



A NiSource Company

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Ribeka S. Danhires
Manager
Rates & Regulatory Service

May 27, 2026

Via E-File

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

Re: M-2026-3059582
Columbia Gas of Pennsylvania
Earnings Report for the Twelve Months Ended March 31, 2026

Dear Ms. Chiavetta:

Enclosed for filing is the Public Utility Earnings Report for Columbia Gas of Pennsylvania, Inc. for the twelve months ending March 31, 2026. These statements have been prepared in accordance with 52 Pa. Code § § 71.1-71.9.

Please direct any inquiries regarding this filing to me via telephone or the email address listed above.

Sincerely,

A handwritten signature in blue ink that reads "Ribeka S. Danhires".

Ribeka S. Danhires

cc: Emily M. Farah, Esq.
Conor D. Farley, Esq.
Richard Layton
Office of Special Assistants
Bureau of Investigation and Enforcement
Office of Consumer Advocate

Columbia Gas of Pennsylvania, Inc.
Financial Report for
Twelve Months Ending: March 31, 2026
(in thousands)

	Actual Per Books <u>(1)</u>	Intrastate Percent <u>(2)</u>	Intrastate Per Books <u>(3)</u>	Pro Forma Intrastate Adjustments (a) <u>(4)</u>	Pro Forma Intrastate Results <u>(5)</u>
1 Original Cost of Plant In Service	4,877,482	100%	4,877,482	0	4,877,482
2 Less: Depreciation Reserve	875,872	100%	875,872	0	875,872
3 Net Plant Plant In Service	<u>\$4,001,610</u>		<u>\$4,001,610</u>	<u>\$0</u>	<u>\$4,001,610</u>
<u>Additions:</u>					
4 Land/Plant Held for Future Use	0	100%	0	0	0
5 Materials and Supplies	19	100%	19	372	390
6 Storage & Other	22,764	100%	22,764	21,761	44,525
<u>Deductions:</u>					
7 Accumulated Deferred Income Taxes	519,534	100%	519,534	0	519,534
8 Customer Deposits	5,310	100%	5,310	(41)	5,269
9 Customer Advances	(5)	100%	(5)	0	(5)
10 Contributions in Aid of Construction	0	100%	0	0	0
11 Other	0	100%	0	0	0
12 RATE BASE	<u>\$3,499,553</u>		<u>\$3,499,553</u>	<u>\$22,174</u>	<u>\$3,521,727</u>
13 <u>Operating Revenues</u>	<u>971,941</u>	100%	<u>\$971,941</u>	<u>\$0</u>	<u>\$971,941</u>
<u>Operating Expenses</u>					
14 Operation & Maintenance	503,132	100%	503,132	0	503,132
15 Annual Depreciation	138,701	100%	138,701	0	138,701
16 Taxes - Other than Income	5,174	100%	5,174	0	5,174
17 State Income Tax - Current	(964)	100%	(964)	78	(886)
18 Federal Income Tax - Current	9,532	100%	9,532	11,664	21,196
19 Deferred Income Taxes	40,477	100%	40,477	(10,916)	29,561
20 Investment Tax Credit (Net)	(111)	100%	(111)	0	(111)
21 Total Operating Expenses	<u>\$695,942</u>		<u>\$695,942</u>	<u>\$826</u>	<u>\$696,767</u>
22 INCOME AVAILABLE FOR RETURN	<u>\$275,999</u>		<u>\$275,999</u>	<u>(\$826)</u>	<u>\$275,174</u>
23 RATE OF RETURN - OVERALL	<u>7.89%</u>		<u>7.89%</u>		<u>7.81%</u>

Columbia Gas of Pennsylvania, Inc.
Explanation of Adjustments
Twelve Months Ending: March 31, 2026

Rate Base Adjustments

(description, nature of adjustment, rationale for adjustment, references to prior Commission decisions and necessary computational details)

- 1 Adjustment for 13 Month Average of Materials and Supplies
- 2 Adjustment for 12 Month Average of Storage and 13 Month Average of Prepayments
- 3 Adjustment for 13 month Average of Customer Deposits

Income Statement Adjustments

- 4 State Income Tax Adjustment
- 5 Federal Income Tax Adjustment
- 6 Deferred Income Tax Adjustment

Columbia Gas of Pennsylvania, Inc.
 INTRASTATE PER BOOKS
 Calculation of Return on Common Equity for
 Twelve Months Ending: March 31, 2026
 (in thousands)

	Capital Ratios (a)		Rate Base (b)		Totals		Weighted Cost Rates (c)		Total Rate Base Related Cost of Debt & Preferred
	(1)	x	(2)	=	(3)	x	(4)	=	(5)
	Sch. E Col. 2		Sch. A Col. 3 Line 16				Sch. F Col. 5		
1. Debt	42.93%		\$3,499,553		\$1,502,358		4.97%		\$74,667
2. Preferred	0.00%		\$3,499,553		0		0.00%		0
3. Common Equity	57.07%		\$3,499,553		1,997,195				
4. TOTAL	100.00%				\$3,499,553				\$74,667

12 Months Ended

	Intrastate per Books (1)
5. Income Available For Return (from Sch. A, Col. 3, Line 25)	\$275,999
6. Less: Total Rate Base Related Cost of Debt & Preferred (Col. 5, Line 4)	74,667
7. Income Available for Common Equity (Line 5 Less Line 6)	\$201,332
8. Debt Cost (Col. 5, Line 1)	\$74,667
9. Less: Interest Expense used to compute State and Federal Income Taxes	73,863
10. Difference (Line 8 Less Line 9)	\$804
11. Times: Effective State and Federal Income Taxes	27.21%
12. Net Addition or (Deduction) (Line 10 x Line 11)	\$219
13. Income Available for Common Equity, Including Income Tax Effect of Using Debt Cost (Line 7 Plus Line 12)	201,551
14. Return on Common Equity (Line 7 / Line 3, Col. 3)	10.08%
15. Return on Common Equity Including Tax Effect of Using Debt Cost (Line 13 / Line 3, Col. 3)	10.09%

1 \ State Rate = 7.87% Federal Rate = 21.00%
 Calculation: $100 - 7.87 = 92.13$ $92.13 \times .21 = 19.35$ $92.13 - 19.35 = 72.78$ $100 - 72.78 = 27.21\%$

1 / The state rate is a blended rate (7.99% 2025 and 7.49% 2026).

Columbia Gas of Pennsylvania, Inc.
 INTRASTATE ADJUSTED
 Calculation of Return on Common Equity for
 Twelve Months Ending: March 31, 2026
 (in thousands)

	Capital Ratios (a)		Rate Base (b)		Totals		Weighted Cost Rates (c)		Total Rate Base Related Cost of Debt & Preferred
	(1)		(2)	=	(3)		(4)	=	(5)
	Sch. E Col. 2	x	Sch. A Col. 5 Line 16			x	Sch. F Col. 5		
1. Debt	42.93%		\$3,521,727		\$1,511,877		4.97%		\$75,140
2. Preferred	0.00%		3,521,727		0		0.00%		0
3. Common Equity	57.07%		3,521,727		2,009,850				
4. TOTAL	100.00%				\$3,521,727				\$75,140

12 Months Ended

	Intrastate Adjusted (1)
5. Income Available For Return (from Sch. A, Col. 5, Line 25)	\$275,174
6. Less: Total Rate Base Related Cost of Debt & Preferred (Col. 5, Line 4)	75,140
7. Income Available for Common Equity (Line 5 Less Line 6)	\$200,034
8. Debt Cost (Col. 5, Line 1)	\$75,140
9. Less: Interest Expense used to compute State and Federal Income Taxes	75,140
10. Difference (Line 8 Less Line 9)	\$0
11. Times: Effective State and Federal Income Taxes	27.21% *
12. Net Addition or (Deduction) (Line 10 x Line 11)	\$0
13. Income Available for Common Equity, Including Income Tax Effect of Using Debt Cost (Line 7 Plus Line 12)	\$200,034
14. Return on Common Equity (Line 7 / Line 3, Col. 3)	9.95%
15. Return on Common Equity Including Tax Effect of Using Debt Cost (Line 13 / Line 3, Col. 3)	9.95%

* State Rate = 7.87% Federal Rate = 21.00%

Calculation: $100 - 7.87 = 92.13$ $92.13 \times .21 = 19.35$ $92.13 - 19.35 = 72.78$ $100 - 72.78 = 27.21\%$

SCHEDULE E

Columbia Gas of Pennsylvania, Inc.
 Calculation of CPA Capital Structure and Related Ratios
 Twelve Months Ending: March 31, 2026
 (in thousands)

	Total Company Actual Amount Outstanding	Ratios
	(1)	(2)
* Total Debt (Sch. F, Col 4)	\$1,588,889	42.93%
Total Preferred and/or Preference Stock (Sch. F, Col 4)	0	0%
<u>Common Equity</u>		
Common Stock	\$45,128	1.22%
Premium on Common Stock	\$0	0%
Capital Surplus	\$192,890	5.21%
Capital Stock Expense	\$0	0%
Retained Earnings	\$1,874,328	50.64%
Other - OCI	\$0	0%
	<hr/>	<hr/>
Total Common Equity	<u>\$2,112,346</u>	<u>57.07%</u>
Total Capital	<u><u>\$3,701,235</u></u>	<u><u>100%</u></u>

* Includes Twelve Month Average for Short-Term Debt.

Columbia Gas of Pennsylvania, Inc.
 Calculation of CPA Capital Structure and Related Ratios
 Twelve Months Ending: March 31, 2026
 (in thousands)

<u>Item/Description</u>	<u>Issue Date</u> (1)	<u>Maturity Date</u> (2)	<u>Interest Rate</u> (3)	<u>Outstanding Balance</u> (4)	<u>Effective Cost Rate</u> (5)	<u>Percent To Total</u> (6)	<u>Weighted Cost Rate</u> (7)
Long Term Debt		See Schedule F-2 For Details		\$1,526,000,000	5.00%	41.23%	2.06%
Short Term Debt * (If Applicable)		See Schedule F-1 For Details		<u>62,889,000</u>	4.25%	<u>1.70%</u>	<u>0.07%</u>
Total				<u>\$1,588,889,000</u>	4.97%	<u>42.93%</u>	<u>2.13%</u>
Preferred Stock							
Total				None			0

* Represents a Twelve Month Average

SCHEDULE F-1

Columbia Gas of Pennsylvania, Inc.
 CPA Short-Term Debt Analysis
 Twelve Months Ending: March 31, 2026

<u>Date</u>	<u>Description</u>	<u>Short-Term Balance</u> (1) (000's)	<u>Interest Rate</u> (2) %	<u>Effective Annual Interest</u> (3) (000's)
04/25	Short - Term Balance	66,897	4.75%	3,178
05/25	Short - Term Balance	75,982	4.68%	3,556
06/25	Short - Term Balance	27,702	4.61%	1,277
07/25	Short - Term Balance	41,688	3.95%	1,647
08/25	Short - Term Balance	69,419	4.47%	3,103
09/25	Short - Term Balance	26,444	4.55%	1,203
10/25	Short - Term Balance	45,488	4.34%	1,974
11/25	Short - Term Balance	122,787	4.19%	5,145
12/25	Short - Term Balance	119,638	4.00%	4,786
01/26	Short - Term Balance	98,328	3.91%	3,845
02/26	Short - Term Balance	60,290	3.87%	2,333
03/26	Short - Term Balance	-	4.01%	-
	Total	<u>754,664</u>		<u>32,046</u>
	Twelve Month Average	<u>62,889</u>		<u>2,670</u>
	Weighted Cost Rate Short-Term Debt		<u>0.04246</u> 4.246%	

SCHEDULE F-2

Columbia Gas of Pennsylvania, Inc.
 CPA Long-Term Debt Analysis
 Schedule of Installed Promissory Notes
 Twelve Months Ending: March 31, 2026

<u>Issue</u>	<u>Maturity</u>	<u>Description</u>	<u>Face Amount Outstanding</u> (1) (000's)	<u>Interest Rate</u> (2) %	<u>Effective Annual Interest</u> (3) (000's)
12/14/2007	12/14/2027	20 Year Promissory Note	58,000	6.87%	3,982
12/16/2010	12/16/2030	20 Year Promissory Note	28,000	6.02%	1,686
3/28/2012	3/26/2032	20 Year Promissory Note	30,000	5.36%	1,607
3/28/2012	3/26/2042	30 Year Promissory Note	35,000	5.89%	2,062
11/28/2012	11/28/2042	30 Year Promissory Note	65,000	5.26%	3,419
6/9/2013	6/19/2043	30 Year Promissory Note	23,000	5.53%	1,272
12/18/2013	12/18/2043	30 Year Promissory Note	32,000	6.29%	2,013
12/18/2014	12/16/2044	30 Year Promissory Note	30,000	4.43%	1,329
3/24/2015	3/24/2045	30 Year Promissory Note	60,000	4.15%	2,490
9/28/2015	9/28/2035	20 Year Promissory Note	60,000	4.51%	2,703
3/31/2016	3/30/2046	30 Year Promissory Note	45,000	4.19%	1,884
1/31/2017	1/31/2047	30 Year Promissory Note	85,000	4.44%	3,773
6/29/2018	6/29/2048	30 Year Promissory Note	80,000	4.53%	3,622
11/22/2019	11/22/2049	30 Year Promissory Note	80,000	3.69%	2,950
3/31/2020	3/31/2050	30 Year Promissory Note	110,000	3.87%	4,259
3/31/2021	3/31/2051	30 Year Promissory Note	110,000	3.65%	4,017
12/31/2021	12/31/2051	30 Year Promissory Note	50,000	3.27%	1,634
6/30/2022	6/30/2052	30 Year Promissory Note	40,000	5.08%	2,032
12/30/2022	12/30/2052	30 Year Promissory Note	60,000	5.65%	3,390
6/30/2023	6/30/2053	30 Year Promissory Note	40,000	5.56%	2,225
9/29/2023	9/29/2053	30 Year Promissory Note	110,000	6.26%	6,888
6/28/2024	6/28/2054	30 Year Promissory Note	50,000	5.91%	2,956
9/30/2024	9/30/2054	30 Year Promissory Note	50,000	5.38%	2,688
6/30/2025	6/30/2055	30 Year Promissory Note	100,000	5.90%	5,903
9/30/2025	9/30/2055	30 Year Promissory Note	65,000	5.71%	3,714
12/31/2025	12/31/2055	30 Year Promissory Note	30,000	5.82%	1,747
Total			<u>1,526,000</u>		<u>76,243</u>

Weighted Cost Rate Long-Term Debt 5.00%

Columbia Gas of Pennsylvania, Inc.
 Workpaper - Rate Base Averages
 Twelve Months Ending: March 31, 2026

Line No.	MONTH	CUST. DEPOSITS ACCOUNT 235 (\$000) (1)	M&S ACCOUNTS 154 (\$000) (2)	STORAGE GAS ACCOUNT 164 (\$000) (3)	PREPAYMENTS ACCOUNT 165 (\$000) (4)
1	Mar-25	(5,603)	888		4,044
2	Apr-25	(5,593)	868	20,220	5,229
3	May-25	(5,020)	889	28,594	2,977
4	Jun-25	(5,039)	907	34,886	2,567
5	Jul-25	(5,066)	907	43,391	7,452
6	Aug-25	(5,133)	15	51,004	6,498
7	Sep-25	(5,177)	277	55,649	7,021
8	Oct-25	(5,220)	22	58,700	8,208
9	Nov-25	(5,303)	277	52,800	8,063
10	Dec-25	(5,340)	5	44,547	7,144
11	Jan-26	(5,346)	0	32,728	6,526
12	Feb-26	(5,341)	1	23,662	5,619
13	Mar-26	(5,310)	19	16,149	6,614
14	TOTAL	<u>(68,491)</u>	<u>5,074</u>	<u>462,330</u>	<u>77,962</u>
15	Average	<u>(5,269)</u>	<u>390</u>	<u>38,528</u>	<u>5,997</u>
		13 Month Avg.	13 Month Avg.	12 Month Avg.	13 Month Avg.

Columbia Gas of Pennsylvania, Inc.
 Workpaper - Ratebase Per Books
 Twelve Months Ending: March 31, 2026

1	<u>Source</u>	<u>Acct. #</u>	<u>Gas Plant In Service</u>	\$	\$
	Balance Sheet	101	General	4,539,533,156	
	Balance Sheet	106	Completed Construction Not Classified	337,949,230	
			Total All	4,877,482,386	4,877,482,386
			Rounded		4,877,482

2	<u>Source</u>	<u>Acct. #</u>	<u>Description</u>	\$	
	Balance Sheet	108	Depr. - Gas Plant In Svc.	818,431,157	
	Balance Sheet	111	Amort. - Other - Gas Plt. In Svc.	57,441,042	
			Total	875,872,199	875,872,199
			Rounded		875,872

3	<u>Source</u>	<u>Acct. #</u>	<u>Other</u>	\$	
	Balance Sheet	164	Gas Stored Underground - Current	16,149,399	
	Balance Sheet	165	Prepayments	6,614,300	
			Total	22,763,699	22,763,699
			Rounded		22,764

4	<u>Source</u>	<u>Acct. #</u>	<u>Accum Defd. Income Taxes</u>	\$	
	Tax Department	182	Regulatory Asset Flow - Through (Before Gross-Up)	(11,020,840)	
	Tax Department	190	Deferred Income Taxes	(49,842,742)	
	Tax Department	282	Deferred Income Taxes - Depreciation	448,486,012	
	Tax Department	254	Excess ADIT (Before Gross-Up)	131,911,615	
			Total	519,534,045	519,534,045
			Rounded		519,534

5	<u>Source</u>	<u>Acct. #</u>	<u>Customer Advances for Construction</u>	\$	
	Balance Sheet	25200000	Cash Deposits after 12/31/99	1,425,331	
	Balance Sheet	18600400	Cash Deposits after 12/31/99	(1,429,850)	
			Total	(4,519)	(4,519)
			Rounded		(5)

Rate Base
Adjustment # 1

Columbia Gas of Pennsylvania, Inc.
Adjustment for 13 Month Average Materials and Supplies
Twelve Months Ending: March 31, 2026

Line No.	Description		Amount \$000	Amount \$000
1	154 Materials and Supplies	Per Books		19
2	154 Materials and Supplies	13 MTH. AVG.	390	
3	Pro Forma Materials and Supplies	Mar-26		<u>390</u>
4	Adjustment			<u><u>372</u></u>

Rate Base
Adjustment # 2

Columbia Gas of Pennsylvania, Inc.
Adjustment for 12 Month Average Storage and 13 Month Average Prepayments
Twelve Months Ending: March 31, 2026

Line No.	Description		Amount \$000	Amount \$000
1	164 Gas Stored Underground	Per Books		16,149
2	165 Prepayments	Per Books		<u>6,614</u>
3				22,764
4	164 Gas Stored Underground	12 MTH. AVG.	38,528	
5	165 Prepayments	13 MTH. AVG.	<u>5,997</u>	
6			44,525	
7	Pro Forma Gas Stored Underground	Mar-26	12 MTH. AVG.	38,528
8	Pro Forma Prepayments	Mar-26	13 MTH. AVG.	<u>5,997</u>
9				44,525
10	Adjustment			<u><u>21,761</u></u>

Rate Base
Adjustment # 3

Columbia Gas of Pennsylvania, Inc.
Adjustment for 13 Month Average Customer Deposits
Twelve Months Ending: March 31, 2026

Line No.	Description		Amount \$001	Amount \$000
1	235 Customer Deposits	Per Books		5,310
2	235 Customer Deposits	13 MTH. AVG.	<u>5,269</u>	
3	235 Customer Deposits	Mar-26	13 MTH. AVG.	<u>5,269</u>
4	Adjustment			<u><u>(41)</u></u>

Income Statement
Adjustment # 4

Columbia Gas of Pennsylvania, Inc.
State Income Tax Adjustment as of
Twelve Months Ending: March 31, 2026
(in thousands)

<u>Line No.</u>	<u>Description</u>	<u>Amount</u> \$000
1	State Income Taxes - Current	(\$886)
2	State Income Taxes Per Books	<u>(964)</u>
3	Adjustment	<u><u>\$78</u></u>

Income Statement
Adjustment # 5

Columbia Gas of Pennsylvania, Inc.
Federal Income Tax Adjustment as of
Twelve Months Ending: March 31, 2026
(in thousands)

<u>Line No.</u>	<u>Description</u>	<u>Amount</u> \$000
1	Federal Income Taxes - Current	\$21,196
2	Federal Income Taxes Per books	<u>9,532</u>
3	Adjustment	<u><u>\$11,664</u></u>

Income Statement
Adjustment # 6

Columbia Gas of Pennsylvania, Inc.
Deferred Income Tax Adjustment as of
Twelve Months Ending: March 31, 2026
(in thousands)

<u>Line No.</u>	<u>Description</u>	<u>Amount</u> \$000
1	Deferred Income Taxes - Current	\$29,549
2	Effect of CNIT Deferred Tax on FIT	<u>12</u>
3	Total	<u>29,561</u>
4	Deferred Income Taxes Per Books	<u>40,477</u>
5	Adjustment	<u><u>(\$10,916)</u></u>

Columbia Gas of Pennsylvania, Inc.
 Workpaper - Calculation of State and Federal Income Taxes
 Twelve Months Ending: March 31, 2026

<u>Line</u> <u>No.</u>	<u>Description</u>	<u>Amount</u> \$000
1	Operating Income Before Income Taxes	324,934
2	Pennsylvania Corporate Net Income Tax Deductible	886
3		325,820
 <u>Statutory Adjustments</u>		
<u>Flow Through Adjustments</u>		
4	Book Depreciation	0
5	Property Removal Costs - Net of Salvage	0
6	Non Deductible Employee Business Expenses	573
7	Loss on Retirement of ACRS Property	0
8	Parking	24
9	Employee Stock Purchase Plan	69
10	Rent Expense - Luxury Autos	0
11	AFUDC Equity	0
12	Interest on Debt 1_/	(75,088)
13	Total Flow Through Adjustments	(74,422)
 <u>Deferred Adjustments</u>		
14	Excess ADR/ACRS/MACRS Depreciation	(151,570)
15	Levelized Lease Payment Adjustment	0
16	Contribution in Aid of Construction	0
17	Loss on Retirement of ACRS Property	0
18	Avoided Cost Interest	0
19	Builder Incentives Amortization	0
20	Stored Gas Losses	0
21	LIFO Inventory Adjustment	0
22	Capitalized Inventory Costs	1,265
23	Customer Advances	(162)
24	Total Deferred Adjustments	(150,466)
25	Total Statutory Adjustments	(224,888)
26	Taxable Income	100,931
27	Federal Income Tax Payable @ 21%	21,196
28	Deferred Income Taxes (Total Deferred Adj. @ 21%)	31,598
29	Effect of CNIT Deferred Tax on FIT	12
30	ARAM	(2,904)
31	Flow Through	910
32	Amortization of Tax Refund	0
33	ITC	(111)
34	Net Federal Income Tax Expense	50,701
35	Pennsylvania Corporate Net Income Tax Expense	(941)
36	Total Income Tax Expense	49,760

1_/ Interest expense for rate purposes has been calculated as follows:

	<u>LTD</u>	<u>STD</u>	<u>TOI</u>
37 Rate Base	\$3,521,727	3,521,727	3,521,727
38 Multiplied by Debt Ratio	41.23%	1.70%	42.93%
39 Equals Debt Portion of Capital Structure	1,452,008	59,869	1,511,877
40 Multiplied by the Interest Rate on Debt	5.00%	4.25%	4.97%
41 Equals Total Interest Amount	72,546	2,542	75,088

