

NSTAR GAS COMPANY
CONSOLIDATED BALANCE SHEETS
(Unaudited)

(Thousands of Dollars)	As of September 30, 2021	As of December 31, 2020
ASSETS		
Current Assets:		
Cash	\$ 26	\$ 51
Receivables, Net (net of allowance for uncollectible accounts of \$28,047 and \$24,761 as of September 30, 2021 and December 31, 2020, respectively)	19,527	53,837
Accounts Receivable from Affiliated Companies	6,110	6,518
Unbilled Revenues	6,317	18,727
Taxes Receivable	14,771	—
Fuel, Materials and Supplies	12,176	9,790
Regulatory Assets	79,727	80,794
Prepayments and Other Current Assets	962	454
Total Current Assets	139,616	170,171
Property, Plant and Equipment, Net	1,900,517	1,733,423
Deferred Debits and Other Assets:		
Regulatory Assets	219,924	233,585
Prepaid PBOP	37,914	33,615
Other Long-Term Assets	20,887	15,367
Total Deferred Debits and Other Assets	278,725	282,567
Total Assets	\$ 2,318,858	\$ 2,186,161
LIABILITIES AND CAPITALIZATION		
Current Liabilities:		
Notes Payable to Eversource Parent	\$ 160,800	\$ 187,300
Accounts Payable	83,232	96,807
Accounts Payable to Affiliated Companies	20,137	26,615
Regulatory Liabilities	22,237	22,854
Other Current Liabilities	13,028	15,633
Total Current Liabilities	299,434	349,209
Deferred Credits and Other Liabilities:		
Accumulated Deferred Income Taxes	223,495	210,457
Regulatory Liabilities	210,395	208,106
Accrued Pension and SERP	38,494	56,093
Other Long-Term Liabilities	55,067	51,232
Total Deferred Credits and Other Liabilities	527,451	525,888
Long-Term Debt	578,530	498,470
Common Stockholder's Equity:		
Common Stock	71,425	71,425
Capital Surplus, Paid In	751,255	665,155
Retained Earnings	90,401	75,598
Accumulated Other Comprehensive Income	362	416
Common Stockholder's Equity	913,443	812,594
Total Liabilities and Capitalization	\$ 2,318,858	\$ 2,186,161

Note: In the opinion of the Company, all adjustments for a fair presentation of these financial statements for the periods shown have been made.

NSTAR GAS COMPANY
CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)

(Thousands of Dollars)	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2021	2020	2021	2020
Operating Revenues	\$ 46,900	\$ 40,594	\$ 435,470	\$ 380,348
Operating Expenses:				
Cost of Natural Gas	9,408	5,738	172,826	160,092
Operations and Maintenance	26,670	23,137	86,592	78,281
Depreciation	12,479	11,499	36,993	34,292
Amortization of Regulatory (Liabilities)/Assets, Net	(4,312)	(7,088)	5,842	(6,677)
Energy Efficiency Programs	4,051	4,710	43,561	44,909
Taxes Other Than Income Taxes	9,807	8,424	26,735	23,348
Total Operating Expenses	58,103	46,420	372,549	334,245
Operating (Loss)/Income	(11,203)	(5,826)	62,921	46,103
Interest Expense	5,380	4,884	13,228	14,834
Other Income, Net	3,303	768	6,307	2,387
(Loss)/Income Before Income Tax (Benefit)/Expense	(13,280)	(9,942)	56,000	33,656
Income Tax (Benefit)/Expense	(5,343)	(3,565)	11,197	6,618
Net (Loss)/Income	\$ (7,937)	\$ (6,377)	\$ 44,803	\$ 27,038

Note: In the opinion of the Company, all adjustments for a fair presentation of these financial statements for the periods shown have been made.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Unaudited)

(Thousands of Dollars)	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2021	2020	2021	2020
Net (Loss)/Income	\$ (7,937)	\$ (6,377)	\$ 44,803	\$ 27,038
Other Comprehensive Loss, Net of Tax:				
Changes in Funded Status of SERP Benefit Plan	(19)	(13)	(54)	(42)
Other Comprehensive Loss, Net of Tax	(19)	(13)	(54)	(42)
Comprehensive (Loss)/Income	\$ (7,956)	\$ (6,390)	\$ 44,749	\$ 26,996

Note: In the opinion of the Company, all adjustments for a fair presentation of these financial statements for the periods shown have been made.

NSTAR GAS COMPANY
CONSOLIDATED STATEMENTS OF COMMON STOCKHOLDER'S EQUITY
(Unaudited)

(Thousands of Dollars, Except Stock Information)	For the Nine Months Ended September 30, 2021					
	Common Stock		Capital Surplus, Paid In	Retained Earnings	Accumulated Other Comprehensive Income	Total Common Stockholder's Equity
	Stock	Amount				
Balance as of January 1, 2021	2,857,000	\$ 71,425	\$ 665,155	\$ 75,598	\$ 416	\$ 812,594
Net Income				47,260		47,260
Dividends on Common Stock				(10,000)		(10,000)
Capital Contributions from Parent			24,500			24,500
Other Comprehensive Loss					(18)	(18)
Balance as of March 31, 2021	2,857,000	71,425	689,655	112,858	398	874,336
Net Income				5,480		5,480
Dividends on Common Stock				(10,000)		(10,000)
Capital Contributions from Parent			34,600			34,600
Other Comprehensive Loss					(17)	(17)
Balance as of June 30, 2021	2,857,000	71,425	724,255	108,338	381	904,399
Net Loss				(7,937)		(7,937)
Dividends on Common Stock				(10,000)		(10,000)
Capital Contributions from Parent			27,000			27,000
Other Comprehensive Loss					(19)	(19)
Balance as of September 30, 2021	2,857,000	\$ 71,425	\$ 751,255	\$ 90,401	\$ 362	\$ 913,443

(Thousands of Dollars, Except Stock Information)	For the Nine Months Ended September 30, 2020					
	Common Stock		Capital Surplus, Paid In	Retained Earnings	Accumulated Other Comprehensive Income	Total Common Stockholder's Equity
	Stock	Amount				
Balance as of January 1, 2020	2,857,000	\$ 71,425	\$ 527,634	\$ 62,845	\$ 426	\$ 662,330
Net Income				32,072		32,072
Dividends on Common Stock				(7,000)		(7,000)
Capital Contributions from Parent			5,300			5,300
Adoption of Accounting Standard Update 2016-13				(92)		(92)
Other Comprehensive Loss					(14)	(14)
Balance as of March 31, 2020	2,857,000	71,425	532,934	87,825	412	692,596
Net Income				1,343		1,343
Dividends on Common Stock				(7,000)		(7,000)
Capital Contributions from Parent			44,400			44,400
Other Comprehensive Loss					(15)	(15)
Balance as of June 30, 2020	2,857,000	71,425	577,334	82,168	397	731,324
Net Loss				(6,377)		(6,377)
Dividends on Common Stock				(17,000)		(17,000)
Capital Contributions from Parent			35,000			35,000
Other Comprehensive Loss					(13)	(13)
Balance as of September 30, 2020	2,857,000	\$ 71,425	\$ 612,334	\$ 58,791	\$ 384	\$ 742,934

Note: In the opinion of the Company, all adjustments for a fair presentation of these financial statements for the periods shown have been made.

NSTAR GAS COMPANY
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

For the Nine Months Ended September 30,

(Thousands of Dollars)	2021	2020
Operating Activities:		
Net Income	\$ 44,803	\$ 27,038
Adjustments to Reconcile Net Income to Net Cash Flows Provided by Operating Activities:		
Depreciation	36,993	34,292
Deferred Income Taxes	7,871	8,349
Pension, SERP and PBOP Income, Net	(2,493)	(1,387)
PBOP Contributions	—	(17,000)
Amortization of Regulatory Assets/(Liabilities), Net	5,842	(6,677)
Regulatory Overrecoveries, Net	4,144	21,406
Uncollectible Expense	3,690	3,179
Other	(19,509)	120
Changes in Current Assets and Liabilities:		
Receivables and Unbilled Revenues, Net	40,981	38,268
Fuel, Materials and Supplies	(2,386)	(1,229)
Taxes Receivable/Accrued, Net	(15,641)	595
Accounts Payable	(22,920)	(24,442)
Other Current Assets and Liabilities, Net	989	502
Net Cash Flows Provided by Operating Activities	82,364	83,014
Investing Activities:		
Investments in Property, Plant and Equipment	(191,989)	(176,979)
Net Cash Flows Used in Investing Activities	(191,989)	(176,979)
Financing Activities:		
Cash Dividends on Common Stock	(30,000)	(31,000)
Capital Contributions from Parent	86,100	84,700
Issuance of Long-Term Debt	—	190,000
Retirement of Long-Term Debt	—	(125,000)
Decrease in Notes Payable to Eversource Parent	(26,500)	(25,500)
Increase in Notes Payable	80,000	—
Other Financing Activities	—	(543)
Net Cash Flows Provided by Financing Activities	109,600	92,657
Net (Decrease)/Increase in Cash	(25)	(1,308)
Cash - Beginning of Period	51	1,453
Cash - End of Period	<u>\$ 26</u>	<u>\$ 145</u>

Note: In the opinion of the Company, all adjustments for a fair presentation of these financial statements for the periods shown have been made.