

EVERSOURCE ENERGY
Form 10-Q
August 05, 2015

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 10-Q

x **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934**

For the Quarterly Period Ended June 30, 2015

or

.. **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____ to _____

**Commission
File Number**

**Registrant; State of Incorporation;
Address; and Telephone Number**

**I.R.S. Employer
Identification No.**

1-5324

EVERSOURCE ENERGY
(a Massachusetts voluntary association)
300 Cadwell Drive
Springfield, Massachusetts 01104
Telephone: (413) 785-5871

04-2147929

0-00404

THE CONNECTICUT LIGHT AND POWER COMPANY 06-0303850
(a Connecticut corporation)
107 Selden Street
Berlin, Connecticut 06037-1616

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Telephone: (860) 665-5000

1-02301	NSTAR ELECTRIC COMPANY (a Massachusetts corporation) 800 Boylston Street Boston, Massachusetts 02199 Telephone: (617) 424-2000	04-1278810
1-6392	PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE (a New Hampshire corporation) Energy Park 780 North Commercial Street Manchester, New Hampshire 03101-1134 Telephone: (603) 669-4000	02-0181050
0-7624	WESTERN MASSACHUSETTS ELECTRIC COMPANY (a Massachusetts corporation) 300 Cadwell Drive Springfield, Massachusetts 01104 Telephone: (413) 785-5871	04-1961130

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Indicate by check mark whether the registrants (1) have filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrants were required to file such reports), and (2) have been subject to such filing requirements for the past 90 days.

<u>Yes</u>	<u>No</u>
x	..

Indicate by check mark whether the registrants have submitted electronically and posted on its corporate Web sites, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrants were required to submit and post such files).

<u>Yes</u>	<u>No</u>
x	..

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer" and "large accelerated filer" in Rule 12b-2 of the Exchange Act. (Check one):

	Large Accelerated Filer	Accelerated Filer	Non-accelerated Filer
Eversource Energy	x
The Connecticut Light and Power Company	x
NSTAR Electric Company	x
Public Service Company of New Hampshire	x
Western Massachusetts Electric Company	x

Indicate by check mark whether the registrants are shell companies (as defined in Rule 12b-2 of the Exchange Act):

	<u>Yes</u>	<u>No</u>
Eversource Energy	..	x
The Connecticut Light and Power Company	..	x
NSTAR Electric Company	..	x
Public Service Company of New Hampshire	..	x
Western Massachusetts Electric Company	..	x

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Indicate the number of shares outstanding of each of the issuers' classes of common stock, as of the latest practicable date:

<u>Company - Class of Stock</u>	<u>Outstanding as of July 31, 2015</u>
Eversource Energy Common shares, \$5.00 par value	317,173,164 shares
The Connecticut Light and Power Company Common stock, \$10.00 par value	6,035,205 shares
NSTAR Electric Company Common stock, \$1.00 par value	100 shares
Public Service Company of New Hampshire Common stock, \$1.00 par value	301 shares
Western Massachusetts Electric Company Common stock, \$25.00 par value	434,653 shares

Eversource Energy holds all of the 6,035,205 shares, 100 shares, 301 shares, and 434,653 shares of the outstanding common stock of The Connecticut Light and Power Company, NSTAR Electric Company, Public Service Company of New Hampshire and Western Massachusetts Electric Company, respectively.

NSTAR Electric Company, Public Service Company of New Hampshire and Western Massachusetts Electric Company each meet the conditions set forth in General Instructions H(1)(a) and (b) of Form 10-Q, and each is therefore filing this Form 10-Q with the reduced disclosure format specified in General Instruction H(2) of Form 10-Q.

Eversource Energy, The Connecticut Light and Power Company, NSTAR Electric Company, Public Service Company of New Hampshire, and Western Massachusetts Electric Company each separately file this combined Form 10-Q. Information contained herein relating to any individual registrant is filed by such registrant on its own behalf. Each registrant makes no representation as to information relating to the other registrants.

GLOSSARY OF TERMS

The following is a glossary of abbreviations or acronyms that are found in this report:

Current or former Eversource Energy companies, segments or investments:

ES, Eversource or the Company	Eversource Energy and subsidiaries
ES parent or Eversource parent	Eversource Energy, a public utility holding company
ES parent and other companies	ES parent and other companies is comprised of ES parent, Eversource Service and other subsidiaries, which primarily includes our unregulated businesses, HWP Company, The Rocky River Realty Company (a real estate subsidiary), and the consolidated operations of CYAPC and YAEC
CL&P	The Connecticut Light and Power Company
NSTAR Electric	NSTAR Electric Company
PSNH	Public Service Company of New Hampshire
WMECO	Western Massachusetts Electric Company
NSTAR Gas	NSTAR Gas Company
Yankee Gas	Yankee Gas Services Company
ESTV	Eversource Energy Transmission Ventures, Inc., the parent company of NPT and Renewable Properties, Inc.
NPT	Northern Pass Transmission LLC
Eversource Service	Eversource Energy Service Company (effective January 1, 2014 includes the operations of NSTAR Electric & Gas)
NSTAR Electric & Gas	NSTAR Electric & Gas Corporation, a former Eversource Energy service company (effective January 1, 2014 merged into Eversource Energy Service Company)
CYAPC	Connecticut Yankee Atomic Power Company
MYAPC	Maine Yankee Atomic Power Company
YAEC	Yankee Atomic Electric Company
Yankee Companies	CYAPC, YAEC and MYAPC
Regulated companies	The ES Regulated companies, comprised of the electric distribution and transmission businesses of CL&P, NSTAR Electric, PSNH, and WMECO, the natural gas distribution businesses of Yankee Gas and NSTAR Gas, the generation activities of PSNH and WMECO, and NPT
Regulators:	
DEEP	Connecticut Department of Energy and Environmental Protection
DOE	U.S. Department of Energy
DOER	Massachusetts Department of Energy Resources
DPU	Massachusetts Department of Public Utilities
EPA	U.S. Environmental Protection Agency
FERC	Federal Energy Regulatory Commission
ISO-NE	ISO New England, Inc., the New England Independent System Operator
MA DEP	Massachusetts Department of Environmental Protection
NHPUC	New Hampshire Public Utilities Commission
PURA	Connecticut Public Utilities Regulatory Authority
SEC	U.S. Securities and Exchange Commission

SJC	Supreme Judicial Court of Massachusetts
Other Terms and Abbreviations:	
AFUDC	Allowance For Funds Used During Construction
AOCI	Accumulated Other Comprehensive Income/(Loss)
ARO	Asset Retirement Obligation
C&LM	Conservation and Load Management
CfD	Contract for Differences
Clean Air Project	The construction of a wet flue gas desulphurization system, known as "scrubber technology," to reduce mercury emissions of the Merrimack coal-fired generation station in Bow, New Hampshire
CO ₂	Carbon dioxide
CPSL	Capital Projects Scheduling List
CTA	Competitive Transition Assessment
CWIP	Construction Work in Progress
EPS	Earnings Per Share
ERISA	Employee Retirement Income Security Act of 1974
ES 2014 Form 10-K	The Eversource Energy and Subsidiaries 2014 combined Annual Report on Form 10-K as filed with the SEC
ESOP	Employee Stock Ownership Plan
ESPP	Employee Share Purchase Plan
FERC ALJ	FERC Administrative Law Judge
Fitch	Fitch Ratings
FMCC	Federally Mandated Congestion Charge
FTR	Financial Transmission Rights
GAAP	Accounting principles generally accepted in the United States of America
GSC	Generation Service Charge
GSRP	Greater Springfield Reliability Project
GWh	Gigawatt-Hours

HQ	Hydro-Québec, a corporation wholly owned by the Québec government, including its divisions that produce, transmit and distribute electricity in Québec, Canada
HVDC	High voltage direct current
Hydro Renewable Energy	Hydro Renewable Energy, Inc., a wholly owned subsidiary of Hydro-Québec
IPP	Independent Power Producers
ISO-NE Tariff	ISO-NE FERC Transmission, Markets and Services Tariff
kV	Kilovolt
kW	Kilowatt (equal to one thousand watts)
kWh	Kilowatt-Hours (the basic unit of electricity energy equal to one kilowatt of power supplied for one hour)
LBR	Lost Base Revenue
LNG	Liquefied natural gas
LRS	Supplier of last resort service
MGP	Manufactured Gas Plant
MMBtu	One million British thermal units
Moody's	Moody's Investors Services, Inc.
MW	Megawatt
MWh	Megawatt-Hours
NEEWS	New England East-West Solution
Northern Pass	The high voltage direct current transmission line project from Canada into New Hampshire
NO _x	Nitrogen oxides
PAM	Pension and PBOP Rate Adjustment Mechanism
PBOP	Postretirement Benefits Other Than Pension
PBOP Plan	Postretirement Benefits Other Than Pension Plan that provides certain retiree health care benefits, primarily medical and dental, and life insurance benefits
PCRBs	Pollution Control Revenue Bonds
Pension Plan	Single uniform noncontributory defined benefit retirement plan
PPA	Pension Protection Act
RECs	Renewable Energy Certificates
Regulatory ROE	The average cost of capital method for calculating the return on equity related to the distribution and generation business segment excluding the wholesale transmission segment
ROE	Return on Equity
RRB	Rate Reduction Bond or Rate Reduction Certificate
RSUs	Restricted share units
S&P	Standard & Poor's Financial Services LLC
SBC	Systems Benefits Charge
SCRC	Stranded Cost Recovery Charge
SERP	Supplemental Executive Retirement Plans and non-qualified defined benefit retirement plans
SIP	Simplified Incentive Plan
SO ₂	Sulfur dioxide
SS	Standard service
TCAM	Transmission Cost Adjustment Mechanism
TSA	Transmission Service Agreement
UI	The United Illuminating Company

EVERSOURCE ENERGY AND SUBSIDIARIES
 THE CONNECTICUT LIGHT AND POWER COMPANY
 NSTAR ELECTRIC COMPANY AND SUBSIDIARY
 PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE AND SUBSIDIARY
 WESTERN MASSACHUSETTS ELECTRIC COMPANY

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EVERSOURCE ENERGY AND SUBSIDIARIES
 CONDENSED CONSOLIDATED BALANCE SHEETS
 (Unaudited)

(Thousands of Dollars)	June 30, 2015	December 31, 2014
<u>ASSETS</u>		
Current Assets:		
Cash and Cash Equivalents	\$ 36,469	\$ 38,703
Receivables, Net	903,578	856,346
Unbilled Revenues	205,155	211,758
Taxes Receivable	117,792	337,307
Fuel, Materials and Supplies	289,561	349,664
Regulatory Assets	709,660	672,493
Marketable Securities	124,830	124,173
Prepayments and Other Current Assets	62,884	102,021
Total Current Assets	2,449,929	2,692,465
Property, Plant and Equipment, Net	19,079,189	18,647,041
Deferred Debits and Other Assets:		
Regulatory Assets	4,016,684	4,054,086
Goodwill	3,519,401	3,519,401
Marketable Securities	497,919	515,025
Other Long-Term Assets	316,817	349,957
Total Deferred Debits and Other Assets	8,350,821	8,438,469
Total Assets	\$ 29,879,939	\$ 29,777,975
<u>LIABILITIES AND CAPITALIZATION</u>		
Current Liabilities:		
Notes Payable	\$ 953,700	\$ 956,825
Long-Term Debt - Current Portion	278,883	245,583
Accounts Payable	598,716	868,231
Regulatory Liabilities	208,510	235,022
Accumulated Deferred Income Taxes	203,375	160,288
Other Current Liabilities	595,801	668,432
Total Current Liabilities	2,838,985	3,134,381
Deferred Credits and Other Liabilities:		
Accumulated Deferred Income Taxes	4,606,159	4,467,473
Regulatory Liabilities	510,807	515,144
Derivative Liabilities	380,966	409,632

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Accrued Pension, SERP and PBOP	1,636,769	1,638,558
Other Long-Term Liabilities	875,985	874,387
Total Deferred Credits and Other Liabilities	8,010,686	7,905,194
Capitalization:		
Long-Term Debt	8,689,647	8,606,017
Noncontrolling Interest - Preferred Stock of Subsidiaries	155,568	155,568
Equity:		
Common Shareholders' Equity:		
Common Shares	1,669,167	1,666,796
Capital Surplus, Paid In	6,253,411	6,235,834
Retained Earnings	2,644,485	2,448,661
Accumulated Other Comprehensive Loss	(72,033)	(74,009)
Treasury Stock	(309,977)	(300,467)
Common Shareholders' Equity	10,185,053	9,976,815
Total Capitalization	19,030,268	18,738,400
Total Liabilities and Capitalization	\$ 29,879,939	\$ 29,777,975

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

EVERSOURCE ENERGY AND
SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF
INCOME
(Unaudited)

(Thousands of Dollars, Except Share Information)	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2015	2014	2015	2014
Operating Revenues	\$ 1,817,061	\$ 1,677,614	\$ 4,330,491	\$ 3,968,204
Operating Expenses:				
Purchased Power, Fuel and Transmission	685,118	624,211	1,847,167	1,602,362
Operations and Maintenance	316,641	373,234	650,024	724,922
Depreciation	163,668	152,207	327,505	303,014
Amortization of Regulatory (Liabilities)/Assets, Net	(1,166)	(3,542)	59,438	54,356
Energy Efficiency Programs	101,850	102,711	248,452	241,536
Taxes Other Than Income Taxes	138,935	134,803	288,415	280,335
Total Operating Expenses	1,405,046	1,383,624	3,421,001	3,206,525
Operating Income	412,015	293,990	909,490	761,679
Interest Expense:				
Interest on Long-Term Debt	88,021	87,491	175,735	174,868
Other Interest	4,238	5,004	11,367	7,603
Interest Expense	92,259	92,495	187,102	182,471
Other Income, Net	12,899	5,526	18,626	7,194
Income Before Income Tax Expense	332,655	207,021	741,014	586,402
Income Tax Expense	123,268	77,774	276,494	219,319
Net Income	209,387	129,247	464,520	367,083
Net Income Attributable to Noncontrolling Interests	1,880	1,880	3,759	3,759
Net Income Attributable to Controlling Interest	\$ 207,507	\$ 127,367	\$ 460,761	\$ 363,324
Basic and Diluted Earnings Per Common Share	\$ 0.65	\$ 0.40	\$ 1.45	\$ 1.15
Dividends Declared Per Common Share	\$ 0.42	\$ 0.39	\$ 0.84	\$ 0.79
Weighted Average Common Shares Outstanding:				
Basic	317,613,166	315,950,510	317,352,004	315,742,511
Diluted	318,559,568	317,112,801	318,525,378	317,002,461

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE
INCOME
(Unaudited)

Net Income	\$	209,387	\$	129,247	\$	464,520	\$	367,083
Other Comprehensive Income, Net of Tax:								
Qualified Cash Flow Hedging Instruments		509		510		1,018		1,019
Changes in Unrealized (Losses)/Gains on Other Securities		(1,248)		218		(1,116)		458
Changes in Funded Status of Pension, SERP and PBOP Benefit Plans		1,120		2,086		2,074		3,047
Other Comprehensive Income, Net of Tax		381		2,814		1,976		4,524
Comprehensive Income Attributable to Noncontrolling Interests		(1,880)		(1,880)		(3,759)		(3,759)
Comprehensive Income Attributable to Controlling Interest	\$	207,888	\$	130,181	\$	462,737	\$	367,848

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

EVERSOURCE ENERGY AND SUBSIDIARIES
 CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
 (Unaudited)

(Thousands of Dollars)	For the Six Months Ended June 30,	
	2015	2014
Operating Activities:		
Net Income	\$ 464,520	\$ 367,083
Adjustments to Reconcile Net Income to Net Cash Flows Provided by Operating Activities:		
Depreciation	327,505	303,014
Deferred Income Taxes	176,800	133,149
Pension, SERP and PBOP Expense	48,432	47,558
Pension and PBOP Contributions	(31,032)	(40,640)
Regulatory (Under)/Over Recoveries, Net	(73,547)	164,388
Amortization of Regulatory Assets, Net	59,438	54,356
Proceeds from DOE Damages Claim, Net	-	125,658
Other	(48,247)	(9,359)
Changes in Current Assets and Liabilities:		
Receivables and Unbilled Revenues, Net	(123,984)	(57,570)
Fuel, Materials and Supplies	60,044	26,633
Taxes Receivable/Accrued, Net	214,577	(62,900)
Accounts Payable	(228,176)	(112,954)
Other Current Assets and Liabilities, Net	9,226	(41,753)
Net Cash Flows Provided by Operating Activities	855,556	896,663
Investing Activities:		
Investments in Property, Plant and Equipment	(740,379)	(724,043)
Proceeds from Sales of Marketable Securities	427,990	256,309
Purchases of Marketable Securities	(408,242)	(257,168)
Other Investing Activities	4,821	3,473
Net Cash Flows Used in Investing Activities	(715,810)	(721,429)
Financing Activities:		
Cash Dividends on Common Shares	(264,936)	(237,161)
Cash Dividends on Preferred Stock	(3,759)	(3,759)
Decrease in Notes Payable	(449,375)	(213,000)
Issuance of Long-Term Debt	750,000	650,000
Retirements of Long-Term Debt	(166,577)	(376,650)
Other Financing Activities	(7,333)	(3,932)
Net Cash Flows Used in Financing Activities	(141,980)	(184,502)
Net Decrease in Cash and Cash Equivalents	(2,234)	(9,268)
Cash and Cash Equivalents - Beginning of Period	38,703	43,364
Cash and Cash Equivalents - End of Period	\$ 36,469	\$ 34,096

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

THE CONNECTICUT LIGHT AND POWER COMPANY
 CONDENSED BALANCE SHEETS
 (Unaudited)

(Thousands of Dollars)	June 30, 2015	December 31, 2014
<u>ASSETS</u>		
Current Assets:		
Cash	\$ 9,227	\$ 2,356
Receivables, Net	395,863	355,140
Accounts Receivable from Affiliated Companies	22,981	16,757
Unbilled Revenues	103,767	102,137
Taxes Receivable	-	116,148
Regulatory Assets	263,713	220,344
Materials and Supplies	50,357	46,664
Prepayments and Other Current Assets	15,043	37,822
Total Current Assets	860,951	897,368
Property, Plant and Equipment, Net	6,934,618	6,809,664
Deferred Debits and Other Assets:		
Regulatory Assets	1,461,483	1,475,508
Other Long-Term Assets	146,299	177,568
Total Deferred Debits and Other Assets	1,607,782	1,653,076
Total Assets	\$ 9,403,351	\$ 9,360,108
<u>LIABILITIES AND CAPITALIZATION</u>		
Current Liabilities:		
Notes Payable to Eversource Parent	\$ 85,600	\$ 133,400
Long-Term Debt - Current Portion	-	162,000
Accounts Payable	208,860	272,971
Accounts Payable to Affiliated Companies	58,227	65,594
Obligations to Third Party Suppliers	67,844	73,624
Regulatory Liabilities	122,617	124,722
Derivative Liabilities	90,933	88,459
Accumulated Deferred Income Taxes	46,811	34,073
Other Current Liabilities	97,062	119,347
Total Current Liabilities	777,954	1,074,190
Deferred Credits and Other Liabilities:		
Accumulated Deferred Income Taxes	1,666,607	1,642,805

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Regulatory Liabilities	71,245	81,298
Derivative Liabilities	380,196	406,199
Accrued Pension, SERP and PBOP	286,131	273,854
Other Long-Term Liabilities	144,983	148,844
Total Deferred Credits and Other Liabilities	2,549,162	2,553,000
Capitalization:		
Long-Term Debt	2,975,091	2,679,951
Preferred Stock Not Subject to Mandatory Redemption	116,200	116,200
Common Stockholder's Equity:		
Common Stock	60,352	60,352
Capital Surplus, Paid In	1,805,638	1,804,869
Retained Earnings	1,119,702	1,072,477
Accumulated Other Comprehensive Loss	(748)	(931)
Common Stockholder's Equity	2,984,944	2,936,767
Total Capitalization	6,076,235	5,732,918
Total Liabilities and Capitalization	\$ 9,403,351	\$ 9,360,108

The accompanying notes are an integral part of these unaudited condensed financial statements.

THE CONNECTICUT LIGHT AND POWER COMPANY
CONDENSED STATEMENTS OF INCOME
(Unaudited)

(Thousands of Dollars)	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2015	2014	2015	2014
Operating Revenues	\$ 666,554	\$ 587,324	\$ 1,471,471	\$ 1,321,938
Operating Expenses:				
Purchased Power and Transmission	253,180	199,785	586,799	481,165
Operations and Maintenance	118,687	131,762	236,044	241,276
Depreciation	52,191	46,581	105,094	92,712
Amortization of Regulatory (Liabilities)/Assets, Net	(7,530)	19,615	40,776	49,546
Energy Efficiency Programs	33,963	35,296	76,770	77,991
Taxes Other Than Income Taxes	62,102	62,159	130,181	129,111
Total Operating Expenses	512,593	495,198	1,175,664	1,071,801
Operating Income	153,961	92,126	295,807	250,137
Interest Expense:				
Interest on Long-Term Debt	33,423	34,639	66,904	67,548
Other Interest	2,701	2,831	5,844	4,165
Interest Expense	36,124	37,470	72,748	71,713
Other Income, Net	4,062	3,130	6,221	4,202
Income Before Income Tax Expense	121,899	57,786	229,280	182,626
Income Tax Expense	43,129	20,401	81,276	65,942
Net Income	\$ 78,770	\$ 37,385	\$ 148,004	\$ 116,684

The accompanying notes are an integral part of these unaudited condensed financial statements.

CONDENSED STATEMENTS OF COMPREHENSIVE
INCOME
(Unaudited)

Net Income	\$ 78,770	\$ 37,385	\$ 148,004	\$ 116,684
Other Comprehensive Income, Net of Tax:				
Qualified Cash Flow Hedging Instruments	111	111	222	222
	(43)	7	(39)	15

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Changes in Unrealized (Losses)/Gains on Other Securities					
Other Comprehensive Income, Net of Tax	68		118		183
Comprehensive Income	\$ 78,838	\$	37,503	\$	148,187
					\$ 116,921

The accompanying notes are an integral part of these unaudited condensed financial statements.

THE CONNECTICUT LIGHT AND POWER COMPANY
 CONDENSED STATEMENTS OF CASH FLOWS
 (Unaudited)

(Thousands of Dollars)	For the Six Months Ended June 30,	
	2015	2014
Operating Activities:		
Net Income	\$ 148,004	\$ 116,684
Adjustments to Reconcile Net Income to Net Cash Flows Provided by Operating Activities:		
Depreciation	105,094	92,712
Deferred Income Taxes	30,145	43,253
Pension, SERP and PBOP Expense, Net of PBOP Contributions	7,079	5,973
Regulatory (Under)/Over Recoveries, Net	(55,302)	18,156
Amortization of Regulatory Assets, Net	40,776	49,546
Proceeds from DOE Damages Claim	-	65,370
Other	(2,432)	(3,428)
Changes in Current Assets and Liabilities:		
Receivables and Unbilled Revenues, Net	(73,279)	(129,209)
Taxes Receivable/Accrued, Net	123,051	27,679
Accounts Payable	(55,192)	(26,995)
Other Current Assets and Liabilities, Net	2,085	15,705
Net Cash Flows Provided by Operating Activities	270,029	275,446
Investing Activities:		
Investments in Property, Plant and Equipment	(242,346)	(221,365)
Other Investing Activities	(1,362)	1,575
Net Cash Flows Used in Investing Activities	(243,708)	(219,790)
Financing Activities:		
Cash Dividends on Common Stock	(98,000)	(85,600)
Cash Dividends on Preferred Stock	(2,779)	(2,779)
Issuance of Long-Term Debt	300,000	250,000
Retirements of Long-Term Debt	(162,000)	-
Decrease in Notes Payable to Eversource Parent	(47,800)	(280,900)
Capital Contribution from Eversource Parent	-	70,000
Other Financing Activities	(8,871)	(3,128)
Net Cash Flows Used in Financing Activities	(19,450)	(52,407)
Net Increase in Cash	6,871	3,249
Cash - Beginning of Period	2,356	7,237
Cash - End of Period	\$ 9,227	\$ 10,486

The accompanying notes are an integral part of these unaudited condensed financial statements.

NSTAR ELECTRIC COMPANY AND SUBSIDIARY
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)

(Thousands of Dollars)	June 30, 2015	December 31, 2014
<u>ASSETS</u>		
Current Assets:		
Cash and Cash Equivalents	\$ 2,848	\$ 12,773
Receivables, Net	288,581	234,481
Accounts Receivable from Affiliated Companies	50,582	40,353
Unbilled Revenues	41,294	29,741
Taxes Receivable	43,940	144,601
Materials and Supplies	56,584	74,179
Regulatory Assets	258,489	198,710
Prepayments and Other Current Assets	3,870	10,815
Total Current Assets	746,188	745,653
Property, Plant and Equipment, Net	5,451,668	5,335,436
Deferred Debits and Other Assets:		
Regulatory Assets	1,198,167	1,179,100
Other Long-Term Assets	58,936	73,051
Total Deferred Debits and Other Assets	1,257,103	1,252,151
Total Assets	\$ 7,454,959	\$ 7,333,240
<u>LIABILITIES AND CAPITALIZATION</u>		
Current Liabilities:		
Notes Payable	\$ 377,200	\$ 302,000
Long-Term Debt - Current Portion	200,000	4,700
Accounts Payable	173,863	217,311
Accounts Payable to Affiliated Companies	71,066	63,517
Obligations to Third Party Suppliers	57,069	34,824
Renewable Portfolio Standards Compliance Obligations	61,200	35,698
Accumulated Deferred Income Taxes	107,995	55,136
Regulatory Liabilities	5,007	49,611
Other Current Liabilities	86,718	115,991
Total Current Liabilities	1,140,118	878,788
Deferred Credits and Other Liabilities:		
Accumulated Deferred Income Taxes	1,538,988	1,527,667

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Regulatory Liabilities	266,572	262,738
Accrued Pension, SERP and PBOP	220,000	235,529
Other Long-Term Liabilities	123,421	129,279
Total Deferred Credits and Other Liabilities	2,148,981	2,155,213
Capitalization:		
Long-Term Debt	1,592,722	1,792,712
Preferred Stock Not Subject to Mandatory Redemption	43,000	43,000
Common Stockholder's Equity:		
Common Stock	-	-
Capital Surplus, Paid In	995,378	994,130
Retained Earnings	1,534,500	1,468,955
Accumulated Other Comprehensive Income	260	442
Common Stockholder's Equity	2,530,138	