

YANKEE GAS SERVICES, DBA EVERSOURCE
INCOME STATEMENT
12 MONTHS ENDED MARCH 31, 2025
(Whole Dollars & Sales MMCF)

	<u>REVENUES AND INCOME</u>	<u>SALES MMCF</u>	<u>AVERAGE NUMBER of CUSTOMERS</u>
SALES OF GAS:			
RESIDENTIAL SERVICE	304,680,951	16,343	224,212
COMMERCIAL FIRM SERVICE	236,652,061	24,374	27,876
INDUSTRIAL FIRM SERVICE	76,573,514	14,292	1,467
SEASONAL SERVICE	-	-	20
INTERRUPTIBLE SERVICE	9,276,014	3,347	4
SALES FOR RESALE	<u>6,031,893</u>		
TOTAL SALES OF GAS	633,214,433	58,356	253,579
OTHER GAS REVENUES	6,327,120	-	0
TOTAL GAS REVENUES	<u>639,541,553</u>	<u>58,356</u>	<u>253,579</u>
OPERATING EXPENSES:			
OPERATION & MAINTENANCE EXPENSE	362,156,130		
DEPRECIATION EXPENSE	67,849,491		
TAXES OTHER THAN INCOME	77,819,068		
INCOME TAXES	(2,885,573)		
INCOME TAXES DEFERRED - NET	20,450,086		
INVESTMENT TAX CREDIT	(101,496)		
AMORTIZATION OF REGULATORY ASSETS	(4,226,935)		
DISPOSITION OF UTILITY PLANT	-		
TOTAL OPERATING EXPENSES	<u>521,060,771</u>		
OPERATING INCOME	118,480,782		
OTHER INCOME AND DEDUCTIONS -NET AFUDC	<u>1,441,376</u>		
TOTAL INCOME	119,922,158		
INTEREST ON LONG-TERM DEBT	46,283,584		
AMORT. DEBT DISC., PREM & EXPENSE	473,063		
OTHER INTEREST EXPENSE	2,602,044		
AFUDC - CREDIT	<u>(4,449,058)</u>		
NET INTEREST CHARGES	<u>44,909,633</u>		
INCOME BEFORE PREFERRED DIVIDENDS	75,012,525		
PREFERRED DIVIDENDS	<u>-</u>		
BALANCE FOR COMMON	<u><u>75,012,525</u></u>		

Exhibit 1(B) Dkt. 76-03-07RE01

YANKEE GAS SERVICES, DBA EVERSOURCE ENERGY
Rate of Return on Rate Base
March 31, 2025
(Thousands of Dollars)

	<u>Average *</u>
Total Utility Plant In Service	\$ 2,995,698
Less: Reserve for Depreciation	432,087
Net Utility Plant	<u>2,563,611</u>
Plus:	
Materials & Supplies, ex. fuel	12,079
Fuel Reserve (13 Month Average)	22,811
Working Capital Allowance	4,418
Prepayments	2,122
Regulatory Assets - FAS 109	(75,186)
Regulatory Assets, Net of Tax**	35,101
Less:	
Accumulated Provision for Deferred Income Tax	412,733
Regulatory Liability - FAS 109	(75,186)
Reserves, Net of Tax	19,393
Customer Advances for Construction	-
Customer Deposits	2,180
Rate Base	<u>\$ 2,205,836</u>
Operating Income	<u>\$ 118,481</u>
Rate of Return	<u>5.37%</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
March 31, 2025
(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 NOTE (a)	-	0.00%
Long-Term Debt	1,079,304	46.46%
Common Equity	<u>1,243,954</u>	<u>53.54%</u>
 Total	 <u><u>2,323,258</u></u>	 <u><u>100.00%</u></u>
	 <u>Embedded</u>	 <u>Average</u>
	<u>Cost</u>	<u>Capitalization</u>
		<u>Ratio</u>
		<u>Weighted</u>
		<u>Cost</u>
Short-Term Debt	0.00%	0.00%
Long-Term Debt	4.12%	46.46%
Weighted Costs		<u>1.91%</u>
 Rate of Return on Rate Base		5.37%
Less: Weighted Costs		<u>1.91%</u>
Common Equity Component		3.46%
 Percentage of Common Equity to Total Capitalization		<u>53.54%</u>
 Return on Common Equity		<u><u>6.46%</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
Rate of Return on Common Equity
Authorized Capitalization Cost of Capital Method
March 31, 2025
(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	
	Embedded Cost	Average Capitalization Ratio
	Cost	Ratio
	Weighted Cost	
Short-Term Debt	0.00%	0.00%
Long-Term Debt	4.12%	46.24%
Weighted Costs		<u>1.91%</u>
Rate of Return on Rate Base		5.37%
Less: Weighted Costs		<u>1.91%</u>
Common Equity Component		<u>3.46%</u>
Percentage of Common Equity to Total Capitalization		53.76%
Return on Common Equity		<u><u>6.44%</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
March 31, 2025

<u>Month</u>	<u>Allowed Return on Equity</u>	<u>Calculated Return on Equity</u>
March 2024	(a) 9.30%	7.53%
June 2024	(a) 9.30%	7.70%
September 2024	(a) 9.30%	7.54%
December 2024	(a) 9.30%	6.87%
March 2025	(a) 9.30%	6.46%

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.