



National Fuel

February 28, 2025

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
P.O. Box 3265
North Office Building
Harrisburg, Pennsylvania 17105-3265

Re: Docket # M-2025-3052807 Quarterly Financial Reports

Dear Secretary Chiavetta:

Attached for electronic filing is a copy of the Quarterly Financial Report for the twelve month period ended December 31, 2024. We have also sent Mr. R. Layton an electronic file via email, using the template provided by the PUC. Per Opinion and Order adopted by the Commission in the Public Meeting on February 11, 1993 (P-00920642), this report is not the company's annual report.

National Fuel's Quarterly Financial Report is being electronically filed. No additional paper copies will be sent.

Very truly yours,

Janine Ward
Asst. General Manager,
Rates and Regulatory Affairs

Encl.

cc: Office of Special Assistants
Office of Trial Staff
Office of Consumer Advocate
Office of Small Business Advocate

SCHEDULE A

Company Name: National Fuel Gas Distribution Corporation
 Financial Report for Twelve Months Ended
 December 31, 2024

(Thousands of Dollars)

	Actual per <u>Books</u> (1)	Intrastate <u>Percent</u> (2)	Intrastate <u>per books</u> (3)	<u>Adjustments (a)</u> (4)	<u>Adjusted Results</u> (5)	<u>Adj. No.</u> (6)
Original Cost of Plant In Service	\$811,530	1.0000	\$811,530	91,903	\$903,432	
Less: Depreciation Reserve	283,274	1.0000	283,274	23,412	306,686	
Net Plant in Service	528,256		528,256	68,491	596,746	1
<u>Additions:</u>						
Land/Plant Held for Future Use	0	1.0000	0	0	0	
Materials & Supplies & Fuel Stocks	7,135	1.0000	7,135	387	7,522	2
Cash Working Capital (b)	0	1.0000	0	22,696	22,696	3
Other	818	1.0000	818	(87)	732	4
<u>Deductions:</u>						
Accumulated Deferred Income Taxes						
Liberalized Depreciation	77,752	1.0000	77,752	3,525	81,277	5
Investment Tax Credit	0	1.0000	0	0	0	6
Other	0	1.0000	0	0	0	
Customer Deposits	5,194	1.0000	5,194	(44)	5,151	7
Customer Advances	61	1.0000	61	0	61	
Contributions in Aid of Construction	0	1.0000	0	0	0	
Other	0	1.0000	0	0	0	
RATE BASE	\$453,202		\$453,202	88,005	\$541,207	
<u>Operating Revenues</u>	<u>\$210,009</u>	1.0000	<u>210,009</u>	<u>\$33,953</u>	<u>\$243,962</u>	8
<u>Operating Expenses</u>						
Operation & Maintenance	144,571	1.0000	144,571	40,422	184,993	9
Annual Depreciation	18,083	1.0000	18,083	1,700	19,783	10
Taxes - Other than Income	2,342	1.0000	2,342	274	2,615	11
State Income Tax - Current (c)	(60)	1.0000	(60)	60	0	12
Federal Income Tax - Current (c)	(8,352)	1.0000	(8,352)	7,145	(1,207)	13
Deferred Income Taxes	7,918	1.0000	7,918	(8,609)	(691)	14
Investment Tax Credit (Net)	0	1.0000	0	0	0	15
Total Operating Expenses	164,502		164,502	40,992	205,493	
INCOME AVAILABLE FOR RETURN	\$45,507		\$45,507	(\$7,038)	\$38,469	
RATE OF RETURN - OVERALL	10.04%		10.04%		7.11%	

(a) Schedule B and Schedule C

(b) As adjudicated in last rate case or as currently calculated

(c) Reflects the new tax method of accounting for certain capitalized costs relating to its utility property for income tax purposes (tax repairs) under Revenue Procedure 2023-15, which the Company adopted during FY2024.

SCHEDULE B

COMPANY NAME: National Fuel Gas Distribution Corporation

Summary of Pro Forma Intrastate Adjustments
(Thousands of Dollars)

Rate Base Adjustments	Rate Base	Revenues	Expenses	Taxes*
(1) Line 3 Net Plant	68,491			
(2) Line 5 Additions: Materials and Supplies	387			
(3) Line 6 Additions: Cash Working Capital	22,696			
(4) Line 7 Additions: Other	(87)			
(5) Line 9 Deductions: DIT Liberalized Depr.	(3,525)			
(6) Line 10 Deductions: DIT Invest. Tax Credit	0			
(7) Line 12 Deductions: Customer Deposits	44			
<u>Income Statement Adjustments</u>				
(8) Line 17 Operating Revenues		33,953		
(9) Line 18 Operating and Maintenance Exp.			40,422	
(10) Line 19 Annual Depreciation			1,700	
(11) Line 20 Taxes Other than Income				274
(12) Line 21 State Income - current				60
(13) Line 22 Federal Income - current				7,145
(14) Line 23 Deferred Income Tax				(8,609)
(15) Line 24 Investment Tax Credit (net)				0
(16)				
(17)				
(18)				
(19)				
(20)				
Totals	<u>\$88,005</u>	<u>\$33,953</u>	<u>\$42,122</u>	<u>(\$1,130)</u>

*Includes gross receipts tax (GRT), where applicable

SCHEDULE C

COMPANY NAME: National Fuel Gas Distribution Corporation

Explanation of Adjustments

Rate Base Adjustments

- (1) To reflect plant additions and retirements pursuant to 52 Pa. Code Section 69.371 and 66 Pa.C.S.A. Section 315(e).
- (2) To reflect average balance
- (3) To reflect estimated Cash Working Capital position
- (4) To reflect average balance
- (5) To reflect plant additions and retirements pursuant to 52 Pa. Code Section 69.371 and 66 Pa.C.S.A. Section 315(e).
- (6) To reflect plant additions and retirements pursuant to 52 Pa. Code Section 69.371 and 66 Pa.C.S.A. Section 315(e).
- (7) To reflect average balance

Income Statement Adjustments

- (8) To reflect revenue projection adjustments to replicate a filing condition pursuant to 66 Pa.C.S.A. Section 315(e).
Reflect elimination of Gross Receipts Tax. Rates effective January 1, 2007.
- (9) To reflect revenue projection adjustments to replicate a filing condition pursuant to 66 Pa.C.S.A. Section 315(e).
Reflect elimination of Gross Receipts Tax. Rates effective January 1, 2007.
- (10) To reflect Negative Net Salvage and Plant additions and retirements pursuant to 52 Pa. Code Section 69.371 and 66 Pa.C.S.A. Section 315(e).
- (11) To reflect normalization adjustments. Reflect elimination of Gross Receipts Tax.
- (12) To reflect only ratemaking tax deductions.
- (13) To reflect only ratemaking tax deductions.
- (14) To reflect only ratemaking tax deductions.
- (15) To reflect only ratemaking tax deductions.
- (16)
- (17)
- (18)
- (19)
- (20)

SCHEDULE D-1

COMPANY NAME: National Fuel Gas Distribution Corporation
 Intrastate Per Books
 Calculation of Return on Common Equity
 for the 12 Months Ended 12/31/24
 (Thousands of Dollars)

	Capital Ratios (a) (1)	x	Rate Base (b) (2)	=	Totals (3)	x	Embedded Cost Rates(c) (4)	=	Total Rate Base Related Cost of Debt and Preferred & Preference (5)
	Sch. E Col. 2		Sch. A. Col. 3 Line 16				Sch. F Col. 7		
1) Debt	45.10%		\$453,202		\$204,394		5.13%		\$10,485
2) Preferred	0.00%		\$453,202		0		5.13%		0
3) Common Equity	<u>54.90%</u>		\$453,202		<u>248,808</u>				
4) Total	<u>100.00%</u>				<u>\$453,202</u>				<u>\$10,485</u>

12 Months ended 12/31/24

	Intrastate Per Books
5) Income Available for Return (from Sch. A, Col. 3, Line 26)	\$45,507
6) Less: Total Rate Base Related Cost of Debt and Preferred (Col 5, Line 4)	<u>\$10,485</u>
7) Income Available for Common Equity (Line 5 Less Line 6)	<u>\$35,021</u>
8) Debt Cost (Col 5., Line 1)	\$10,485
9) Less: Interest Expense used to compute State and Federal Income Taxes	<u>11,383</u>
10) Difference (Line 8 Less Line 9)	(897)
11) Times: Composite State and Federal Income Tax Rate	<u>27.71%</u>
12) Net Addition or (Deduction) (Line 10 x Line 11)	<u>(\$249)</u>
13) Income Available for Common Equity, including Income Tax Effect of using Debt Cost (Line 7 plus Line 12)	<u>\$34,773</u>
14) Return on Common Equity (Line 7/Line 3, Col. 3)	<u>14.08%</u>
15) Return on Common Equity, including Income Tax Effect of using Debt Cost (Line 13/Line 3, Col. 3)	<u>13.98%</u>

SCHEDULE D-2

COMPANY NAME: National Fuel Gas Distribution Corporation
 Intrastate Pro Forma Results
 Calculation of Return on Common Equity
 for the 12 Months Ended 12/31/24
 (Thousands of Dollars)

	Capital Ratios(a)		Rate Base(b)		Totals		Embedded Cost Rates(c)		Total Rate Base Related Cost of Debt and Preferred & Preference
	(1)	x	(2)	=	(3)	x	(4)	=	(5)
	Sch. E Col. 2		Sch. A. Col. 5 Line 16				Per R-2022-3035730		
1) Debt	45.10%		\$541,207		\$244,084		5.28%		\$12,888
2) Preferred	0.00%		\$541,207		0		0.00%		0
3) Common Equity	<u>54.90%</u>		\$541,207		<u>297,123</u>				
4) Total	<u>100.00%</u>				<u>\$541,207</u>				<u>\$12,888</u>

12 Months ended 12/31/24

	Intrastate Adjusted
5) Income Available for Return (from Sch. A, Col. 5, Line 26)	\$38,469
6) Less: Total Rate Base Related Cost of Debt and Preferred (Col 5, Line 4)	<u>\$12,888</u>
7) Income Available for Common Equity (Line 5 Less Line 6)	<u>\$25,581</u>
8) Debt Cost (Col 5., Line 1)	\$12,888
9) Less: Interest Expense used to compute State and Federal Income Taxes	<u>12,881</u>
10) Difference (Line 8 Less Line 9)	7
11) Times: Composite State and Federal Income Tax Rate	<u>27.31%</u>
12) Net Addition or (Deduction) (Line 10 x Line 11)	<u>\$2</u>
13) Income Available for Common Equity, including Income Tax Effect of using Debt Cost (Line 7 plus Line 12)	<u>\$25,583</u>
14) Return on Common Equity (Line 7/Line 3, Col. 3)	<u>8.62%</u>
15) Return on Common Equity, including Income Tax Effect of using Debt Cost (Line 13/Line 3, Col. 3)	<u>8.62%</u>

SCHEDULE E

COMPANY NAME: National Fuel Gas Distribution Corporation
 Calculation of Capital Structure and Related Ratios
 for the Twelve Months Ended 12/31/24

	(Thousands of Dollars)	
	Note 1	
	Total Company	
	Actual Amount	
	Outstanding	Ratios
	(1)	(2)
Total Debt (Sch. F., Col. 4)	\$4,510	45.10%
Total Preferred & Preference Stock Stock (Sch. F., Co.. 4)	0	0.00%
<u>Common Equity</u>		
Common Stock	5,490	
Premium on Common Stock	0	
Capital Surplus	0	
Capital Stock	0	
Retained Earnings	0	
Other	0	
Total Common Equity	<u>5,490</u>	<u>54.90%</u>
Total Capital	<u>\$10,000</u>	<u>100.00%</u>

Note 1: R-2022-3035730 Rebuttal position (percentage only not dollar balance)

Schedule F

COMPANY NAME: National Fuel Gas Distribution Corporation
 Cost of Debt and Preferred Stock as Adjusted
 For the 12 Months Ended 12/31/24
 (Thousands of Dollars)

Item/Description	Issue Date	Maturity Date	Interest Rate	Note 1			
				Outstanding Balance	Effective Cost Rate	Percent to Total	Weighted Cost Rate
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Long Term Debt				\$4,510	5.13%	100.00%	5.13%
Short Term Debt (If Applicable)				0	0.00%	0.00%	0.00%
Total				4,510	5.13%	100.00%	5.13%
Preferred Stock				0			0.00%
Total				\$4,510			5.13%

Note 1: R-2022-3035730 Rebuttal position (percentage only not dollar balance)

National Fuel Gas Distribution Corporation

Summary of Returns

Overall Return - Actual	Overall Return - Adjusted	Equity Return - Actual	Equity Return - Adjusted
10.04%	7.11%	13.98%	8.62%