

NSTAR GAS COMPANY
CONSOLIDATED BALANCE SHEETS
(Unaudited)

(Thousands of Dollars)	As of June 30, 2020	As of December 31, 2019
ASSETS		
Current Assets:		
Cash	\$ 46,828	\$ 1,453
Receivables, Net (net of allowance for uncollectible accounts of \$20,587 and \$17,031 as of June 30, 2020 and December 31, 2019, respectively)	35,015	53,946
Accounts Receivable from Affiliated Companies	8,897	10,835
Unbilled Revenues	4,130	14,972
Fuel, Materials and Supplies	12,093	11,072
Regulatory Assets	41,042	57,018
Prepayments and Other Current Assets	3,646	5,335
Total Current Assets	151,651	154,631
Property, Plant and Equipment, Net	1,580,551	1,471,983
Deferred Debits and Other Assets:		
Regulatory Assets	207,387	218,161
Prepaid PBOP	30,594	27,790
Other Long-Term Assets	22,454	18,787
Total Deferred Debits and Other Assets	260,435	264,738
Total Assets	\$ 1,992,637	\$ 1,891,352
LIABILITIES AND CAPITALIZATION		
Current Liabilities:		
Notes Payable to Eversource Parent	\$ 69,800	\$ 121,300
Long-Term Debt - Current Portion	25,000	150,000
Accounts Payable	57,284	70,273
Accounts Payable to Affiliated Companies	41,417	31,325
Regulatory Liabilities	55,927	9,507
Other Current Liabilities	7,567	18,038
Total Current Liabilities	256,995	400,443
Deferred Credits and Other Liabilities:		
Accumulated Deferred Income Taxes	183,419	191,422
Regulatory Liabilities	210,335	213,251
Accrued Pension and SERP	52,983	60,683
Other Long-Term Liabilities	59,157	54,303
Total Deferred Credits and Other Liabilities	505,894	519,659
Long-Term Debt	498,424	308,920
Common Stockholder's Equity:		
Common Stock	71,425	71,425
Capital Surplus, Paid In	577,334	527,634
Retained Earnings	82,168	62,845
Accumulated Other Comprehensive Income	397	426
Common Stockholder's Equity	731,324	662,330
Total Liabilities and Capitalization	\$ 1,992,637	\$ 1,891,352

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 June 30,		For the Six Months Ended June 30,	
	2020	2019	2020	2019
Operating Revenues	\$ 103,288	\$ 96,811	\$ 339,754	\$ 336,426
Operating Expenses:				
Cost of Natural Gas	43,045	44,314	154,353	165,428
Operations and Maintenance	25,226	22,457	55,144	52,049
Depreciation	11,478	10,688	22,792	20,828
Amortization of Regulatory (Liabilities)/Assets, Net	(2,552)	(1,934)	411	1,430
Energy Efficiency Programs	13,447	9,096	40,199	30,826
Taxes Other Than Income Taxes	7,498	6,802	14,926	13,546
Total Operating Expenses	98,142	91,423	287,825	284,107
Operating Income	5,146	5,388	51,929	52,319
Interest Expense	5,045	5,767	9,949	11,302
Other Income, Net	735	1,414	1,618	1,816
Income Before Income Tax Expense	836	1,035	43,598	42,833
Income Tax (Benefit)/Expense	(507)	(672)	10,183	9,704
Net Income	\$ 1,343	\$ 1,707	\$ 33,415	\$ 33,129

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

STATEMENTS OF COMPREHENSIVE INCOME
(Unaudited)

(Thousands of Dollars)	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2020	2019	2020	2019
Net Income	\$ 1,343	\$ 1,707	\$ 33,415	\$ 33,129
Other Comprehensive Loss, Net of Tax:				
Changes in Funded Status of SERP Benefit Plan	(15)	—	(29)	—
Other Comprehensive Loss, Net of Tax	(15)	—	(29)	—
Comprehensive Income	\$ 1,328	\$ 1,707	\$ 33,386	\$ 33,129

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
CONDENSED CONSOLIDATED STATEMENTS OF COMMON STOCKHOLDER'S EQUITY
(Unaudited)

For the Six Months Ended June 30, 2020						
(Thousands of Dollars, Except Stock Information)	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

For the Six Months Ended June 30, 2019						
(Thousands of Dollars, Except Stock Information)	Common Stock		Capital Surplus, Paid In	Retained Earnings	Accumulated Other Comprehensive Income	Total Common Stockholder's Equity
	Stock	Amount				
Balance as of January 1, 2019	2,857,000	\$ 71,425	\$ 372,334	\$ 46,249	\$ 388	\$ 490,396
Net Income				31,422		31,422
Dividends on Common Stock				(5,400)		(5,400)
Capital Contributions from Parent			23,000			23,000
Balance as of March 31, 2019	2,857,000	71,425	395,334	72,271	388	539,418
Net Income				1,707		1,707
Dividends on Common Stock				(5,400)		(5,400)
Capital Contributions from Parent			55,400			55,400
Balance as of June 30, 2019	2,857,000	\$ 71,425	\$ 450,734	\$ 68,578	\$ 388	\$ 591,125

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)

(Thousands of Dollars)	For the Six Months Ended June 30,	
	2020	2019
Operating Activities:		
Net Income	\$ 33,415	\$ 33,129
Adjustments to Reconcile Net Income to Net Cash Flows Provided by Operating Activities:		
Depreciation	22,792	20,828
Deferred Income Taxes	(10,045)	(9,169)
Pension, SERP and PBOP Income, Net	(917)	(93)
PBOP Contributions	—	(393)
Amortization of Regulatory Assets, Net	411	1,430
Regulatory Overrecoveries, Net	54,996	45,374
Uncollectible Expense	2,745	4,901
Other	(2,115)	(6,112)
Changes in Current Assets and Liabilities:		
Receivables and Unbilled Revenues, Net	28,335	3,806
Fuel, Materials and Supplies	(1,021)	1,466
Taxes Receivable/Accrued, Net	3,100	(6,196)
Accounts Payable	(15,738)	(28,514)
Other Current Assets and Liabilities, Net	(6,345)	(2,141)
Net Cash Flows Provided by Operating Activities	109,613	58,316
Investing Activities:		
Investments in Property, Plant and Equipment	(112,895)	(114,677)
Net Cash Flows Used in Investing Activities	(112,895)	(114,677)
Financing Activities:		
Cash Dividends on Common Stock	(14,000)	(10,800)
Capital Contributions from Parent	49,700	78,400
Issuance of Long-Term Debt	190,000	—
Retirement of Long-Term Debt	(125,000)	—
Decrease in Notes Payable to Eversource Parent	(51,500)	(11,300)
Other Financing Activities	(543)	—
Net Cash Flows Provided by Financing Activities	48,657	56,300
Net Increase in Cash	45,375	(61)
Cash - Beginning of Period	1,453	205
Cash - End of Period	\$ 46,828	\$ 144

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