



National Fuel

August 22, 2025

Matthew Homsher, 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 Homsher:

Attached for electronic filing is a copy of the Quarterly Financial Report for the twelve month period ended June 30, 2025. We have also sent Ms. V. Johns an electronic file via email, using the template provided by the PUC.

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
 June 30, 2025

(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 | \$828,050 | 1.0000 | \$828,050 | 109,751 | \$937,801 | |
| Less: Depreciation Reserve | 289,576 | 1.0000 | 289,576 | 16,723 | 306,299 | |
| Net Plant in Service | 538,473 | | 538,473 | 93,029 | 631,502 | 1 |
| <u>Additions:</u> | | | | | | |
| Land/Plant Held for Future Use | 0 | 1.0000 | 0 | 0 | 0 | |
| Materials & Supplies & Fuel Stocks | 5,462 | 1.0000 | 5,462 | 1,932 | 7,395 | 2 |
| Cash Working Capital (b) | 0 | 1.0000 | 0 | 22,696 | 22,696 | 3 |
| Other | 925 | 1.0000 | 925 | (153) | 772 | 4 |
| <u>Deductions:</u> | | | | | | |
| Accumulated Deferred Income Taxes | | | | | | |
| Liberalized Depreciation | 76,797 | 1.0000 | 76,797 | (1,107) | 75,689 | 5 |
| Investment Tax Credit | 0 | 1.0000 | 0 | 0 | 0 | 6 |
| Other | 0 | 1.0000 | 0 | 0 | 0 | |
| Customer Deposits | 5,156 | 1.0000 | 5,156 | (2) | 5,153 | 7 |
| Customer Advances | 60 | 1.0000 | 60 | 0 | 60 | |
| Contributions in Aid of Construction | 0 | 1.0000 | 0 | 0 | 0 | |
| Other | 0 | 1.0000 | 0 | 0 | 0 | |
| RATE BASE | <u>\$462,848</u> | | <u>\$462,848</u> | <u>118,614</u> | <u>\$581,462</u> | |
| <u>Operating Revenues</u> | <u>\$238,044</u> | 1.0000 | <u>238,044</u> | <u>\$26,515</u> | <u>\$264,559</u> | 8 |
| <u>Operating Expenses</u> | | | | | | |
| Operation & Maintenance | 170,232 | 1.0000 | 170,232 | 34,600 | 204,832 | 9 |
| Annual Depreciation | 18,778 | 1.0000 | 18,778 | 1,766 | 20,544 | 10 |
| Taxes - Other than Income | 2,419 | 1.0000 | 2,419 | 261 | 2,680 | 11 |
| State Income Tax - Current (c) | (60) | 1.0000 | (60) | 60 | 0 | 12 |
| Federal Income Tax - Current (c) | (5,238) | 1.0000 | (5,238) | 3,574 | (1,664) | 13 |
| Deferred Income Taxes | 5,634 | 1.0000 | 5,634 | (5,985) | (351) | 14 |
| Investment Tax Credit (Net) | 0 | 1.0000 | 0 | 0 | 0 | 15 |
| Total Operating Expenses | 191,766 | | 191,766 | 34,275 | 226,041 | |
| INCOME AVAILABLE FOR RETURN | <u>\$46,278</u> | | <u>\$46,278</u> | <u>(\$7,760)</u> | <u>\$38,518</u> | |
| RATE OF RETURN - OVERALL | <u>10.00%</u> | | <u>10.00%</u> | | <u>6.62%</u> | |

(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)

| <u>Rate Base Adjustments</u> | <u>Rate Base</u> | <u>Revenues</u> | <u>Expenses</u> | <u>Taxes*</u> |
|--|------------------|-----------------|-----------------|------------------|
| (1) Line 3 Net Plant | 93,029 | | | |
| (2) Line 5 Additions: Materials and Supplies | 1,932 | | | |
| (3) Line 6 Additions: Cash Working Capital | 22,696 | | | |
| (4) Line 7 Additions: Other | (153) | | | |
| (5) Line 9 Deductions: DIT Liberalized Depr. | 1,107 | | | |
| (6) Line 10 Deductions: DIT Invest. Tax Credit | 0 | | | |
| (7) Line 12 Deductions: Customer Deposits | 2 | | | |
| <u>Income Statement Adjustments</u> | | | | |
| (8) Line 17 Operating Revenues | | 26,515 | | |
| (9) Line 18 Operating and Maintenance Exp. | | | 34,600 | |
| (10) Line 19 Annual Depreciation | | | 1,766 | |
| (11) Line 20 Taxes Other than Income | | | | 261 |
| (12) Line 21 State Income - current | | | | 60 |
| (13) Line 22 Federal Income - current | | | | 3,574 |
| (14) Line 23 Deferred Income Tax | | | | (5,985) |
| (15) Line 24 Investment Tax Credit (net) | | | | 0 |
| (16) | | | | |
| (17) | | | | |
| (18) | | | | |
| (19) | | | | |
| (20) | | | | |
| Totals | <u>\$118,614</u> | <u>\$26,515</u> | <u>\$36,366</u> | <u>(\$2,091)</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 06/30/25
 (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) | | (2) | | (3) | | (4) | | (5) |
| | Sch. E Col. 2 | x | Sch. A. Col. 3 Line 16 | = | | x | Sch. F Col. 7 | = | |
| 1) Debt | 45.10% | | \$462,848 | | \$208,744 | | 5.22% | | \$10,896 |
| 2) Preferred | 0.00% | | \$462,848 | | 0 | | 5.22% | | 0 |
| 3) Common Equity | <u>54.90%</u> | | \$462,848 | | <u>254,104</u> | | | | |
| 4) Total | <u>100.00%</u> | | | | <u>\$462,848</u> | | | | <u>\$10,896</u> |

12 Months ended 06/30/25

| | Intrastate Per Books |
|---|-------------------------|
| 5) Income Available for Return (from Sch. A, Col. 3, Line 26) | \$46,278 |
| 6) Less: Total Rate Base Related Cost of Debt and Preferred (Col 5, Line 4) | <u>\$10,896</u> |
| 7) Income Available for Common Equity (Line 5 Less Line 6) | <u>\$35,381</u> |
| 8) Debt Cost (Col 5., Line 1) | \$10,896 |
| 9) Less: Interest Expense used to compute State and Federal Income Taxes | <u>11,627</u> |
| 10) Difference (Line 8 Less Line 9) | (731) |
| 11) Times: Composite State and Federal Income Tax Rate | <u>27.71%</u> |
| 12) Net Addition or (Deduction) (Line 10 x Line 11) | <u>(\$202)</u> |
| 13) Income Available for Common Equity, including Income Tax Effect of using Debt Cost (Line 7 plus Line 12) | <u>\$35,179</u> |
| 14) Return on Common Equity (Line 7/Line 3, Col. 3) | <u>13.93%</u> |
| 15) Return on Common Equity, including Income Tax Effect of using Debt Cost (Line 13/Line 3, Col. 3) | <u>13.84%</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 06/30/25
 (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) | | (2) | (3) | (4) | (5) |
| | Sch. E Col. 2 | x | Sch. A. Col. 5 Line 16 | = | x Per R-2022-3035730 | = |
| 1) Debt | 45.10% | | \$581,462 | \$262,239 | 5.28% | \$13,846 |
| 2) Preferred | 0.00% | | \$581,462 | 0 | 0.00% | 0 |
| 3) Common Equity | 54.90% | | \$581,462 | 319,222 | | |
| 4) Total | 100.00% | | | \$581,461 | | \$13,846 |

12 Months ended 06/30/25

| | Intrastate Adjusted |
|--|---------------------|
| 5) Income Available for Return (from Sch. A, Col. 5, Line 26) | \$38,518 |
| 6) Less: Total Rate Base Related Cost of Debt and Preferred (Col 5, Line 4) | \$13,846 |
| 7) Income Available for Common Equity (Line 5 Less Line 6) | \$24,672 |
| 8) Debt Cost (Col 5., Line 1) | \$13,846 |
| 9) Less: Interest Expense used to compute State and Federal Income Taxes | 13,839 |
| 10) Difference (Line 8 Less Line 9) | 7 |
| 11) Times: Composite State and Federal Income Tax Rate | 26.92% |
| 12) Net Addition or (Deduction) (Line 10 x Line 11) | \$2 |
| 13) Income Available for Common Equity, including Income Tax Effect of using Debt Cost (Line 7 plus Line 12) | \$24,674 |
| 14) Return on Common Equity (Line 7/Line 3, Col. 3) | 7.72% |
| 15) Return on Common Equity, including Income Tax Effect of using Debt Cost (Line 13/Line 3, Col. 3) | 7.72% |

SCHEDULE E

COMPANY NAME: National Fuel Gas Distribution Corporation
 Calculation of Capital Structure and Related Ratios
 for the Twelve Months Ended 06/30/25

| (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><u>\$10,000</u></u> | <u><u>100.00%</u></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 06/30/25
 (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 | 5.22% | 100.00% | 5.22% |
| Short Term Debt (If Applicable) | | | | 0 | 0.00% | 0.00% | 0.00% |
| Total | | | | 4,510 | 5.22% | 100.00% | 5.22% |
| Preferred Stock | | | | 0 | | | 0.00% |
| Total | | | | \$4,510 | | | 5.22% |

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 |
| 10.00% | 6.62% | 13.84% | 7.72% |