

YANKEE GAS SERVICES, DBA EVERSOURCE
INCOME STATEMENT
12 MONTHS ENDED SEPTEMBER 30, 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	307,697,901	16,358	225,006
COMMERCIAL FIRM SERVICE	245,045,193	24,695	27,767
INDUSTRIAL FIRM SERVICE	79,745,122	14,251	1,438
SEASONAL SERVICE	-	-	21
INTERRUPTIBLE SERVICE	10,369,305	3,559	2
SALES FOR RESALE	<u>7,064,109</u>		
TOTAL SALES OF GAS	649,921,630	58,863	254,234
OTHER GAS REVENUES	5,886,378	-	-
TOTAL GAS REVENUES	<u>655,808,008</u>	<u>58,863</u>	<u>254,234</u>
OPERATING EXPENSES:			
OPERATION & MAINTENANCE EXPENSE	377,496,582		
DEPRECIATION EXPENSE	71,656,830		
TAXES OTHER THAN INCOME	78,550,834		
INCOME TAXES	(11,331,222)		
INCOME TAXES DEFERRED - NET	21,761,871		
INVESTMENT TAX CREDIT	(101,496)		
AMORTIZATION OF REGULATORY ASSETS	591,430		
DISPOSITION OF UTILITY PLANT	-		
TOTAL OPERATING EXPENSES	<u>538,624,829</u>		
OPERATING INCOME	117,183,179		
OTHER INCOME AND DEDUCTIONS -NET AFUDC	<u>526,032</u>		
TOTAL INCOME	117,709,211		
INTEREST ON LONG-TERM DEBT	51,338,226		
AMORT. DEBT DISC., PREM & EXPENSE	498,251		
OTHER INTEREST EXPENSE	1,381,087		
AFUDC - CREDIT	<u>(4,161,264)</u>		
NET INTEREST CHARGES	<u>49,056,300</u>		
INCOME BEFORE PREFERRED DIVIDENDS	68,652,911		
PREFERRED DIVIDENDS	<u>-</u>		
BALANCE FOR COMMON	<u>68,652,911</u>		

YANKEE GAS SERVICES, DBA EVERSOURCE ENERGY
Rate of Return on Rate Base
September 30, 2025
(Thousands of Dollars)

	Average *
Total Utility Plant In Service	\$ 3,124,056
Less: Reserve for Depreciation	422,611
Net Utility Plant	2,701,445
 Plus:	
Materials & Supplies, ex. fuel	11,822
Fuel Reserve (13 Month Average)	22,610
Working Capital Allowance	4,522
Prepayments	2,029
Regulatory Assets - FAS 109	(70,106)
Regulatory Assets, Net of Tax**	38,730
 Less:	
Accumulated Provision for Deferred Income Tax	420,546
Regulatory Liability - FAS 109	(70,106)
Reserves, Net of Tax	18,832
Customer Advances for Construction	-
Customer Deposits	2,659
Rate Base	\$ 2,339,121
Operating Income	\$ 117,183
Rate of Return	5.01%

* 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, 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	1,133,138	46.64%
Common Equity	<u>1,296,650</u>	<u>53.36%</u>
Total	<u><u>2,429,788</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	4.24%	46.64%
Weighted Costs		<u>1.98%</u>
Rate of Return on Rate Base		5.01%
Less: Weighted Costs		<u>1.98%</u>
Common Equity Component		3.03%
Percentage of Common Equity to Total Capitalization		<u>53.36%</u>
Return on Common Equity		<u><u>5.68%</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
September 30, 2025
(Thousands of Dollars)

	Capitalization Ratios		
	5-Q Average		
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	Capitalization	Weighted
	Cost	Ratio	Cost
Short-Term Debt	0.00%	0.00%	0.00%
Long-Term Debt	4.24%	46.24%	<u>1.96%</u>
Weighted Costs			<u><u>1.96%</u></u>
Rate of Return on Rate Base			5.01%
Less: Weighted Costs			<u>1.96%</u>
Common Equity Component			<u><u>3.05%</u></u>
Percentage of Common Equity to Total Capitalization			53.76%
Return on Common Equity			<u><u>5.67%</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, 2025

<u>Month</u>	<u>Allowed Return on Equity</u>	<u>Calculated Return on Equity</u>
September 2024	(a) 9.30%	7.54%
December 2024	(a) 9.30%	6.87%
March 2025	(a) 9.30%	6.46%
June 2025	(a) 9.30%	5.96%
September 2025	(a) 9.30%	5.68%

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.