

Mr. Matthew Homsher, Secretary
Pennsylvania Public Utility
Commission Commonwealth
Keystone Building
400 North Street, 2nd Floor
Harrisburg, PA 17120

Re: Quarterly Earnings Reports
Docket No. M-2026-3059582

Dear Secretary Homsher:

Please find the attached Quarterly Financial Reports for the twelve months ended December 31, 2025 for Community Utilities of Pennsylvania, Inc. (Water and Wastewater Divisions).

Sincerely,

David Clark

David Clark
FP&A Manager

SCHEDULE A

Company Name: **Community Utilities of Pennsylvania Inc. - Water**
 Financial Report for Twelve Months Ended
December 31, 2025

(Thousands of Dollars)

	Actual per <u>Books</u> (1)	Intrastate <u>Percent</u> (2)	Intrastate per books (3)	<u>Adjustments (a)</u> (4)	<u>Adjusted Results</u> (5)
(1) Original Cost of Plant In Service	\$23,477	1.0000	\$23,477		\$23,477
(2) Less: Depreciation Reserve	4,078	1.0000	4,078		4,078
(3) Net Plant in Service	19,399		19,399	0	19,399
Additions:					
(4) Land/Plant Held for Future Use		1.0000	0		0
(5) Materials & Supplies & Fuel Stocks	6	1.0000	6		6
(6) Cash Working Capital (b)	0	1.0000	0		0
(7) Other	364	1.0000	364		364
Deductions:					
(8) Accumulated Deferred Income Taxes	422	1.0000	422		422
(9) Liberalized Depreciation		1.0000	0		0
(10) Investment Tax Credit		1.0000	0		0
(11) Other	-8	1.0000	(8)		(8)
(12) Customer Deposits	0	1.0000	0		0
(13) Customer Advances		1.0000	0		0
(14) Contributions in Aid of Construction	1,228	1.0000	1,228		1,228
(15) Other		1.0000	0		0
(16) RATE BASE	\$18,126		\$18,126	0	\$18,126
(17) <u>Operating Revenues</u>	<u>\$3,503</u>	1.0000	<u>3,503</u>		<u>\$3,503</u>
Operating Expenses					
(18) Operation & Maintenance	1,968	1.0000	1,968		1,968
(19) Annual Depreciation	430	1.0000	430		430
(20) Taxes - Other than Income	70	1.0000	70		70
(21) State Income Tax - Current	0	1.0000	0		0
(22) Federal Income Tax - Current	0	1.0000	0		0
(23) Deferred Income Taxes	0	1.0000	0		0
(24) Investment Tax Credit (Net)	0	1.0000	0		0
(25) Total Operating Expenses	2,469		2,469	0	2,469
(26) INCOME AVAILABLE FOR RETURN	\$1,035		\$1,035	\$0	\$1,035
RATE OF RETURN - OVERALL	5.71%		5.71%		5.71%

(a) Schedule B and Schedule C

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

SCHEDULE B

COMPANY NAME: Community Utilities of Pennsylvania Inc. - Water

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)	████████████████████				
(2)	████████████████████				
(3)	████████████████████				
<u>Income Statement Adjustments</u>					
(4)	████████████████████				
(5)	████████████████████				
(6)	████████████████████				
(7)	████████████████████				
(8)	████████████████████				
(9)	████████████████████				
(10)	████████████████████				
Totals		<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

*Includes gross receipts tax (GRT), where applicable

SCHEDULE C

COMPANY NAME: Community Utilities of Pennsylvania Inc. - Water

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: Community Utilities of Pennsylvania Inc. - Water

Intrastate Per Books

Calculation of Return on Common Equity
for the 12 Months Ended 12/31/25

(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	48.40%		\$18,126		\$8,773		5.21%		\$457
2) Preferred	0.00%		\$18,126		0		0.00%		0
3) Common Equity	<u>51.60%</u>		\$18,126		<u>9,353</u>		0.00%		<u>0</u>
4) Total	<u>100.00%</u>				<u>\$18,126</u>				<u>\$457</u>

12 Months ended 12/31/25

	Intrastate Per Books
5) Income Available for Return (from Sch. A, Col. 3, Line 26)	\$1,035
6) Less: Total Rate Base Related Cost of Debt and Preferred (Col 5, Line 4)	<u>\$457</u>
7) Income Available for Common Equity (Line 5 Less Line 6)	<u>\$577</u>
8) Debt Cost (Col 5., Line 1)	\$457
9) Less: Interest Expense used to compute State and Federal Income Taxes	<u>423</u>
10) Difference (Line 8 Less Line 9)	34
11) Times: Composite State and Federal Income Tax Rate	<u>28.99%</u>
12) Net Addition or (Deduction) (Line 10 x Line 11)	<u>\$10</u>
13) Income Available for Common Equity, including Income Tax Effect of using Debt Cost (Line 7 plus Line 12)	<u>\$587</u>
14) Return on Common Equity (Line 7/Line 3, Col. 3)	<u>6.17%</u>
15) Return on Common Equity, including Income Tax Effect of using Debt Cost (Line 13/Line 3, Col. 3)	<u>6.28%</u>

SCHEDULE D-2

COMPANY NAME: Community Utilities of Pennsylvania Inc. - Water
 Intrastate Pro Forma Results
 Calculation of Return on Common Equity
 for the 12 Months Ended 12/31/25
 (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	Sch. F Col. 7	=	
1) Debt	48.40%		\$18,126		\$8,773		5.21%		\$457
2) Preferred	0.00%		\$18,126		0		0.00%		0
3) Common Equity	51.60%		\$18,126		9,353				
4) Total	100.00%				\$18,126				\$457

12 Months ended 12/31/25

	Intrastate Adjusted
5) Income Available for Return (from Sch. A, Col. 5, Line 26)	\$1,035
6) Less: Total Rate Base Related Cost of Debt and Preferred (Col 5, Line 4)	\$457
7) Income Available for Common Equity (Line 5 Less Line 6)	\$577
8) Debt Cost (Col 5., Line 1)	\$457
9) Less: Interest Expense used to compute State and Federal Income Taxes	423
10) Difference (Line 8 Less Line 9)	34
11) Times: Composite State and Federal Income Tax Rate	28.99%
12) Net Addition or (Deduction) (Line 10 x Line 11)	\$10
13) Income Available for Common Equity, including Income Tax Effect of using Debt Cost (Line 7 plus Line 12)	\$587
14) Return on Common Equity (Line 7/Line 3, Col. 3)	6.17%
15) Return on Common Equity, including Income Tax Effect of using Debt Cost (Line 13/Line 3, Col. 3)	6.28%

SCHEDULE E

COMPANY NAME: Community Utilities of Pennsylvania Inc. - Water
 Calculation of Capital Structure and Related Ratios
 for the Twelve Months Ended 12/31/25

(Thousands of Dollars)

	Total Company Actual Amount Outstanding <u>(1)</u>	<u>Ratios</u> (2)
Total Debt (Sch. F., Col. 4)	\$532,259	48.40%
Total Preferred & Preference Stock Stock (Sch. F., Co.. 4)	0	0.00%
<u>Common Equity</u>		
Common Stock	0	
Premium on Common Stock		
Capital Surplus	387,265	
Capital Stock		
Retained Earnings	180,138	
Other		
Total Common Equity	<u>567,403</u>	<u>51.60%</u>
Total Capital	<u><u>\$1,099,662</u></u>	<u><u>100.00%</u></u>

Schedule F

COMPANY NAME: Community Utilities of Pennsylvania Inc. - Water
 Cost of Debt and Preferred Stock as Adjusted
 For the 12 Months Ended 12/31/25
 (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				532,259			5.21% ***debt held at parent company
Preferred Stock							
Total				0			0.00%

Community Utilities of Pennsylvania Inc. - Water

Summary of Returns

Overall Return - Actual	Overall Return - Adjusted	Equity Return - Actual	Equity Return - Adjusted
5.71%	5.71%	6.28%	6.28%

SCHEDULE A

Company Name: **Community Utilities of Pennsylvania Inc. - Wastewater**
 Financial Report for Twelve Months Ended
December 31, 2025

(Thousands of Dollars)

	Actual per <u>Books</u> (1)	Intrastate <u>Percent</u> (2)	Intrastate per books (3)	<u>Adjustments (a)</u> (4)	<u>Adjusted Results</u> (5)
(1) Original Cost of Plant In Service	\$30,321	1.0000	\$30,321		\$30,321
(2) Less: Depreciation Reserve	9,104	1.0000	9,104		9,104
(3) Net Plant in Service	21,217		21,217	0	21,217
Additions:					
(4) Land/Plant Held for Future Use		1.0000	0		0
(5) Materials & Supplies & Fuel Stocks	43	1.0000	43		43
(6) Cash Working Capital (b)	0	1.0000	0		0
(7) Other	275	1.0000	275		275
Deductions:					
(8) Accumulated Deferred Income Taxes	847	1.0000	847		847
(9) Liberalized Depreciation		1.0000	0		0
(10) Investment Tax Credit		1.0000	0		0
(11) Other	9	1.0000	9		9
(12) Customer Deposits	0	1.0000	0		0
(13) Customer Advances		1.0000	0		0
(14) Contributions in Aid of Construction	1,574	1.0000	1,574		1,574
(15) Other		1.0000	0		0
(16) RATE BASE	\$19,105		\$19,105	0	\$19,105
(17) <u>Operating Revenues</u>	<u>\$4,851</u>	<u>1.0000</u>	<u>4,851</u>		<u>\$4,851</u>
Operating Expenses					
(18) Operation & Maintenance	2,929	1.0000	2,929		2,929
(19) Annual Depreciation	515	1.0000	515		515
(20) Taxes - Other than Income	91	1.0000	91		91
(21) State Income Tax - Current	0	1.0000	0		0
(22) Federal Income Tax - Current	0	1.0000	0		0
(23) Deferred Income Taxes	0	1.0000	0		0
(24) Investment Tax Credit (Net)	0	1.0000	0		0
(25) Total Operating Expenses	3,535		3,535	0	3,535
(26) INCOME AVAILABLE FOR RETURN	\$1,316		\$1,316	\$0	\$1,316
RATE OF RETURN - OVERALL	6.89%		6.89%		6.89%

(a) Schedule B and Schedule C

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

SCHEDULE B

COMPANY NAME: Community Utilities of Pennsylvania Inc. - Wastewater

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)					
(2)					
(3)					
<u>Income Statement Adjustments</u>					
(4)					
(5)					
(6)					
(7)					
(8)					
(9)					
(10)					
Totals		<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

*Includes gross receipts tax (GRT), where applicable

SCHEDULE C

COMPANY NAME: Community Utilities of Pennsylvania Inc. - Wastewater

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: Community Utilities of Pennsylvania Inc. - Wastewater
 Intrastate Per Books
 Calculation of Return on Common Equity
 for the 12 Months Ended 12/31/25
 (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	48.40%		\$19,105		\$9,247		5.21%		\$482
2) Preferred	0.00%		\$19,105		0		0.00%		0
3) Common Equity	<u>51.60%</u>		\$19,105		<u>9,858</u>				
4) Total	<u>100.00%</u>				<u>\$19,105</u>				<u>\$482</u>

12 Months ended 12/31/25

	Intrastate Per Books
5) Income Available for Return (from Sch. A, Col. 3, Line 26)	\$1,316
6) Less: Total Rate Base Related Cost of Debt and Preferred (Col 5, Line 4)	<u>\$482</u>
7) Income Available for Common Equity (Line 5 Less Line 6)	<u>\$834</u>
8) Debt Cost (Col 5., Line 1)	\$482
9) Less: Interest Expense used to compute State and Federal Income Taxes	<u>473</u>
10) Difference (Line 8 Less Line 9)	9
11) Times: Composite State and Federal Income Tax Rate	<u>28.99%</u>
12) Net Addition or (Deduction) (Line 10 x Line 11)	<u>\$3</u>
13) Income Available for Common Equity, including Income Tax Effect of using Debt Cost (Line 7 plus Line 12)	<u>\$836</u>
14) Return on Common Equity (Line 7/Line 3, Col. 3)	<u>8.46%</u>
15) Return on Common Equity, including Income Tax Effect of using Debt Cost (Line 13/Line 3, Col. 3)	<u>8.48%</u>

SCHEDULE D-2

COMPANY NAME: Community Utilities of Pennsylvania Inc. - Wastewater
 Intrastate Pro Forma Results
 Calculation of Return on Common Equity
 for the 12 Months Ended 12/31/25
 (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)	x	(2)	=	(3)	x	(4)	=	(5)
	Sch. E Col. 2		Sch. A. Col. 5 Line 16				Sch. F Col. 7		
1) Debt	48.40%		\$19,105		\$9,247		5.21%		\$482
2) Preferred	0.00%		\$19,105		0		0.00%		0
3) Common Equity	51.60%		\$19,105		9,858				
4) Total	100.00%				\$19,105				\$482

12 Months ended 12/31/25

	Intrastate Adjusted
5) Income Available for Return (from Sch. A, Col. 5, Line 26)	\$1,316
6) Less: Total Rate Base Related Cost of Debt and Preferred (Col 5, Line 4)	\$482
7) Income Available for Common Equity (Line 5 Less Line 6)	\$834
8) Debt Cost (Col 5., Line 1)	\$482
9) Less: Interest Expense used to compute State and Federal Income Taxes	473
10) Difference (Line 8 Less Line 9)	9
11) Times: Composite State and Federal Income Tax Rate	28.99%
12) Net Addition or (Deduction) (Line 10 x Line 11)	\$3
13) Income Available for Common Equity, including Income Tax Effect of using Debt Cost (Line 7 plus Line 12)	\$836
14) Return on Common Equity (Line 7/Line 3, Col. 3)	8.46%
15) Return on Common Equity, including Income Tax Effect of using Debt Cost (Line 13/Line 3, Col. 3)	8.48%

SCHEDULE E

COMPANY NAME: Community Utilities of Pennsylvania Inc. - Wastewater
 Calculation of Capital Structure and Related Ratios
 for the Twelve Months Ended 12/31/25

(Thousands of Dollars)

	Total Company Actual Amount Outstanding <u>(1)</u>	<u>Ratios</u> (2)
Total Debt (Sch. F., Col. 4)	\$532,259	48.40%
Total Preferred & Preference Stock Stock (Sch. F., Co.. 4)	0	0.00%
<u>Common Equity</u>		
Common Stock	0	
Premium on Common Stock		
Capital Surplus	387,265	
Capital Stock		
Retained Earnings	180,138	
Other		
Total Common Equity	<u>567,403</u>	<u>51.60%</u>
Total Capital	<u><u>\$1,099,662</u></u>	<u><u>100.00%</u></u>

Schedule F

COMPANY NAME: Community Utilities of Pennsylvania Inc. - Wastewater
 Cost of Debt and Preferred Stock as Adjusted
 For the 12 Months Ended 12/31/25
 (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				532,259			5.21% ***debt held at parent company
Preferred Stock							
Total				0			0.00%

Community Utilities of Pennsylvania Inc. - Wastewater

Summary of Returns

Overall Return - Actual	Overall Return - Adjusted	Equity Return - Actual	Equity Return - Adjusted
6.89%	6.89%	8.48%	8.48%

APPENDIX A
NEXUS REGULATED UTILITIES, INC. AND SUBSIDIARY COMPANIES
CAPITALIZATION AS OF 12/31/2025

Description	Amount		Debt after debt costs removed	Actual Rate	Blended Rates
Revolver	233,000,000		233,000,000	5.07%	2.21%
Long-term debt (\$75M) - 9/23	-		-	0.00%	0.00%
Long-term debt (\$75M) - 6/22	-		-	0.00%	0.00%
Long-term debt (\$50M) - 5/20	-		-	0.00%	0.00%
Long-term debt (\$156M) - 5/24	156,000,000		154,878,262	5.10%	1.49%
Long-term debt (\$50M) - 5/20	46,000,000		45,828,170	3.35%	0.29%
Long-term debt (\$180M) - 7/06	99,000,000		98,552,545	6.58%	1.22%
Long-term debt (\$100M) - 10/18	-	48.48%	-	0.00%	0.00%
Equity	567,403,105	51.52%	567,403,105		5.21%
Total Capital	1,101,403,105	100.00%	1,099,662,081		