

NSTAR GAS COMPANY  
CONSOLIDATED BALANCE SHEETS  
(Unaudited)

(Thousands of Dollars)	As of September 30, 2019	As of December 31, 2018
<b>ASSETS</b>		
Current Assets:		
Cash	\$ 113	\$ 205
Receivables, Net	15,644	49,026
Accounts Receivable from Affiliated Companies	9,736	15,662
Unbilled Revenues	3,442	13,331
Fuel, Materials and Supplies	12,756	13,425
Taxes Receivable	22,445	3,454
Regulatory Assets	43,952	36,159
Prepayments and Other Current Assets	1,150	1,379
<b>Total Current Assets</b>	<b>109,238</b>	<b>132,641</b>
Property, Plant and Equipment, Net	1,404,382	1,275,892
Deferred Debits and Other Assets:		
Regulatory Assets	202,090	198,540
Other Long-Term Assets	44,605	40,677
<b>Total Deferred Debits and Other Assets</b>	<b>246,695</b>	<b>239,217</b>
<b>Total Assets</b>	<b>\$ 1,760,315</b>	<b>\$ 1,647,750</b>
<b>LIABILITIES AND CAPITALIZATION</b>		
Current Liabilities:		
Notes Payable to Eversource Parent	\$ 124,400	\$ 142,100
Long-Term Debt - Current Portion	125,000	—
Accounts Payable	49,563	97,065
Accounts Payable to Affiliated Companies	24,268	29,108
Regulatory Liabilities	12,595	15,016
Other Current Liabilities	15,382	11,853
<b>Total Current Liabilities</b>	<b>351,208</b>	<b>295,142</b>
Deferred Credits and Other Liabilities:		
Accumulated Deferred Income Taxes	181,807	170,565
Regulatory Liabilities	215,210	221,603
Accrued Pension and SERP	41,271	42,595
Other Long-Term Liabilities	54,427	43,290
<b>Total Deferred Credits and Other Liabilities</b>	<b>492,715</b>	<b>478,053</b>
Long-Term Debt	333,931	384,159
Common Stockholder's Equity:		
Common Stock	71,425	71,425
Capital Surplus, Paid In	456,134	372,334
Retained Earnings	54,514	46,249
Accumulated Other Comprehensive Income	388	388
<b>Common Stockholder's Equity</b>	<b>582,461</b>	<b>490,396</b>
<b>Total Liabilities and Capitalization</b>	<b>\$ 1,760,315</b>	<b>\$ 1,647,750</b>

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,	
	2019	2018	2019	2018
Operating Revenues	\$ 34,813	\$ 39,823	\$ 371,239	\$ 372,719
Operating Expenses:				
Cost of Natural Gas	5,316	11,019	170,744	171,723
Operations and Maintenance	20,615	17,818	72,664	70,794
Depreciation	10,118	9,490	30,946	28,659
Amortization of Regulatory (Liabilities)/Assets, Net	(4,776)	(4,040)	(3,346)	461
Energy Efficiency Programs	2,876	3,012	33,702	36,736
Taxes Other Than Income Taxes	7,938	6,781	21,485	19,198
Total Operating Expenses	42,087	44,080	326,195	327,571
Operating (Loss)/Income	(7,274)	(4,257)	45,044	45,148
Interest Expense	5,583	4,987	16,885	14,599
Other (Loss)/Income, Net	(678)	911	1,138	3,382
(Loss)/Income Before Income Tax (Benefit)/Expense	(13,535)	(8,333)	29,297	33,931
Income Tax (Benefit)/Expense	(4,871)	(2,197)	4,832	9,680
Net (Loss)/Income	\$ (8,664)	\$ (6,136)	\$ 24,465	\$ 24,251

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 September 30,		For the Nine Months Ended September 30,	
	2019	2018	2019	2018
Net (Loss)/Income	\$ (8,664)	\$ (6,136)	\$ 24,465	\$ 24,251
Other Comprehensive Loss, Net of Tax:				
Changes in Funded Status of SERP Benefit Plan	—	(7)	—	(20)
Other Comprehensive Loss, Net of Tax	—	(7)	—	(20)
Comprehensive (Loss)/Income	\$ (8,664)	\$ (6,143)	\$ 24,465	\$ 24,231

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 Nine Months Ended September 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 Eversource 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 Eversource Parent			55,400			55,400
Balance as of June 30, 2019	2,857,000	71,425	450,734	68,578	388	591,125
Net Loss				(8,664)		(8,664)
Dividends on Common Stock				(5,400)		(5,400)
Capital Contributions from Eversource Parent			5,400			5,400
Balance as of September 30, 2019	2,857,000	\$ 71,425	\$ 456,134	\$ 54,514	\$ 388	\$ 582,461

For the Nine Months Ended September 30, 2018

(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, 2018	2,857,000	\$ 71,425	\$ 262,134	\$ 25,673	\$ 326	\$ 359,558
Net Income				30,801		30,801
Dividends on Common Stock				(4,800)		(4,800)
Capital Contributions from Eversource Parent			44,200			44,200
Other Comprehensive Loss					(7)	(7)
Balance as of March 31, 2018	2,857,000	71,425	306,334	51,674	319	429,752
Net Loss				(413)		(413)
Dividends on Common Stock				(4,800)		(4,800)
Capital Contributions from Eversource Parent			18,000			18,000
Other				(1)		(1)
Other Comprehensive Loss					(6)	(6)
Balance as of June 30, 2018	2,857,000	71,425	324,334	46,460	313	442,532
Net Loss				(6,136)		(6,136)
Dividends on Common Stock				(4,800)		(4,800)
Capital Contributions from Eversource Parent			24,000			24,000
Other Comprehensive Loss					(7)	(7)
Balance as of September 30, 2018	2,857,000	\$ 71,425	\$ 348,334	\$ 35,524	\$ 306	\$ 455,589

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)	2019	2018
<b>Operating Activities:</b>		
Net Income	\$ 24,465	\$ 24,251
<b>Adjustments to Reconcile Net Income to Net Cash Flows Provided by Operating Activities:</b>		
Depreciation	30,946	28,659
Deferred Income Taxes	7,315	526
Amortization of Regulatory (Liabilities)/Assets, Net	(3,346)	461
Pension, SERP and PBOP Income, Net	(108)	(1,581)
Pension and PBOP Contributions	(5,589)	(610)
Regulatory (Under)/Over Recoveries, Net	(862)	39,034
Uncollectible Expense	5,572	7,390
Other	(2,798)	(10,026)
<b>Changes in Current Assets and Liabilities:</b>		
Receivables and Unbilled Revenues, Net	42,635	42,556
Fuel, Materials and Supplies	669	2,737
Taxes Receivable/Accrued, Net	(18,981)	(27,723)
Accounts Payable	(31,054)	(20,219)
Other Current Assets and Liabilities, Net	(211)	(6,645)
<b>Net Cash Flows Provided by Operating Activities</b>	<b>48,653</b>	<b>78,810</b>
<b>Investing Activities:</b>		
Investments in Property, Plant and Equipment	(173,326)	(140,398)
<b>Net Cash Flows Used in Investing Activities</b>	<b>(173,326)</b>	<b>(140,398)</b>
<b>Financing Activities:</b>		
Cash Dividends on Common Stock	(16,200)	(14,400)
Capital Contributions from Parent	83,800	86,200
Issuance of Long-Term Debt	75,000	100,000
Decrease in Notes Payable to Eversource Parent	(17,700)	(109,800)
Other Financing Activities	(319)	(303)
<b>Net Cash Flows Provided by Financing Activities</b>	<b>124,581</b>	<b>61,697</b>
Net (Decrease)/Increase in Cash	(92)	109
Cash - Beginning of Period	205	45
Cash - End of Period	<u>\$ 113</u>	<u>\$ 154</u>

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