

YANKEE GAS SERVICES, DBA EVERSOURCE
INCOME STATEMENT
12 MONTHS ENDED DECEMBER 31, 2024
(Whole Dollars & Sales MMCF)

	REVENUES AND <u>INCOME</u>	SALES MMCF	AVERAGE NUMBER of <u>CUSTOMERS</u>
SALES OF GAS:			
RESIDENTIAL SERVICE	286,944,084	15,636	223,654
COMMERCIAL FIRM SERVICE	224,914,961	23,456	27,867
INDUSTRIAL FIRM SERVICE	74,950,669	14,000	1,470
SEASONAL SERVICE	-	-	22
INTERRUPTIBLE SERVICE	8,515,208	3,321	2
SALES FOR RESALE	4,723,255		
TOTAL SALES OF GAS	600,048,177	56,413	253,015
OTHER GAS REVENUES	5,232,243	-	0
TOTAL GAS REVENUES	605,280,420	56,413	253,015
OPERATING EXPENSES:			
OPERATION & MAINTENANCE EXPENSE	338,145,360		
DEPRECIATION EXPENSE	66,379,204		
TAXES OTHER THAN INCOME	75,869,179		
INCOME TAXES	(708,672)		
INCOME TAXES DEFERRED - NET	20,467,479		
INVESTMENT TAX CREDIT	(101,496)		
AMORTIZATION OF REGULATORY ASSETS	(13,460,577)		
DISPOSITION OF UTILITY PLANT	-		
TOTAL OPERATING EXPENSES	486,590,477		
OPERATING INCOME	118,689,943		
OTHER INCOME AND DEDUCTIONS -NET AFUDC	3,439,868		
TOTAL INCOME	122,129,811		
INTEREST ON LONG-TERM DEBT	44,730,997		
AMORT. DEBT DISC., PREM & EXPENSE	461,046		
OTHER INTEREST EXPENSE	3,680,013		
AFUDC - CREDIT	(4,344,042)		
NET INTEREST CHARGES	44,528,014		
INCOME BEFORE PREFERRED DIVIDENDS	77,601,797		
PREFERRED DIVIDENDS	-		
BALANCE FOR COMMON	77,601,797		

YANKEE GAS SERVICES, DBA EVERSOURCE ENERGY
Rate of Return on Rate Base
December 31, 2024
(Thousands of Dollars)

	Average *
Total Utility Plant In Service	\$ 2,942,118
Less: Reserve for Depreciation	438,486
Net Utility Plant	2,503,632
 Plus:	
Materials & Supplies, ex. fuel	11,677
Fuel Reserve (13 Month Average)	24,470
Working Capital Allowance	4,193
Prepayments	1,949
Regulatory Assets - FAS 109	(77,852)
Regulatory Assets, Net of Tax**	33,135
 Less:	
Accumulated Provision for Deferred Income Tax	406,670
Regulatory Liability - FAS 109	(77,852)
Reserves, Net of Tax	19,992
Customer Advances for Construction	-
Customer Deposits	2,046
 Rate Base	 \$ 2,150,349
 Operating Income	 \$ 118,690
 Rate of Return	 5.52%

* 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
December 31, 2024
(Thousands of Dollars)

	<u>Amount</u>	<u>Capitalization Ratios</u>
	<u>5-Q Average</u>	<u>5-Q Average</u>
Short-Term Debt NOTE (a)	-	0.00%
Long-Term Debt	1,063,319	47.00%
Common Equity	<u>1,199,130</u>	<u>53.00%</u>
Total	<u><u>2,262,449</u></u>	<u><u>100.00%</u></u>
	<u>Average</u>	
	<u>Embedded Cost</u>	<u>Capitalization Ratio</u>
Short-Term Debt	0.00%	0.00%
Long-Term Debt	3.99%	47.00%
Weighted Costs		<u><u>1.88%</u></u>
Rate of Return on Rate Base		5.52%
Less: Weighted Costs		<u>1.88%</u>
Common Equity Component		3.64%
Percentage of Common Equity to Total Capitalization		<u>53.00%</u>
Return on Common Equity		<u><u>6.87%</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
December 31, 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
	Embedded	Capitalization	Weighted
	Cost	Ratio	Cost
Short-Term Debt	0.00%	0.00%	0.00%
Long-Term Debt	3.99%	46.24%	<u>1.84%</u>
Weighted Costs			<u><u>1.84%</u></u>
Rate of Return on Rate Base			5.52%
Less: Weighted Costs			<u>1.84%</u>
Common Equity Component			<u><u>3.68%</u></u>
Percentage of Common Equity to Total Capitalization			53.76%
Return on Common Equity			<u><u>6.85%</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
December 31, 2024

<u>Month</u>	<u>Allowed Return on Equity</u>	<u>Calculated Return on Equity</u>
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%
December 2024	(a) 9.30%	6.87%

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.