April 30, 2026

Rosemary Chiavetta, Secretary
PA Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120

Dear Ms. Chiavetta:

Enclosed please find Vicinity Energy Philadelphia Incorporated Annual Report to the Pennsylvania Public Utility Commission for the year ended December 31, 2025.

Please contact me if you have questions regarding this filing.

Respectfully submitted,

DocuSigned by:
James carty
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James Carty
Vice President, Operations

ANNUAL REPORT

OF

Vicinity Energy Philadelphia, Incorporated

TO THE

Pennsylvania Public Utility Commission

TELEPHONE NO. 267-350-5800

For the Year Ended December 31, 2025

Officer to whom correspondence concerning this report should be addressed:

James Carty — Vice President
(Name) **(Title)**

2600 Christian Street, Philadelphia, PA 19146
(Address)

State of
County of

SS:

We, the undersigned, James Carty, Vice President
(Name of President or other Chief Officer) (Title)

and Kevin Walsh, Chief Financial Officer
(Name of Officer in charge of accounts) (Title)

of the Vicinity Energy Philadelphia, Incorporated Company,

on our oath do severally say that the foregoing return has been prepared, under our direction, from the original books, papers and records of said company; that we have carefully examined the same and declare the same to be a complete and correct statement of the business and affairs of said company in respect to each and every matter and thing therein set forth to the best of our knowledge, information and belief; and we further say that no deductions were made before stating the gross earnings or receipts herein set forth except those shown in the foregoing accounts; and that the accounts and figures contained in the foregoing return embrace all of the financial transactions of said company during the period for which said return is made.

DocuSigned by:
James carty 4/28/2026
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James Carty, Vice President

Signed by:
kevin Walsh 4/28/2026
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Kevin Walsh, Chief Financial Officer

Subscribed and sworn to before me this ______
day of ______ 20 ______

My Commission Expires ______

Vicinity Energy Philadelphia, Inc.
Balance Sheet
December 31,

UNAUDITED

	2025	2024
ASSETS		
Current assets		
Cash and cash equivalents	$ -	$ -
Accounts receivable, net of allowance for doubtful accounts of $264,574 and $890,418 at December 31, 2025 and 2024, respectively	14,904,238	13,052,847
Fuel inventories	4,724,439	5,629,825
Prepaid expenses and other current assets	1,225,508	893,427
Total current assets	20,854,185	19,576,099
Property, plant, and equipment, net	89,924,225	90,194,578
Other intangibles, net	50,309,935	53,006,475
Right-of-use assets, net	1,777,088	2,197,341
Spare parts inventories	2,343,560	2,785,652
Other assets	3,288	3,644
Total assets	$ 165,212,281	$ 167,763,789
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable	$ 2,535,836	$ 1,750,607
Accrued fuel	283,025	389,029
Accrued payroll and related expenses	2,114,956	1,771,592
Accrued expenses and other current liabilities	5,184,274	5,063,937
Total current liabilities	10,118,091	8,975,165
Customer deposits	683,765	708,370
Due to affiliates	35,534,975	35,582,878
Lease liabilities	2,395,093	2,648,396
Other liabilities	16,290,934	8,392,225
Total liabilities	65,022,858	56,307,034
Shareholders’ Equity	100,189,423	111,456,755
Total liabilities and shareholders’ equity	$ 165,212,281	$ 167,763,789

Vicinity Energy Philadelphia, Inc.
Statement of Operations
Years ended December 31,

UNAUDITED

	2025	2024
Revenues		
Capacity	$ 25,942,058	$ 25,203,026
Commodity	31,921,538	23,364,429
Fuel	34,403,210	24,967,562
Other	7,134,101	4,298,718
Total revenues	99,400,907	77,833,735
Cost of sales		
Fuel expense	69,432,994	50,320,282
Consumables expense	2,486,154	90,015
Total cost of sales	71,919,148	50,410,297
Gross profit	27,481,759	27,423,438
Operating expenses		
Production and operating costs	12,836,941	11,031,955
General and administrative	6,723,254	6,768,000
Depreciation and amortization	13,278,582	13,998,103
Accretion expense	275,427	304,908
Total operating expenses	33,114,204	32,102,966
Operating loss	(5,632,445)	(4,679,528)
Other income (expense), net		
Interest expense, net	(5,634,887)	(5,386,270)
Other expense, net	-	(1,475)
Total other expense	(5,634,887)	(5,387,745)
Net loss	$ (11,267,332)	$ (10,067,273)

Vicinity Energy Philadelphia, Inc.
Statement of Changes in Shareholder's Equity
Years Ended December 31, 2025 and 2024

UNAUDITED

	Additional Paid-In Capital	Retained Earnings (Accumulated Deficit)	Total Shareholder's Equity
Balances at December 31, 2024	$ 112,627,636	$ (1,170,881)	$ 111,456,755
Net loss - December 2025	-	(11,267,332)	(11,267,332)
Balances at December 31, 2025	$ 112,627,636	$ (12,438,213)	$ 100,189,423

Vicinity Energy Philadelphia, Inc.
Statement of Cash Flows
Years ended December 31,

UNAUDITED

	2025	2024
Cash flows from operating activities:		
Net loss	$ (11,267,332)	$ (10,067,273)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:		
Depreciation and amortization expense	13,278,582	13,998,103
Unrealized loss on derivative instruments	-	-
Accretion expense	275,427	304,908
Changes in operating assets and liabilities:		
Accounts receivable	(1,851,391)	623,028
Fuel inventories	905,386	1,085,585
Prepaid expenses, operating right-of-use assets, and other	384,794	125,094
Spare parts inventories	442,093	(502,709)
Accounts payable	785,230	(2,494,860)
Accrued fuel	(106,004)	(381,419)
Accrued payroll and related expenses	343,364	228,442
Accrued expenses, operating right-of-use liabilities, and other	5,729,324	(782,342)
Customer deposits	(24,605)	(139,348)
Net cash provided by operating activities	8,894,868	1,997,209
Cash flows from investing activities:		
Purchases of property and equipment	(8,846,965)	(4,851,069)
Net cash used in investing activities	(8,846,965)	(4,851,069)
Cash flows from financing activities:		
Borrowings from (loans to) affiliates	(47,903)	2,853,860
Net cash provided by (used in) financing activities	(47,903)	2,853,860
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	–	–
Cash and cash equivalents:		
Beginning of year	–	–
End of year	$ –	$ –