007	Ψ	Ψ	000,001
73	Mainter		•	= 00.4	•			•	= 0.4.4	•	4005 0		004=	•	0.050	•	0.400					•	0.00=	•	40.000	•	•	40.000
74 75		sion and engineering	\$	5,334	\$ 4	4,765	\$ 4,530	\$	5,014	\$	4,365 \$	5 :	3,217	\$	2,658	\$	2,499	\$ 1,242	\$ 4,	221	\$ 2,410	\$	2,805	\$	43,060	\$	- \$	43,060
75 76	832 Mainter	es and improvements		2,693		- 2,326	2,449		2,367		2,858	,	2,320		2,501		2,895	2,272	2	- 560	2,579		2,495		30,317		-	20.247
76 77	833 Mainter			3,046		2,326 2,422	2,449		2,367		2,836		2,320 3.107		5,153		3.045	2,272		063	2,579		2,495		35,616		-	30,317 35,616
78		ssor station equipment		40,245		2,422 5,807	42,613		25,963		40,736		3,590		34,940		38.614	34,539	54,		51,017		41,795		473,923		-	473,923
79		ng and regulation station		1,856		1,658	1,771		1,236		2,227	٥.	442		991		2,022	1,697		151	926		1,343		17,619		-	17,619
80		ance of purification equip.		-,000		-			-,200		-,		-		-		-	- 1,007	٠,	-	-		-				_	-
81		ance of other equipment		_		-	_		-		-		_		-		_	_		-	_		_		_		_	_
82		arts/LNGTPE/Comp St. Lab		_		_	_		_		_		_		_		_	-		-	_		_		_		_	_
83		ance Supervision & Engineering		-		-	-		-		-		-		-		-	-		-	-		-		-		_	-
84		aintenance	\$	53,174	\$ 40	6,979	\$ 53,878	\$	36,928	\$	53,122 \$	\$ 42	2,676	\$	46,244	\$	49,075	\$ 42,104	\$ 65,	358	\$ 59,775	\$	51,222	\$	600,535	\$	- \$	600,535
85	Total Storage Exp	penses	\$	151,981	\$ 13	2,185	\$ 141,814	\$	122,605	\$ 1	147,031 \$	\$ 120	0,658	\$ -	122,682	\$ 1	120,501	\$ 111,151	\$ 152,	740	\$ 145,243	\$	131,579	\$ 1,	,600,172	\$	- \$	1,600,172
86	Transmission Exp	enses																										
87	Operati																											
88		sion and engineering	\$	-	\$	-	\$ -	\$	-	\$	- 9	\$	-	\$	-	\$	- :	\$ -	\$	- :	\$ -	\$	-	\$	-	\$	- \$	-
89	851 System	control and load dispatching		-		-	-		-		-		-		-		-	-		-	-		-		-		-	-
90		nication system expenses		-		-	-		-		-		-		-		-	-		-	-		-		-		-	-
91	853 Compre	ssor station labor and expense		-		-	-		-		-		-		-		-	-		-	-		-		-		-	-

LINE NO.	ACCT.#	DESCRIPTION	JAN 018	FEB 2018	MAR 2018	APR 2018	MAY 2018	JUN 2018	JUL 2018	AU 201		SEP 2018	OCT 2018	NOV 2018	DEC 2018	TOTAL PER BOOKS	ADJ	TOTAL AS ADJUSTED
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(i))	(k)	(1)	(m)	(n)	(0)	(p)	(q)
92	854	Gas for compressor station fuel	-	-	-	-	-	-	-		-	-	-	-	-	-		
93	855	Other fuel and power for compressors	-	-	-	-	-	-	-		-	-	-	-	-	-		
94	856	Mains expenses	-	-	-	-	-	-	-		-	-	-	-	-	-		
95		Measuring and regulation station ex.	-	-	-	-	-	-	-		-	-	-	-	-	-		
96	858	Transmission and comp of gas by others	-	-	-	-	-	-	-		-	-	-	-	-	-		
97		Other expenses	-	-	-	-	-	-	-		-	-	-	-	-	-		
98	860	Rents	-	-	-	-	-	-	-		-	-	-	-	-	-		<u> </u>
99		Total Operation	\$ -	\$ -	\$ -	\$ -	. \$	- \$	- \$	- \$	- \$	- \$	- (-	\$	- \$ -	\$	- \$ -
100		Maintenance																
101		Supervision and engineering	\$ -	\$ -	\$ -	\$ -	. \$	- \$	- \$	- \$	- \$	- \$	- 5	-	\$	- \$ -	\$	- \$ -
102		Structures and improvements	-	-	-	-	-	-	-		-	-	-	-	-	-		
103		Mains	-	-	-	-	-	-	-		-	-	-	-	-	-		
104		Compressor station equipment	-	-	-	-	-	-	-		-	-	-	-	-	-		
105		Measuring and regulation station	-	-	-	-	-	-	-		-	-	-	-	-	-		
106		Communication equipment	-	-	-	-	-	-	-		-	-	-	-	-	-		
107		Other equipment	 -	-	-	-		-	-		-	-	-	-	-	-		<u> </u>
108		Total Maintenance	\$ -	\$ -	\$ -	\$ -	• \$	- \$	- \$	- \$	- \$	- \$	- 9	-	\$	- \$ -	\$	- \$ -
109	Total Tra	nsmission Expenses	\$ -	\$ -	\$ -	\$ -	\$	- \$	- \$	- \$	- \$	- \$	- (-	\$	- \$ -	\$	- \$ -
110	Customer	Accounts																
111	901	Supervision	\$ -	\$ -	\$ -	\$ -	· \$	- \$	- \$	- \$	- \$	- \$	- 9	-	\$	- \$ -	\$	- \$ -
112		Customer records & collections	-	-	-	-	-	-	-		-	-	-	-	-	-		
113		Uncollectable accounts	-	-	-	-	-	-	-		-	-	-	-	-	-		<u> </u>
114	Total Cus	stomer Accounts	\$ -	\$ -	\$ -	\$ -	• \$	- \$	- \$	- \$	- \$	- \$	- (-	\$	- \$ -	\$	- \$ -
115		Serv. & Informational																
116		Supervision	\$ -	\$ -	\$ -	\$ -	· \$	- \$	- \$	- \$	- \$	- \$	- 9	-	\$	- \$ -		- \$ -
117		Customer assistance expense	-	-	-	-	-	-	-		-	-	-	-	-	-		
118		Informational & instructional advertising	 -			<u> </u>					<u></u>		-		-	<u> </u>		<u> </u>
119	Total Cus	stomer & Information	\$ -	\$ -	\$ -	\$ -	• \$	- \$	- \$	- \$	- \$	- \$	- (-	\$	- \$ -	\$	- \$ -
120	Sales																	
121		Supervision	\$ -	\$ -	\$ -	\$ -	. \$	- \$	- \$	- \$	- \$	- \$	- (-	\$	- \$ -	\$	- \$ -
122		Demonstration & selling	-		-		-	· -	-		- '	- '	-	-	٠ -	-		
123		Advertising expenses	-	-	-	-	-	-	-		-	-	-	-	-	-		
124		Miscellaneous sales expense	-	-	-	-	-	-	-		-	-	-	-	-	-		
125	Total Sale	es	\$ -	\$ -	\$ -	\$ -	. \$	- \$	- \$	- \$	- \$	- \$	- (-	\$	- \$ -	\$	- \$ -
126	Administr	ative and General																
127		Administrative and general salaries	\$ 58,628	\$ 52,623	\$ 39,854	\$ 53,401	\$ 59,00	8 \$ 35,07	0 \$ 55,2	50 \$ 64	1,515 \$	24,609 \$	64,811	70,847	\$ 25,73	37 \$ 604,352	\$	- \$ 604,352
128		Office supplies and expenses	-	-	· -	-	· -	-	-		-	-	-	-		-		- ' -
129		Administrative expenses transferred	-	-	-	-	-	-	-		-	-	-	-	-	-		
130		Outside services employed	-	-	-	-	-	-	-		-	-	-	-	-	-		
131		Property insurance	-	-	-	-	-	-	-		-	-	-	-	-	-		
132		Injuries and damages	-	-	-	-	-	-	-		-	-	-	-	-	-		
133		Employee pensions and benefits	-	51,006	(11,387)	-	-	-	-		-	-	-	-	-	39,620		- 39,620
134		Franchise requirements	-	-	- 1	-	-	-	-		-	-	-	-	-	-		
135		Regulatory commission expenses	-	-	-	-	-	-	-		-	-	-	-	-	-		
136		Duplicate charges - credit	-	-	-	-	-	-	-		-	-	-	-	-	-		
137		General advertising expenses	-	-	-	-	-	-	-		-	-	-	-	-	-		

LINE			JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	ОСТ	NOV	DEC	TOTAL		TOTAL AS
NO.	ACCT.#	DESCRIPTION	2018	2018	2018	2018	2018	2018	2018	2018	2018	2018	2018	2018	PER BOOKS	ADJ	ADJUSTED
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(I)	(m)	(n)	(0)	(p)	(q)
138	930.2 Miscella	aneous general expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
139	931 Rents		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
140	935 Mainter	nance of general plant	 -	-	-	-	-	-	-	-	-	-	-	-	-	-	<u> </u>
141	Total A&G		\$ 58,628	\$ 103,629	\$ 28,467	\$ 53,401	\$ 59,008	\$ 35,070	\$ 55,250	\$ 64,515	\$ 24,609	\$ 64,811	\$ 70,847	\$ 25,737	\$ 643,972 \$	-	\$ 643,972
142	Total Gas Opera	ting expenses	\$ 210,609	\$ 235,814	\$ 170,281	\$ 176,006	\$ 206,039	\$ 155,728	\$ 177,932	\$ 185,016	\$ 135,761	\$ 217,551	\$ 216,090	\$ 157,316	\$ 2,244,144 \$	-	\$ 2,244,144

LINE NO.	ACCT. #	DESCRIPTION	J <i>A</i> 20	AN 18	FE 201		MAR 2018		.PR 018	MAY 2018	JU 20		JUL 2018		AUG 2018	SEP 2018		OCT 2018	NOV 2018		DEC 2018		TOTAL R BOOKS	ADJ	TOTAL A
	(a)	(b)	(0	c)	(d)	(e)		(f)	(g)	(h	n)	(i)		(j)	(k)		(I)	(m)		(n)		(o)	(p)	(q)
1	Production Exp																								
2	Natui	ral Gas Prod. & Gath. Exp	\$	-	\$	- :	\$ -	\$	- \$	-	. \$	- :	\$	- \$	-	\$	- \$	-	\$	- \$	3	- \$	- \$		- \$
3	Operation																								
4	750 Supe	rvision and Engineering	\$	-	\$	-	\$ -	\$	- \$	-	. \$	- :	\$	- \$	-	\$	- \$	-	\$	- \$	5	- \$	- \$		- \$
5		uction maps and records		-		-			-	-		-			-			-	-		-		- '		-
6		lines expenses		-		-	-		_	-		-	_		-	_		-	_		_		_		-
7		compressor station expenses		-		-	-		-	_		-	_		-	_		_	_		_		_		-
8		compressor sta fuel and power		_		_	_		_	_		_	_		_	_		_	_		_		_		_
9		meas and regulating station exp		_		_	_		_	_		_	_	_	_	_		_	_		_		_		_
10		cation Expenses																							
				-		-	-		-	-		-	_	•	-	_	•	-	-		-		-		-
11	759 Othe			-		-	-		-	-		-	-	•	-	-	•	-	-		-		-		-
12	760 Rents			-		-	-		-	-		-			-			-							
13		Operation	\$	-	\$	-	\$ -	\$	- \$	-	• \$	-	\$	- \$	-	\$	- \$	-	\$	- \$		- \$	- \$		- \$
14	Maintenance																								
15		rvision and engineering	\$	-	\$	- :	\$ -	\$	- \$	-	. \$	- :	\$	- \$	-	\$	- \$	-	\$	- \$	5	- \$	- \$		- \$
16	762 Struc	tures and improvements		-		-	-		-	-		-	-	-	-	-		-	-		-		-		-
17	764 Field	lines		-		-	-		-	-		-	-		-	-	-	-	-		-		-		-
18	765 Field	compressor station equipment		-		-	-		-	-		-	-		-	-		-	-		-		-		-
19	766 Field	meas and regulating station exp		-		-	-		-	-		-	-		-	-		-	-		-		-		-
20		cation expenses		-		-	-		_	-		-	_		-	_		-	_		_		_		-
21		Maintenance	\$	-	\$	- :	\$ -	\$	- \$. \$	- :	\$	- \$	-	\$	- \$	-	\$	- \$	1	- \$	- \$		- \$
	rotai	Wallterlance	•		Ψ		Ψ -				Ψ		Ψ	- ψ		Ψ									
22	Total	Natural Gas Prod	\$	-	\$	-	\$ -	\$	- \$	-	\$	-	\$	- \$	-	\$	- \$	-	\$	- \$	5	- \$	- \$		- \$
23 24 25 26	Operation 772 Gas s 777 Gas p	processed by others	\$	-	\$	- :	-	\$	- \$	-	. \$	- :	-	- \$	-		- \$	-	-	- \$	-	- \$	- \$		- \$
27		Operation	\$	-	\$			\$	- \$. \$		\$	- \$		\$	- \$	-		- \$		- \$	- \$		- \$
28	Total Products	Extraction Ex	\$	-	\$	-	\$ -	\$	- \$	-	. \$	-	\$	- \$	-	\$	- \$	-	\$	- \$	5	- \$	- \$		- \$
29	Purchased Gas	s Expenses																							
30	Purchased Gas	s Cost																							
31	800 Natui	ral gas well head purchases	\$	-	\$	- :	\$ -	\$	- \$	-	. \$	- :	\$	- \$	-	\$	- \$	-	\$	- \$;	- \$	- \$		- \$
32	801 Natur	ral gas field line purchases		-		-	-		-	-		-	-		-	-		-	-		-		-		-
33		ral gas gasoline plant outlet purch.		-		-	-		-	_		-	_		-	_		_	_		_		_		-
34		ral gas transmission line purch.		_		_	-		_	_		_	_		-	_		-	_		_		_		_
35		r gas purchases	65	5,818	(62	2,384)	(22,946)	. 1	150,747	67,523	173	3,551	67,1	98	180,486	96,9	189	(1,472,766)	434,1	33	501,33	7	769,715	(769,71	5)
36		nased gas cost adjustment	301	-,0.0	,02	-, 50 .,	(,5+0)		-			-,50.			-			.,,. 50)			-	•	. 00, 0	(. 55,7 1	-,
37	806 Exch			_		_	_		_	_		_			_			_	_		_		_		_
38		sted purchased gas cost		_		_	_		_	_		_			_	_		_	_		_		_		-
39		Purchased Gas	\$ 65	5,818	\$ (62	2,384)	\$ (22,946)	\$ 1	150,747 \$	67,523	\$ \$ 173	3,551	67,1	98 \$	180,486	96,9	89 \$	(1,472,766)	\$ 434,1	3 \$	501,33	7 \$	769,715 \$	(769,71	5) \$
40	807 Durch	nased gas expenses	\$	_	\$	_	\$ -	\$	- \$. ¢	_	\$	- \$	_	c	- \$		\$	- \$:	- \$	- \$		- \$
41		ations of meter stations	φ	-	φ		Ψ -	φ	- p		Ψ		Ψ	- Þ		Ψ	- ф		Ψ	- 4	,	- ψ	- Þ		- ψ
				-		-	-		-	-		-	-	-	-	-		-	-		-		-		-
42		tenance of meter stations		-		-	-		-	-		-	-	•	-	-	•	-	-		-		-		-
43		ulation expenses		-		-	-		-	-		-	-	•	-	-		-	-		-		-		-
44	807.5 Othe			-		-	_			-		-			-	-		-	-				-		
45	Total	Purchased Gas expenses	\$	-	\$	-	\$ -	\$	- \$	-	• \$	-	\$	- \$	-	\$	- \$	-	\$	- \$	5	- \$	- \$		- \$
46	808.1 Gas	withdrawn from storage	\$ (4	1,031)	\$ 379	,580	\$ 106,294		- \$	2,517		2,654			13,087		42 \$	23,758	\$	75 \$	136,97	4 \$	692,433 \$	(692,43	3) \$
47	808.2 Gas	delivered to storage	(53	8,751)	(143	3,331)	(46,720)	(1	150,747)	(67,523	(173	3,551)	(112,2	268)	(180,486)	(96,9	189)	1,472,766	(434,1)	33)	(513,25	1)	(985,013)	985,01	3
48		- Net		9,782)	\$ 236	5,249			150,747) \$	(65,006							247) \$		\$ (434,0				(292,580) \$	292,58	
40	Gas used in uti	ility operations																							
49		,						\$																	

LINE NO.	ACCT.#	DESCRIPTION	JAN 2018	FEB 2018	MAR 2018	APR 2018	MAY 2018	JUN 2018	JUL 2018	AUG 2018	SEP 2018	OCT 2018	NOV 2018	DEC 2018	TOTAL PER BOOKS	ADJ	TOTAL AS ADJUSTED
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(1)	(m)	(n)	(o)	(p)	(q)
51	811 Gas used for	products extraction	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
52		other utility operations	(24,068)	(1,931)		(9,675)	(6,072)	(16,277)	(2,546)	(8,160)	(11,822)	(6,212)	(19,461)	(8,437)		148,849	
53	Total Gas Us	ed in Utility Operations	\$ (138,691)	\$ (192,932)	\$ (305,521) \$	(102,652) \$	(277, 168)	\$ (175,188)	\$ (68,338)	\$ (59,091)	\$ (142,269) \$	(120,985)	\$ (182,938) \$	(253,610)	\$ (2,019,383)	\$ 2,019,383	\$ -
	Oth F																
54 55	Other Expenses	anh, aynanaa	•	œ.	• •	•		¢.	¢.	œ.	• •		• •		r.	œ.	œ.
56	813 Other gas sup Total Other E		\$ -	\$ -	\$ - \$	- \$ - \$		\$ -	\$ -	\$ -	\$ - \$		\$ - \$		\$ -	\$ -	\$ -
30	Total Other L	лрепосо препосо	Ψ	Ψ	ψ - ψ	- ψ		Ψ	Ψ	Ψ -	Ψ - Ψ		Ψ - Ψ		Ψ	Ψ -	Ψ
57	Total Other G	as Supply Expense	\$ (62,656)	\$ (19,067)	\$ (268,892) \$	(102,652) \$	(274,651)	\$ (172,535)	\$ (60,627)	\$ (46,003)	\$ (126,527) \$	(97,226)	\$ (182,863) \$	(128,550)	\$ (1,542,248)	\$ 1,542,248	\$ -
58	Total Production Expen	ses	\$ (62,656)	\$ (19,067)	\$ (268,892) \$	(102,652) \$	(274,651)	\$ (172,535)	\$ (60,627)	\$ (46,003)	\$ (126,527) \$	(97,226)	\$ (182,863) \$	(128,550)	\$ (1,542,248)	\$ 1,542,248	\$ -
59	Storage Expenses																
60	Operation																
61	814 Supervision a		\$ 2,867	\$ 2,780	\$ 2,128 \$	3,414 \$	8,993	\$ 2,550	\$ 3,020	\$ 2,175	\$ 2,184 \$	2,346	\$ 2,816 \$	1,929	\$ 37,202	\$ -	\$ 37,202
62	815 Maps and red			-	-	-		-		·	-	-	-		-	-	-
63	816 Wells expens		4,032	238	36		14,818		7,600	31,374	75,556	1,656	102,545	38,736	276,591	-	276,591
64 65	817 Lines expens 818 Compressors		27,166 43,437	11,822 63,507	38,435 136,415	17,987 122,162	19,657 119,194	30,168 71,059	42,536 29,623	54,580 52,343	50,617 71,922	38,426 104,793	37,559 94,496	33,000 96,751	401,952 1,005,701	(148,849)	253,103 1,005,701
66	819 Compressors		114,623	191,001	271,333	92,977	271,096	158,912	29,623 65,792	52,343 50,931	130,447	114,793	163,477	245,173	1,870,534	(1,870,534)	1,005,701
67		d regulation station ex.	114,023	191,001	271,333	1	271,090	130,912	-	50,951	130,447	16,000	103,477	647	16,649	(1,070,334)	16,649
68	821 Purification e		-	-	-	- '	-	_	-	-	- '	-	-	-	-	-	-
69	823 Gas losses		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
70	824 Other expens	es	13,893	13,505	13,452	11,664	12,897	12,171	10,753	11,895	11,525	8,548	10,312	11,375	141,992	-	141,992
71	826 Rents			-	-	-	-	-	-	-	-	-	-	-	-	-	<u> </u>
72	Total Operation	on	\$ 206,017	\$ 282,853	\$ 461,799 \$	248,206 \$	446,655	\$ 274,859	\$ 159,324	\$ 203,298	\$ 342,252 \$	286,541	\$ 411,205 \$	427,612	\$ 3,750,621	\$ (2,019,383)	\$ 1,731,238
73	Maintenance																
74	830 Supervision a		\$ 124	\$ 207	\$ 102 \$	- \$	-	\$ -	\$ -	\$ -	\$ - \$	-	\$ - \$			\$ -	\$ 434
75	831 Structures an		-	- 0.407	-	-	-	-	-	-	-	-	-	19,976	19,976	-	19,976
76 77	832 Maintenance 833 Maintenance		- 221	2,167	- 0	- 219	86,961 8,518	133,799 12,272	32,390 2,328	32,730 153,188	13,500 1,907	687 72,038	9,380	184	302,234 260,255	-	302,234 260,255
78	834 Compressors		26,057	114,171	94,165	227,617	113,014	91,533	68,480	78,068	55,228	461,440	140,012	94,513	1,564,297	-	1,564,297
79		d regulation station	-	-	-	0	1,077	3,039	(19)	8,796	0	15,388	36,592	(36,592)		-	28,281
80		of purification equip.	-	-	-	-	-	-	-		-	-	-	-	-	-	-
81	837 Maintenance	of other equipment	4,818	2,500	1,438	2,274	808	1,592	1,234	1,099	2,642	2,631	1,286	1,085	23,406	-	23,406
82		NGTPE/Comp St. Lab	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
83		Supervision & Engineering															
84	Total Mainten	ance	\$ 31,220	\$ 119,046	\$ 95,705 \$	230,110 \$	210,378	\$ 242,235	\$ 104,413	\$ 273,881	\$ 73,276 \$	552,184	\$ 187,270 \$	79,165	\$ 2,198,883	\$ -	\$ 2,198,883
85	Total Storage Expenses	8	\$ 237,237	\$ 401,899	\$ 557,503 \$	478,315 \$	657,033	\$ 517,095	\$ 263,737	\$ 477,179	\$ 415,528 \$	838,725	\$ 598,475 \$	506,777	\$ 5,949,504	\$ (2,019,383)	\$ 3,930,121
86	Transmission Expenses	3															
87	Operation																
88	850 Supervision a		\$ -	\$ -	\$ - \$	- \$	-	\$ -	\$ -	\$ -	\$ - \$	-	\$ - \$	-	\$ -	\$ -	\$ -
89		ol and load dispatching	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
90		on system expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
91 92		station labor and expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
92	854 Gas for comp	ressor station fuel d power for compressors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
93 94	856 Mains expens		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
95		d regulation station ex.	_	-	-	-	-	_	_	-	_	-	-	-	_	_	_
96		and comp of gas by others	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
97	859 Other expens		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
98	860 Rents			-	-	-	-	-	-	-	-	-	-	-	-	-	
99	Total Operation	on	\$ -	\$ -	\$ - \$	- \$	-	\$ -	\$ -	\$ -	\$ - \$	-	\$ - \$	-	\$ -	\$ -	\$ -

129 922 Administrative expenses transferred 130 923 Outside services employed 42,466 5,155 6,182 4,172 6,589 4,292 6,178 6,799 4,695 7,411 8,469 7,198 109,605 - 109,601 131 924 Property insurance 3,664 3,664 3,664 3,664 3,664 3,370 3,370 3,370 3,336 3,336 3,336 3,336 2,718 40,825 - 40,82 132 925 Injuries and damages 6,143 6,143 6,238 6,143 6,149 6,149 6,149 5,077 5,077 5,077 5,077 5,077 2,486 65,906 - 65,90 133 926 Employee pensions and benefits 38,296 34,063 33,631 34,286 37,480 30,912 34,693 35,092 27,111 39,113 41,079 (15,174) 370,582 - 370,58 134 927 Franchise requirements	LINE NO.	ACCT.#	DESCRIPTION	JAN 2018		FEB 2018	MAR 2018		APR 018	MAY 2018	20	JN 118	JUL 2018	AUG 2018		SEP 2018	OCT 2018	NOV 2018	DEC 2018		TOTAL ER BOOKS	ADJ		TAL AS JUSTED
Set Supervision and anginements		(a)	(b)	(c)		(d)	(e)		(f)	(g)	(1	h)	(i)	(j)		(k)	(1)	(m)	(n)		(o)	(p)		(q)
882 Silvatures and improvements 104 885 Compressor improvements 105 886 Compressor improvements 106 886 Compressor improvements 107 887 Communication equipment 108 887 Communication equipment 109 Total Transmission Expenses 100 Special Maintenance 100 Special Maintenanc	100	Mair	ntenance																					
See	101	861 Supe	ervision and engineering	\$	- \$	-	\$	- \$	- \$		- \$	- \$	-	\$	- \$	- \$	- \$		\$	- \$	- \$		- \$	-
March See Communication equipment	102	862 Strue	ctures and improvements		-	-	-		-	-		-	-	-		-	-	-		-	-		-	-
106 886 Measuring and regulation station	103	863 Mair	าร		-	-	-		-	-		-	-	-		-	-	-		-	-		-	-
100 100	104	864 Com	pressor station equipment		-	-	-		-	-		-	-	-		-	-	-		-	-		-	-
100	105	865 Mea	suring and regulation station		-	-	-		-	-		-	-	-		-	-	-		-	-		-	-
Total Miniertance	106	866 Com	munication equipment		-	-	-		-	-		-	-	-		-	-	-		-	-		-	-
Construct Cons	107	867 Othe	er equipment		-	-	-		-	-		-	-	-		-	-	-		-	-		-	
Customer Accounts 111 901 Supervision 904 Uncollectable accounts 905 Supervision 905 Super	108	Tota	l Maintenance	\$	- \$	-	\$	- \$	- \$		- \$	- \$	-	\$	- \$	- \$	- \$	-	\$	- \$	- \$		- \$	-
111 901 Supervision 5 5 5 5 5 5 5 5 5	109	Total Transmis	ssion Expenses	\$	- \$	-	\$	- \$	- \$		- \$	- \$	-	\$	- \$	- \$	- \$	-	\$	- \$	- \$		- \$	
112 933 Customer records & collections	110	Customer Acc	ounts																					
112 903 Customer records & collections	111			\$	- \$	-	\$	- \$	- \$		- \$	- \$	-	\$	- \$	- \$	- \$	-	\$	- \$	- \$		- \$	-
Total Customer Accounts Total Customer Serv. & Informational	112				-	-	-		-	-		-	-	-		-	-	-		-	-		-	-
Customer Serv. & Informational	113	904 Unco	ollectable accounts		-	-	-		-	-		-	-	-		-	-	-		-	-		-	-
116 907 Supervision S	114	Total Custome	er Accounts	\$	- \$	-	\$	- \$	- \$		- \$	- \$	-	\$	- \$	- \$	- \$	-	\$	- \$	- \$		- \$	-
116 907 Supervision S	115	Customer Serv	v. & Informational																					
118 908 Customer assistance expense				\$	- \$	_	\$	- \$	- \$		- \$	- \$	_	\$	- \$	- \$	- 9		\$	- \$	- \$		- \$	_
119 909 Informational & instructional advertising				•	- *	-	-	•	- *	_	•		-	٠.	•	- *	- '	_	*		. *			_
Total Customer & Information S - S - S - S - S - S - S - S - S - S					-	-	_		-	-		-	-	_		-	-	-		-	-		_	_
121 911 Supervision S				\$	- \$	-	\$	- \$	- \$		- \$	- \$	-	\$	- \$	- \$	- \$	-	\$	- \$	- \$		- \$	-
121 911 Supervision S	120	Sales																						
122 912 Demonstration & selling			ervision	\$	- \$	_	\$	- \$	- \$		- \$	- \$	_	\$	- \$	- \$	- 9		\$	- \$	- \$		- \$	_
123 913 Advertising expenses				•	- *	-	-	•	- *	_	•		-	٠.	•	- *	- '	_	*		. *			_
Total Sales Figure Figur					_	-	_		-	_		-	-	_		_	_	_		-	-		_	_
Administrative and General salaries \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$					-	-	-		-	-		-	-	-		-	-	-		-	-		-	_
127 920 Administrative and general salaries \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$, , , , , , , , , , , , , , , , , , , ,	\$	- \$	-	\$	- \$	- \$		- \$	- \$	-	\$	- \$	- \$	- \$	-	\$	- \$	- \$		- \$	-
127 920 Administrative and general salaries \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$ - \$	126	Administrative	and General																					
128 921 Office supplies and expenses 3,873 5,063 1,169 175 461 2,662 7,665 1,593 481 673 6,778 (9,226) 21,366 - 21,366 129 922 Administrative expenses transferred	127	920 Adm	inistrative and general salaries	\$	- \$	-	\$	- \$	- \$		- \$	- \$	-	\$	- \$	- \$	- 9	-	\$	- \$	- \$		- \$	-
129 922 Administrative expenses transferred 130 923 Outside services employed 131 924 Property insurance 136 364 3,664 3,664 3,664 3,664 3,370 3,370 3,370 3,370 3,336 3,336 3,336 3,336 2,718 40,825 - 40,825 19,000 19,00	128	921 Office	ce supplies and expenses	3,	373	5,063	1,16	9	175	46	1	2,662	7,665	1,593	3	481	673	6,778	(9,	226)	21,366		-	21,366
131 924 Property insurance 3,664 3,664 3,664 3,664 3,664 3,664 3,664 3,370 3,370 3,370 3,370 3,336 3,336 3,336 2,718 40,825 - 40,82	129	922 Adm	inistrative expenses transferred		-		-		-	-		-	-	-		-	-	-			-		-	-
132 925 Injuries and damages 6,143 6,143 6,28 6,143 6,149 6,149 6,149 5,077 5,077 5,077 5,077 2,486 65,906 - 65,900 133 926 Employee pensions and benefits 38,296 34,063 33,631 34,286 37,480 30,912 34,693 35,092 27,111 39,113 41,079 (15,174) 370,582 - 370,588 134 927 Franchise requirements	130	923 Outs	side services employed	42,	466	5,155	6,18	2	4,172	6,589	9	4,292	6,178	6,799	9	4,695	7,411	8,469	7,	198	109,605		-	109,605
133 926 Employee pensions and benefits 38,296 34,063 33,631 34,286 37,480 30,912 34,693 35,092 27,111 39,113 41,079 (15,174) 370,582 - 370,588 134 927 Franchise requirements	131	924 Prop	perty insurance	3,	664	3,664	3,66	4	3,664	3,370	0	3,370	3,370	3,336	6	3,336	3,336	3,336	2.	718	40,825		-	40,825
134 927 Franchise requirements	132	925 Injur	ies and damages	6,	143	6,143	6,23	8	6,143	6,149	9	6,149	6,149	5,07	7	5,077	5,077	5,077	2,	486	65,906		-	65,906
134 927 Franchise requirements	133	926 Emp	loyee pensions and benefits	38,	296	34,063	33,63	1	34,286	37,480	0 3	0,912	34,693	35,092	2	27,111	39,113	41,079	(15,	174)	370,582		-	370,582
136 929 Duplicate charges - credit	134	927 Fran	nchise requirements		-	-	-		-	-		-	-	-		-	-	-	,	- '	-		-	-
137 930.1 General advertising expenses	135	928 Regi	ulatory commission expenses	4,:	281	4,281	4,28	1	4,281	4,28	1	4,281	4,281	4,28	1	4,281	4,347	4,347	4,	347	51,568			51,568
137 930.1 General advertising expenses	136				-	-	-		-	-		-	-	-		-	-	-		-	-		-	
138 930.2 Miscellaneous general expenses 6,470 6,941 1,364 7,108 7,386 (2,611) 6,157 5,132 (4,254) 6,458 5,821 (10,279) 35,691 - 35,691 139 931 Rents 6,756 6,733 6,730 6,724 6,662 7,630 6,744 6,800 6,726 6,692 7,567 2,813 78,576 - 78,577 140 935 Maintenance of general plant 141 Total A&G \$111,948 \$72,042 \$63,257 \$66,551 \$72,379 \$56,684 \$75,236 \$68,109 \$47,451 \$73,107 \$82,473 \$(15,117) \$774,119 \$ - \$774,119	137				-	-	-		-	-		-	-	-		-	-	-		-	-		-	-
139 931 Rents 6,756 6,733 6,730 6,724 6,662 7,630 6,744 6,800 6,726 6,692 7,567 2,813 78,576 - 78,57 140 935 Maintenance of general plant 141 Total A&G \$111,948 \$72,042 \$63,257 \$66,551 \$72,379 \$56,684 \$75,236 \$68,109 \$47,451 \$73,107 \$82,473 \$(15,117) \$774,119 \$ - \$774,119				6,	470	6,941	1,36	4	7,108	7,386	6 (6,157	5,132	2	(4,254)	6,458	5,821	(10,	279)	35,691		-	35,691
140 935 Maintenance of general plant -	139			6,	756	6,733	6,73	0	6,724	6,662				6,800	0		6,692						-	78,576
141 Total A&G \$ 111,948 \$ 72,042 \$ 63,257 \$ 66,551 \$ 72,379 \$ 56,684 \$ 75,236 \$ 68,109 \$ 47,451 \$ 73,107 \$ 82,473 \$ (15,117) \$ 774,119 \$ - \$ 774,11									<u> </u>				<u> </u>			<u> </u>		<u> </u>						
142 Total Gas Operating expenses \$ 286.529 \$ 454.874 \$ 351.869 \$ 442.214 \$ 454.761 \$ 401.244 \$ 278.346 \$ 499.285 \$ 336.453 \$ 814.606 \$ 498.086 \$ 363.110 \$ 5.181.375 \$ (477.135) \$ 4.704.24	141			\$ 111,	948 \$	72,042	\$ 63,25	7 \$	66,551 \$	72,379	9 \$ 5	6,684 \$	75,236	\$ 68,109	9 \$	47,451 \$	73,107	82,473	\$ (15,	117) \$	774,119 \$	•	- \$	774,119
	142	Total Gas One	erating expenses	\$ 286	529 \$	454.874	\$ 351.86	9 \$ 4	442.214 \$	454.76	1 \$ 40	1.244 \$	278.346	\$ 499.28!	5 \$ 3	336.453 \$	814.606 .9	498.086	\$ 363	110 \$	5.181.375 \$	(477.13	5) \$ 4	1.704.240

Bear Creek Storage Company, L.L.C. Quantities Applicable to Account Nos. 810, 811, 812 Volumes Reported in Dth For the Twelve Months Ended December 31, 2018 As Adjusted

Line No	Description	FERC Acct	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Total	Adjustments	Adj Bal
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)
	Other Gas Supply Volumes																
1	Gas Used for Compressor Station Fuel - Credit	810.0	(56,384)	(33,520)	(68,325)	(103,948)	(34,563)	(98,224)	(54,307)	(23,497)	(17,808)	(45,452)	(36,233)	(40,677)	(612,938)	612,938	-
2	Gas Used for Other Utility Operations - Credit	812.0	(3,002)	(5,233)	(8,383)	(5,025)	(3,047)	(4,560)	(3,627)	(3,188)	(3,166)	(3,107)	(4,346)	(3,554)	(50,238)	50,238	-
		_															
3	Total Other Gas Supply Volumes	5	(59,386)	(38,753)	(76,708)	(108,973)	(37,610)	(102,784)	(57,934)	(26,685)	(20,974)	(48,559)	(40,579)	(44,231)	(663,176)	663,176	-
	Underground Storage Volumes																
4	Compressor Station Fuel and Power	817.0	3.002	5.233	8,383	5.025	3.047	4.560	3.627	3.188	3.166	3,107	4.346	3,554	50,238	(50,238)	-
5	Compressor Station Fuel and Power	819.0	56,384	33,520	68,325	103,948	34,563	98,224	54,307	23,497	17,808	45,452	36,233	40,677	612,938	(612,938)	-
		_															
6	Total Underground Storage Volumes		59,386	38,753	76,708	108,973	37,610	102,784	57,934	26,685	20,974	48,559	40,579	44,231	663,176	(663,176)	-
7	Total Volumes	S	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

BEAR CREEK STORAGE COMPANY, L.L.C. FUEL USE OR GAS LOSSES TWELVE MONTHS ENDED DECEMBER 31, 2018, AS ADJUSTED

	Account					Ending
Line No.	No.	Description		Amount	Adjustment	Amount
	(a)	(b)		(c)	(d)	(e)
1	801 Na	atural gas field line purchases	\$	-	\$ -	\$ -
2	803 Na	atural gas transmission line purch		-	-	-
3	805 Ot	her gas purchases		769,715	(769,715)	-
4	806 Ex	change gas		-	-	-
5	808.1 Ga	as withdrawn from storage		692,433	(692,433)	-
6	808.2 Ga	as delivered to storage		(985,013)	985,013	-
7	810 Ga	as used for compressor station fuel		(1,870,534)	1,870,534	-
8	812 Ga	as used for other utility operations		(148,849)	148,849	-
9	813 Ot	her gas supply expenses		_	-	-
10	817 Lir	nes expenses		148,849	(148,849)	-
11	819 Cc	ompressor station fuel & power	_	1,870,534	(1,870,534)	<u> </u>
12	To	otal	\$	477,135	\$ (477,135)	\$ -

Docket No. RP19-51 Schedule H-1(2)(b) (Working Papers)

BEAR CREEK STORAGE COMPANY, L.L.C. ANALYSIS OF ACCOUNTS 913 & 930.1 ADVERTISING EXPENSES TWELVE MONTHS ENDED DECEMBER 31, 2018

Bear Creek did not charge any expense to Account 913 or 930.1 for the twelve months ended December 31, 2018.

Docket No. RP19-51 Schedule H-1(2)(c) (Working Papers)

BEAR CREEK STORAGE COMPANY, L.L.C. ANALYSIS OF ACCOUNT 921 OFFICE SUPPLIES & EXPENSE TWELVE MONTHS ENDED DECEMBER 31, 2018

Line No.	Description	<i>_</i>	Amount
	(a)		(b)
1	Employee Expenses (travel, meals, & cell phones)	\$	7,372
2	Outside Services - General		6,604
3	Computer Hardware/Software		4,463
4	Training		2,275
5	Vehicle Expense		308
6	Permits, Licenses & Fees		250
7	Other Expenses & Fees		94
8	Total Account 921	\$	21,366

Docket No. RP19-51 Schedule H-1(2)(d) (Working Papers)

BEAR CREEK STORAGE COMPANY, L.L.C. ANALYSIS OF ACCOUNT 922 ADMINISTRATIVE EXPENSES TRANSFERRED -- CREDIT TWELVE MONTHS ENDED DECEMBER 31, 2018

Bear Creek did not charge any expense to Account 922 for the twelve months ended December 31, 2018.

BEAR CREEK STORAGE COMPANY ACCOUNT 923 - OUTSIDE SERVICES EMPLOYED TWELVE MONTHS ENDED DECEMBER 31, 2018

Line No.	Payee and/or Description	Services Performed	Basis of Charges	<u> 4</u>	Amount
	(a)	(b)	(c)		(d)
1	Services by Affliated Companies	Various Administrative	Time Allocation, Cost Basis, Modified Mass	\$	72,605
	Other Outside Services and Expenses				
2	Miscellaneous (Under \$100,000)	Consulting	Accounting & Audit Fee Expenses	<u>\$</u>	37,000
3	Total Account 923			\$	109,605

BEAR CREEK STORAGE COMPANY, L.L.C. ANALYSIS OF ACCOUNT 926 EMPLOYEE PENSIONS AND BENEFITS TWELVE MONTHS ENDED DECEMBER 31, 2018

Line No	Description	Basis of Charges	 Amount	
	(a)	(b)	(c)	
1	Health & Welfare	Claims	\$ 175,650	
2	Cash Balance - Pension Plan	Actuary	78,026	
3	Retirement Savings Plan (401-K)	Cash Payments	66,236	
4	Shared Services Benefits	Claims & Cash Payments	80,998	
5	Other	Claims & Cash Payments	5,199	
6	Long-term Disability	Claims	 4,094	
7	Total Account 926		\$ 410,203	

Docket No. RP19-51 Schedule H-1(2)(g) (Working Papers)

BEAR CREEK STORAGE COMPANY, L.L.C. ANALYSIS OF ACCOUNT 928 REGULATORY EXPENSES TWELVE MONTHS ENDED DECEMBER 31, 2018

Line			
No.	Description	 Amount	_
	(a)	(b)	
1	Regulatory Commission Expense (ACA)	\$ 51,568	_
2	Total Account 928	\$ 51,568	1/

3 1/ Bear Creek does not recover the FERC's ACA charges through an ACA surcharge mechanism but rather recovers a representative amount of FERC's ACA charges through its base rates.

Docket No. RP19-51 Schedule H-1(2)(h) (Working Papers)

BEAR CREEK STORAGE COMPANY, L.L.C. ANALYSIS OF ACCOUNT 929 DUPLICATE CHARGES CREDIT TWELVE MONTHS ENDED DECEMBER 31, 2018

Bear Creek did not charge any expense to Account 929 for the twelve months ended December 31, 2018.

Docket No. RP19-51 Schedule H-1(2)(i) (Working Papers)

BEAR CREEK STORAGE COMPANY, L.L.C. ANALYSIS OF ACCOUNT 930.2 MISCELLANEOUS GENERAL EXPENSES TWELVE MONTHS ENDED DECEMBER 31, 2018

Line No. Description Amount (a) (b) 1 Shared Services Allocation \$ 35,643 2 Other 48 3 Total Account 930.2 \$ 35,691

BEAR CREEK STORAGE COMPANY L.L.C. INTERCOMPANY AND INTERDEPARTMENTAL TRANSACTIONS TWELVE MONTHS ENDED DECEMBER 31, 2018

		FERC															
Line		Account															
No.	Company	No.	<u>January</u>	<u>February</u>	<u>March</u>	<u>April</u>	<u>May</u>	<u>June</u>		<u>luly</u>	<u>August</u>	Sep	<u>otember</u>	October	November	<u>December</u>	Total
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)		(i)	(j)		(k)	(I)	(m)	(n)	(o)
,	<u>Kinder Morga</u>																
1		814	\$ 4,603	\$ 4,177	\$ 4,567	\$ 4,479	\$ 4,679	\$ 4,32		4,122	\$ 4,806	\$	4,301	\$ 4,731	\$ 4,561	\$ 5,662	\$ 55,013
2		816	162	148	162	157	168	15		148	174		155	172	164	200	1,966
3		817	1,074	1,013	1,229	1,516	1,527	94		670	1,292		900	1,066	902	1,632	13,764
4		818	7,651	6,195	6,143	6,336	6,208	5,76		5,350	4,205		4,915	6,029	6,484	6,360	71,640
5		820	30	2	1	11	56)	0	1		12	1	1	29	144
6		824	0	0	0	0	0)	0	0		0	0	0	0	-
7		830	822	745	706	790	674	50		385	397		203	665	380	542	6,812
8		832	379	345	379	366	391	36		346	406		362	401	383	467	4,588
9		833	397	351	368	350	382	43		645	411		369	411	385	479	4,982
10		834	4,852	4,411	5,178	3,567	4,978	4,66		4,541	5,011		4,753	6,355	6,932	6,225	61,464
11		835	260	229	240	195	344	6		119	279		228	229	146	221	2,558
12		837	0	0	0	0	0)	0	0		0	0	0	0	-
13		920	38,041	34,523	20,140	34,245	38,044	15,23	2 3	35,158	39,500		1,337	38,431	38,189	(12,572)	320,268
14		921	6						_								6
15		923	42,466	5,155	6,182	4,172	6,589	4,29		6,178	6,799		4,695	7,411	8,469	7,198	109,605
16		924	3,664	3,664	3,664	3,664	3,370	3,37		3,370	3,336		3,336	3,336	3,336	2,718	40,824
17		925	6,143	6,143	6,238	6,143	6,149	6,14		6,149	5,077		5,077	5,077	5,077	2,486	65,906
18		926	38,296	85,070	22,245	34,286	37,480	30,91		34,693	35,092		27,111	39,113	41,079	(15,174)	410,203
19		930	6,470	6,941	1,316	7,108	7,386	(2,61	•	6,157	5,132		(4,254)	6,458	5,821	(10,279)	35,643
20		931	6,756	6,733	6,730	6,724	6,662	7,63		6,744	6,800		6,726	6,692	7,567	2,813	78,576
21			\$ 162,070	\$ 165,844	\$ 85,486	\$ 114,107	\$ 125,088	\$ 82,19	4 \$11	14,775	\$ 118,717	\$	60,223	\$ 126,576	\$ 129,874	\$ (994)	\$ 1,283,961

^{1/} Kinder Morgan allocations to Bear Creek are for underground storage benefit costs, general administrative services (and associated benefit costs) and insurance costs; allocations are based on time allocation, cost basis, and Modified Mass Formula.

Docket No. RP19-51 Schedule H-1(2)(k) (Working Papers)

BEAR CREEK STORAGE COMPANY, L.L.C. LEASE PAYMENTS TWELVE MONTHS ENDED DECEMBER 31, 2018

Line No.	Description	Amount
	(a)	(b)
1	Shared Services Lease Allocation	<u>\$ 78,576</u> 1/
2	Total Account 931	\$ 78,576

3 1/ Includes lease of building office space, copy machines, etc.

BEAR CREEK STORAGE COMPANY, L.L.C. DEPRECIATION EXPENSE EXPLANATION NOTES RELATIVE TO THE BASIC DEPRECIATION RATE

This cost and revenue study reflects Bear Creek's Commission-approved depreciation rate of 0.50% and the amounts reflected are representative of the level of expenditures on an ongoing basis. This rate was approved by the Commission in its order issued August 15, 2012 approving the Bear Creek Settlement in Docket No. RP12-121-000 (140 FERC ¶ 61,129).

Bear Creek Storage Company, L.L.C. Depreciation, Depletion, Amortization and Negative Salvage Expenses Twelve Months Ended December 31, 2018

Line No.	<u>Description</u> (a)	Gas Plant (b)	Depreciation Method (c)	Annual Rate <u>Per Book</u> (d)	Annual Rate <u>Proposed</u> (e)		er Book spenses (f)	<u>Adj</u>	ustments (g)	As	Adjusted (h)
	Account 403 - Depreciation Expense										
1	Natural Gas Storage - Underground Natural Gas Storage - Underground Total Natural Gas Storage - Underground	\$ 183,595,578 183,595,578	SLM	0.50%			911,012 911,012		6,966 6,966		917,978 917,978
2 3 4 4 5 6 7 8	General Plant Office Furniture and Equipment Computer Equipment Transportation Equipment Tools, Shop and Garage Equipment Power Operated Equipment Communication Equipment Miscellaneous Equipment Total General Plant Total Account 403 Depreciation Expense	\$ 25,710 64,807 150,304 464,675 69,020 23,743 12,476 810,734	SLM SLM SLM SLM SLM SLM SLM	0.50% 0.50% 0.50% 0.50% 0.50% 0.50% 0.50%	0.50% 0.50% 0.50% 0.50% 0.50% 0.50%	\$	129 283 532 2,283 345 103 62 3,736	\$	0 41 220 40 (0) 16 (0) 318	\$ \$	129 324 752 2,323 345 119 62 4,054
	Account 404.3 - Amortization Expense										
11 12	Intangible Plant-Franchise & Consent Intangible Plant-Software	\$ 477,992 187,793	SLM SLM	0.50% 10.00%	0.50% 10.00%		- 17,130	\$	- 1,649	\$	- 18,779
13	Total Account 404.3 Amortization Expense	\$ 665,785				\$	17,130	\$	1,649	\$	18,779
14	Total Depreciation and Amortization Expense	\$ 185,072,097				\$ 9	931,878	\$	8,933	\$	940,811
15	Amortization of DIT Regulatory Liability					\$	-	\$	(45,565)	\$	(45,565)

Bear Creek Storage Company, L.L.C. Reconciliation of Depreciable Plant Included in Statement H-2 and Gas Plant Included in Statement C Twelve Months Ended December 31, 2018

Line No.	<u>Description</u> (a)		Gas Plant <u>As Adjusted</u> (b)		Account 403 <u>Depreciation</u> (c)		count 404.1 Depletion (d)	Account 404.2 A Amortization (e)						to Clearing Account 184 (h)		 Total Provisions (i)
1	Balance as shown on H-2 Account 101	\$	185,072,097	\$	922,032	\$	-	\$; -	\$	18,779	\$	940,811	\$	-	\$ 940,811
2	Gas Plant in Service - Clearing Account 184		-		-		-		-		-		-		-	-
3	Gas Plant for Future Use Account 105		-		-		-		-		-		-		-	-
4	Construction Work In Progress Account 107		-		-		-		-		-		-		-	-
5	Gas Stored Underground - Noncurrent Account 117		95,598,428		-		-		-		-		-		-	-
6	Gas Plant Purchased or Sold Account 102		-		-		-		-		-		-		-	-
7	Non - Depreciable Plant		1,205,252		-		-		-		-		-		-	-
8	Total as Shown on Statement C	\$	281,875,777	\$		\$		\$	<u> </u>	\$		\$		\$		\$ <u>-</u>
9	Total Provision			\$	922,032	\$		\$	<u> </u>	\$	18,779	\$	940,811	\$		\$ 940,811

Bear Creek Storage Company, L.L.C. Federal and State Income Taxes Based on Return Twelve Months Ended December 31, 2018

Line No.	<u>Description</u> (a)	<u>%</u> (b)		Amount (c)
	(a)	(b)		(6)
1	Rate Base		\$	125,239,536
2	Return at	11.63%		14,565,358
3	Less: Interest at	2.17%		2,717,698
4	Total Tax Base		\$	11,847,660
5	Federal Income Tax @ 21.0%	26.58%	\$	3,149,108
6	State Income Tax @ 6.32%	8.54%	\$	1,011,790
_	T. 11		•	4 400 000
7	Total Income Taxes		<u>\$</u>	4,160,898

Docket No. RP19-51 Schedule H-3(1) (Working Papers)

Bear Creek Storage Company, L.L.C. State Income Taxes For 2018

Louisiana \$958,444

Docket No. RP19-51 Schedule H-3(2) (Working Papers) Sheet 1 of 2

Bear Creek Storage Company, L.L.C. Reconciliation of Net Book Plant to Net Tax Plant - Detail Balance at December 31, 2018

Line <u>No.</u>	Balance <u>Description</u> (a)	Balance at 12/31/18 (b)
1	Book Basis - Gross	\$ 186,277,348
2	- Reserves	 155,608,660
3 4 5	Net Book Basis Unamortized AFUDC Adj. Depreciation Deferral	\$ 30,668,688
6	Net Book Basis Adjusted	\$ 30,668,688
7	Tax Basis - Gross	\$ 159,947,525
8	- Reserves	140,154,204
9	Net Tax Basis	\$ 19,793,321
10 11	Adjusted Book Basis in Excess of Tax Basis Effective Tax Rate	\$ 10,875,367 0.25993
12	Required Deferred Taxes	\$ 2,826,813
13	Booked Deferred Taxes (Acct 282)	\$ 2,826,813
14	Unfunded/(Excess)	\$ (0)

Docket No. RP19-51 Schedule H-3(2) (Working Papers) Sheet 2 of 2

Bear Creek Storage Company, L.L.C. Reconciliation of Net Book Plant to Net Tax Plant - Detail Balance At December 31, 2018

Line <u>No.</u>	<u>Description</u> (a)	<u>a</u>	Balance <u>at 12/31/18</u> (b)		DIT (c)	Net of Deferred Income Taxes (d)	
1 2	Regulatory Assets FERC ACA Regulatory Asset AFUDC Regulatory Asset	\$ \$	39,122 154,808	\$ \$	(39,052)	\$ 39,122 115,756	
3 4	Regulatory Liabilities L&U Fuel Regulatory Liability DIT Regulatory Liability 1/	\$ \$	(1,256,392) (1,342,812)	\$	- 338,742	\$ (1,256,392) (1,004,070)	

^{1/} Established per Tax Cuts and Jobs Act of 2017.

Bear Creek Storage Company, L.L.C. Taxes Other Than Income Taxes Twelve Months Ended 12/31/18

Line <u>No.</u>	Description (a)	<u> </u>	Expense Per Books (b)	<u>Adj</u>	ustments (c)	<u>Ad</u>	Total justed Taxes (d)
1	Ad Valorem Taxes - Louisiana	\$	1,986,027	\$	-	\$	1,986,027
2	Payroll Taxes		144,307		-		144,307
3	Severance Taxes -Louisiana		185,306		<u>-</u>		185,306
4	Total Other Taxes	\$	2,315,640	\$	-	\$	2,315,640

Docket No. RP19-51 Schedule H-4 (Working Papers)

Bear Creek Storage Company, L.L.C. Adjustment To Payroll Taxes Twelve Months Ended December 31, 2018

Bear Creek does not have any adjustments to payroll taxes.

BEAR CREEK STORAGE COMPANY, L.L.C. OVERALL COST OF SERVICE TWELVE MONTH PERIOD ENDING 12/31/2018, AS ADJUSTED

See Statement A for overall cost of service.

BEAR CREEK STORAGE COMPANY, L.L.C. FUNCTIONALIZATION OF COST OF SERVICE TWELVE MONTH PERIOD ENDING 12/31/2018, AS ADJUSTED

As depicted in Statement A, the Bear Creek cost of service is all part of the storage function.

BEAR CREEK STORAGE COMPANY, L.L.C. INCREMENTAL AND NON-INCREMENTAL FACILITIES TWELVE MONTH PERIOD ENDING 12/31/2018, AS ADJUSTED

Bear Creek has no incremental facilities.

Docket No. RP19-51 Schedule I-1(c)

BEAR CREEK STORAGE COMPANY, L.L.C. COSTS SEPARATED BY ZONES TWELVE MONTH PERIOD ENDING 12/31/2018

Bear Creek does not have separate rate zones.

BEAR CREEK STORAGE COMPANY, L.L.C. ALLOCATION OF COMMON OR JOINT COSTS TWELVE MONTH PERIOD ENDING 12/31/2018, AS ADJUSTED

All costs of Bear Creek are allocated to the storage function.

Bear Creek Storage Company, L.L.C. Classification of Cost of Service For Storage Function For the Twelve Months Ended December 31, 2018, As Adjusted

Statement/

Line	FERC		Schedule			Ę	Reservation/	_	ommodity/
No.	Account No.	<u>Particulars</u>	Reference		<u>Total</u>	ı	Fixed	O	Variable
110.	(a)	(b)	(c)		(d)		(e)		(f)
	(α)	Operation Operation	H-1		(u)		(0)		(1)
1	814	Supervision and Engineering		\$	386,927	\$	386,927	\$	_
2	815	Maps and Records		•	-	•	-	•	_
3	816	Wells Expenses			289,583		289,583		_
4	817	Lines Expenses			344,404		344,404		_
5	818	Compressor Station Expenses			1,550,414		544,713		1,005,701
6	819	Compressor Station Fuel & Power			-		-		-
7	820	Measuring and Regulating Station Expenses			17,556		17,556		-
8	821	Purification Expenses			-		0		_
9	823	Gas Losses			-		-		-
10	824	Other Expenses			141,992		141,992		-
11		Total Operation Expense		\$	2,730,876	\$	1,725,175	\$	1,005,701
		<u>Maintenance</u>	H-1						
12	830	Supervision and Engineering		\$	43,493	\$	43,493	\$	-
13	831	Structures and Improvements			19,976		19,976		-
14	832	Maintenance of Wells			332,551		332,551		-
15	833	Maintenance of Lines			295,871		295,871		-
16	834	Maintenance of Compressor Station Equipmen	t		2,038,220		473,923		1,564,297
17	835	Maintenance of Measuring and Regulating Equ	ipment		45,900		45,900		-
18	836	Maintenance of Purification Equipment			-		0		-
19	837	Maintenance of Other Equipment			23,407		23,407		-
20		Total Maintenance Expense		\$	2,799,418	\$	1,235,121	\$	1,564,297
21		Administration and General Expenses	H-1	\$	1,418,090	\$	1,418,090	\$	
22		Total Operation and Maintenance Expenses		\$	6,948,384	\$	4,378,386	\$	2,569,998
23		Depreciation, Depletion and Amortization	H-2		940,811		940,811		-
24		Amortization of Regulatory Liability	H-2		(45,565)		(45,565)		
25		Federal Income Taxes	H-3		3,149,108		3,149,108		-
26		State Income Taxes	H-3		1,011,790		1,011,790		-
27		Taxes Other Than Income Taxes	H-4		2,315,640		2,315,640		-
28		Return on Rate Base	В		14,565,358		14,565,358		-
29		Total Storage Cost of Service	А	\$	28,885,526	\$	26,315,528	\$	2,569,998

BEAR CREEK STORAGE COMPANY, L.L.C. ALLOCATION OF OVERALL COST OF SERVICE TWELVE MONTH PERIOD ENDING 12/31/2018

Line			Total	Total	Total Reservation/ Fixed	D	Storage eliverability Charge		Storage Capacity Charge
No.	Description	Co	st of Service	Variable	(Col. B-C)	I. B-C) (Col D X 50%)		(Col D X 50%)	
	(a)		(b)	(c)	(d)		(e)		(f)
1	Operation and Maintenance Expenses	\$	6,948,384	\$ 2,569,998	\$ 4,378,386	\$	2,189,193	\$	2,189,193
2	Depreciation and Amortization Expenses		895,246	-	895,246	\$	447,623	\$	447,623
3	Taxes other than Income Taxes		2,315,640	-	2,315,640	\$	1,157,820	\$	1,157,820
4	Federal and State Income Taxes		4,160,898	-	4,160,898	\$	2,080,449	\$	2,080,449
5	Return on Rate Base		<u>14,565,358</u>		<u>14,565,358</u>	\$	7,282,679	\$	7,282,679
6	Total Cost of Service	\$	28,885,526	\$ 2,569,998	\$ 26,315,528	\$	13,157,764	\$	13,157,764

Bear Creek Storage Company, L.L.C Transmission and Compression of Gas by Others Twelve Month Period Ending December 31, 2018

Bear Creek does not have any transmission and compression of gas by others.

Bear Creek Storage Company, L.L.C Gas Balances 12 Months Ended December 31, 2018 (in Dth)

Line														
No.	Description	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Total
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(I)	(m)	(n)
1	Gas Balances													
2	Gas Received													
3	Cas Burchases													
4	Gas Purchases Gas of Others Received for Gathering	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Gas of Others Received for Transmission	-	-	-	-	_	-	-	-	-	-	-	-	-
6	Gas of Others Received for Distribution	-	-	-	-	_	-	-	-	-	-	-	-	-
7	Gas of Others Received for Contract Storage	952,518	4,684,282	7,220,852	1,553,827	7,105,471	3,705,058	705,234	222,738	3,246,348	2,162,190	1,715,694	4,513,459	37,787,671
8	Gas of Others Received for Production/Extraction/Processing	332,316	4,004,202	7,220,632	1,555,627	7,103,471	3,703,038	703,234	222,730	3,240,348	2,102,130	1,713,034	4,313,439	37,787,071
9	Exchange Gas Received From Others													
10	Gas Received as Imbalances													
11	Receipts of Respondent's Gas Transported by Others			_			_	_				_	_	_
12	Other Gas Withdrawn from Storage	14,389,565	_	_	1,148,709			2,810,913	5,102,506	_	1,438,213	8,568,131	1,316,634	34,774,671
13	Gas Received from Shippers as Compressor Station Fuel	196,484	122,726	136,227	85,256	113,509	99,294	64,572	72,395	81,309	92,919	140,733	195,130	1,400,554
14	Gas Received from Shippers as Lost and Unaccounted For	130,404	-	150,227	-	-	-	-	-	-	52,515		-	-
15	Other Receipts		_	_	_	_	_	_	_	_	_	_	_	_
	Cities Receipts													
16	Total Receipts	15,538,567	4,807,008	7,357,079	2,787,792	7,218,980	3,804,352	3,580,719	5,397,639	3,327,657	3,693,322	10,424,558	6,025,223	73,962,896
17	Gas Delivered													
18	Gas Sales		_	_	-	-	-				-	-	_	-
19	Deliveries of Gas Gathered for Others	-	-	_	-	_	_	_	_	_	_	_	_	_
20	Deliveries of Gas Transported for Others	-	-	_	-	_	_	_	_	_	_	_	_	_
21	Deliveries of Gas Distributed for Others	_	_	_	-	-	-	-	-	_	_	-	-	-
22	Deliveries of Contract Storage Gas	15,314,929	3,822,482	414,263	2,699,488	81	926,905	3,510,205	5,317,502	2,349,753	3,588,519	10,280,271	5,798,271	54,022,669
23	Gas of Others Delivered for Production/Extraction/Processing		-	-	-	-	-	-	-	-,,	-	-	-	-
24	Exchange Gas Delivered to Others	-	-	-	-	-	-	-	-	_	_	-	-	-
25	Gas Delivered as Imbalances	-	-	-	-	-	-	-	-	_	_	-	-	
26	Deliveries of Gas to Others for Transportation	-	-	-	-	-	-	-	-	_	_	-	-	
27	Other Gas Delivered to Storage	-	790,530	6,786,928	-	7,099,918	2,773,613	-	-	887,942	_	-	-	18,338,931
28	Gas Used for Compressor Station Fuel	33,520	68,325	103,948	34,563	98,224	54,307	23,497	17,808	45,452	36,233	40,677	62,385	618,939
29	Other Deliveries and Gas Used for Other Operations	190,118	125,671	51,940	53,741	20,757	49,527	47,017	62,329	44,510	68,570	103,610	164,567	982,357
30	Total Deliveries	15,538,567	4,807,008	7,357,079	2,787,792	7,218,980	3,804,352	3,580,719	5,397,639	3,327,657	3,693,322	10,424,558	6,025,223	73,962,896
31	Gas Losses and Gas Unaccounted For													
32	Gas Losses and Gas Unaccounted For		<u> </u>	<u> </u>										
33	Totals													
34	Total Deliveries, Gas Losses & Unaccounted For	15,538,567	4,807,008	7,357,079	2,787,792	7,218,980	3,804,352	3,580,719	5,397,639	3,327,657	3,693,322	10,424,558	6,025,223	73,962,896

BEAR CREEK STORAGE COMPANY, L.L.C. RECONCILIATION OF COSTS AND REVENUE TWELVE MONTH PERIOD ENDING 12/31/2018, AS ADJUSTED FOR UPDATED RATES

Line No.	Service Type		Allocated st of Service	Revenue tatement G, ımn C, Page 2	Difference		
	(a)		(b)	 (c)		(d)	
1	SSP-DELIVERABILITY	\$	13,157,764	\$ 13,157,764	\$	-	
2	SSP-CAPACITY		13,157,764	13,157,764		-	
3	SSP-INJECTIONS/WITHDRAWALS		2,569,998	 2,569,998		<u>-</u>	
4	Total	\$	28,885,526	\$ 28,885,526	\$	-	

BEAR CREEK STORAGE COMPANY, L.L.C. SUMMARY OF BILLING DETERMANTS TWELVE MONTH PERIOD ENDING 12/31/2018

Line No.	Deference	Description	Deliverability	Congoity	Injection/ Withdrawal
INO.	Reference	Description	Deliverability	Capacity	vviiiiuiawai
	(a)	(b)	(c)	(d)	(e)
1	St. G, pg 1, Lines 1, 2, 3	Billing Determinants	6,126,000	796,380,000	115,168,817

BEAR CREEK STORAGE COMPANY, L.L.C. DERIVATION OF RATES TWELVE MONTH PERIOD ENDING 12/31/2018

Line No.	Reference (a)	Description (b)	Total (c)	Deliverability (d)	Capacity (e)	Injection/ Withdrawal (f)
1	Schedule I-3, Line 6	Cost of Service	\$28,885,526	\$13,157,764	\$13,157,764	\$2,569,998
2	St. G, pg 1, Lines 1, 2, 3	Billing Determinants		6,126,000	796,380,000	115,168,817
3		Rates		\$2.1479	\$0.0165	\$0.0223

BEAR CREEK STORAGE COMPANY, L.L.C.

Comparative Balance Sheet 12/31/2017 and 12/31/2018

No.	Title of Account		12/31/2017	12/31/2018		
	(a)		(b)		(c)	
1	UTILITY PLANT					
2	UTILITY PLANT (101-106,114)	\$	183,311,932	\$	186,277,348	
3	CONSTRUCTION WORK IN PROGRESS (107)		642,570		325,335	
4	TOTAL UTILITY PLANT	\$	183,954,502	\$	186,602,683	
5	LESS: ACCUMULATED PROVISION FOR DEPRECIATION,					
6	AMORTIZATION (108, 111, 115)		(156,919,636)		(155,608,660)	
7	NET UTILITY PLANT	\$	27,034,866	\$	30,994,023	
8	GAS STORED - BASE GAS (117.1)	\$	95,598,428	\$	95,598,428	
9	GAS OWED TO SYSTEM GAS (117.4)	\$	321,716	\$	614,296	
10	GAS STORED UNDERGROUND - NONCURRENT(117)	\$	95,920,144	\$	96,212,724	
11	OTHER PROPERTY AND INVESTMENTS	Ψ_	75,720,111	Ψ_	70,212,721	
12	NONUTILITY PROPERTY (121)	\$	_	\$		
13	LESS: ACCUMULATED PROVISION FOR DEPRECIATION,	Ψ		Ψ		
14	AMORTIZATION (122)					
15	NET NONUTILITY PROPERTY	\$		\$		
16	INVESTMENT IN ASSOCIATED COMPANIES (123)	ф	-	ф	-	
	· · · · · · · · · · · · · · · · · · ·		-		-	
17	INVESTMENT IN SUBSIDIARY COMPANIES (123.1)		-		-	
18	OTHER INVESTMENTS (124)		-		-	
19	SPECIAL FUNDS (125-128)	ф.		Ф.		
20	TOTAL OTHER PROPERTY AND INVESTMENTS	\$	-	\$		
21	CURRENT AND ACCRUED ASSETS	ф	5 224 054	d.	2.010.150	
22	CASH (131)	\$	5,334,054	\$	2,810,158	
23	SPECIAL DEPOSITS (132-134)		-		-	
24	WORKING FUNDS (135)		-		-	
25	TEMPORARY CASH INVESTMENTS (136)		-		-	
26	NOTES RECEIVABLE (141)		-		-	
27	CUSTOMER ACCOUNTS RECEIVABLE (142)		-		-	
28	OTHER ACCOUNTS RECEIVABLE (143)		-		-	
29	LESS: ACCUMULATED PROVISION FOR UNCOLLECTIBLE		-		-	
30	ACCOUNTS (CREDIT) (144)		-		-	
31	NOTES RECEIVABLE FROM ASSOCIATED COMPANIES (145)		-		- 	
32	ACCOUNTS RECEIVABLE FROM ASSOCIATED COMPANIES (146)		2,284,683		2,296,802	
33	RESIDUALS AND EXTRACTED PRODUCTS (153)		-		-	
34	PLANT MATERIAL AND OPERATING SUPPLIES (154)		2,654,140		2,784,457	
35	STORES EXPENSES UNDISTRIBUTED (163)		-		-	
36	GAS STORED UNDERGROUND CURRENT (164.1)		-		-	
37	PREPAYMENTS (165)		37,000		40,000	
38	ADVANCES FOR EXPLORATION, DEVELOPMENT AND		-		-	
39	PRODUCTION (166)		-		-	
40	OTHER ADVANCES FOR GAS (167)		-		-	
41	INTEREST AND DIVIDENDS RECEIVABLE (171)		-		-	
42	MISCELLANEOUS CURRENT AND ACCRUED ASSETS (174)		-			
43	TOTAL CURRENT AND ACCRUED ASSETS	\$	10,309,877	\$	7,931,417	
44	DEFERRED DEBITS					
45	UNAMORTIZED DEBT EXPENSE (181)		-	\$	-	
46	OTHER REGULATORY ASSETS (182.3)		191,092		193,930	
47	PRELIM SURVEY AND INVESTIGATION CHARGES (183.1, 183.2)		-		-	
48	CLEARING ACCOUNTS (184)		-		-	
49	MISCELLANEOUS DEFERRED DEBITS (186)		1,722,485		2,518,020	
50	UNAMORTIZED LOSS ON REACQUIRED DEBT (189)		-		-	
51	ACCUMULATED DEFERRED INCOME TAXES (190)		338,137		349,034	
52	UNRECOVERED PURCHASED GAS COSTS (191)		-		-	
50	TOTAL DEFERRED DEBITS	\$	2,251,714	\$	3,060,984	
53	TOTAL DEFERRED DEDITS	Ψ	2,231,717	Ψ		

BEAR CREEK STORAGE COMPANY, L.L.C.

Comparative Balance Sheet 12/31/2017 and 12/31/2018

Line No.	Title of Account		12/31/2017		12/31/2018
1100	(a)		(b)		(c)
55	LIADH THES AND OTHER CREDITS				
55 56	LIABILITIES AND OTHER CREDITS PROPRIETARY CAPITAL				
57	COMMON STOCK ISSUED (201)	\$	_	\$	_
58	PREFERRED STOCK ISSUED (204)	Ψ		Ψ	_
59	PREMIUM ON CAPITAL STOCK (207)				_
60	OTHER PAID-IN CAPITAL (208-211)		106,420,301		106,420,301
61	CAPITAL STOCK EXPENSE (214)		100,420,501		100,420,501
62	RETAINED EARNINGS (216)		19,317,734		22,958,975
63	UNAPPROPRIATED UNDISTRIBUTED SUBSIDIARY		-		-
64	EARNINGS (216.1)		_		_
65	REACQUIRED CAPITAL STOCK (217)		_		_
66	TOTAL PROPIETARY CAPITAL	\$	125,738,035	\$	129,379,276
67	LONG-TERM DEBT	Ψ	123,730,033	Ψ	127,377,270
68	BONDS (221)	\$	_	\$	_
69	REACQUIRED BONDS (222)	Ψ	_	Ψ	_
70	OTHER LONG-TERM DEBT (224)		_		_
71	(LESS) UNAMORTIZED DISCOUNT ON LONG-TERM DEBT (226)		_		_
72	TOTAL LONG-TERM DEBT	\$		\$	
73	OTHER NONCURRENT LIABILITIES	Ψ	,	- 4	
74	ACCUMULATED PROVISION FOR PENSIONS AND BENEFITS (228.3)	\$	_	\$	_
75	ACCUMULATED PROVISION FOR RATE REFUNDS (229)	Ψ	_	Ψ	_
76	ASSET RETIREMENT OBLIGATIONS (230)		_		_
77	TOTAL OTHER NONCURRENT LIABILITIES	\$		\$	
78	CURRENT AND ACCRUED LIABILITIES	Ψ	,	Ψ	
79	NOTES PAYABLE (231)	\$	_	\$	_
80	MISC OPER PROV (228)	Ψ	_	Ψ	_
81	ACCOUNTS PAYABLE (232)		1,220,168		810,832
82	NOTES PAYABLE TO ASSOCIATED COMPANIES (233)		-		-
83	ACCOUNTS PAYABLE TO ASSOCIATED COMPANIES (234)		4,644,104		2,510,152
84	CUSTOMER DEPOSITS (235)		-		-
85	TAXES ACCRUED (236)		26,582		32,630
86	INTEREST ACCRUED (237)		-		-
87	DIVIDENDS DECLARED (238)		_		_
88	TAX COLLECTIONS PAYABLE (241)		_		_
89	MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES (242)		_		_
90	OBLIGATIONS UNDER CAPITAL LEASES CURRENT (243)		_		_
91	TOTAL CURRENT AND ACCRUED LIABILITIES	\$	5,890,854	\$	3,353,614
92	DEFERRED CREDITS		2,000,0,000		-,,,,,,,,
93	CUSTOMER ADVANCES FOR CONSTRUCTION (252)	\$	_	\$	_
94	OTHER DEFERRED CREDITS (253)		_	-	_
95	OTHER REGULATORY LIABILITIES (254)		1,827,090		2,599,204
96	ACCUMULATED DEFERRED INVESTMENT TAX CREDIT (255)		-,,		-
97	UNAMORTIZED GAIN ON REACQUIRED DEBT (257)		_		_
98	ACCUMULATED DEFERRED INCOME TAXES (281-283)		2,060,622		2,867,054
99	TOTAL DEFERRED CREDITS	\$	3,887,712	\$	5,466,258
100	OPERATING RESERVES				
101	OTHER NONCURRENT LIABILITIES (227-228)	\$	-	\$	-
102	TOTAL LIABILITIES AND OTHER CREDITS	\$	135,516,601	\$	138,199,148

1. General

We are a limited liability company organized under the laws of the state of Louisiana. When we refer to "us," "we," "our," "ours," "the Company," or "Bear Creek" we are describing Bear Creek Storage Company, L.L.C.

The member interests in Bear Creek are as follows:

- 50% Tennessee Gas Pipeline Company, L.L.C. (TGP) which is an indirect wholly owned subsidiary of Kinder Morgan, Inc. (KMI).
- 50% Southern Natural Gas Company, L.L.C. (SNG) which is equally held by an indirect wholly owned subsidiary of Kinder Morgan, Inc. (KMI) and an indirect wholly owned subsidiary of The Southern Company (TSC).

We own an underground natural gas storage system in Bienville Parish, Louisiana, which is operated by Kinder Morgan SNG Operator LLC, an affiliate. Our gas storage system provides storage service to SNG and TGP.

2. Summary of Significant Accounting Policies

Basis of Presentation

We have prepared our accompanying financial statements in accordance with the accounting requirements of the Federal Energy Regulatory Commission (FERC) as set forth in its applicable Uniform System of Accounts and published accounting releases, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

Management has evaluated subsequent events through [April 2, 2019], the date the financial statements were available to be issued.

Adoption of New Accounting Pronouncement

Effective January 1, 2018, we adopted Accounting Standards Update (ASU) No. 2014-09, "Revenue from Contracts with Customers" and the series of related ASUs that followed (collectively referred to as "Topic 606"). There were no changes to our historical revenue recognition and no cumulative adjustment as of January 1, 2018, resulting from the adoption of Topic 606. For more information, see "Revenue Recognition" below.

Use of Estimates

Certain amounts included in or affecting our financial statements and related disclosures must be estimated, requiring us to make certain assumptions with respect to values or conditions which cannot be known with certainty at the time our financial statements are prepared. These estimates and assumptions affect the amounts we report for assets and liabilities, our revenues and expenses during the reporting period, and our disclosures, including as it relates to contingent assets and liabilities at the date of our financial statements. We evaluate these estimates on an ongoing basis, utilizing historical experience, consultation with experts and other methods we consider reasonable in the particular circumstances. Nevertheless, actual results may differ significantly from our estimates. Any effects on our business, financial position or results of operations resulting from revisions to these estimates are recorded in the period in which the facts that give rise to the revision become known.

In addition, we believe that certain accounting policies are of more significance in our financial statement preparation process than others, and set out below are the principal accounting policies we apply in the preparation of our financial statements.

Cash Equivalents

We define cash equivalents as all highly liquid short-term investments with original maturities of three months or less.

Accounts Receivable

We establish provisions for losses on accounts receivable if we determine that we will not collect all or part of the outstanding balance. We regularly review collectability and establish or adjust our allowance as necessary using the specific identification method. We had no allowance for doubtful accounts as of December 31, 2018 and 2017.

Inventories

Our inventories, which consist of materials and supplies, are valued at weighted-average cost, and we periodically review for physical deterioration and obsolescence.

Property, Plant and Equipment

Our property, plant and equipment is recorded at its original cost of construction or, upon acquisition, at either the fair value of the assets acquired or the cost to the entity that first placed the asset in utility service. For constructed assets, we capitalize all construction-related direct labor and material costs, as well as indirect construction costs. Our indirect construction costs primarily include an interest and equity return component (as more fully described below) and labor and related costs associated with supporting construction activities. The indirect capitalized labor and related costs are based upon estimates of time spent supporting construction projects.

We use the composite method to depreciate property, plant and equipment. Under this method, assets with similar economic characteristics are grouped and depreciated as one asset. The FERC-accepted depreciation rate is applied to the total cost of the group until the net book value equals the salvage value. For certain general plant, the asset is depreciated to zero. As part of periodic filings with the FERC, we also re-evaluate and receive approval for our depreciation rates. When property, plant and equipment is retired, accumulated depreciation and amortization is charged for the original cost of the assets in addition to the cost to remove, sell or dispose of the assets, less salvage value. We do not recognize gains or losses unless we sell land or an entire operating unit (as approved by the FERC).

Included in our property balances are base gas and working gas at our storage facility. We periodically evaluate natural gas volumes at our storage facility for gas losses. When events or circumstances indicate a loss has occurred, we recognize a loss on our income statement or defer the loss as a regulatory asset on our balance sheets if deemed probable of recovery through future rates charged to customers.

We capitalize a carrying cost (an allowance for funds used during construction or AFUDC) on debt and equity funds related to the construction of long-lived assets. This carrying cost consists of a return on the investment financed by debt and a return on the investment financed by equity. The debt portion is calculated based on the average cost of debt for our Members. Interest costs capitalized are included as a reduction to interest charges in Account 432 "Allowance for Borrowed Funds Used During Construction – Credit" on our income statements. The equity portion is calculated based on the average of the most recent FERC approved rates of return for our Members. Equity amounts capitalized are included in Account 419.1 "Allowance for Other Funds Used During Construction" on our income statements.

Asset Retirement Obligations (ARO)

We record liabilities for obligations related to the retirement and removal of long-lived assets used in our business. We record, as liabilities, the fair value of ARO on a discounted basis when they are incurred and can be reasonably estimated, which is typically at the time the assets are installed or acquired. Amounts recorded for the related assets are increased by the amount of these obligations. Over time, the liabilities increase due to the change in their present value, and the initial capitalized costs are depreciated over the useful lives of the related assets. The liabilities are eventually extinguished when the asset is taken out of service.

We are required to operate and maintain our natural gas storage system, and intend to do so as long as supply and demand for natural gas exists, which we expect for the foreseeable future. Therefore, we believe that we cannot reasonably estimate the ARO for the substantial majority of our assets because these assets have indeterminate lives. We continue to evaluate our ARO and future developments could impact the amounts we record. We had no ARO as of December 31, 2018 and 2017.

Asset Impairments

We evaluate our assets for impairment when events or circumstances indicate that their carrying values may not be recovered. These events include changes in the manner in which we intend to use a long-lived asset, decisions to sell

an asset and adverse changes in market conditions or in the legal or business environment such as adverse actions by regulators. If an event occurs, which is a determination that involves judgment, we evaluate the recoverability of the carrying value of our long-lived asset based on the long-lived asset's ability to generate future cash flows on an undiscounted basis. If an impairment is indicated, or if we decide to sell a long-lived asset or group of assets, we adjust the carrying value of the asset downward, if necessary and upon regulatory approval, to its estimated fair value.

Our fair value estimates are generally based on assumptions market participants would use, including market data obtained through the sales process or an analysis of expected discounted future cash flows. There were no impairments for the years ended December 31, 2018 and 2017.

Revenue Recognition

We segregate each class of revenue by account pursuant to FERC's guidance under Code of Federal Regulations Title 18, Part 201.

Revenue from Contracts with Customers. The unit of account in Topic 606 is a performance obligation, which is a promise in a contract to transfer to a customer either a distinct good or service (or bundle of goods or services) or a series of distinct goods or services provided over a period of time. Topic 606 requires that a contract's transaction price, which is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer, is to be allocated to each performance obligation in the contract based on relative standalone selling prices and recognized as revenue when (point in time) or as (over time) the performance obligation is satisfied.

Storage Contracts. Our revenues are primarily generated from the storage of natural gas under firm service customer contracts with take-or-pay elements (principally for capacity reservation) where both the price and quantity are fixed. Generally, for these contracts: (i) our promise is to transfer (or stand ready to transfer) a series of distinct integrated services over a period of time, which is a single performance obligation; (ii) the transaction price includes fixed and/or variable consideration, which is determinable at contract inception and/or at each month end based on our right to invoice at month end for the value of services provided to the customer that month; and (iii) the transaction price is recognized as revenue over the service period specified in the contract as the services are rendered. In these arrangements, the customer is obligated to pay for services associated with its take-or-pay obligation regardless of whether or not the customer chooses to utilize the service in that period. Because we make the service continuously available over the service period, we recognize the take-or-pay amount as revenue ratably over the period based on the passage of time.

The natural gas we receive under our storage contracts remains under the control of our customers. In many cases, generally described as firm service, the customer generally pays a two-part transaction price that includes (i) a fixed fee reserving the right to store natural gas in our facilities up to contractually specified capacity levels (referred to as "reservation") and (ii) a per-unit rate for quantities of natural gas actually injected or withdrawn. In our firm service contracts we generally promise to provide a single integrated service each day over the life of the contract, which is fundamentally a stand-ready obligation to provide services up to the customer's reservation capacity prescribed in the contract. Our customers have a take-or-pay payment obligation with respect to the fixed reservation fee component, regardless of the quantities they actually inject or withdraw. In other cases, generally described as interruptible service, there is no fixed fee associated with these storage services because the customer accepts the possibility that service may be interrupted at our discretion in order to serve customers who have firm service contracts. We do not have an obligation to perform under interruptible customer arrangements until we accept and schedule the customer's request for periodic service. The customer pays a transaction price based on a per-unit rate for the quantities actually stored.

Revenue Recognition Policy prior to January 1, 2018. Prior to the implementation of Topic 606, we estimated our earned but unbilled revenues from natural gas storage service based on contract data, regulatory information, and preliminary sendout and allocation measurements, among other items. Revenues for all services were based on the thermal quantity of gas delivered or subscribed at a price specified in the contract. We recognized reservation revenues on firm contracted capacity ratably over the contract period regardless of the amount of natural gas that was stored. For interruptible or volumetric-based services, we recorded revenues when gas was injected into or withdrawn from the storage facility.

Environmental Matters

We capitalize or expense, as appropriate, environmental expenditures. We capitalize certain environmental expenditures required in obtaining rights-of-way, regulatory approvals or permitting as part of the construction. We accrue and expense environmental costs that relate to an existing condition caused by past operations, which do not contribute to current or future revenue generation. We generally do not discount environmental liabilities to a net present value, and we

record environmental liabilities when environmental assessments and/or remedial efforts are probable and we can reasonably estimate the costs. Generally, our recording of these accruals coincides with our completion of a feasibility study or our commitment to a formal plan of action. We recognize receivables for anticipated associated insurance recoveries when such recoveries are deemed to be probable.

We routinely conduct reviews of potential environmental issues and claims that could impact our assets or operations. These reviews assist us in identifying environmental issues and estimating the costs and timing of remediation efforts. We also routinely adjust our environmental liabilities to reflect changes in previous estimates. In making environmental liability estimations, we consider the material effect of environmental compliance, pending legal actions against us, and potential third-party liability claims. Often, as the remediation evaluation and effort progresses, additional information is obtained, requiring revisions to estimated costs. These revisions are reflected in our income in the period in which they are reasonably determinable.

We are subject to environmental cleanup and enforcement actions from time to time. In particular, the Comprehensive Environmental Response, Compensation and Liability Act generally imposes joint and several liability for cleanup and enforcement costs on current and predecessor owners and operators of a site, among others, without regard to fault or the legality of the original conduct, subject to the right of a liable party to establish a "reasonable basis" for apportionment of costs. Our operations are also subject to federal, state and local laws and regulations relating to protection of the environment. Although we believe our operations are in substantial compliance with applicable environmental laws and regulations, risks of additional costs and liabilities are inherent in our operations, and there can be no assurance that we will not incur significant costs and liabilities. Moreover, it is possible that other developments, such as increasingly stringent environmental laws, regulations and enforcement policies under the terms of authority of those laws, and claims for damages to property or persons resulting from our operations, could result in substantial costs and liabilities to us.

Although it is not possible to predict the ultimate outcomes, we believe that the resolution of the environmental matters, and other matters to which we are a party, will not have a material adverse effect on our business, financial position, results of operations or cash flows. We had no accruals for any outstanding environmental matters as of December 31, 2018 and 2017.

Legal Proceedings

We are party to various legal, regulatory and other matters arising from the day-to-day operations of our business that may result in claims against the Company. Although no assurance can be given, we believe, based on our experiences to date and taking into account established reserves, that the ultimate resolution of such items will not have a material adverse impact on our business, financial position, results of operations or cash flows. We believe we have meritorious defenses to the matters to which we are a party and intend to vigorously defend the Company. When we determine a loss is probable of occurring and is reasonably estimable, we accrue an undiscounted liability for such contingencies based on our best estimate using information available at that time. If the estimated loss is a range of potential outcomes and there is no better estimate within the range, we accrue the amount at the low end of the range. We disclose contingencies where an adverse outcome may be material, or in the judgment of management, we conclude the matter should otherwise be disclosed.

We had no accruals for any outstanding legal proceedings as of December 31, 2018 and 2017. Regulatory Assets and Liabilities

Regulatory assets and liabilities represent probable future revenues or expenses associated with certain charges and credits that are expected to be recovered from or refunded to customers through the ratemaking process.

3. Income Taxes

We are a limited liability company that is treated as a partnership for income tax purposes and are not subject to federal or state income taxes; however, all of our activities are included in the tax returns of the owners of our Members, which are taxable C-corporations. Our approved rates include an allowance for income taxes, calculated as if we were a taxable corporation, and the FERC requires that we reflect such taxes in our financial statements.

We record current income taxes based on our taxable income and we provide for deferred income taxes to reflect estimated future tax payments and receipts. Deferred taxes represent the tax impacts of differences between the financial statement and tax bases of assets and liabilities and carryovers at each year end. We account for tax credits under the flow-through method, which reduces the provision for income taxes in the year the tax credits first become available. We reduce

deferred tax assets by a valuation allowance when, based on our estimates, it is more likely than not that a portion of those assets will not be realized in a future period. The estimates utilized in the recognition of deferred tax assets are subject to revision, either up or down, in future periods based on new facts or circumstances. Income taxes charged to us are reflected in the accompanying comparative balance sheet in Account 236 "Taxes Accrued" and Accounts 190, 282 and 283 "Accumulated Deferred Income Taxes." A portion of the activity in Account 211 "Miscellaneous Paid-In Capital" reflects the income taxes assigned or advanced to our Members. Current income taxes assigned to our Members are transferred into Account 211 from Account 236. Deferred income taxes advanced to our Members are transferred into Account 211 with an offsetting adjustment to Account 186 "Miscellaneous Deferred Debits". For more information, see Note 4.

The following table reflects the components of income tax expense included in net income (in millions):

	Year Ended December 31,				
	2018		2017		
Current:		_			
Federal	\$ 2.9	\$	5.6		
State	1.0		0.9		
	3.9	_	6.5		
Deferred:		_			
Federal	0.6		0.3		
State	0.2		-		
	0.8		0.3		
Total income tax expense	\$ 4.7	\$_	6.8		

The differences between our actual income tax expense and the amount computed by applying the statutory federal income tax rate of 21% and 35% for the years ended December 31, 2018 and 2017, respectively, are summarized as follows (in millions):

	Year Ended December 31,				
	2018		2017		
Income tax expense at the statutory federal rate	\$ 3.8	\$	6.2		
State income tax, net of federal income tax effect	0.9		0.6		
Total income tax expense	\$ 4.7	\$	6.8		
		=			
Effective tax rate	26.3%	_	38.7%		

The following are the components of our net deferred tax liability (in millions):

		December 31,				
	_	2018		2017		
Deferred tax liabilities:			_			
Property, plant and equipment	\$	2.8	\$	2.0		
Deferred tax assets:						
Regulatory liability		0.3		0.3		
			_			
Net deferred tax liability	\$	2.5	\$	1.7		

Tax Cuts and Jobs Act of 2017 (2017 Tax Reform)

On December 22, 2017, the United States enacted the 2017 Tax Reform. Among the many provisions included in the 2017 Tax Reform is a provision to reduce the U.S. federal corporate income tax rate from 35% to 21% effective January 1, 2018. As a result of this reduction in the federal income tax rate, we adjusted our accumulated deferred income tax (ADIT) balances by remeasuring the related temporary differences as of December 31, 2017 at the 21% federal tax rate. Adjustments to ADIT balances that are reflected in rate base were recorded to Account 254 "Other Regulatory Liabilities," and adjustments to non-rate base related ADIT were recorded on the income statement in Account 410.1 "Provision of Deferred Income Taxes" and Account 411.1 "Provision for Deferred Income Taxes-Credit," as applicable. Remeasurement of our ADIT balances affected accounts as of, and for the years ended, December 31, 2018 and 2017, as follows (in millions):

			Debit/(Credit)			
<u>Account</u> <u>Description</u>		20	18	2017		
182.3	Other Regulatory Assets	\$	-	\$	(0.1)	
190	Accumulated Deferred Income Taxes		-		0.3	
254	Other Regulatory Liabilities		-		(1.4)	
282	Accumulated Deferred Income Taxes – Other Property		-		1.0	
283	Accumulated Deferred Income Taxes – Other		-		0.1	

As of December 31, 2018, the total excess ADIT amount of \$1.0 million is protected under the Internal Revenue Service normalization rules, with no unprotected amounts. The regulatory liability balance is being amortized within existing rates to Account 411.1 "Provision for Deferred Income Taxes-Credit" on our income statement, effective January 1, 2018, over 29.5 years, the remaining weighted average life of our depreciable assets. See Note 5 "Rate and Regulatory Matters" for recent FERC issuances related to income taxes.

4. Related Party Transactions

Proprietary Capital

The following table reflects changes to our proprietary capital accounts resulting from distributions paid to our Members, as well as other changes in proprietary capital (in millions):

	Year Ended December 31,					
	20	18	20	2017		
	Account Account 211 216		Account 211	Account 216		
Balance – Beginning of Year	\$ 106.4	\$ 19.3	\$ 106.4	\$ 16.4		
Net Income	-	13.3	-	10.8		
Transfer of net earnings from Account 216 (1)	9.6	(9.6)	7.9	(7.9)		
Transfer from Account 236 (1)	3.9	-	6.4	-		
Transfer from Account 186 (1)	0.8	-	(1.1)	-		
Total Transfers	14.3	(9.6)	13.2	(7.9)		
Distributions to Members	(14.3)		(13.2)			
Balance – End of Year	\$ 106.4	\$ 23.0	\$ 106.4	\$ 19.3		

⁽¹⁾ Settlements of these amounts are made within equity and are considered non-cash financing activities.

Affiliate Balances and Activities

The following table summarizes our balance sheet affiliate balances (in millions):

		December 31,			,	
Account	_	2018		2	017	
146	Accounts receivable from associated companies	\$	2.3	\$	2.3	
186	Advance of deferred income taxes to Members		2.5		1.7	
234	Accounts payable to associated companies		2.5		4.6	

We do not have employees and are operated by an indirect subsidiary of KMI; therefore KMI employees provide services to us. Under policies with KMI, we reimburse KMI at cost for direct and indirect costs incurred on our behalf and allocated general and administrative costs. These costs are reflected, as appropriate, in the "Operation, maintenance and payroll tax expenses" and "Capitalized costs" lines in the table below.

The following table shows costs from our affiliates (in millions):

	Year Ended December 31				
	2018		20)17	
Operation, maintenance and payroll tax expenses	\$	3.0	\$	3.0	
Capitalized costs		0.4		0.4	

We provide contract storage services to SNG and TGP under agreements that expire in 2019. We expect annual renewal of these contracts to occur into the foreseeable future. For each of the years ended December 31, 2018 and 2017, we received \$27.1 million under these agreements.

Subsequent Event

In March 2019, we made a cash distribution to our Members of [\$] million, inclusive of amounts representing income taxes.

5. Rate and Regulatory Matters

Fuel Recovery Mechanism

We retain natural gas quantities from our shippers, in accordance with our tariff, as reimbursement for fuel used in operations and for gas otherwise unaccounted for. On an annual basis, we compare the amount of such gas retained to the actual amount of fuel used in operations and gas otherwise unaccounted for over the annual period and assess our customers in kind for any shortfall amount or refund to our customers in kind for any over-recovery amount. Annually, we file a report with the FERC summarizing this true-up. For each of the years ended December 31, 2018 and 2017, we recorded a net regulatory expense of less than \$0.8 million related to our fuel recovery mechanism.

2017 Tax Reform and FERC Tax Policies

During 2018, the FERC issued the following policies and order related to income taxes:

Revised Policy Statement on Treatment of Income Taxes (Revised Tax Policy). In Docket No. PL17-1-000, as clarified under FERC's Order on Rehearing, the FERC issued a revised policy statement to address income tax and rate of return policies for Master Limited Partnerships (MLPs) as a result of the decisions of the U.S. Court of Appeals for the District of Columbia Circuit in United Airlines, Inc., et al. v. FERC (United Airlines). The Revised Tax Policy provides a general policy statement notifying that an impermissible double recovery results from granting an MLP pipeline both an income tax allowance and a return on equity under the discounted cash flow methodology. The FERC clarified that each MLP pipeline may still propose an income tax allowance in a rate filing because the Revised Tax Policy is not a binding rule. The FERC will require other partnerships and pass-through entities seeking to recover an income tax allowance to address the double-recovery concern from United Airlines in subsequent proceedings. The ultimate owners of our Members are organized as C-corporations and our earnings are taxed at the owner level. As such, we do not believe that the Revised Tax Policy will have an effect on our ability to collect an income tax allowance in our rates.

Interstate and Intrastate Natural Gas Pipelines; Rate Changes Relating to Federal Income Tax Rate – (Order No. 849). In Order No. 849, issued July 18, 2018, (Docket No. RM18-11) (Final Rule), the FERC required interstate pipelines to file an informational filing on a new Form No. 501-G to collect information to evaluate the impact of the 2017 Tax Reform and the Revised Tax Policy regarding tax allowances for interstate and intrastate natural gas pipelines. Form No. 501-G is intended to be an abbreviated cost and revenue study to estimate the impact of the 2017 Tax Reform and Revised Tax Policy on the pipeline's cost of service and return on equity. On August 17, 2018, we and certain KMI affiliates and other unrelated parties jointly filed a request for rehearing of the Final Rule. The FERC issued an order granting rehearing for further consideration on September 17, 2018; however, based on the schedule included in the Final Rule, we filed our Form No. 501-G on October 11, 2018 under Docket No. RP19-51-000, opting that no adjustment to rates is necessary. The Final Rule established the FERC's presumption that negotiated rate contracts should be allowed to remain in effect without change.

On January 16, 2019, the FERC initiated a Natural Gas Act (NGA) section 5 rate investigation under Docket No. RP19-51-000, and we filed the required cost and revenue study on April 1, 2019.

Accounting and Ratemaking Treatment of Accumulated Deferred Income Taxes and Treatment Following the Sale or Retirement of an Asset (Docket No. PL19-2-000), (ADIT Policy). With respect to pipelines regulated under the NGA, the ADIT Policy, issued November 15, 2018, provides the FERC's guidance regarding the treatment of ADIT for both accounting and ratemaking purposes in light of 2017 Tax Reform by clarifying 1) the accounts to be used in recording the amortization of the excess and/or deficient ADIT balances, 2) that natural gas pipelines must continue to follow the accounting guidance issued by the Chief Accountant in Docket No. Al93-5-000 with respect to changes in tax law or rates, including additional disclosure requirements as outlined in the ADIT Policy, and 3) that any excess or deficient ADIT associated with an asset must continue to be amortized in rates even after the sale or retirement of that asset. We have implemented the ADIT Policy in our financial statements as of and for the year ended December 31, 2018.

6. Recent Accounting Pronouncements

Topic 842

On February 25, 2016, the Financial Accounting Standards Board issued ASU No. 2016-02, "Leases" followed by a series of related accounting standard updates (collectively referred to as "Topic 842"). Topic 842 establishes a new lease accounting model which requires lessees to recognize for all leases a right-of-use asset and a lease liability in the balance sheet. Lessor accounting under the new standard is substantially unchanged. Topic 842 will become effective beginning with the first quarter of 2019.

On December 27, 2018, the FERC, in Docket No. Al19-1-000, "Accounting and Financial Reporting for Leases," issued accounting guidance intended to provide clarity and certainty on how jurisdictional entities should apply the FERC's accounting and reporting requirements related to lease arrangements in response to ASU No. 2016-02. Under the FERC's accounting regulations, operating leases are not required to be capitalized and reported in the balance sheet. However, under this guidance, a jurisdictional entity may choose to implement the guidance of ASU No. 2016-02 to report operating leases with a lease term in excess of 12 months as right of use assets, with corresponding lease obligations, in the balance sheet accounts established for capital leases. FERC regulations for recording lease arrangements for lessors, capital leases, land easements, and the recording of expense related to lease arrangements remains unchanged. In addition, this guidance requires footnote disclosure of any amounts included in the capital lease balance sheet accounts that relate to operating leases, as well as any changes in FERC accounting practice in response to ASU No. 2016-02, and the impact of such amounts on FERC jurisdictional cost-of-service rates. Based on the guidance provided in Docket No. Al19-1-000, we had no changes to our accounting for leases as a result of Topic 842.

BEAR CREEK STORAGE COMPANY, L.L.C.

Income Statement Twelve Months Ending 12/31/2018

Line No.			Twelve Months Ending 12/31/2018		
	(a)		(b)		
1	Gas Operating Revenues (400)	_ \$	28,617,219		
2	Operating Expenses				
3	Operation Expense (401)	\$	4,626,102		
4	Maintenance Expenses (402)		2,799,418		
5	Depreciation Expense (403)		914,748		
6	Depreciation Expense for Asset Retirement Costs (403.1)		-		
7	Amortization and Depletion of Utility Plant (404 - 405)		17,130		
8	Amortization of Utility Plant Acq. Adjustment (406)		-		
9	Amort of Prop Losses, Unrecovered Plant and Reg. Study Costs (407.1)		-		
10	Amortization of Conversion Expenses (407.2)		-		
11	Regulatory Debits (407.3)		5,797		
12	(Less) Regulatory Credits (407.4)		(8,041)		
13	Taxes Other than Income Taxes (408.1)		2,315,640		
14	Income Taxes - Federal (409.1)		2,927,991		
15	Income Taxes - Other (409.1.1)		992,707		
16	Provision of Deferred Income Taxes (410.1)		847,203		
17	(Less) Provision for Deferred Income Taxes - Credit (411.1)		(55,465)		
18	Investment Tax Credit Adjustment - Net (411.4)		-		
19	(Less) Gains from Disposition of Utility Plant (411.6)		-		
20	Losses from Disposition of Utility Plant (411.7)		-		
21	(Less) Gains from Disposition of Allowances (411.8)		-		
22	Losses from Disposition of Allowances (411.9)		-		
23	Accretion Expense (411.10)		-		
24	TOTAL Utility Operating Expenses (Total of lines 3 thru 23)	\$	15,383,230		
25	Net Utility Operating Income (Total of lines 1 less 24)	\$	13,233,989		
26					
27	OTHER INCOME AND DEDUCTIONS				
28	Other Income				
29	Nonutility Operating Income				
30	Revenues from Merchandising, Jobbing and Contract Work (415)	\$	-		
31	(Less) Costs and Expense of Merchandising, Job & Contract Work		-		
32	Revenues from Nonutility Operations (417)		-		
33	(Less) Expenses of Nonutility Operations (417.1)		-		
34	Nonoperating Rental Income (418)		=		
35	Equity in Earnings of Subsidiary Companies (418.1)		=		
36	Interest and Dividend Income (419)		-		
37	Allowance for Other Funds Used During Construction (419.1)		23,835		
38	Miscellaneous Nonoperating Income (421)		302		
39	Gain on Disposition of Property (421.1)		-		
40	TOTAL Other Income (Total of lines 30 thru 39)	\$	24,137		
41	Other Income Deductions				
42	Loss on Disposition of Property (421.2)		-		
43	Miscellaneous Amortization (425)		-		
44	Donations (426.1)		-		

BEAR CREEK STORAGE COMPANY, L.L.C.

Income Statement Twelve Months Ending 12/31/2018

(a) (b) Life Insurance (426.2)	Line No.	Title of Account		elve Months ng 12/31/2018
Penalties (426.3)	110.			
Penalties (426.3)	4.5	1.6 1 (40.60)		
Expenditures for Certain Civic, Political and Related Activities (426.4)				-
A		· · · ·		-
TOTAL Other Income Deductions (Total of lines 42 thru 48) S		<u> </u>		-
50 Taxes Applicable to Other Income and Deductions 51 Taxes Other than Income Taxes (408.2) \$ 52 Income Taxes - Federal (409.2) (64 53 Income Taxes - Other (409.2.2) (15 54 Provision for Deferred Income Taxes (410.2) (6,195 55 (Less) Provision for Deferred Income Taxes - Credit (411.2) - 56 Investment Tax Credit Adjustments - Net (411.5) - 57 (Less) Investment Tax Credits (420) - 58 TOTAL Taxes on Other Income And Deductions (Total of lines 51 thru 57) \$ (6,274 59 Net Other Income and Deductions (Total of lines 40, 49, 58) \$ 17,863 60 Interest on Long-Term Debt (427) - - 61 Interest on Long-Term Debt (427) - - 62 Amortization of Debt Discount and Expense (428) - - 63 Amortization of Loss on Reacquired Debt (428.1) - - 64 (Less) Amortization of Fremium on Debt - Credit (429) - - 65 (Less) Amortization of Gain on Reacquired Debt (428.1)		·	Φ.	
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Income Taxes - Other (409.2.2)			3	-
54 Provision for Deferred Income Taxes (410.2) (6,195 55 (Less) Provision for Deferred Income Taxes - Credit (411.2) - 56 Investment Tax Credit Adjustments - Net (411.5) - 57 (Less) Investment Tax Credits (420) - 58 TOTAL Taxes on Other Income And Deductions (Total of lines 51 thru 57) \$ (6,274 59 Net Other Income and Deductions (Total of lines 40, 49, 58) \$ 17,863 60 INTEREST CHARGES - - 61 Interest on Long-Term Debt (427) - - 62 Amortization of Debt Discount and Expense (428) - - 63 Amortization of Loss on Reacquired Debt (428.1) - - 64 (Less) Amortization of Fremium on Debt - Credit (429) - - 65 (Less) Amortization of Gain on Reacquired Debt - Credit (429.1) - - 66 Interest on Debt to Associated Companies (430) - - 67 Other Interest Expense (431) - - 68 (Less) Allowance for Borrowed Funds Used During Construction - Credit (432)		, ,		, ,
Cless Provision for Deferred Income Taxes - Credit (411.2)		· /		` '
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61Interest on Long-Term Debt (427)-62Amortization of Debt Discount and Expense (428)-63Amortization of Loss on Reacquired Debt (428.1)-64(Less) Amortization of Premium on Debt - Credit (429)-65(Less) Amortization of Gain on Reacquired Debt - Credit (429.1)-66Interest on Debt to Associated Companies (430)-67Other Interest Expense (431)-68(Less) Allowance for Borrowed Funds Used During Construction - Credit (432)7,35569Net Interest Charges (Total of lines 61 thru 68)\$7,35570Income Before Extraordinary Items (Total of lines 25, 59, and 69)\$13,259,20771EXTRAORDINARY ITEMS72Extraordinary Income (434)\$-73(Less) Extraordinary Deductions (435)-74Net Extraordinary Items (Total of line 73 less line 74)\$-75Income Taxes - Federal and Other (409.3)-76Extraordinary Items after Taxes (Total of line 74 less 75)-			\$	17,863
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68 (Less) Allowance for Borrowed Funds Used During Construction - Credit (432) 69 Net Interest Charges (Total of lines 61 thru 68) 7,355 70 Income Before Extraordinary Items (Total of lines 25, 59, and 69) 8 13,259,207 71 EXTRAORDINARY ITEMS 72 Extraordinary Income (434) 73 (Less) Extraordinary Deductions (435) 74 Net Extraordinary Items (Total of line 73 less line 74) 75 Income Taxes - Federal and Other (409.3) 76 Extraordinary Items after Taxes (Total of line 74 less 75) 7				=
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73 (Less) Extraordinary Deductions (435) 74 Net Extraordinary Items (Total of line 73 less line 74) 75 Income Taxes - Federal and Other (409.3) 76 Extraordinary Items after Taxes (Total of line 74 less 75) -				
74 Net Extraordinary Items (Total of line 73 less line 74) 75 Income Taxes - Federal and Other (409.3) 76 Extraordinary Items after Taxes (Total of line 74 less 75)			\$	-
75 Income Taxes - Federal and Other (409.3)	73	(Less) Extraordinary Deductions (435)		-
76 Extraordinary Items after Taxes (Total of line 74 less 75)			\$	-
		· · · · · · · · · · · · · · · · · · ·		-
77 Net Income (Total of lines 70 and 76) \$ 13,259,207	76	· · · · · · · · · · · · · · · · · · ·		
	77	Net Income (Total of lines 70 and 76)	\$	13,259,207

1. General

We are a limited liability company organized under the laws of the state of Louisiana. When we refer to "us," "we," "our," "ours," "the Company," or "Bear Creek" we are describing Bear Creek Storage Company, L.L.C.

The member interests in Bear Creek are as follows:

- 50% Tennessee Gas Pipeline Company, L.L.C. (TGP) which is an indirect wholly owned subsidiary of Kinder Morgan, Inc. (KMI).
- 50% Southern Natural Gas Company, L.L.C. (SNG) which is equally held by an indirect wholly owned subsidiary of Kinder Morgan, Inc. (KMI) and an indirect wholly owned subsidiary of The Southern Company (TSC).

We own an underground natural gas storage system in Bienville Parish, Louisiana, which is operated by Kinder Morgan SNG Operator LLC, an affiliate. Our gas storage system provides storage service to SNG and TGP.

2. Summary of Significant Accounting Policies

Basis of Presentation

We have prepared our accompanying financial statements in accordance with the accounting requirements of the Federal Energy Regulatory Commission (FERC) as set forth in its applicable Uniform System of Accounts and published accounting releases, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

Management has evaluated subsequent events through [April 2, 2019], the date the financial statements were available to be issued.

Adoption of New Accounting Pronouncement

Effective January 1, 2018, we adopted Accounting Standards Update (ASU) No. 2014-09, "Revenue from Contracts with Customers" and the series of related ASUs that followed (collectively referred to as "Topic 606"). There were no changes to our historical revenue recognition and no cumulative adjustment as of January 1, 2018, resulting from the adoption of Topic 606. For more information, see "Revenue Recognition" below.

Use of Estimates

Certain amounts included in or affecting our financial statements and related disclosures must be estimated, requiring us to make certain assumptions with respect to values or conditions which cannot be known with certainty at the time our financial statements are prepared. These estimates and assumptions affect the amounts we report for assets and liabilities, our revenues and expenses during the reporting period, and our disclosures, including as it relates to contingent assets and liabilities at the date of our financial statements. We evaluate these estimates on an ongoing basis, utilizing historical experience, consultation with experts and other methods we consider reasonable in the particular circumstances. Nevertheless, actual results may differ significantly from our estimates. Any effects on our business, financial position or results of operations resulting from revisions to these estimates are recorded in the period in which the facts that give rise to the revision become known.

In addition, we believe that certain accounting policies are of more significance in our financial statement preparation process than others, and set out below are the principal accounting policies we apply in the preparation of our financial statements.

Cash Equivalents

We define cash equivalents as all highly liquid short-term investments with original maturities of three months or less.

Accounts Receivable

We establish provisions for losses on accounts receivable if we determine that we will not collect all or part of the outstanding balance. We regularly review collectability and establish or adjust our allowance as necessary using the specific identification method. We had no allowance for doubtful accounts as of December 31, 2018 and 2017.

Inventories

Our inventories, which consist of materials and supplies, are valued at weighted-average cost, and we periodically review for physical deterioration and obsolescence.

Property, Plant and Equipment

Our property, plant and equipment is recorded at its original cost of construction or, upon acquisition, at either the fair value of the assets acquired or the cost to the entity that first placed the asset in utility service. For constructed assets, we capitalize all construction-related direct labor and material costs, as well as indirect construction costs. Our indirect construction costs primarily include an interest and equity return component (as more fully described below) and labor and related costs associated with supporting construction activities. The indirect capitalized labor and related costs are based upon estimates of time spent supporting construction projects.

We use the composite method to depreciate property, plant and equipment. Under this method, assets with similar economic characteristics are grouped and depreciated as one asset. The FERC-accepted depreciation rate is applied to the total cost of the group until the net book value equals the salvage value. For certain general plant, the asset is depreciated to zero. As part of periodic filings with the FERC, we also re-evaluate and receive approval for our depreciation rates. When property, plant and equipment is retired, accumulated depreciation and amortization is charged for the original cost of the assets in addition to the cost to remove, sell or dispose of the assets, less salvage value. We do not recognize gains or losses unless we sell land or an entire operating unit (as approved by the FERC).

Included in our property balances are base gas and working gas at our storage facility. We periodically evaluate natural gas volumes at our storage facility for gas losses. When events or circumstances indicate a loss has occurred, we recognize a loss on our income statement or defer the loss as a regulatory asset on our balance sheets if deemed probable of recovery through future rates charged to customers.

We capitalize a carrying cost (an allowance for funds used during construction or AFUDC) on debt and equity funds related to the construction of long-lived assets. This carrying cost consists of a return on the investment financed by debt and a return on the investment financed by equity. The debt portion is calculated based on the average cost of debt for our Members. Interest costs capitalized are included as a reduction to interest charges in Account 432 "Allowance for Borrowed Funds Used During Construction – Credit" on our income statements. The equity portion is calculated based on the average of the most recent FERC approved rates of return for our Members. Equity amounts capitalized are included in Account 419.1 "Allowance for Other Funds Used During Construction" on our income statements.

Asset Retirement Obligations (ARO)

We record liabilities for obligations related to the retirement and removal of long-lived assets used in our business. We record, as liabilities, the fair value of ARO on a discounted basis when they are incurred and can be reasonably estimated, which is typically at the time the assets are installed or acquired. Amounts recorded for the related assets are increased by the amount of these obligations. Over time, the liabilities increase due to the change in their present value, and the initial capitalized costs are depreciated over the useful lives of the related assets. The liabilities are eventually extinguished when the asset is taken out of service.

We are required to operate and maintain our natural gas storage system, and intend to do so as long as supply and demand for natural gas exists, which we expect for the foreseeable future. Therefore, we believe that we cannot reasonably estimate the ARO for the substantial majority of our assets because these assets have indeterminate lives. We continue to evaluate our ARO and future developments could impact the amounts we record. We had no ARO as of December 31, 2018 and 2017.

Asset Impairments

We evaluate our assets for impairment when events or circumstances indicate that their carrying values may not be recovered. These events include changes in the manner in which we intend to use a long-lived asset, decisions to sell

an asset and adverse changes in market conditions or in the legal or business environment such as adverse actions by regulators. If an event occurs, which is a determination that involves judgment, we evaluate the recoverability of the carrying value of our long-lived asset based on the long-lived asset's ability to generate future cash flows on an undiscounted basis. If an impairment is indicated, or if we decide to sell a long-lived asset or group of assets, we adjust the carrying value of the asset downward, if necessary and upon regulatory approval, to its estimated fair value.

Our fair value estimates are generally based on assumptions market participants would use, including market data obtained through the sales process or an analysis of expected discounted future cash flows. There were no impairments for the years ended December 31, 2018 and 2017.

Revenue Recognition

We segregate each class of revenue by account pursuant to FERC's guidance under Code of Federal Regulations Title 18, Part 201.

Revenue from Contracts with Customers. The unit of account in Topic 606 is a performance obligation, which is a promise in a contract to transfer to a customer either a distinct good or service (or bundle of goods or services) or a series of distinct goods or services provided over a period of time. Topic 606 requires that a contract's transaction price, which is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer, is to be allocated to each performance obligation in the contract based on relative standalone selling prices and recognized as revenue when (point in time) or as (over time) the performance obligation is satisfied.

Storage Contracts. Our revenues are primarily generated from the storage of natural gas under firm service customer contracts with take-or-pay elements (principally for capacity reservation) where both the price and quantity are fixed. Generally, for these contracts: (i) our promise is to transfer (or stand ready to transfer) a series of distinct integrated services over a period of time, which is a single performance obligation; (ii) the transaction price includes fixed and/or variable consideration, which is determinable at contract inception and/or at each month end based on our right to invoice at month end for the value of services provided to the customer that month; and (iii) the transaction price is recognized as revenue over the service period specified in the contract as the services are rendered. In these arrangements, the customer is obligated to pay for services associated with its take-or-pay obligation regardless of whether or not the customer chooses to utilize the service in that period. Because we make the service continuously available over the service period, we recognize the take-or-pay amount as revenue ratably over the period based on the passage of time.

The natural gas we receive under our storage contracts remains under the control of our customers. In many cases, generally described as firm service, the customer generally pays a two-part transaction price that includes (i) a fixed fee reserving the right to store natural gas in our facilities up to contractually specified capacity levels (referred to as "reservation") and (ii) a per-unit rate for quantities of natural gas actually injected or withdrawn. In our firm service contracts we generally promise to provide a single integrated service each day over the life of the contract, which is fundamentally a stand-ready obligation to provide services up to the customer's reservation capacity prescribed in the contract. Our customers have a take-or-pay payment obligation with respect to the fixed reservation fee component, regardless of the quantities they actually inject or withdraw. In other cases, generally described as interruptible service, there is no fixed fee associated with these storage services because the customer accepts the possibility that service may be interrupted at our discretion in order to serve customers who have firm service contracts. We do not have an obligation to perform under interruptible customer arrangements until we accept and schedule the customer's request for periodic service. The customer pays a transaction price based on a per-unit rate for the quantities actually stored.

Revenue Recognition Policy prior to January 1, 2018. Prior to the implementation of Topic 606, we estimated our earned but unbilled revenues from natural gas storage service based on contract data, regulatory information, and preliminary sendout and allocation measurements, among other items. Revenues for all services were based on the thermal quantity of gas delivered or subscribed at a price specified in the contract. We recognized reservation revenues on firm contracted capacity ratably over the contract period regardless of the amount of natural gas that was stored. For interruptible or volumetric-based services, we recorded revenues when gas was injected into or withdrawn from the storage facility.

Environmental Matters

We capitalize or expense, as appropriate, environmental expenditures. We capitalize certain environmental expenditures required in obtaining rights-of-way, regulatory approvals or permitting as part of the construction. We accrue and expense environmental costs that relate to an existing condition caused by past operations, which do not contribute to current or future revenue generation. We generally do not discount environmental liabilities to a net present value, and we

record environmental liabilities when environmental assessments and/or remedial efforts are probable and we can reasonably estimate the costs. Generally, our recording of these accruals coincides with our completion of a feasibility study or our commitment to a formal plan of action. We recognize receivables for anticipated associated insurance recoveries when such recoveries are deemed to be probable.

We routinely conduct reviews of potential environmental issues and claims that could impact our assets or operations. These reviews assist us in identifying environmental issues and estimating the costs and timing of remediation efforts. We also routinely adjust our environmental liabilities to reflect changes in previous estimates. In making environmental liability estimations, we consider the material effect of environmental compliance, pending legal actions against us, and potential third-party liability claims. Often, as the remediation evaluation and effort progresses, additional information is obtained, requiring revisions to estimated costs. These revisions are reflected in our income in the period in which they are reasonably determinable.

We are subject to environmental cleanup and enforcement actions from time to time. In particular, the Comprehensive Environmental Response, Compensation and Liability Act generally imposes joint and several liability for cleanup and enforcement costs on current and predecessor owners and operators of a site, among others, without regard to fault or the legality of the original conduct, subject to the right of a liable party to establish a "reasonable basis" for apportionment of costs. Our operations are also subject to federal, state and local laws and regulations relating to protection of the environment. Although we believe our operations are in substantial compliance with applicable environmental laws and regulations, risks of additional costs and liabilities are inherent in our operations, and there can be no assurance that we will not incur significant costs and liabilities. Moreover, it is possible that other developments, such as increasingly stringent environmental laws, regulations and enforcement policies under the terms of authority of those laws, and claims for damages to property or persons resulting from our operations, could result in substantial costs and liabilities to us.

Although it is not possible to predict the ultimate outcomes, we believe that the resolution of the environmental matters, and other matters to which we are a party, will not have a material adverse effect on our business, financial position, results of operations or cash flows. We had no accruals for any outstanding environmental matters as of December 31, 2018 and 2017.

Legal Proceedings

We are party to various legal, regulatory and other matters arising from the day-to-day operations of our business that may result in claims against the Company. Although no assurance can be given, we believe, based on our experiences to date and taking into account established reserves, that the ultimate resolution of such items will not have a material adverse impact on our business, financial position, results of operations or cash flows. We believe we have meritorious defenses to the matters to which we are a party and intend to vigorously defend the Company. When we determine a loss is probable of occurring and is reasonably estimable, we accrue an undiscounted liability for such contingencies based on our best estimate using information available at that time. If the estimated loss is a range of potential outcomes and there is no better estimate within the range, we accrue the amount at the low end of the range. We disclose contingencies where an adverse outcome may be material, or in the judgment of management, we conclude the matter should otherwise be disclosed.

We had no accruals for any outstanding legal proceedings as of December 31, 2018 and 2017. Regulatory Assets and Liabilities

Regulatory assets and liabilities represent probable future revenues or expenses associated with certain charges and credits that are expected to be recovered from or refunded to customers through the ratemaking process.

3. Income Taxes

We are a limited liability company that is treated as a partnership for income tax purposes and are not subject to federal or state income taxes; however, all of our activities are included in the tax returns of the owners of our Members, which are taxable C-corporations. Our approved rates include an allowance for income taxes, calculated as if we were a taxable corporation, and the FERC requires that we reflect such taxes in our financial statements.

We record current income taxes based on our taxable income and we provide for deferred income taxes to reflect estimated future tax payments and receipts. Deferred taxes represent the tax impacts of differences between the financial statement and tax bases of assets and liabilities and carryovers at each year end. We account for tax credits under the flow-through method, which reduces the provision for income taxes in the year the tax credits first become available. We reduce

deferred tax assets by a valuation allowance when, based on our estimates, it is more likely than not that a portion of those assets will not be realized in a future period. The estimates utilized in the recognition of deferred tax assets are subject to revision, either up or down, in future periods based on new facts or circumstances. Income taxes charged to us are reflected in the accompanying comparative balance sheet in Account 236 "Taxes Accrued" and Accounts 190, 282 and 283 "Accumulated Deferred Income Taxes." A portion of the activity in Account 211 "Miscellaneous Paid-In Capital" reflects the income taxes assigned or advanced to our Members. Current income taxes assigned to our Members are transferred into Account 211 from Account 236. Deferred income taxes advanced to our Members are transferred into Account 211 with an offsetting adjustment to Account 186 "Miscellaneous Deferred Debits". For more information, see Note 4.

The following table reflects the components of income tax expense included in net income (in millions):

	Year Ended December 31,				
	2018		2017		
Current:		_			
Federal	\$ 2.9	\$	5.6		
State	1.0		0.9		
	3.9	_	6.5		
Deferred:		_			
Federal	0.6		0.3		
State	0.2		-		
	0.8		0.3		
		-			
Total income tax expense	\$ 4.7	\$	6.8		

The differences between our actual income tax expense and the amount computed by applying the statutory federal income tax rate of 21% and 35% for the years ended December 31, 2018 and 2017, respectively, are summarized as follows (in millions):

	Year Ended December 31,			
	2018		2017	
Income tax expense at the statutory federal rate	\$ 3.8	\$	6.2	
State income tax, net of federal income tax effect	0.9		0.6	
Total income tax expense	\$ 4.7	\$	6.8	
		-		
Effective tax rate	26.3%		38.7%	

The following are the components of our net deferred tax liability (in millions):

		December 31,					
	_	2018		2017			
Deferred tax liabilities:			_				
Property, plant and equipment	\$	2.8	\$	2.0			
Deferred tax assets:							
Regulatory liability		0.3		0.3			
			_				
Net deferred tax liability	\$	2.5	\$	1.7			

Tax Cuts and Jobs Act of 2017 (2017 Tax Reform)

On December 22, 2017, the United States enacted the 2017 Tax Reform. Among the many provisions included in the 2017 Tax Reform is a provision to reduce the U.S. federal corporate income tax rate from 35% to 21% effective January 1, 2018. As a result of this reduction in the federal income tax rate, we adjusted our accumulated deferred income tax (ADIT) balances by remeasuring the related temporary differences as of December 31, 2017 at the 21% federal tax rate. Adjustments to ADIT balances that are reflected in rate base were recorded to Account 254 "Other Regulatory Liabilities," and adjustments to non-rate base related ADIT were recorded on the income statement in Account 410.1 "Provision of Deferred Income Taxes" and Account 411.1 "Provision for Deferred Income Taxes-Credit," as applicable. Remeasurement of our ADIT balances affected accounts as of, and for the years ended, December 31, 2018 and 2017, as follows (in millions):

	ccount Description		Debit/(Credit)					
<u>Account</u>			18	2017				
182.3	Other Regulatory Assets	\$	-	\$	(0.1)			
190	Accumulated Deferred Income Taxes		-		0.3			
254	Other Regulatory Liabilities		-		(1.4)			
282	Accumulated Deferred Income Taxes – Other Property		-		1.0			
283	Accumulated Deferred Income Taxes – Other		-		0.1			

As of December 31, 2018, the total excess ADIT amount of \$1.0 million is protected under the Internal Revenue Service normalization rules, with no unprotected amounts. The regulatory liability balance is being amortized within existing rates to Account 411.1 "Provision for Deferred Income Taxes-Credit" on our income statement, effective January 1, 2018, over 29.5 years, the remaining weighted average life of our depreciable assets. See Note 5 "Rate and Regulatory Matters" for recent FERC issuances related to income taxes.

4. Related Party Transactions

Proprietary Capital

The following table reflects changes to our proprietary capital accounts resulting from distributions paid to our Members, as well as other changes in proprietary capital (in millions):

	Year Ended December 31,					
	20	18	20	17		
	Account 211	Account 216	Account 211	Account 216		
Balance – Beginning of Year	\$ 106.4	\$ 19.3	\$ 106.4	\$ 16.4		
Net Income	-	13.3	-	10.8		
Transfer of net earnings from Account 216 (1)	9.6	(9.6)	7.9	(7.9)		
Transfer from Account 236 (1)	3.9	-	6.4	-		
Transfer from Account 186 (1)	0.8	-	(1.1)	-		
Total Transfers	14.3	(9.6)	13.2	(7.9)		
Distributions to Members	(14.3)		(13.2)			
Balance – End of Year	\$ 106.4	\$ 23.0	\$ 106.4	\$ 19.3		

⁽¹⁾ Settlements of these amounts are made within equity and are considered non-cash financing activities.

Affiliate Balances and Activities

The following table summarizes our balance sheet affiliate balances (in millions):

		December 31,			,	
Account	_	2018		2	017	
146	Accounts receivable from associated companies	\$	2.3	\$	2.3	
186	Advance of deferred income taxes to Members		2.5		1.7	
234	Accounts payable to associated companies		2.5		4.6	

We do not have employees and are operated by an indirect subsidiary of KMI; therefore KMI employees provide services to us. Under policies with KMI, we reimburse KMI at cost for direct and indirect costs incurred on our behalf and allocated general and administrative costs. These costs are reflected, as appropriate, in the "Operation, maintenance and payroll tax expenses" and "Capitalized costs" lines in the table below.

The following table shows costs from our affiliates (in millions):

	Year Ended December 31				
	2018		20)17	
Operation, maintenance and payroll tax expenses	\$	3.0	\$	3.0	
Capitalized costs		0.4		0.4	

We provide contract storage services to SNG and TGP under agreements that expire in 2019. We expect annual renewal of these contracts to occur into the foreseeable future. For each of the years ended December 31, 2018 and 2017, we received \$27.1 million under these agreements.

Subsequent Event

In March 2019, we made a cash distribution to our Members of [\$] million, inclusive of amounts representing income taxes.

5. Rate and Regulatory Matters

Fuel Recovery Mechanism

We retain natural gas quantities from our shippers, in accordance with our tariff, as reimbursement for fuel used in operations and for gas otherwise unaccounted for. On an annual basis, we compare the amount of such gas retained to the actual amount of fuel used in operations and gas otherwise unaccounted for over the annual period and assess our customers in kind for any shortfall amount or refund to our customers in kind for any over-recovery amount. Annually, we file a report with the FERC summarizing this true-up. For each of the years ended December 31, 2018 and 2017, we recorded a net regulatory expense of less than \$0.8 million related to our fuel recovery mechanism.

2017 Tax Reform and FERC Tax Policies

During 2018, the FERC issued the following policies and order related to income taxes:

Revised Policy Statement on Treatment of Income Taxes (Revised Tax Policy). In Docket No. PL17-1-000, as clarified under FERC's Order on Rehearing, the FERC issued a revised policy statement to address income tax and rate of return policies for Master Limited Partnerships (MLPs) as a result of the decisions of the U.S. Court of Appeals for the District of Columbia Circuit in United Airlines, Inc., et al. v. FERC (United Airlines). The Revised Tax Policy provides a general policy statement notifying that an impermissible double recovery results from granting an MLP pipeline both an income tax allowance and a return on equity under the discounted cash flow methodology. The FERC clarified that each MLP pipeline may still propose an income tax allowance in a rate filing because the Revised Tax Policy is not a binding rule. The FERC will require other partnerships and pass-through entities seeking to recover an income tax allowance to address the double-recovery concern from United Airlines in subsequent proceedings. The ultimate owners of our Members are organized as C-corporations and our earnings are taxed at the owner level. As such, we do not believe that the Revised Tax Policy will have an effect on our ability to collect an income tax allowance in our rates.

Interstate and Intrastate Natural Gas Pipelines; Rate Changes Relating to Federal Income Tax Rate – (Order No. 849). In Order No. 849, issued July 18, 2018, (Docket No. RM18-11) (Final Rule), the FERC required interstate pipelines to file an informational filing on a new Form No. 501-G to collect information to evaluate the impact of the 2017 Tax Reform and the Revised Tax Policy regarding tax allowances for interstate and intrastate natural gas pipelines. Form No. 501-G is intended to be an abbreviated cost and revenue study to estimate the impact of the 2017 Tax Reform and Revised Tax Policy on the pipeline's cost of service and return on equity. On August 17, 2018, we and certain KMI affiliates and other unrelated parties jointly filed a request for rehearing of the Final Rule. The FERC issued an order granting rehearing for further consideration on September 17, 2018; however, based on the schedule included in the Final Rule, we filed our Form No. 501-G on October 11, 2018 under Docket No. RP19-51-000, opting that no adjustment to rates is necessary. The Final Rule established the FERC's presumption that negotiated rate contracts should be allowed to remain in effect without change.

On January 16, 2019, the FERC initiated a Natural Gas Act (NGA) section 5 rate investigation under Docket No. RP19-51-000, and we filed the required cost and revenue study on April 1, 2019.

Accounting and Ratemaking Treatment of Accumulated Deferred Income Taxes and Treatment Following the Sale or Retirement of an Asset (Docket No. PL19-2-000), (ADIT Policy). With respect to pipelines regulated under the NGA, the ADIT Policy, issued November 15, 2018, provides the FERC's guidance regarding the treatment of ADIT for both accounting and ratemaking purposes in light of 2017 Tax Reform by clarifying 1) the accounts to be used in recording the amortization of the excess and/or deficient ADIT balances, 2) that natural gas pipelines must continue to follow the accounting guidance issued by the Chief Accountant in Docket No. Al93-5-000 with respect to changes in tax law or rates, including additional disclosure requirements as outlined in the ADIT Policy, and 3) that any excess or deficient ADIT associated with an asset must continue to be amortized in rates even after the sale or retirement of that asset. We have implemented the ADIT Policy in our financial statements as of and for the year ended December 31, 2018.

6. Recent Accounting Pronouncements

Topic 842

On February 25, 2016, the Financial Accounting Standards Board issued ASU No. 2016-02, "Leases" followed by a series of related accounting standard updates (collectively referred to as "Topic 842"). Topic 842 establishes a new lease accounting model which requires lessees to recognize for all leases a right-of-use asset and a lease liability in the balance sheet. Lessor accounting under the new standard is substantially unchanged. Topic 842 will become effective beginning with the first quarter of 2019.

On December 27, 2018, the FERC, in Docket No. Al19-1-000, "Accounting and Financial Reporting for Leases," issued accounting guidance intended to provide clarity and certainty on how jurisdictional entities should apply the FERC's accounting and reporting requirements related to lease arrangements in response to ASU No. 2016-02. Under the FERC's accounting regulations, operating leases are not required to be capitalized and reported in the balance sheet. However, under this guidance, a jurisdictional entity may choose to implement the guidance of ASU No. 2016-02 to report operating leases with a lease term in excess of 12 months as right of use assets, with corresponding lease obligations, in the balance sheet accounts established for capital leases. FERC regulations for recording lease arrangements for lessors, capital leases, land easements, and the recording of expense related to lease arrangements remains unchanged. In addition, this guidance requires footnote disclosure of any amounts included in the capital lease balance sheet accounts that relate to operating leases, as well as any changes in FERC accounting practice in response to ASU No. 2016-02, and the impact of such amounts on FERC jurisdictional cost-of-service rates. Based on the guidance provided in Docket No. Al19-1-000, we had no changes to our accounting for leases as a result of Topic 842.

Bear Creek Storage Company, L.L.C. System Map

No significant changes have occurred since the filing of Bear Creek's last FERC Form 2.

Bear Creek Storage Company, L.L.C. Major Expansion and Abandonment Certificates Issued Since Last Rate Case In 2012

There have been no major expansions nor abandonment certificates issued since Bear Creek's last general rate case in 2012.

BEAR CREEK STORAGE COMPANY, L.L.C. DESCRIPTION OF DESIGN AND OPERATION OF STORAGE FIELD

Bear Creek Storage Company, L.L.C. (Bear Creek) is a joint venture owned 50 percent each by Southern Natural Gas Company, L.L.C. (Southern) and Tennessee Gas Pipeline Company, L.L.C. (Tennessee). Bear Creek owns a natural gas storage field, with related surface and subsurface equipment, located in Bienville Parish, Louisiana, which is operated by Southern. On April 3, 1979, the Commission issued a Certificate of Public Convenience and Necessity to Bear Creek authorizing construction and operation of its gas storage field. Bear Creek was placed in service on July 25, 1981. Bear Creek provides individually certificated storage service under Part 157 of the Commission's Regulations to Southern and Tennessee, who in turn each utilize the storage service to provide contract storage service to certain of their customers under each customer's individual FERC Gas Tariff.

The maximum certificated storage capacity of Bear Creek is 114.9 billion standard cubic feet (bcf)¹ or a maximum bottom hole pressure of 3,232 pounds per square inch absolute (psia). The practical storage capacity of Bear Creek is 107.9 bcf which is the total volume in place at an maximum bottom hole pressure of 3,232 psia. Base gas is 48.7 bcf, resulting in a maximum practical working gas volume of 59.2 bcf. The maximum withdrawal rate at Bear Creek is 900 million standard cubic feet per day (mmcf/d) and the maximum injection rate is 460 mmcf/d. As the level of inventory varies, the withdrawal rate and the injection rate varies as well.

Major subsurface components of Bear Creek include the storage reservoir, which is the Pettit limestone formation approximately 7,000 feet below ground level. To convey the gas from the storage reservoir to the surface and from the surface to the storage reservoir, there are 52 wells that are utilized for both withdrawal and injection. Additional pressure and fluid monitoring is conducted via 20 observation wells.

During withdrawal at Bear Creek, gas flows through major surface components that include 25 miles of gathering lines, ranging from 6 to 18 inches in diameter, connecting the wells to the main plant. Once at the plant, gas flows through a slug catcher, heaters, regulators, separators, dehydration, and finally measurement equipment. Compression can be utilized during withdrawal but, other than in test mode, has not been used during withdrawals to date. Free water produced and water recovered from dehydration are injected through one of two salt water disposal wells into the Tuscaloosa formation approximately 3,900 feet below ground level. On injection, gas flows through measurement, separation (to remove material that could harm compressors), compression, separation (to remove any oil carry over), gathering lines, and finally through the wells into the storage reservoir. On withdrawal there is 900 mmcf/d of dehydration capacity and during injection up to four 7,000 horsepower compressor units are utilized.

¹ All volumes in this Statement are at 14.73 psia and 60 degrees Fahrenheit.

BEAR CREEK STORAGE COMPANY, L.L.C.

APPENDIX B

WITH TEST PERIOD

Bear Creek Storage Company, L.L.C. Overall Cost of Service Twelve Months Ended December 31, 2018, As Adjusted

Line No.	<u>Description</u> (a)	Reference (b)	Total (c)
1 2	Operation and Maintenance Expenses Underground Storage Administrative and General	Statement H-1 Statement H-1	\$ 5,952,184
3	Total Operation and Maintenance Expense	es .	\$ 7,401,692
4	Depreciation/Amortization Expense	Statement H-2	\$ 948,193
5	Amortization of DIT Regulatory Liability	Statement H-2	(45,565)
6	Taxes Other than Income Taxes	Statement H-4	2,318,043
7	State Income Taxes	Statement H-3	974,902
8	Federal Income Taxes	Statement H-3	3,034,296
9	Return	Statement B	14,316,940
10	Total Cost of Service		\$ 28,948,501

Bear Creek Storage Company, L.L.C. Rate Base and Return Twelve Months Ended December 31, 2018, As Adjusted

Line <u>No.</u>	Description (a)	Reference (b)		Total <u>Storage</u> (c)
1	Gas Plant in Service	Statement C	\$	187,753,886
2	Gas Plant Purchased or Sold Gas Plant Held for Future Use	Statement C Statement C		-
4	Construction Work In Progress	Statement C		-
5	Gas Plant Stored Underground (Non-Current)			95,598,428
6	Accumulated Provision for Depreciation			
	of Gas Utility Plant	Statement D		(155,537,130)
7	Accumulated Provision for Depletion and			
	Amortization of Gas Utility Plant	Statement D		(543,782)
8	Net Utility Plant		\$	127,271,402
9	Working Capital	Statement E	\$	2,673,737
10	Accumulated Deferred Income Taxes	Schedule B-1	Ψ	(2,484,621)
11	Regulatory Assets /(Liabilities)	Schedule B-2		(1,320,080)
	3 ,			
12	Total Rate Base		\$	126,140,438
13	Return on Rate Base at	11.35%		14,316,940

Bear Creek Storage Company, L.L.C. Accumulated Deferred Income Taxes 12 Month Period Ending December 31, 2018, As Adjusted

Line <u>No.</u>	<u>Description</u> (a)	Account No. 190 (b)		Account No. 282 (c)	Account No. 283 (d)		<u>Total</u> (e)
	Monthly Balances						
1	January, 2018	\$ -	\$	(3,032,862)	\$ (38,504)	\$	(3,071,366)
2	February	0		(3,122,179)	(38,710)		(3,160,889)
3	March	338,137		(2,248,286)	(38,712)		(1,948,861)
4	April	338,137		(2,362,684)	(39,348)		(2,063,895)
5	May	338,137		(2,390,848)	(39,263)		(2,091,974)
6	June	338,137		(2,504,169)	(39,219)		(2,205,251)
7	July	338,137		(2,524,571)	(39,216)		(2,225,650)
8	August	338,137		(2,539,989)	(39,247)		(2,241,099)
9	September	350,640		(2,626,802)	(39,247)		(2,315,409)
10	October	350,640		(2,641,562)	(39,115)		(2,330,037)
11	November	350,640		(2,659,125)	(39,067)		(2,347,552)
12	December	349,034		(2,826,813)	(40,241)		(2,518,020)
13	Test Period Activity	(5,940)		(120,175)	(291)		(126,406)
14	End of Test Period	343,094		(2,946,988)	(40,532)		(2,644,426)
15	Adjustments	 	_	119,273	 40,532	_	159,805
16	Claimed in Rate Base	\$ 343,094	\$	(2,827,715)	\$ 	\$	(2,484,621)

Bear Creek Storage Company, L.L.C. Accumulated Deferred Income Taxes 12 Month Period Ending December 31, 2018, As Adjusted

Line <u>No.</u>	<u>Description</u> (a)	Acct (b)	В	ease Period Balance (c)		Test Period Activity (d)		Test Period Projection (e)	Ex	ccluded From Rate Base (f)	7	Adjusted Fest Period Balance (g)
	Account 190											
1	Excess DFIT	190	\$	349,034	\$	(5,940)	\$	343,094	\$		\$	343,094
2	Total Account 190		\$	349,034	\$	(5,940)	\$	343,094	\$		\$	343,094
	Account 282											
3 4 5 6	Depreciation AFUDC - Post 1987 Interest Capitalized Removal Cost	282 282 282 282	\$	(1,911,353) (119,273) 41,706 (837,893)	\$	(120,175) - - -	\$	(2,031,528) (119,273) 41,706 (837,893)	\$	119,273 - -	\$	(2,031,528) - 41,706 (837,893)
7	Total Account 282		\$	(2,826,813)	\$	(120,175)	\$	(2,946,988)	\$	119,273	\$	(2,827,715)
	Account 283											
8	AFUDC Gross-up	283	\$	(40,241)	\$	(291)	\$	(40,532)	\$	40,532	\$	<u>-</u>
9	Total Account 283			(40,241)	_	(291)	_	(40,532)		40,532		<u>-</u>
10	Total DIT		\$	(2,518,020)	\$	(126,406)	\$	(2,644,426)	\$	159,805	\$	(2,484,621)

Docket No. RP19-51 Schedule B-2 Sheet 1 of 2 With Test Period

Bear Creek Storage Company, L.L.C. Regulatory Assets and Liabilities Twelve Months Ended December 31, 2018, As Adjusted

Line No.	<u>Description</u>		<u>Total</u>	Acc	ount 182.3	<u> </u>	Account 254
	(a)		(b)		(c)		(d)
		_		_		_	
1	January, 2018	\$	(955,647)	\$	186,879	\$	(1,142,526)
2	February		(917,065)		163,116		(1,080,181)
3	March		(2,216,753)		180,914		(2,397,667)
4	April		(2,371,078)		177,371		(2,548,449)
5	May		(2,508,073)		172,755		(2,680,828)
6	June		(2,621,299)		168,299		(2,789,598)
7	July		(2,692,589)		164,008		(2,856,597)
8	August		(2,825,306)		212,011		(3,037,317)
9	September		(2,976,455)		207,453		(3,183,908)
10	October		(1,508,315)		202,862		(1,711,177)
11	November		(1,947,056)		198,325		(2,145,381)
12	December		(2,405,274)		193,930		(2,599,204)
12	Becomber		(2, 100,27 1)		100,000		(2,000,201)
13	Test Period Activity		22,732		_		22,732
10	1 doc 1 dilida / tottvity		22,702				22,102
14	End of Test Period		(2,382,542)		193,930		(2,576,472)
17	End of react chou		(2,002,042)		100,000		(2,070,472)
15	Adjustments	\$	1,062,462	\$	(193,930)	\$	1,256,392
10	Adjustitionits	Ψ	1,002,402	Ψ	(100,000)	Ψ	1,200,002
16	Adjusted Delenes	φ	(4 220 000)	φ		φ	(4.320.000)
16	Adjusted Balance	\$	(1,320,080)	\$	-	\$	(1,320,080)

Bear Creek Storage Company, L.L.C. Regulatory Assets and Liabilities Twelve Months Ended December 31, 2018, As Adjusted

Line No.	<u>Description</u> (a)		Base Period Balance (b)		Test Period Activity (c)		Test Period Projection (d)	Excluded From Rate base (e)			Adjusted Test Period <u>Projection</u> (f)
	Account No. 182.3										
1 2	FERC ACA Regulatory Asset AFUDC Regulatory Asset	\$	39,122 154,808	\$	<u>-</u>	\$	39,122 154,808	\$	(39,122) (154,808)	\$	- -
3	Total Account No. 182.3	\$	193,930	\$		\$	193,930	\$	(193,930)	\$	
	Account No. 254										
4 5	L& U Fuel Regulatory Liability DIT Regulatory Liability 1/	\$	(1,256,392) (1,342,812)	\$	22,732	\$	(1,256,392) (1,320,080)	\$	1,256,392	\$	(1,320,080)
6	Total Account No. 254	\$	(2,599,204)	\$	22,732	\$	(2,576,472)	\$	1,256,392	\$	(1,320,080)
7	Total	<u>\$</u>	(2,405,274)	\$	22,732	\$	(2,382,542)	\$	1,062,462	\$	(1,320,080)

^{1/} Established per Tax Cuts and Jobs Act of 2017.

Bear Creek Storage Company, L.L.C. Cost of Plant Twelve Months Ended December 31, 2018, As Adjusted

Line No.	<u>Description</u> (a)	FERC Account No. (b)	Balance Per Books at nuary 1, 2018 (c)	Additions (d)	Reductions (e)	Other <u>Changes</u> (f)	Balance Per Books at December 31, 201 (g)	Test Period Adjustments (h)	Plant as <u>Adjusted</u> (i)
1	Gas Plant in Service	101	\$ 183,311,932	\$ 3,546,346	\$ (580,929)	\$ -	- \$ 186,277,348	\$ 1,476,538	\$ 187,753,886
2	Gas Plant Purchased or Sold	102	-	-				-	-
3	Experimental Gas Plant, Unclassified	103	-	-	-	-		-	-
4	Gas Plant Leased to Others	104	-	-	-	-		-	-
5	Gas Plant Held for Future Use	105	-	-	-	-		-	-
6	Completed Construction, Not Classifie	106	-	-	-	-		-	-
7	Construction Work in Progress	107	642,570	3,190,422	(3,507,657)	-	- 325,335	(325,335)	-
8	Gas Stored Underground - Noncurrent	117.1	95,598,428	-		-	95,598,428	-	95,598,428
9	Gas Stored Underground - Noncurrent	117.2	 				<u> </u>	<u> </u>	
10	Total Cost of Plant		\$ 279,552,930	\$ 6,736,768	\$ (4,088,586)	\$ -	- \$ 282,201,112	\$ 1,151,203	\$ 283,352,315

Bear Creek Storage Company, L.L.C. Detailed Plant Accounts FERC Prime Account Nos. 101 and 105 Twelve Months Ended December 31, 2018, As Adjusted

1	Line No. Account I		Description (b)		Balance Per Books at ember 31, 2018 (c)	<u>A</u>	<u>djustments</u> (d)		Plant as Adjusted (e)	
2 302 Franchises and Consents 477,992 477,992 3 303 Miscellaneous Intangible Plant 187,793 - 187,793 4 Total Intangible Intangible Plant \$ 665,785 \$ 665,785 \$ 665,785 Production and Gathering 5 326,4 Rights-of-Way \$ \$ \$ 6 325,5 Other Land and Land Rights 7 328 Field Measuring and Regulating Station Structures 8 329 Other Structures 10 334 Field Measuring and Regulating Station Equipment 11 336 Purification Equipment 12 371 Other Equipment 13 Total Production \$ 1,205,252 \$ \$ 1,205,252			Intangible							
Total Intangible	1	301	Organization	\$	-	\$	-	\$	-	
Total Intangible \$ 665,785 \$. \$ 665,785	2	302	Franchises and Consents		477,992				477,992	
Production and Gathering	3	303	Miscellaneous Intangible Plant		187,793	_	<u> </u>		187,793	
5 325.4 Rights-of-Way \$ \$ \$ -	4	Total Intang	ible	\$	665,785	\$	-	\$	665,785	
Company			Production and Gathering							
Company	5	325.4	Rights-of-Way	\$	-	\$	-	\$	_	
Field Measuring and Regulating Station Structures	6	325.5		•	-		-		-	
9 322 Field Lines	7	328			-		-		-	
Total Production	8	329	Other Structures		-		-		-	
11 336	9	332	Field Lines		-		-		-	
Total Production	10	334	Field Measuring and Regulating Station Equipment		-		-		-	
Natural Gas Storage - Underground \$ 1,205,252 \$ \$ 1,205,252			Purification Equipment		-		-		-	
Natural Gas Storage - Underground	12	371	Other Equipment		-	_	<u> </u>		-	
14	13	Total Produc	ction	\$	-	\$	-	\$	-	
1,888,059 1,888,059 1,888,059 1,888,059 1,888,059 16 351 Structures and Improvements 13,560,561 - 13,560,561 13,560,561 - 13,560,561 13,560,561 - 13,560,561			Natural Gas Storage - Underground							
1,888,059 1,888,059 1,888,059 1,888,059 1,888,059 16 351 Structures and Improvements 13,560,561 - 13,560,561 13,560,561 - 13,560,561 13,560,561 - 13,560,561	14	350.1	Land	\$	1.205.252	\$	_	\$	1.205.252	
13,560,561 13,				•		•	-	•		
18	16	351	Structures and Improvements		13,560,561		-		13,560,561	
19	17	352	Wells		43,142,346		-		43,142,346	
20 352.3 Nonrecoverable Natural Gas 6,896,425 - 0,896,425 21 353 Lines 20,083,667 - 20,083,667 22 354 Compressor Station Equipment 53,677,186 210,000 53,887,186 23 355 Measuring and Regulating Equipment 4,181,298 - 4,181,298 24 356 Purification Equipment 15,122,911 1,229,890 16,352,801 25 357 Other Equipment 32,806 - 32	18	352.1	Storage Leaseholds and Rights		3,169,669		-		3,169,669	
21 353 Lines 20,083,667 - 20,083,667 22 354 Compressor Station Equipment 53,677,186 210,000 53,887,186 23 355 Measuring and Regulating Equipment 4,181,298 - 4,181,298 24 356 Purification Equipment 15,122,911 1,229,890 16,352,801 25 357 Other Equipment - 32,806 - 32,806 26 369 Measuring and Regulating Equipment - - - - 27 Total Natural Gas Storage - Underground \$ 184,800,829 \$ 1,439,890 \$ 186,240,719 Transmission - Onshore 28 365.1 Land and Land Rights \$ - \$ - Transmission - Onshore 28 365.2 Rights-of-Way - - - 30 366 Structures and Improvements - - - - 31 367 Mains - - - - -	19	352.2	Reservoirs		21,840,651		-		21,840,651	
22 354 Compressor Station Equipment 53,677,186 210,000 53,887,186 23 355 Measuring and Regulating Equipment 4,181,298 - 4,181,298 24 356 Purification Equipment 15,122,911 1,229,890 16,352,801 25 357 Other Equipment 32,806 - 32,806 26 369 Measuring and Regulating Equipment - - - - Transmission - Onshore 28 365.1 Land and Land Rights \$ - \$ - 29 365.2 Rights-of-Way - - - - 30 366 Structures and Improvements - - - - 31 367 Mains - - - - 32 368 Compressor Station Equipment - - - - 33 369 Measuring and Regulating Station Equipment - - - - <tr< td=""><td>20</td><td>352.3</td><td>Nonrecoverable Natural Gas</td><td></td><td>6,896,425</td><td></td><td>-</td><td></td><td>6,896,425</td></tr<>	20	352.3	Nonrecoverable Natural Gas		6,896,425		-		6,896,425	
23 355 Measuring and Regulating Equipment 4,181,298 - 4,181,298 24 356 Purification Equipment 15,122,911 1,229,890 16,352,801 25 357 Other Equipment 32,806 - 32,806 26 369 Measuring and Regulating Equipment - - - - Total Natural Gas Storage - Underground \$ 184,800,829 \$ 1,439,890 \$ 186,240,719 Transmission - Onshore 28 365.1 Land and Land Rights \$ - \$ - 29 365.2 Rights-of-Way - - - 30 366 Structures and Improvements - - - 31 367 Mains - - - 32 368 Compressor Station Equipment - - - 33 369 Measuring and Regulating Station Equipment - - - 34 370 Communication Equipment - - - </td <td>21</td> <td>353</td> <td>Lines</td> <td></td> <td>20,083,667</td> <td></td> <td>-</td> <td></td> <td>20,083,667</td>	21	353	Lines		20,083,667		-		20,083,667	
24 356 Purification Equipment 15,122,911 1,229,890 16,352,801 25 357 Other Equipment 32,806 - 32,806 26 369 Measuring and Regulating Equipment - - - Total Natural Gas Storage - Underground \$ 184,800,829 \$ 1,439,890 \$ 186,240,719 Transmission - Onshore 28 365.1 Land and Land Rights \$ - \$ - 29 365.2 Rights-of-Way - - - 30 366 Structures and Improvements - - - 31 367 Mains - - - 32 368 Compressor Station Equipment - - - 33 369 Measuring and Regulating Station Equipment - - - 34 370 Communication Equipment - - - 35 371 Other Equipment - - - -	22	354	Compressor Station Equipment		53,677,186		210,000		53,887,186	
25 357 Other Equipment 32,806 - 32,806 26 369 Measuring and Regulating Equipment - - - 27 Total Natural Gas Storage - Underground \$ 184,800,829 \$ 1,439,890 \$ 186,240,719 Transmission - Onshore 28 365.1 Land and Land Rights \$ - \$ - - - 29 365.2 Rights-of-Way - - - - - 30 366 Structures and Improvements -							-			
26 369 Measuring and Regulating Equipment - - - - - Total Natural Gas Storage - Underground \$ 184,800,829 \$ 1,439,890 \$ 186,240,719 Transmission - Onshore 28 365.1 Land and Land Rights \$ - \$ - \$ - 29 365.2 Rights-of-Way - - - - 30 366 Structures and Improvements - - - - 31 367 Mains - - - - 32 368 Compressor Station Equipment - - - - 33 369 Measuring and Regulating Station Equipment - - - - 34 370 Communication Equipment - - - - - 35 371 Other Equipment -							1,229,890			
Total Natural Gas Storage - Underground \$ 184,800,829	25	357	Other Equipment		32,806		-		32,806	
Transmission - Onshore 28 365.1 Land and Land Rights \$ - \$ - \$ - 29 365.2 Rights-of-Way 30 366 Structures and Improvements 31 367 Mains 32 368 Compressor Station Equipment 33 369 Measuring and Regulating Station Equipment 34 370 Communication Equipment 35 371 Other Equipment	26	369	Measuring and Regulating Equipment			_	<u> </u>	_		
28 365.1 Land and Land Rights \$ - \$ - \$ - -	27	Total Natura	l Gas Storage - Underground	\$	184,800,829	\$	1,439,890	\$	186,240,719	
29 365.2 Rights-of-Way -			Transmission - Onshore							
29 365.2 Rights-of-Way -	28	365.1	Land and Land Rights	\$	_	\$	_	\$	_	
30 366 Structures and Improvements - - - - 31 367 Mains - - - 32 368 Compressor Station Equipment - - - - 33 369 Measuring and Regulating Station Equipment - - - - 34 370 Communication Equipment - - - - 35 371 Other Equipment - - - -	29	365.2	•	,	-	•	-	•	-	
31 367 Mains - - - - 32 368 Compressor Station Equipment - - - - 33 369 Measuring and Regulating Station Equipment - - - - 34 370 Communication Equipment - - - - 35 371 Other Equipment - - - - -					-		-		-	
32 368 Compressor Station Equipment - - - 33 369 Measuring and Regulating Station Equipment - - - 34 370 Communication Equipment - - - 35 371 Other Equipment - - - -					-		-		-	
33 369 Measuring and Regulating Station Equipment - - - - 34 370 Communication Equipment - - - - 35 371 Other Equipment - - - - -	32				-		-		-	
34 370 Communication Equipment -					-		-		-	
35 371 Other Equipment	34	370			-		-		-	
36 Total Transmission - Onshore \$ - \$ - \$ -	35	371			-	_	<u>-</u>	_	-	
	36	Total Transr	nission - Onshore	\$	-	\$	-	\$	-	

Bear Creek Storage Company, L.L.C. Detailed Plant Accounts FERC Prime Account Nos. 101 and 105 Twelve Months Ended December 31, 2018, As Adjusted

Line No.	Account No	<u>Description</u> (b)		alance Per Books at mber 31, 2018 (c)	<u>A</u>	<u>djustments</u> (d)		Plant as Adjusted (e)
		Transmission - Offshore						
37	365.1	Land and Land Rights	\$	-	\$	_	\$	-
38	365.2	Rights-of-Way		-		-		-
39	366	Structures and Improvements		-		-		-
40	367	Mains		-		-		-
41	368	Compressor Station Equipment		-		-		-
42	369	Measuring and Regulating Station Equipment		-		-		-
43	370	Communication Equipment		-		-		-
44	371	Other Equipment			_	<u>-</u>	_	<u>-</u>
45	Total Trans	mission - Offshore	\$	<u> </u>	\$	<u>-</u>	\$	<u> </u>
46	Total Tran	smission Plant	\$		\$	<u>-</u>	\$	
		General Plant						
47	389.1	Land	\$	-	\$	-	\$	-
48	390	Structures and Improvements		-		-		-
49	391.1	Office Furniture and Supplies		25,710		-		25,710
50	391.2	Computer Equipment		64,807		-		64,807
51	391.3	Electronic Test Equipment		-		-		-
52	392	Transportation Equipment		150,304		36,648		186,952
53	393	Stores Equipment		404.075		-		404.075
54 55	394 395	Tools, Shop and Garage Equipment		464,675		-		464,675
55 56	396	Laboratory Equipment Power Operated Equipment		69,020		-		69,020
57	397	Communication Equipment		23,743				23,743
58	398	Miscellaneous Equipment		12,476		_		12,476
00	000	mooda Equipment	-	.2,0	-		_	.2,0
59	Total Gene	eral Plant - Onshore	\$	810,734	\$	36,648	\$	847,382
60	Total Acco	unt 101	\$	186,277,348	\$	1,476,538	\$	187,753,886
		Gas Plant - Held for Future Use						
61	302	Franchise and Consents	\$		\$		\$	
62	365.1	Land and Land Rights	Φ	-	Φ	-	Φ	-
63	365.2	Rights-of-Way						-
64	366.2	Measuring and Regulating Station Structures		_		_		-
65	367	Mains		_		_		_
66	369	Measuring and Regulating Station Equipment				-		-
67	Total Gas I	Plant - Held for Future Use	\$		\$	<u>-</u>	\$	
00	Total A		•		Φ.	<u></u>	Φ.	
68	Total Acco	unt 105	<u>\$</u>		\$	-	\$	
69	Total Acco	unts 101 and 105	<u>\$</u>	186,277,348	\$	1,476,538	\$	187,753,886

Docket No. RP19-51 Schedule C-2 With Test Period

Bear Creek Storage Company, L.L.C. Work Orders Claimed in Rate Base From January 2019 To June 2019

Line No.	Work Order Number	Description	Docket Number	Account 106	Dollar Amounts Account 107	Account 108
	(a)	(b)	(c)	(d)	(e)	(f)
1	217645	Replace adsorption beads in dehydration plant #2	-		\$1,229,890	
2	-	Replace gas compressor on engine	-		\$120,000	
3	-	Replace 10" flow control valve on meter station #1	-		\$90,000	
4	-	Purchase of truck	-		<u>\$36,648</u>	
		Total			\$1,476,538	

Bear Creek Storage Company, L.L.C Storage Data Twelve Months Ending 12/31/18 Volumes in Dth

Line	Storage	Storage Account	Storage Activity	Beginning Balance	Beg	ginning Balance	Storage Activity	Sto	rage Activity	Ending Balance	En	ding Balance
No.	Account	Name	Date	Volume		Cost	Volume		Cost	Volume		Cost
	(a)	(b)	(c)	(d)		(e)	(f)	-	(g)	(h)		(i)
1	117.1	Base Gas	January-18	43,225,310	\$	95,598,428	-		-	43,225,310	\$	95,598,428
2	117.1	Base Gas	February-18	43,225,310	\$	95,598,428	-		-	43,225,310	\$	95,598,428
3	117.1	Base Gas	March-18	43,225,310	\$	95,598,428	-		-	43,225,310	\$	95,598,428
4	117.1	Base Gas	April-18	43,225,310	\$	95,598,428	-		-	43,225,310	\$	95,598,428
5	117.1	Base Gas	May-18	43,225,310	\$	95,598,428	-		-	43,225,310	\$	95,598,428
6	117.1	Base Gas	June-18	43,225,310	\$	95,598,428	-		-	43,225,310	\$	95,598,428
7	117.1	Base Gas	July-18	43,225,310	\$	95,598,428	-		-	43,225,310	\$	95,598,428
8	117.1	Base Gas	August-18	43,225,310	\$	95,598,428	-		-	43,225,310	\$	95,598,428
9	117.1	Base Gas	September-18	43,225,310	\$	95,598,428	-		-	43,225,310	\$	95,598,428
10	117.1	Base Gas	October-18	43,225,310	\$	95,598,428	-		-	43,225,310	\$	95,598,428
11	117.1	Base Gas	November-18	43,225,310	\$	95,598,428	-		-	43,225,310	\$	95,598,428
12	117.1	Base Gas	December-18	43,225,310	\$	95,598,428	-		-	43,225,310	\$	95,598,428
13	117.2	System Gas	January-18	-		-	-		-	-		-
14	117.2	System Gas	February-18	-		-	-		-	-		-
15	117.2	System Gas	March-18	-		-	-		-	-		-
16	117.2	System Gas	April-18	-		-	-		-	-		-
17	117.2	System Gas	May-18	-		-	-		-	-		-
18	117.2	System Gas	June-18	-		-	-		-	-		-
19	117.2	System Gas	July-18	-		-	-		-	-		-
20	117.2	System Gas	August-18	-		-	-		-	-		-
21	117.2	System Gas	September-18	-		-	-		-	-		-
22	117.2	System Gas	October-18	-		-	-		-	-		-
23	117.2	System Gas	November-18	-		-	-		-	-		-
24	117.2	System Gas	December-18	-		-	-		-	-		-
25	117.4	Gas Owed to System	January-18	285,129	\$	321,716	(2,926)	\$	(13,292)	282,203	\$	308,423
26	117.4	Gas Owed to System	February-18	282,203	\$	308,423	135,810	\$	575,547	418,013	\$	883,970
27	117.4	Gas Owed to System	March-18	418,013	\$	883,970	(16,869)	\$	(254,094)	401,144	\$	629,876
28	117.4	Gas Owed to System	April-18	401,144	\$	629,876	12,618	\$	(26,622)	413,762	\$	603,255
29	117.4	Gas Owed to System	May-18	413,762	\$	603,255	47,645	\$	152,228	461,407	\$	755,482
30	117.4	Gas Owed to System	June-18	461,407	\$	755,482	9,813	\$	67,663	471,220	\$	823,145
31	117.4	Gas Owed to System	July-18	471,220	\$	823,145	40,516	\$	167,445	511,736	\$	990,590
32	117.4	Gas Owed to System	August-18	511,736	\$	990,590	35,133	\$	53,302	546,869	\$	1,043,892
33	117.4	Gas Owed to System	September-18	546,869	\$	1,043,892	46,845	\$	166,297	593,714	\$	1,210,189
34	117.4	Gas Owed to System	October-18	593,714	\$	1,210,189	27,204	\$	102,495	620,918	\$	1,312,684
35	117.4	Gas Owed to System	November-18	620,918	\$	1,312,684	(577,896)	\$	(1,515,680)	43,022	\$	(202,996)
36	117.4	Gas Owed to System	December-18	43,022	\$	(202,996)	197,425	\$	817,291	240,447	\$	614,296
		•		•		. , -,	, -		•	•		•

Docket No. RP19-51 Schedule C-4 (Working Papers) With Test Period

Bear Creek Storage Company, L.L.C. Methods and Procedures Used in Capitalizing Allowance for Funds Used During Construction and Other Construction Overheads

The company has not changed the methods and procedures used in capitalizing the allowance for funds used during construction and other construction overheads since the end of the year reported in the last FERC Form No. 2.

Docket No. RP19-51 Schedule C-5 (Working Papers) With Test Period

Bear Creek Storage Company, L.L.C. Gas Utility Plant Which Is Not Being Used In Rendering Gas Service

No significant change in amount has occurred since the end of the year reported in the last FERC Form 2.

Bear Creek Storage Company, L.L.C. Accumlated Provision for Depreciation and Amortization Twelve Months Ended December 31, 2018, As Adjusted

Line No.	<u>Description</u> (a)		Beginning Balance nuary 1, 2018 (b)	<u>,</u>	Accruals (c)	Ē	Retirements (d)		Other (e)		<u>De</u>	Balance Per Books cember 31, 2018 (f)		Six Months Depreciation on December 31, 2018 Facilities (g)		Depreciation on Additional Facilities rom January 1, 2019 To June 30, 2019 (h)		Adjusted Balance (i)
	Account 108.1 Accumulated Provision for Depreciation of Gas Utility Plant																	
	Production Plant Natural Gas Production and Gathering Plant																	
1 2	Onshore Offshore	\$	-	\$	-	\$	-	\$		-	\$	-	\$	-	\$	-	\$	-
3	Products Extraction Plant		-				-			-		-		-		-		
4	Total Production Plant	\$		\$		\$		\$		_	\$		\$		\$		\$	
	Total Froduction Flank	<u> </u>		Ψ		<u>~</u>		Ψ		_	Ψ		Ψ		<u>*</u>		<u> </u>	
5	Underground Storage Plant	\$	156,254,894	\$	911,012	\$	(2,242,854)	\$		-	\$	154,923,052	\$	458,989	\$	1,800	\$	155,383,841
	Transmission Plant																	
6	Onshore	\$	-	\$	-	\$		\$		-	\$		\$	-	\$		\$	-
7	Offshore			_		_		_			_	<u>-</u>	_		_		_	
8	Total Transmission Plant	\$	-	\$		\$	-	\$		-	\$	-	\$	-	\$	-	\$	-
			<u>.</u>											_		_		
9	General Plant	\$	147,480	\$	3,736	\$		\$			\$	151,216	\$	2,027	\$	46	\$	153,289
10	Total Account 108.1	\$	156,402,374	\$	914,748	\$	(2,242,854)	\$		-	\$	155,074,268	\$	461,016	\$	1,846	\$	155,537,130
11	Account 108.2 Retirement Work in Progress	\$		\$		\$		\$		_	\$		\$	-	\$	<u>-</u>	\$	<u> </u>
	Account 108.3 Reimbursements for Alterations to Existing Facilities																	
	Natural Gas Production & Gathering Plant																	
12	Onshore	\$		\$		\$		\$		-	\$		\$		\$		\$	
13	Offshore	·	-	•	-	·	-	·		-	•	-	·	-	·	-		-
	Transmission Plant																	
14	Onshore	\$	-	\$	-	\$	-	\$		-	\$	-	\$	-	\$	-	\$	-
15	Offshore		-		-		-			-		-		-		-		-
40	Undergrand Charges Diget			•		•		•			•		•		•		•	
16	Underground Storage Plant	\$		\$		\$		\$		_	Ф		\$		\$	<u> </u>	Ф	
17	Total Account 108.3	\$	<u> </u>	\$	-	\$		\$			\$	<u>-</u>	\$		\$		\$	
18	Total Account 108	\$	156,402,374	\$	914,748	\$	(2,242,854)	\$			\$	155,074,268	\$	461,016	\$	1,846	\$	155,537,130
	Account 111.3 Accumulated Provision for Amortization of Other Gas Plant in Service																	
19	Intangible Plant	\$	517,262	\$	17,130	\$	-	\$		-	\$	534,392	\$	9,390	\$	-	\$	543,782
20	General Plant	_		_		_		_		_	_		_	-	-	<u>-</u>	_	
21	Total Account 111.3	\$	517,262	\$	17,130	\$	-	\$		-	\$	534,392	\$	9,390	\$	-	\$	543,782
	Total Accumulated Provision for Depreciation																	
22	and Amortization	\$	156,919,636	\$	931,878	\$	(2,242,854)	\$		-	\$	155,608,660	\$	470,406	\$	1,846	\$	156,080,912

Docket No. RP19-51 Schedule D-1 (Working Papers) With Test Period

Bear Creek Storage Company, L.L.C. Depreciation Reserve Book Balance Workpaper

Bear Creek's current depreciation rates were established as part of a settlement approved by the FERC on August 15, 2012 in Docket No. RP121-121-000 (140 FERC ¶ 61,129).

Docket No. RP19-51 Schedule D-2 (Working Papers) With Test Period

Bear Creek Storage Company, L.L.C. Methods and Procedures for Depreciating, Depleting, and Amortizing Plant

Bear Creek has not made a change in the methods and procedures followed in depreciating, depleting, or amortizing plant and recording abandonments since the period covered by the last annual report on FERC Form 2 (pages 336-338).

Bear Creek Storage Company, L.L.C. Working Capital Twelve Months Ended December 31, 2018, As Adjusted

Line <u>No.</u>	Description (a)	Reference (b)	Total (c)
1	Prepaid Rent	Schedule E-2	\$ -
2	Other Prepayments	Schedule E-2	20,860
3	Materials and Supplies	Schedule E-2	 2,652,877
4	Total Working Capital		\$ 2,673,737

Docket No. RP19-51 Schedule E-1 With Test Period

Bear Creek Storage Company, L.L.C. Cash Working Capital

Bear Creek has not reflected any cash working capital in the rate base calculation.

Bear Creek Storage Company, L.L.C. Working Capital - Monthly Balances Twelve Months Ended December 31, 2018, As Adjusted

			Accou	nt 10	65		Account 154	
Line No.	Description (a)	F	Prepaid Rent (b)	<u>Pr</u>	epayments (c)	I	Materials and Supplies (d)	Total (e)
1 2 3 4 5 6 7 8 9 10 11 12 13	December, 2017 January, 2018 Febraury March April May June July August September October November December	\$		\$	37,000 - - - - 38,060 30,448 22,836 55,224 47,612 40,000	\$	2,654,140 2,660,321 2,695,765 2,586,669 2,554,990 2,528,042 2,481,207 2,668,475 2,662,868 2,748,545 2,693,970 2,767,952 2,784,457	\$ 2,691,140 2,660,321 2,695,765 2,586,669 2,554,990 2,528,042 2,481,207 2,706,535 2,693,316 2,771,381 2,749,194 2,815,564 2,824,457
14	13 Month Total	\$		\$	271,180	\$	34,487,401	\$ 34,758,581
15	13 Month Average Balance	\$	-	\$	20,860	\$	2,652,877	\$ 2,673,737
16	Test Period Adjustment	\$		\$		\$	<u>-</u>	\$
17	Adjusted Balance	\$		\$	20,860	\$	2,652,877	\$ 2,673,737

Docket No. RP19-51 Schedule E-3 With Test Period

Bear Creek Storage Company, L.L.C. Storage Information Twelve Months Ended December 31, 2018

Schedule E-3 is not applicable since there are no quantities and respective costs for FERC accounts 117.3, 164.1, 164.2 and 164.3.

Rate of Return For Bear Creek Storage Company, L.L.C.

This cost and revenue study reflects an overall rate of return of 11.35%. Bear Creek is owned 50% by Southern Natural Gas Company, L.L.C. ("SNG") and 50% by Tennessee Gas Pipeline Company, L.L.C. ("TGP"). Consequently, as depicted on Statement F-2, the overall rate of return reflects the average equity capitalization of SNG and TGP of 62.41% and the average debt capitalization of SNG and TGP of 37.59% as projected as of June 30, 2019. A return on equity of 14.50% is utilized. This return on equity of 14.50% is equivalent to equity returns filed in recent proceedings (Texas Eastern, RP19-343; WBI Energy Transmission, RP19-165). Bear Creek reserves the right to support a different return on equity in its answering testimony. Statement F-3 indicates a debt cost of 6.12%, which is the projected average debt cost of SNG and TGP as of June 30, 2019. Statement F-4 indicates that Bear Creek has no preferred stock.

Bear Creek Storage Company, L.L.C. Projected Capitalization at 6/30/19 and Rate of Return

Line <u>No.</u>	Capital <u>Categories</u> (a)	C	Projected Capitalization At 6/30/19 (b)		Percent of Total <u>Capital (%)</u> (c)	Cost of Capital (%)		Claimed Rate of <u>Return (%)</u> (e)
1	Long-Term Debt	\$	1,450,500,000	1/	37.59%	6.12%	3/	2.30%
2	Preferred Stock	\$	-		0.00%	0.00%		0.00%
3	Common Stock	\$	2,408,268,077	2/	<u>62.41</u> %	14.50%		9.05%
4	Total Capital	\$	3,858,768,077		100.00%			11.35%

1/ Reflects average of TGP and SNG as follows:

SNG debt \$1,111,000,000 TGP debt \$1,790,000,000 Average \$1,450,500,000

2/ Reflects average of TGP and SNG as follows:

SNG equity \$1,343,927,025 TGP equity \$3,472,609,128 Average \$2,408,268,077

3/ Reflects average of TGP and SNG debt cost as reflected in Statement F-3

Bear Creek Storage Company, L.L.C. Projected Long -Term Debt Capital As of June 30, 2019

Line No.	Debt Instrument (a)	Date of Issuance (b)	Date of Maturity (c)	Interest Rate (d)	Acct No. 221 Principal Amount Outstanding (e)	Acct No. 226 Unamortized Debt Discount (f)		Acct No. 189/257 d Unamortized Loss on Reacquired Debt (h)	Net Proceeds Amount (i) (e-f-g-h)	Net Proceeds as a Percent of Principal (j) (i) / (e)	Interest Cost on Principal (k) (d) x (e)	428 Amortization of Debt Discount (I)	Acc No. 428 Amortization of Debt Expense (m)	428.1/429.1 Amortization of Loss on Reacquired Debt (n)	Annual Cost (o) (k+l+m+n)	Debt Cost (p) (o) / (i)
1 TO 2 TO 3 TO 4 TO 5 TO	GP GP 4.75% Intercompany Note GP 7% Debenture Due 2027 GP 7% Debenture Due 2028 GP 3.00% Intercompany Note GP 7.625% Debenture Due 2037 GP 8.375% Debenture Due 2032 Total TGP At 12/31/18	2/1/19 3/31/1997 10/9/1988 4/1/17 3/13/1997 6/10/2002	2/1/21 3/15/2027 10/15/2028 4/1/2020 4/1/2037 6/15/2032	3.550% 7.000% 7.000% 3.000% 7.625% 8.375%	250,000,000 300,000,000 400,000,000 300,000,000 240,000,000 1,790,000,000	976,111 2,756,257 - 2,946,369 1,021,498 7,700,235	213,028 109,872 - 86,323 43,738 452,961		250,000,000 298,810,861 397,133,871 300,000,000 296,967,308 238,934,764 1,781,846,804	100.00% 99.60% 99.28% 100.00% 98.99% 99.56%	8,875,000 21,000,000 28,000,000 9,000,000 22,875,000 20,100,000 109,850,000	126,677 296,726 - 165,993 <u>78,846</u> 668,242	27,646 11,828 - 4,863 3,376 47,714		8,875,000 21,154,323 28,308,554 9,000,000 23,045,856 20,182,222 110,565,955	
8 SI 9 SI 10 SI	NG NG 4.80% Due 2047 NG 7.35% Due 2031 NG 8.00% Due 2032 NG 4.40% Due 2021 Total SNG At 12/31/18	04/15/17 02/15/01 03/01/02 06/15/11	04/15/47 02/15/31 03/01/32 06/15/21	7.35% 8.00%	\$400,000,000 \$153,280,000 \$257,720,000 \$300,000,000 \$1,111,000,000	\$5,091,459 \$3,431,329 <u>\$0</u>	\$1,113,332 \$62,539 \$333,433 <u>\$78,739</u> \$1,588,043	\$3,785,810 \$912,164 \$1,643,033 <u>\$867,177</u> \$7,208,184	\$395,100,858 \$147,213,838 \$252,312,205 \$299.054.084 \$1,093,680,985	98.78% 96.04% 97.90% 99.68%	\$19,200,000 \$11,266,080 \$20,617,600 \$13,200,000 \$64,283,680	\$0 \$403,373 \$251,073 <u>\$0</u> \$654,446	\$17,941 \$4,955 \$24,397 <u>\$26,641</u> \$73,934	\$72,435 \$120,222	\$ 19,278,488 \$ 11,746,843 \$ 21,013,292 \$ 13,520,044 \$65,558,667	

¹³ Weighted Average Debt Cost of TGP and SNG



^{14 (}Bear Creek owned 50% by TGP and 50% by SNG; therefore, using average debt cost of TGP and SNG)

Docket No. RP19-51 Statement F-4 With Test Period

Bear Creek Storage Company, L.L.C. Preferred Stock Capital As of December 31, 2018

Bear Creek has no preferred stock as of December 31, 2018.

Docket No. RP19-51 Statement G Page 1 of 2 With Test Period

BEAR CREEK STORAGE COMPANY, L.L.C. SUMMARY OF REVENUES, CREDITS AND BILLING DETERMINANTS TWELVE MONTH PERIOD ENDING 12/31/2018 BASE PERIOD

Line No.	Service Type	Billing Determinants	Revenue
		(Dth)	_
	(a)	(b)	(c)
1	SSP-DELIVERABILITY	6,126,000	\$ 13,260,003
2	SSP-CAPACITY	796,380,000	\$ 13,259,727
3	SSP-INJECTIONS/WITHDRAWALS	115,168,817	\$ 620,414
4	TOTAL REVENUE		\$ 27,140,144

Docket No. RP19-51 Statement G Page 2 of 2 With Test Period

BEAR CREEK STORAGE COMPANY, L.L.C. SUMMARY OF REVENUES, CREDITS AND BILLING DETERMINANTS TWELVE MONTH PERIOD ENDING 12/31/2018, AS ADJUSTED FOR UPDATED RATES

Line No.	Service Type	Billing Determinants	Revenue
<u>Line 140.</u>	GOIVING TYPE	(Dth)	 revende
	(a)	(b)	(c)
1	SSP-DELIVERABILITY	6,126,000	\$ 13,009,473
2	SSP-CAPACITY	796,380,000	\$ 13,009,473
3	SSP-INJECTIONS/WITHDRAWALS	103,253,413	\$ 2,929,554
4	TOTAL REVENUE		\$ 28,948,501

BEAR CREEK STORAGE COMPANY, L.L.C. BILLING DETERMINANTS 12 MONTHS ENDING DECEMBER 31, 2018 (DTH)

Line	Rate														
No. Affili	iate Schedule	Shipper Name	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	12 Mo. Total
(a	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(1)	(m)	(n)	(0)	(p)
1	Reservation - Demand														
2 *	SSP-DELIVERABILITY	SOUTHERN NATURAL GAS COMPANY	255,250	255,250	255,250	255,250	255,250	255,250	255,250	255,250	255,250	255,250	255,250	255,250	3,063,000
3 *	SSP-DELIVERABILITY	TENNESSEE GAS PIPELINE	255,250	255,250	255,250	255,250	255,250	255,250	255,250	255,250	255,250	255,250	255,250	255,250	3,063,000
4	TOTAL RESERVATION - SSP DELIVER.	ABILITY	510,500	510,500	510,500	510,500	510,500	510,500	510,500	510,500	510,500	510,500	510,500	510,500	6,126,000
5	Reservation - Capacity														
6 *	SSP-CAPACITY	SOUTHERN NATURAL GAS COMPANY	33,182,500	33,182,500	33,182,500	33,182,500	33,182,500	33,182,500	33,182,500	33,182,500	33,182,500	33,182,500	33,182,500	33,182,500	398,190,000
7 *	SSP-CAPACITY	TENNESSEE GAS PIPELINE	33,182,500	33,182,500	33,182,500	33,182,500	33,182,500	33,182,500	33,182,500	33,182,500	33,182,500	33,182,500	33,182,500	33,182,500	398,190,000
8	TOTAL RESERVATION - SSP CAPACIT	Y	66,365,000	66,365,000	66,365,000	66,365,000	66,365,000	66,365,000	66,365,000	66,365,000	66,365,000	66,365,000	66,365,000	66,365,000	796,380,000
9	Commodity														
10 *	SSP-INJECTIONS/WITHDRAWALS	SOUTHERN NATURAL GAS COMPANY	6,952,353	3,741,005	2,343,589	3,278,289	4,162,915	3,359,179	2,399,333	2,084,161	1,856,530	2,587,653	3,791,689	5,075,047	41,631,743
11 *	SSP-INJECTIONS/WITHDRAWALS	TENNESSEE GAS PIPELINE	11,632,276	5,891,120	7,172,458	3,764,195	3,477,179	4,017,805	3,322,807	4,722,619	4,459,521	5,124,145	9,171,787	10,781,162	73,537,074
12	TOTAL COMMODITY - SSP-INJECTIONS	S/WITHDRAWALS	18,584,629	9,632,125	9,516,047	7,042,484	7,640,094	7,376,984	5,722,140	6,806,780	6,316,051	7,711,798	12,963,476	15,856,209	115,168,817

BEAR CREEK STORAGE COMPANY, L.L.C. BILLING REVENUES 12 MONTHS ENDING DECEMBER 31, 2018

Line		Rate														
No. A	ffiliate	Schedule	Shipper Name	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	12 Mo. Total
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(1)	(m)	(n)	(0)	(p)
1		Reservation - Demand														
2	*	SSP-DELIVERABILITY	SOUTHERN NATURAL GAS COMPANY	\$ 552,500	\$ 552,500	\$ 552,500	\$ 552,500		552,500	\$ 552,500	552,500	\$ 552,500 \$	552,500	552,500	\$ 552,500 \$	
3	*	SSP-DELIVERABILITY	TENNESSEE GAS PIPELINE	\$ 552,500	\$ 552,500	\$ 552,500	\$ 552,500	\$ 552,500 \$	552,500	\$ 552,500	552,500	\$ 552,500 \$	552,500	552,500	\$ 552,500 \$	6,630,001
4		TOTAL RESERVATION - SSP DELIVERABIL	LITY	\$1,105,000	\$1,105,000	\$1,105,000	\$ 1,105,000	\$ 1,105,000 \$	1,105,000	\$1,105,000	1,105,000	\$ 1,105,000 \$	1,105,000	1,105,000	\$ 1,105,000 \$	13,260,003
5		Reservation - Capacity														
6	*	SSP-CAPACITY	SOUTHERN NATURAL GAS COMPANY	\$ 552,489	\$ 552,489	\$ 552,489	\$ 552,489	\$ 552,489 \$	552,489	\$ 552,489	552,489	\$ 552,489 \$	552,489	552,489	\$ 552,489 \$	6,629,864
7	*	SSP-CAPACITY	TENNESSEE GAS PIPELINE	\$ 552,489	\$ 552,489	\$ 552,489	\$ 552,489	\$ 552,489 \$	552,489	\$ 552,489	552,489	\$ 552,489 \$	552,489	552,489	\$ 552,489 \$	6,629,864
8		TOTAL RESERVATION - SSP CAPACITY		\$1,104,977	\$1,104,977	\$1,104,977	\$1,104,977	\$ 1,104,977 \$	1,104,977	\$1,104,977	1,104,977	\$ 1,104,977 \$	1,104,977	1,104,977	\$ 1,104,977 \$	13,259,727
9		Commodity														
10	*	SSP-INJECTIONS/WITHDRAWALS	SOUTHERN NATURAL GAS COMPANY	\$ 37,452	\$ 20,153	\$ 12,625	\$ 17,660	\$ 22,426 \$	18,096	\$ 12,925 \$	11,227	\$ 10,001 \$	13,940	20,426	\$ 27,339 \$	224,270
11	*	SSP-INJECTIONS/WITHDRAWALS	TENNESSEE GAS PIPELINE	\$ 62,663	\$ 31,735	\$ 38,638	\$ 20,278	\$ 18,732 \$	21,644	\$ 17,900 \$	25,441	\$ 24,023 \$	27,604	49,408	\$ 58,078 \$	396,144
12		TOTAL COMMODITY - SSP-INJECTIONS/WI	THDRAWALS	\$ 100,115	\$ 51,888	\$ 51,263	\$ 37,938	\$ 41,157 \$	39,740	\$ 30,825 \$	36,668	\$ 34,025 \$	41,543	69,834	\$ 85,417 \$	620,414

BEAR CREEK STORAGE COMPANY, L.L.C. BILLING DETERMINANTS 12 MONTHS ENDING DECEMBER 31, 2018, AS ADJUSTED (DTH)

Line		Rate														
No.	\ffiliat	e Schedule	Shipper Name	January	February	March	April	May	June	July	August	September	October	November	December	12 Mo. Total
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(1)	(m)	(n)	(0)	(p)
1		Reservation - Demand														
2	*	SSP-DELIVERABILITY	SOUTHERN NATURAL GAS COMPANY	255,250	255,250	255,250	255,250	255,250	255,250	255,250	255,250	255,250	255,250	255,250	255,250	3,063,000
3	*	SSP-DELIVERABILITY	TENNESSEE GAS PIPELINE	255,250	255,250	255,250	255,250	255,250	255,250	255,250	255,250	255,250	255,250	255,250	255,250	3,063,000
4		TOTAL RESERVATION - SSP DELIVERAB	ILITY	510,500	510,500	510,500	510,500	510,500	510,500	510,500	510,500	510,500	510,500	510,500	510,500	6,126,000
5		Reservation - Capacity														
6	*	SSP-CAPACITY	SOUTHERN NATURAL GAS COMPANY	33,182,500	33,182,500	33,182,500	33,182,500	33,182,500	33,182,500	33,182,500	33,182,500	33,182,500	33,182,500	33,182,500	33,182,500	398,190,000
7	*	SSP-CAPACITY	TENNESSEE GAS PIPELINE	33,182,500	33,182,500	33,182,500	33,182,500	33,182,500	33,182,500	33,182,500	33,182,500	33,182,500	33,182,500	33,182,500	33,182,500	398,190,000
8		TOTAL RESERVATION - SSP CAPACITY		66,365,000	66,365,000	66,365,000	66,365,000	66,365,000	66,365,000	66,365,000	66,365,000	66,365,000	66,365,000	66,365,000	66,365,000	796,380,000
9		Commodity														
10	*	SSP-INJECTIONS/WITHDRAWALS	SOUTHERN NATURAL GAS COMPANY	6,233,060	3,353,959	2,101,121	2,939,116	3,732,218	3,011,637	2,151,097	1,868,533	1.664.453	2,319,934	3,399,400	4,549,981	37,324,509
11	*	SSP-INJECTIONS/WITHDRAWALS	TENNESSEE GAS PIPELINE	10,428,797	5,281,623	6,430,393	3,374,750	3,117,429	3,602,122	2,979,029	4,234,015	3,998,137	4,593,999	8,222,871	9,665,739	65,928,904
12		TOTAL COMMODITY - SSP-INJECTIONS/V	VITHDRAWALS	16,661,857	8,635,582	8,531,514	6,313,866	6,849,647	6,613,759	5,130,126	6,102,548	5,662,590	6,913,933	11,622,271	14,215,720	103,253,413

BEAR CREEK STORAGE COMPANY, L.L.C. BILLING REVENUES 12 MONTHS ENDING December 31, 2018, AS ADUSTED FOR UPDATED RATES

Line	Rate														
No. Affi	liate Schedule	Shipper Name	January	February	March	April	May	June	July	August	September	October	November	December	12 Mo. Total
(a) (b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(I)	(m)	(n)	(o)	(p)
1	Reservation - Demand														
2	* SSP-DELIVERABILITY	SOUTHERN NATURAL GAS COMPANY	\$ 542,061	\$ 542,061	\$ 542,061 \$	542,061 \$	542,061	542,061	\$ 542,061	\$ 542,061	\$ 542,061	\$ 542,061	\$ 542,061	\$ 542,061	\$ 6,504,737
3	* SSP-DELIVERABILITY	TENNESSEE GAS PIPELINE	\$ 542,061	\$ 542,061	\$ 542,061 \$	542,061 \$	542,061	542,061	\$ 542,061	\$ 542,061	\$ 542,061	\$ 542,061	\$ 542,061	\$ 542,061	\$ 6,504,737
4	TOTAL RESERVATION - SSP DELIVERAB	ILITY	\$ 1,084,123	\$ 1,084,123	\$ 1,084,123 \$	1,084,123 \$	1,084,123	\$ 1,084,123	\$ 1,084,123	\$ 1,084,123	\$ 1,084,123	\$ 1,084,123	\$ 1,084,123	\$ 1,084,123	\$ 13,009,473
5	Reservation - Capacity														
6	* SSP-CAPACITY	SOUTHERN NATURAL GAS COMPANY	\$ 542,061	\$ 542,061	\$ 542,061 \$	542,061 \$	542,061	\$ 542,061	\$ 542,061	\$ 542,061	\$ 542,061	\$ 542,061	\$ 542,061	\$ 542,061	\$ 6,504,737
7	* SSP-CAPACITY	TENNESSEE GAS PIPELINE	\$ 542,061	\$ 542,061	\$ 542,061 \$	542,061 \$	542,061	\$ 542,061	\$ 542,061	\$ 542,061	\$ 542,061	\$ 542,061	\$ 542,061	\$ 542,061	\$ 6,504,737
8	TOTAL RESERVATION - SSP CAPACITY		\$ 1,084,123	\$ 1,084,123	\$ 1,084,123 \$	1,084,123 \$	1,084,123	\$ 1,084,123	\$ 1,084,123	\$ 1,084,123	\$ 1,084,123	\$ 1,084,123	\$ 1,084,123	\$ 1,084,123	\$ 13,009,473
9	Commodity														
10	* SSP-INJECTIONS/WITHDRAWALS	SOUTHERN NATURAL GAS COMPANY	\$ 176,847	\$ 95,160	\$ 59,614 \$	83,390 \$	105,892	85,448	\$ 61,032	\$ 53,015	\$ 47,225	\$ 65,822	\$ 96,449	\$ 129,094	\$ 1,058,989
11	* SSP-INJECTIONS/WITHDRAWALS	TENNESSEE GAS PIPELINE	\$ 295,891	\$ 149,853	\$ 182,446 \$	95,750 \$	88,449	\$ 102,201	\$ 84,522	\$ 120,129	\$ 113,437	\$ 130,343	\$ 233,303	\$ 274,241	\$ 1,870,566
12	TOTAL COMMODITY - SSP-INJECTIONS/V	VITHDRAWALS	\$ 472,738	\$ 245,013	\$ 242,060.13 \$	179,140 \$	194,341	\$ 187,649	\$145,554.35	\$173,144.37	\$160,661.67	\$ 196,165	\$ 329,753	\$ 403,335	\$ 2,929,554

BEAR CREEK STORAGE COMPANY, L.L.C. SUMMARY OF BILLING DETERMINANT ADJUSTMENTS 12 MONTHS ENDING DECEMBER 31, 2018, AS ADJUSTED

Line	Rate	Base	Test		
No. Shipper	Schedule	Period	Period	Adjustment	Footnote
(a)	(b)	(c)	(d)	(e)	(f)
1 INJECTIONS/WITHDRAWAL BILLING UNITS	SS-P	115,168,817	103,253,413	(11,915,404)	<u>1</u> /

^{1/} Adjustment to injection/withdrawal billing units to lower the unusually high billing determinants from the 12 months ending December 31, 2018, to a four year average for the years 2015, 2016, 2017 and 2018.

Docket No. RP19-51 Schedule G-4 With Test Period

BEAR CREEK STORAGE COMPANY, L.L.C. AT-RISK REVENUE TWELVE MONTH PERIOD ENDING 12/31/2018, AS ADJUSTED

Not Applicable

Docket No. RP19-51 Schedule G-5 With Test Period

Bear Creek Storage Company, L.L.C. Other Revenues Twelve Months Ended December 31, 2018

Line <u>No.</u>		FERC Account No. (b)	<u>Jan-18</u> (c)	Feb-18 (d)	<u>Mar-18</u> (e)	<u>Apr-18</u> (f)	<u>May-18</u> (g)	<u>Jun-18</u> (h)	<u>Jul-18</u> (i)	<u>Aug-18</u> (j)	<u>Sep-18</u> (k)	Oct-18 (l)	Nov-18 (m)	<u>Dec-18</u> (n)	Total (o)
1	Sales of Products Extracted from Natural Gas	490	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Revenue from Natural Gas Processed by Others	491	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Incidental Gasoline and Oil Sales	492	\$ 197,354	\$ 618,613	\$ 142,523	\$ -	\$ 9,485	\$ 10,069	\$ 29,051	\$ 51,300	\$ 58,625	\$ 83,156	\$ -	\$ 278,645	\$ 1,478,820 1/
4	Rent from Gas Property	493	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Interdepartmental Rents	494	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Other Gas Revenues	495	-	-	-	-	-	-	-	-	-	-	-	-	-

^{1/} These revenues are from condensate sales and are partially offset by gas purchases in FERC account 803 relating to the replacement of gas from these condensate sales (ie the removal of condensate from the gas stream reduces the btu content of the gas). As set forth on Statement H-1.1, the cost of such gas purchases has also been excluded from Bear Creek's cost of service reflected in this cost and revenue study. Furthermore, such condensate sale activity and the associated gas purchases are not subject to the FERC's jurisdiction since they are attributable to the production of condensates from the Pettit reservoir.

Docket No. RP19-51 Schedule G-6 With Test Period

BEAR CREEK STORAGE COMPANY, L.L.C. MISCELLANEOUS REVENUE TWELVE MONTH PERIOD ENDING 12/31/2018, AS ADJUSTED

Not Applicable

BEAR CREEK STORAGE COMPANY, L.L.C. OPERATION AND MAINTENANCE EXPENSES TWELVE MONTHS ENDED DECEMBER 31, 2018 PER BOOKS AND AS ADJUSTED

LINE FERC		JAN 2018		FEB 2018		MAR 2018	APR 2018		MAY 2018	JUN 2018		JUL 2018		AUG 2018		EP)18	OCT 2018	NOV 2018		DEC 2018		OTAL BOOKS	ADJ	I.	FOOTNOTE	TOTAL AS ADJUSTED
(a)	(b)	(c)		(d)		(e)	(f)		(g)	(h)		(i)		(j)	(1	k)	(1)	(m)		(n)		(o)	(p)		(q)	(r)
	ion Expenses	•		•	•		•	•		•	•		•				•	•	•		•		•			
2 3 Operation	Natural Gas Prod. & Gath. Exp	\$	- :	\$ -	\$	-	\$	- \$	-	\$	- \$		\$	-		-	\$ -	\$ -	. \$	-	\$	-	Þ	-	;	-
4 750	Supervision and Engineering	\$	- :	\$ -	\$	_	\$	- \$	_	\$	- \$		\$	_		_	\$ -	· s -	· \$	_	\$	_	\$	_		-
5 751	Production maps and records	*	-	٠.	•	-	•		-	•		-	*	-		-		· •	. *	-	•	-	•	-		-
6 753	Field lines expenses		-	-		-		-	-		-	-		-		-	-			-		-		-		-
7 754	Field compressor station expenses		-	-		-		-	-		-	-		-		-	-	-		-		-		-		-
8 755	Field compressor sta fuel and powe		-	-		-		-	-		-	-		-		-	-	-		-		-		-		-
9 756 10 757	Field meas and regulating station ex		-	-		-		-	-		-	-		-		-	-	-	•	-		-		-		-
10 757 11 759	Purification Expenses Other expenses		-	-		-		-	-		-	-		-		-	-			-		-		-		-
12 760	Rents		_	_		_			_		_	_		_		_	_			_		_		_		-
13	Total Operation	\$	- :	\$ -	\$	-	\$	- \$	-	\$	- \$	-	\$	-		-	\$ -	\$ -	- \$	-	\$	-	\$	-	-	-
14 Mainten	nance																									
15 761	Supervision and engineering	\$	- :	\$ -	\$	-	\$	- \$	-	\$	- \$	-	\$	-	\$	-	\$ -	\$ -	. \$	-	\$	-	\$	-	;	-
16 762	Structures and improvements		-	-		-		-	-		-	-		-		-	-	-		-		-		-		-
17 764 18 765	Field lines		-	-		-		-	-		-	-		-		-	-	-	•	-		-		-		-
19 766	Field compressor station equipment Field meas and regulating station ex		-	-		-		_	_		-	-				-	-							-		-
20 767	Purification expenses		_	_		_			_		_	_		_		_	-			_		_		_		_
21	Total Maintenance	\$	- ;	\$ -	\$	-	\$	- \$	-	\$	- \$	-	\$	-	\$	-	\$ -	\$ -	. \$	-	\$	-	\$	-	:	-
22	Total Natural Gas Prod	\$	- :	\$ -	\$	-	\$	- \$	-	\$	- \$; -	\$	-	\$	-	\$ -	\$ -	. \$	-	\$	-	\$	-	:	-
24 Operation																										
25 772		\$	- :	\$ -	\$	-	\$	- \$	-	\$	- \$	-	\$	-	\$	-	\$ -	\$ -	\$	-	\$	-	\$	-	:	-
26 777	Gas processed by others	Φ.	-	-	•	-	•	-	-	Φ.	-	<u>-</u>	•	-	•	-	-			-	•	-	Φ.	-		<u>-</u>
27 28 Total Pr	Total Operation oducts Extraction Ex	\$ \$	- :		\$ \$	-		- \$ - \$		\$ \$	- \$ - \$		\$ \$	-		-			· \$		\$ \$	-		-		
	sed Gas Expenses																									
	sed Gas Cost Natural gas well head purchases	\$	- :	e	Ф		•	œ.		œ	•		œ.		\$		\$ -	\$ -	•		•		e		;	
31 800 32 801	Natural gas field line purchases	Ф		φ - -	Φ	-	a	- ф -	-	Ф	- p	, -	Ф		Ф		Φ -	Φ -	. Ф		φ		Ф	-	•	-
33 802	Natural gas gasoline plant outlet pu		_	-		_		_	-		_	-		-		_	-			_		_		-		_
34 803	Natural gas transmission line purch		-	-		-		-	-		-	-		-		-	-	-		-		-		-		-
35 805	Other gas purchases	655,	818	(62,384))	(22,946)	150,747	7	67,523	173,55	1	67,198		180,486	9	96,989	(1,472,766) 434,163	1	501,337		769,715	(769	9,715)	1/	-
36 8051	Purchased gas cost adjustment		-	-		-		-	-		-	-		-		-	-	-		-		-		-		-
37 806 38 806a	Exchange gas Adjusted purchased gas cost		-	-		-		-	-		-	-		-		-	-	-	•	-		-		-		-
39		\$ 655,	818 \$	\$ (62,384)) \$	(22,946)	\$ 150,747	- 7 \$	67,523	\$ 173,55	1 \$	67,198	\$	180,486	\$ 9	96,989	\$ (1,472,766) \$ 434.163	\$	501,337	\$ 7	769,715	§ (769	9,715)	:	<u> </u>
00	rotar rateriacea Gas	Ψ 000,	0.0 4	φ (02,00°.	, Ψ	(22,0.0)	Ψ 100,111	Ψ	0.,020	ψο,οο	. Ψ	01,100	Ψ	.00, .00	•	00,000	Ψ (1,112,100	, ψ .σ.,.σσ	Ψ	001,001	Ψ.	. 00,1 10	, (, 00	,,, .0,		
40 807	Purchased gas expenses	\$	- :	\$ -	\$	-	\$	- \$	-	\$	- \$	-	\$	-	\$	-	\$ -	\$ -	. \$	-	\$	-	\$	-	:	-
41 8072			-	-		-		-	-		-	-		-		-	-	-	•	-		-		-		-
42 8073 43 8074			-	-		-		-	-		-	-		-		-	-			-		-		-		-
44 8075				_				_			-						-							-		-
45		\$	- :	\$ -	\$	-	\$	- \$	-	\$	- \$	-	\$	-	\$	-	\$ -	\$ -	\$	-	\$	-	\$	-		-
46 0004	Gas withdrawn from storage	¢ ///	021) (¢ 270 500	ď	106 204	e	œ	2 5 4 7	¢ 205		52 704	œ	12 007	œ ·	15 740	¢ 22.7F0	¢ 75	· •	126.074	e 4	602 422	1 /600	2,433)	1/	
46 8081 47 8082		\$ (41, (538.		\$ 379,580 (143.331)		106,294 (46,720)	\$ (150.74)	- \$ 7)	2,517 (67.523)	\$ 2,65 (173,55		52,781 (112,268)	\$ (13,087 (180,486)		15,742 96.989)	\$ 23,758 1.472.766			136,974 (513,251)		692,433 985.013)		2,433) 5.013	1/ :	
48				\$ 236,249		59,575	\$ (150,74)					(59,487)		167,399)			\$ 1,496,525			(376,277)		292,580)		2,580		-
		, -,	,		-				/	, ,	, .	,			,	. ,		,		,		. ,				

49 Gas used in utility operations

LINE FERC NO. ACCT.:	# DESCRIPTION	JAN 2018	FEB 2018	MAR 2018 (e)	APR 2018 (f)	MAY 2018	JUN 2018	JUL 2018	AUG 2018 (i)	SEP 2018	OCT 2018 (I)	NOV 2018	DEC 2018	TOTAL PER BOOKS	ADJ.	FOOTNOTE	TOTAL AS ADJUSTED
(a)	(b)	(c)	(d)	(e)	(1)	(g)	(h)	(i)	(I)	(k)	(1)	(m)	(n)	(o)	(p)	(q)	(r)
50 810 51 811	Gas used for comp. station fuel Gas used for products extraction	\$ (114,623)	\$ (191,001)	\$ (271,333)	\$ (92,977) \$	(271,096)	\$ (158,912)	\$ (65,792)	\$ (50,931) \$	(130,447)	(114,773)	\$ (163,477) \$	(245,173)	\$ (1,870,534)	\$ 1,870,534	1/ \$	-
52 812	Gas used for other utility operations	(24,068)	(1,931)	(34,187)	(9,675)	(6,072)	(16,277)	(2,546)	(8,160)	(11,822)	(6,212)	(19,461)	(8,437)	(148,849)	148,849	1/	<u> </u>
53	Total Gas Used in Utility Operations	\$ (138,691)	\$ (192,932)	\$ (305,521)	\$ (102,652) \$	(277,168)	\$ (175,188)	\$ (68,338)	\$ (59,091) \$	(142,269)	(120,985)	\$ (182,938) \$	(253,610)	\$ (2,019,383)	\$ 2,019,383	\$	-
54 Other E	xpenses																
55 813		\$ - \$ -	\$ -	\$ -	\$ - \$ \$ - \$	-	\$ - \$ -	\$ - 9 \$ - 9	- S - S	5 - : 5 - :	-	\$ - \$	-	\$ -	\$ -	\$	
56	Total Other Expenses	\$ -	\$ -	\$ -	\$ - \$	-	\$ -	\$ - 9	- 9	- :	-	\$ - \$	-	\$ -	\$ -	\$	-
57	Total Other Gas Supply Expense	\$ (62,656)	\$ (19,067)	\$ (268,892)	\$ (102,652) \$	(274,651)	\$ (172,535)	\$ (60,627)	\$ (46,003) \$	(126,527)	(97,226)	\$ (182,863) \$	(128,550)	\$ (1,542,248)	\$ 1,542,248	\$	-
58 Total P	roduction Expenses	\$ (62,656)	\$ (19,067)	\$ (268,892)	\$ (102,652) \$	(274,651)	\$ (172,535)	\$ (60,627)	\$ (46,003) \$	(126,527)	(97,226)	\$ (182,863) \$	(128,550)	\$ (1,542,248)	\$ 1,542,248	\$	<u>-</u>
59 Storage	e Expenses																
60	Operation						_		_							_	
61 814 62 815	Supervision and engineering Maps and records	\$ 32,894	\$ 29,942	\$ 31,927	\$ 32,298 \$	39,639	\$ 30,505	\$ 31,931	\$ 32,837 \$	28,770	32,613	\$ 32,030 \$	31,541	\$ 386,927	\$ -	\$	386,927
63 816	Wells expenses	5,186	1,235	1,086	1,014	16,042	994	8,672	32,615	76,530	2,753	103,651	39,805	289,583	29,014	3/	318,597
64 817	Lines expenses	34,655	18,433	46,737	28,011	30,369	36,323	47,046	63,900	56,326	46,285	43,508	41,661	493,253	(148,849)	2/	344,404
65 818 66 819	Compressor station expenses Compressor station fuel & power	103,360 114,623	113,928 191,001	185,193 271,333	167,849 92,977	170,156 271,096	113,932 158,912	71,568 65,792	82,540 50,931	107,629 130,447	152,949 114,773	143,692 163,477	137,618 245,173	1,550,414 1,870,534	155,341 (1,870,534)	3/ 2/	1,705,755
67 820	Measuring and regulation station ex		15	5	71	364	3	-	8	73	16,003	4	796	17,556	(1,070,004)	2	17,556
68 821	Purification expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-
69 823 70 824	Gas losses Other expenses	13,893	13,505	13,452	11,664	12,897	- 12,171	10,753	11,895	11,525	8,548	10,312	11,375	- 141,992	-		- 141,992
71 826	Rents	· -	· -		· -	· -		· -	· -	· -		-	· -		-		· -
72	Total Operation	\$ 304,825	\$ 368,059	\$ 549,734	\$ 333,883 \$	540,564	\$ 352,841	\$ 235,762	\$ 274,725 \$	411,299	373,924	\$ 496,673 \$	507,969	\$ 4,750,259	\$ (1,835,028)	\$	2,915,231
73	Maintenance																
74 830	Supervision and engineering	\$ 5,458	\$ 4,972	\$ 4,632	\$ 5,014 \$	4,365	\$ 3,217	\$ 2,658	, , , , , ,	, ,	4,221	\$ 2,410 \$	2,805	\$ 43,493	\$ -	\$	
75 831 76 832	Structures and improvements Maintenance of wells	2,693	4.493	2.449	2,367	89.818	136,120	34,891	35,625	15,772	3.247	2,579	19,976 2,495	19,976 332,551	33,319	3/	19,976 365,870
77 833	Maintenance of lines	3,267	2,422	2,515	2,568	11,454	15,379	7,481	156,233	4,261	75,101	12,222	2,969	295,871	-	-	295,871
78 834	Compressor station equipment	66,302	149,978	136,778	253,579	153,750	125,123	103,421	116,682	89,766	515,503	191,029	136,308	2,038,220	204,216	3/	2,242,436
79 835 80 836	Measuring and regulation station Maintenance of purification equip.	1,856	1,658	1,771	1,237	3,304	3,481 -	972	10,817	1,697	16,838	37,518	(35,249)	45,900			45,900 -
81 837	Maintenance of other equipment	4,818	2,500	1,438	2,274	808	1,592	1,234	1,099	2,642	2,631	1,286	1,085	23,407	-		23,407
82 8472 83 8477		-	-	-	-	-	-	-	-	-	-	-	-	-	-		-
83 8477 84	Communication equipment Total Maintenance	\$ 84,394	\$ 166,025	\$ 149,583	\$ 267,038 \$	263,500	\$ 284,912	\$ 150,657	\$ 322,956 \$	115,381	617,541	\$ 247,045 \$	130,388	\$ 2,799,418	\$ 237,535	\$	3,036,953
85 Total S	torage Expenses	\$ 389.219	\$ 534.084	\$ 600 317	\$ 600,921 \$	804.064	¢ 637 753	\$ 386./10	¢ 507.681 ¢	5 526,680 5	991.466	\$ 743,718 \$	638 356	\$ 7,549,677	\$ (1 507 / 03)	•	5,952,184
03 Iolai 3	itorage Expenses	φ 309,219	ŷ 334,004	φ 099,317	φ 000,321 φ	004,004	\$ 037,733	φ 300,419 ·	φ 397,001 q	320,000	331,400	φ 743,710 φ	030,330	\$ 1,349,011	φ (1,397,493)	Ψ	3,932,104
	ission Expenses																
87 88 850	Operation Supervision and engineering	\$ -	\$ -	\$ -	s - s	_	\$ -	\$ - 9	6 - 9			s - s		\$ -	s -	\$	_
89 851	System control and load dispatching	*	-	· -	-	-	-	-	-	· - '	-	· ·	-	-	-	Ψ	-
90 852	Communication system expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-
91 853 92 854	Compressor station labor and exper Gas for compressor station fuel	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-
93 855	Other fuel and power for compressor	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-
94 856	Mains expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-
95 857 96 858	Measuring and regulation station ex Transmission and comp of gas by o		-	-	-	-	-	-	-	-	-	-	-	-	-		-
97 859	Other expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-
	•																

LINE FERC NO. ACCT. # DESCRIPTION	JAN 2018	FEB 2018		APR MAY 2018 2018	JUN 2018	JUL 2018	AUG 2018	SEP 2018	OCT 2018	NOV DE 2018 201		ADJ.		TOTAL AS ADJUSTED
(a) (b)	(c)	(d)	(e)	(f) (g)	(h)	(i)	(j)	(k)	(1)	(m) (n	(0)	(p)	(q)	(r)
98 860 Rents 99 Total Operation	\$ -	\$ -	\$ - \$	- \$	- \$ -	\$ - \$	- \$	- \$	- \$	- 5 - \$	- \$ -	\$ -	\$	
100 Maintenance 101 861 Supervision and engineering 102 862 Structures and improvements	\$ -	\$ - -	\$ - \$	- \$ -	- \$ -	\$ - \$ -	- \$ -	S - \$ -	- \$	s - \$ -	- \$ - 	\$ -	\$	-
103 863 Mains 104 864 Compressor station equipment 105 865 Measuring and regulation station 106 866 Communication equipment 107 867 Other equipment	- - -	- - -	- - - -	- - -		- - - -	- - -	- - -	- - -	: :		- - -		- - - -
107 867 Other equipment 108 Total Maintenance	\$ -	\$ -	\$ - \$	- \$	- \$ -	\$ - \$	- \$	5 - \$	- \$	- \$	- \$ -	\$ -	\$	
109 Total Transmission Expenses	\$ -	\$ -	\$ - \$	- \$	- \$ -	\$ - \$	- \$	- \$	- \$	- \$	- \$ -	\$ -	\$	
110 Customer Accounts 111 901 Supervision 112 903 Customer records & collections	\$ -	\$ -	\$ - \$ -	- \$ -	- \$ -	\$ - \$	- \$ -	s - \$ -	- \$	s - \$ -	- \$ -	\$ -	\$	-
113 904 Uncollectable accounts 114 Total Customer Accounts	\$ -	\$ -	\$ - \$	- \$	- \$ -	\$ - \$	- \$	- S - \$	- \$	- \$	- \$ -	\$ -	\$	-
115 Customer Serv. & Informational 116 907 Supervision 117 908 Customer assistance expense 118 909 Informational & instructional adverti 119 Total Customer & Information	\$ - i <u> </u>	\$ - - - \$ -	\$ - \$ - - - \$ - \$	- \$ - - - - \$	- \$ - 	\$ - \$ - - - \$ - \$	- -	- -	- '	- -	- \$ - 	· -	\$	- - -
120 Sales 121 911 Supervision 122 912 Demonstration & selling 123 913 Advertising expenses 124 916 Miscellaneous sales expense 125 Total Sales	\$ - - - - - -	- - -	\$ - \$ - - - - -	- \$ - - - - \$	- \$ - 	\$ - \$ - - - \$ - \$	- - -	- - -	- '	- - -	- \$ - 	·	\$	- - - - -
126 Administrative and General 127 920 Administrative and general salaries	\$ 58,628	\$ 52,623	\$ 39,854 \$	53,401 \$ 59,0	08 \$ 35,070	\$ 55,250 \$	64,515 \$	24,609 \$	64,811 \$	70,847 \$ 2	5,737 \$ 604,352		4/ \$	635,770
128 921 Office supplies and expenses 129 922 Administrative expenses transferred 130 923 Outside services employed 131 924 Property insurance 132 925 Injuries and damages 133 926 Employee pensions and benefits 134 927 Franchise requirements	3,873 42,466 3,664 6,143 38,296	5,063 - 5,155 3,664 6,143 85,070	1,169 - 6,182 3,664 6,238 22,245	175 4,172 6,5 3,664 3,3 6,143 6,3 34,286 37,4	89 4,292 70 3,370 49 6,149	7,665 - 6,178 3,370 6,149 34,693	1,593 - 6,799 3,336 5,077 35,092	481 - 4,695 3,335 5,077 27,111	673 - 7,411 3,336 5,077 39,113	- 8,469 3,336 5,077	9,226) 21,366 	- - - - -		21,366 - 109,605 40,823 65,906 410,203
 135 928 Regulatory commission expenses Duplicate charges - credit 137 9301 General advertising expenses 138 9302 Miscellaneous general expenses 	4,281 - - 6,470	4,281 - - - 6,941	4,281 - - 1,364	4,281 4,2 - - 7,108 7,3	- - 86 (2,611)	4,281 - - 6,157	4,281 - - 5,132	4,281 - - (4,254)	4,347 - 6,458	- - 5,821 (1	4,347 51,568 	-		51,568 - - - 35,691
139 931 Rents 140 935 Maintenance of general plant 141 Total A&G	6,756 \$ 170,576	6,733 - \$ 175,671	6,730 - \$ 91,725 \$	6,724 6,6 - 119,951 \$ 131,3		6,744 - \$ 130,487 \$	6,800 - 132,623 \$	6,726	6,692 - 137,917 \$	-	2,813 78,576 0,619 \$ 1,418,090	- - \$ 31,418	\$	78,576 - 1,449,508
142 Total Gas Operating expenses											0,426 \$ 7,425,519		\$	

BEAR CREEK STORAGE COMPANY, L.L.C. OPERATION AND MAINTENANCE EXPENSES TWELVE MONTHS ENDED DECEMBER 31, 2018 PER BOOKS AND AS ADJUSTED EXPLANATION OF ADJUSTMENTS

LINE	FERC		ADJUSTMENT NO./	ΑĽ	JUSTMENT
NO.	ACCT.#	FERC ACCOUNT DESCRIPTION	FOOTNOTE		AMOUNT
	(A)	(B)	(C)		(D)
1	805	Other gas purchases	1/	\$	(769,715)
2	8081	Gas withdrawn from storage	1/	\$	(692,433)
3	8082	Gas delivered to storage	1/	\$	985,013
4	810	Gas used for comp. station fuel	1/	\$	1,870,534
5	812	Gas used for other utility operations	1/	\$	148,849
6		Total		\$	1,542,248
7		- Reflects adjustments to eliminate cost of purchas	sed gas and		
8		gas used from operation and maintenance expens	ses		
9	817	Lines expenses	2/	\$	(148,849)
10	819	Compressor station fuel & power	2/	\$	(1,870,534)
11		Total		\$	(2,019,383)
12		- Reflects adjustments to eliminate fuel expenses f	from operation		
13		and maintenance expenses			
14	816	Wells expenses	3/	\$	29,014
15	818	Compressor station expenses	3/	\$	155,341
16	832	Maintenance of wells	3/	\$	33,319
17	834	Compressor station equipment	3/	\$	204,216
18		Total		\$	421,890
19		- Reflects adjustments to account for bugeted incre	ease in		
20		operation and maintenance expenses			
21	920	Administrative and general salaries	4/	\$	31,418
22		- Reflects adjustment to account for merit pay incre	ease		
23		Total Adjustments		\$	(23,827)

LINE NO.	ACCT.#	DESCRIPTION	JA 20		FEB 2018	MAR 2018	APR 2018	MAY 2018			JUL 2018	AU0 201		SEP 2018	OCT 2018	NOV 2018	DEC 2018	TOTAL PER BOO		FOOTNOTE	TOTAL AS ADJUSTED
	(a)	(b)	(0	:)	(d)	(e)	(f)	(g)	(h)	(i)	(j)		(k)	(I)	(m)	(n)	(0)	(p)	(p)	(r)
1	Production E																				
2		ural Gas Prod. & Gath. Exp	\$	- \$	-	\$ -	\$ -	\$	- \$	- \$	-	\$	- \$	-	\$ -	\$	- \$	- \$	- \$	-	\$ -
3 4	Operation	and Carinassian	\$	•		¢.	•	æ	•	•		œ	œ		e	æ	œ.	œ.	œ.		¢.
5		pervision and Engineering duction maps and records	Ф	- \$	-	\$ -	\$ -	\$	- 3	- ⊅	_	Þ	- \$	-	\$ -	\$	- \$	- \$	- \$	-	\$ -
6		Id lines expenses		-						-	-			-					-	-	_
7		ld compressor station expenses		-	_	-	-			-	-		-	-	_	_	-		-	-	_
8		ld compressor sta fuel and power		-	-	-	-			-	-		-	-	-	-	-		-	-	-
9	756 Fie	ld meas and regulating station exp		-	-	-	-			-	-		-	-	-	-	-		-	-	-
10		ification Expenses		-	-	-	-			-	-		-	-	-	-	-		-	-	-
11		er expenses		-	-	-	-			-	-		-	-	-	-	-		-	-	-
12 13	760 Re	nts al Operation	•	- \$	-	\$ -	\$ -	\$	- \$	- \$		\$	- \$		<u>-</u> \$ -	\$	- \$	- \$	- \$	-	\$ -
14	Maintenance		Þ	- Þ	-	Φ -	φ -	Φ	- ə	- φ	_	Ф	- ф	-	Φ -	Ф	- ф	- ф	- Ф	-	Φ -
15		pervision and engineering	\$	- \$	_	\$ -	\$ -	\$	- \$	- \$	_	\$	- \$	_	\$ -	\$	- \$	- \$	- \$	_	\$ -
16		uctures and improvements	•	- *	-	-		٠.	. •	- *	-	•		-	٠.	٠.	٠.		- *	-	
17	764 Fie			-	-	-	-			-	-		-	-	-	-	-		-	-	-
18		ld compressor station equipment		-	-	-	-			-	-		-	-	-	-	-		-	-	-
19		ld meas and regulating station exp		-	-	-	-			-	-		-	-	-	-	-		-	-	-
20		ification expenses	_	-	-	-	-	Φ.	•	-	-	•	-	-	-	-		•	-	-	-
21	10	al Maintenance	\$	- \$	-	\$ -	\$ -	\$	- \$	- \$	-	\$	- \$	-	ъ -	\$	- \$	- \$	- \$	-	\$ -
22	To	al Natural Gas Prod	\$	- \$	-	\$ -	\$ -	\$	- \$	- \$	-	\$	- \$	-	\$ -	\$	- \$	- \$	- \$	-	\$ -
23	Products and	Extraction Expenses																			
24	Operation			_		_	_	_		_		_	_		_	_	_	_	_		_
25 26		s shrinkage	\$	- \$	-	\$ -	\$ -	\$	- \$	- \$	-	\$	- \$	-	\$ -	\$	- \$	- \$	- \$	-	\$ -
26 27		s processed by others al Operation	\$	- \$		\$ -	\$ -	\$	- \$	- \$		\$	- \$		\$ -	\$	- \$	- \$	- \$	-	\$ -
28		is Extraction Ex	\$	- \$				\$	- \$	- \$		\$	- \$	-		\$	- \$	- \$	- \$	-	\$ -
29	Purchased G	as Evnonsos																			
30	Purchased G																				
31		ural gas well head purchases	\$	- \$	_	\$ -	\$ -	\$	- \$	- \$	_	\$	- \$	_	\$ -	\$	- \$	- \$	- \$	-	\$ -
32		tural gas field line purchases		- '	-	-	-	٠.		- '	-		- '	-	-	-	-		-	-	-
33		ural gas gasoline plant outlet purch.		-	-	-	-			-	-		-	-	-	-	-		-	-	-
34		ural gas transmission line purch.		-	-	-	-			-	-		-	-	-	-	-		-	-	-
35		er gas purchases		-	-	-	-			-	-		-	-	-	-	-		-	-	-
36 37		chased gas cost adjustment change gas		-	-	-	-			-	-		-	-	-	-	-		-	-	-
38		usted purchased gas cost		-						-	-			-					-	-	_
39		al Purchased Gas	\$	- \$	-	\$ -	\$ -	\$	- \$	- \$	-	\$	- \$	-	\$ -	\$	- \$	- \$	- \$	-	\$ -
40	807 Pu	chased gas expenses	\$	- \$	_	\$ -	\$ -	\$	- \$	- \$	_	\$	- \$	_	\$ -	\$	- \$	- \$	- \$	-	\$ -
41		erations of meter stations	•	-	_	-	-	Ψ.	. •	- *	-	•	-	-	-	-	-		-	-	-
42	807.3 Ma	intenance of meter stations		-	-	-	-			-	-		-	-	-	-	-		-	-	-
43		culation expenses		-	-	-	-			-	-		-	-	-	-	-		-	-	-
44		er expenses		-	-		<u> </u>			-	-		-	-						-	
45	To	al Purchased Gas expenses	\$	- \$	-	\$ -	\$ -	\$	- \$	- \$	-	\$	- \$	-	\$ -	\$	- \$	- \$	- \$	-	\$ -
46		s withdrawn from storage	\$	- \$	-	\$ -	\$ -	\$	- \$	- \$	-	\$	- \$	-	\$ -	\$	- \$	- \$	- \$	-	\$ -
47 48		s delivered to storage	\$	- \$	-	\$ -	\$ -	\$	- \$	- \$		\$	- \$	-	\$ -	\$	- \$	- \$	- \$	<u>-</u>	<u>-</u>
48	10	al - Net	Φ	- \$	-	φ -	φ -	Φ	- ф	- \$	-	Φ	- ф	-	φ -	Φ	- φ	- p	- ф	-	φ -
49	Gas used in	utility operations																			
50		s used for comp. station fuel	\$	- \$	-	\$ -	\$ -	\$	- \$	- \$	-	\$	- \$	-	\$ -	\$	- \$	- \$	- \$	-	\$ -
51		s used for products extraction		-	-	-	-			-	-		-	-	-	-	-		-	-	-
52	812 Ga	s used for other utility operations		-	-	-	-		·	-	-		-	-	-	-	-		-	-	

LINE NO.	ACCT. #	DESCRIPTION	-	JAN 2018	FEB 2018		MAR 2018	APR 2018		MAY 2018	JUN 2018	-	JUL 2018	AUG 2018		SEP 2018	OC 201		NOV 2018	DE 20	-	TOTA		ADJ	F	OOTNOTE	TOTA ADJU:	
	(a)	(b)		(c)	(d)		(e)	(f)		(g)	(h)		(i)	(j)		(k)	(I)	1	(m)	(r		(o)		(p)		(q)	(r	
53		Total Gas Used in Utility Operations	\$	-	\$	- \$	- (\$	- \$	-	\$	- \$	-	\$	- (\$ -	\$	- 9	\$ -	\$	-	\$	-	\$	-		\$	-
54	Other Exp	enses																										
55		Other gas supply expenses	\$	-	\$	- \$	- (\$	- \$	-	\$	- \$	- 3	\$	- (\$ -	\$	- (\$ -	\$	-	\$	-	\$	-		\$	
56	•	Total Other Expenses	\$	-	\$	- \$	- :	\$	- \$	-	\$	- \$	-	\$	- ;	\$ -	\$	- (\$ -	\$	-	\$	-	\$	-		\$	-
57		Total Other Gas Supply Expense	\$	-	\$	- \$	- ;	\$	- \$	-	\$	- \$	-	\$	- ;	\$ -	\$	- (\$ -	\$	-	\$	-	\$	-		\$	-
58	Total Prod	luction Expenses	\$	-	\$	- \$	- 5	\$	- \$	-	\$	- \$	-	\$	- (\$ -	\$	- (\$ -	\$	-	\$	-	\$	-		\$	
59	Storage E	xnenses																										
60		Operation																										
61		Supervision and engineering	\$	30,027	\$ 27.16	2 \$	29.799	\$ 28,88	4 \$	30,646	\$ 27.	956 \$	28.911	\$ 30,0	62 9	\$ 26,586	\$ 30	.267 9	29.214	\$ 29	9,612	\$ 349	.724	S	_		\$ 34	19,724
62		Maps and records	Ψ	-	,	- 4	-	ψ <u>2</u> 0,00	. •	-	Ψ =.,	- -	- 20,0	Ψ 00,	-	- 20,000	Ψ 00	-		Ψ =	-	Ψ 0.0	-	Ψ	_		Ψ 0	-
63		Wells expenses		1.154	99	7	1,050	1.01	4	1,225		994	1.072	1:	241	974	1	,097	1.105		1,069	12	.992		_		1	12.992
64		Lines expenses		7,489	6,61		8,303	10,02		10,712		155	4,510		320	5,709		,859	5,948		3,660		,301		_			91,301
65		Compressor station expenses		59,923	50.42		48.779	45.68		50,962		873	41.945	30,		35,707		.156	49.196		0,867		,713		-			14,713
66		Compressor station fuel & power		-	-		-	-		-		-	-		-	-		-	-		-		-		-			-
67		Measuring and regulation station ex.		214	1	5	5	6	9	364		3	-		8	72		3	4		149		907		-			907
68		Purification expenses			_		-			-		-	_		-			-			-		-		-			-
69		Gas losses		-	_		-	_		_		_	_		-	-		_	_		_		-		-			_
70		Other expenses		-	_		-	_		_		_	_		-	-		_	_		_		-		_			_
71	826			-	_		-	_		-		-	-		-	-		-	-		-		-		-			-
72		Total Operation	\$	98,808	\$ 85,20	6 \$	87,936	\$ 85,67	7 \$	93,909	\$ 77,	982 \$	76,438	\$ 71,	126	\$ 69,047	\$ 87	,383 \$	85,468	\$ 80	0,357	\$ 999	,637	\$	-		\$ 99	99,637
73		Maintenance																										
74	830	Supervision and engineering	\$	5,334	\$ 4,76	55 \$	4,530	\$ 5,01	4 \$	4,365	\$ 3,	217 \$	2,658	\$ 2,	199 \$	\$ 1,242	\$ 4	,221 \$	2,410	\$ 2	2,805	\$ 43	,060	\$	-		\$ 4	43,060
75		Structures and improvements		-	-		-	-		-		-	-		-	-		-	-		-		-		-			-
76		Maintenance of wells		2,693	2,32		2,449	2,36		2,858		320	2,501		395	2,272		,560	2,579		2,495		,317		-			30,317
77	833	Maintenance of lines		3,046	2,42	22	2,514	2,34	9	2,936		107	5,153		045	2,354		,063	2,843		2,785	35	,616		-		3	35,616
78		Compressor station equipment		40,245	35,80		42,613	25,96		40,736		590	34,940	38,0		34,539		,063	51,017		1,795		,923		-			73,923
79		Measuring and regulation station		1,856	1,65	8	1,771	1,23	6	2,227		442	991	2,0)22	1,697	1	,451	926	•	1,343	17	,619		-		1	17,619
80		Maintenance of purification equip.		-	-		-	-		-		-	-		-	-		-	-		-		-		-			-
81		Maintenance of other equipment		-	-		-	-		-		-	-		-	-		-	-		-		-		-			-
82		Mat. & Parts/LNGTPE/Comp St. Lab		-	-		-	-		-		-	-		-	-		-	-		-		-		-			-
83		Maintenance Supervision & Engineering		-	-		-	-		-		-	-		-	-		-	-		-		-		-			
84		Total Maintenance	\$	53,174	\$ 46,97	9 \$	53,878	\$ 36,92	8 \$	53,122	\$ 42,	676 \$	46,244	\$ 49,0	075 \$	\$ 42,104	\$ 65	,358 \$	59,775	\$ 5	1,222	\$ 600	,535	\$	-		\$ 60	00,535
85	Total Stora	age Expenses	\$	151,981	\$ 132,18	85 \$	141,814	\$ 122,60	5 \$	147,031	\$ 120,	658 \$	122,682	\$ 120,	501 \$	111,151	\$ 152	,740 \$	145,243	\$ 13	1,579	\$ 1,600	,172	\$	-		\$ 1,60	00,172
86		ion Expenses																										
87		Operation																										
88		Supervision and engineering	\$	-	\$	- \$	- ;	\$	- \$	-	\$	- \$	-	\$	- ;	\$ -	\$	- 5	\$ -	\$	-	\$	-	\$	-		\$	-
89		System control and load dispatching		-	-		-	-		-		-	-		-	-		-	-		-		-		-			-
90		Communication system expenses		-	-		-	-		-		-	-		-	-		-	-		-		-		-			-
91	853	Compressor station labor and expense		-	-		-	-		-		-	-		-	-		-	-		-		-		-			-

LINE NO.	ACCT. #	DESCRIPTION	JAN 2018		EB 2018	MAR 2018	APR 2018	MAY 2018	JUI 201		JUL 2018	AUG 2018	SEF 2018			OV 018	DEC 2018	TOTAL PER BOOK	S ADJ	FOOTNOTE	TOTAL AS ADJUSTED
	(a)	(b)	(c)		(d)	(e)	(f)	(g)	(h)		(i)	(j)	(k)	(I)	m)	(n)	(0)	(p)	(q)	(r)
92	854 G	as for compressor station fuel	-	-	-	-	-	-		-	-	-		-	-	-	-		-	-	-
93	855 O	ther fuel and power for compressors	-	-	-	-	-	-		-	-	-		-	-	-	-		-	-	-
94	856 M	ains expenses	-	-	-	-	-	-		-	-	-		-	-	-	-		-	-	-
95	857 M	easuring and regulation station ex.	-	-	-	-	-	-		-	-	-		-	-	-	-		-	-	-
96	858 Ti	ransmission and comp of gas by others	-	-	-	-	-	-		-	-	-		-	-	-	-		-	-	-
97		ther expenses	-	-	-	-	-	-		-	-	-		-	-	-	-		-	-	-
98	860 R	ents		-	-	-	-	-		-	-	-		-	-	-	-		-	-	
99	To	otal Operation	\$	- \$	- (\$ -	\$ -	\$	- \$	- \$	-	\$	- \$	- \$	- \$	- \$		- \$	- \$	-	\$ -
100	M	aintenance																			
101	861 S	upervision and engineering	\$	- \$	- (\$ -	\$ -	\$	- \$	- \$	-	\$	- \$	- \$	- \$	- \$		- \$	- \$	-	\$ -
102	862 S	tructures and improvements	-	-	-	-	-	-		-	-	-		-	-	-	-		-	-	-
103	863 M	ains	-	-	-	-	-	-		-	-	-		-	-	-	-		-	-	-
104		ompressor station equipment	-	-	-	-	-	-		-	-	-		-	-	-	-		-	-	-
105	865 M	easuring and regulation station	-	-	-	-	-	-		-	-	-		-	-	-	-		-	-	-
106		ommunication equipment	-	-	-	-	-	-		-	-	-		-	-	-	-		-	-	-
107		ther equipment		-	-	-	-			-	-			-	-	-	-		-	-	-
108	Te	otal Maintenance	\$	- \$	- 9	\$ -	\$ -	\$	- \$	- \$	-	\$	- \$	- \$	- \$	- \$		- \$	- \$	-	\$ -
109	Total Trans	mission Expenses	\$	- \$	- (\$ -	\$ -	\$	- \$	- \$	-	\$	- \$	- \$	- \$	- \$		- \$	- \$	-	\$ -
110	Customer A	ccounts																			
111		upervision	\$	- \$	- 9	\$ -	\$ -	\$	- \$	- \$	-	\$	- \$	- \$	- \$	- \$		- \$	- \$	-	\$ -
112		ustomer records & collections		-	-	-	-			-	-	-		-	-	-	-		-	-	-
113		ncollectable accounts	-	-	-	-	-	-		-	-	-		-	-	-	-		-	-	-
114	Total Custo	mer Accounts	\$	- \$	- (\$ -	\$ -	\$	- \$	- \$	-	\$	- \$	- \$	- \$	- \$		- \$	- \$	-	\$ -
115	Customer S	Serv. & Informational																			
116		upervision	\$	- \$	- (\$ -	\$ -	\$	- \$	- \$	-	\$	- \$	- \$	- \$	- \$		- \$	- \$	-	\$ -
117		ustomer assistance expense	-	-	-	-	-	-		-	-	-		-	-	-	-		-	-	-
118		formational & instructional advertising				-	<u> </u>			-	-					-	-			-	
119	Total Custo	mer & Information	\$	- \$	- (\$ -	\$ -	\$	- \$	- \$	-	\$	- \$	- \$	- \$	- \$		- \$	- \$	-	\$ -
120	Sales																				
121		upervision	\$	- \$	- (\$ -	\$ -	\$	- \$	- \$	-	\$	- \$	- \$	- \$	- \$		- \$	- \$	-	\$ -
122		emonstration & selling	-	-	-	-	-	-		-	-	-		-	-	-	-		-	-	-
123		dvertising expenses	-	-	-	-	-	-		-	-	-		-	-	-	-		-	-	-
124		iscellaneous sales expense			-	-	-			-	-			<u>- </u>		-	-			-	
125	Total Sales		\$	- \$	- (\$ -	\$ -	\$	- \$	- \$	-	\$	- \$	- \$	- \$	- \$		- \$	- \$	-	\$ -
126	Administrati	ve and General																			
127	920 A	dministrative and general salaries	\$ 58,6	528 \$	52,623	39,854	\$ 53,401	\$ 59,00	08 \$ 35	,070 \$	55,250	\$ 64,5	15 \$ 24,	609 \$ 64	1,811 \$ 7	0,847 \$	25,73	7 \$ 604,35	2 \$ 31,41	3 4/	\$ 635,770
128	921 O	ffice supplies and expenses	-	-	-	-	-	-		-	-	-		-	-	-	-		-	-	-
129	922 A	dministrative expenses transferred	-	-	-	-	-	-		-	-	-		-	-	-	-		-	-	-
130	923 O	utside services employed	-	-	-	-	-	-		-	-	-		-	-	-	-		-	-	-
131	924 P	roperty insurance	-	-	-	-	-	-		-	-	-		-	-	-	-		-	-	-
132		juries and damages	-	-	-	-	-	-		-	-	-		-	-	-	-		-	-	-
133		mployee pensions and benefits	-	-	51,006	(11,387)	-	-		-	-	-		-	-	-	-	39,62	0	-	39,620
134		ranchise requirements	-	-	-	-	-	-		-	-	-		-	-	-	-		-	-	-
135		egulatory commission expenses	-	-	-	-	-	-		-	-	-		-	-	-	-		-	-	-
136		uplicate charges - credit	-	-	-	-	-	-		-	-	-		-	-	-	-		-	-	-
137	930.1 G	eneral advertising expenses	-	-	-	-	-	-		-	-	-		-	-	-	-		-	-	-

Docket No. RP19-51 Schedule H-1 (1)(a) (Working Papers) With Test Period

LINE NO.	ACCT. #	DESCRIPTION	JAN 2018	FEB 2018	MAR 2018	APR 2018	MAY 2018	JUN 2018	JUL 2018	AUG 2018	SEP 2018	OCT 2018	NOV 2018	DEC 2018	TOTAL PER BOOKS	ADJ	FOOTNOTE	TOTAL AS	
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(1)	(m)	(n)	(o)	(p)	(q)	(r)	_
138	930.2 Miscella	neous general expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-	
139	931 Rents		-	-	-	-	-	-	-	-	-	-	-	-	-	-		-	
140	935 Mainten	ance of general plant	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-	
141	Total A&G		\$ 58,628	\$ 103,629	\$ 28,467	\$ 53,401	\$ 59,008	\$ 35,070	\$ 55,250	\$ 64,515	\$ 24,609	\$ 64,811	\$ 70,847	\$ 25,737	\$ 643,972	\$ 31,418		\$ 675,390	_
142	Total Gas Operati	ng expenses	\$ 210,609	\$ 235,814	\$ 170,281	\$ 176,006	\$ 206,039	\$ 155,728	\$ 177,932	\$ 185,016	\$ 135,761	\$ 217,551	\$ 216,090	\$ 157,316	\$ 2,244,144	\$ 31,418		\$ 2,275,562	<u>. </u>

LINE NO.	ACCT.#	DESCRIPTION	JAN 2018	FEB 2018	MAR 2018	APR 2018	MAY 2018	JUN 2018	JUL 2018	AUG 2018	SEP 2018	OCT 2018	NOV 2018	DEC 2018	TOTAL PER BOOK	S ADJ	TOTAL AS FOOTNOTE ADJUSTED
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(I)	(m)	(n)	(o)	(p)	(q) (r)
1	Production Ex	penses															
2	Natu	ural Gas Prod. & Gath. Exp	\$ -	\$ -	. \$ - \$	- \$	-	\$ - 5	\$ -	\$ -	\$ - \$	-	\$ - \$		- \$. \$	- \$
3	Operation																
4	750 Sup	ervision and Engineering	\$ -	\$ -	. \$ - \$	- \$	-	\$ - 9	5 -	\$ -	\$ - \$	-	\$ - \$		- \$	- \$	- \$
5	751 Prod	duction maps and records	-	-	-	-	-	-	-	-	-	-	-	-			-
6	753 Field	d lines expenses	-	-	-	-	-	-	-	-	-	-	-	-			-
7	754 Field	d compressor station expenses	-	-	-	-	-	-	-	-	-	-	-	-			-
8		d compressor sta fuel and power	-	-	-	-	-	-	-	-	-	-	-	-			-
9		d meas and regulating station exp	_	_	_	-	_	_	_	_	_	_	-	-			-
10		fication Expenses	_	_	_	_	_	_	-	_	_	_	_				-
11		er expenses	_	_	-	_	_	_	_	_	_	_	_				
12	760 Ren			_							_						_
13		al Operation	\$ -	· \$ ·	- \$ - \$	- \$		\$ - :	ŧ -	\$ -	\$ - \$		\$ - \$		- \$. \$	- \$
14	Maintenance	a operation	Ψ	Ψ	Ψ	, ψ		Ψ ,	•	Ψ	Ψ		Ψ		Ψ	Ψ	Ψ
15		ervision and engineering	\$ -	· \$. \$ - 9	- \$	_	s - :		s -	s - s	_	s - s		- \$	· \$	- \$
16		etvision and engineering	Ψ	Ψ	- ψ - ψ	- Ψ	_	Ψ - ,	-	Ψ -	Ψ - Ψ	_	Ψ - Ψ		- Ψ	Ψ	- Ψ
			-	-	-	-	-	-	-	-	-	-	-	-			-
17	764 Field		-	-	-	-	-	-	-	-	-	-	-	-		•	-
18		d compressor station equipment	-	-	-	-	-	-	-	-	-	-	-	-		•	-
19		d meas and regulating station exp	-	-	-	-	-	-	-	-	-	-	-	-		•	-
20		fication expenses				· .	-					-					
21	Tota	al Maintenance	\$ -	\$	- \$	- \$	-	\$ - :	5 -	\$ -	\$ - \$	-	\$ - \$		- \$. \$	- \$
22	Tota	al Natural Gas Prod	\$ -	\$	- \$	- \$	-	\$ - :	\$ -	\$ -	\$ - \$	-	\$ - \$		- \$	\$	- \$
23		Extraction Expenses															
24	Operation	1.24	•						•	•						•	•
25		shrinkage	\$ -	\$	• \$ - \$	- \$	-	\$ - :	\$ -	\$ -	\$ - \$	-	\$ - \$		- \$	· \$	- \$
26		processed by others										-		-			
27		al Operation	\$ -	\$	• \$ - \$			\$ - :					\$ - \$			Ψ	- \$
28	Total Products	s Extraction Ex	\$ -	\$	- \$	- \$	-	\$ - :	\$ -	\$ -	\$ - \$	-	\$ - \$		- \$	· \$	- \$
29	Purchased Ga																
30	Purchased Ga																
31		ural gas well head purchases	\$ -	\$.	· \$ - \$	- \$	-	\$ - :	5 -	\$ -	\$ - \$	-	\$ - \$		- \$	· \$	- \$
32	801 Natu	ural gas field line purchases	-	-	-	-	-	-	-	-	-	-	-	-			-
33	802 Natu	ural gas gasoline plant outlet purch.	-	-	-	-	-	-	-	-	-	-	-	-			-
34	803 Natu	ural gas transmission line purch.	-	-	-	-	-	-	-	-	-	-	-	-			-
35	805 Othe	er gas purchases	655,818	(62,384	(22,946)	150,747	67,523	173,551	67,198	180,486	96,989	(1,472,766)	434,163	501,33	769,715	(769,71	5) 1/
36	805.1 Puro	chased gas cost adjustment	-	· -	-	-	-	-	-	-	-		-	-			i .
37	806 Excl	hange gas	-	-	-	-	-	-	-	-	-	-	-	-			-
38		isted purchased gas cost	-	-	-	-	-	-	-	-	-	-	-	-			-
39		al Purchased Gas	\$ 655,818	\$ (62,384) \$ (22,946) \$	5 150,747 \$	67,523	\$ 173,551 \$	67,198	\$ 180,486	\$ 96,989 \$	(1,472,766)	\$ 434,163 \$	501,33	769,715	\$ (769,71	5) \$
40	807 Pur	chased gas expenses	\$ -	\$.	· \$ - \$	- \$	_	\$ - :	s -	\$ -	\$ - \$	_	s - s		- \$	· \$	- \$
41		erations of meter stations	-	-	- ·		-		-	-	- Ψ	-	,	_	Ŧ.		-
42		ntenance of meter stations	_	_	-	_	-	_	-	-	-	-	_	_			_
43		culation expenses	_	_	-	_	-	_	-	-	-	-	_	_			_
44		er expenses	_	_		_					_		_	_			_
45		al Purchased Gas expenses	\$ -	\$.	- \$ - \$	- \$	-	\$ - :	\$ -	\$ -	\$ - \$	-	\$ - \$		- \$	· \$	- \$
		•															
46		withdrawn from storage			\$ 106,294 \$			\$ 2,654 \$									
47		delivered to storage	(538,751			(150,747)	(67,523)		(112,268)	(180,486)	(96,989)	1,472,766	(434,163)	(513,25			
48	Tota	al - Net	\$ (579,782) \$ 236,249	\$ 59,575 \$	(150,747) \$	(65,006)	\$ (170,897)	\$ (59,487)	\$ (167,399)	\$ (81,247) \$	1,496,525	\$ (434,087) \$	(376,27	7) \$ (292,580) \$ 292,58	0 \$
49	Gas used in u	tility operations															
50		used for comp. station fuel	\$ (114,623) \$ (191,001) \$ (271,333) \$	(92,977) \$	(271,096)	\$ (158,912)	(65,792)	\$ (50.931)	\$ (130,447) \$	(114,773)	\$ (163,477) \$	(245,17	'3) \$ (1,870,534) \$ 1.870.53	4 1/ \$
51		used for products extraction	- (,520	, + (.0.,50)	, + (=. 1,000) 4	,σ, ψ	(=: 1,000)	- (,0,0,0,0)	. (,)	. (,,)	- (,···, Ψ	-	- · · · · · · · · · · · · · · · · · · ·	,0, 17	., + (.,0.0,00-	, + .,0.0,00	- · ·
52		used for other utility operations	(24.068	(1.931) (34,187)	(9,675)	(6.072)	(16.277)	(2.546)	(8.160)	(11.822)	(6.212)	(19.461)	(8.43	37) (148.849) 148.84	9 1/
53		al Gas Used in Utility Operations) \$ (192,932				\$ (175,188)					\$ (182,938) \$		0) \$ (2,019,383		
	. 010		+ (,001	, + (,002	, . (,) 4	(:,) V	(=::,:00)	. (,)	. (,0)	. (,)	. (· · - · - · - ·) Ψ	(,,,,,,)	. (,) ¥	(===,0.	-, + (-,,000	, , _,,,,,,,	- -

LINE NO.	ACCT. # DESCRIPTION	JAN 2018	FEB 2018	MAR 2018	APR 2018	MAY 2018	JUN 2018	JUL 2018	AUG 2018	SEP 2018	OCT 2018	NOV 2018	DEC 2018	TOTAL PER BOOKS	ADJ	FOOTNOTE	TOTAL AS ADJUSTED
	(a) (b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(I)	(m)	(n)	(0)	(p)	(q)	(r)
54 55 56	Other Expenses 813 Other gas supply expenses Total Other Expenses	<u>\$ -</u> \$ -	\$ - \$ -	\$ - \$ \$ - \$	<u>-</u>	\$ - \$ \$ - \$	<u>-</u>	\$ - \$ -	\$ - \$ -		\$ - \$ -						
57	Total Other Gas Supply Expense	\$ (62,656)	\$ (19.067)	\$ (268.892)	\$ (102.652)	\$ (274.651)	\$ (172.535)	\$ (60.627)	\$ (46.003)	\$ (126,527) \$	(97.226)	\$ (182,863) \$	(128.550)	\$ (1.542.248)	\$ 1.542.248		\$ -
58	Total Production Expenses									\$ (126,527) \$		\$ (182,863) \$					\$ -
	·	Ψ (02,000)	Ψ (13,007)	ψ (200,002)	ψ (102,002)	Ψ (Σ14,001)	ψ (172,000)	ψ (00,027)	Ψ (40,000)	ψ (120,027) ψ	(01,220)	ψ (102,000) ψ	(120,000)	ψ (1,042,240)	Ψ 1,042,240		Ψ
59 60	Storage Expenses Operation																
61	814 Supervision and engineering	\$ 2,867	\$ 2,780	\$ 2,128	\$ 3,414	\$ 8,993	\$ 2,550	\$ 3,020	\$ 2,175	\$ 2,184 \$	2,346	\$ 2,816 \$	1,929	\$ 37,202	¢ .		\$ 37,202
62	815 Maps and records	φ 2,007	\$ 2,760	φ 2,120	φ 3,414	φ 0,993	\$ 2,550	φ 3,020 -	\$ 2,175	φ 2,104 φ	2,340	φ 2,010 φ	1,525	\$ 37,202	φ -		Φ 37,202
63	816 Wells expenses	4.032	238	36	-	14,818	-	7,600	31,374	75.556	1,656	102.545	38,736	276,591	29,014	3/	305,605
64	817 Lines expenses	27.166	11.822	38.435	17,987	19,657	30.168	42,536	54.580	50.617	38.426	37.559	33,000	401,952	(148,849)	2/	253,103
65		43,437	63,507	136,415	122,162	119,194	71.059	29,623	52,343	71,922	104,793	94,496	96,751	1,005,701	155,341	3/	1,161,042
	818 Compressor station expenses															2/	1,101,042
66	819 Compressor station fuel & power	114,623	191,001	271,333	92,977	271,096	158,912	65,792	50,931	130,447	114,773	163,477	245,173	1,870,534	(1,870,534)	2/	40.040
67	820 Measuring and regulation station ex.	-	-	-	1	-	-	-	-	1	16,000	-	647	16,649	-		16,649
68	821 Purification expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-
69	823 Gas losses	-										-		-	-		
70	824 Other expenses	13,893	13,505	13,452	11,664	12,897	12,171	10,753	11,895	11,525	8,548	10,312	11,375	141,992	-		141,992
71	826 Rents								<u> </u>		<u>-</u>	<u> </u>	-		<u> </u>		
72	Total Operation	\$ 206,017	\$ 282,853	\$ 461,799	\$ 248,206	\$ 446,655	\$ 274,859	\$ 159,324	\$ 203,298	\$ 342,252 \$	286,541	\$ 411,205 \$	427,612	\$ 3,750,621	\$ (1,835,028)		\$ 1,915,593
73	Maintenance																
74	830 Supervision and engineering	\$ 124	\$ 207	\$ 102	\$ -	\$ -	\$ -	\$ -	\$ -	\$ - \$	-	\$ - \$	-	\$ 434	\$ -		\$ 434
75	831 Structures and improvements	-	-	-	-	-	-	-	-	-	-	-	19,976	19,976	-		19,976
76	832 Maintenance of wells	-	2,167	-	-	86,961	133,799	32,390	32,730	13,500	687	-	-	302,234	33,319	3/	335,553
77	833 Maintenance of lines	221	-	0	219	8,518	12,272	2,328	153,188	1,907	72,038	9,380	184	260,255	-		260,255
78	834 Compressor station equipment	26,057	114,171	94,165	227,617	113,014	91,533	68,480	78,068	55,228	461,440	140,012	94,513	1,564,297	204,216	3/	1,768,513
79	835 Measuring and regulation station	· -			0	1,077	3,039	(19)	8,796	0	15,388	36,592	(36,592)	28,281	-		28,281
80	836 Maintenance of purification equip.	-	-	-	-	-	-	-	-	_	-	-	-	-	-		-
81	837 Maintenance of other equipment	4,818	2,500	1,438	2,274	808	1,592	1,234	1,099	2,642	2,631	1,286	1,085	23,406	_		23,406
82	846 Mat. & Parts/LNGTPE/Comp St. Lab	.,0.0	2,000	.,	_,	-	.,002	.,20.	.,000	2,0.2	2,00	.,200	.,000	20, 100			20,100
83	847 Maintenance Supervision & Engineering																
84	Total Maintenance	\$ 31,220	\$ 119.046	\$ 95,705	\$ 230,110	\$ 210,378	\$ 242,235	\$ 104,413	\$ 273,881	\$ 73,276 \$	552,184	\$ 187,270 \$	79,165	\$ 2,198,883	\$ 237.535		\$ 2,436,418
			•														
85	Total Storage Expenses	\$ 237,237	\$ 401,899	\$ 557,503	\$ 478,315	\$ 657,033	\$ 517,095	\$ 263,737	\$ 4//,1/9	\$ 415,528 \$	838,725	\$ 598,475 \$	506,777	\$ 5,949,504	\$ (1,597,493)		\$ 4,352,011
00	Tonominates Francisco																
86	Transmission Expenses																
87	Operation	•			_		_		_					•	_		
88	850 Supervision and engineering	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ - \$	-	\$ - \$	-	\$ -	\$ -		\$ -
89	851 System control and load dispatching	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-
90	852 Communication system expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-
91	853 Compressor station labor and expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-
92	854 Gas for compressor station fuel	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-
93	855 Other fuel and power for compressors	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-
94	856 Mains expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-
95	857 Measuring and regulation station ex.	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-
96	858 Transmission and comp of gas by other	rs -	-	-	-	-	-	-	-	-	-	-	-	-	-		-
97	859 Other expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-
98	860 Rents		-	-	-	-	-	-	-	-	-	-	-	-	-		<u>-</u>
99	Total Operation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ - \$	-	\$ - \$	-	\$ -	\$ -		\$ -
100	Maintenance																
101	861 Supervision and engineering	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ - \$	_	\$ - \$	-	\$ -	\$ -		\$ -
102	862 Structures and improvements		-		-		-	-	-	. · ·	_		_	-			
103	863 Mains	_	_				_		_	_				_	_		_
103	864 Compressor station equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-
105	865 Measuring and regulation station	-	_	-	-	-	_	-	_	-	-	-	-	•	-		
105	866 Communication equipment	-				-							-	-	-		-
100	ooo Communication equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-

LINE NO.	ACCT. # DESCRIPTION		IAN 018		EB 018	MAR 2018	AP 201		MAY 2018	JUN 2018		JUL 2018	AUG 2018	SEP 2018		OCT 2018	NOV 2018	DEC 2018		TOTAL PER BOOKS	ADJ	FOOTNOTE	TOTAL AS ADJUSTED
	(a) (b)	((c)		(d)	(e)	(f)	(g)	(h)		(i)	(j)	(k)		(I)	(m)	(n)		(o)	(p)	(q)	(r)
107	867 Other equipment		-		-	-		-	-			-	-	-		-	-		-	_		-	
108	Total Maintenance	\$	-	\$	-	\$ -	\$	- \$	-	\$	- :	\$ -	\$ -	\$	- \$	-	\$ -	\$	- \$	-	\$	-	\$ -
109	Total Transmission Expenses	\$	-	\$	-	\$ -	\$	- \$	-	\$	- :	\$ -	\$ -	\$	- \$	-	\$ -	\$	- \$	-	\$	-	\$ -
110	Customer Accounts																						
111	901 Supervision	\$	-	\$	- :	\$ -	\$	- \$	-	\$	- :	\$ -	\$ -	\$	- \$	-	\$ -	\$	- \$	-	\$	-	\$ -
112 113	903 Customer records & collections 904 Uncollectable accounts		-		-	-		-	-		•	-	-	-		-	-		-	-		-	-
114	Total Customer Accounts	\$	-	\$	-	\$ -	\$	- \$		\$	- :	\$ -	\$ -	\$	- \$		\$ -	\$	- \$; -	\$	-	\$ -
115	Customer Serv. & Informational																						
116	907 Supervision	\$	-	\$	- :	\$ -	\$	- \$	-	\$	- :	\$ -	\$ -	\$	- \$	-	\$ -	\$	- \$	-	\$	-	\$ -
117	908 Customer assistance expense		-		-	-		-	-			-	-	-		-	-		-	-		-	-
118	909 Informational & instructional advertising Total Customer & Information	_		\$	- :	<u>-</u> \$ -	· ·	- \$		\$	- :	<u>-</u> \$ -	-	\$	- \$.	\$ -	•	- - \$	<u>-</u>	\$	-	\$ -
119	Total Customer & Information	\$	-	ф	-	5 -	Þ	- \$	-	Ф	- :	5 -	5 -	Ф	- \$	-	5 -	Ф	- 3	-	Ф	-	\$ -
120	Sales																						
121	911 Supervision	\$	-	\$	-	\$ -	\$	- \$	-	\$	- :	\$ -	\$ -	\$	- \$	-	\$ -	\$	- \$	-	\$	-	\$ -
122 123	912 Demonstration & selling 913 Advertising expenses		-		-	-		-	-		•	-	-	-		-	-		-	-		-	-
123	916 Miscellaneous sales expense				-			-				-		_		-	-		-	- :		-	-
125	Total Sales	\$	-	\$	-	\$ -	\$	- \$	-	\$	-	\$ -	\$ -	\$	- \$	-	\$ -	\$	- \$	-	\$	-	\$ -
126	Administrative and General																						
127	920 Administrative and general salaries	\$	-	\$	-		\$	- \$		ų.				\$	- \$	-		\$	- \$		\$	-	\$ -
128 129	921 Office supplies and expenses		3,873		5,063	1,169		175	461		62	7,665	1,593	4	81	673	6,778	(9	9,226)	21,366		-	21,366
129	922 Administrative expenses transferred 923 Outside services employed	,	42.466		- 5.155	6.182		4.172	6.589		292	- 6.178	6.799	4.6	95	7.411	8.469	7	- 7.198	109.605		-	109.605
131	924 Property insurance		3.664		3.664	3.664		3.664	3,370		370	3.370	3.336	3.3		3,336	3,336		2.718	40.825		-	40.825
132	925 Injuries and damages		6,143		6,143	6,238		6,143	6,149		49	6,149	5,077	5,0	77	5,077	5,077		2,486	65,906		-	65,906
133	926 Employee pensions and benefits	3	38,296		34,063	33,631	3	34,286	37,480	30,9		34,693	35,092	27,1		39,113	41,079	(15	5,174)	370,582		-	370,582
134 135	927 Franchise requirements		-		4,281	4 004		-	4 004	4.2	-	- 4,281	4 004	4.2		4.347	4,347		- 1,347			-	
135	928 Regulatory commission expenses 929 Duplicate charges - credit		4,281		4,281	4,281 -		4,281	4,281	,	. 81	4,281	4,281 -	4,2		4,347	4,347	4	-	51,568		_	51,568
137	930.1 General advertising expenses		_		-	-		-	-			-	-	_		-	-		-	_		-	_
138	930.2 Miscellaneous general expenses		6,470		6,941	1,364		7,108	7,386	(2,6	511)	6,157	5,132	(4,2	54)	6,458	5,821	(10),279)	35,691		-	35,691
139	931 Rents		6,756		6,733	6,730		6,724	6,662	7,6	30	6,744	6,800	6,7	26	6,692	7,567	2	2,813	78,576		-	78,576
140 141	935 Maintenance of general plant Total A&G	\$ 11	- 11,948	\$	72,042	63,257	\$ 6	- 66,551 \$	72,379	\$ 56.6	84 \$	75,236	\$ 68,109	\$ 47,4	51 \$	73,107	\$ 82,473	\$ (15	- 5,117) \$	774,119	\$	-	\$ 774,119
1-71	101017100	ΨΙ	,540	Ψ	, 0 12 (00,201	Ψ (,ο,οοι ψ	. 2,010	ψ 00,0		. 0,200	Ψ 55,100	Ψ -11,-1	σ. ψ	. 3, 101	Ψ 32,470	\$ (10	ν,) ψ	,,110	•		ψ .74,110
142	Total Gas Operating expenses	\$ 28	86,529	\$ 4	54,874	351,869	\$ 44	12,214 \$	454,761	\$ 401,2	244 \$	278,346	\$ 499,285	\$ 336,4	53 \$	814,606	\$ 498,086	\$ 363	3,110 \$	5,181,375	\$ (55,24	5)	\$ 5,126,130

Bear Creek Storage Company, L.L.C. Quantities Applicable to Account Nos. 810, 811, 812 Volumes Reported in Dth For the Twelve Months Ended December 31, 2018 As Adjusted

Line No	Description	FERC Acct	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Total	Adjustments	Adj Bal
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(I)	(m)	(n)	(0)	(p)	(q)
	Other Gas Supply Volumes																
1	Gas Used for Compressor Station Fuel - Credit	810.0	(56,384)	(33,520)	(68,325)	(103,948)	(34,563)	(98,224)	(54,307)	(23,497)	(17,808)	(45,452)	(36,233)	(40,677)	(612,938)	612,938	-
2	Gas Used for Other Utility Operations - Credit	812.0	(3,002)	(5,233)	(8,383)	(5,025)	(3,047)	(4,560)	(3,627)	(3,188)	(3,166)	(3,107)	(4,346)	(3,554)	(50,238)	50,238	-
		_															
3	Total Other Gas Supply Volume	S	(59,386)	(38,753)	(76,708)	(108,973)	(37,610)	(102,784)	(57,934)	(26,685)	(20,974)	(48,559)	(40,579)	(44,231)	(663,176)	663,176	-
	Underground Storage Volumes																
4	Compressor Station Fuel and Power	817.0	3,002	5,233	8,383	5,025	3,047	4,560	3,627	3,188	3,166	3,107	4,346	3,554	50,238	(50,238)	-
5	Compressor Station Fuel and Power	819.0	56,384	33,520	68,325	103,948	34,563	98,224	54,307	23,497	17,808	45,452	36,233	40,677	612,938	(612,938)	
		_															
6	Total Underground Storage Volume	s	59,386	38,753	76,708	108,973	37,610	102,784	57,934	26,685	20,974	48,559	40,579	44,231	663,176	(663,176)	-
7	Total Volume	s	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

BEAR CREEK STORAGE COMPANY, L.L.C. FUEL USE OR GAS LOSSES TWELVE MONTHS ENDED DECEMBER 31, 2018, AS ADJUSTED

	Account					Ending
Line No.	No.	Description		Amount	Adjustment	Amount
	(a)	(b)		(c)	(d)	(e)
1	801 Na	tural gas field line purchases	\$	-	\$ -	\$ -
2	803 Na	tural gas transmission line purch		-	-	-
3	805 Otl	her gas purchases		769,715	(769,715)	-
4	806 Ex	change gas		-	=	-
5	808.1 Ga	s withdrawn from storage		692,433	(692,433)	-
6	808.2 Ga	s delivered to storage		(985,013)	985,013	-
7	810 Ga	s used for compressor station fuel		(1,870,534)	1,870,534	-
8	812 Ga	s used for other utility operations		(148,849)	148,849	-
9	813 Otl	ner gas supply expenses		-	-	-
10	817 Lin	es expenses		148,849	(148,849)	-
11	819 Co	mpressor station fuel & power		1,870,534	(1,870,534)	-
12	То	tal	<u>\$</u>	477,135	\$ (477,135)	\$ -

Docket No. RP19-51 Schedule H-1(2)(b) (Working Papers) With Test Period

BEAR CREEK STORAGE COMPANY, L.L.C. ANALYSIS OF ACCOUNTS 913 & 930.1 ADVERTISING EXPENSES TWELVE MONTHS ENDED DECEMBER 31, 2018

Bear Creek did not charge any expense to Account 913 or 930.1 for the twelve months ended December 31, 2018.

Docket No. RP19-51 Schedule H-1(2)(c) (Working Papers) With Test Period

BEAR CREEK STORAGE COMPANY, L.L.C. ANALYSIS OF ACCOUNT 921 OFFICE SUPPLIES & EXPENSE TWELVE MONTHS ENDED DECEMBER 31, 2018

Line No.	Description	 mount
	(a)	(b)
1	Employee Expenses (travel, meals, & cell phones)	\$ 7,372
2	Outside Services - General	6,604
3	Computer Hardware/Software	4,463
4	Training	2,275
5	Vehicle Expense	308
6	Permits, Licenses & Fees	250
7	Other Expenses & Fees	 94
8	Total Account 921	\$ 21,366

Docket No. RP19-51 Schedule H-1(2)(d) (Working Papers) With Test Period

BEAR CREEK STORAGE COMPANY, L.L.C. ANALYSIS OF ACCOUNT 922 ADMINISTRATIVE EXPENSES TRANSFERRED -- CREDIT TWELVE MONTHS ENDED DECEMBER 31, 2018

Bear Creek did not charge any expense to Account 922 for the twelve months ended December 31, 2018.

Docket No. RP19-51 Schedule H -1(2)(e) (Working Papers) With Test Period

BEAR CREEK STORAGE COMPANY ACCOUNT 923 - OUTSIDE SERVICES EMPLOYED TWELVE MONTHS ENDED DECEMBER 31, 2018

Line No.	Payee and/or Description	Services Performed	Basis of Charges	,	Amount
	(a)	(b)	(c)	-	(d)
1	Services by Affliated Companies	Various Administrative	Time Allocation, Cost Basis, Modified Mass	\$	72,605
	Other Outside Services and Expenses				
2	Miscellaneous (Under \$100,000)	Consulting	Accounting & Audit Fee Expenses	\$	37,000
3	Total Account 923			\$	109,605

Docket No. RP19-51 Schedule H-1(2)(f) (Working Papers) With Test Period

BEAR CREEK STORAGE COMPANY, L.L.C. ANALYSIS OF ACCOUNT 926 EMPLOYEE PENSIONS AND BENEFITS TWELVE MONTHS ENDED DECEMBER 31, 2018

Line No	Description	Basis of Charges	 <u>Amount</u>
	(a)	(b)	(c)
1	Health & Welfare	Claims	\$ 175,650
2	Cash Balance - Pension Plan	Actuary	78,026
3	Retirement Savings Plan (401-K)	Cash Payments	66,236
4	Shared Services Benefits	Claims & Cash Payments	80,998
5	Other	Claims & Cash Payments	5,199
6	Long-term Disability	Claims	 4,094
7	Total Account 926		\$ 410,203

Docket No. RP19-51 Schedule H-1(2)(g) (Working Papers) With Test Period

BEAR CREEK STORAGE COMPANY, L.L.C. ANALYSIS OF ACCOUNT 928 REGULATORY EXPENSES TWELVE MONTHS ENDED DECEMBER 31, 2018

Line <u>No.</u>	Description	Aı	Amount						
	(a)		(b)						
1	Regulatory Commission Expense (ACA)	_\$	51,568						
2	Total Account 928	\$	51,568 1/						

3 1/ Bear Creek does not recover the FERC's ACA charges through an ACA surcharge mechanism but rather recovers a representative amount of FERC's ACA charges through its base rates.

Docket No. RP19-51 Schedule H-1(2)(h) (Working Papers) With Test Period

BEAR CREEK STORAGE COMPANY, L.L.C. ANALYSIS OF ACCOUNT 929 DUPLICATE CHARGES CREDIT TWELVE MONTHS ENDED DECEMBER 31, 2018

Bear Creek did not charge any expense to Account 929 for the twelve months ended December 31, 2018.

Docket No. RP19-51 Schedule H-1(2)(i) (Working Papers) With Test Period

BEAR CREEK STORAGE COMPANY, L.L.C. ANALYSIS OF ACCOUNT 930.2 MISCELLANEOUS GENERAL EXPENSES TWELVE MONTHS ENDED DECEMBER 31, 2018

Line		
No.	Description	Amount
	(a)	(b)
1	Shared Services Allocation	\$ 35,643
2	Other	48
3	Total Account 930.2	\$ 35,691

BEAR CREEK STORAGE COMPANY L.L.C. INTERCOMPANY AND INTERDEPARTMENTAL TRANSACTIONS TWELVE MONTHS ENDED DECEMBER 31, 2018

Docket No. RP19-51 Schedule H-1 (2)(j) (Working Papers) With Test Period

		FERC													
Line		Account	t												
No.	Company	<u>No.</u>	<u>January</u>	<u>February</u>	<u>March</u>	<u>April</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>August</u>	<u>September</u>	<u>October</u>	November	<u>December</u>	<u>Total</u>
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(I)	(m)	(n)	(o)
	Kinder Morga	<u>an 1/</u>													
1		814	\$ 4,603	\$ 4,177	\$ 4,567	\$ 4,479	\$ 4,679	\$ 4,325	\$ 4,122	\$ 4,806	\$ 4,301	\$ 4,731	\$ 4,561	\$ 5,662	\$ 55,013
2		816	162	148	162	157	168	156	148	174	155	172	164	200	1,966
3		817	1,074	1,013	1,229	1,516	1,527	943	670	1,292	900	1,066	902	1,632	13,764
4		818	7,651	6,195	6,143	6,336	6,208	5,763	5,350	4,205	4,915	6,029	6,484	6,360	71,640
5		820	30	2	1	11	56	0	0	1	12	1	1	29	144
6		824	0	0	0	0	0	0	0	0	0	0	0	0	-
7		830	822	745	706	790	674	504	385	397	203	665	380	542	6,812
8		832	379	345	379	366	391	363	346	406	362	401	383	467	4,588
9		833	397	351	368	350	382	435	645	411	369	411	385	479	4,982
10		834	4,852	4,411	5,178	3,567	4,978	4,663	4,541	5,011	4,753	6,355	6,932	6,225	61,464
11		835	260	229	240	195	344	69	119	279	228	229	146	221	2,558
12		837	0	0	0	0	0	0	0	0	0	0	0	0	-
13		920	38,041	34,523	20,140	34,245	38,044	15,232	35,158	39,500	1,337	38,431	38,189	(12,572)	320,268
14		921	6												6
15		923	42,466	5,155	6,182	4,172	6,589	4,292	6,178	6,799	4,695	7,411	8,469	7,198	109,605
16		924	3,664	3,664	3,664	3,664	3,370	3,370	3,370	3,336	3,336	3,336	3,336	2,718	40,824
17		925	6,143	6,143	6,238	6,143	6,149	6,149	6,149	5,077	5,077	5,077	5,077	2,486	65,906
18		926	38,296	85,070	22,245	34,286	37,480	30,912	34,693	35,092	27,111	39,113	41,079	(15,174)	410,203
19		930	6,470	6,941	1,316	7,108	7,386	(2,611)	6,157	5,132	(4,254)	6,458	5,821	(10,279)	35,643
20		931	6,756	6,733	6,730	6,724	6,662	7,630	6,744	6,800	6,726	6,692	7,567	2,813	78,576
21			\$ 162,070	\$ 165,844	\$ 85,486	\$ 114,107	\$ 125,088	\$ 82,194	\$ 114,775	\$ 118,717	\$ 60,223	\$ 126,576	\$ 129,874	\$ (994)	\$ 1,283,961

^{1/} Kinder Morgan allocations to Bear Creek are for underground storage benefit costs, general administrative services (and associated benefit costs) and insurance costs; allocations are based on time allocation, cost basis, and Modified Mass Formula.

Docket No. RP19-51 Schedule H-1(2)(k) (Working Papers) With Test Period

BEAR CREEK STORAGE COMPANY, L.L.C. LEASE PAYMENTS TWELVE MONTHS ENDED DECEMBER 31, 2018

Line

No.	Description	Amount
	(a)	(b)
1	Shared Services Lease Allocation	\$ 78,576 1/
2	Total Account 931	\$ 78,576

3 1/ Includes lease of building office space, copy machines, etc.

BEAR CREEK STORAGE COMPANY, L.L.C. DEPRECIATION EXPENSE EXPLANATION NOTES RELATIVE TO THE BASIC DEPRECIATION RATE

This cost and revenue study reflects Bear Creek's Commission-approved depreciation rate of 0.50% and the amounts reflected are representative of the level of expenditures on an ongoing basis. This rate was approved by the Commission in its order issued August 15, 2012 approving the Bear Creek Settlement in Docket No. RP12-121-000 (140 FERC ¶ 61,129).

Bear Creek Storage Company, L.L.C. Depreciation, Depletion, Amortization and Negative Salvage Expenses Twelve Months Ended December 31, 2018, As Adjusted

Line No.	<u>Description</u> (a)	Gas Plant As Adjusted (b)	Depreciation Method (c)	Annual Rate <u>Per Book</u> (d)	Annual Rate <u>Proposed</u> (e)	Exp	Book enses (f)	<u>Ad</u>	i <u>ustments</u> (g)	<u>As</u>	Adjusted (h)
	Account 403 - Depreciation Expense										
1	Natural Gas Storage - Underground Natural Gas Storage - Underground Total Natural Gas Storage - Underground	\$ 185,035,468 185,035,468	SLM	0.50%	0.50%		11,012 11,012		14,165 14,165	_	925,177 925,177
2 3 4 4 5 6 7 8	General Plant Office Furniture and Equipment Computer Equipment Transportation Equipment Tools, Shop and Garage Equipment Power Operated Equipment Communication Equipment Miscellaneous Equipment Total General Plant Total Account 403 Depreciation Expense	\$ 25,710 64,807 186,952 464,675 69,020 23,743 12,476 847,382	SLM SLM SLM SLM SLM SLM SLM	0.50% 0.50% 0.50% 0.50% 0.50% 0.50%	0.50% 0.50% 0.50% 0.50% 0.50% 0.50% 0.50%	\$	129 283 532 2,283 345 103 62 3,736	\$	0 41 403 40 (0) 16 (0) 501		129 324 935 2,323 345 119 62 4,237
11 12	Account 404.3 - Amortization Expense Intangible Plant-Franchise & Consent Intangible Plant-Software	\$ 477,992 187,793	SLM SLM	0.50% 10.00%	0.50% 10.00%	1	17,130	\$	1,649	\$	18,779
13 14	Total Account 404.3 Amortization Expense Total Depreciation and Amortization Expense	\$ 665,785 186,548,635					17,130 31,878		1,649 16,315		18,779 948,193
15	Amortization of DIT Regulatory Liability					\$		\$	(45,565)	\$	(45,565)

Bear Creek Storage Company, L.L.C. Reconciliation of Depreciable Plant Included in Statement H-2 and Gas Plant Included in Statement C Twelve Months Ended December 31, 2018, As Adjusted

Line No.	<u>Description</u> (a)	<u>!</u>	Gas Plant As Adjusted (b)	count 403 oreciation (c)	count 404.1 Depletion (d)		Account 404.2 Amortization (e)	ccount 404.3 Amortization (f)	 Total (g)	Clearing count 184 (h)	!	Total Provisions (i)
1	Balance as shown on H-2 Account 101	\$	186,548,635	\$ 929,414	\$ -	9	\$ -	\$ 18,779	\$ 948,193	\$ -	\$	948,193
2	Gas Plant in Service - Clearing Account 184		-	-	-		-	-	-	-		-
3	Gas Plant for Future Use Account 105		-	-	-		-	-	-	-		-
4	Construction Work In Progress Account 107		-	-	-		-	-	-	-		-
5	Gas Stored Underground - Noncurrent Account 117		95,598,428	-	-		-	-	-	-		-
6	Gas Plant Purchased or Sold Account 102		-	-	-		-	-	-	-		
7	Non - Depreciable Plant		1,205,252	-	-		-	-	-	-		-
8	Total as Shown on Statement C	\$	283,352,315	\$ <u>-</u>	\$. 9	\$ -	\$ <u> </u>	\$ <u> </u>	\$ <u>-</u>	\$	
9	Total Provision			\$ 929,414	\$ 		\$ -	\$ 18,779	\$ 948,193	\$ 	\$	948,193

Bear Creek Storage Company, L.L.C. Federal and State Income Taxes Based on Return Twelve Months Ended December 31, 2018, As Adjusted

Line No.	<u>Description</u>	<u>%</u>		<u>Amount</u>
	(a)	(b)		(c)
1	Rate Base		\$	126,140,438
2	Return at	11.35%		14,316,940
3	Less: Interest at	2.30%	_	2,901,230
4	Total Tax Base		\$	11,415,710
5	Federal Income Tax @ 21.0%	26.58%	\$	3,034,296
6	State Income Tax @ 6.32%	8.54%	\$	974,902
7	Total Income Taxes		\$	4,009,198

Docket No. RP19-51 Schedule H-3(1) (Working Papers) With Test Period

Bear Creek Storage Company, L.L.C. State Income Taxes For 2018

Louisiana \$958,444

Docket No. RP19-51 Schedule H-3(2) (Working Papers) Sheet 1 of 2 With Test Period

Bear Creek Storage Company, L.L.C. Reconciliation of Net Book Plant to Net Tax Plant - Detail Balance at December 31, 2018, As Adjusted

Line <u>No.</u>	Balance <u>Description</u> (a)	Balance at 12/31/18, As Adjusted (b)
1	Book Basis - Gross	\$ 187,753,886
2	- Reserves	156,080,912
3 4 5	Net Book Basis Unamortized AFUDC Adj. Depreciation Deferral	\$ 31,672,974
6	Net Book Basis Adjusted	\$ 31,672,974
7	Tax Basis - Gross	\$ 159,947,525
8	- Reserves	\$ 139,612,261
9	Net Tax Basis	\$ 20,335,264
10 11	Adjusted Book Basis in Excess of Tax Basis Effective Tax Rate	\$ 11,337,710 0.25993
12	Required Deferred Taxes	\$ 2,946,988
13	Booked Deferred Taxes (Acct 282)	\$ 2,946,988
14	Unfunded/(Excess)	\$ 0

Docket No. RP19-51 Schedule H-3(2) (Working Papers) Sheet 2 of 2 With Test Period

Bear Creek Storage Company, L.L.C. Reconciliation of Net Book Plant to Net Tax Plant - Detail Balance At December 31, 2018, As Adjusted

Line <u>No.</u>	<u>Description</u> (a)		Balance t 12/31/18, <u>s Adjusted</u> (b)		<u>DIT</u> (c)		Net of Deferred Income Taxes (d)			
1 2	Regulatory Assets FERC ACA Regulatory Asset AFUDC Regulatory Asset	\$ \$	39,122 154,808	\$ \$	- (40,532)	\$	39,122 114,276			
3 4	Regulatory Liabilities L&U Fuel Regulatory Liability DIT Regulatory Liability 1/	\$ \$	(1,256,392) (1,320,080)	\$ \$	- 343,094	\$ \$	(1,256,392) (976,986)			

^{1/} Established per Tax Cuts and Jobs Act of 2017.

Bear Creek Storage Company, L.L.C. Taxes Other Than Income Taxes Twelve Months Ended 12/31/18, As Adjusted

Line <u>No.</u>	<u>Description</u> (a)	Expense <u>Per Books</u> (b)		Adjustments (c)		Total Adjusted Taxes (d)	
1	Ad Valorem Taxes - Louisiana	\$	1,986,027	\$	-	\$	1,986,027
2	Payroll Taxes		144,307		2,403		146,710
3	Severance Taxes -Louisiana		185,306				185,306
4	Total Other Taxes	\$	2,315,640	\$	2,403	\$	2,318,043

Docket No. RP19-51 Schedule H-4 (Working Papers) With Test Period

Bear Creek Storage Company, L.L.C. Adjustment To Payroll Taxes Twelve Months Ended December 31, 2018, As Adjusted

Line			Expense			Total Adjusted			
No.	<u>Description</u> <u>Per B</u>		er Books	Books Adjustm			<u>Pay</u>	Payroll Taxes	
	(a)		(b)	(c)		(d)			
1	Payroll Taxes - Louisiana	\$	144,307	\$	2,403	1/	\$	146,710	

^{1/} Test period labor adjustment of \$31,418 x .0765

Docket No. RP19-51 Schedule I-1 With Test Period

BEAR CREEK STORAGE COMPANY, L.L.C. OVERALL COST OF SERVICE TWELVE MONTH PERIOD ENDING 12/31/2018, AS ADJUSTED

See Statement A for overall cost of service.

Docket No. RP19-51 Schedule I-1(a) With Test Period

BEAR CREEK STORAGE COMPANY, L.L.C. FUNCTIONALIZATION OF COST OF SERVICE TWELVE MONTH PERIOD ENDING 12/31/2018, AS ADJUSTED

As depicted in Statement A, the Bear Creek cost of service is all part of the storage function.

Docket No. RP19-151 Schedule I-1(b) With Test Period

BEAR CREEK STORAGE COMPANY, L.L.C. INCREMENTAL AND NON-INCREMENTAL FACILITIES TWELVE MONTH PERIOD ENDING 12/31/2018, AS ADJUSTED

Bear Creek has no incremental facilities.

Docket No. RP19-51 Schedule I-1(c) With Test Period

BEAR CREEK STORAGE COMPANY, L.L.C. COSTS SEPARATED BY ZONES TWELVE MONTH PERIOD ENDING 12/31/2018, AS ADJUSTED

Bear Creek does not have separate rate zones.

Docket No. RP19-51 Schedule I-1(d) With Test Period

BEAR CREEK STORAGE COMPANY, L.L.C. ALLOCATION OF COMMON OR JOINT COSTS TWELVE MONTH PERIOD ENDING 12/31/2018, AS ADJUSTED

All costs of Bear Creek are allocated to the storage function.

Bear Creek Storage Company, L.L.C. Classification of Cost of Service For Storage Function For the Twelve Months Ended December 31, 2018, As Adjusted

	5500		Statement/			_			
Line	FERC	Destination	Schedule		T-1-1	ŀ	Reservation/	C	commodity/
<u>No.</u>	Account No.	Particulars (b)	Reference		Total		Fixed		Variable (f)
	(a)	(b) Operation	(c) H-1		(d)		(e)		(f)
1	814	Supervision and Engineering	U-1	\$	386,927	\$	386,927	\$	_
2	815	Maps and Records		Ψ	300,927	Ψ	300,921	Ψ	_
3	816	Wells Expenses			318,597		318,597		_
4	817	Lines Expenses			344,404		344,404		_
5	818	Compressor Station Expenses			1,705,755		544,713		1,161,042
6	819	Compressor Station Fuel & Power			-		-		-
7	820	Measuring and Regulating Station Expenses			17,556		17,556		_
8	821	Purification Expenses			-		0		_
9	823	Gas Losses			-		-		_
10	824	Other Expenses			141,992		141,992		-
11		Total Operation Expense		\$	2,915,231	\$	1,754,189	\$	1,161,042
		·		•				•	
		<u>Maintenance</u>	H-1						
12	830	Supervision and Engineering		\$	43,493	\$	43,493	\$	_
13	831	Structures and Improvements			19,976		19,976		_
14	832	Maintenance of Wells			365,870		365,870		_
15	833	Maintenance of Lines			295,871		295,871		_
16	834	Maintenance of Compressor Station Equipment	t		2,242,436		473,923		1,768,513
17	835	Maintenance of Measuring and Regulating Equ			45,900		45,900		-
18	836	Maintenance of Purification Equipment	ipinicine		-		0		_
19	837	Maintenance of Other Equipment			23,407		23,407		_
20	037	Total Maintenance Expense		\$	3,036,953	\$	1,268,440	\$	1,768,513
20		Total Maintenance Expense		Ţ	3,030,333	Y	1,200,440	Y	1,700,515
21		Administration and General Expenses	H-1	\$	1,449,508	\$	1,449,508	\$	
22		Total Operation and Maintenance Expenses		\$	7,401,692	\$	4,472,138	Ś	2,929,554
22		Total Operation and Maintenance Expenses		Y	7,401,032	Ą	4,472,130	Ų	2,323,334
23		Depreciation, Depletion and Amortization	H-2		948,193		948,193		-
24		Amortization of Regulatory Liability	H-2		(45,565)		(45,565)		-
25		Federal Income Taxes	H-3		3,034,296		3,034,296		-
26		State Income Taxes	H-3		974,902		974,902		-
27		Taxes Other Than Income Taxes	H-4		2,318,043		2,318,043		-
28		Return on Rate Base	В		14,316,940		14,316,940		-
29		Total Storage Cost of Service	А	\$	28,948,501	\$	26,018,947	\$	2,929,554

BEAR CREEK STORAGE COMPANY, L.L.C. ALLOCATION OF OVERALL COST OF SERVICE TWELVE MONTH PERIOD ENDING 12/31/2018, AS ADJUSTED

Line No.	Description	Co	Total ost of Service	Total Variable	Total Reservation/ Fixed (Col. B-C)	Storage Deliverability Charge Fol D X 50%)	(C	Storage Capacity Charge ol D X 50%)
	(a)		(b)	(c)	(d)	(e)		(f)
1	Operation and Maintenance Expenses	\$	7,401,692	\$ 2,929,554	\$ 4,472,138	\$ 2,236,069	\$	2,236,069
2	Depreciation and Amortization Expenses		902,628	-	902,628	\$ 451,314	\$	451,314
3	Taxes other than Income Taxes		2,318,043	-	2,318,043	\$ 1,159,022	\$	1,159,022
4	Federal and State Income Taxes		4,009,198	_	4,009,198	\$ 2,004,599	\$	2,004,599
5	Return on Rate Base		14,316,940		<u>14,316,940</u>	\$ 7,158,470	\$	7,158,470
6	Total Cost of Service	\$	28,948,501	\$ 2,929,554	\$ 26,018,947	\$ 13,009,473	\$	13,009,473

Docket No. RP19-51 Schedule I - 4 With Test Period

Bear Creek Storage Company, L.L.C Transmission and Compression of Gas by Others Twelve Month Period Ending December 31, 2018

Bear Creek does not have any transmission and compression of gas by others.

Bear Creek Storage Company, L.L.C Gas Balances 12 Months Ended December 31, 2018

Feb-18

Mar-18

(in Dth)

Jan-18

15,538,567

15,538,567

4,807,008

4,807,008

7,357,079

7,357,079

2,787,792

2,787,792

Line No.

30

31

33

34

Total Deliveries

Totals

Gas Losses and Gas Unaccounted For

Gas Losses and Gas Unaccounted For

Total Deliveries, Gas Losses & Unaccounted For

Description

Docket No. RP19-51 Schedule I-5 With Test Period

Dec-18

6,025,223

6,025,223

73,962,896

73,962,896

Total

(a) (b) (c) (d) (e) (f) (g) (h) (i) (j) (k) (I) (m) (n) **Gas Balances Gas Received** Gas Purchases Gas of Others Received for Gathering Gas of Others Received for Transmission Gas of Others Received for Distribution Gas of Others Received for Contract Storage 952,518 4,684,282 7,220,852 1,553,827 7,105,471 3,705,058 705,234 222,738 3,246,348 2,162,190 1,715,694 4,513,459 37,787,671 Gas of Others Received for Production/Extraction/Processing Exchange Gas Received From Others 9 10 Gas Received as Imbalances 11 Receipts of Respondent's Gas Transported by Others 12 Other Gas Withdrawn from Storage 14,389,565 1,148,709 2,810,913 5,102,506 1,438,213 8,568,131 1,316,634 34,774,671 113,509 13 Gas Received from Shippers as Compressor Station Fuel 196,484 122,726 136,227 85,256 99,294 64,572 72,395 81,309 92,919 140,733 195,130 1,400,554 14 Gas Received from Shippers as Lost and Unaccounted For 15 Other Receipts **Total Receipts** 16 15,538,567 4,807,008 7,357,079 2,787,792 7,218,980 3,804,352 3,580,719 5,397,639 3,327,657 3,693,322 10,424,558 6,025,223 73,962,896 Gas Delivered 17 18 Gas Sales 19 Deliveries of Gas Gathered for Others 20 Deliveries of Gas Transported for Others 21 Deliveries of Gas Distributed for Others 22 **Deliveries of Contract Storage Gas** 15,314,929 3 822 482 414 263 2 699 488 81 926 905 3 510 205 5 317 502 2 349 753 3 588 519 10 280 271 5 798 271 54,022,669 23 Gas of Others Delivered for Production/Extraction/Processing Exchange Gas Delivered to Others 24 25 Gas Delivered as Imbalances 26 Deliveries of Gas to Others for Transportation 27 Other Gas Delivered to Storage 790,530 18,338,931 6,786,928 7,099,918 2,773,613 887,942 Gas Used for Compressor Station Fuel 28 33,520 68,325 103,948 34,563 98,224 54,307 23,497 17,808 45,452 36,233 40,677 62,385 618,939 29 Other Deliveries and Gas Used for Other Operations 190,118 125,671 51,940 53,741 20,757 49,527 47,017 62,329 44,510 68,570 103,610 164,567 982,357

Apr-18

May-18

Jun-18

3,804,352

3.804.352

3,580,719

3,580,719

7,218,980

7.218.980

Jul-18

Aug-18

5,397,639

5,397,639

3,327,657

3,327,657

3,693,322

3,693,322

10,424,558

10,424,558

Sep-18

Oct-18

Nov-18

BEAR CREEK STORAGE COMPANY, L.L.C. RECONCILIATION OF COSTS AND REVENUE TWELVE MONTH PERIOD ENDING 12/31/2018, AS ADJUSTED FOR UPDATED RATES

Line No.	Service Type	Allocated st of Service	Difference		
	(a)	(b)	(c)		(d)
1	SSP-DELIVERABILITY	\$ 13,009,473	\$ 13,009,473	\$	-
2	SSP-CAPACITY	13,009,473	\$ 13,009,473		-
3	SSP-INJECTIONS/WITHDRAWALS	 2,929,554	\$ 2,929,554		
4	Total	\$ 28,948,501	\$ 28,948,501	\$	-

Docket No. RP19-51 Schedule J-1 With Test Period

BEAR CREEK STORAGE COMPANY, L.L.C. SUMMARY OF BILLING DETERMANTS TWELVE MONTH PERIOD ENDING 12/31/2018, AS ADJUSTED

Line No.	Reference	Description	Deliverability	Capacity	Injection/ Withdrawal
	(a)	(b)	(c)	(d)	(e)
1	St. G, pg 2 Lines 1, 2, 3	Billing Determinants	6,126,000	796,380,000	103,253,413

BEAR CREEK STORAGE COMPANY, L.L.C. DERIVATION OF RATES TWELVE MONTH PERIOD ENDING 12/31/2018, AS ADJUSTED

Line No.	Reference (a)	Description (b)	Total (c)	Deliverability (d)	Capacity (e)	Injection/ Withdrawal (f)
1	Schedule I-3, Line 6	Cost of Service	\$28,948,501	\$13,009,473	\$13,009,473	\$2,929,554
2	St. G, pg 2, Lines 1, 2, 3	Billing Determinants		6,126,000	796,380,000	103,253,413
3		Rates		\$2.1236	\$0.0163	\$0.0284

BEAR CREEK STORAGE COMPANY, L.L.C.

Comparative Balance Sheet 12/31/2017 and 12/31/2018

Line			12/21/2015	12/21/2019		
No.	Title of Account		12/31/2017		12/31/2018	
	(a)		(b)		(c)	
1	UTILITY PLANT					
2	UTILITY PLANT (101-106,114)	\$	183,311,932	\$	186,277,348	
3	CONSTRUCTION WORK IN PROGRESS (107)	Ψ	642,570	Ψ	325,335	
4	TOTAL UTILITY PLANT	\$	183,954,502	\$	186,602,683	
5	LESS: ACCUMULATED PROVISION FOR DEPRECIATION,	Ψ	103,734,302	Ψ	100,002,003	
6	AMORTIZATION (108, 111, 115)		(156,919,636)		(155,608,660)	
7	NET UTILITY PLANT	\$	27,034,866	\$	30,994,023	
8	GAS STORED - BASE GAS (117.1)	\$	95,598,428	\$	95,598,428	
9	GAS OWED TO SYSTEM GAS (117.4)	\$	321,716	\$	614,296	
10	GAS STORED UNDERGROUND - NONCURRENT(117)	<u>\$</u>	95,920,144	\$	96,212,724	
11	OTHER PROPERTY AND INVESTMENTS	Ψ	75,720,144	Ψ	70,212,724	
12	NONUTILITY PROPERTY (121)	\$		\$		
13	LESS: ACCUMULATED PROVISION FOR DEPRECIATION,	φ	-	φ	-	
14	AMORTIZATION (122)					
15	NET NONUTILITY PROPERTY	\$		\$	<u> </u>	
16	INVESTMENT IN ASSOCIATED COMPANIES (123)	ф	-	φ	-	
17	INVESTMENT IN ASSOCIATED COMPANIES (123) INVESTMENT IN SUBSIDIARY COMPANIES (123.1)		-		-	
18	OTHER INVESTMENTS (124)		-		-	
			-		-	
19	SPECIAL FUNDS (125-128)	ф.		•		
20	TOTAL OTHER PROPERTY AND INVESTMENTS	\$	-	\$		
21	CURRENT AND ACCRUED ASSETS	ф	5 224 054	¢.	2.010.150	
22	CASH (131)	\$	5,334,054	\$	2,810,158	
23	SPECIAL DEPOSITS (132-134)		-		-	
24	WORKING FUNDS (135)		-		-	
25	TEMPORARY CASH INVESTMENTS (136)		-		-	
26	NOTES RECEIVABLE (141)		-		-	
27	CUSTOMER ACCOUNTS RECEIVABLE (142)		-		-	
28	OTHER ACCOUNTS RECEIVABLE (143)		-		-	
29	LESS: ACCUMULATED PROVISION FOR UNCOLLECTIBLE		-		-	
30	ACCOUNTS (CREDIT) (144)		-		-	
31	NOTES RECEIVABLE FROM ASSOCIATED COMPANIES (145)					
32	ACCOUNTS RECEIVABLE FROM ASSOCIATED COMPANIES (146)		2,284,683		2,296,802	
33	RESIDUALS AND EXTRACTED PRODUCTS (153)		-		-	
34	PLANT MATERIAL AND OPERATING SUPPLIES (154)		2,654,140		2,784,457	
35	STORES EXPENSES UNDISTRIBUTED (163)		-		-	
36	GAS STORED UNDERGROUND CURRENT (164.1)		-		-	
37	PREPAYMENTS (165)		37,000		40,000	
38	ADVANCES FOR EXPLORATION, DEVELOPMENT AND		-		-	
39	PRODUCTION (166)		-		-	
40	OTHER ADVANCES FOR GAS (167)		-		-	
41	INTEREST AND DIVIDENDS RECEIVABLE (171)		-		-	
42	MISCELLANEOUS CURRENT AND ACCRUED ASSETS (174)				_	
43	TOTAL CURRENT AND ACCRUED ASSETS	\$	10,309,877	\$	7,931,417	
44	DEFERRED DEBITS					
45	UNAMORTIZED DEBT EXPENSE (181)		-	\$	-	
46	OTHER REGULATORY ASSETS (182.3)		191,092		193,930	
47	PRELIM SURVEY AND INVESTIGATION CHARGES (183.1, 183.2)		-		-	
48	CLEARING ACCOUNTS (184)		-		-	
49	MISCELLANEOUS DEFERRED DEBITS (186)		1,722,485		2,518,020	
50	UNAMORTIZED LOSS ON REACQUIRED DEBT (189)		-		-	
51	ACCUMULATED DEFERRED INCOME TAXES (190)		338,137		349,034	
52	UNRECOVERED PURCHASED GAS COSTS (191)		-		-	
53	TOTAL DEFERRED DEBITS	\$	2,251,714	\$	3,060,984	
54	TOTAL ASSETS AND OTHER DEBITS	\$	135,516,601	\$	138,199,148	
				_		

BEAR CREEK STORAGE COMPANY, L.L.C.

Comparative Balance Sheet 12/31/2017 and 12/31/2018

Line No.	Title of Account		12/31/2017		12/31/2018
	(a)		(b)		(c)
55	LIABILITIES AND OTHER CREDITS				
56	PROPRIETARY CAPITAL	Φ.		Φ.	
57 5 2	COMMON STOCK ISSUED (201)	\$	-	\$	-
58	PREFERRED STOCK ISSUED (204)		-		-
59	PREMIUM ON CAPITAL STOCK (207)		-		-
60	OTHER PAID-IN CAPITAL (208-211)		106,420,301		106,420,301
61	CAPITAL STOCK EXPENSE (214)		-		-
62	RETAINED EARNINGS (216)		19,317,734		22,958,975
63	UNAPPROPRIATED UNDISTRIBUTED SUBSIDIARY		-		-
64	EARNINGS (216.1)		-		-
65	REACQUIRED CAPITAL STOCK (217)	_	125 720 025	ф.	120 270 276
66	TOTAL PROPIETARY CAPITAL	\$	125,738,035	\$	129,379,276
67	LONG-TERM DEBT				
68	BONDS (221)	\$	-	\$	-
69	REACQUIRED BONDS (222)		-		-
70	OTHER LONG-TERM DEBT (224)		-		-
71	(LESS) UNAMORTIZED DISCOUNT ON LONG-TERM DEBT (226)	_		_	
72 72	TOTAL LONG-TERM DEBT	\$	-	\$	
73	OTHER NONCURRENT LIABILITIES	Φ.		Φ.	
74 7.7	ACCUMULATED PROVISION FOR PENSIONS AND BENEFITS (228.3)	\$	-	\$	-
75 75	ACCUMULATED PROVISION FOR RATE REFUNDS (229)		-		-
76	ASSET RETIREMENT OBLIGATIONS (230)	_		_	
77 7 2	TOTAL OTHER NONCURRENT LIABILITIES	\$		\$	
78	CURRENT AND ACCRUED LIABILITIES				
79	NOTES PAYABLE (231)	\$	-	\$	-
80	MISC OPER PROV (228)		-		-
81	ACCOUNTS PAYABLE (232)		1,220,168		810,832
82	NOTES PAYABLE TO ASSOCIATED COMPANIES (233)		-		-
83	ACCOUNTS PAYABLE TO ASSOCIATED COMPANIES (234)		4,644,104		2,510,152
84	CUSTOMER DEPOSITS (235)		-		-
85	TAXES ACCRUED (236)		26,582		32,630
86	INTEREST ACCRUED (237)		-		-
87	DIVIDENDS DECLARED (238)		-		-
88	TAX COLLECTIONS PAYABLE (241)		-		-
89	MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES (242)		-		-
90	OBLIGATIONS UNDER CAPITAL LEASES CURRENT (243)	_	-	_	-
91	TOTAL CURRENT AND ACCRUED LIABILITIES	\$	5,890,854	\$	3,353,614
92	DEFERRED CREDITS				
93	CUSTOMER ADVANCES FOR CONSTRUCTION (252)	\$	-	\$	-
94	OTHER DEFERRED CREDITS (253)		-		-
95	OTHER REGULATORY LIABILITIES (254)		1,827,090		2,599,204
96	ACCUMULATED DEFERRED INVESTMENT TAX CREDIT (255)		-		-
97	UNAMORTIZED GAIN ON REACQUIRED DEBT (257)		-		-
98	ACCUMULATED DEFERRED INCOME TAXES (281-283)		2,060,622		2,867,054
99	TOTAL DEFERRED CREDITS	\$	3,887,712	\$	5,466,258
100	OPERATING RESERVES				
101	OTHER NONCURRENT LIABILITIES (227-228)	\$	-	\$	-
102	TOTAL LIABILITIES AND OTHER CREDITS	\$	135,516,601	\$	138,199,148

1. General

We are a limited liability company organized under the laws of the state of Louisiana. When we refer to "us," "we," "our," "ours," "the Company," or "Bear Creek" we are describing Bear Creek Storage Company, L.L.C.

The member interests in Bear Creek are as follows:

- 50% Tennessee Gas Pipeline Company, L.L.C. (TGP) which is an indirect wholly owned subsidiary of Kinder Morgan, Inc. (KMI).
- 50% Southern Natural Gas Company, L.L.C. (SNG) which is equally held by an indirect wholly owned subsidiary of Kinder Morgan, Inc. (KMI) and an indirect wholly owned subsidiary of The Southern Company (TSC).

We own an underground natural gas storage system in Bienville Parish, Louisiana, which is operated by Kinder Morgan SNG Operator LLC, an affiliate. Our gas storage system provides storage service to SNG and TGP.

2. Summary of Significant Accounting Policies

Basis of Presentation

We have prepared our accompanying financial statements in accordance with the accounting requirements of the Federal Energy Regulatory Commission (FERC) as set forth in its applicable Uniform System of Accounts and published accounting releases, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

Management has evaluated subsequent events through [April 2, 2019], the date the financial statements were available to be issued.

Adoption of New Accounting Pronouncement

Effective January 1, 2018, we adopted Accounting Standards Update (ASU) No. 2014-09, "Revenue from Contracts with Customers" and the series of related ASUs that followed (collectively referred to as "Topic 606"). There were no changes to our historical revenue recognition and no cumulative adjustment as of January 1, 2018, resulting from the adoption of Topic 606. For more information, see "Revenue Recognition" below.

Use of Estimates

Certain amounts included in or affecting our financial statements and related disclosures must be estimated, requiring us to make certain assumptions with respect to values or conditions which cannot be known with certainty at the time our financial statements are prepared. These estimates and assumptions affect the amounts we report for assets and liabilities, our revenues and expenses during the reporting period, and our disclosures, including as it relates to contingent assets and liabilities at the date of our financial statements. We evaluate these estimates on an ongoing basis, utilizing historical experience, consultation with experts and other methods we consider reasonable in the particular circumstances. Nevertheless, actual results may differ significantly from our estimates. Any effects on our business, financial position or results of operations resulting from revisions to these estimates are recorded in the period in which the facts that give rise to the revision become known.

In addition, we believe that certain accounting policies are of more significance in our financial statement preparation process than others, and set out below are the principal accounting policies we apply in the preparation of our financial statements.

Cash Equivalents

We define cash equivalents as all highly liquid short-term investments with original maturities of three months or less.

Accounts Receivable

We establish provisions for losses on accounts receivable if we determine that we will not collect all or part of the outstanding balance. We regularly review collectability and establish or adjust our allowance as necessary using the specific identification method. We had no allowance for doubtful accounts as of December 31, 2018 and 2017.

Inventories

Our inventories, which consist of materials and supplies, are valued at weighted-average cost, and we periodically review for physical deterioration and obsolescence.

Property, Plant and Equipment

Our property, plant and equipment is recorded at its original cost of construction or, upon acquisition, at either the fair value of the assets acquired or the cost to the entity that first placed the asset in utility service. For constructed assets, we capitalize all construction-related direct labor and material costs, as well as indirect construction costs. Our indirect construction costs primarily include an interest and equity return component (as more fully described below) and labor and related costs associated with supporting construction activities. The indirect capitalized labor and related costs are based upon estimates of time spent supporting construction projects.

We use the composite method to depreciate property, plant and equipment. Under this method, assets with similar economic characteristics are grouped and depreciated as one asset. The FERC-accepted depreciation rate is applied to the total cost of the group until the net book value equals the salvage value. For certain general plant, the asset is depreciated to zero. As part of periodic filings with the FERC, we also re-evaluate and receive approval for our depreciation rates. When property, plant and equipment is retired, accumulated depreciation and amortization is charged for the original cost of the assets in addition to the cost to remove, sell or dispose of the assets, less salvage value. We do not recognize gains or losses unless we sell land or an entire operating unit (as approved by the FERC).

Included in our property balances are base gas and working gas at our storage facility. We periodically evaluate natural gas volumes at our storage facility for gas losses. When events or circumstances indicate a loss has occurred, we recognize a loss on our income statement or defer the loss as a regulatory asset on our balance sheets if deemed probable of recovery through future rates charged to customers.

We capitalize a carrying cost (an allowance for funds used during construction or AFUDC) on debt and equity funds related to the construction of long-lived assets. This carrying cost consists of a return on the investment financed by debt and a return on the investment financed by equity. The debt portion is calculated based on the average cost of debt for our Members. Interest costs capitalized are included as a reduction to interest charges in Account 432 "Allowance for Borrowed Funds Used During Construction – Credit" on our income statements. The equity portion is calculated based on the average of the most recent FERC approved rates of return for our Members. Equity amounts capitalized are included in Account 419.1 "Allowance for Other Funds Used During Construction" on our income statements.

Asset Retirement Obligations (ARO)

We record liabilities for obligations related to the retirement and removal of long-lived assets used in our business. We record, as liabilities, the fair value of ARO on a discounted basis when they are incurred and can be reasonably estimated, which is typically at the time the assets are installed or acquired. Amounts recorded for the related assets are increased by the amount of these obligations. Over time, the liabilities increase due to the change in their present value, and the initial capitalized costs are depreciated over the useful lives of the related assets. The liabilities are eventually extinguished when the asset is taken out of service.

We are required to operate and maintain our natural gas storage system, and intend to do so as long as supply and demand for natural gas exists, which we expect for the foreseeable future. Therefore, we believe that we cannot reasonably estimate the ARO for the substantial majority of our assets because these assets have indeterminate lives. We continue to evaluate our ARO and future developments could impact the amounts we record. We had no ARO as of December 31, 2018 and 2017.

Asset Impairments

We evaluate our assets for impairment when events or circumstances indicate that their carrying values may not be recovered. These events include changes in the manner in which we intend to use a long-lived asset, decisions to sell an asset and adverse changes in market conditions or in the legal or business environment such as adverse actions by regulators. If an event occurs, which is a determination that involves judgment, we evaluate the recoverability of the carrying value of our long-lived asset based on the long-lived asset's ability to generate future cash flows on an undiscounted basis. If an impairment is indicated, or if we decide to sell a long-lived asset or group of assets, we adjust the carrying value of the asset downward, if necessary and upon regulatory approval, to its estimated fair value.

Our fair value estimates are generally based on assumptions market participants would use, including market data obtained through the sales process or an analysis of expected discounted future cash flows. There were no impairments for the years ended December 31, 2018 and 2017.

Revenue Recognition

We segregate each class of revenue by account pursuant to FERC's guidance under Code of Federal Regulations Title 18, Part 201.

Revenue from Contracts with Customers. The unit of account in Topic 606 is a performance obligation, which is a promise in a contract to transfer to a customer either a distinct good or service (or bundle of goods or services) or a series of distinct goods or services provided over a period of time. Topic 606 requires that a contract's transaction price, which is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer, is to be allocated to each performance obligation in the contract based on relative standalone selling prices and recognized as revenue when (point in time) or as (over time) the performance obligation is satisfied.

Storage Contracts. Our revenues are primarily generated from the storage of natural gas under firm service customer contracts with take-or-pay elements (principally for capacity reservation) where both the price and quantity are fixed. Generally, for these contracts: (i) our promise is to transfer (or stand ready to transfer) a series of distinct integrated services over a period of time, which is a single performance obligation; (ii) the transaction price includes fixed and/or variable consideration, which is determinable at contract inception and/or at each month end based on our right to invoice at month end for the value of services provided to the customer that month; and (iii) the transaction price is recognized as revenue over the service period specified in the contract as the services are rendered. In these arrangements, the customer is obligated to pay for services associated with its take-or-pay obligation regardless of whether or not the customer chooses to utilize the service in that period. Because we make the service continuously available over the service period, we recognize the take-or-pay amount as revenue ratably over the period based on the passage of time.

The natural gas we receive under our storage contracts remains under the control of our customers. In many cases, generally described as firm service, the customer generally pays a two-part transaction price that includes (i) a fixed fee reserving the right to store natural gas in our facilities up to contractually specified capacity levels (referred to as "reservation") and (ii) a per-unit rate for quantities of natural gas actually injected or withdrawn. In our firm service contracts we generally promise to provide a single integrated service each day over the life of the contract, which is fundamentally a stand-ready obligation to provide services up to the customer's reservation capacity prescribed in the contract. Our customers have a take-or-pay payment obligation with respect to the fixed reservation fee component, regardless of the quantities they actually inject or withdraw. In other cases, generally described as interruptible service, there is no fixed fee associated with these storage services because the customer accepts the possibility that service may be interrupted at our discretion in order to serve customers who have firm service contracts. We do not have an obligation to perform under interruptible customer arrangements until we accept and schedule the customer's request for periodic service. The customer pays a transaction price based on a per-unit rate for the quantities actually stored.

Revenue Recognition Policy prior to January 1, 2018. Prior to the implementation of Topic 606, we estimated our earned but unbilled revenues from natural gas storage service based on contract data, regulatory information, and preliminary sendout and allocation measurements, among other items. Revenues for all services were based on the thermal quantity of gas delivered or subscribed at a price specified in the contract. We recognized reservation revenues on firm contracted capacity ratably over the contract period regardless of the amount of natural gas that was stored. For interruptible or volumetric-based services, we recorded revenues when gas was injected into or withdrawn from the storage facility.

Environmental Matters

We capitalize or expense, as appropriate, environmental expenditures. We capitalize certain environmental expenditures required in obtaining rights-of-way, regulatory approvals or permitting as part of the construction. We accrue and expense environmental costs that relate to an existing condition caused by past operations, which do not contribute to current or future revenue generation. We generally do not discount environmental liabilities to a net present value, and we record environmental liabilities when environmental assessments and/or remedial efforts are probable and we can reasonably estimate the costs. Generally, our recording of these accruals coincides with our completion of a feasibility study or our commitment to a formal plan of action. We recognize receivables for anticipated associated insurance recoveries when such recoveries are deemed to be probable.

We routinely conduct reviews of potential environmental issues and claims that could impact our assets or operations. These reviews assist us in identifying environmental issues and estimating the costs and timing of remediation efforts. We also routinely adjust our environmental liabilities to reflect changes in previous estimates. In making environmental liability estimations, we consider the material effect of environmental compliance, pending legal actions against us, and potential third-party liability claims. Often, as the remediation evaluation and effort progresses, additional information is obtained, requiring revisions to estimated costs. These revisions are reflected in our income in the period in which they are reasonably determinable.

We are subject to environmental cleanup and enforcement actions from time to time. In particular, the Comprehensive Environmental Response, Compensation and Liability Act generally imposes joint and several liability for cleanup and enforcement costs on current and predecessor owners and operators of a site, among others, without regard to fault or the legality of the original conduct, subject to the right of a liable party to establish a "reasonable basis" for apportionment of costs. Our operations are also subject to federal, state and local laws and regulations relating to protection of the environment. Although we believe our operations are in substantial compliance with applicable environmental laws and regulations, risks of additional costs and liabilities are inherent in our operations, and there can be no assurance that we will not incur significant costs and liabilities. Moreover, it is possible that other developments, such as increasingly stringent environmental laws, regulations and enforcement policies under the terms of authority of those laws, and claims for damages to property or persons resulting from our operations, could result in substantial costs and liabilities to us.

Although it is not possible to predict the ultimate outcomes, we believe that the resolution of the environmental matters, and other matters to which we are a party, will not have a material adverse effect on our business, financial position, results of operations or cash flows. We had no accruals for any outstanding environmental matters as of December 31, 2018 and 2017.

Legal Proceedings

We are party to various legal, regulatory and other matters arising from the day-to-day operations of our business that may result in claims against the Company. Although no assurance can be given, we believe, based on our experiences to date and taking into account established reserves, that the ultimate resolution of such items will not have a material adverse impact on our business, financial position, results of operations or cash flows. We believe we have meritorious defenses to the matters to which we are a party and intend to vigorously defend the Company. When we determine a loss is probable of occurring and is reasonably estimable, we accrue an undiscounted liability for such contingencies based on our best estimate using information available at that time. If the estimated loss is a range of potential outcomes and there is no better estimate within the range, we accrue the amount at the low end of the range. We disclose contingencies where an adverse outcome may be material, or in the judgment of management, we conclude the matter should otherwise be disclosed.

We had no accruals for any outstanding legal proceedings as of December 31, 2018 and 2017. Regulatory Assets and Liabilities

Regulatory assets and liabilities represent probable future revenues or expenses associated with certain charges and credits that are expected to be recovered from or refunded to customers through the ratemaking process.

3. Income Taxes

We are a limited liability company that is treated as a partnership for income tax purposes and are not subject to federal or state income taxes; however, all of our activities are included in the tax returns of the owners of our Members,

which are taxable C-corporations. Our approved rates include an allowance for income taxes, calculated as if we were a taxable corporation, and the FERC requires that we reflect such taxes in our financial statements.

We record current income taxes based on our taxable income and we provide for deferred income taxes to reflect estimated future tax payments and receipts. Deferred taxes represent the tax impacts of differences between the financial statement and tax bases of assets and liabilities and carryovers at each year end. We account for tax credits under the flow-through method, which reduces the provision for income taxes in the year the tax credits first become available. We reduce deferred tax assets by a valuation allowance when, based on our estimates, it is more likely than not that a portion of those assets will not be realized in a future period. The estimates utilized in the recognition of deferred tax assets are subject to revision, either up or down, in future periods based on new facts or circumstances. Income taxes charged to us are reflected in the accompanying comparative balance sheet in Account 236 "Taxes Accrued" and Accounts 190, 282 and 283 "Accumulated Deferred Income Taxes." A portion of the activity in Account 211 "Miscellaneous Paid-In Capital" reflects the income taxes assigned or advanced to our Members. Current income taxes assigned to our Members are transferred into Account 211 with an offsetting adjustment to Account 186 "Miscellaneous Deferred Debits". For more information, see Note 4.

The following table reflects the components of income tax expense included in net income (in millions):

	Year Ended December 31,			
	2018		2017	
Current:		_		
Federal	\$ 2.9	\$	5.6	
State	1.0		0.9	
	3.9	_	6.5	
Deferred:		_		
Federal	0.6		0.3	
State	0.2		-	
	0.8	_	0.3	
		_		
Total income tax expense	\$ 4.7	\$	6.8	

The differences between our actual income tax expense and the amount computed by applying the statutory federal income tax rate of 21% and 35% for the years ended December 31, 2018 and 2017, respectively, are summarized as follows (in millions):

		Year Ended December 31,			
		2018		2017	
Income tax expense at the statutory federal rate	\$	3.8	\$	6.2	
State income tax, net of federal income tax effect		0.9		0.6	
Total income tax expense	\$	4.7	\$	6.8	
Effective tax rate	.=	26.3%		38.7%	

The following are the components of our net deferred tax liability (in millions):

December 31,				
 2018	2017			
	_			
\$ 2.8	\$	2.0		
0.3		0.3		
\$ 2.5	\$	1.7		
\$ \$ _	2018 \$ 2.8 0.3	\$ 2.8 \$ 0.3		

Tax Cuts and Jobs Act of 2017 (2017 Tax Reform)

On December 22, 2017, the United States enacted the 2017 Tax Reform. Among the many provisions included in the 2017 Tax Reform is a provision to reduce the U.S. federal corporate income tax rate from 35% to 21% effective January 1, 2018. As a result of this reduction in the federal income tax rate, we adjusted our accumulated deferred income tax (ADIT) balances by remeasuring the related temporary differences as of December 31, 2017 at the 21% federal tax rate. Adjustments to ADIT balances that are reflected in rate base were recorded to Account 254 "Other Regulatory Liabilities," and adjustments to non-rate base related ADIT were recorded on the income statement in Account 410.1 "Provision of Deferred Income Taxes" and Account 411.1 "Provision for Deferred Income Taxes-Credit," as applicable. Remeasurement of our ADIT balances affected accounts as of, and for the years ended, December 31, 2018 and 2017, as follows (in millions):

		Debit/(Credit)					
<u>Account</u>	<u>Description</u>	20	18	2	017		
182.3	Other Regulatory Assets	\$	-	\$	(0.1)		
190	Accumulated Deferred Income Taxes		-		0.3		
254	Other Regulatory Liabilities		-		(1.4)		
282	Accumulated Deferred Income Taxes – Other Property		-		1.0		
283	Accumulated Deferred Income Taxes – Other		-		0.1		

As of December 31, 2018, the total excess ADIT amount of \$1.0 million is protected under the Internal Revenue Service normalization rules, with no unprotected amounts. The regulatory liability balance is being amortized within existing rates to Account 411.1 "Provision for Deferred Income Taxes-Credit" on our income statement, effective January 1, 2018, over 29.5 years, the remaining weighted average life of our depreciable assets. See Note 5 "Rate and Regulatory Matters" for recent FERC issuances related to income taxes.

4. Related Party Transactions

Proprietary Capital

The following table reflects changes to our proprietary capital accounts resulting from distributions paid to our Members, as well as other changes in proprietary capital (in millions):

	Year Ended December 31,					
	20	18	20	17		
	Account Account 211 216		Account 211	Account 216		
Balance – Beginning of Year	\$ 106.4	\$ 19.3	\$ 106.4	\$ 16.4		
Net Income	-	13.3	-	10.8		
Transfer of net earnings from Account 216 ⁽¹⁾ Transfer from Account 236 ⁽¹⁾ Transfer from Account 186 ⁽¹⁾ Total Transfers	9.6 3.9 0.8 14.3	(9.6)	7.9 6.4 (1.1) 13.2	(7.9) - - - (7.9)		
Distributions to Members	(14.3)		(13.2)			
Balance – End of Year	\$ 106.4	\$ 23.0	\$ 106.4	\$ 19.3		

⁽¹⁾ Settlements of these amounts are made within equity and are considered non-cash financing activities.

Affiliate Balances and Activities

The following table summarizes our balance sheet affiliate balances (in millions):

			Decem	ber 31,	
Account		2	018	2	017
146	Accounts receivable from associated companies	\$	2.3	\$	2.3
186	Advance of deferred income taxes to Members		2.5		1.7
234	Accounts payable to associated companies		2.5		4.6

We do not have employees and are operated by an indirect subsidiary of KMI; therefore KMI employees provide services to us. Under policies with KMI, we reimburse KMI at cost for direct and indirect costs incurred on our behalf and allocated general and administrative costs. These costs are reflected, as appropriate, in the "Operation, maintenance and payroll tax expenses" and "Capitalized costs" lines in the table below.

The following table shows costs from our affiliates (in millions):

	Yea	Year Ended December 31					
	2018		2017				
Operation, maintenance and payroll tax expenses	\$	3.0	\$	3.0			
Capitalized costs		0.4		0.4			

We provide contract storage services to SNG and TGP under agreements that expire in 2019. We expect annual renewal of these contracts to occur into the foreseeable future. For each of the years ended December 31, 2018 and 2017, we received \$27.1 million under these agreements.

Subsequent Event

In March 2019, we made a cash distribution to our Members of [\$] million, inclusive of amounts representing income taxes.

5. Rate and Regulatory Matters

Fuel Recovery Mechanism

We retain natural gas quantities from our shippers, in accordance with our tariff, as reimbursement for fuel used in operations and for gas otherwise unaccounted for. On an annual basis, we compare the amount of such gas retained to the actual amount of fuel used in operations and gas otherwise unaccounted for over the annual period and assess our customers in kind for any shortfall amount or refund to our customers in kind for any over-recovery amount. Annually, we file a report with the FERC summarizing this true-up. For each of the years ended December 31, 2018 and 2017, we recorded a net regulatory expense of less than \$0.8 million related to our fuel recovery mechanism.

2017 Tax Reform and FERC Tax Policies

During 2018, the FERC issued the following policies and order related to income taxes:

Revised Policy Statement on Treatment of Income Taxes (Revised Tax Policy). In Docket No. PL17-1-000, as clarified under FERC's Order on Rehearing, the FERC issued a revised policy statement to address income tax and rate of return policies for Master Limited Partnerships (MLPs) as a result of the decisions of the U.S. Court of Appeals for the District of Columbia Circuit in United Airlines, Inc., et al. v. FERC (United Airlines). The Revised Tax Policy provides a general policy statement notifying that an impermissible double recovery results from granting an MLP pipeline both an income tax allowance and a return on equity under the discounted cash flow methodology. The FERC clarified that each MLP pipeline may still propose an income tax allowance in a rate filing because the Revised Tax Policy is not a binding rule. The FERC will require other partnerships and pass-through entities seeking to recover an income tax allowance to address the double-recovery concern from United Airlines in subsequent proceedings. The ultimate owners of our Members are organized as C-corporations and our earnings are taxed at the owner level. As such, we do not believe that the Revised Tax Policy will have an effect on our ability to collect an income tax allowance in our rates.

Interstate and Intrastate Natural Gas Pipelines; Rate Changes Relating to Federal Income Tax Rate – (Order No. 849). In Order No. 849, issued July 18, 2018, (Docket No. RM18-11) (Final Rule), the FERC required interstate pipelines to file an informational filing on a new Form No. 501-G to collect information to evaluate the impact of the 2017 Tax Reform and the Revised Tax Policy regarding tax allowances for interstate and intrastate natural gas pipelines. Form No. 501-G is intended to be an abbreviated cost and revenue study to estimate the impact of the 2017 Tax Reform and Revised Tax Policy on the pipeline's cost of service and return on equity. On August 17, 2018, we and certain KMI affiliates and other unrelated parties jointly filed a request for rehearing of the Final Rule. The FERC issued an order granting rehearing for further consideration on September 17, 2018; however, based on the schedule included in the Final Rule, we filed our Form No. 501-G on October 11, 2018 under Docket No. RP19-51-000, opting that no adjustment to rates is necessary. The Final Rule established the FERC's presumption that negotiated rate contracts should be allowed to remain in effect without change.

On January 16, 2019, the FERC initiated a Natural Gas Act (NGA) section 5 rate investigation under Docket No. RP19-51-000, and we filed the required cost and revenue study on April 1, 2019.

Accounting and Ratemaking Treatment of Accumulated Deferred Income Taxes and Treatment Following the Sale or Retirement of an Asset (Docket No. PL19-2-000), (ADIT Policy). With respect to pipelines regulated under the NGA, the ADIT Policy, issued November 15, 2018, provides the FERC's guidance regarding the treatment of ADIT for both accounting and ratemaking purposes in light of 2017 Tax Reform by clarifying 1) the accounts to be used in recording the amortization of the excess and/or deficient ADIT balances, 2) that natural gas pipelines must continue to follow the accounting guidance issued by the Chief Accountant in Docket No. Al93-5-000 with respect to changes in tax law or rates, including additional disclosure requirements as outlined in the ADIT Policy, and 3) that any excess or deficient ADIT associated with an asset must continue to be amortized in rates even after the sale or retirement of that asset. We have implemented the ADIT Policy in our financial statements as of and for the year ended December 31, 2018.

6. Recent Accounting Pronouncements

Topic 842

On February 25, 2016, the Financial Accounting Standards Board issued ASU No. 2016-02, "Leases" followed by a series of related accounting standard updates (collectively referred to as "Topic 842"). Topic 842 establishes a new lease accounting model which requires lessees to recognize for all leases a right-of-use asset and a lease liability in the balance sheet. Lessor accounting under the new standard is substantially unchanged. Topic 842 will become effective beginning with the first quarter of 2019.

On December 27, 2018, the FERC, in Docket No. Al19-1-000, "Accounting and Financial Reporting for Leases," issued accounting guidance intended to provide clarity and certainty on how jurisdictional entities should apply the FERC's accounting and reporting requirements related to lease arrangements in response to ASU No. 2016-02. Under the FERC's accounting regulations, operating leases are not required to be capitalized and reported in the balance sheet. However, under this guidance, a jurisdictional entity may choose to implement the guidance of ASU No. 2016-02 to report operating leases with a lease term in excess of 12 months as right of use assets, with corresponding lease obligations, in the balance sheet accounts established for capital leases. FERC regulations for recording lease arrangements for lessors, capital leases, land easements, and the recording of expense related to lease arrangements remains unchanged. In addition, this guidance requires footnote disclosure of any amounts included in the capital lease balance sheet accounts that relate to operating leases, as well as any changes in FERC accounting practice in response to ASU No. 2016-02, and the impact of such amounts on FERC jurisdictional cost-of-service rates. Based on the guidance provided in Docket No. Al19-1-000, we had no changes to our accounting for leases as a result of Topic 842.

BEAR CREEK STORAGE COMPANY, L.L.C.

Income Statement Twelve Months Ending 12/31/2018

Line No.	Title of Account	Twelve Mont Ending 12/31/2			
	(a)		(b)		
1	Gas Operating Revenues (400)	\$	28,617,219		
2	Operating Expenses				
3	Operation Expense (401)	\$	4,626,102		
4	Maintenance Expenses (402)		2,799,418		
5	Depreciation Expense (403)		914,748		
6	Depreciation Expense for Asset Retirement Costs (403.1)		· -		
7	Amortization and Depletion of Utility Plant (404 - 405)		17,130		
8	Amortization of Utility Plant Acq. Adjustment (406)		, -		
9	Amort of Prop Losses, Unrecovered Plant and Reg. Study Costs (407.1)		<u>-</u>		
10	Amortization of Conversion Expenses (407.2)		<u>-</u>		
11	Regulatory Debits (407.3)		5,797		
12	(Less) Regulatory Credits (407.4)		(8,041		
13	Taxes Other than Income Taxes (408.1)		2,315,640		
14	Income Taxes - Federal (409.1)		2,927,991		
15	Income Taxes - Other (409.1.1)		992,707		
16	Provision of Deferred Income Taxes (410.1)		847,203		
17	(Less) Provision for Deferred Income Taxes - Credit (411.1)		(55,465		
18	Investment Tax Credit Adjustment - Net (411.4)		-		
19	(Less) Gains from Disposition of Utility Plant (411.6)		_		
20	Losses from Disposition of Utility Plant (411.7)		_		
21	(Less) Gains from Disposition of Allowances (411.8)		_		
22	Losses from Disposition of Allowances (411.9)		_		
23	Accretion Expense (411.10)		_		
24	TOTAL Utility Operating Expenses (Total of lines 3 thru 23)	\$	15,383,230		
25	Net Utility Operating Income (Total of lines 1 less 24)	<u>\$</u> \$	13,233,989		
26	The curry operating moone (Total of lines 1 1688 21)	Ψ	13,233,707		
27	OTHER INCOME AND DEDUCTIONS				
28	Other Income				
29	Nonutility Operating Income				
30	Revenues from Merchandising, Jobbing and Contract Work (415)	\$	_		
31	(Less) Costs and Expense of Merchandising, Job & Contract Work	4	_		
32	Revenues from Nonutility Operations (417)		_		
33	(Less) Expenses of Nonutility Operations (417.1)		_		
34	Nonoperating Rental Income (418)		_		
35	Equity in Earnings of Subsidiary Companies (418.1)		_		
36	Interest and Dividend Income (419)		_		
37	Allowance for Other Funds Used During Construction (419.1)		23,835		
38	Miscellaneous Nonoperating Income (421)		302		
39	Gain on Disposition of Property (421.1)		-		
40	TOTAL Other Income (Total of lines 30 thru 39)	\$	24,137		
41	Other Income Deductions	Ψ	21,137		
42	Loss on Disposition of Property (421.2)		_		
43	Miscellaneous Amortization (425)		_		
	Donations (426.1)		_		
44	Donations (426.1)		-		

BEAR CREEK STORAGE COMPANY, L.L.C.

Income Statement Twelve Months Ending 12/31/2018

Line No.	Title of Account	elve Months ng 12/31/2018
	(a)	 (b)
46	Penalties (426.3)	-
47	Expenditures for Certain Civic, Political and Related Activities (426.4)	-
48	Other Deductions (426.5)	-
49	TOTAL Other Income Deductions (Total of lines 42 thru 48)	\$ -
50	Taxes Applicable to Other Income and Deductions	
51	Taxes Other than Income Taxes (408.2)	\$ -
52	Income Taxes - Federal (409.2)	(64)
53	Income Taxes - Other (409.2.2)	(15)
54	Provision for Deferred Income Taxes (410.2)	(6,195)
55	(Less) Provision for Deferred Income Taxes - Credit (411.2)	-
56	Investment Tax Credit Adjustments - Net (411.5)	-
57	(Less) Investment Tax Credits (420)	-
58	TOTAL Taxes on Other Income And Deductions (Total of lines 51 thru 57)	\$ (6,274)
59	Net Other Income and Deductions (Total of lines 40, 49, 58)	\$ 17,863
60	INTEREST CHARGES	
61	Interest on Long-Term Debt (427)	-
62	Amortization of Debt Discount and Expense (428)	-
63	Amortization of Loss on Reacquired Debt (428.1)	-
64	(Less) Amortization of Premium on Debt - Credit (429)	-
65	(Less) Amortization of Gain on Reacquired Debt - Credit (429.1)	-
66	Interest on Debt to Associated Companies (430)	-
67	Other Interest Expense (431)	-
68	(Less) Allowance for Borrowed Funds Used During Construction - Credit (432)	 7,355
69	Net Interest Charges (Total of lines 61 thru 68)	\$ 7,355
70	Income Before Extraordinary Items (Total of lines 25, 59, and 69)	\$ 13,259,207
71	EXTRAORDINARY ITEMS	
72	Extraordinary Income (434)	\$ -
73	(Less) Extraordinary Deductions (435)	 -
74	Net Extraordinary Items (Total of line 73 less line 74)	\$ -
75	Income Taxes - Federal and Other (409.3)	-
76	Extraordinary Items after Taxes (Total of line 74 less 75)	
77	Net Income (Total of lines 70 and 76)	\$ 13,259,207

1. General

We are a limited liability company organized under the laws of the state of Louisiana. When we refer to "us," "we," "our," "ours," "the Company," or "Bear Creek" we are describing Bear Creek Storage Company, L.L.C.

The member interests in Bear Creek are as follows:

- 50% Tennessee Gas Pipeline Company, L.L.C. (TGP) which is an indirect wholly owned subsidiary of Kinder Morgan, Inc. (KMI).
- 50% Southern Natural Gas Company, L.L.C. (SNG) which is equally held by an indirect wholly owned subsidiary of Kinder Morgan, Inc. (KMI) and an indirect wholly owned subsidiary of The Southern Company (TSC).

We own an underground natural gas storage system in Bienville Parish, Louisiana, which is operated by Kinder Morgan SNG Operator LLC, an affiliate. Our gas storage system provides storage service to SNG and TGP.

2. Summary of Significant Accounting Policies

Basis of Presentation

We have prepared our accompanying financial statements in accordance with the accounting requirements of the Federal Energy Regulatory Commission (FERC) as set forth in its applicable Uniform System of Accounts and published accounting releases, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

Management has evaluated subsequent events through [April 2, 2019], the date the financial statements were available to be issued.

Adoption of New Accounting Pronouncement

Effective January 1, 2018, we adopted Accounting Standards Update (ASU) No. 2014-09, "Revenue from Contracts with Customers" and the series of related ASUs that followed (collectively referred to as "Topic 606"). There were no changes to our historical revenue recognition and no cumulative adjustment as of January 1, 2018, resulting from the adoption of Topic 606. For more information, see "Revenue Recognition" below.

Use of Estimates

Certain amounts included in or affecting our financial statements and related disclosures must be estimated, requiring us to make certain assumptions with respect to values or conditions which cannot be known with certainty at the time our financial statements are prepared. These estimates and assumptions affect the amounts we report for assets and liabilities, our revenues and expenses during the reporting period, and our disclosures, including as it relates to contingent assets and liabilities at the date of our financial statements. We evaluate these estimates on an ongoing basis, utilizing historical experience, consultation with experts and other methods we consider reasonable in the particular circumstances. Nevertheless, actual results may differ significantly from our estimates. Any effects on our business, financial position or results of operations resulting from revisions to these estimates are recorded in the period in which the facts that give rise to the revision become known.

In addition, we believe that certain accounting policies are of more significance in our financial statement preparation process than others, and set out below are the principal accounting policies we apply in the preparation of our financial statements.

Cash Equivalents

We define cash equivalents as all highly liquid short-term investments with original maturities of three months or less.

Accounts Receivable

We establish provisions for losses on accounts receivable if we determine that we will not collect all or part of the outstanding balance. We regularly review collectability and establish or adjust our allowance as necessary using the specific identification method. We had no allowance for doubtful accounts as of December 31, 2018 and 2017.

Inventories

Our inventories, which consist of materials and supplies, are valued at weighted-average cost, and we periodically review for physical deterioration and obsolescence.

Property, Plant and Equipment

Our property, plant and equipment is recorded at its original cost of construction or, upon acquisition, at either the fair value of the assets acquired or the cost to the entity that first placed the asset in utility service. For constructed assets, we capitalize all construction-related direct labor and material costs, as well as indirect construction costs. Our indirect construction costs primarily include an interest and equity return component (as more fully described below) and labor and related costs associated with supporting construction activities. The indirect capitalized labor and related costs are based upon estimates of time spent supporting construction projects.

We use the composite method to depreciate property, plant and equipment. Under this method, assets with similar economic characteristics are grouped and depreciated as one asset. The FERC-accepted depreciation rate is applied to the total cost of the group until the net book value equals the salvage value. For certain general plant, the asset is depreciated to zero. As part of periodic filings with the FERC, we also re-evaluate and receive approval for our depreciation rates. When property, plant and equipment is retired, accumulated depreciation and amortization is charged for the original cost of the assets in addition to the cost to remove, sell or dispose of the assets, less salvage value. We do not recognize gains or losses unless we sell land or an entire operating unit (as approved by the FERC).

Included in our property balances are base gas and working gas at our storage facility. We periodically evaluate natural gas volumes at our storage facility for gas losses. When events or circumstances indicate a loss has occurred, we recognize a loss on our income statement or defer the loss as a regulatory asset on our balance sheets if deemed probable of recovery through future rates charged to customers.

We capitalize a carrying cost (an allowance for funds used during construction or AFUDC) on debt and equity funds related to the construction of long-lived assets. This carrying cost consists of a return on the investment financed by debt and a return on the investment financed by equity. The debt portion is calculated based on the average cost of debt for our Members. Interest costs capitalized are included as a reduction to interest charges in Account 432 "Allowance for Borrowed Funds Used During Construction – Credit" on our income statements. The equity portion is calculated based on the average of the most recent FERC approved rates of return for our Members. Equity amounts capitalized are included in Account 419.1 "Allowance for Other Funds Used During Construction" on our income statements.

Asset Retirement Obligations (ARO)

We record liabilities for obligations related to the retirement and removal of long-lived assets used in our business. We record, as liabilities, the fair value of ARO on a discounted basis when they are incurred and can be reasonably estimated, which is typically at the time the assets are installed or acquired. Amounts recorded for the related assets are increased by the amount of these obligations. Over time, the liabilities increase due to the change in their present value, and the initial capitalized costs are depreciated over the useful lives of the related assets. The liabilities are eventually extinguished when the asset is taken out of service.

We are required to operate and maintain our natural gas storage system, and intend to do so as long as supply and demand for natural gas exists, which we expect for the foreseeable future. Therefore, we believe that we cannot reasonably estimate the ARO for the substantial majority of our assets because these assets have indeterminate lives. We continue to evaluate our ARO and future developments could impact the amounts we record. We had no ARO as of December 31, 2018 and 2017.

Asset Impairments

We evaluate our assets for impairment when events or circumstances indicate that their carrying values may not be recovered. These events include changes in the manner in which we intend to use a long-lived asset, decisions to sell an asset and adverse changes in market conditions or in the legal or business environment such as adverse actions by regulators. If an event occurs, which is a determination that involves judgment, we evaluate the recoverability of the carrying value of our long-lived asset based on the long-lived asset's ability to generate future cash flows on an undiscounted basis. If an impairment is indicated, or if we decide to sell a long-lived asset or group of assets, we adjust the carrying value of the asset downward, if necessary and upon regulatory approval, to its estimated fair value.

Our fair value estimates are generally based on assumptions market participants would use, including market data obtained through the sales process or an analysis of expected discounted future cash flows. There were no impairments for the years ended December 31, 2018 and 2017.

Revenue Recognition

We segregate each class of revenue by account pursuant to FERC's guidance under Code of Federal Regulations Title 18, Part 201.

Revenue from Contracts with Customers. The unit of account in Topic 606 is a performance obligation, which is a promise in a contract to transfer to a customer either a distinct good or service (or bundle of goods or services) or a series of distinct goods or services provided over a period of time. Topic 606 requires that a contract's transaction price, which is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer, is to be allocated to each performance obligation in the contract based on relative standalone selling prices and recognized as revenue when (point in time) or as (over time) the performance obligation is satisfied.

Storage Contracts. Our revenues are primarily generated from the storage of natural gas under firm service customer contracts with take-or-pay elements (principally for capacity reservation) where both the price and quantity are fixed. Generally, for these contracts: (i) our promise is to transfer (or stand ready to transfer) a series of distinct integrated services over a period of time, which is a single performance obligation; (ii) the transaction price includes fixed and/or variable consideration, which is determinable at contract inception and/or at each month end based on our right to invoice at month end for the value of services provided to the customer that month; and (iii) the transaction price is recognized as revenue over the service period specified in the contract as the services are rendered. In these arrangements, the customer is obligated to pay for services associated with its take-or-pay obligation regardless of whether or not the customer chooses to utilize the service in that period. Because we make the service continuously available over the service period, we recognize the take-or-pay amount as revenue ratably over the period based on the passage of time.

The natural gas we receive under our storage contracts remains under the control of our customers. In many cases, generally described as firm service, the customer generally pays a two-part transaction price that includes (i) a fixed fee reserving the right to store natural gas in our facilities up to contractually specified capacity levels (referred to as "reservation") and (ii) a per-unit rate for quantities of natural gas actually injected or withdrawn. In our firm service contracts we generally promise to provide a single integrated service each day over the life of the contract, which is fundamentally a stand-ready obligation to provide services up to the customer's reservation capacity prescribed in the contract. Our customers have a take-or-pay payment obligation with respect to the fixed reservation fee component, regardless of the quantities they actually inject or withdraw. In other cases, generally described as interruptible service, there is no fixed fee associated with these storage services because the customer accepts the possibility that service may be interrupted at our discretion in order to serve customers who have firm service contracts. We do not have an obligation to perform under interruptible customer arrangements until we accept and schedule the customer's request for periodic service. The customer pays a transaction price based on a per-unit rate for the quantities actually stored.

Revenue Recognition Policy prior to January 1, 2018. Prior to the implementation of Topic 606, we estimated our earned but unbilled revenues from natural gas storage service based on contract data, regulatory information, and preliminary sendout and allocation measurements, among other items. Revenues for all services were based on the thermal quantity of gas delivered or subscribed at a price specified in the contract. We recognized reservation revenues on firm contracted capacity ratably over the contract period regardless of the amount of natural gas that was stored. For interruptible or volumetric-based services, we recorded revenues when gas was injected into or withdrawn from the storage facility.

Environmental Matters

We capitalize or expense, as appropriate, environmental expenditures. We capitalize certain environmental expenditures required in obtaining rights-of-way, regulatory approvals or permitting as part of the construction. We accrue and expense environmental costs that relate to an existing condition caused by past operations, which do not contribute to current or future revenue generation. We generally do not discount environmental liabilities to a net present value, and we record environmental liabilities when environmental assessments and/or remedial efforts are probable and we can reasonably estimate the costs. Generally, our recording of these accruals coincides with our completion of a feasibility study or our commitment to a formal plan of action. We recognize receivables for anticipated associated insurance recoveries when such recoveries are deemed to be probable.

We routinely conduct reviews of potential environmental issues and claims that could impact our assets or operations. These reviews assist us in identifying environmental issues and estimating the costs and timing of remediation efforts. We also routinely adjust our environmental liabilities to reflect changes in previous estimates. In making environmental liability estimations, we consider the material effect of environmental compliance, pending legal actions against us, and potential third-party liability claims. Often, as the remediation evaluation and effort progresses, additional information is obtained, requiring revisions to estimated costs. These revisions are reflected in our income in the period in which they are reasonably determinable.

We are subject to environmental cleanup and enforcement actions from time to time. In particular, the Comprehensive Environmental Response, Compensation and Liability Act generally imposes joint and several liability for cleanup and enforcement costs on current and predecessor owners and operators of a site, among others, without regard to fault or the legality of the original conduct, subject to the right of a liable party to establish a "reasonable basis" for apportionment of costs. Our operations are also subject to federal, state and local laws and regulations relating to protection of the environment. Although we believe our operations are in substantial compliance with applicable environmental laws and regulations, risks of additional costs and liabilities are inherent in our operations, and there can be no assurance that we will not incur significant costs and liabilities. Moreover, it is possible that other developments, such as increasingly stringent environmental laws, regulations and enforcement policies under the terms of authority of those laws, and claims for damages to property or persons resulting from our operations, could result in substantial costs and liabilities to us.

Although it is not possible to predict the ultimate outcomes, we believe that the resolution of the environmental matters, and other matters to which we are a party, will not have a material adverse effect on our business, financial position, results of operations or cash flows. We had no accruals for any outstanding environmental matters as of December 31, 2018 and 2017.

Legal Proceedings

We are party to various legal, regulatory and other matters arising from the day-to-day operations of our business that may result in claims against the Company. Although no assurance can be given, we believe, based on our experiences to date and taking into account established reserves, that the ultimate resolution of such items will not have a material adverse impact on our business, financial position, results of operations or cash flows. We believe we have meritorious defenses to the matters to which we are a party and intend to vigorously defend the Company. When we determine a loss is probable of occurring and is reasonably estimable, we accrue an undiscounted liability for such contingencies based on our best estimate using information available at that time. If the estimated loss is a range of potential outcomes and there is no better estimate within the range, we accrue the amount at the low end of the range. We disclose contingencies where an adverse outcome may be material, or in the judgment of management, we conclude the matter should otherwise be disclosed.

We had no accruals for any outstanding legal proceedings as of December 31, 2018 and 2017. Regulatory Assets and Liabilities

Regulatory assets and liabilities represent probable future revenues or expenses associated with certain charges and credits that are expected to be recovered from or refunded to customers through the ratemaking process.

3. Income Taxes

We are a limited liability company that is treated as a partnership for income tax purposes and are not subject to federal or state income taxes; however, all of our activities are included in the tax returns of the owners of our Members,

which are taxable C-corporations. Our approved rates include an allowance for income taxes, calculated as if we were a taxable corporation, and the FERC requires that we reflect such taxes in our financial statements.

We record current income taxes based on our taxable income and we provide for deferred income taxes to reflect estimated future tax payments and receipts. Deferred taxes represent the tax impacts of differences between the financial statement and tax bases of assets and liabilities and carryovers at each year end. We account for tax credits under the flow-through method, which reduces the provision for income taxes in the year the tax credits first become available. We reduce deferred tax assets by a valuation allowance when, based on our estimates, it is more likely than not that a portion of those assets will not be realized in a future period. The estimates utilized in the recognition of deferred tax assets are subject to revision, either up or down, in future periods based on new facts or circumstances. Income taxes charged to us are reflected in the accompanying comparative balance sheet in Account 236 "Taxes Accrued" and Accounts 190, 282 and 283 "Accumulated Deferred Income Taxes." A portion of the activity in Account 211 "Miscellaneous Paid-In Capital" reflects the income taxes assigned or advanced to our Members. Current income taxes assigned to our Members are transferred into Account 211 with an offsetting adjustment to Account 186 "Miscellaneous Deferred Debits". For more information, see Note 4.

The following table reflects the components of income tax expense included in net income (in millions):

	Year Ended December 31,				
	2018	2017			
Current:		_			
Federal	\$ 2.9	\$	5.6		
State	1.0		0.9		
	3.9	_	6.5		
Deferred:		_			
Federal	0.6		0.3		
State	0.2		-		
	0.8	_	0.3		
		_			
Total income tax expense	\$ 4.7	\$	6.8		

The differences between our actual income tax expense and the amount computed by applying the statutory federal income tax rate of 21% and 35% for the years ended December 31, 2018 and 2017, respectively, are summarized as follows (in millions):

		Year Ended December 31,			
		2018		2017	
Income tax expense at the statutory federal rate	\$	3.8	\$	6.2	
State income tax, net of federal income tax effect		0.9		0.6	
Total income tax expense	\$	4.7	\$	6.8	
Effective tax rate	.=	26.3%		38.7%	

The following are the components of our net deferred tax liability (in millions):

December 31,					
 2018	2017				
	_				
\$ 2.8	\$	2.0			
0.3		0.3			
\$ 2.5	\$	1.7			
\$ \$ _	2018 \$ 2.8 0.3	\$ 2.8 \$ 0.3			

Tax Cuts and Jobs Act of 2017 (2017 Tax Reform)

On December 22, 2017, the United States enacted the 2017 Tax Reform. Among the many provisions included in the 2017 Tax Reform is a provision to reduce the U.S. federal corporate income tax rate from 35% to 21% effective January 1, 2018. As a result of this reduction in the federal income tax rate, we adjusted our accumulated deferred income tax (ADIT) balances by remeasuring the related temporary differences as of December 31, 2017 at the 21% federal tax rate. Adjustments to ADIT balances that are reflected in rate base were recorded to Account 254 "Other Regulatory Liabilities," and adjustments to non-rate base related ADIT were recorded on the income statement in Account 410.1 "Provision of Deferred Income Taxes" and Account 411.1 "Provision for Deferred Income Taxes-Credit," as applicable. Remeasurement of our ADIT balances affected accounts as of, and for the years ended, December 31, 2018 and 2017, as follows (in millions):

			Debit/(0	(Credit)	
<u>Account</u>	<u>Description</u>	20	18	2	2017
182.3	Other Regulatory Assets	\$	-	\$	(0.1)
190	Accumulated Deferred Income Taxes		-		0.3
254	Other Regulatory Liabilities		-		(1.4)
282	Accumulated Deferred Income Taxes – Other Property		-		1.0
283	Accumulated Deferred Income Taxes – Other		-		0.1

As of December 31, 2018, the total excess ADIT amount of \$1.0 million is protected under the Internal Revenue Service normalization rules, with no unprotected amounts. The regulatory liability balance is being amortized within existing rates to Account 411.1 "Provision for Deferred Income Taxes-Credit" on our income statement, effective January 1, 2018, over 29.5 years, the remaining weighted average life of our depreciable assets. See Note 5 "Rate and Regulatory Matters" for recent FERC issuances related to income taxes.

4. Related Party Transactions

Proprietary Capital

The following table reflects changes to our proprietary capital accounts resulting from distributions paid to our Members, as well as other changes in proprietary capital (in millions):

	Year Ended December 31,						
	2018 2017						
	Account 211	Account 216	Account 211	Account 216			
Balance – Beginning of Year	\$ 106.4	\$ 19.3	\$ 106.4	\$ 16.4			
Net Income	-	13.3	-	10.8			
Transfer of net earnings from Account 216 ⁽¹⁾	9.6 3.9 0.8 14.3	(9.6)	7.9 6.4 (1.1) 13.2	(7.9)			
Distributions to Members	(14.3)		(13.2)				
Balance – End of Year	\$ 106.4	\$ 23.0	\$ 106.4	\$ 19.3			

⁽¹⁾ Settlements of these amounts are made within equity and are considered non-cash financing activities.

Affiliate Balances and Activities

The following table summarizes our balance sheet affiliate balances (in millions):

			Decem	ber 31,	
Account		2	018	2	017
146	Accounts receivable from associated companies	\$	2.3	\$	2.3
186	Advance of deferred income taxes to Members		2.5		1.7
234	Accounts payable to associated companies		2.5		4.6

We do not have employees and are operated by an indirect subsidiary of KMI; therefore KMI employees provide services to us. Under policies with KMI, we reimburse KMI at cost for direct and indirect costs incurred on our behalf and allocated general and administrative costs. These costs are reflected, as appropriate, in the "Operation, maintenance and payroll tax expenses" and "Capitalized costs" lines in the table below.

The following table shows costs from our affiliates (in millions):

	Yea	Year Ended December 31					
	2018		2017				
Operation, maintenance and payroll tax expenses	\$	3.0	\$	3.0			
Capitalized costs		0.4		0.4			

We provide contract storage services to SNG and TGP under agreements that expire in 2019. We expect annual renewal of these contracts to occur into the foreseeable future. For each of the years ended December 31, 2018 and 2017, we received \$27.1 million under these agreements.

Subsequent Event

In March 2019, we made a cash distribution to our Members of [\$] million, inclusive of amounts representing income taxes.

5. Rate and Regulatory Matters

Fuel Recovery Mechanism

We retain natural gas quantities from our shippers, in accordance with our tariff, as reimbursement for fuel used in operations and for gas otherwise unaccounted for. On an annual basis, we compare the amount of such gas retained to the actual amount of fuel used in operations and gas otherwise unaccounted for over the annual period and assess our customers in kind for any shortfall amount or refund to our customers in kind for any over-recovery amount. Annually, we file a report with the FERC summarizing this true-up. For each of the years ended December 31, 2018 and 2017, we recorded a net regulatory expense of less than \$0.8 million related to our fuel recovery mechanism.

2017 Tax Reform and FERC Tax Policies

During 2018, the FERC issued the following policies and order related to income taxes:

Revised Policy Statement on Treatment of Income Taxes (Revised Tax Policy). In Docket No. PL17-1-000, as clarified under FERC's Order on Rehearing, the FERC issued a revised policy statement to address income tax and rate of return policies for Master Limited Partnerships (MLPs) as a result of the decisions of the U.S. Court of Appeals for the District of Columbia Circuit in United Airlines, Inc., et al. v. FERC (United Airlines). The Revised Tax Policy provides a general policy statement notifying that an impermissible double recovery results from granting an MLP pipeline both an income tax allowance and a return on equity under the discounted cash flow methodology. The FERC clarified that each MLP pipeline may still propose an income tax allowance in a rate filing because the Revised Tax Policy is not a binding rule. The FERC will require other partnerships and pass-through entities seeking to recover an income tax allowance to address the double-recovery concern from United Airlines in subsequent proceedings. The ultimate owners of our Members are organized as C-corporations and our earnings are taxed at the owner level. As such, we do not believe that the Revised Tax Policy will have an effect on our ability to collect an income tax allowance in our rates.

Interstate and Intrastate Natural Gas Pipelines; Rate Changes Relating to Federal Income Tax Rate – (Order No. 849). In Order No. 849, issued July 18, 2018, (Docket No. RM18-11) (Final Rule), the FERC required interstate pipelines to file an informational filing on a new Form No. 501-G to collect information to evaluate the impact of the 2017 Tax Reform and the Revised Tax Policy regarding tax allowances for interstate and intrastate natural gas pipelines. Form No. 501-G is intended to be an abbreviated cost and revenue study to estimate the impact of the 2017 Tax Reform and Revised Tax Policy on the pipeline's cost of service and return on equity. On August 17, 2018, we and certain KMI affiliates and other unrelated parties jointly filed a request for rehearing of the Final Rule. The FERC issued an order granting rehearing for further consideration on September 17, 2018; however, based on the schedule included in the Final Rule, we filed our Form No. 501-G on October 11, 2018 under Docket No. RP19-51-000, opting that no adjustment to rates is necessary. The Final Rule established the FERC's presumption that negotiated rate contracts should be allowed to remain in effect without change.

On January 16, 2019, the FERC initiated a Natural Gas Act (NGA) section 5 rate investigation under Docket No. RP19-51-000, and we filed the required cost and revenue study on April 1, 2019.

Accounting and Ratemaking Treatment of Accumulated Deferred Income Taxes and Treatment Following the Sale or Retirement of an Asset (Docket No. PL19-2-000), (ADIT Policy). With respect to pipelines regulated under the NGA, the ADIT Policy, issued November 15, 2018, provides the FERC's guidance regarding the treatment of ADIT for both accounting and ratemaking purposes in light of 2017 Tax Reform by clarifying 1) the accounts to be used in recording the amortization of the excess and/or deficient ADIT balances, 2) that natural gas pipelines must continue to follow the accounting guidance issued by the Chief Accountant in Docket No. Al93-5-000 with respect to changes in tax law or rates, including additional disclosure requirements as outlined in the ADIT Policy, and 3) that any excess or deficient ADIT associated with an asset must continue to be amortized in rates even after the sale or retirement of that asset. We have implemented the ADIT Policy in our financial statements as of and for the year ended December 31, 2018.

6. Recent Accounting Pronouncements

Topic 842

On February 25, 2016, the Financial Accounting Standards Board issued ASU No. 2016-02, "Leases" followed by a series of related accounting standard updates (collectively referred to as "Topic 842"). Topic 842 establishes a new lease accounting model which requires lessees to recognize for all leases a right-of-use asset and a lease liability in the balance sheet. Lessor accounting under the new standard is substantially unchanged. Topic 842 will become effective beginning with the first guarter of 2019.

On December 27, 2018, the FERC, in Docket No. Al19-1-000, "Accounting and Financial Reporting for Leases," issued accounting guidance intended to provide clarity and certainty on how jurisdictional entities should apply the FERC's accounting and reporting requirements related to lease arrangements in response to ASU No. 2016-02. Under the FERC's accounting regulations, operating leases are not required to be capitalized and reported in the balance sheet. However, under this guidance, a jurisdictional entity may choose to implement the guidance of ASU No. 2016-02 to report operating leases with a lease term in excess of 12 months as right of use assets, with corresponding lease obligations, in the balance sheet accounts established for capital leases. FERC regulations for recording lease arrangements for lessors, capital leases, land easements, and the recording of expense related to lease arrangements remains unchanged. In addition, this guidance requires footnote disclosure of any amounts included in the capital lease balance sheet accounts that relate to operating leases, as well as any changes in FERC accounting practice in response to ASU No. 2016-02, and the impact of such amounts on FERC jurisdictional cost-of-service rates. Based on the guidance provided in Docket No. Al19-1-000, we had no changes to our accounting for leases as a result of Topic 842.

Bear Creek Storage Company, L.L.C. System Map

No significant changes have occurred since the filing of Bear Creek's last FERC Form 2.

Docket No. RP19-51 Statement O-2 With Test Period

Bear Creek Storage Company, L.L.C. Major Expansion and Abandonment Certificates Issued Since Last Rate Case In 2012

There have been no major expansions nor abandonment certificates issued since Bear Creek's last general rate case in 2012.

BEAR CREEK STORAGE COMPANY, L.L.C. DESCRIPTION OF DESIGN AND OPERATION OF STORAGE FIELD

Bear Creek Storage Company, L.L.C. (Bear Creek) is a joint venture owned 50 percent each by Southern Natural Gas Company, L.L.C. (Southern) and Tennessee Gas Pipeline Company, L.L.C. (Tennessee). Bear Creek owns a natural gas storage field, with related surface and subsurface equipment, located in Bienville Parish, Louisiana, which is operated by Southern. On April 3, 1979, the Commission issued a Certificate of Public Convenience and Necessity to Bear Creek authorizing construction and operation of its gas storage field. Bear Creek was placed in service on July 25, 1981. Bear Creek provides individually certificated storage service under Part 157 of the Commission's Regulations to Southern and Tennessee, who in turn each utilize the storage service to provide contract storage service to certain of their customers under each customer's individual FERC Gas Tariff.

The maximum certificated storage capacity of Bear Creek is 114.9 billion standard cubic feet (bcf)¹ or a maximum bottom hole pressure of 3,232 pounds per square inch absolute (psia). The practical storage capacity of Bear Creek is 107.9 bcf which is the total volume in place at an maximum bottom hole pressure of 3,232 psia. Base gas is 48.7 bcf, resulting in a maximum practical working gas volume of 59.2 bcf. The maximum withdrawal rate at Bear Creek is 900 million standard cubic feet per day (mmcf/d) and the maximum injection rate is 460 mmcf/d. As the level of inventory varies, the withdrawal rate and the injection rate varies as well.

Major subsurface components of Bear Creek include the storage reservoir, which is the Pettit limestone formation approximately 7,000 feet below ground level. To convey the gas from the storage reservoir to the surface and from the surface to the storage reservoir, there are 52 wells that are utilized for both withdrawal and injection. Additional pressure and fluid monitoring is conducted via 20 observation wells.

During withdrawal at Bear Creek, gas flows through major surface components that include 25 miles of gathering lines, ranging from 6 to 18 inches in diameter, connecting the wells to the main plant. Once at the plant, gas flows through a slug catcher, heaters, regulators, separators, dehydration, and finally measurement equipment. Compression can be utilized during withdrawal but, other than in test mode, has not been used during withdrawals to date. Free water produced and water recovered from dehydration are injected through one of two salt water disposal wells into the Tuscaloosa formation approximately 3,900 feet below ground level. On injection, gas flows through measurement, separation (to remove material that could harm compressors), compression, separation (to remove any oil carry over), gathering lines, and finally through the wells into the storage reservoir. On withdrawal there is 900 mmcf/d of dehydration capacity and during injection up to four 7,000 horsepower compressor units are utilized.

¹ All volumes in this Statement are at 14.73 psia and 60 degrees Fahrenheit.