

The Berkshire Gas Company

Financial Statements (Unaudited)

For the Six Months Ended June 30, 2024 and 2023

The Berkshire Gas Company

Index

Financial Statements (Unaudited) For the Six Months Ended June 30, 2024 and 2023	Page
Statements of Income	1
Balance Sheets	2
Statements of Cash Flows	4
Statements of Changes in Common Stock Equity	5

The Berkshire Gas Company
Statements of Income (Unaudited)

Periods Ended June 30,	Three Months		Six Months	
	2024	2023	2024	2023
(Thousands)				
Operating Revenues	\$ 15,319	\$ 14,158	\$ 53,783	\$ 58,354
Operating Expenses				
Natural gas purchased	3,531	1,367	16,893	19,064
Operations and maintenance	10,464	9,937	21,870	19,824
Depreciation and amortization	2,493	2,284	4,945	4,612
Taxes other than income taxes, net	1,999	1,894	4,284	3,787
Total Operating Expenses	18,487	15,482	47,992	47,287
Operating (Loss) Income	(3,168)	(1,324)	5,791	11,067
Other income	230	180	571	320
Other deductions	(117)	(53)	(276)	(45)
Interest expense, net of capitalization	(997)	(700)	(2,045)	(1,433)
(Loss) Income Before Income Tax	(4,052)	(1,897)	4,041	9,909
Income tax (benefit) expense	(1,139)	(518)	1,051	2,683
Net (Loss) Income	\$ (2,913)	\$ (1,379)	\$ 2,990	\$ 7,226

**The Berkshire Gas Company
Balance Sheets (Unaudited)**

As of	June 30,	December 31,
(Thousands)	2024	2023
Assets		
Current Assets		
Cash and cash equivalents	\$ 111	\$ 488
Accounts receivable and unbilled revenues, net	7,158	16,812
Accounts receivable from affiliates	20	5
Gas in storage	3,611	3,538
Materials and supplies	3,450	3,344
Income tax receivable	2,837	—
Other current assets	363	684
Regulatory assets	11,243	14,396
Total Current Assets	28,793	39,267
Utility plant, at original cost	359,959	349,882
Less accumulated depreciation	(111,922)	(107,271)
Net Utility Plant in Service	248,037	242,611
Construction work in progress	5,544	3,144
Total Utility Plant	253,581	245,755
Operating lease right-of-use assets	96	100
Other property and investments	2,222	2,170
Regulatory and Other Assets		
Regulatory assets	17,666	18,728
Goodwill	51,932	51,932
Other	29	16
Total Regulatory and Other Assets	69,627	70,676
Total Assets	\$ 354,319	\$ 357,968

**The Berkshire Gas Company
Balance Sheets (Unaudited)**

As of	June 30,	December 31,
	2024	2023
(Thousands, except share information)		
Liabilities		
Current Liabilities		
Notes payable to affiliates	\$ 21,800	\$ 17,200
Accounts payable and accrued liabilities	8,204	14,934
Accounts payable to affiliates	2,525	5,371
Interest accrued	826	818
Taxes accrued	81	1,692
Operating lease liabilities	6	7
Regulatory liabilities	968	463
Other	3,422	4,159
Total Current Liabilities	37,832	44,644
Regulatory and Other Liabilities		
Regulatory liabilities	52,253	51,866
Other Non-current Liabilities		
Deferred income taxes	34,301	32,790
Pension and other postretirement	11,323	12,779
Operating lease liabilities	94	92
Environmental remediation costs	1,622	1,978
Other	1,423	1,333
Total Regulatory and Other Liabilities	101,016	100,838
Non-current debt	59,666	59,642
Total Liabilities	198,514	205,124
Commitments and Contingencies		
Common Stock Equity		
Additional paid-in capital	126,475	126,504
Retained earnings	29,330	26,340
Total Common Stock Equity	155,805	152,844
Total Liabilities and Equity	\$ 354,319	\$ 357,968

The Berkshire Gas Company
Statements of Cash Flows (Unaudited)

Periods Ended June 30, (Thousands)	2024	2023
Cash Flow from Operating Activities:		
Net income	\$ 2,990	\$ 7,226
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	4,945	4,612
Regulatory assets/liabilities amortization	1,346	(142)
Regulatory assets/liabilities carrying cost	(357)	(215)
Amortization of debt issuance costs	24	24
Deferred taxes	1,421	248
Pension cost	178	396
Stock-based compensation	13	30
Other non-cash items	48	45
Changes in operating assets and liabilities:		
Accounts receivable, from affiliates, and unbilled revenues	9,639	11,773
Inventories	(179)	(325)
Accounts payable, to affiliates, and accrued liabilities	(5,122)	(12,541)
Taxes accrued	(4,558)	309
Other assets/liabilities	(32)	(164)
Regulatory assets/liabilities	900	5,777
Net Cash Provided by Operating Activities	11,256	17,053
Cash Flow from Investing Activities:		
Capital expenditures	(16,335)	(15,038)
Contributions in aid of construction	89	226
Proceeds from sale of utility plant	13	91
Net Cash Used in Investing Activities	(16,233)	(14,721)
Cash Flow from Financing Activities:		
Notes payable to affiliates	4,600	(3,000)
Net Cash Provided by (Used in) Financing Activities	4,600	(3,000)
Net Decrease in Cash and Cash Equivalents	(377)	(668)
Cash and Cash Equivalents, Beginning of Period	488	668
Cash and Cash Equivalents, End of Period	\$ 111	\$ —

The Berkshire Gas Company
Statements of Changes in Common Stock Equity (Unaudited)

(Thousands, except per share amounts)	Number of shares (*)	Common stock	Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Income	Total Common Stock Equity
As of December 31, 2022	100 \$	— \$	126,506 \$	17,424 \$	57 \$	143,987
Net income	—	—	—	7,226	—	7,226
Stock-based compensation	—	—	(23)	—	—	(23)
As of June 30, 2023	100 \$	— \$	126,483 \$	24,650 \$	57 \$	151,190
As of December 31, 2023	100 \$	— \$	126,504 \$	26,340 \$	— \$	152,844
Net income	—	—	—	2,990	—	2,990
Stock-based compensation	—	—	(29)	—	—	(29)
As of June 30, 2024	100 \$	— \$	126,475 \$	29,330 \$	— \$	155,805

(*) Par value of share amounts is \$2.50