ANNUAL REPORT
PENN CENTRAL LIGHT AND POWER COMPANY
FOR THE FISCAL YEAR ENDED
DECEMBER 31, 1918
PENN CENTRAL LIGHT AND POWER COMPANY

BOARD OF DIRECTORS

Messrs. Beaveau Borie, Jr. George C. Kelchner
Hampton L. Carson J. R. McAllister
Charles Day F. King Wainwright
George H. Frazier Henry M. Watts
H. L. Geyelin John E. Zimmermann
James Collins Jones

OFFICERS

President, James Collins Jones
Vice-President, Henry M. Watts
Secretary and Treasurer, John E. Zimmermann
Assistant Secretary, C. A. McClure
Assistant Treasurer, C. R. Bitting

General Superintendent, Shearer
Supt. of Electric Operation, J. F. Cole
Supt. of Gas Operation, F. P. Duggan
Supt. of Power Plants, J. C. Scholl
Auditor, M. A. Miller

Under Management of
Day & Zimmermann, Inc.

Altoona, Pa.
611 Chestnut Street, Philadelphia, Pa.
PENN CENTRAL LIGHT AND POWER COMPANY

BALANCE SHEET, DECEMBER 31, 1918

ASSETS

Fixed Capital, Investments, etc. $7,951,599.90
Cash. 141,937.95
Materials and Supplies. 172,408.31
Accounts Receivable. 262,536.32
Deferred and Other Assets. 221,900.95
Treasury Bonds. 176,000.00

Total $8,926,383.43

LIABILITIES

Capital Stock
Common $150,000.00
Preferred. 1,378,000.00

$1,528,000.00

Funded Debt. 5,782,500.00

Current Liabilities
Bills Payable. 379,500.00
Accounts Payable, etc. 161,760.27
Accrued Items. 150,444.96

691,705.23

Surplus and Reserves
Reserves. $239,283.07
Surplus. 684,895.13

924,178.20

Total $8,926,383.43

STATEMENT OF FUNDED DEBT

<table>
<thead>
<tr>
<th>Bond Description</th>
<th>Total Issued</th>
<th>Retired through Sinking Fund</th>
<th>Pledged under Junior Liens</th>
<th>In Company's Treasury</th>
<th>Outstanding in Hands of Public</th>
</tr>
</thead>
<tbody>
<tr>
<td>First Consolidated 6% Bonds</td>
<td>$3,268,000</td>
<td>$176,000</td>
<td>$3,092,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>First and Refunding 5% Bonds</td>
<td>2,592,500</td>
<td>97,000</td>
<td>$143,000</td>
<td>2,352,500</td>
<td></td>
</tr>
<tr>
<td>Mifflin Co. G. &amp; E. 5% Bonds</td>
<td>175,000</td>
<td>15,000</td>
<td>160,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Altoona Substation Mtg.</td>
<td>2,000</td>
<td></td>
<td>2,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>$6,037,500</td>
<td>$97,000</td>
<td>$158,000</td>
<td>$176,000</td>
<td>$5,606,500</td>
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</tbody>
</table>
TO THE STOCKHOLDERS OF
PENN CENTRAL LIGHT AND POWER CO.

Your company with the closing of its fiscal year December 31, 1918, completes the ninth year of its existence.

On page 9 will be found a comparative summary of earnings and expenses for the past five years and on page 8 the same expressed in graphic form.

A Balance Sheet is given on opposite page.

Your company, as at December 31, 1918, had the following property:

- Five steam generating plants with a total rated capacity of 22,600 K.W. and one hydraulic plant with a rated capacity of 2,000 K.W., making a total of 24,600 K.W.
- Twenty-seven substations with transformer installations in excess of 29,500 K.V.A.
- Two hundred twelve (212) miles of high tension transmission lines.
- Six hundred, forty-eight (648) miles of distribution lines with transformers, meters, etc.

Like all other public utilities, your company has had to combat rising costs and that it has succeeded in a measure in offsetting increased costs is shown by the operating statement. This was accomplished in part by increasing rates and in part by exercising extreme economies wherever possible without, however, sacrificing the proper upkeep of the property. The average hourly wage rate in 1913 was 23.54 cents and in 1918 it had increased to 37.38 cents or 59%. The cost of coal delivered at the Williamsburg plant increased from $1.86 per gross ton in 1914 to $4.08 in 1918 and at Warrior Ridge the cost of coal increased from $1.93 per gross ton in 1914 to $4.35 in 1918. The increased cost of coal was offset in part by better economy in the coal consumed per K.W.H. at the two main generating stations. This is also shown in graphic form on pages 10 and 11.
At the Warrior Ridge Station there were produced during the year 33,309,210 K.W.H., of which 7,764,700 was produced by water power, as compared with 29,683,060 in 1917, of which 8,268,860 was produced by water power.

At the Williamsburg Station 48,216,950 K.W.H. were produced in 1918 and 37,153,200 in 1917.

The total output of all stations for the year was 82,402,361 K.W.H. as compared with 69,623,566 K.W.H. in 1917, an increase of 18.4%.

During the year, 829 customers were added, and the connected load increased 4,630 K.W., of which 2,179 K.W. was for mining and 277 K.W. for other classes of power, the balance of 1,674 K.W. being for lighting.

The total connected load on the system is 50,583 K.W., divided as follows:

- Mining .................................... 17,939 K.W.
- Other Power ................................. 10,567 K.W.
- Lighting .................................... 22,077 K.W.

The electric earnings for the year were $1,324,278, divided as follows:

- Municipal .................................. $43,987
- Commercial ................................. 210,578
- Residential ................................. 315,167
- Mining ..................................... 398,518
- Other Power ................................. 356,028
- Total ....................................... $1,324,278

The construction expenditures for the year were $287,988, divided as follows:

- Power Plants .............................. $122,211
- Transmission System .................... 24,438
- Substations ................................ 38,513
- Distribution System ..................... 52,606
- Service Connections and Short Extensions .... 30,042
- Gas Department .......................... 11,247
- Miscellaneous ............................. 8,931
- Total ....................................... $287,988
During the year $551,000 First and Consolidated 6% Bonds were sold and the proceeds applied to the payment of loans for improvements, betterments and additions, and $26,000 First and Refunding 5% Bonds were retired through the sinking fund.

No dividends were paid during the year due to the condition of the financial market and the fact that it was necessary to use the earnings for extensions to property.

The officers and employes of the company have faithfully and efficiently discharged their duties during the year. In fact, the results accomplished by them are most commendable when it is remembered that many of the experienced members of the organization went into the service of our country. An effort is being made to reinstate the returning soldiers.

By order of the Board of Directors.

James Collins Jones
President.
PENN CENTRAL LIGHT AND POWER COMPANY

INCOME ACCOUNT

- SURPLUS
- RENEWAL RESERVE
- FIXED CHARGES
- INCOME DEDUCTIONS
- TAXES
- MAINTENANCE
- OPERATING

$1,600,000

1,400,000

1,200,000

1,000,000

800,000

600,000

400,000

200,000

0

1914 1915 1916 1917 1918
### PENN CENTRAL LIGHT & POWER COMPANY AND AFFILIATED COMPANIES

#### INCOME ACCOUNT FOR CALENDAR YEARS

**ALL INTER COMPANY ITEMS ELIMINATED**

<table>
<thead>
<tr>
<th>Year</th>
<th>% of Gross</th>
<th>% of Gross Inc.</th>
<th>% of Gross</th>
<th>% of Gross Inc.</th>
<th>% of Gross</th>
<th>% of Gross Inc.</th>
<th>% of Gross</th>
<th>% of Gross Inc.</th>
<th>% Inc. over 1914</th>
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<tbody>
<tr>
<td>1914</td>
<td>$762,153.72</td>
<td>100.0</td>
<td>$834,461.05</td>
<td>100.0</td>
<td>9.5</td>
<td>$1,083,387.40</td>
<td>100.0</td>
<td>29.8</td>
<td>$1,331,550.84</td>
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<tr>
<td>1915</td>
<td>$310,648.94</td>
<td>40.8</td>
<td>$324,085.29</td>
<td>38.8</td>
<td>4.3</td>
<td>$500,481.16</td>
<td>46.2</td>
<td>54.4</td>
<td>$687,511.14</td>
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<tr>
<td>1916</td>
<td>68,766.36</td>
<td>9.0</td>
<td>76,197.17</td>
<td>9.1</td>
<td>10.8</td>
<td>91,650.59</td>
<td>8.5</td>
<td>20.3</td>
<td>105,773.39</td>
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<tr>
<td>1917</td>
<td>55,920.63</td>
<td>4.7</td>
<td>35,105.51</td>
<td>4.2</td>
<td>*2.3</td>
<td>38,253.12</td>
<td>3.5</td>
<td>9.0</td>
<td>49,985.28</td>
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<tr>
<td><strong>Total</strong></td>
<td>$145,335.93</td>
<td>54.5</td>
<td>$435,387.97</td>
<td>52.1</td>
<td>4.8</td>
<td>$630,384.87</td>
<td>58.2</td>
<td>44.8</td>
<td>$843,511.81</td>
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<tr>
<td><strong>Income from Operations</strong></td>
<td>$346,817.79</td>
<td>45.5</td>
<td>$399,073.08</td>
<td>47.9</td>
<td>15.1</td>
<td>$433,002.53</td>
<td>41.8</td>
<td>13.5</td>
<td>$488,039.03</td>
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<tr>
<td><strong>Other Income—Gross Expenses</strong></td>
<td>$62,652.46</td>
<td>8.2</td>
<td>$50,322.54</td>
<td>6.0</td>
<td>*19.7</td>
<td>$113,441.47</td>
<td>10.5</td>
<td>125.4</td>
<td>$161,489.38</td>
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<tr>
<td><strong>Net</strong></td>
<td>59,607.89</td>
<td>7.8</td>
<td>50,778.00</td>
<td>6.1</td>
<td>*14.8</td>
<td>104,372.52</td>
<td>9.6</td>
<td>166.5</td>
<td>148,478.66</td>
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<tr>
<td><strong>Gross Corporate Income</strong></td>
<td>$349,862.39</td>
<td>45.9</td>
<td>$398,617.62</td>
<td>47.8</td>
<td>14.0</td>
<td>$462,071.48</td>
<td>42.7</td>
<td>15.9</td>
<td>$501,049.75</td>
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<td><strong>Income Deductions</strong></td>
<td>6,519.92</td>
<td>.9</td>
<td>9,617.83</td>
<td>1.2</td>
<td>47.5</td>
<td>12,738.59</td>
<td>1.3</td>
<td>32.4</td>
<td>8,370.79</td>
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<tr>
<td><strong>Net Corporate Income</strong></td>
<td>$343,342.47</td>
<td>45.0</td>
<td>$389,999.79</td>
<td>46.6</td>
<td>13.3</td>
<td>$449,332.89</td>
<td>41.5</td>
<td>15.5</td>
<td>$492,678.96</td>
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<td><strong>Fixed Charges:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Lewis-town &amp; Reedsville Bonds</td>
<td>$12,500.00</td>
<td>1.6</td>
<td>$12,500.00</td>
<td>1.5</td>
<td>0.0</td>
<td>$12,500.00</td>
<td>1.2</td>
<td>0.0</td>
<td>$8,288.33</td>
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<tr>
<td>Mifflin Co. G. &amp; E. Bonds</td>
<td>8,750.00</td>
<td>1.1</td>
<td>8,750.00</td>
<td>1.1</td>
<td>0.0</td>
<td>8,754.01</td>
<td>.8</td>
<td>*4.3</td>
<td>7,999.99</td>
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<tr>
<td>First and Refunding 5% Bonds</td>
<td>121,725.00</td>
<td>16.0</td>
<td>120,825.00</td>
<td>14.5</td>
<td>*7</td>
<td>120,018.74</td>
<td>11.1</td>
<td>*7</td>
<td>119,218.76</td>
</tr>
<tr>
<td>First and Consolidated 6% Bonds</td>
<td>97,398.75</td>
<td>12.8</td>
<td>103,555.67</td>
<td>12.4</td>
<td>6.4</td>
<td>128,609.40</td>
<td>11.9</td>
<td>24.1</td>
<td>149,052.85</td>
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<tr>
<td>Floating Debt</td>
<td>6,455.16</td>
<td>.9</td>
<td>11,012.33</td>
<td>1.3</td>
<td>70.6</td>
<td>6,983.68</td>
<td>.6</td>
<td>*348</td>
<td>28,737.21</td>
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<tr>
<td>Amortization of Discount</td>
<td>5,358.82</td>
<td>.5</td>
<td>3,665.18</td>
<td>.4</td>
<td>2.4</td>
<td>3,912.97</td>
<td>.4</td>
<td>6.8</td>
<td>4,165.57</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$250,407.73</td>
<td>32.9</td>
<td>$260,408.30</td>
<td>31.2</td>
<td>4.0</td>
<td>$279,499.70</td>
<td>26.0</td>
<td>7.4</td>
<td>$316,562.74</td>
</tr>
<tr>
<td><strong>Renyew Reserve</strong></td>
<td>4,060.32</td>
<td>12.9</td>
<td>3,982.83</td>
<td>12.1</td>
<td></td>
<td>3,982.83</td>
<td>12.1</td>
<td></td>
<td>3,982.83</td>
</tr>
<tr>
<td><strong>Total Deductions from Income</strong></td>
<td>$250,407.73</td>
<td>32.9</td>
<td>$260,408.30</td>
<td>31.2</td>
<td>4.0</td>
<td>$283,560.02</td>
<td>26.4</td>
<td>8.9</td>
<td>$356,545.57</td>
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<tr>
<td><strong>Balance to Surplus</strong></td>
<td>92,934.74</td>
<td>12.1</td>
<td>128,591.49</td>
<td>15.4</td>
<td>38.3</td>
<td>165,772.87</td>
<td>15.1</td>
<td>28.9</td>
<td>136,133.39</td>
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</table>