

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

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

	REVENUES AND <u>INCOME</u>	SALES <u>MMCF</u>	AVERAGE NUMBER of <u>CUSTOMERS</u>
SALES OF GAS:			
RESIDENTIAL SERVICE	296,597,548	15,175	222,319
COMMERCIAL FIRM SERVICE	238,777,416	22,526	27,747
INDUSTRIAL FIRM SERVICE	82,549,962	13,645	1,490
SEASONAL SERVICE	-	-	19
INTERRUPTIBLE SERVICE	7,853,685	3,161	5
SALES FOR RESALE	<u>4,946,437</u>		
TOTAL SALES OF GAS	630,725,048	54,507	251,580
OTHER GAS REVENUES	5,434,394	-	0
TOTAL GAS REVENUES	<u>636,159,442</u>	<u>54,507</u>	<u>251,580</u>
OPERATING EXPENSES:			
OPERATION & MAINTENANCE EXPENSE	373,300,940		
DEPRECIATION EXPENSE	62,371,126		
TAXES OTHER THAN INCOME	74,602,938		
INCOME TAXES	14,025,357		
INCOME TAXES DEFERRED - NET	5,838,017		
INVESTMENT TAX CREDIT	(101,496)		
AMORTIZATION OF REGULATORY ASSETS	(8,101,995)		
DISPOSITION OF UTILITY PLANT	<u>-</u>		
TOTAL OPERATING EXPENSES	<u>521,934,887</u>		
OPERATING INCOME	114,224,555		
OTHER INCOME AND DEDUCTIONS -NET AFUDC	<u>2,185,146</u> <u>-</u>		
TOTAL INCOME	116,409,701		
INTEREST ON LONG-TERM DEBT	37,365,778		
AMORT. DEBT DISC., PREM & EXPENSE	376,041		
OTHER INTEREST EXPENSE	3,235,784		
AFUDC - CREDIT	<u>(3,235,006)</u>		
NET INTEREST CHARGES	<u>37,742,597</u>		
INCOME BEFORE PREFERRED DIVIDENDS	78,667,104		
PREFERRED DIVIDENDS	<u>-</u>		
BALANCE FOR COMMON	<u>78,667,104</u>		

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

	<u>Average *</u>
Total Utility Plant In Service	\$ 2,786,046
Less: Reserve for Depreciation	461,524
Net Utility Plant	<u>2,324,522</u>
Plus:	
Materials & Supplies, ex. fuel	7,374
Fuel Reserve (13 Month Average)	29,934
Working Capital Allowance	4,410
Prepayments	2,298
Regulatory Assets - FAS 109	(86,054)
Regulatory Assets, Net of Tax**	29,918
Less:	
Accumulated Provision for Deferred Income Tax	386,257
Regulatory Liability - FAS 109	(86,054)
Reserves, Net of Tax	22,695
Customer Advances for Construction	-
Customer Deposits	1,625
Rate Base	<u>\$ 1,987,879</u>
Operating Income	<u>\$ 114,225</u>
Rate of Return	<u>5.75%</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, 2024
(Thousands of Dollars)

	<u>Amount</u> <u>5-Q Average</u>	<u>Capitalization</u> <u>Ratios</u> <u>5-Q Average</u>
Short-Term Debt	-	0.00%
Long-Term Debt	943,573	45.67%
Common Equity	<u>1,122,672</u>	<u>54.33%</u>
Total	<u><u>2,066,245</u></u>	<u><u>100.00%</u></u>
	<u>Embedded</u>	<u>Average</u> <u>Capitalization</u> <u>Ratio</u>
	<u>Cost</u>	<u>Weighted</u> <u>Cost</u>
Short-Term Debt	0.00%	0.00%
Long-Term Debt	3.64%	45.67%
Weighted Costs		<u>1.66%</u>
Rate of Return on Rate Base		Exh 1(B) 5.75%
Less: Weighted Costs		<u>1.66%</u>
Common Equity Component		4.09%
Percentage of Common Equity to Total Capitalization		<u>54.33%</u>
Return on Common Equity		<u><u>7.53%</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, 2024
(Thousands of Dollars)

		Capitalization Ratios	
		5-Q Average	
Short-Term Debt	NOTE (a)	0.00%	
Long-Term Debt		46.24%	
Common Equity		53.76%	
Total		100.00%	
		Average	
	Embedded Cost	Capitalization Ratio	Weighted Cost
Short-Term Debt	0.00%	0.00%	0.00%
Long-Term Debt	3.64%	46.24%	1.68%
Weighted Costs			1.68%
Rate of Return on Rate Base		Exh 1(B) 5.75%	
Less: Weighted Costs		1.68%	
Common Equity Component		4.07%	
Percentage of Common Equity to Total Capitalization		53.76%	
Return on Common Equity		7.57%	

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, 2024

<u>Month</u>	<u>Allowed Return on Equity</u>	<u>Calculated Return on Equity</u>	
March 2023	(a) 9.30%	8.08%	
June 2023	(a) 9.30%	7.64%	
September 2023	(a) 9.30%	7.08%	
December 2023	(a) 9.30%	7.03%	
March 2024	(a) 9.30%	7.53%	Exhibit 1(C)(1)

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.