

YANKEE GAS SERVICES, DBA EVERSOURCE
INCOME STATEMENT
12 MONTHS ENDED SEPTEMBER 30, 2024
(Whole Dollars & Sales MMCF)

	<u>REVENUES AND INCOME</u>	<u>SALES MMCF</u>	<u>AVERAGE NUMBER of CUSTOMERS</u>
SALES OF GAS:			
RESIDENTIAL SERVICE	287,069,502	15,393	223,257
COMMERCIAL FIRM SERVICE	226,762,315	23,185	27,876
INDUSTRIAL FIRM SERVICE	76,236,165	13,982	1,483
SEASONAL SERVICE	-	-	21
INTERRUPTIBLE SERVICE	8,445,332	3,148	3
SALES FOR RESALE	<u>4,815,632</u>		
TOTAL SALES OF GAS	603,328,946	55,708	252,640
OTHER GAS REVENUES	6,373,082	-	0
TOTAL GAS REVENUES	<u>609,702,028</u>	<u>55,708</u>	<u>252,640</u>
OPERATING EXPENSES:			
OPERATION & MAINTENANCE EXPENSE	340,409,033		
DEPRECIATION EXPENSE	64,823,296		
TAXES OTHER THAN INCOME	75,452,776		
INCOME TAXES	(10,172,439)		
INCOME TAXES DEFERRED - NET	30,582,054		
INVESTMENT TAX CREDIT	(101,496)		
AMORTIZATION OF REGULATORY ASSETS	(11,758,322)		
DISPOSITION OF UTILITY PLANT	-		
TOTAL OPERATING EXPENSES	<u>489,234,902</u>		
OPERATING INCOME	120,467,126		
OTHER INCOME AND DEDUCTIONS -NET AFUDC	<u>2,742,347</u>		
TOTAL INCOME	123,209,473		
INTEREST ON LONG-TERM DEBT	42,677,307		
AMORT. DEBT DISC.,PREM & EXPENSE	444,737		
OTHER INTEREST EXPENSE	3,602,295		
AFUDC - CREDIT	<u>(4,017,240)</u>		
NET INTEREST CHARGES	<u>42,707,099</u>		
INCOME BEFORE PREFERRED DIVIDENDS	80,502,374		
PREFERRED DIVIDENDS	<u>-</u>		
BALANCE FOR COMMON	<u><u>80,502,374</u></u>		

YANKEE GAS SERVICES, DBA EVERSOURCE ENERGY
Rate of Return on Rate Base
September 30, 2024
(Thousands of Dollars)

	<u>Average *</u>
Total Utility Plant In Service	\$ 2,873,098
Less: Reserve for Depreciation	445,507
Net Utility Plant	<u>2,427,591</u>
Plus:	
Materials & Supplies, ex. fuel	10,462
Fuel Reserve (13 Month Average)	26,420
Working Capital Allowance	4,224
Prepayments	2,087
Regulatory Assets - FAS 109	(80,935)
Regulatory Assets, Net of Tax**	32,130
Less:	
Accumulated Provision for Deferred Income Tax	400,691
Regulatory Liability - FAS 109	(80,935)
Reserves, Net of Tax	20,753
Customer Advances for Construction	-
Customer Deposits	1,481
Rate Base	<u>\$ 2,079,990</u>
Operating Income	<u>\$ 120,467</u>
Rate of Return	<u>5.79%</u>

* 5 Quarter Average Rate Base

**Includes Deferred Hardship Charges

YANKEE GAS SERVICES, DBA EVERSOURCE ENERGY
Rate of Return on Common Equity
Cost of Capital Method
September 30, 2024
(Thousands of Dollars)

	<u>Amount</u>	<u>Capitalization</u>
	<u>5-Q Average</u>	<u>Ratios</u>
		<u>5-Q Average</u>
Short-Term Debt	COD -	0.00%
Long-Term Debt	COD 1,047,383	47.48%
Common Equity	CE 1,158,478	52.52%
Total	<u>2,205,861</u>	<u>100.00%</u>
	<u>Average</u>	
	<u>Embedded</u>	<u>Capitalization</u>
	<u>Cost</u>	<u>Ratio</u>
		<u>Weighted</u>
		<u>Cost</u>
Short-Term Debt	COD 0.00%	0.00%
Long-Term Debt	COD 3.86%	47.48%
Weighted Costs		<u>1.83%</u>
Rate of Return on Rate Base		Exh 1(B) 5.79%
Less: Weighted Costs		1.83%
Common Equity Component		<u>3.96%</u>
Percentage of Common Equity to Total Capitalization		<u>52.52%</u>
Return on Common Equity		<u>7.54%</u>

Notes:

(a) Beginning with the 3/31/05 Filing Short-Term Debt will no longer be included in the YGS capitalization.

YANKEE GAS SERVICES, DBA EVERSOURCE ENERGY
Rate of Return on Common Equity
Authorized Capitalization Cost of Capital Method
September 30, 2024
(Thousands of Dollars)

		Capitalization Ratios
		<u>5-Q Average</u>
Short-Term Debt	NOTE (a)	0.00%
Long-Term Debt		46.24%
Common Equity		<u>53.76%</u>
Total		<u><u>100.00%</u></u>
Average		
	<u>Embedded Cost</u>	<u>Average Capitalization Ratio</u>
		<u>Weighted Cost</u>
Short-Term Debt	0.00%	0.00%
Long-Term Debt	3.86%	46.24%
Weighted Costs		<u>1.78%</u>
Rate of Return on Rate Base		
		5.79%
Less: Weighted Costs		
		<u>1.78%</u>
Common Equity Component		
		<u>4.01%</u>
Percentage of Common Equity to Total Capitalization		
		53.76%
Return on Common Equity		
		<u><u>7.46%</u></u>

Notes:

(a) Beginning with the 3/31/05 Filing Short-Term Debt will no longer be included in the YGS capitalization.

YANKEE GAS SERVICES, DBA EVERSOURCE ENERGY
Return on Equity as Calculated and Allowed
September 30, 2024

<u>Month</u>	<u>Allowed Return on Equity</u>	<u>Calculated Return on Equity</u>	
September 2023	(a) 9.30%	7.08%	} Prior Quarter
December 2023	(a) 9.30%	7.03%	
March 2024	(a) 9.30%	7.53%	
June 2024	(a) 9.30%	7.70%	
September 2024	(a) 9.30%	7.54%	Exh 1(C)

Notes:

- (a) Per the Final Decision to the YGS Rate Case Docket No. 18-05-10 established an earnings sharing mechanism for calendar year 2019 and calendar years thereafter until the Company's next Rate Case such that Yankee Gas Services Company and its customers will share equally 50%-50% any earnings above an actual return on equity that exceeds 9.30% in the calendar year 12-month period.
- (b) Due to Yankee Gas implementing decoupling as a result of Docket No 18-05-10, the Company has removed the weather normalization adjustment from Exhibit 1(D).
- (c) Yankee Gas no longer has ILEP customers, and therefore, there are no more adjustments to the calculated ROE.