SASB Code	<b>SASB Title</b>	Metric	2022	2021
IF-GU-240a.1	Energy Affordability	Average retail gas rate for residential customers	KGS <sup>3</sup> : \$15.09 per Mcf ONG <sup>3</sup> : \$15.26 per Mcf TGS <sup>3</sup> : \$19.47 per Mcf	KGS: \$11.92 per Mcf ONG: \$11.22 per Mcf TGS: \$14.57 per Mcf
		Average retail gas rate for commercial and industrial customers	KGS: \$13.58 per Mcf ONG: \$12.51 per Mcf TGS: \$14.78 per Mcf	KGS: \$10.34 per Mcf ONG: \$8.79 per Mcf TGS: \$10.02 per Mcf
		Average retail gas rate for other customers (Compressed Natural Gas, Cogeneration Systems, Irrigation, Municipal Water Pump, Public Authority, Public Authority AC, Large Public Authority)	KGS: \$58.41 per Mcf ONG: \$9.41 per Mcf TGS: \$12.67 per Mcf	KGS: \$33.26 per Mcf ONG: \$7.20 per Mcf TGS: \$8.79 per Mcf
		Average gas rate for transportation services	KGS: \$0.98 per Mcf ONG: \$0.35 per Mcf TGS: \$1.01 per Mcf	KGS: \$0.96 per Mcf ONG: \$0.33 per Mcf TGS: \$0.96 per Mcf
IF-GU-240a.2	Energy Affordability	Typical monthly gas bill for residential customers for (1) 50 Mcf and (2) 100 Mcf	KGS: \$62.89 <sup>1</sup> ONG: \$63.60 <sup>2</sup> Calculations above are based on 50 Mcf usage. Based on the typical customer usage in our service territory, a 100 Mcf calculation is not applicable because our customers do not use that much gas. Similarly, within our Texas service territory, a 50 Mcf calculation is not applicable.  Average monthly bill for TGS residential customers is \$58.41, representing 36 Mcf average monthly usage	KGS: \$49.67 ONG: \$46.74  Calculations above are based on 50 Mcf usage. Based on the typical customer usage in our service territory, a 100 Mcf calculation is not applicable because our customers do not use that much gas. Similarly, within our Texas service territory, a 50 Mcf calculation is not applicable.  Average monthly bill for TGS residential customers is \$43.71, representing 36 Mcf average monthly usage

<sup>&</sup>lt;sup>1</sup>This amount does not include the monthly securitization charge for recovery of extraordinary expenses arising out of Winter Storm Uri in the monthly amount of \$5.64, which was billed to Kansas customers beginning with the December 2022 billing cycle.



<sup>&</sup>lt;sup>2</sup> This amount does not include the monthly securitization charge for recovery of extraordinary expenses arising out of Winter Storm Uri in the monthly amount of \$6.33 for 101A customers and \$10.04 for 101B customers, which was billed to Oklahoma customers beginning with the September 2022 billing cycle.

<sup>&</sup>lt;sup>3</sup> Kansas Gas Service (KGS), Oklahoma Natural Gas (ONG) and Texas Gas Service (TGS) are divisions of ONE Gas, Inc.



<b>SASB Code</b>	<b>SASB Title</b>	Metric	2022	2021	
IF-GU-240a.3	Energy Affordability	Number of residential customer gas disconnections for non-payment, percentage reconnected within 30 days	We do not publicly disclose this metric. We work with customers to avoid disconnection however, proactive measures, which vary by state, may include payment arrangement options, information on financial assistance programs and agencies, courtesy collection calls, disconnect notices, pre-disconnect calls, and text messages. When we do find it necessary to disconnect a customer, we follow guidelines established by our regulators that, among other provisions, may restrict disconnections during periods of cold temperatures. After disconnection, we continue to provide customers with information about payment arrangements and financial assistance providers.		
IF-GU-240a.4	Energy Affordability	Discussion of impact of external factors on customer affordability of gas, including the economic conditions of the service territory	The regulatory authorities in our three operating states are responsible for ensuring the utilities in their jurisdictions provide safe and reliable service at a reasonable cost while providing utility companies the opportunity to earn a fair and reasonable return on their investments. U.S. households that used natural gas for cooking, heating and clothes drying in 2022 saved an average of \$1,068 every year compared to househousing electricity for the same activities, according to the American Gas Association. customers' natural gas bills make up about 1.5% of the median income in the jurisdic in which we operate. A portion of the bill includes the cost of natural gas, which is pathrough to our customers without a profit. ONE Gas employs several strategies to mathe risk of fluctuations in commodity prices, including physical and financial hedging purchasing natural gas at fixed prices. For further discussion of specific risks, please our Annual Report.		
IF-GU-420a.1	End-Use Efficiency	Gas utility revenues rate structures that (1) are decoupled or (2) contain a lost revenue adjustment mechanism (LRAM)		endent on usage or weather. In addition, tructure," all of our jurisdictions utilize echanisms are designed to reduce the sfor the additional volumes used when rmalized HDDs and to increase the sfor the reduction in volumes used when	



Governance

# Sustainability Accounting Standards Board (SASB) 2022

SASB Code	de SASB Title Metric		2022	<b>2021</b>			
IF-GU-420a.2	End-Use Efficiency	Customer gas savings from efficiency measures by market	ONE Gas energy efficiency rebate programs serve residential and commercial customers throughout Oklahoma and parts of Texas by educating customers and encouraging investments in energy efficient appliances that result in reduced net energy consumption and lower utility bills. In 2022, the Oklahoma Natural Gas Energ Efficiency program achieved site savings of 482,676 MMBtu, the Texas Gas Service Central Texas Energy Efficiency Program achieved site savings of 18,085 MMBtu, and the Rio Grande Valley Energy Efficiency Program achieved site savings of 3,375 MM The City of Austin franchise agreement mandates an energy efficiency program. The other programs throughout Oklahoma and Texas are encouraged by our regulators have been voluntarily implemented by the company. For more information on energy efficiency, please see the Energy Efficiency section of the 2023 ONE Gas ESG Repo				
IF-GU-540a.1	Integrity of Gas Delivery Infrastructure	Number of (1) reportable pipeline incidents, (2) Corrective Action Orders (CAO), and (3) Notices of Probable Violation (NOPV)	(1) 2 (2) 0 (3) See SASB Addendum	(1) 0 (2) 0 (3) See SASB Addendum			
IF-GU-540a.2	Integrity of Gas Delivery Infrastructure	Percentage of distribution pipeline that is (1) cast and/or wrought iron and (2) unprotected steel	(1) 0.00% cast iron; 0.034% wrought iron (2) 3.35% unprotected steel  Approximately 90% of replaced pipe is replaced with PE pipe and 10% with coated, protected steel pipe	(1) 0.00% cast iron; 0.039% wrought iron (2) 3.70% unprotected steel  Approximately 90% of replaced pipe is replaced with PE pipe and 10% with coated, protected steel pipe			





<b>SASB Code</b>	<b>SASB Title</b>	Metric	2022	2021
IF-GU-540a.3	Integrity of Gas Delivery	Percentage of distribution main pipelines inspected by leak survey	38%	46%
	Infrastructure	Percentage of transmission pipelines inspected	<ul><li>8.4%</li><li>1.4% In-Line Inspection</li><li>1.0% Pressure Test</li><li>5.9% Direct Assessment</li></ul>	<ul><li>10.5%</li><li>0.6% In-Line Inspection</li><li>0.9% Pressure Test</li><li>9.0% Direct Assessment</li></ul>
		Percentage of transmission pipelines inspected by leak survey	100%	100%
		Percentage of new distribution pipelines pressure tested before being placed in service	100%	100%
IF-GU-540a.4	Integrity of Gas Delivery Infrastructure	Description of efforts to manage the integrity of gas delivery infrastructure, including risks related to safety and emissions	Please see the SASB Addendum. For additional information on safety and system integrity, please see the 2023 ONE Gas ESG Report.	Please see the SASB Addendum. For additional information on safety and system integrity, please see the 2022 ONE Gas ESG Report.
IF-GU-000.A		Number of residential customers	~2,078,000	~2,065,000
		Number of commercial and industrial customers	~162,000	~160,000
IF-GU-000.B		Amount of natural gas delivered to residential customers	125,286 MMcf	117,758 MMcf
		Amount of natural gas delivered to commercial and industrial customers	43,185 MMcf	37,615 MMef
		Amount of natural gas delivered to other customers (public authority and wholesale)	2,725 MMcf	2,521MMcf
		Amount of natural gas delivered to transport customers	230,080 MMcf	229,935 MMcf
IF-GU-000.C		Length of gas (1) transmission and (2) distribution pipelines	(1) 2,400 miles (2) 62,715 miles	(1) 2,460 miles (2) 61,761 miles



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# Sustainability Accounting Standards Board (SASB) 2022

# **SASB Addendum**

#### IF-GU-420a.2 Customer gas savings from energy efficiency measures by market

The following rebate programs are offered in the Oklahoma Natural Gas (ONG), Central Texas (CTX) and Rio Grande Valley (RGV) service territories:

OGS Energy Efficiency Programs									
	Residential		New Construction		Commercial				
Program	ONG	CTX	RGV	ONG	СТХ	RGV	ONG	СТХ	RGV
Range	1		1			1			
Dryer	1	1	1		✓	✓		1	1
Water Heater	✓	1	1	1	✓	✓			
Furnace	✓	1		1	✓		✓		
Backup Generator			1						
Low Income	✓								
Low Income Free Equipment		✓	✓						
ENERGY STAR / Home Performance		✓							
New Home Program				✓					
Multifamily Program*				✓					
Food Service							✓	<b>✓</b>	<b>√</b>
Boilers							✓	<b>√</b>	✓
Commercial Custom/Direct Install							✓	✓	1
Water Savings Kits	✓	✓	✓						
Transportation (CNG)*	<b>✓</b>	✓	✓	✓			✓	<b>✓</b>	<b>✓</b>



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## Sustainability Accounting Standards Board (SASB) 2022

## **SASB Addendum**

#### IF-GU-420a.2 Describe relevant policy mechanisms in place that allow for or incentivize energy efficiency

We are encouraged by the governing bodies in Oklahoma and parts of Texas to offer energy-efficiency education and energy efficiency programs to our customers. We design our programs to promote the efficient use of natural gas and the benefits of investing in energy efficient appliances, thereby reducing net energy consumption and lowering utility bills for residential and commercial customers. In Oklahoma, we are governed by the Oklahoma Corporation Commission. In Central Texas, our program is governed by any department or office within a city with delegated authority to review and approve the Conservation and Energy Efficiency budget and conservation adjustment clause (CAC) charge adjustment. In the Rio Grande Valley, our program is governed by the Lower Rio Grande Valley Development Council. In both Central Texas and the Rio Grande Valley the programs are currently available to customers who live within participating city limits.

By ONG Tariff 1201, the Energy Efficiency rate is a fixed rate per customer that is separate from base rates. It is trued-up once per year within an annual filing that occurs each March. In addition, per Oklahoma Corporation Commission Gas utility Service Rule Chapter 45 Rule 23-8 Incentives, a maximum incentive of 15% of Net Benefits will be paid for achievement of 100% or greater of the utility's total annual Net Energy Source savings goal.

For both Oklahoma and Texas, our budgets are funded by our customers in areas where the program is offered by including a volumetric (for Texas commercial customers) or fixed charge on the monthly bill (for all Oklahoma customers and Texas residential customers). Our rebate portfolio is based on industry standard methodologies, such as those prescribed by the California Standard Practice Manual and various state technical reference manuals.

#### IF-GU-540a.1. Number of (1) reportable pipeline incidents, (2) Corrective Action Orders (CAO), and (3) Notices of Probable Violation (NOPV)

We received NOPVs from state regulatory agencies, most of which were related to damage prevention. We continue to take action to enhance damage prevention programs and reduce third-party damages, as described below and in the accompanying 2023 ESG Report.

#### IF-GU-540a.4 Description of efforts to manage the integrity of gas delivery infrastructure, including risks related to safety and emissions

## 1. Describe efforts to manage the integrity of gas delivery infrastructure

**Integrity Management:** ONE Gas has in place Distribution Integrity Management and Transmission Integrity Management Programs (DIMP and TIMP) compliant with CFR 192 Subparts O and P to evaluate pipeline risk and implement mitigation strategies. Our programs utilize advanced, hosted risk-modeling software on our transmission assets and a probabilistic risk model for our distribution assets.

**Damage Prevention:** We leverage data in all areas of our safety and system integrity programs to guide decision-making and improve our processes. ONE Gas implemented a Damage Information Management System (DIMS) in 2019, which is a centralized process and system of record for documenting damage to ONE Gas natural gas pipelines and facilities. ONE Gas also utilizes a Ticket Management System to manage excavation tickets submitted through each state's One Call system so we can make data-driven decisions to improve line locating performance. To mitigate pipeline damage, we are leveraging this system to reduce excavation damage by prioritizing those tickets with the highest probability of damage and proactively connecting with the associated excavators prior to the excavation activity. See RADAR below on the following page.

**Public Awareness:** ONE Gas follows the general recommendations of the American Petroleum Institute (API) Recommended Practices (RP)-1162, Public Awareness for Pipeline Operators, and has a Public Awareness Program in place compliant with CFR 192.616. The program defines the requirements for pipeline safety education addressing four audiences: 1) the Affected Public; 2) Local Public Officials; 3) Excavators; and 4) Emergency Officials. As an organization, we are committed to providing safe, reliable, natural gas delivery, and performing our work in a manner that protects the safety of people who live and work near our pipelines. We strive for open dialogue about pipeline safety education with communities and key constituencies in our operating areas.





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**Pipeline Safety Management System:** ONE Gas follows a comprehensive and systematic approach to managing safety called the ONE Gas Safety Management System (OSMS). This safety management system utilizes a Plan-Do-Check-Act cycle to foster continuous improvement. In mid-2019, the American Gas Association (AGA) board asked member companies to voluntarily implement API RP-1173 within three years. ONE Gas was an early and enthusiastic supporter of this industry-wide commitment.

ONE Gas monitors Pipeline and Hazardous Materials Safety Administration (PHMSA) advisories and National Transportation Safety Board (NTSB) investigations and is heavily involved in industry organizations to stay abreast of best practices and industry initiatives, including the AGA, Southern Gas Association (SGA), GTI Energy, and API. Our engineers work to include best practices and lessons learned in our operations and standards.

**Leak Survey:** In early 2020, ONE Gas invested in advanced mobile methane leak detection units and began a pilot to test the equipment across various pipe types, locations and surveying conditions. Our units are now deployed in some operating areas in Oklahoma and Texas, and we are working alongside the Kansas Corporation Commission to implement the technology in Kansas. The mobile units are mounted within vehicles and provide in-depth analysis to create reports that provide locations of potential infrastructure leaks. Compared to traditional walking leak surveys, the advantages include an expanded search footprint, the ability to operate in adverse weather conditions and the potential to survey approximately two times faster. Locating leaks and addressing them more quickly also reduces emissions.

**Control Room:** ONE Gas has a Control Room Management Plan in compliance with CFR 192.631. The Control Room Management Plan defines the Control Room operation processes for the operating entities of ONE Gas that are subject to pipeline safety control room regulations. Any controller working in a control room that monitors and controls all or part of the ONE Gas pipeline system through our supervisory control and data acquisition (SCADA) system must follow the requirements of the plan. A written Alarm Management Plan is kept for each control room to provide for effective Controller response to alarms. ONE Gas also has in place a Fatigue Management Plan as part of the Control Room Management Plan.

**SCADA:** ONE Gas has a SCADA system in place in compliance with sections 1, 4, 8, 9, 11.1 and 11.3 of API RP-1165. The ONE Gas SCADA system consists of a primary and backup SCADA server to control and monitor pipelines and facilities. The SCADA system is our link between the control room and the field equipment. Normal operations use the primary server with automatic failover to the backup server.

**RADAR:** ONE Gas began using Risk Assessment and Damage Reduction (RADAR) technology in major metro areas in Kansas and Oklahoma, began implementation in Texas and plans to expand deployment to more locations over the next few years. RADAR pulls data and information from public and internal sources to analyze and prioritize the probability of damage occurring due to excavation activities planned near our pipelines. Select field employees proactively connect with excavators at higher risk excavations to help foster safe digging practices and avoid pipeline damage. The implementation of RADAR is an excellent example of continual efforts to improve our safety performance supporting the OSMS, through its Plan-Do-Check-Act cycle.

1.3 The use of standards, industry best practices, benchmarking and participation in third-party initiatives, which may include, but are not limited to:

## 1.3.1 The American Gas Association's Peer Review Program

ONE Gas is an active participant in the AGA's voluntary Peer Review Program. Participating companies send natural gas subject matter experts to visit each other's facilities to conduct a week-long, in-depth review of specific areas, including safety culture, technical training, damage prevention and pipeline safety risk management.





## **SASB Addendum**

Peer reviewers observe operations and interview employees and contractors from all parts of the organization. At the end of the week, reviewers identify areas for improvement and best practices for safety and efficiency. In 2022, ONE Gas participated in its second Peer Review and is using the information shared in the continual improvement of our operations.

#### 1.3.2 American Petroleum Institute's API Recommended Practices 1170 and 1171

Not applicable. ONE Gas does not currently own or operate underground natural gas storage assets.

#### 1.3.3 Natural Gas Industry Safety Programs

ONE Gas is a member of the One Call (811) programs for each state in which it operates. These programs help facilitate the locating needs for gas lines before excavation activity and promote safe digging practices. ONE Gas provides additional education and training to promote safe digging practices, through education, training, social media campaigns and customer and excavator communications. ONE Gas is also a member of the Common Ground Alliance, a forum that allows stakeholders to collaborate, share best practices, and promote effective damage prevention practices.

#### 1.3.4 The U.S. Environmental Protection Agency's (EPA) Natural Gas Program

We are a participant in the EPA's Natural Gas Methane Challenge program. In 2022, we exceeded our EPA Methane Challenge Program emissions reduction goal for the sixth year in a row. As a founding member of Methane Challenge, we've committed to annually replacing a minimum of 2% of our vintage materials — a target we've exceeded each year since we began the program.

ONE Gas is also a member of Our Nation's Energy Future (ONE Future), which represents more than 50 natural gas companies working together to reduce methane emissions intensity to 1% (or less) across the natural gas value chain. In 2022, ONE Gas submitted data to ONE Future for the second time. ONE Future reported a 2021 methane intensity for the group of 0.462%, well below the 1% target. The distribution sector intensity was 0.113%, beating the goal of 0.225% by 50%. Participating distribution companies represented 47% of the gas delivered in the U.S. in 2021. These numbers demonstrate that the natural gas industry can minimize methane emissions, increase production and throughout, and supply much needed energy to the U.S. and around the globe for years to come.

# 2. How ONE Gas integrates a culture of safety and emergency preparedness throughout its project lifecycles, such as through training, oversight of workforce, rules and guidelines for communicating risks and use of technology

ONE Gas is an active participant in the voluntary AGA Gas Utility Operations Best Practices Program. Each year, several roundtable topics are selected. Participating companies complete surveys that consist of quantitative and qualitative data for each roundtable topic. After data submission, industry leaders are identified and participating companies can benchmark their performance against peer companies. ONE Gas also participates in the roundtable meetings where best practices are shared and discussed with industry peers.

Safety is our foremost Core Value and is integrated throughout our culture and processes. As noted above, we have adopted API RP-1173 and are following a Safety Management System that utilizes a Plan-Do-Check-Act cycle to analyze our activities and foster continuous improvement. Our employees are trained and empowered to start work only when safe and to stop work if they see anything unsafe, or if essential safety equipment is missing. Our Pipeline Safety Compliance group reviews procedure adherence and documentation for compliance with laws and regulations, prompting corrective action plans when needed.

ONE Gas opened a new training center in 2021 that is designed to provide hands-on training to Operations employees throughout the company. The 17,000 square-foot space has dedicated areas for specific disciplines, including pressure and measurement, customer service, construction and maintenance, fire abatement and management and excavation safety. A "Simulation City" includes eight buildings that replicate real-world scenarios our field workers typically face. Hands-on training lets employees experience utility line locating, simulated leaks and handling code violations.



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The training center also includes an inspector school and a dig site for teaching safe digging techniques and best practices for trench shoring. The ONE Gas Training Center held its first training class in June 2021 and logged over 23,000 hours of training in 2022.

In addition to the requirements of our Operator Qualification Plan described in section 3 below, inspection and job site assessments provide workforce oversight. Inspectors utilize technology to verify operator qualification status of workers and record inspection activities. Field employees and contractors have ready access to ONE Gas operating standards. Our Field Operations and contractor performance teams work with contractors to enforce contractual provisions, check that operating standards and safety requirements are being followed, and provide resources to improve performance. We hold yearly safety summits with contractors to share best practices and reinforce that safety is ONE Gas' number one core value.

3. Describe your approach to ensuring pipeline operators are qualified or supervised when performing a covered task

ONE Gas has a comprehensive operator qualification (OQ) plan, consistent with 49 CFR 192, Subpart N - Qualification of Pipeline Personnel, that defines the requirements and processes used to qualify individuals who perform covered tasks on ONE Gas facilities. ONE Gas employees began the transition in 2021 and will be fully transitioned to the new ASME B31Q covered task series by the end of 2024. The ONE Gas OQ Plan provides that individuals must be properly qualified to perform covered tasks or, for non-restricted tasks, be directed and observed by a qualified individual. The qualified individual is responsible for task performance and signing any related documentation.

ONE Gas recently implemented a new covered task series utilizing the 2016 version of ASME B31Q covered tasks. This new B31Q series is improving the quality and consistency of training and operator qualification for our field workforce. The transition away from each state's legacy covered task list to the new ASME B31Q covered task series began in 2014 for all ONE Gas contractors.

ONE Gas directly supervises and verifies OQ for its own employees and contractors and uses a blend of third-party services and ONE Gas evaluators to administer required proctoring and evaluations for the OQ process. OQ records for contractors and ONE Gas employees are housed by a third-party provider and are accessible to ONE Gas Field Operations. ONE Gas utilizes the eWallet card functionality to enhance the OQ verification process. The eWallet card is a requirement for both ONE Gas employees and contractors when working on a ONE Gas job site, and is used by inspectors to verify OQ.

In addition to the transition away from legacy OQ process to ASME B31Q, the ONE Gas training center is used to train and develop both new and transferred employees utilizing the B31Q covered task series as the core of the training content.

Describe efforts to mitigate risks and promote emergency preparedness, such as coordinating with third parties (e.g., sewer line and buried power line developers), performing timely pipeline inspections, repairing aging infrastructure, and maintaining current pipeline operator certifications ONE Gas has in place a Pipeline Emergency Response Plan (PERP) procedure to mitigate risk and promote emergency preparedness for pipeline operations. The PERP requires emergency drills for each operating division and includes local emergency management personnel and public authorities as appropriate. Each year in each division, threat and hazard identification and risk assessment (THIRA) meetings are conducted with company officers and management to plan for drills, including a discussion of areas of improvement and industry examples of natural gas emergencies. We also participate in emergency drills hosted by a wide variety of third-party community partners, agencies, and organizations.

We have in place a Crisis Management Plan, a Business Continuity Plan, and a Cybersecurity Corporate Security Plan. These plans incorporate crisis or emergency drills on at least an annual basis.





## SASB Addendum

The ONE Gas Operations and Maintenance (O&M) manual contains a procedure with instructions to Field Operations personnel to develop an isolation plan in preparation for unexpected operating conditions during the completion of a pipeline tie-in. The procedure instructs personnel to "confirm the location, accessibility, and operability of emergency valves, non-emergency valves, and proposed squeeze off locations," along with determining the direction and number of natural gas supply feeds into the area, system pressures, and the schedule and sequence of events necessary to complete the tie-in work.

ONE Gas has in place Distribution Integrity Management and Transmission Integrity Management Programs (DIMP and TIMP) consistent with CFR 192 Subparts O and P to evaluate pipeline risk and implement mitigation strategies. Our Damage Prevention and Public Awareness Programs proactively engage key stakeholders, enable ONE Gas to take steps to avoid damage to our pipelines and are consistent with applicable portions of CFR 192 Subpart L.

In addition to our public awareness efforts and damage prevention programs, ONE Gas provides cross bore awareness and information about safety measures to plumbing and equipment rental companies and excavating stakeholders in our service territories (cross boring occurs when a natural gas line intersects another utility's line).

ONE Gas plans its leak surveys to comply with federal and state codes. ONE Gas' pipe inventory is predominantly polyethylene (PE) and coated steel (93%). We continue to modernize our system by replacing or cathodically protecting our unprotected steel pipe and replacing other vintage pipe, which improves the safety and integrity of the pipe and reduces emissions.

See Section 3 of this SASB addendum for a discussion of our operator qualification program.

5. Describe efforts to manage risks related to human health and safety, and emissions, including fugitive emissions and process emissions, that arise out of the integrity of gas delivery infrastructure

Our Pipeline Emergency Response Plan specifically, and O&M plans in general, are developed with a focus to protect life, property and then company assets, in that order.

ONE Gas is subject to and has fulfilled the requirements of the PIPES Act of 2020, Section 114 which is a self-directed mandate from Congress requiring operators to review and update their O&M manuals to ensure the plans contribute to the public safety, eliminating hazardous leaks and minimizing the releases of natural gas from pipelines, and the protection of the environment.

Our pipeline replacement program has enabled us to lower emissions due to leaks from mains and services. By 2035, we expect to achieve a 55% reduction in emissions due to leaks from our distribution mains and services, measured from a 2005 baseline and accounting for projected system growth. We expect to achieve this goal primarily through our vintage pipeline replacement and protection program. We continue to utilize technology, such as mobile leak detection, to improve leak detection and repair programs and are integrating state-of-the-art advanced leak detection technologies and practices. Faster leak detection and repair reduces emissions from leaks. ONE Gas has also piloted the use of specialized mobile compression and vacuum equipment to capture methane that would otherwise vent or flare during maintenance or inspections and return the gas to the system. For more information, see the accompanying 2023 ESG Report.



# Metrics

## Sustainability Accounting Standards Board (SASB) 2022

## **SASB Addendum**

6. Specifically address operations in high consequence areas and systems to avoid and manage emergencies, accidents and incidents that could have catastrophic impacts on human health, the local community and the environment

ONE Gas assesses transmission pipelines in areas of higher population using internal inspection tools, pressure testing and direct assessment. These assessments help identify pipeline anomalies so ONE Gas can perform remediations in a proactive manner. ONE Gas has been lowering pressure on certain high-pressure pipelines in metropolitan areas since 2009. Operating these pipelines at a lower pressure significantly increases safety by greatly reducing the risk of a pipeline rupture. Over the past 14 years, ONE Gas has reduced pressure on more than 1,400 miles of transmission pipeline. Additionally, since 2020, ONE Gas has been enhancing its emergency valve system to minimize emergency response time and maximize reliability by limiting outage impact to our customers when a line needs to be shut off. Engineering and Operations utilize modeling software and a sectionalized boundary grid system to continually upgrade the pipeline system and optimize shutoff valve locations in system planning.

The ONE Gas Field Operations group takes Pipeline Emergency Response training on an annual basis. ONE Gas employs a director of Emergency Management that works with Operations leadership to oversee emergency response, preparedness and planning, and relationships with emergency partners (city, county and state level). Additionally, the ONE Gas director of Emergency Management establishes and maintains designated points of contact for state level emergency management personnel. ONE Gas employees practice simulated events — annual tabletop and/or field exercises — for each state. in addition to the emergency preparedness efforts and DIMP and TIMP programs described above, the Asset Management team at ONE Gas focuses on safety, capacity and reliability planning to enhance system integrity and mitigate risks. Vintage distribution main and service line replacement projects are optimized for risk mitigation by our utilization of asset investment planning and management technology.

- 7. Direct or indirect financial opportunities related to the management of the integrity of the gas delivery infrastructure In 2022, we invested over \$459 million of capital for system integrity and replacement projects, a 24% increase over 2021.
- 8.1 Disclose pipeline replacement rates, use of polyethylene pipes, or other efforts to reduce fugitive emissions and leaks and improve the safety of its distribution pipelines

ONE Gas replaced approximately 460 miles of transmission pipeline, distribution mains and service lines in 2022. Our pipeline replacement ratio is approximately 90% polyethylene and 10% protected steel. These are generally lower-emitting pipe materials than the vintage materials replaced.

## 8.2 Average response time for gas emergencies

Our average response time for gas emergencies in 2022 was 28.4 minutes.

## 8.3 Open Grade 2 and 2+ leaks

When leaks are detected, they are classified as Grade 1, 2 or 3. Grade 1 leaks are existing or probable hazards to persons or property and require immediate repair. ONE Gas procedures require that hazardous leaks be repaired immediately and that personnel remain on site until the leak has been repaired. Grade 2 leaks are non-hazardous at the time of detection and require a repair within 6 months of detection to avoid a future hazard. Grade 2 leaks are re-checked at specific intervals if repair cannot be done immediately. Grade 3 leaks do not represent a probable hazard at the time of detection and are reasonably expected to remain non-hazardous. Although regulations do not mandate a repair timeline, ONE Gas protocols require repair within 30 months. On December 31, 2022, ONE Gas had 216 open Grade 2 leaks, which is equivalent to .003 Grade 2 leaks per mile of pipeline.





## SASB Addendum

#### 8.4 Fugitive Emissions from distribution system as measured utilizing EPA subpart W factors\*

347,970 metric tons CO2e

13,919 metric tons CH4

Fugitive Methane Emissions Rate 0.20%

\*ONE Gas has limited transmission assets that do not meet the threshold for EPA reporting and are not included in these numbers

#### 8.5 Process Emissions

We do not currently measure or estimate process emissions. However, ONE Gas has piloted the use of specialized mobile compression and vacuum equipment to capture methane that would otherwise vent or flare during maintenance or inspections and return the gas to the system.

#### 8.6 Other efforts to reduce emissions and/or improve the safety of the gas delivery infrastructure

Please see the 2023 ESG Report.