

NORTH EAST HEAT AND LIGHT COMPANY

10700 West Main Road

North East, PA 16428

(814) 725-4302

(814) 725-8427 Fax

15-Apr-24

Ms. Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North St
Harrisburg, PA 17105-3265

Dear Ms. Chiavetta:

Enclosed please find North East Heat & Light's Quarterly Report for the year ended December 31, 2024.

Very truly yours,

M Carol Courtney
Accountant
Enclosure

SCHEDULE A

Company N North East Heat & Light Co.
 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)
(1) Original Cost of Plant In Service	\$3,306	1.0000	\$3,306		\$3,306
(2) Less: Depreciation Reserve	1,970	1.0000	1,970		1,970
(3) Net Plant in Service	1,336	1.0000	1,336	0	1,336
<u>Additions:</u>					
(4) Land/Plant Held for Future Use			0		0
(5) Materials & Supplies & Fuel Stocks	244	1.0000	244		244
(6) Cash Working Capital (b)	102	1.0000	102		102
(7) Other			0		0
<u>Deductions:</u>					
(8) Accumulated Deferred Income Taxes	89	1.0000	89		89
(9) Liberalized Depreciation			0		0
(10) Investment Tax Credit			0		0
(11) Other			0		0
(12) Customer Deposits	39	1.0000	39		39
(13) Customer Advances			0		0
(14) Contributions in Aid of Construction			0		0
(15) Other			0		0
(16) RATE BASE	<u>\$1,554</u>		<u>\$1,554</u>	<u>0</u>	<u>\$1,554</u>
(17) <u>Operating Revenues</u>	<u>\$2,637</u>	1.0000	<u>2,637</u>		<u>\$2,637</u>
<u>Operating Expenses</u>					
(18) Operation & Maintenance	2,358	1.0000	2,358		2,358
(19) Annual Depreciation	133	1.0000	133		133
(20) Taxes - Other than Income	46	1.0000	46		46
(21) State Income Tax - Current	14	1.0000	14		14
(22) Federal Income Tax - Current	32	1.0000	32		32
(23) Deferred Income Taxes	(12)	1.0000	(12)		(12)
(24) Investment Tax Credit (Net)			0		0
(25) Total Operating Expenses	<u>2,571</u>		<u>2,571</u>	<u>0</u>	<u>2,571</u>
(26) INCOME AVAILABLE FOR RETURN	<u>\$66</u>	66	<u>\$66</u>	<u>\$0</u>	<u>\$66</u>
RATE OF RETURN - OVERALL	<u>4.25%</u>		<u>4.25%</u>		<u>4.25%</u>

(a) Schedule B and Schedule C

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

SCHEDULE B

COMPANY NAME: North East Heat & Light Co.

Summary of Pro Forma Intrastate Adjustments
(Thousands of Dollars)

<u>Rate Base Adjustments</u>	<u>Rate Base</u>	<u>Revenues</u>	<u>Expenses</u>	<u>Taxes*</u>
(1) [REDACTED]				
(2) [REDACTED]				
(3) [REDACTED]				
<u>Income Statement Adjustments</u>				
(4) [REDACTED]				
(5) [REDACTED]				
(6) [REDACTED]				
(7) [REDACTED]				
(8) [REDACTED]				
(9) [REDACTED]				
(10) [REDACTED]				
Totals	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

*Includes gross receipts tax (GRT), where applicable

SCHEDULE C

COMPANY NAME: North East Heat & Light Co.

Explanation of Adjustments

Rate Base Adjustments

- (1) [REDACTED]
- (2) [REDACTED]
- (3) [REDACTED]

Income Statement Adjustments

- (4) [REDACTED]
- (5) [REDACTED]
- (6) [REDACTED]
- (7) [REDACTED]
- (8) [REDACTED]
- (9) [REDACTED]
- (10) [REDACTED]

Explanation of Changes to Intrastate Allocation Factors (if applicable)

SCHEDULE D-1

COMPANY NAME: North East Heat & Light Co.
 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	0.00%		\$1,554		\$0		0.00%		\$0
2) Preferred	2.31%		\$1,554		36		0.00%		0
3) Common Equity	<u>97.69%</u>		\$1,554		<u>1,518</u>				
4) Total	<u>100.00%</u>				<u>\$1,554</u>				<u>\$0</u>

12 Months ended 12/31/24

	Intrastate Per Books
5) Income Available for Return (from Sch. A, Col. 3, Line 26)	\$66
6) Less: Total Rate Base Related Cost of Debt and Preferred (Col 5, Line 4)	<u>\$0</u>
7) Income Available for Common Equity (Line 5 Less Line 6)	<u>\$66</u>
8) Debt Cost (Col 5., Line 1)	\$0
9) Less: Interest Expense used to compute State and Federal Income Taxes	<u>0</u>
10) Difference (Line 8 Less Line 9)	0
11) Times: Composite State and Federal Income Tax Rate	<u>0</u>
12) Net Addition or (Deduction) (Line 10 x Line 11)	<u>\$0</u>
13) Income Available for Common Equity, including Income Tax Effect of using Debt Cost (Line 7 plus Line 12)	<u>\$66</u>
14) Return on Common Equity (Line 7/Line 3, Col. 3)	<u>4.35%</u>
15) Return on Common Equity, including Income Tax Effect of using Debt Cost (Line 13/Line 3, Col. 3)	<u>4.35%</u>

SCHEDULE D-2

COMPANY NAME: North East Heat & Light Co.
 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				Sch. F Col. 7		
1) Debt	0.00%		\$1,554		\$0		0.00%		\$0
2) Preferred	2.92%		\$1,554		45		0.00%		0
3) Common Equity	<u>97.08%</u>		\$1,554		<u>1,509</u>				
4) Total	<u>100.00%</u>				<u>\$1,554</u>				<u>\$0</u>

12 Months ended 12/31/24

	Intrastate Adjusted
5) Income Available for Return (from Sch. A, Col. 5, Line 26)	\$66
6) Less: Total Rate Base Related Cost of Debt and Preferred (Col 5, Line 4)	<u>\$0</u>
7) Income Available for Common Equity (Line 5 Less Line 6)	<u>\$66</u>
8) Debt Cost (Col 5., Line 1)	\$0
9) Less: Interest Expense used to compute State and Federal Income Taxes	
10) Difference (Line 8 Less Line 9)	0
11) Times: Composite State and Federal Income Tax Rate	
12) Net Addition or (Deduction) (Line 10 x Line 11)	<u>\$0</u>
13) Income Available for Common Equity, including Income Tax Effect of using Debt Cost (Line 7 plus Line 12)	<u>\$66</u>
14) Return on Common Equity (Line 7/Line 3, Col. 3)	<u>4.37%</u>
15) Return on Common Equity, including Income Tax Effect of using Debt Cost (Line 13/Line 3, Col. 3)	<u>4.37%</u>

SCHEDULE E

COMPANY NAME: North East Heat & Light Co.
 Calculation of Capital Structure and Related Ratios
 for the Twelve Months Ended 12/31/24

(Thousands of Dollars)

	Total Company Actual Amount Outstanding (1)	Ratios (2)
Total Debt (Sch. F., Col. 4)	0 0	0.00%
Total Preferred & Preference Stock Stock (Sch. F., Co. 4)	62 0	2.92%
<u>Common Equity</u>		
Common Stock	6	
Premium on Common Stock	8	
Capital Surplus		
Capital Stock		
Retained Earnings	2,033	
Other	15	
Total Common Equity	2,062	97.08%
Total Capital	\$2,124	100.00%

Schedule F

COMPANY NAME: North East Heat & Light Co.
 Cost of Debt and Preferred Stock as Adjusted
 For the 12 Months Ended 12/31/24
 (Thousands of Dollars)

Item/Description	Issue Date (1)	Maturity Date (2)	Interest Rate (3)	Outstanding Balance (4)	Effective Cost Rate (5)	Percent to Total (6)	Weighted Cost Rate (7)
Long Term Debt			(See Appendix A)				
Short Term Debt (If Applicable)							
Total							
Preferred Stock			(See Appendix B)				
Total							

North East Heat & Light Co.

Summary of Returns

Overall Return - Actual	Overall Return - Adjusted	Equity Return - Actual	Equity Return - Adjusted
4.25%	4.25%	4.35%	4.37%