



pecoSM

AN EXELON COMPANY

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VIA E-FILE ONLY

May 29, 2025

Matthew Homsher, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, Second Floor
Harrisburg, PA 17120

SUBJECT: PECO Energy Company ("PECO") Financial Report for the twelve months ended March 31, 2025 for Electric Operations, Docket No. M-2025-3052807

Dear Secretary Homsher:

This letter transmits for filing with the Commission PECO's Financial Report for the twelve months ended March 31, 2025, for Electric Regulated Operations (Utility Code -110550). This report includes the annualization, normalization and other ratemaking adjustments typically permitted by the Commission. Please note that this report includes a tax repair benefit of \$92.2M in adjusted income for common equity or 1.63% in adjusted return on common equity. Copies have been provided to the Office of Special Assistants, Bureau of Investigation and Enforcement, Office of Consumer Advocate, Office of Small Business Advocate and Bureau of Technical Utility Services.

Sincerely,

cc: P. Diskin, Director, Bureau of Technical Utility Services (email only)
K. Hafner, Director, Office of Special Assistants (email only)
A. Kaster, Director, Bureau of Investigation & Enforcement (email only)
V. Johns, Bureau of Technical Utility Services (email only)
E. Laudenslager, Bureau of Technical Utility Services (email only)
Office of Consumer Advocate (email service only)
Office of Small Business Advocate (email service only)

PECO-ELECTRIC REGULATED OPERATIONS

Financial Report

Twelve Months Ending March 31, 2025

Company Name: 110550-PECO-Electric Regulated Operations
 Financial Report for Twelve Months Ending: 3/31/2025

SCHEDULE A1
 (in thousands)

	Actual per Books	Intrastate %	Intrastate Per Books	Adjustments (a)	Adjusted Results
Original Cost					
Plant in Service	#####	1.00000	#####	#####	#####
Depreciation Reserve	2,332,704	1.00000	2,332,704	713,980	3,046,684
Net Plant	8,712,459	1.00000	8,712,459	#####	#####
ADDITIONS:					
Ld./Plt. Future Use	-	1.00000	-	-	-
Materials & Suppl.	46,100	1.00000	46,100	-	46,100
CWC (b)	240,816	1.00000	240,816	-	240,816
Unamortized AMR Recovery	0	1.00000	-	-	-
Pension Assets/(Liabilities)	-	1.00000	-	-	-
DEDUCTIONS:					
Acc. Def. Income Taxes	-	1.00000	-	-	-
Liberalized Depr.	851,224	1.00000	851,224	16,173	867,397
I. T. C.	-	1.00000	-	-	-
Other	-	1.00000	-	-	-
Customer Deposits	59,054	1.00000	59,054	-	59,054
Customer Advances	7,160	1.00000	7,160	-	7,160
Cont. Aid of Constr.	(22,353)	1.00000	(22,353)	(36,579)	(58,932)
Other	-	1.00000	-	-	-
RATE BASE	8,104,290		#####	#####	#####
Operating Revenues	3,239,785	1.00000	3,239,785	(34,158)	3,205,627
Operating Revenue Deductions:					
O & M Expense	2,202,536	1.00000	2,202,536	(6,965)	2,195,571
Annual Depreciation	296,818	1.00000	296,818	104,172	400,990
Taxes-					
-Other Than Income	214,546	1.00000	214,546	991	215,537
-State Income-Curr.	-	1.00000	-	(10,575)	(10,575)
-Fed. Income-Curr.	(71,664) *	1.00000	(71,664)	(25,965)	(97,629)
-Deferred Inc. Txs.	-	1.00000	-	-	-
-I.T.C. (net)	-	1.00000	-	-	-
Total Oper. Rev. Ded.	2,642,236		2,642,236	61,658	2,703,894
Inc. Avail. For Ret.	597,549		597,549	(95,816)	501,733
RATE OF RETURN - Overall	7.37%		7.37%		4.94%

*includes state, federal and deferred income taxes and ITC

COMPANY NAME:

PECO
SUMMARY OF ADJUSTMENTS
Electric Regulated Operations

SCHEDULE B

<u>Rate Base Adjustments</u>	<u>Rate Base</u>	<u>Revenues</u>	<u>Taxes Other Expenses an Income</u>	<u>State Income Taxes</u>	<u>Federal Income Taxes</u>
(1)Adjustment for Additional Plant in Service	\$2,749,994				
(2)Adjustment for Additional Accumulated Reserve	\$713,980				
(3)Adjustment for Additional Accumulated Deferred Income	\$ (20,407)				

Total \$2,056,421

<u>Income Statement Adjustments</u>	<u>Rate Base</u>	<u>Revenues</u>	<u>Taxes Other Expenses an Income</u>	<u>State Income Taxes</u>	<u>Federal Income Taxes</u>
(1)Revenue Annualization*	\$ 1,893		\$ 112	\$ 142	\$ 350
(2)Wage Change, Pension and FAS 106 Adjustment*		\$ 6,409		\$ (512)	\$ (1,257)
(3)Book Depreciation on Year End Asset Basis*		\$ 104,172		\$ (8,323)	\$ (20,437)
(4)Interest on Customer Deposits*		\$ 2,996		\$ (239)	\$ (588)
(5)CAP Revenue Credit Annualization*	\$ (624)		\$ (37)	\$ (47)	\$ (115)
(6)Weather Normalization of Distribution Revenues*	\$ (16,798)		\$ (991)	\$ (1,263)	\$ (3,101)
(7)Adjustment to Normalize Storm Expenses*		\$ 34,582		\$ (2,763)	\$ (6,785)
(8)Normalization of Uncollectible Accounts Expense*		\$ (50,952)	\$ 3,006	\$ 3,831	\$ 9,406
(9)Leap Year Revenue Normalization	\$ 1,211		\$ 71	\$ 91	\$ 224
(10) Regulatory Initiative Recovery					
(11) Eliminate DSIC Revenue	\$ (19,840)		\$ (1,171)	\$ (1,492)	\$ (3,662)

Total \$ (34,158) \$ 97,207 \$ 991 \$ (10,575) \$ (25,965)

COMPANY NAME:

PECO
Electric Regulated Operations
Explanation of Adjustments

SCHEDULE C

Rate Base Adjustments

- (1) Adjustment for Additional Plant in Service
- (2) Adjustment for Additional Accumulated Reserve
- (3) Adjustment for Additional Accumulated Deferred Income Taxes

Income Statement Adjustments

- (1) Revenue Annualization-The purpose of this adjustment is to annualize revenues to reflect period end level of customers. This adjustment was included at R-2015-2468981.
- (2) Wage Change, Pension and FAS 106 Adjustment-The purpose of this adjustment is to develop the change in wages, pensions and employee benefits not yet fully reflected in the twelve month periods. These adjustment included at R-2015-2468981.
- (3) Book Depreciation on Year End Asset Basis - This adjustment is necessary to reflect a full year's depreciation on plant added during the reporting period. This adjustment was included at R-2015-2468981.
- (4) Adjustment to Include Interest on Customer Deposits-The purpose of this adjustment is to include the cost of interest accrued to the Company due to customer deposits. This adjustment was included at R-2015-2468981.
- (5) CAP Revenue Credit Annualization - The purpose of this adjustment is to annualize the cost of the discount provided to customers enrolled in Company's Customer Assistance Program ("CAP") in the form of a bill credit reflecting the number of CAP at the end of reporting period. This adjustment was included at R-2015-2468981.
- (6) Weather Normalization of Distribution Revenues-The purpose of this adjustment is to reflect the effect of weather normalization on distribution revenues and expenses. This adjustment was included at R-2015-2468981.
- (7) Adjustment for Normalization of Storm Expenses-The purpose of this adjustment is to normalize storm expenses for the year. This adjustment was included at R-2015-2468981.
- (8) Adjustment to Normalize Uncollectible Accounts Expense-The purpose of this adjustment is to normalize uncollectible accounts expense. This adjustment was included at R-2015-2468981.
- (9) Leap Year Revenue Normalization - The purpose of this adjustment is to add one quarter of one-day non-customer and non-reconcilable surcharge distribution revenue to normalize the revenue impact from leap years. This adjustment was included at R-2015-2468981.
- (10) Regulatory Initiative Recovery - The purpose of this adjustment is to amortize the deferred costs from 2014 and 2015 for the CAP Redesign and Off-Cycle Switching programs. This adjustment was included at R-2015-2468981.
- (11) Adjustment to eliminate actual DSIC revenue for the 12-month period.

Company Name: 110550-PECO-Electric Regulated Operations

INTRASTATE per BOOKS

SCHEDULE D-1

Calc. Of Return on Common Equity for the period: 3/31/2025

(In Thousands)

	Capital Ratios	Rate Base	Totals	Weighted Cst. Rates	Total Rate Base Cst./Debt/Pref.
	-----	-----	-----	-----	-----
1. Debt	0.4425	8,104,290	3,586,148	0.0435	155,997
2. Preferred	0.0000		0	0.0000	0
3. Common Equity	0.5575		4,518,141		
	-----		-----		-----
4. TOTAL	1.0000		8,104,289		155,997

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Intrastate per Boo

5. Income Available for Return	597,549
6. Less: Total Rate Base Related Cost of Debt & Preferred	155,997

7. Income Available for Common Equity (Line 5 - Line 6)	441,552
8. Debt Cost	155,997
9. Less: Interest Expense used to compute State & Fed. Income Tax	140,925

10. Difference (Line 8 less Line 9)	15,072
11. Times: Effective State and Federal Income Tax Rate	0.2760835

12. Net Addition of (Deduction) (Line 10 x Line 11)	4,161
13. Income Available for Common Equity, Including Income Tax Effect of Using Debt Cost (Line 7 Plus Line 12)	445,713
14. Return on Common Equity (Line 7/ Line 3, Col. 3)	0.09773
15. Return on Common Equity Including Tax Effect of Using Debt Cost (Line 13/Line 3, col. 3)	0.09865

Company Name: 110550-PECO-Electric Regulated Operations

INTRASTATE ADJUSTED

SCHEDULE D-2

Calc. Of Return on Common Equity for the period: 3/31/2025

(In Thousands)

	Capital Ratios	Rate Base	Totals	Weighted Cst. Rates	Total Rate Base Cst./Debt/Pref.
	-----	-----	-----	-----	-----
1. Debt	0.4425	10,160,711	4,496,115	0.0435	195,581
2. Preferred	0.0000		0	0.0000	0
3. Common Equity	0.5575		5,664,596		
	-----		-----		-----
4. TOTAL	1.0000		10,160,711		195,581
					=====
					Intrastate Adjuste

5. Income Available for Return					501,733
6. Less: Total Rate Base Related Cost of Debt & Preferred					195,581

7. Income Available for Common Equity (Line 5 - Line 6)					306,152
8. Debt Cost					195,581
9. Less: Interest Expense used to compute State & Fed. Income Tax					140,925

10. Difference (Line 8 less Line 9)					54,656
11. Times: Effective State and Federal Income Tax Rate					0.2760835

12. Net Addition of (Deduction) (Line 10 x Line 11)					15,090
13. Income Available for Common Equity, Including Income Tax Effect of Using Debt Cost (Line 7 Plus Line 12)					321,242
14. Return on Common Equity (Line 7/ Line 3, Col. 3)					0.05405
15. Return on Common Equity Including Tax Effect of Using Debt Cost (Line 13/Line 3, col. 3)					0.05671

Company: 110550-PECO-Electric Regulated Operations
 Calculation of Capital Structure and Related Ratios
 for the period: 3/31/2025
 (in thousands)

SCHEDULE E

	Total Company Actual Amount Outstanding	Ratios
Total Debt	5,958,847	0.4425
Total Preferred	0	0.0000
Common Equity:		
Common Stock	1,423,004	
Premium on Common Stock	0	
Capital Surplus	3,785,240	
Capital Stock Expense	0	
Retained Earnings	0	
Other	2,299,429	
Total Common Equity	7,507,673	0.5575
Total Capital	13,466,520	1.0000

PECO - Electric Regulated Operation
Cost of Debt as Ratemaking Adjusted
for the Twelve Months Ended March 31, 2025
(\$ in Thousands)

SCHEDULE F

Line No	Description	[1] Amount Outstanding	[2] Effective Interest Rate	[3] Percent to Total	[4] Average Weighted Cost Rate [2] * [3]	[5] Annualized Cost
<u>First & Refunding Mortgage Bonds - Fixed Rate</u>						
1	3.15% due 2025	350,000	3.29%	5.87%	0.19%	
2	5.90% due 2034	75,000	6.00%	1.26%	0.08%	
3	5.95% due 2036	300,000	6.04%	5.03%	0.30%	
4	5.70% due 2037	175,000	5.81%	2.94%	0.17%	
5	4.80% due 2043	250,000	4.89%	4.20%	0.21%	
6	4.15% due 2044	300,000	4.23%	5.03%	0.21%	
7	3.70% due 2047	325,000	3.77%	5.45%	0.21%	
8	3.90% due 2048	650,000	4.08%	10.91%	0.45%	
9	3.00% due 2049	325,000	3.10%	5.45%	0.17%	
10	2.80% due 2050	350,000	2.86%	5.87%	0.17%	
11	3.05% due 2051	375,000	3.11%	6.29%	0.20%	
12	2.85% due 2051	375,000	2.91%	6.29%	0.18%	
13	4.60% due 2052	350,000	4.71%	5.87%	0.28%	
14	4.375% due 2052	425,000	4.46%	7.13%	0.32%	
15	4.90% due 2033	575,000	5.03%	9.65%	0.49%	
16	5.25% due 2054	575,000	5.34%	9.65%	0.52%	
17	Sub-Total Fixed Rate	<u>5,775,000</u>		<u>96.91%</u>		
<u>Trust Preferred Capital Securities</u>						
18	7.38% Rate Due 4/6/28	80,521	7.46%	1.35%	0.10%	
19	Variable Rates Due 4/6/28	805	6.75%	0.01%	0.00%	
20	5.75% Rate Due 6/15/33	103,093	5.88%	1.73%	0.10%	
21	Sub-Total Capital Securities	<u>184,419</u>		<u>3.10%</u>		
22	Total Long-Term Debt	5,959,419		<u>100.00%</u>	<u>4.35%</u>	
23	Adjustment for Tenders & Calls	<u>(572)</u>				
24	Net Long-Term Debt	<u>\$ 5,958,847</u>				
25	Annualized Cost	\$ 259,235				
26	Adjustment for Tenders & Calls Reacquired	<u>68</u>				
27	Total	<u>\$ 259,303</u>				<u>4.35%</u>

**SCHEDULE A
SUPPORTING DATA**

PECO-Electric Regulated Operations
 Plant in Service at March 31, 2025
 (in Thousands)

	<u>Plant</u>	<u>Depreciation Reserve</u>	<u>Net</u>
Electric Regulated Plant in Service incl. Applic. Reg. Asset	\$ 10,294,909	\$ 2,052,646	\$ 8,242,263
Stranded Cost	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Adjusted Plant and Stranded Cost Asset and Reserve	\$ 10,294,909	\$ 2,052,646	\$ 8,242,263
Allocated Common	<u>\$ 750,254</u>	<u>\$ 280,058</u>	<u>\$ 470,196</u>
Total Electric Regulated Plant and Allocated Common	\$ 11,045,163	\$ 2,332,704	\$ 8,712,459

PECO-Electric Regulated Operations
 Plant in Service at March 31, 2025
 (in Thousands)

Common Plant

	<u>Plant</u>	Depreciation <u>Reserve</u>	<u>Net</u>
Depreciable Common Plant	\$ 1,094,102	\$ 411,189	\$ 682,913
 <u>Other Common Plant</u>			
301, 389 Organization, Land and Land Rights	<u>\$ 7,442</u>		<u>\$ 7,442</u>
 Total Common Plant in Service	 \$ 1,101,544	 \$ 411,189	 \$ 690,355
 <u>Total Common Plant Allocated</u>			
PECO Electric	\$ 856,010	\$ 319,535	\$ 536,475
Electric Distribution	\$ 750,254	\$ 280,058	\$ 470,196
Gas	\$ 245,534	\$ 91,654	\$ 153,880

PECO-Electric Regulated Operations
 AVERAGE ELECTRIC MATERIALS AND SUPPLIES
 Thirteen Months Ended March 31, 2025
 (in Thousands)

A-3

	<u>Materials and Supplies</u>	<u>Stores Undistributed</u>
Mar-24	\$44,830	(\$241)
Apr-24	\$42,524	(\$1,725)
May-24	\$42,984	(\$780)
Jun-24	\$45,915	(\$871)
Jul-24	\$44,557	(\$1,179)
Aug-24	\$44,943	(\$1,410)
Sep-24	\$48,602	(\$1,476)
Oct-24	\$48,113	(\$1,723)
Nov-24	\$48,006	(\$1,377)
Dec-24	\$46,895	\$0
Jan-25	\$48,223	(\$535)
Feb-25	\$50,976	(\$319)
Mar-25	\$51,040	(\$560)
13 month Total	\$607,606	(\$12,196)
13 month Average	\$46,739	(\$938)
Allocated to Electric Regulated		(\$639)
Total	<u>\$46,100</u>	

PECO-Electric Regulated Operations
 CUSTOMER DEPOSITS AND ADVANCES
 Thirteen Months Ended March 31, 2025
 (in Thousands)

A-4

	<u>Customer Deposits</u>	<u>Customer Advances</u>
Mar-24	\$ 60,728	\$ 4,783
Apr-24	\$ 60,997	\$ 6,828
May-24	\$ 60,725	\$ 7,262
Jun-24	\$ 60,526	\$ 6,764
Jul-24	\$ 60,219	\$ 7,007
Aug-24	\$ 59,288	\$ 6,652
Sep-24	\$ 58,422	\$ 4,808
Oct-24	\$ 57,677	\$ 6,428
Nov-24	\$ 56,865	\$ 7,484
Dec-24	\$ 56,141	\$ 8,256
Jan-25	\$ 57,166	\$ 10,444
Feb-25	\$ 58,297	\$ 8,761
Mar-25	\$ 60,652	\$ 7,609
	<hr/>	<hr/>
Total	\$ 767,702	\$ 93,085
13 month Avg	\$ 59,054	\$ 7,160

**SCHEDULE B
SUPPORTING DATA**

PECO-ELECTRIC REGULATED OPERATIONS
REVENUE ANNUALIZATION
Twelve Months Ending March 31, 2025
(in Thousands\$)

B-1

The purpose of this adjustment is to annualize revenues for the number of customers at the end of the twelve month period.

Change in Revenues (B-1a)	\$ 1,893
Less: Gross Receipts Tax	<u>\$ 112</u>
Net of Gross Receipts Tax	\$ 1,781
Increase in Income Taxes @ 27.61%	\$ 492
Increase in Income for Return	\$ 1,289

PECO-ELECTRIC REGULATED OPERATIONS
REVENUE ANNUALIZATION
Twelve Months Ending March 31, 2025
(in Thousands\$)

B-1a

	<u>Residential</u>	<u>Residential Heating</u>	<u>Small C&I</u>	<u>Large C&I</u>	<u>Railroads and Railways</u>	<u>Street Lighting</u>	<u>Total</u>
Distribution Revenues	\$ 987,460	\$ 193,578	\$ 339,251	\$ 210,966	\$ 7,617	\$ 20,372	\$ 1,759,244
Distribution Weather Adjustment	\$ (13,907)	\$ 714	\$ (2,138)	\$ (1,467)	\$ -	\$ -	\$ (16,798)
Margin-Revenue	\$ 973,553	\$ 194,292	\$ 337,113	\$ 209,499	\$ 7,617	\$ 20,372	\$ 1,742,446
Avg Monthly Customers	#####	\$ 202,791	\$ 157,734	\$ 3,154	\$ 5	\$ 10,681	1,707,678
Avg Margin Per Customer	Thousand\$ \$ 0.730	\$ 0.958	\$ 2.137	\$ 66.430	#####	\$ 1.907	
Number of Customers End of March 2025	1,336,874	203,579	157,287	3,151	5	10,698	1,711,594
Increase in Number of Customers During the Year	3,560	788	(447)	(3)	(0)	17	3,916
Annualization of Revenue	\$ 2,599	\$ 755	\$ (955)	\$ (177)	\$ (363)	\$ 32	\$ 1,893

Revenue figures reflect billed revenues

PECO-Electric Regulated Operations
 ANNUALIZATION OF WAGES, PENSIONS AND FAS 106 ADJUSTMENT
 Twelve Months Ending March 31, 2025
 (in Thousands)

B-2

This adjustment develops the increases in wages associated with the annual wage increase. Also included in adjustment are Pension and Post Retirement Benefit Costs/FAS 106 Costs.

Estimated Wages, Pensions and FAS 106 Benefits-Company

Adjustment to Electric Base Wage	\$	2,894
Plus: Overtime @ 35.06%	\$	1,015
Change in Applicable Payroll Expense	\$	3,909
Adjustment to Pension and Net FAS 106 Costs (a)	\$	2,499
Net Expense Change	\$	6,409
Increase in Income Tax at 27.61%	\$	(1,769)
Increase in Income for Return	\$	(4,640)
<hr/>		
(a) Proforma		\$3,013
Actual		<u>\$514</u>
Decrease		\$2,499

PECO-Electric Regulated Operations
ADJUST BOOK DEPRECIATION TO REFLECT YEAR END ASSET
BASIS AS OF March 31, 2025
(in Thousands)

This adjustment is necessary to adjust book depreciation on a period end basis.

Annualized Depreciation	400,990
Book Depreciation	<u>296,818</u>
Increase in Depreciation	104,172
Decrease in Income Taxes at 27.61%	(\$28,760)
Decrease in Income for Return	(\$75,412)

PECO-Electric Regulated Operations
INTEREST ON COMPANY DEPOSITS
Twelve Months Ending March 31, 2025
(in Thousands)

B-4

The purpose of this adjustment is to include the cost of interest accrued to the Company on its customer deposits.

Interest on Customer Deposits	\$2,996
Decrease in Income Taxes @ 27.61%	(\$827)
Decrease in Income for Return	(\$2,169)

PECO-Electric Regulated Operations
CAP Revenue Credits and Adjustments
Twelve Months Ending March 31, 2025
(in Thousands)

B-5

The purpose of this adjustment is to annualize the cost of the discounts provided to customers enrolled in PECO's Customer Assistance Program ("CAP") in the form of a bill credit, reflecting the number of CAP customers at the end of March 20:

CAP Discount Annualization	\$	855
Net of Impact of Write Off and Working Capital	\$	624
Gross Receipts Tax	\$	<u>37</u>
Revenue Net of Gross Receipts Tax	\$	587
Increase in Income Taxes @ 27.61%	\$	162
Increase in Income for Return	\$	425

PECO-Electric Regulated Operations
ADJUSTMENT TO DISTRIBUTION REVENUES AND EXPENSES
TO REFLECT WEATHER NORMALIZED SALES
Twelve Months Ending March 31, 2025
(in Thousands)

B-6

The purpose of this adjustment is to reflect the effect of weather normalization on revenues and expenses during the twelve month period.

Decrease in Revenues	\$ (16,798)
Decrease in Gross Receipts Tax	<u>\$ (991)</u>
Decrease in Revenue Net of Gross Receipts Tax	\$ (15,807)
Decrease in Income Taxes at 27.61%	\$ (4,364)
Decrease in Income for Return	\$ (11,443)

PECO-Electric Regulated Operations
NORMALIZATION OF STORM EXPENSES
Twelve Months Ending March 31, 2025
(in Thousands)

B-7

The purpose of this adjustment is to normalize storm expenses for the twelve month period.

Normalized Incremental Storm Expenses	\$61,197
Actual Incremental Storm Expenses in the Twelve Month Period	<u>\$26,614</u>
Increase in Storm Expenses	\$34,582
Decrease in Income Taxes @ 27.61%	(\$9,548)
Decrease in Income for Return	(\$25,034)

PECO-Electric Regulated Operations
NORMALIZATION OF UNCOLLECTIBLE ACCOUNTS EXPENSE
Twelve Months Ending March 31, 2025
(in Thousands)

B-8

The purpose of this adjustment is to normalize uncollectible accounts expense based on a three year average rate for charge-offs and prior period arrearages.

Adjusted Uncollectibles Amount	\$48,301
Amount in Actual Expense	<u>\$99,253</u>
Increase in Cost	(\$50,952)
Decrease in GRT	\$3,006
Decrease in Income Taxes @ 27.61%	\$13,237
Decrease in Income for Return	\$34,709

PECO-Electric Regulated Operations
Leap Year Revenue Normalization
Twelve Months Ending March 31, 2025
(in Thousands)

B-9

The purpose of this adjustment is to deduct three quarters of one-day non-customer and non-surcharge distribution revenue from February to normalize the revenue impact from leap year

Total Revenue Increase	\$1,211
Less: Gross Receipt Tax	<u>\$71</u>
Net of Gross Receipt Tax	\$1,140
Increase in Income Taxes @ 27.61%	\$315
Increase in Income for Return	\$825