

# **Connecticut Natural Gas Corporation**

**Financial Statements (Unaudited)**

**For the Three Months Ended March 31, 2025 and 2024**

# Connecticut Natural Gas Corporation

## Index

### Financial Statements (Unaudited)

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**Connecticut Natural Gas Corporation**  
**Statements of Income (Unaudited)**

Periods Ended March 31,	2025	2024
(Thousands)		
<b>Operating Revenues</b>	<b>\$ 194,159</b>	<b>\$ 167,749</b>
<b>Operating Expenses</b>		
Natural gas purchased	120,526	84,765
Operations and maintenance	26,799	26,229
Depreciation and amortization	10,907	12,853
Taxes other than income taxes, net	11,864	11,222
<b>Total Operating Expenses</b>	<b>170,096</b>	<b>135,069</b>
<b>Operating Income</b>	<b>24,063</b>	<b>32,680</b>
Other income	812	991
Other (deductions) income, net	(169)	355
Interest expense, net of capitalization	(3,758)	(3,314)
<b>Income Before Income Tax</b>	<b>20,948</b>	<b>30,712</b>
Income tax expense	2,549	6,600
<b>Net Income</b>	<b>\$ 18,399</b>	<b>\$ 24,112</b>

**Connecticut Natural Gas Corporation**  
**Statements of Comprehensive Income (Unaudited)**

Periods Ended March 31,	2025	2024
(Thousands)		
<b>Net Income</b>	<b>\$ 18,399</b>	<b>\$ 24,112</b>
<b>Other Comprehensive Loss, Net of Tax</b>		
Amortization of pension cost for non-qualified plans, net of income tax	(2)	(1)
<b>Other Comprehensive Loss, Net of Tax</b>	<b>(2)</b>	<b>(1)</b>
<b>Comprehensive Income</b>	<b>\$ 18,397</b>	<b>\$ 24,111</b>

**Connecticut Natural Gas Corporation**  
**Balance Sheets (Unaudited)**

As of	March 31,	December 31,
(Thousands)	2025	2024
<b>Assets</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 1,129	\$ 220
Accounts receivable and unbilled revenues, net	130,761	114,156
Accounts receivable from affiliates	717	482
Notes receivable from affiliates	11,800	21,400
Gas in storage	22,109	33,463
Materials and supplies	5,599	6,027
Other current assets	6,733	4,911
Regulatory assets	38,478	60,170
<b>Total Current Assets</b>	<b>217,326</b>	<b>240,829</b>
Utility plant, at original cost	1,342,899	1,339,327
Less accumulated depreciation	(455,988)	(448,552)
<b>Net Utility Plant in Service</b>	<b>886,911</b>	<b>890,775</b>
Construction work in progress	29,486	25,424
<b>Total Utility Plant</b>	<b>916,397</b>	<b>916,199</b>
Operating lease right-of-use assets	2,807	2,882
Other property and investments	681	683
<b>Regulatory and Other Assets</b>		
Regulatory assets	79,917	79,741
Goodwill	79,341	79,341
Other	349	348
<b>Total Regulatory and Other Assets</b>	<b>159,607</b>	<b>159,430</b>
<b>Total Assets</b>	<b>\$ 1,296,818</b>	<b>\$ 1,320,023</b>

**Connecticut Natural Gas Corporation**  
**Balance Sheets (Unaudited)**

As of	March 31, 2025	December 31, 2024
(Thousands, except share information)		
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Accounts payable and accrued liabilities	\$ 54,731	\$ 71,537
Accounts payable to affiliates	7,410	20,717
Interest accrued	3,345	2,674
Taxes accrued	9,998	15,228
Operating lease liabilities	487	508
Regulatory liabilities	46,278	9,528
Other	12,923	18,838
<b>Total Current Liabilities</b>	<b>135,172</b>	<b>139,030</b>
<b>Regulatory and Other Liabilities</b>		
Regulatory liabilities	319,962	318,984
<b>Other Non-current Liabilities</b>		
Deferred income taxes	63,030	60,544
Pension and other postretirement	49,512	50,691
Operating lease liabilities	2,609	2,653
Asset retirement obligation	5,981	5,981
Other	1,592	1,591
<b>Total Regulatory and Other Liabilities</b>	<b>442,686</b>	<b>440,444</b>
Non-current debt	244,126	244,085
<b>Total Liabilities</b>	<b>821,984</b>	<b>823,559</b>
<b>Commitments and Contingencies</b>		
<b>Preferred Stock</b>	<b>340</b>	<b>340</b>
<b>Common Stock Equity</b>		
Common stock (\$3.125 par value, 20,000,000 shares authorized and 10,634,496 shares outstanding at March 31, 2025 and December 31, 2024)	33,233	33,233
Additional paid-in capital	396,675	396,675
Retained earnings	44,849	66,477
Accumulated other comprehensive loss	(263)	(261)
<b>Total Common Stock Equity</b>	<b>474,494</b>	<b>496,124</b>
<b>Total Liabilities and Equity</b>	<b>\$ 1,296,818</b>	<b>\$ 1,320,023</b>

**Connecticut Natural Gas Corporation**  
**Statements of Cash Flows (Unaudited)**

Periods Ended March 31,	2025	2024
(Thousands)		
<b>Cash Flow from Operating Activities:</b>		
<b>Net income</b>	<b>\$ 18,399</b>	<b>\$ 24,112</b>
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	10,907	12,853
Regulatory assets/liabilities amortization	12,235	7,142
Regulatory assets/liabilities carrying cost	503	30
Amortization of debt issuance costs	40	40
Deferred taxes	2,351	(5,170)
Pension cost	243	(48)
Stock-based compensation	—	4
Other non-cash items	103	206
<b>Changes in operating assets and liabilities:</b>		
Accounts receivable, from affiliates, and unbilled revenues	(16,840)	(15,937)
Inventories	11,782	8,815
Accounts payable, to affiliates, and accrued liabilities	(25,514)	(22,098)
Taxes accrued	(5,230)	11,782
Other assets/liabilities	(7,230)	(9,121)
Regulatory assets/liabilities	41,965	12,751
<b>Net Cash Provided by Operating Activities</b>	<b>43,714</b>	<b>25,361</b>
<b>Cash Flow from Investing Activities:</b>		
Capital expenditures	(12,963)	(21,096)
Contributions in aid of construction	565	536
Notes receivable from affiliates	9,600	(4,700)
<b>Net Cash Used in Investing Activities</b>	<b>(2,798)</b>	<b>(25,260)</b>
<b>Cash Flow from Financing Activities:</b>		
Dividends paid	(40,007)	(7)
<b>Net Cash Used in Financing Activities</b>	<b>(40,007)</b>	<b>(7)</b>
<b>Net Increase in Cash and Cash Equivalents</b>	<b>909</b>	<b>94</b>
<b>Cash and Cash Equivalents, Beginning of Period</b>	<b>220</b>	<b>421</b>
<b>Cash and Cash Equivalents, End of Period</b>	<b>\$ 1,129</b>	<b>\$ 515</b>

**Connecticut Natural Gas Corporation**  
**Statements of Changes in Common Stock Equity (Unaudited)**

(Thousands, except per share amounts)	Number of shares (*)	Common stock	Capital in Excess of Par Value	Retained Earnings	Accumulated Other Comprehensive Loss	Total Common Stock Equity
<b>As of December 31, 2023</b>	<b>10,634,436</b>	<b>\$ 33,233</b>	<b>\$ 396,758</b>	<b>\$ 33,172</b>	<b>\$ (307)</b>	<b>\$ 462,856</b>
Net income	—	—	—	24,112	—	24,112
Other comprehensive loss, net of tax	—	—	—	—	(1)	(1)
Comprehensive income						24,111
Stock-based compensation	—	—	(41)	—	—	(41)
Preferred stock dividends	—	—	—	(27)	—	(27)
<b>As of March 31, 2024</b>	<b>10,634,436</b>	<b>\$ 33,233</b>	<b>\$ 396,717</b>	<b>\$ 57,257</b>	<b>\$ (308)</b>	<b>\$ 486,899</b>
<b>As of December 31, 2024</b>	<b>10,634,436</b>	<b>\$ 33,233</b>	<b>\$ 396,675</b>	<b>\$ 66,477</b>	<b>\$ (261)</b>	<b>\$ 496,124</b>
Net income	—	—	—	18,399	—	18,399
Other comprehensive loss, net of tax	—	—	—	—	(2)	(2)
Comprehensive income						18,397
Common stock dividends	—	—	—	(40,000)	—	(40,000)
Preferred stock dividends	—	—	—	(27)	—	(27)
<b>As of March 31, 2025</b>	<b>10,634,436</b>	<b>\$ 33,233</b>	<b>\$ 396,675</b>	<b>\$ 44,849</b>	<b>\$ (263)</b>	<b>\$ 474,494</b>

(\*) Par value of share amounts is \$3.125