



# Q3 2024 Financial Results and Strategic Update

November 5, 2024

# Forward-Looking Statements and Use of Non-GAAP Measures

This presentation contains “forward-looking statements” including within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. All statements, other than statements of historical fact, included in this presentation are forward-looking statements. These forward-looking statements include statements regarding Unitol Corporation and its subsidiaries’ financial condition, results of operations, capital expenditures, business strategy, regulatory strategy, market opportunities, and other plans and objectives. In some cases, forward-looking statements can be identified by words such as “may,” “will,” “should,” “expects,” “plans,” “anticipates,” “believes,” “estimates,” “predicts,” “potential” or “continue,” the negative of such terms, or other comparable terminology. In this presentation, “Unitol,” the “Company”, “we”, “us”, “our” and similar terms refer to Unitol Corporation and its subsidiaries, unless the context requires otherwise.

These forward-looking statements are neither promises nor guarantees, but involve risks and uncertainties that could cause the actual results to differ materially from those set forth in the forward-looking statements. Those risks and uncertainties include: the ability of Unitol to consummate the proposed purchase of Bangor Natural Gas Company in a timely manner or at all; the satisfaction of conditions precedent to consummation of the acquisition of Bangor, including the ability to secure regulatory approvals; Unitol’s ability to successfully complete its anticipated debt financing arrangements relating to the acquisition of Bangor; Unitol’s ability to successfully integrate Bangor; Unitol’s ability to retain Bangor’s management team and other employees; Unitol’s regulatory and legislative environment (including laws and regulations relating to climate change, greenhouse gas emissions and other environmental matters); fluctuations in the supply of, demand for, and the prices of energy commodities and transmission capacity and Unitol’s ability to recover energy commodity costs in its rates; customers’ preferred energy sources; severe storms and Unitol’s ability to recover storm costs in its rates; declines in the valuation of capital markets, which could require Unitol to make substantial cash contributions to cover its pension obligations, and Unitol’s ability to recover pension obligation costs in its rates; general economic conditions, which could adversely affect (i) Unitol’s customers and, consequently, the demand for Unitol’s distribution services, (ii) the availability of credit and liquidity resources and (iii) certain of Unitol’s counterparty’s obligations (including those of its insurers and lenders); Unitol’s ability to obtain debt or equity financing on acceptable terms; increases in interest rates, which could increase Unitol’s interest expense; restrictive covenants contained in the terms of Unitol’s and its subsidiaries’ indebtedness, which restrict certain aspects of Unitol’s business operations; variations in weather, which could cause unanticipated changes in demand for Unitol’s distribution services; long-term global climate change, which could cause unanticipated changes in customer demand or cause extreme weather events that could disrupt Unitol’s electric and natural gas distribution services; cyber-attacks, acts of terrorism, acts of war, severe weather, a solar event, an electromagnetic event, a natural disaster, the age and condition of information technology assets, human error, or other factors could disrupt Unitol’s operations and cause Unitol to incur unanticipated losses and expense; outsourcing of services to third parties, which could expose Unitol to substandard quality of service delivery or substandard deliverables, which may result in missed deadlines or other timeliness issues, non-compliance (including with applicable legal requirements and industry standards) or reputational harm, which could negatively impact our results of operations; catastrophic events; numerous hazards and operating risks relating to Unitol’s electric and natural gas distribution activities; Unitol’s ability to retain its existing customers and attract new customers; increased competition; unforeseen or changing circumstances, which could adversely impact the reduction of company-wide greenhouse gas emissions; employee workforce factors, including the ability to attract and retain key personnel; other presently known or unforeseen factors; and other risks detailed in Unitol Corporation’s filings with the Securities and Exchange Commission, including those appearing under the caption “Risk Factors” in Unitol Corporation’s most recently filed Annual Report on Form 10-K.

Readers should not place undue reliance on any forward looking statements, which speak only as of the date they are made. Except as may be required by law, Unitol undertakes no obligation to update any forward-looking statements to reflect any change in Unitol’s expectations or in events, conditions, or circumstances on which any such statements may be based, or that may affect the likelihood that actual results will differ from those set forth in the forward-looking statements.

This presentation contains Non-GAAP measures. The Company’s management believes these measures are useful in evaluating its performance. Reconciliations of Non-GAAP financial measures to the most directly comparable GAAP financial measures can be found herein.

# Financial Results and Strategic Update

## Strong financial results and continued focus on strategic initiatives

### Delivering Strong Financial Results

- Third Quarter 2024 breakeven Net Income and Earnings Per Share
  - Decrease of \$1.4 million or \$0.09 per share relative to 2023
- Third Quarter 2024 Adjusted Net Income<sup>(1)</sup> of \$0.4 million or \$0.02 per share
- Year-to-Date GAAP Net Income of \$31.5 million or \$1.96 per share
  - Increase of \$1.8 million or \$0.11 per share relative to 2023
- Year-to-Date Adjusted Net Income<sup>(1)</sup> of \$32.1 million or \$2.00 per share
- GAAP ROE of 9.6% reflects successful regulatory outcomes and cost management

### Maintaining Active Regulatory Agenda and Growth Strategy

- Granite State Gas Settlement Filed with FERC
- Agreed to acquire Bangor Natural Gas (BNG); expected to close by end of Q1 2025
- Expected long-term rate base growth of 6.5% - 8.5%

### Managing Business and Financial Risk

- Majority of customers remain under decoupled rates, providing margin stability
- Strong credit metrics supporting investment grade credit ratings

### Focusing on Long-term Objectives

- Reaffirming long-term EPS growth rate of 5% - 7%<sup>(2)</sup>
- Expect to grow dividends consistent with EPS
- Payout ratio towards the low end of the target range of 55% - 65%

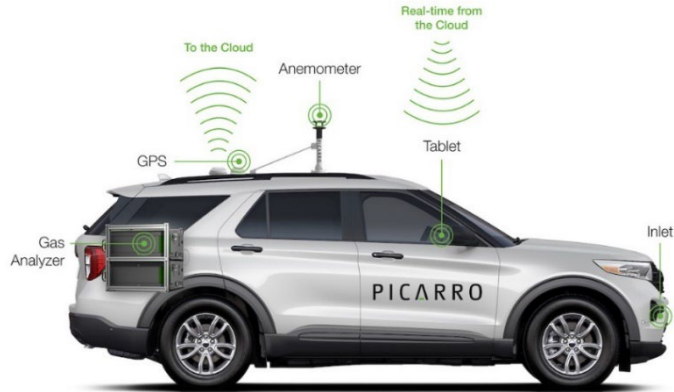


# Corporate Sustainability and Responsibility Report

Unitil recently released its 2024 report highlighting our accomplishments, initiatives and commitment to sustainability

## Advanced Mobile Leak Detection

Indicated that the distribution system had significantly lower fugitive emissions than calculated emissions; identifying and correcting leaks reduces Scope 1 Emissions



2019

Levels

18%

Scope 1 Reduction

50%

Reduction by 2030

Net Zero

By 2050



*New Hampshire Businesses for Social Responsibility  
2024 Climate & Energy Award Winner*

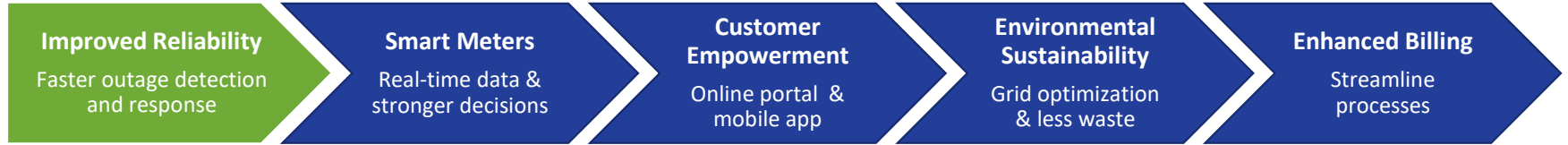


3<sup>rd</sup> Straight Year being  
recognized as one of the Best  
Companies to Work For in NH<sup>(1)</sup>

Report available at [investors.unitil.com](https://investors.unitil.com)

# Advanced Metering Infrastructure

Upgrading metering infrastructure to optimize system utilization and customer end use



Project replaces existing electric meters with new state of the art meters



Project launch in 2024 with a combined capital investment of ~\$40M; capital tracker in place in MA



Communication network installation to begin shortly, meter replacements expected to occur over the next three years



Multi-year project that will yield wide-ranging benefits for customers end use and system operations

# Third Quarter 2024 Financial Results

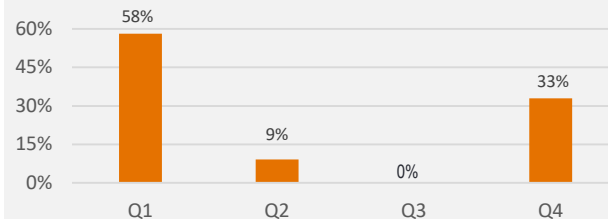
## Net Income and Earnings Per Share

Earnings Summary <sup>(1)</sup>	Three Months Ended September 30		Nine Months Ended September 30	
	2024	2023	2024	2023
Net Income (\$ Millions)	\$0.0	\$1.4	\$31.5	\$29.7
Adjusted Net Income (\$ Millions)	\$0.4	\$1.4	\$32.1	\$29.7
Earnings Per Share	\$0.00	\$0.09	\$1.96	\$1.85
Adjusted Earnings Per Share	\$0.02	\$0.09	\$2.00	\$1.85

**Higher earnings** reflect higher distribution rates and customer growth partially offset by higher utility operating costs

**Adjusted Net Income and EPS** are non-GAAP financial measures reflecting GAAP Net Income adjusted for transaction costs related to the acquisition of Bangor Natural Gas

### Approximate Quarterly EPS Distribution <sup>(2)</sup>



# Volume and Adjusted Gross Margin Variances

Year-to-Date variances in units, customers, and adjusted gross margin

Electric Operations		
Adjusted Gross Margin <sup>(1)</sup>	Weather Normalized Unit Sales	Customers
2.0% Increase	1.0% Increase	1.0% Increase

Gas Operations		
Adjusted Gross Margin <sup>(1)</sup>	Weather Normalized Unit Sales	Customers
8.6% Increase	0.6% Decrease	0.8% Increase

**Unit Sales and Customers**

- ~100% of electric customers decoupled<sup>(2)</sup>
- Weather normalized C&I sales increased 1.4%
- Approximately 1,100 additional customers (~920 UES & ~180 FGE)

**Adjusted Gross Margin<sup>(1)</sup> Increased \$1.6 Million**

- Reflects higher rates and customer growth

**Unit Sales and Customers**

- 60% of gas customers decoupled<sup>(2)</sup>
- Approximately 720 additional customers (~650 NU & ~70 FGE)

**Adjusted Gross Margin<sup>(1)</sup> Increased \$9.2 Million**

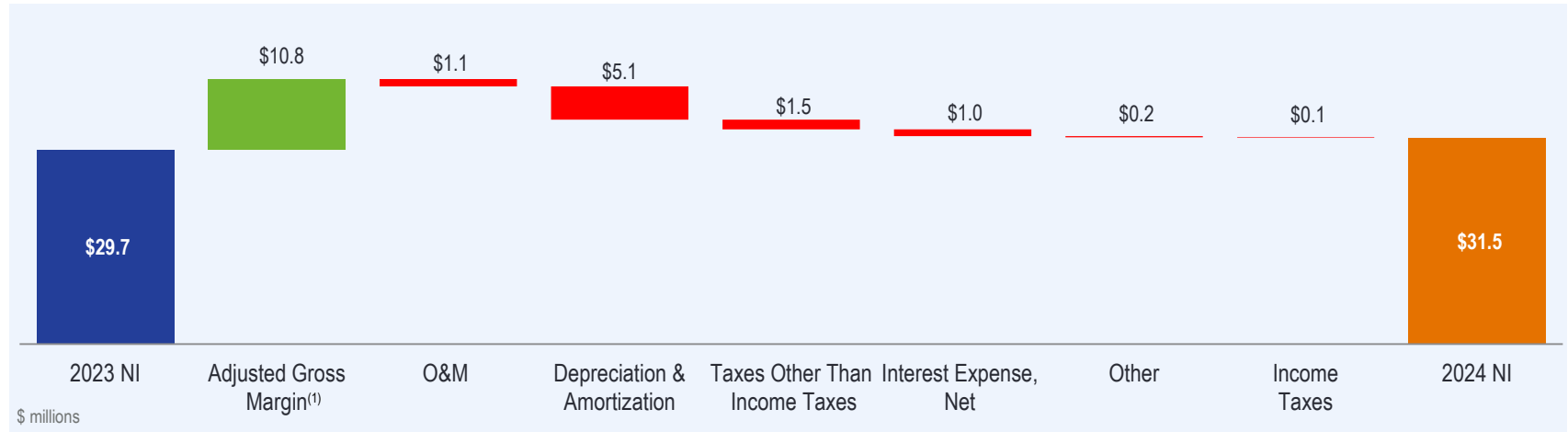
- Reflects higher rates and customer growth
- Decoupling adjusted revenue by \$4.5 million or \$0.20 EPS

(1) Adjusted gross margin is a non-GAAP financial measure, reconciliations from non-GAAP financial measures to GAAP financial measures are provided at the end of the presentation  
 (2) Calculation based on customer counts as of September 30, 2024

# Year-to-Date Earnings Reconciliation

## Variances to prior period Net Income

- **Adjusted Gross Margin<sup>(1)</sup>** increased \$10.8 million as a result of higher rates and customer growth.
- **Operation and Maintenance Expenses** increased \$1.1 million due to higher labor costs of \$0.9 million and higher utility operating costs of \$0.2 million.
- **Depreciation and Amortization** increased \$5.1 million reflecting higher levels of utility plant in service, higher depreciation rates, and higher amortization of storm costs and other deferred costs.
- **Taxes Other Than Income Taxes** increased \$1.5 million due to higher property taxes on higher utility plant in service and higher payroll taxes.
- **Interest Expense, Net** increased \$1.0 million primarily reflecting higher interest on short-term borrowings and higher levels of long-term debt, partially offset by higher interest income on regulatory assets and other.
- **Other Expenses** increased \$0.2 million reflecting higher retirement benefit costs.
- **Income Taxes** increased \$0.1 million reflecting higher pre-tax earnings in 2024.





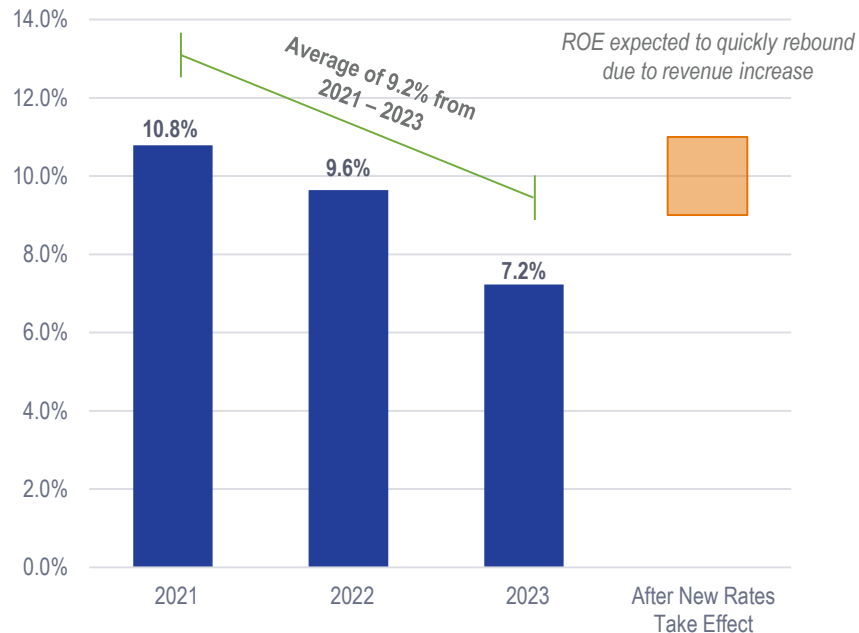
# Granite State Gas Transmission Settlement

GSGT rate case should provide opportunity to earn a fair return over the term of the settlement

## Granite Rate Case Highlights

- Filed uncontested rate case settlement with FERC requesting approval by November 25, 2024 for **rates effective November 1, 2024**
- Annual revenue increase of **\$3.0 million** agreed to by settling parties
  - Approximately 30% increase to Granite's revenues
- Three limited Section 4 filings (steps) recovering eligible capital costs over the next three years totaling nearly \$30 million

## GS

GT Return on Equity<sup>(1)</sup>

# Bangor Natural Gas Transaction

Attractive tuck-in acquisition complements Unital's existing natural gas operations in Maine

## Company Overview

- Fully regulated gas distribution company serving approximately 8,500 natural gas customers in the greater Bangor region of Maine
- High quality assets: ~350 miles of distribution and 9 miles of transmission pipelines; relatively new distribution system requires limited annual maintenance
- Well managed operations: strong management team, excellent reputation
- Lowest distribution rates in Maine offer significant price advantage relative to competing fuels
- Service areas are relatively underpenetrated with natural gas presenting significant opportunities for expansion
  - Strong customer growth of approximately 5% annually over the past 5 years

## Transaction Overview

- Agreed purchase price of \$70.9 million subject to customary closing adjustments
- 2023 Year-End Rate Base of approximately \$59 million
- Viewed as credit neutral, even if funded primarily with debt (S&P) <sup>(1)</sup>
- Anticipated closing by the end of Q1 2025 following regulatory approvals

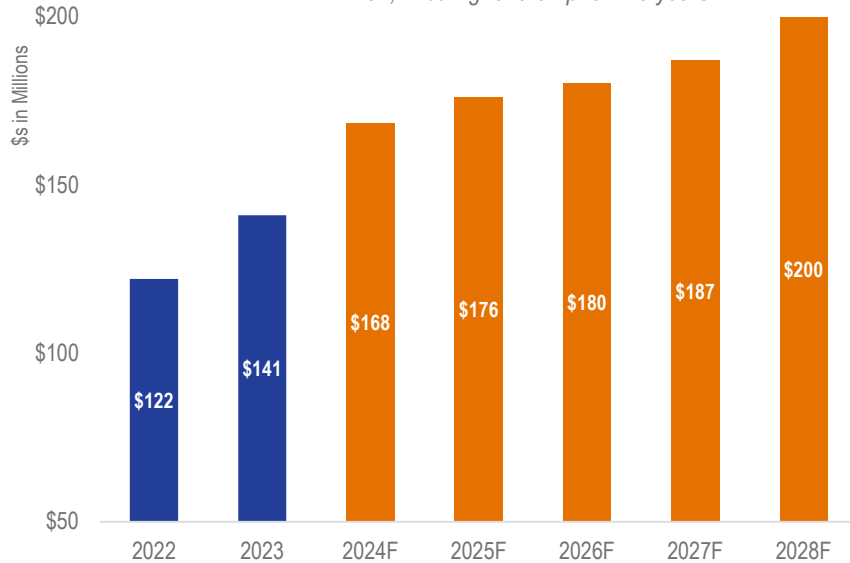
Projected Procedural Schedule	2024		2025
	Q3	Q4	Q1
Petition Filed	✓ 7/15		
Intervenor Testimony		✓ 10/15	
Rebuttal Testimony		☐ 12/9	
Evidentiary Hearing (if necessary)		☐ 12/19	
Briefs		☐ 12/20	
Examiners' Report			☐ 1/15
Deliberations			☐ 2/4

# Capital Investment Opportunities

The energy transition offers robust long-term investment opportunities

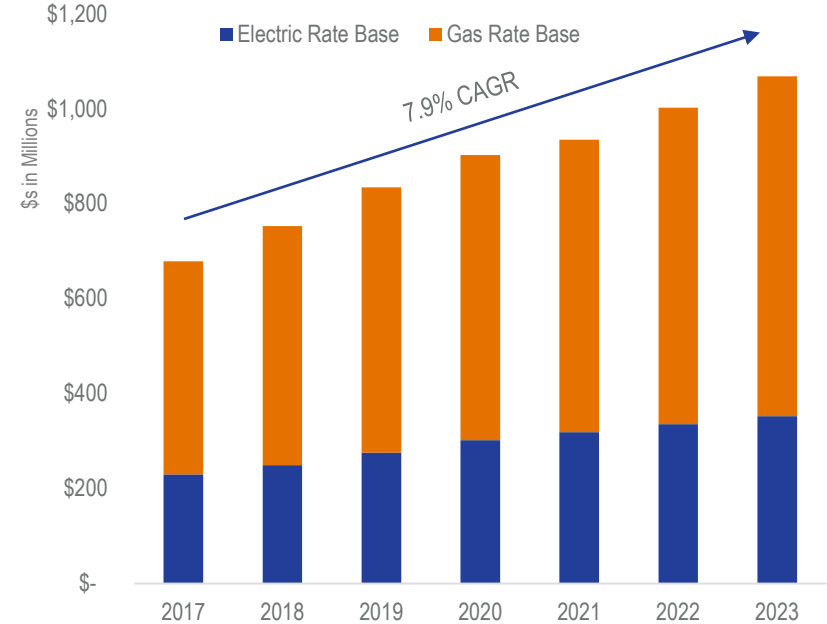
## Actual and Forecast Capital Investment<sup>(1)</sup>

Five-year projected capital investment of ~\$910 million, 47% higher than prior five years



Capital investment becoming increasingly balanced between electric and gas division

## Consolidated Rate Base



Historical Rate Base within long-term growth range of 6.5% - 8.5%

# Balance Sheet Strength and Financing Plan

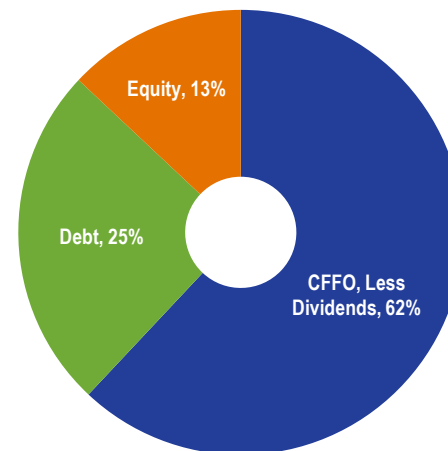
Strategic financing plan continues to support balance sheet strength

- Capital investments funded principally by Cash Flow From Operations
- Limited refinancing risk and no variable rate long-term debt
- Closed \$135 million long-term debt financing in August across Unitil Corp. and all subsidiaries

## Comparatively Lower Risk than Peers

	Unitil	Peer Average	Long-Term Targets
FFO / Debt <sup>(1)</sup>	18.1%	15.3%	17% - 19%
Debt / EBITDA <sup>(1)</sup>	4.4x	5.4x	<5.0x
Equity Ratio <sup>(2)</sup>	~50%	~45%	45% - 50%

## Long-Term Financing Sources



Equity includes internally generated funds such as the Dividend Reinvestment Program

# Key Elements of Unutil's Value Proposition

Delivering consistent results through a reliable, regulated strategy

## 8%-10% Expected Annual Total Shareholder Return<sup>(1)</sup>

**5%-7%**

Expected Annual  
EPS Growth

**6.5%-8.5%**

Expected Annual Utility  
Rate Base Growth

**\$910 million**

Planned Electric and Gas  
System Investments over  
the next 5 years

**55%-65%**

Targeted Annual  
Dividend Payout  
Ratio

**17%-19%**

Long-term FFO/  
Debt Target

**Cost  
Control**

Anticipate O&M  
growth less than or  
equal to inflation

**Net Zero  
by 2050**

With 2030 goal of 50%  
reduction in GHG  
emissions

**Key  
Considerations**

**Strong financial  
position**

**100% regulated  
operations**

**Constructive  
regulatory  
jurisdictions**

**Operational  
excellence**

# Appendix

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# About Unitil

**Pure play New England utility creating long-term sustainable value**

## **Local distributor of electricity and natural gas in attractive service areas along the New Hampshire and Maine Seacoast**

- Fully regulated electric and gas operations
- Growing customer base supported by strong regional economic growth
- Continuing price advantage over competing fuels
- Operational and customer service excellence

## **Compelling investor value proposition**

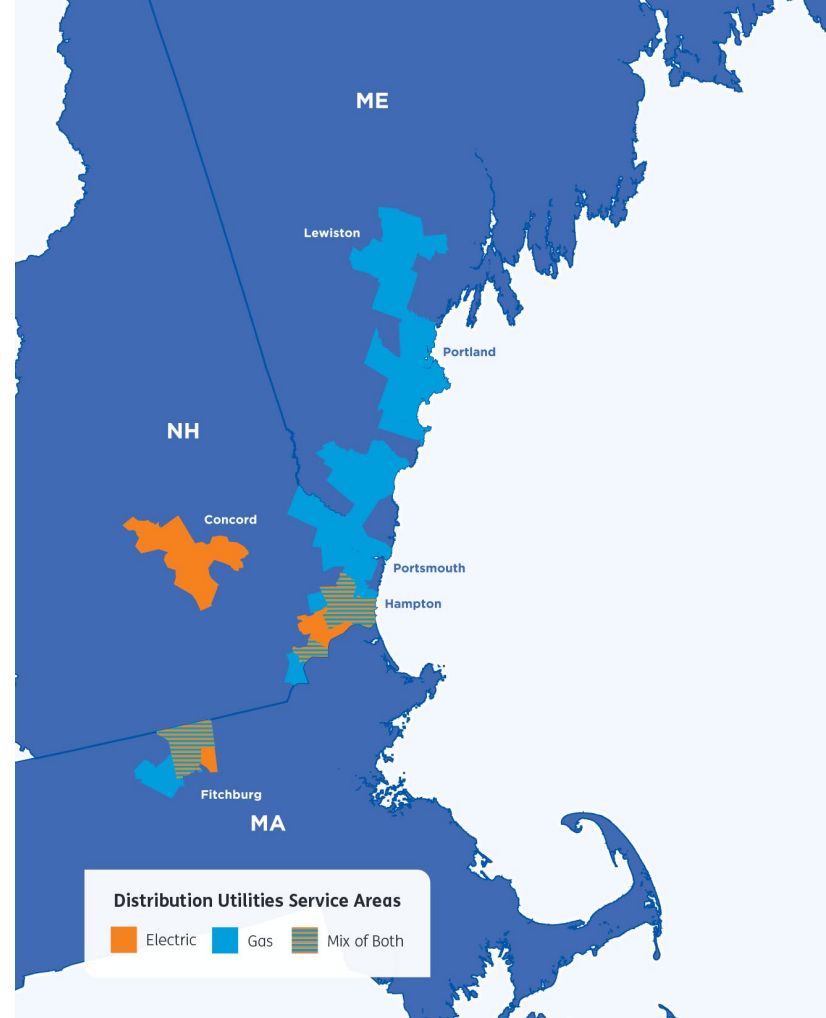
- Low-risk expected earnings and dividend growth
- Sustainable long-term growth opportunities
- Proven track record of financial, operating, and strategic performance

## **Robust investment opportunities in electric and gas infrastructure**

- Grid modernization, resiliency, and renewable resource investments are well-aligned with climate policies
- Timely recovery of capital investments

## **Stable long-term expected earnings growth**

- Supportive regulatory outcomes
- Distribution revenues largely decoupled from sales volumes
- Earnings unaffected by commodity cost fluctuations



# GAAP Return on Average Common Equity

GAAP Return on Equity over the last twelve months

Company	Average Common Equity	LTM ROACE <sup>(1)</sup>
Northern Utilities	\$257	9.3%
Unitil Energy Systems	\$127	8.7%
Fitchburg Gas and Electric	\$129	9.8%
Granite State Gas	\$26	6.6%
<b>Unitil Corporation</b>	<b>\$491</b>	<b>9.6%</b>

\$s in Millions



# Rate Relief Summary

Successful regulatory strategy resulting in awards from both capital trackers and rate cases

Company	Activity	Millions	Date Effective
Northern Utilities (Maine)	Base Rate Case Increase	\$7.6	Q4 2023
	Capital Tracker	\$2.4	Q2 2024
Fitchburg (Electric)	Grid Modernization	\$1.3	Q2 2024
	Grid Modernization <sup>(1)</sup>	\$1.6	Q3 2024
	Capital Tracker	\$0.4	Q1 2024
	Capital Tracker <sup>(2)</sup>	(\$4.1)	Q3 2024
	Base Rate Case Increase	\$4.7	Q3 2024
Fitchburg (Gas)	Capital Tracker	\$1.9	Q2 2024
	Capital Tracker <sup>(2)</sup>	(\$4.9)	Q3 2024
	Base Rate Case Increase	\$10.1	Q3 2024
Granite State Gas	Base Rate Case Increase <sup>(3)</sup>	\$3.0	Q4 2024

(1) Grid Modernization increase in Q3 2024 is related to Advanced Meter Infrastructure which will be tracked outside of base distribution rates

(2) Negative Capital Tracker amounts for FGE reflect the transfer of cost from tracker mechanisms to base distribution rates

(3) Pending FERC approval

# Investment Grade Credit Ratings

Stable ratings across all subsidiaries from both S&P and Moody's

## Issuer Rating

## S&P

## Moody's

Unitil Energy Systems Inc.<sup>(1)</sup>

Stable / BBB+

Stable / Baa1

Northern Utilities Inc.

Stable / BBB+

Stable / Baa1

Fitchburg Gas and Electric Light Co.

Stable / BBB+

Stable / Baa1

Granite State Gas Transmission Inc.

Stable / BBB+

Stable / Baa2

Unitil Corporation

Stable / BBB+

Stable / Baa2

# Order Received for Fitchburg Rate Cases

## Constructive outcomes in electric and natural gas cases

### Electric Order Highlights

- Rates effective July 1, 2024
- 9.4% Authorized Equity on Equity Ratio of 52.26%
- Annual distribution rate award of **\$4.7M** for electric
- Annual award includes transfers between capital tracker mechanisms and base rates resulting in a net revenue increase of **\$2.2M**
  - Revenue transfers result in a net decrease of \$2.5M as a result of the Capital Cost Adjustment and Solar tracker combined decrease of \$4.1M, partially offset by Grid Modernization tracker increase of \$1.6M for recovery of Advanced Metering Infrastructure
- Maintains Revenue Decoupling
- Approved test year level of Vegetation Management expense and approved higher funding level for Storm Resiliency Program



Approved Performance  
Based Rates



Maintains Revenue  
Decoupling



Supports System  
Hardening and Resiliency



Gas Infrastructure  
Replacement tracker  
remains in place

### Gas Order Highlights

- Rates effective July 1, 2024
- 9.4% Authorized Equity on Equity Ratio of 52.26%
- Annual distribution rate award of **\$10.1M** for gas
- Annual award includes transfer between capital tracker mechanism and base rates resulting in a net revenue increase of **\$5.2M**
  - Gas Infrastructure replacement tracker decrease of \$4.9M
- Higher depreciation rates resulting in annual expense increase of approximately \$2.6M (offset by higher revenues)
- Revenue Decoupling transitions from per customer target to fixed target

# FGE Performance Based Rates Overview

Capital trackers and Performance Based Rates should support opportunity to earn authorized ROE

## Performance Based Rates (PBR) Structure

- Five-year PBR plan allows for timely cost recovery
  - Supports clean energy transition in a cost-effective manner
  - Streamlines regulation
  - Promotes and incentivizes focus on cost control
- Annual PBR adjustment to take place on July 1 beginning in 2025 through 2029
- Annual inflation increases tied to GDP Price Index with a floor of 0% and a cap of 5%
- Productivity factor of 0% and consumer dividend set at 25 basis points when inflation exceeds 2%
- Exogenous costs can be included in PBR adjustments for certain events if the effect is outside of the Company's control and surpasses a threshold of \$110,000 or \$60,000 for the electric and gas divisions, respectively
- Earnings Sharing Mechanism triggered if return on equity exceeds 100 basis points above the authorized ROE (75% of excess shared with customers and 25% retained by the Company)

## K-Bar Adjustment (Electric only)

- The 'K-Bar' adjustment is included as part of the PBR adjustment for the electric division
  - Creates revenue predictability
  - Provides flexibility to support clean energy and climate policies
  - Creates a simple filing and review process
- The adjustment increases rates to provide for the higher revenue requirement for capital additions based on rolling 5-year average

## Capital Tracker Changes

- Electric Capital Tracker Adjustment is replaced by the K-Bar Adjustment
- Electric Grid Modernization tracker remains outside of PBR and now includes investments for Advanced Metering Infrastructure
- Gas Infrastructure Replacement tracker remains outside of PBR

# Recapping Financial Performance Over the Past Decade

Historical earnings growth at mid-point of long-term guidance

## Performance Over Last 10 Years



7.7% Net Income  
Annual Growth

**2.1x Net Income**  
Compared to 2013



6.0% Earnings Per Share  
Annual Growth

**1.8x EPS**  
Compared to 2013



8.1% Rate Base  
Annual Growth

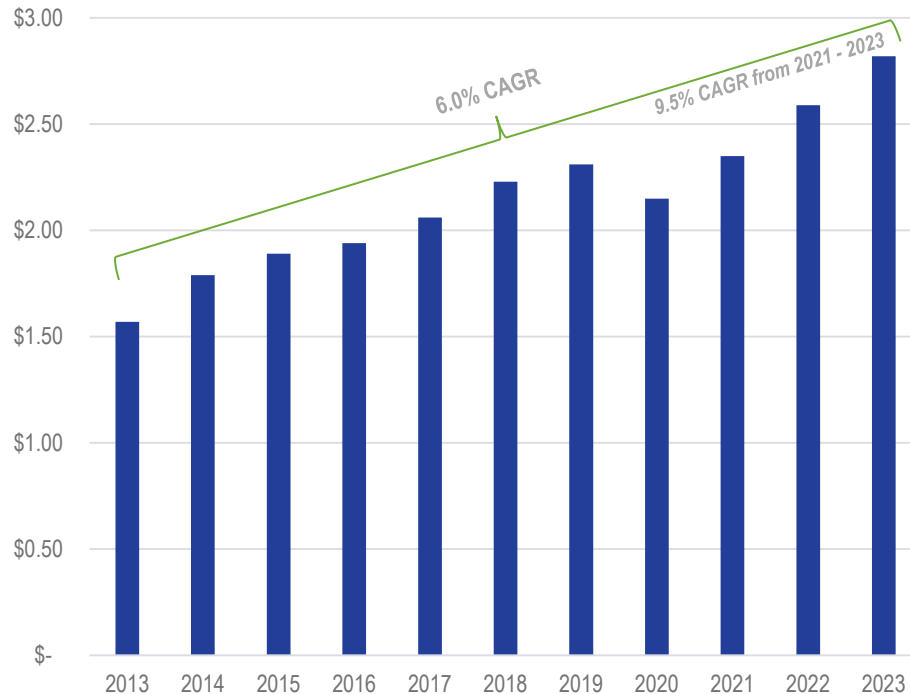
**2.2x Rate Base**  
Compared to 2013



Payout Ratio decreased  
by approximately 30  
percentage points

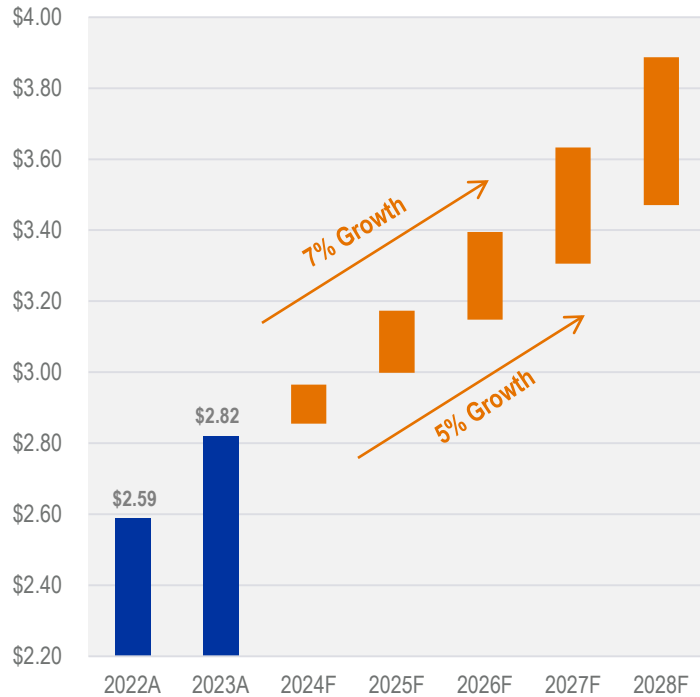
**57% Payout Ratio**  
Compared to 88% in 2013

## Historical Earnings per Share <sup>(1)</sup>



# Maintaining Long-Term Earnings Growth

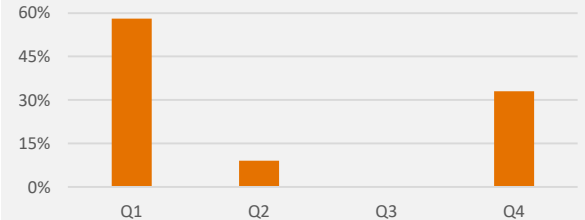
Long-term growth expectation remaining in the range of 5% to 7%<sup>(1)</sup>




## 2024 Expectations

- 2024 earnings expected to be within long-term growth range
- Decoupled margin provides stability and visibility – over 80% of customers under decoupled rates
- Anticipate O&M growth in 2024 at or below inflation
- Mitigated interest rate risk – no significant maturities or variable rate long-term debt

## Approximate Quarterly EPS Distribution <sup>(2)</sup>



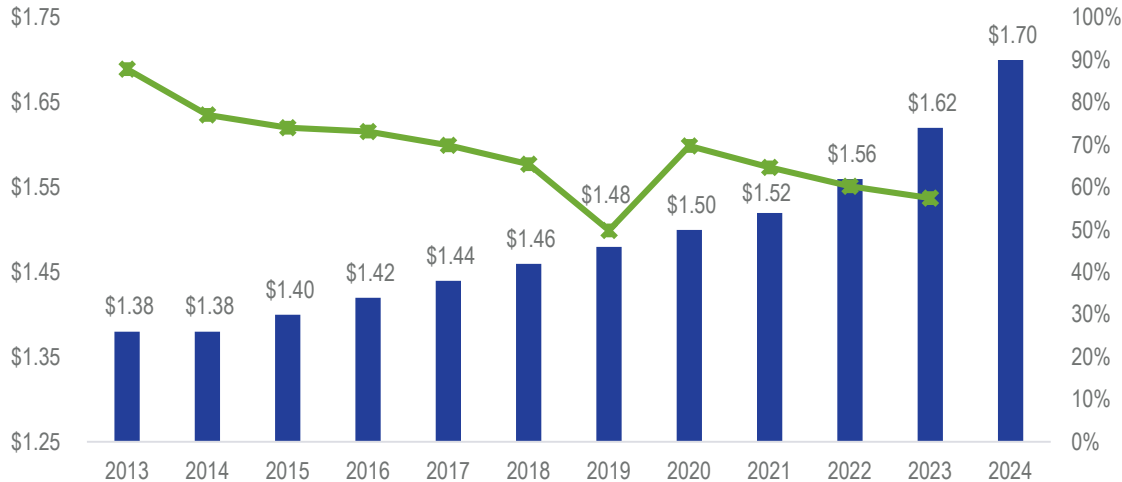
 (1) Long-term growth projections are based on a base period of 2022 earnings of \$2.59

(2) Earnings distribution based on 2024 expectations

# Dividend Increase and Expected Payout

Consecutive years of accelerated dividend rate increases

## Historical Dividend and Payout Ratio



- Balancing dividend sustainability with capital investment opportunities
- Expected dividend payout ratio to remain in target range of 55% to 65%
- Expected long-term dividend growth approximates long-term earnings growth
- Dividend increase of 5% in 2024

Annualized Dividend \$1.70 Per Share

Steady, Predictable Shareholder Return

2023 Payout Ratio 57%<sup>(1)</sup>

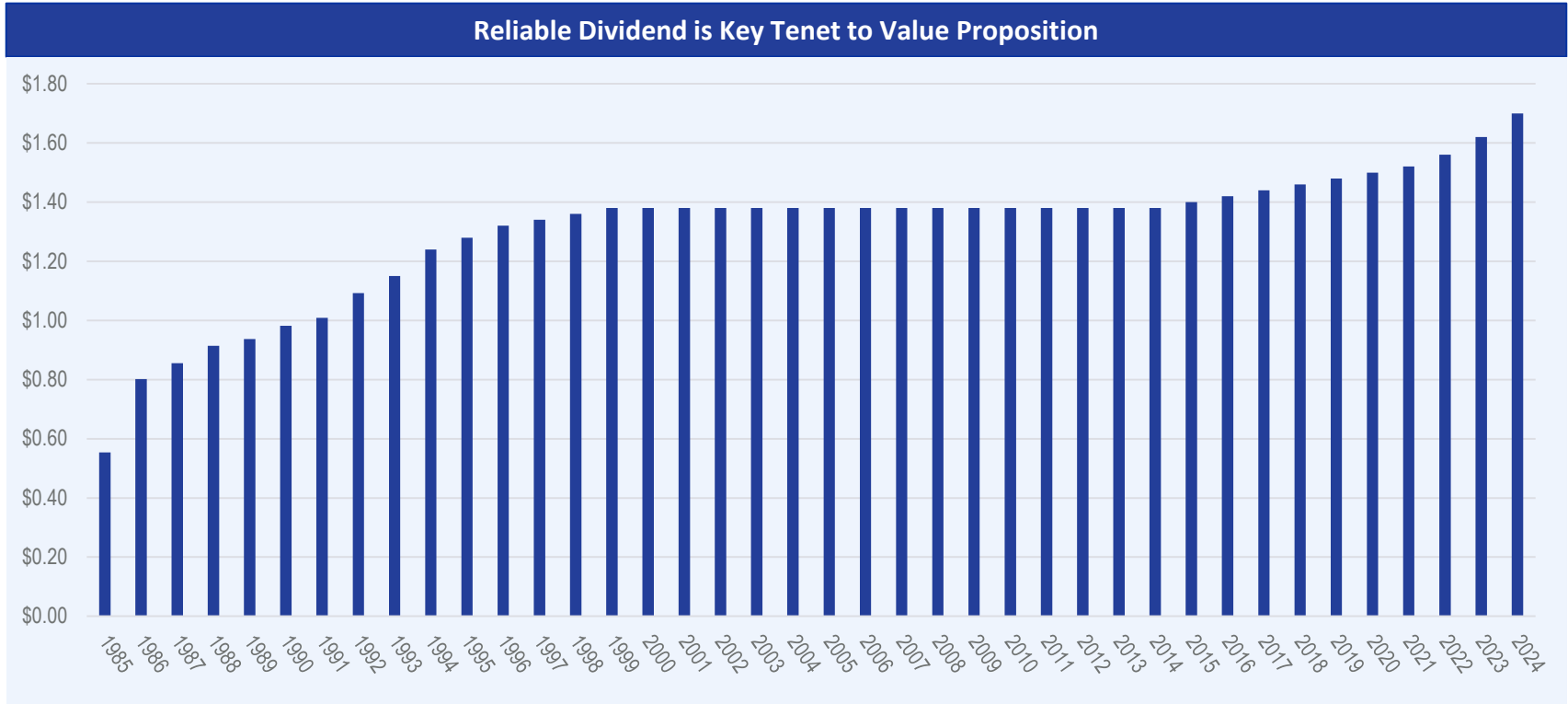
Dividend Sustainability and Capital Investment

Payout Ratio Target 55% - 65%

Long-Term Outlook

# Continuous Dividend Payment Since Incorporation

Steadily increasing dividend per share since 2015





# Key Regulatory Recovery Mechanisms

## Timely Rate Recovery

	Unitil Energy	Fitchburg - Electric	Fitchburg - Gas	Northern - ME	Northern - NH
Revenue Decoupling	✓	✓	✓		✓
Power/Gas Supply	✓	✓	✓	✓	✓
Supply Related Bad Debt	✓	✓	✓	✓	✓
Energy Efficiency	✓	✓	✓		✓
Transmission	✓	✓			
Net Metering Credits	✓	✓			
Specific Capital Investment <sup>(1)</sup>	✓	✓	✓	✓	✓
Solar Incentives		✓			
Long-Term Renewable Contracts		✓			
Environmental Remediation			✓	✓	✓
Vegetation Management	✓				
Storm Recovery	✓	✓			
Exogenous Costs		✓	✓		✓
Local Property Taxes	✓				✓

# GAAP Reconciliation of Adjusted Gross Margin

Three Months Ended September 30, 2024

## Three Months Ended September 30, 2024 (\$ millions)

	<b>Electric</b>	<b>Gas</b>	<b>Other</b>	<b>Total</b>
Total Operating Revenue	\$ 62.5	\$ 30.4	\$ ---	\$ 92.9
Less: Cost of Sales	(32.8)	(7.1)	---	(39.9)
Less: Depreciation and Amortization	(7.4)	(11.5)	(0.2)	(19.1)
GAAP Gross Margin	22.3	11.8	(0.2)	33.9
Depreciation and Amortization	7.4	11.5	0.2	19.1
Adjusted Gross Margin	<u>\$ 29.7</u>	<u>\$ 23.3</u>	<u>\$ ---</u>	<u>\$ 53.0</u>

## Three Months Ended September 30, 2023 (\$ millions)

	<b>Electric</b>	<b>Gas</b>	<b>Other</b>	<b>Total</b>
Total Operating Revenue	\$ 72.1	\$ 31.8	\$ ---	\$ 103.9
Less: Cost of Sales	(42.9)	(9.6)	---	(52.5)
Less: Depreciation and Amortization	(6.6)	(9.9)	(0.3)	(16.8)
GAAP Gross Margin	22.6	12.3	(0.3)	34.6
Depreciation and Amortization	6.6	9.9	0.3	16.8
Adjusted Gross Margin	<u>\$ 29.2</u>	<u>\$ 22.2</u>	<u>\$ ---</u>	<u>\$ 51.4</u>

# GAAP Reconciliation of Adjusted Gross Margin

Nine Months Ended September 30, 2024

## Nine Months Ended September 30, 2024 (\$ millions)

	<b>Electric</b>	<b>Gas</b>	<b>Other</b>	<b>Total</b>
Total Operating Revenue	\$ 192.5	\$ 174.8	\$ ---	\$ 367.3
Less: Cost of Sales	(110.8)	(59.2)	---	(170.0)
Less: Depreciation and Amortization	(21.5)	(33.2)	(0.5)	(55.2)
GAAP Gross Margin	60.2	82.4	(0.5)	142.1
Depreciation and Amortization	21.5	33.2	0.5	55.2
Adjusted Gross Margin	<u>\$ 81.7</u>	<u>\$ 115.6</u>	<u>\$ ---</u>	<u>\$ 197.3</u>

## Nine Months Ended September 30, 2023 (\$ millions)

	<b>Electric</b>	<b>Gas</b>	<b>Other</b>	<b>Total</b>
Total Operating Revenue	\$ 244.8	\$ 182.7	\$ ---	\$ 427.5
Less: Cost of Sales	(164.7)	(76.3)	---	(241.0)
Less: Depreciation and Amortization	(19.5)	(29.8)	(0.8)	(50.1)
GAAP Gross Margin	60.6	76.6	(0.8)	136.4
Depreciation and Amortization	19.5	29.8	0.8	50.1
Adjusted Gross Margin	<u>\$ 80.1</u>	<u>\$ 106.4</u>	<u>\$ ---</u>	<u>\$ 186.5</u>

# GAAP Reconciliation of Adjusted Earnings

Three Months and Nine Months Ended September 30, 2024

*(Millions, except per share data)*

	Three Months Ended September 30, 2024		Three Months Ended September 30, 2023	
	Amount	Per Share	Amount	Per Share
	GAAP Net Income	\$ ---	\$ ---	\$ 1.4
Transaction Costs	0.4	0.02	---	---
Adjusted Net Income	<u>\$ 0.4</u>	<u>\$ 0.02</u>	<u>\$ 1.4</u>	<u>\$ 0.09</u>

	Nine Months Ended September 30, 2024		Nine Months Ended September 30, 2023	
	Amount	Per Share	Amount	Per Share
	GAAP Net Income	\$ 31.5	\$ 1.96	\$ 29.7
Transaction Costs	0.6	0.04	---	---
Adjusted Net Income	<u>\$ 32.1</u>	<u>\$ 2.00</u>	<u>\$ 29.7</u>	<u>\$ 1.85</u>