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May 15, 2026

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

**RE: Valley Energy, Inc. of PA Q1 2026 Earnings Report – Docket: M-2026-3059582**

Dear Secretary Homsher:

Enclosed for filing with the Pennsylvania Public Utility Commission is one copy of the quarterly 2026 earnings report for Valley Energy Inc. of PA.

If you have any questions regarding the reports, please feel free to contact me at 570-724-9466.

Very truly yours,

Melissa D Sullivan  
Chief Financial Officer/Treasurer  
C&T Enterprises, Inc.

**SCHEDULE A**

Company Name: **Valley Energy - PA**  
 Financial Report for Twelve Months Ended  
**March 31, 2026**

(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	\$52,037	1.0000	52,037	(3,361)	\$48,676
(2) Less: Depreciation Reserve	26,600	1.0000	26,600	(2,932)	23,668
(3) Net Plant in Service	25,437		25,437	(429)	25,008
<u>Additions:</u>					
(4) Land/Plant Held for Future Use			0		0
(5) Materials & Supplies & Fuel Stocks	432	1.0000	432		432
(6) Cash Working Capital (b)	127	1.0000	127		127
(7) Other			0		0
<u>Deductions:</u>					
(8) Accumulated Deferred Income Taxes					
(9) Liberalized Depreciation	3,280	1.0000	3,280		3,280
(10) Investment Tax Credit			0		0
(11) Other			0		0
(12) Customer Deposits	83	1.0000	83		83
(13) Customer Advances	33	1.0000	33		33
(14) Contributions in Aid of Construction			0		0
(15) Other			0		0
(16) <b>RATE BASE</b>	<b>\$22,600</b>		<b>\$22,600</b>	<b>(429)</b>	<b>\$22,171</b>
(17) <u>Operating Revenues</u>	<u>\$4,557</u>	<u>1.0000</u>	<u>4,557</u>		<u>\$4,557</u>
<u>Operating Expenses</u>					
(18) Operation & Maintenance	2,549	1.0000	2,549		2,549
(19) Annual Depreciation	357	1.0000	357		357
(20) Taxes - Other than Income	10	1.0000	10		10
(21) State/Fed Income Tax - Current	460	1.0000	460		460
(22)		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	3,376		3,376	0	3,376
(26) <b>INCOME AVAILABLE FOR RETURN</b>	<b>\$1,181</b>		<b>\$1,181</b>	<b>\$0</b>	<b>\$1,181</b>
<b>RATE OF RETURN - OVERALL</b>	<b>5.23%</b>		<b>5.23%</b>		<b>5.33%</b>

(a) Schedule B and Schedule C

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

**SCHEDULE B**

COMPANY NAME: Valley Energy - PA

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: Valley Energy - PA

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: Valley Energy - PA  
 Intrastate Per Books  
 Calculation of Return on Common Equity  
 for the 12 Months Ended March 31, 2026  
 (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	27.92%		\$22,600		\$6,311		5.26%		\$332
2) Preferred	0.00%		\$22,600		0		0.00%		0
3) Common Equity	<u>72.08%</u>		\$22,600		<u>16,289</u>				
4) Total	<u>100.00%</u>				<u>\$22,600</u>				<u>\$332</u>

12 Months ended March 31, 2026

	Intrastate Per Books
5) Income Available for Return (from Sch. A, Col. 3, Line 26)	\$1,181
6) Less: Total Rate Base Related Cost of Debt and Preferred (Col 5, Line 4)	<u>\$332</u>
7) Income Available for Common Equity (Line 5 Less Line 6)	<u>\$849</u>
8) Debt Cost (Col 5., Line 1)	\$332
9) Less: Interest Expense used to compute State and Federal Income Taxes	<u>107</u>
10) Difference (Line 8 Less Line 9)	225
11) Times: Composite State and Federal Income Tax Rate	<u>26.92%</u>
12) Net Addition or (Deduction) (Line 10 x Line 11)	<u>\$61</u>
13) Income Available for Common Equity, including Income Tax Effect of using Debt Cost (Line 7 plus Line 12)	<u>\$910</u>
14) Return on Common Equity (Line 7/Line 3, Col. 3)	<u>5.21%</u>
15) Return on Common Equity, including Income Tax Effect of using Debt Cost (Line 13/Line 3, Col. 3)	<u>5.58%</u>

**SCHEDULE D-2**

COMPANY NAME: Valley Energy - PA  
 Intrastate Pro Forma Results  
 Calculation of Return on Common Equity  
 for the 12 Months Ended March 31, 2026  
 (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. 5 Line 16				Sch. F Col. 7		
1) Debt	27.92%		\$22,171		\$6,191		5.26%		\$326
2) Preferred	0.00%		\$22,171		0		0.00%		0
3) Common Equity	<u>72.08%</u>		\$22,171		<u>15,980</u>				
4) Total	<u>100.00%</u>				<u>\$22,171</u>				<u>\$326</u>

12 Months ended March 31, 2026

	Intrastate Adjusted
5) Income Available for Return (from Sch. A, Col. 5, Line 26)	\$1,181
6) Less: Total Rate Base Related Cost of Debt and Preferred (Col 5, Line 4)	<u>\$326</u>
7) Income Available for Common Equity (Line 5 Less Line 6)	<u>\$855</u>
8) Debt Cost (Col 5., Line 1)	\$326
9) Less: Interest Expense used to compute State and Federal Income Taxes	<u>107</u>
10) Difference (Line 8 Less Line 9)	219
11) Times: Composite State and Federal Income Tax Rate	<u>26.92%</u>
12) Net Addition or (Deduction) (Line 10 x Line 11)	<u>\$59</u>
13) Income Available for Common Equity, including Income Tax Effect of using Debt Cost (Line 7 plus Line 12)	<u>\$914</u>
14) Return on Common Equity (Line 7/Line 3, Col. 3)	<u>5.35%</u>
15) Return on Common Equity, including Income Tax Effect of using Debt Cost (Line 13/Line 3, Col. 3)	<u>5.72%</u>

SCHEDULE E

COMPANY NAME: Valley Energy - PA  
 Calculation of Capital Structure and Related Ratios  
 for the Twelve Months Ended March 31, 2026

(Thousands of Dollars)

	Total Company Actual Amount Outstanding <u>(1)</u>	<u>Ratios</u> (2)
Total Debt (Sch. F., Col. 4)	\$6,745	27.92%
Total Preferred & Preference Stock Stock (Sch. F., Co.. 4)	0	0.00%
<u>Common Equity</u>		
Common Stock	673	
Premium on Common Stock	0	
Capital Surplus	95	
Capital Stock	0	
Retained Earnings	16,642	
Other	0	
Total Common Equity	<u>17,410</u>	<u>72.08%</u>
Total Capital	<u><u>\$24,155</u></u>	<u><u>100.00%</u></u>

Schedule F

COMPANY NAME: Valley Energy - PA  
 Cost of Debt and Preferred Stock as Adjusted  
 For the 12 Months Ended March 31, 2026  
 (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				6,745			5.26%
Preferred Stock			(See Appendix B)				
Total				0			0.00%

Valley Energy - PA

Overall Return - Actual  
5.23%

Overall Return - Adjusted  
5.33%

Equity Return - Actual  
5.58%

Equity Return - Adjusted  
5.72%

Summary of Returns

**SCHEDULE A**

Company Name: Valley Energy - NY  
 Financial Report for Twelve Months Ended  
 March 31, 2026  
 (Thousands of Dollars)

	Actual per Books (1)	Intrastate Percent (2)	Intrastate per books (3)	Adjustments (a) (4)	Adjusted Results (5)
(1) Original Cost of Plant In Service	\$7,303	1.0000	7,303	(1,260)	\$6,043
(2) Less: Depreciation Reserve	4,444	1.0000	4,444	(940)	3,504
(3) Net Plant in Service	2,859		2,859	(320)	2,539
<u>Additions:</u>					
(4) Land/Plant Held for Future Use			0		0
(5) Materials & Supplies & Fuel Stocks		1.0000	0		0
(6) Cash Working Capital (b)	39	1.0000	39		39
(7) Other			0		0
<u>Deductions:</u>					
(8) Accumulated Deferred Income Taxes					
(9) Liberalized Depreciation	427	1.0000	427		427
(10) Investment Tax Credit			0		0
(11) Other			0		0
(12) Customer Deposits	(11)	1.0000	(11)		(11)
(13) Customer Advances			0		0
(14) Contributions in Aid of Construction			0		0
(15) Other			0		0
(16) <b>RATE BASE</b>	<b>\$2,482</b>		<b>\$2,482</b>	<b>(320)</b>	<b>\$2,162</b>
(17) <u>Operating Revenues</u>	<u>\$1,073</u>	<u>1.0000</u>	<u>1,073</u>		<u>\$1,073</u>
<u>Operating Expenses</u>					
(18) Operation & Maintenance	733	1.0000	733		733
(19) Annual Depreciation	66	1.0000	66	(8)	58
(20) Taxes - Other than Income	35	1.0000	35		35
(21) State/Fed. Income Tax - Current	371	1.0000	371		371
(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	1,205		1,205	(8)	1,197
(26) <b>INCOME AVAILABLE FOR RETURN</b>	<b>(\$132)</b>		<b>(\$132)</b>	<b>\$8</b>	<b>(\$124)</b>
<b>RATE OF RETURN - OVERALL</b>	<b>-5.32%</b>		<b>-5.32%</b>		<b>-5.74%</b>

(a) Schedule B and Schedule C

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

**SCHEDULE B**

COMPANY NAME: Valley Energy - NY

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: Valley Energy - NY

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: Valley Energy - NY

Intrastate Per Books  
 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. 3 Line 16				Sch. F Col. 7		
1) Debt	0.00%		\$2,162		\$0		0.00%		\$0
2) Preferred	0.00%		\$2,162		0		0.00%		0
3) Common Equity	100.00%		\$2,162		2,162				
4) Total	100.00%				\$2,162				\$0

12 Months ended March 31, 2026

	Intrastate Per Books
5) Income Available for Return (from Sch. A, Col. 3, Line 26)	(\$132)
6) Less: Total Rate Base Related Cost of Debt and Preferred (Col 5, Line 4)	\$0
7) Income Available for Common Equity (Line 5 Less Line 6)	(\$132)
8) Debt Cost (Col 5., Line 1)	\$0
9) Less: Interest Expense used to compute State and Federal Income Taxes	24
10) Difference (Line 8 Less Line 9)	(24)
11) Times: Composite State and Federal Income Tax Rate	26.92%
12) Net Addition or (Deduction) (Line 10 x Line 11)	(\$6)
13) Income Available for Common Equity, including Income Tax Effect of using Debt Cost (Line 7 plus Line 12)	(\$138)
14) Return on Common Equity (Line 7/Line 3, Col. 3)	-6.11%
15) Return on Common Equity, including Income Tax Effect of using Debt Cost (Line 13/Line 3, Col. 3)	-6.40%

SCHEDULE D-2

COMPANY NAME: Valley Energy - NY

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	0.00%		\$2,162		\$0		0.00%		\$0
2) Preferred	0.00%		\$2,162		0		0.00%		0
3) Common Equity	100.00%		\$2,162		2,162				
4) Total	100.00%				\$2,162				\$0

12 Months ended March 31, 2026

	Intrastate Adjusted
5) Income Available for Return (from Sch. A, Col. 5, Line 26)	(\$124)
6) Less: Total Rate Base Related Cost of Debt and Preferred (Col 5, Line 4)	\$0
7) Income Available for Common Equity (Line 5 Less Line 6)	(\$124)
8) Debt Cost (Col 5., Line 1)	\$0
9) Less: Interest Expense used to compute State and Federal Income Taxes	24
10) Difference (Line 8 Less Line 9)	82
11) Times: Composite State and Federal Income Tax Rate	(24)
12) Net Addition or (Deduction) (Line 10 x Line 11)	26.92%
13) Income Available for Common Equity, including Income Tax Effect of using Debt Cost (Line 7 plus Line 12)	(\$6)
14) Return on Common Equity (Line 7/Line 3, Col. 3)	(\$130)
15) Return on Common Equity, including Income Tax Effect of using Debt Cost (Line 13/Line 3, Col. 3)	-5.74%
	-6.03%

SCHEDULE E

COMPANY NAME: Valley Energy - NY

Calculation of Capital Structure and Related Ratios

for the Twelve Months Ended 03/31/26

(Thousands of Dollars)

	Total Company Actual Amount Outstanding (1)	Ratios (2)
Total Debt (Sch. F., Col. 4)	\$0	0.00%
Total Preferred & Preference Stock Stock (Sch. F., Co.. 4)	0	0.00%
<u>Common Equity</u>		
Common Stock	2,327	
Premium on Common Stock	0	
Capital Surplus	0	
Capital Stock	0	
Retained Earnings	(389)	
Other	0	
Total Common Equity	<u>1,938</u>	<u>100.00%</u>
Total Capital	<u><u>\$1,938</u></u>	<u><u>100.00%</u></u>

Schedule F

COMPANY NAME: **Valley Energy - NY**  
 Cost of Debt and Preferred Stock as Adjusted  
 For the 12 Months Ended **03/31/26**  
 (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							

## Summary of Returns

Valley Energy - NY

Overall Return - Actual	Overall Return - Adjusted	Equity Return - Actual	Equity Return - Adjusted
-5.32%	-5.74%	-6.40%	-6.03%