



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

FORM 10-Q



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

For the Quarterly Period Ended June 30, 2023

or



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

For the transition period from _____ to _____

Registrant: State of Incorporation; Address; Telephone Number;
Commission File Number; and I.R.S. Employer Identification No.

EVERSOURCE ENERGY
(a Massachusetts voluntary association)
300 Cadwell Drive, Springfield, Massachusetts 01104
Telephone: (800) 286-5000
Commission File Number: 001-05324
I.R.S. Employer Identification No. 04-2147929

THE CONNECTICUT LIGHT AND POWER COMPANY
(a Connecticut corporation)
107 Selden Street, Berlin, Connecticut 06037-1616
Telephone: (800) 286-5000
Commission File Number: 000-00404
I.R.S. Employer Identification No. 06-0303850

NSTAR ELECTRIC COMPANY
(a Massachusetts corporation)
800 Boylston Street, Boston, Massachusetts 02199
Telephone: (800) 286-5000
Commission File Number: 001-02301
I.R.S. Employer Identification No. 04-1278810

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
(a New Hampshire corporation)
Energy Park
780 North Commercial Street, Manchester, New Hampshire 03101-1134
Telephone: (800) 286-5000
Commission File Number: 001-06392
I.R.S. Employer Identification No. 02-0181050

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Shares, \$5.00 par value per share	ES	New York Stock Exchange

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.

Yes
☒

No
☐

Indicate by check mark whether the registrants have submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrants were required to submit such files).

Yes
☒

No
☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Eversource Energy	Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>	Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>	Emerging growth company	<input type="checkbox"/>
The Connecticut Light and Power Company	Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input type="checkbox"/>	Non-accelerated filer	<input checked="" type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>	Emerging growth company	<input type="checkbox"/>
NSTAR Electric Company	Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input type="checkbox"/>	Non-accelerated filer	<input checked="" type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>	Emerging growth company	<input type="checkbox"/>
Public Service Company of New Hampshire	Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input type="checkbox"/>	Non-accelerated filer	<input checked="" type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>	Emerging growth company	<input type="checkbox"/>

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

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

Yes

No

Eversource Energy
The Connecticut Light and Power Company
NSTAR Electric Company
Public Service Company of New Hampshire

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Indicate the number of shares outstanding of each of the registrant's classes of common stock, as of the latest practicable date.

Company - Class of Stock

Outstanding as of July 31, 2023

Eversource Energy Common Shares, \$5.00 par value
The Connecticut Light and Power Company Common Stock, \$10.00 par value
NSTAR Electric Company Common Stock, \$1.00 par value
Public Service Company of New Hampshire Common Stock, \$1.00 par value

349,085,815 shares
6,035,205 shares
200 shares
301 shares

Eversource Energy holds all of the 6,035,205 shares, 200 shares, and 301 shares of the outstanding common stock of The Connecticut Light and Power Company, NSTAR Electric Company, and Public Service Company of New Hampshire, respectively.

NSTAR Electric Company and Public Service Company of New Hampshire each meet the conditions set forth in General Instruction 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, and Public Service Company of New Hampshire 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 and acronyms that are found in this report:

Current or former Eversource Energy companies, segments or investments:

Eversource, ES or the Company	Eversource Energy and subsidiaries
Eversource parent or ES parent	Eversource Energy, a public utility holding company
ES parent and other companies	ES parent and other companies are comprised of Eversource parent, Eversource Service, and other subsidiaries, which primarily includes our unregulated businesses, HWP Company, The Rocky River Realty Company (a real estate subsidiary), the consolidated operations of CYAPC and YAEC, and Eversource parent's equity ownership interests that are not consolidated
CL&P	The Connecticut Light and Power Company
NSTAR Electric	NSTAR Electric Company
PSNH	Public Service Company of New Hampshire
PSNH Funding	PSNH Funding LLC 3, a bankruptcy remote, special purpose, wholly-owned subsidiary of PSNH
NSTAR Gas	NSTAR Gas Company
EGMA	Eversource Gas Company of Massachusetts
Yankee Gas	Yankee Gas Services Company
Aquarion	Aquarion Company and its subsidiaries
HEEC	Harbor Electric Energy Company, a wholly-owned subsidiary of NSTAR Electric
Eversource Service	Eversource Energy Service Company
North East Offshore	North East Offshore, LLC, an offshore wind business being developed jointly by Eversource and Denmark-based Ørsted
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 Eversource regulated companies are comprised of the electric distribution and transmission businesses of CL&P, NSTAR Electric and PSNH, the natural gas distribution businesses of Yankee Gas, NSTAR Gas and EGMA, Aquarion's water distribution businesses, and the solar power facilities of NSTAR Electric

Regulators and Government Agencies:

BOEM	U.S. Bureau of Ocean Energy Management
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

Other Terms and Abbreviations:

ADIT	Accumulated Deferred Income Taxes
AFUDC	Allowance For Funds Used During Construction
AOCI	Accumulated Other Comprehensive Income
ARO	Asset Retirement Obligation
Bcf	Billion cubic feet
CfD	Contract for Differences
CWIP	Construction Work in Progress
EDC	Electric distribution company
EDIT	Excess Deferred Income Taxes
EPS	Earnings Per Share
ERISA	Employee Retirement Income Security Act of 1974
ESOP	Employee Stock Ownership Plan
Eversource 2022 Form 10-K	The Eversource Energy and Subsidiaries 2022 combined Annual Report on Form 10-K as filed with the SEC
Fitch	Fitch Ratings, Inc.

FMCC	Federally Mandated Congestion Charge
GAAP	Accounting principles generally accepted in the United States of America
GWh	Gigawatt-Hours
IPP	Independent Power Producers
ISO-NE Tariff	ISO-NE FERC Transmission, Markets and Services Tariff
kV	Kilovolt
kVa	Kilovolt-ampere
kW	Kilowatt (equal to one thousand watts)
LNG	Liquefied natural gas
LPG	Liquefied petroleum gas
LRS	Supplier of last resort service
MG	Million gallons
MGP	Manufactured Gas Plant
MMBtu	Million British thermal units
MMcf	Million cubic feet
Moody's	Moody's Investors Services, Inc.
MW	Megawatt
MWh	Megawatt-Hours
NETOs	New England Transmission Owners (including Eversource, National Grid and Avangrid)
OCI	Other Comprehensive Income/(Loss)
PAM	Pension and PBOP Rate Adjustment Mechanism
PBOP	Postretirement Benefits Other Than Pension
PBOP Plan	Postretirement Benefits Other Than Pension Plan
Pension Plan	Single uniform noncontributory defined benefit retirement plan
PPA	Power purchase agreement
PPAM	Pole Plant Adjustment Mechanism
RECs	Renewable Energy Certificates
Regulatory ROE	The average cost of capital method for calculating the return on equity related to the distribution business segment excluding the wholesale transmission segment
ROE	Return on Equity
RRBs	Rate Reduction Bonds or Rate Reduction Certificates
RSUs	Restricted share units
S&P	Standard & Poor's Financial Services LLC
SERP	Supplemental Executive Retirement Plans and non-qualified defined benefit retirement plans
SS	Standard service
UI	The United Illuminating Company
VIE	Variable Interest Entity

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EVERSOURCE ENERGY AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)
(Thousands of Dollars)

As of June 30, 2023

As of December 31, 2022

ASSETS			
Current Assets:			
Cash	\$	42,182	\$ 47,597
Cash Equivalents		—	327,006
Receivables, Net (net of allowance for uncollectible accounts of \$532,427 and \$486,297 as of June 30, 2023 and December 31, 2022, respectively)		1,332,314	1,517,138
Unbilled Revenues		181,100	238,968
Materials, Supplies, Natural Gas and REC Inventory		405,800	374,395
Regulatory Assets		1,382,150	1,335,491
Prepayments and Other Current Assets		378,007	382,603
Total Current Assets		3,721,553	4,223,198
Property, Plant and Equipment, Net		37,578,203	36,112,820
Deferred Debits and Other Assets:			
Regulatory Assets		4,390,816	4,242,794
Goodwill		4,522,632	4,522,632
Investments in Unconsolidated Affiliates		2,227,277	2,176,080
Prepaid Pension and PBOP		1,183,689	1,045,524
Marketable Securities		327,401	366,508
Other Long-Term Assets		588,174	541,344
Total Deferred Debits and Other Assets		13,239,989	12,894,882
Total Assets	\$	54,539,745	\$ 53,230,900
LIABILITIES AND CAPITALIZATION			
Current Liabilities:			
Notes Payable	\$	555,535	\$ 1,442,200
Long-Term Debt – Current Portion		2,062,464	1,320,129
Rate Reduction Bonds – Current Portion		43,210	43,210
Accounts Payable		1,549,972	2,113,905
Regulatory Liabilities		653,808	890,786
Other Current Liabilities		929,587	989,053
Total Current Liabilities		5,794,576	6,799,283
Deferred Credits and Other Liabilities:			
Accumulated Deferred Income Taxes		5,275,036	5,067,902
Regulatory Liabilities		3,967,426	3,930,305
Derivative Liabilities		103,431	143,929
Asset Retirement Obligations		501,904	502,713
Accrued Pension, SERP and PBOP		119,611	135,473
Other Long-Term Liabilities		907,226	888,081
Total Deferred Credits and Other Liabilities		10,874,634	10,668,403
Long-Term Debt		21,771,980	19,723,994
Rate Reduction Bonds		388,887	410,492
Noncontrolling Interest – Preferred Stock of Subsidiaries		155,570	155,570
Common Shareholders' Equity:			
Common Shares		1,799,920	1,799,920
Capital Surplus, Paid In		8,428,786	8,401,731
Retained Earnings		5,562,889	5,527,153
Accumulated Other Comprehensive Loss		(32,103)	(39,421)
Treasury Stock		(205,394)	(216,225)
Common Shareholders' Equity		15,554,098	15,473,158
Commitments and Contingencies (Note 9)			
Total Liabilities and Capitalization	\$	54,539,745	\$ 53,230,900

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,	
	2023	2022	2023	2022
Operating Revenues	\$ 2,629,342	\$ 2,572,641	\$ 6,424,985	\$ 6,043,951
Operating Expenses:				
Purchased Power, Purchased Natural Gas and Transmission	1,161,067	940,541	3,064,313	2,330,237
Operations and Maintenance	427,290	452,174	881,852	924,608
Depreciation	319,995	294,238	632,949	583,568
Amortization	(218,422)	70,409	(294,481)	307,357
Energy Efficiency Programs	145,823	136,679	368,774	336,163
Taxes Other Than Income Taxes	232,927	223,031	461,344	443,395
Total Operating Expenses	2,068,680	2,117,072	5,114,751	4,925,328
Operating Income	560,662	455,569	1,310,234	1,118,623
Interest Expense	207,313	160,090	401,858	313,334
Impairment of Offshore Wind Investment	401,000	—	401,000	—
Other Income, Net	94,875	93,861	183,857	165,422
Income Before Income Tax Expense	47,224	389,340	691,233	970,711
Income Tax Expense	29,922	95,598	180,893	231,643
Net Income	17,302	293,742	510,340	739,068
Net Income Attributable to Noncontrolling Interests	1,880	1,880	3,759	3,759
Net Income Attributable to Common Shareholders	\$ 15,422	\$ 291,862	\$ 506,581	\$ 735,309
Basic and Diluted Earnings Per Common Share	\$ 0.04	\$ 0.84	\$ 1.45	\$ 2.13
Weighted Average Common Shares Outstanding:				
Basic	349,462,359	345,893,714	349,339,752	345,525,030
Diluted	349,729,982	346,295,478	349,670,996	345,978,306

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

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Unaudited)

(Thousands of Dollars)	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2023	2022	2023	2022
Net Income	\$ 17,302	\$ 293,742	\$ 510,340	\$ 739,068
Other Comprehensive Income/(Loss), Net of Tax:				
Qualified Cash Flow Hedging Instruments	5	5	10	10
Changes in Unrealized (Losses)/Gains on Marketable Securities	—	(505)	1,254	(1,323)
Changes in Funded Status of Pension, SERP and PBOP Benefit Plans	4,083	(793)	6,054	724
Other Comprehensive Income/(Loss), Net of Tax	4,088	(1,293)	7,318	(589)
Comprehensive Income Attributable to Noncontrolling Interests	(1,880)	(1,880)	(3,759)	(3,759)
Comprehensive Income Attributable to Common Shareholders	\$ 19,510	\$ 290,569	\$ 513,899	\$ 734,720

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

EVERSOURCE ENERGY AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF COMMON SHAREHOLDERS' EQUITY
(Unaudited)

(Thousands of Dollars, Except Share Information)	For the Six Months Ended June 30, 2023						
	Common Shares		Capital Surplus, Paid In	Retained Earnings	Accumulated Other Comprehensive Loss	Treasury Stock	Total Common Shareholders' Equity
	Shares	Amount					
Balance as of January 1, 2023	348,443,855	\$ 1,799,920	\$ 8,401,731	\$ 5,527,153	\$ (39,421)	\$ (216,225)	\$ 15,473,158
Net Income				493,039			493,039
Dividends on Common Shares - \$0.675 Per Share				(235,354)			(235,354)
Dividends on Preferred Stock				(1,880)			(1,880)
Long-Term Incentive Plan Activity			(13,141)				(13,141)
Issuance of Treasury Shares	364,227		23,495			6,824	30,319
Other Comprehensive Income					3,230		3,230
Balance as of March 31, 2023	348,808,082	1,799,920	8,412,085	5,782,958	(36,191)	(209,401)	15,749,371
Net Income				17,302			17,302
Dividends on Common Shares - \$0.675 Per Share				(235,491)			(235,491)
Dividends on Preferred Stock				(1,880)			(1,880)
Long-Term Incentive Plan Activity			5,155				5,155
Issuance of Treasury Shares	213,854		11,546			4,007	15,553
Other Comprehensive Income					4,088		4,088
Balance as of June 30, 2023	349,021,936	\$ 1,799,920	\$ 8,428,786	\$ 5,562,889	\$ (32,103)	\$ (205,394)	\$ 15,554,098

(Thousands of Dollars, Except Share Information)	For the Six Months Ended June 30, 2022						
	Common Shares		Capital Surplus, Paid In	Retained Earnings	Accumulated Other Comprehensive Loss	Treasury Stock	Total Common Shareholders' Equity
	Shares	Amount					
Balance as of January 1, 2022	344,403,196	\$ 1,789,092	\$ 8,098,514	\$ 5,005,391	\$ (42,275)	\$ (250,878)	\$ 14,599,844
Net Income				445,326			445,326
Dividends on Common Shares - \$0.6375 Per Share				(219,768)			(219,768)
Dividends on Preferred Stock				(1,880)			(1,880)
Long-Term Incentive Plan Activity			(16,538)				(16,538)
Issuance of Treasury Shares	447,076		20,642			8,360	29,002
Other Comprehensive Income					704		704
Balance as of March 31, 2022	344,850,272	1,789,092	8,102,618	5,229,069	(41,571)	(242,518)	14,836,690
Net Income				293,742			293,742
Dividends on Common Shares - \$0.6375 Per Share				(219,877)			(219,877)
Dividends on Preferred Stock				(1,880)			(1,880)
Issuance of Common Shares - \$5 par value	1,392,804	6,964	121,142				128,106
Long-Term Incentive Plan Activity			9,070				9,070
Issuance of Treasury Shares	167,953		11,340			3,141	14,481
Capital Stock Expense			(1,824)				(1,824)
Other Comprehensive Loss					(1,293)		(1,293)
Balance as of June 30, 2022	346,411,029	\$ 1,796,056	\$ 8,242,346	\$ 5,301,054	\$ (42,864)	\$ (239,377)	\$ 15,057,215

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,	
	2023	2022
Operating Activities:		
Net Income	\$ 510,340	\$ 739,068
Adjustments to Reconcile Net Income to Net Cash Flows Provided by Operating Activities:		
Depreciation	632,949	583,568
Deferred Income Taxes	155,035	126,970
Uncollectible Expense	24,171	30,032
Pension, SERP and PBOP Income, Net	(46,600)	(80,404)
Pension Contributions	(2,400)	(52,400)
Regulatory Under Recoveries, Net	(112,050)	(226,238)
Amortization	(294,481)	307,357
Cost of Removal Expenditures	(183,552)	(169,863)
Customer Credits Distributed in 2022 at CL&P related to PURA Settlement Agreement and Storm Performance Penalty	—	(64,909)
Payment in 2022 of Withheld Property Taxes	—	(78,446)
Impairment of Offshore Wind Investment	401,000	—
Other	(13,423)	2,530
Changes in Current Assets and Liabilities:		
Receivables and Unbilled Revenues, Net	137,819	(176,132)
Taxes Receivable/Accrued, Net	49,201	85,071
Accounts Payable	(489,132)	(83,550)
Other Current Assets and Liabilities, Net	(121,600)	(100,835)
Net Cash Flows Provided by Operating Activities	647,277	841,819
Investing Activities:		
Investments in Property, Plant and Equipment	(2,039,512)	(1,549,081)
Proceeds from Sales of Marketable Securities	215,570	168,997
Purchases of Marketable Securities	(194,786)	(152,741)
Investments in Unconsolidated Affiliates	(390,002)	(277,001)
Other Investing Activities	11,055	10,771
Net Cash Flows Used in Investing Activities	(2,397,675)	(1,799,055)
Financing Activities:		
Issuance of Common Shares, Net of Issuance Costs	—	126,282
Cash Dividends on Common Shares	(458,959)	(427,931)
Cash Dividends on Preferred Stock	(3,759)	(3,759)
Decrease in Notes Payable	(589,200)	(1,317,950)
Repayment of Rate Reduction Bonds	(21,605)	(21,605)
Issuance of Long-Term Debt	3,361,000	3,350,000
Retirement of Long-Term Debt	(853,000)	(770,000)
Other Financing Activities	(27,839)	(42,133)
Net Cash Flows Provided by Financing Activities	1,406,638	892,904
Net Decrease in Cash, Cash Equivalents and Restricted Cash	(343,760)	(64,332)
Cash, Cash Equivalents and Restricted Cash - Beginning of Period	521,752	221,008
Cash and Restricted Cash - End of Period	\$ 177,992	\$ 156,676

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)

As of June 30, 2023

As of December 31, 2022

ASSETS

Current Assets:			
Cash	\$	14,181	\$ 11,312
Receivables, Net (net of allowance for uncollectible accounts of \$262,790 and \$225,320 as of June 30, 2023 and December 31, 2022, respectively)		546,304	612,052
Accounts Receivable from Affiliated Companies		68,375	46,439
Unbilled Revenues		49,785	59,363
Materials and Supplies		134,246	88,157
Taxes Receivable		122	65,785
Regulatory Assets		417,824	314,089
Prepayments and Other Current Assets		42,517	62,524
Total Current Assets		1,273,354	1,259,721
Property, Plant and Equipment, Net		11,818,824	11,467,024
Deferred Debits and Other Assets:			
Regulatory Assets		1,601,540	1,593,693
Prepaid Pension		172,542	147,914
Other Long-Term Assets		305,102	290,444
Total Deferred Debits and Other Assets		2,079,184	2,032,051
Total Assets	\$	15,171,362	\$ 14,758,796

LIABILITIES AND CAPITALIZATION

Current Liabilities:			
Notes Payable to Eversource Parent	\$	151,535	\$ —
Accounts Payable		458,251	710,500
Accounts Payable to Affiliated Companies		101,497	136,277
Obligations to Third Party Suppliers		68,595	40,704
Regulatory Liabilities		185,323	336,048
Accrued Taxes		78,550	13,416
Derivative Liabilities		85,238	81,588
Other Current Liabilities		100,391	109,755
Total Current Liabilities		1,229,380	1,428,288
Deferred Credits and Other Liabilities:			
Accumulated Deferred Income Taxes		1,762,868	1,640,034
Regulatory Liabilities		1,292,290	1,263,396
Derivative Liabilities		103,431	143,929
Other Long-Term Liabilities		161,717	166,081
Total Deferred Credits and Other Liabilities		3,320,306	3,213,440
Long-Term Debt		4,607,331	4,216,488
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		3,260,765	3,260,765
Retained Earnings		2,576,830	2,463,094
Accumulated Other Comprehensive Income		198	169
Common Stockholder's Equity		5,898,145	5,784,380
Commitments and Contingencies (Note 9)			
Total Liabilities and Capitalization	\$	15,171,362	\$ 14,758,796

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,	
	2023	2022	2023	2022
Operating Revenues	\$ 1,034,148	\$ 1,035,682	\$ 2,373,054	\$ 2,321,514
Operating Expenses:				
Purchased Power and Transmission	626,411	421,000	1,476,976	944,463
Operations and Maintenance	166,566	169,004	326,882	326,065
Depreciation	93,652	88,233	185,889	175,498
Amortization of Regulatory (Liabilities)/Assets, Net	(189,922)	42,772	(312,236)	212,522
Energy Efficiency Programs	28,137	29,780	60,783	65,177
Taxes Other Than Income Taxes	94,602	95,778	196,184	186,151
Total Operating Expenses	819,446	846,567	1,934,478	1,909,876
Operating Income	214,702	189,115	438,576	411,638
Interest Expense	47,771	42,175	92,972	82,761
Other Income, Net	13,362	19,800	28,299	39,363
Income Before Income Tax Expense	180,293	166,740	373,903	368,240
Income Tax Expense	46,993	40,902	92,187	89,426
Net Income	\$ 133,300	\$ 125,838	\$ 281,716	\$ 278,814

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

CONDENSED STATEMENTS OF COMPREHENSIVE INCOME
(Unaudited)

(Thousands of Dollars)	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2023	2022	2023	2022
Net Income	\$ 133,300	\$ 125,838	\$ 281,716	\$ 278,814
Other Comprehensive (Loss)/Income, Net of Tax:				
Qualified Cash Flow Hedging Instruments	(7)	(7)	(14)	(13)
Changes in Unrealized (Losses)/Gains on Marketable Securities	—	(16)	43	(45)
Other Comprehensive (Loss)/Income, Net of Tax	(7)	(23)	29	(58)
Comprehensive Income	\$ 133,293	\$ 125,815	\$ 281,745	\$ 278,756

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

THE CONNECTICUT LIGHT AND POWER COMPANY
CONDENSED STATEMENTS OF COMMON STOCKHOLDER'S EQUITY
(Unaudited)

(Thousands of Dollars, Except Stock Information)	For the Six Months Ended June 30, 2023						
	Common Stock		Capital Surplus, Paid In	Retained Earnings	Accumulated Other Comprehensive Income	Total Common Stockholder's Equity	
	Stock	Amount					
Balance as of January 1, 2023	6,035,205	\$ 60,352	\$ 3,260,765	\$ 2,463,094	\$ 169	\$ 5,784,380	
Net Income				148,416		148,416	
Dividends on Preferred Stock				(1,390)		(1,390)	
Dividends on Common Stock				(82,600)		(82,600)	
Other Comprehensive Income					36	36	
Balance as of March 31, 2023	6,035,205	60,352	3,260,765	2,527,520	205	5,848,842	
Net Income				133,300		133,300	
Dividends on Preferred Stock				(1,390)		(1,390)	
Dividends on Common Stock				(82,600)		(82,600)	
Other Comprehensive Loss					(7)	(7)	
Balance as of June 30, 2023	6,035,205	\$ 60,352	\$ 3,260,765	\$ 2,576,830	\$ 198	\$ 5,898,145	

(Thousands of Dollars, Except Stock Information)	For the Six Months Ended June 30, 2022						
	Common Stock		Capital Surplus, Paid In	Retained Earnings	Accumulated Other Comprehensive Income	Total Common Stockholder's Equity	
	Stock	Amount					
Balance as of January 1, 2022	6,035,205	\$ 60,352	\$ 3,010,765	\$ 2,228,133	\$ 251	\$ 5,299,501	
Net Income				152,977		152,977	
Dividends on Preferred Stock				(1,390)		(1,390)	
Dividends on Common Stock				(73,100)		(73,100)	
Capital Contributions from Eversource Parent			100,000			100,000	
Other Comprehensive Loss					(35)	(35)	
Balance as of March 31, 2022	6,035,205	60,352	3,110,765	2,306,620	216	5,477,953	
Net Income				125,838		125,838	
Dividends on Preferred Stock				(1,390)		(1,390)	
Dividends on Common Stock				(73,100)		(73,100)	
Capital Contributions from Eversource Parent			100,000			100,000	
Other Comprehensive Loss					(23)	(23)	
Balance as of June 30, 2022	6,035,205	\$ 60,352	\$ 3,210,765	\$ 2,357,968	\$ 193	\$ 5,629,278	

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,	
	2023	2022
Operating Activities:		
Net Income	\$ 281,716	\$ 278,814
Adjustments to Reconcile Net Income to Net Cash Flows Provided by Operating Activities:		
Depreciation	185,889	175,498
Deferred Income Taxes	105,162	15,782
Uncollectible Expense	4,750	6,701
Pension, SERP, and PBOP Income, Net	(9,083)	(14,532)
Regulatory Over/(Under) Recoveries, Net	39,524	(141,830)
Customer Credits Distributed in 2022 related to PURA Settlement Agreement and Storm Performance Penalty	—	(64,909)
Amortization of Regulatory (Liabilities)/Assets, Net	(312,236)	212,522
Cost of Removal Expenditures	(36,781)	(37,103)
Other	(34,571)	(23,311)
Changes in Current Assets and Liabilities:		
Receivables and Unbilled Revenues, Net	20,542	(170,500)
Taxes Receivable/Accrued, Net	132,751	18,735
Accounts Payable	(251,326)	(20,845)
Other Current Assets and Liabilities, Net	2,711	3,563
Net Cash Flows Provided by Operating Activities	129,048	238,585
Investing Activities:		
Investments in Property, Plant and Equipment	(499,920)	(414,407)
Other Investing Activities	173	424
Net Cash Flows Used in Investing Activities	(499,747)	(413,983)
Financing Activities:		
Cash Dividends on Common Stock	(165,200)	(146,200)
Cash Dividends on Preferred Stock	(2,779)	(2,779)
Capital Contributions from Eversource Parent	—	200,000
Issuance of Long-Term Debt	500,000	—
Retirement of Long-Term Debt	(400,000)	—
Increase in Notes Payable to Eversource Parent	449,000	67,500
Other Financing Activities	(6,521)	—
Net Cash Flows Provided by Financing Activities	374,500	118,521
Net Increase/(Decrease) in Cash and Restricted Cash	3,801	(56,877)
Cash and Restricted Cash - Beginning of Period	20,327	74,788
Cash and Restricted Cash - End of Period	\$ 24,128	\$ 17,911

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)

As of June 30, 2023

As of December 31, 2022

ASSETS

Current Assets:			
Cash	\$	6,518	\$ 738
Cash Equivalents		—	327,006
Receivables, Net (net of allowance for uncollectible accounts of \$97,794 and \$94,958 as of June 30, 2023 and December 31, 2022, respectively)		450,176	453,371
Accounts Receivable from Affiliated Companies		61,834	35,196
Unbilled Revenues		47,173	39,680
Materials, Supplies and REC Inventory		120,750	138,352
Regulatory Assets		569,697	492,759
Prepayments and Other Current Assets		28,712	71,276
Total Current Assets		1,284,860	1,558,378
Property, Plant and Equipment, Net		12,109,368	11,626,968
Deferred Debits and Other Assets:			
Regulatory Assets		1,230,486	1,221,619
Prepaid Pension and PBOP		626,904	576,809
Other Long-Term Assets		119,070	111,846
Total Deferred Debits and Other Assets		1,976,460	1,910,274
Total Assets	\$	15,370,688	\$ 15,095,620

LIABILITIES AND CAPITALIZATION

Current Liabilities:			
Notes Payable	\$	324,000	\$ —
Long-Term Debt – Current Portion		80,000	80,000
Accounts Payable		471,416	559,676
Accounts Payable to Affiliated Companies		115,581	108,907
Obligations to Third Party Suppliers		132,083	142,628
Renewable Portfolio Standards Compliance Obligations		67,391	120,239
Regulatory Liabilities		321,153	373,221
Other Current Liabilities		59,199	83,925
Total Current Liabilities		1,570,823	1,468,596
Deferred Credits and Other Liabilities:			
Accumulated Deferred Income Taxes		1,794,718	1,700,875
Regulatory Liabilities		1,562,581	1,548,081
Other Long-Term Liabilities		299,561	289,313
Total Deferred Credits and Other Liabilities		3,656,860	3,538,269
Long-Term Debt		4,346,902	4,345,085
Preferred Stock Not Subject to Mandatory Redemption		43,000	43,000
Common Stockholder's Equity:			
Common Stock		—	—
Capital Surplus, Paid In		2,891,242	2,778,942
Retained Earnings		2,861,620	2,921,444
Accumulated Other Comprehensive Income		241	284
Common Stockholder's Equity		5,753,103	5,700,670
Commitments and Contingencies (Note 9)			
Total Liabilities and Capitalization	\$	15,370,688	\$ 15,095,620

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

NSTAR ELECTRIC COMPANY AND SUBSIDIARY
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)

(Thousands of Dollars)	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2023	2022	2023	2022
Operating Revenues	\$ 818,968	\$ 783,650	\$ 1,775,251	\$ 1,646,825
Operating Expenses:				
Purchased Power and Transmission	266,560	236,789	627,485	550,537
Operations and Maintenance	146,852	149,094	312,935	313,956
Depreciation	92,863	89,701	183,292	178,734
Amortization of Regulatory (Liabilities)/Assets, Net	(1,400)	20,022	21,385	49,367
Energy Efficiency Programs	70,687	69,290	156,904	149,522
Taxes Other Than Income Taxes	66,232	60,891	119,743	120,664
Total Operating Expenses	641,794	625,787	1,421,744	1,362,780
Operating Income	177,174	157,863	353,507	284,045
Interest Expense	46,761	38,984	91,626	77,206
Other Income, Net	40,909	34,259	80,782	63,490
Income Before Income Tax Expense	171,322	153,138	342,663	270,329
Income Tax Expense	36,579	33,701	74,107	58,152
Net Income	\$ 134,743	\$ 119,437	\$ 268,556	\$ 212,177

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

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Unaudited)

(Thousands of Dollars)	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2023	2022	2023	2022
Net Income	\$ 134,743	\$ 119,437	\$ 268,556	\$ 212,177
Other Comprehensive Loss, Net of Tax:				
Changes in Funded Status of SERP Benefit Plan	(32)	(27)	(65)	(72)
Qualified Cash Flow Hedging Instruments	5	5	10	
Changes in Unrealized (Losses)/Gains on Marketable Securities	—	(5)	12	(12)
Other Comprehensive Loss, Net of Tax	(27)	(27)	(43)	(74)
Comprehensive Income	\$ 134,716	\$ 119,410	\$ 268,513	\$ 212,103

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

NSTAR ELECTRIC COMPANY AND SUBSIDIARY
CONDENSED CONSOLIDATED STATEMENTS OF COMMON STOCKHOLDER'S EQUITY
(Unaudited)

(Thousands of Dollars, Except Stock Information)	For the Six Months Ended June 30, 2023							
	Common Stock		Capital Surplus, Paid In	Retained Earnings	Accumulated Other Comprehensive Income	Total Common Stockholder's Equity		
	Stock	Amount						
Balance as of January 1, 2023	200	\$ —	\$ 2,778,942	\$ 2,921,444	\$ 284	\$ 5,700,670		
Net Income				133,813		133,813		
Dividends on Preferred Stock				(490)		(490)		
Dividends on Common Stock				(327,400)		(327,400)		
Capital Contributions from Eversource Parent			31,300			31,300		
Other Comprehensive Loss					(16)	(16)		
Balance as of March 31, 2023	200	\$ —	\$ 2,810,242	\$ 2,727,367	\$ 268	\$ 5,537,877		
Net Income				134,743		134,743		
Dividends on Preferred Stock				(490)		(490)		
Capital Contributions from Eversource Parent			81,000			81,000		
Other Comprehensive Loss					(27)	(27)		
Balance as of June 30, 2023	200	\$ —	\$ 2,891,242	\$ 2,861,620	\$ 241	\$ 5,753,103		

(Thousands of Dollars, Except Stock Information)	For the Six Months Ended June 30, 2022							
	Common Stock		Capital Surplus, Paid In	Retained Earnings	Accumulated Other Comprehensive Income	Total Common Stockholder's Equity		
	Stock	Amount						
Balance as of January 1, 2022	200	\$ —	\$ 2,253,942	\$ 2,718,576	\$ 501	\$ 4,973,019		
Net Income				92,739		92,739		
Dividends on Preferred Stock				(490)		(490)		
Dividends on Common Stock				(71,900)		(71,900)		
Other Comprehensive Loss					(47)	(47)		
Balance as of March 31, 2022	200	\$ —	\$ 2,253,942	\$ 2,738,925	\$ 454	\$ 4,993,321		
Net Income				119,437		119,437		
Dividends on Preferred Stock				(490)		(490)		
Dividends on Common Stock				(71,900)		(71,900)		
Capital Contributions from Eversource Parent			50,000			50,000		
Other Comprehensive Loss					(27)	(27)		
Balance as of June 30, 2022	200	\$ —	\$ 2,303,942	\$ 2,785,972	\$ 427	\$ 5,090,341		

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

NSTAR ELECTRIC COMPANY AND SUBSIDIARY
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

(Thousands of Dollars)	For the Six Months Ended June 30,	
	2023	2022
Operating Activities:		
Net Income	\$ 268,556	\$ 212,177
Adjustments to Reconcile Net Income to Net Cash Flows Provided by Operating Activities:		
Depreciation	183,292	178,734
Deferred Income Taxes	66,926	42,476
Uncollectible Expense	7,759	8,688
Pension, SERP and PBOP Income, Net	(20,460)	(27,750)
Pension Contributions	—	(10,000)
Regulatory Under Recoveries, Net	(126,487)	(106,074)
Amortization of Regulatory Assets, Net	21,385	49,367
Cost of Removal Expenditures	(33,750)	(26,337)
Payment in 2022 of Withheld Property Taxes	—	(76,084)
Other	(12,211)	(24,635)
Changes in Current Assets and Liabilities:		
Receivables and Unbilled Revenues, Net	(9,745)	35,107
Taxes Receivable/Accrued, Net	28,662	58,289
Accounts Payable	(68,720)	(98,187)
Other Current Assets and Liabilities, Net	(71,745)	(18,644)
Net Cash Flows Provided by Operating Activities	233,462	197,127
Investing Activities:		
Investments in Property, Plant and Equipment	(677,596)	(443,978)
Other Investing Activities	48	118
Net Cash Flows Used in Investing Activities	(677,548)	(443,860)
Financing Activities:		
Cash Dividends on Common Stock	(327,400)	(143,800)
Cash Dividends on Preferred Stock	(980)	(980)
Issuance of Long-Term Debt	—	450,000
Capital Contributions from Eversource Parent	112,300	50,000
Increase in Notes Payable to Eversource Parent	—	3,200
Increase/(Decrease) in Notes Payable	324,000	(99,500)
Other Financing Activities	8	(7,642)
Net Cash Flows Provided by Financing Activities	107,928	251,278
Net (Decrease)/Increase in Cash, Cash Equivalents and Restricted Cash	(336,158)	4,545
Cash, Cash Equivalents and Restricted Cash - Beginning of Period	345,293	18,179
Cash and Restricted Cash - End of Period	\$ 9,135	\$ 22,724

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

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)
(Thousands of Dollars)

As of June 30, 2023

As of December 31, 2022

ASSETS

Current Assets:			
Cash	\$	140	\$ 136
Receivables, Net (net of allowance for uncollectible accounts of \$12,744 and \$29,236 as of June 30, 2023 and December 31, 2022, respectively)		148,324	173,337
Accounts Receivable from Affiliated Companies		20,042	8,193
Unbilled Revenues		56,258	72,713
Taxes Receivable		25,236	27,978
Materials, Supplies and REC Inventory		57,982	34,521
Regulatory Assets		152,019	102,240
Special Deposits		32,856	33,140
Prepayments and Other Current Assets		23,589	13,297
Total Current Assets		516,446	465,555
Property, Plant and Equipment, Net		4,288,606	4,060,224
Deferred Debits and Other Assets:			
Regulatory Assets		731,621	593,974
Prepaid Pension		78,552	66,384
Other Long-Term Assets		12,179	16,517
Total Deferred Debits and Other Assets		822,352	676,875
Total Assets	\$	5,627,404	\$ 5,202,654

LIABILITIES AND CAPITALIZATION

Current Liabilities:			
Notes Payable to Eversource Parent	\$	226,300	\$ 173,300
Long-Term Debt – Current Portion		325,000	29,668
Rate Reduction Bonds – Current Portion		43,210	43,210
Accounts Payable		229,796	291,556
Accounts Payable to Affiliated Companies		33,086	36,231
Regulatory Liabilities		83,215	161,963
Other Current Liabilities		59,575	59,616
Total Current Liabilities		1,000,182	795,544
Deferred Credits and Other Liabilities:			
Accumulated Deferred Income Taxes		654,262	562,802
Regulatory Liabilities		395,652	391,628
Other Long-Term Liabilities		39,101	37,087
Total Deferred Credits and Other Liabilities		1,089,015	991,517
Long-Term Debt		1,134,402	1,134,914
Rate Reduction Bonds		388,887	410,492
Common Stockholder's Equity:			
Common Stock		—	—
Capital Surplus, Paid In		1,398,134	1,298,134
Retained Earnings		616,784	572,126
Accumulated Other Comprehensive Loss		—	(73)
Common Stockholder's Equity		2,014,918	1,870,187
Commitments and Contingencies (Note 9)			
Total Liabilities and Capitalization	\$	5,627,404	\$ 5,202,654

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

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)

(Thousands of Dollars)	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2023	2022	2023	2022
Operating Revenues	\$ 350,070	\$ 307,055	\$ 770,225	\$ 646,482
Operating Expenses:				
Purchased Power and Transmission	144,829	110,803	371,514	236,647
Operations and Maintenance	64,503	66,730	132,298	126,303
Depreciation	34,702	31,557	68,790	62,810
Amortization of Regulatory (Liabilities)/Assets, Net	(19,954)	9,218	(25,271)	36,052
Energy Efficiency Programs	9,149	8,817	19,376	17,535
Taxes Other Than Income Taxes	25,531	25,261	47,636	48,046
Total Operating Expenses	258,760	252,386	614,343	527,393
Operating Income	91,310	54,669	155,882	119,089
Interest Expense	19,106	14,757	36,649	28,402
Other Income, Net	6,301	7,782	12,019	15,292
Income Before Income Tax Expense	78,505	47,694	131,252	105,979
Income Tax Expense	18,143	10,656	30,594	23,355
Net Income	\$ 60,362	\$ 37,038	\$ 100,658	\$ 82,624

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

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Unaudited)

(Thousands of Dollars)	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2023	2022	2023	2022
Net Income	\$ 60,362	\$ 37,038	\$ 100,658	\$ 82,624
Other Comprehensive (Loss)/Income, Net of Tax:				
Changes in Unrealized (Losses)/Gains on Marketable Securities	—	(30)	73	(78)
Other Comprehensive (Loss)/Income, Net of Tax	—	(30)	73	(78)
Comprehensive Income	\$ 60,362	\$ 37,008	\$ 100,731	\$ 82,546

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

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF COMMON STOCKHOLDER'S EQUITY
(Unaudited)

(Thousands of Dollars, Except Stock Information)	For the Six Months Ended June 30, 2023						
	Common Stock		Capital Surplus, Paid In	Retained Earnings	Accumulated Other Comprehensive Loss	Total Common Stockholder's Equity	
	Stock	Amount					
Balance as of January 1, 2023	301	\$ —	\$ 1,298,134	\$ 572,126	\$ (73)	\$ 1,870,187	
Net Income				40,296		40,296	
Dividends on Common Stock				(28,000)		(28,000)	
Other Comprehensive Income					73	73	
Balance as of March 31, 2023	301	—	1,298,134	584,422	—	1,882,556	
Net Income				60,362		60,362	
Dividends on Common Stock				(28,000)		(28,000)	
Capital Contributions from Eversource Parent			100,000			100,000	
Balance as of June 30, 2023	301	\$ —	\$ 1,398,134	\$ 616,784	\$ —	\$ 2,014,918	

(Thousands of Dollars, Except Stock Information)	For the Six Months Ended June 30, 2022						
	Common Stock		Capital Surplus, Paid In	Retained Earnings	Accumulated Other Comprehensive Income/(Loss)	Total Common Stockholder's Equity	
	Stock	Amount					
Balance as of January 1, 2022	301	\$ —	\$ 1,088,134	\$ 504,556	\$ 23	\$ 1,592,713	
Net Income				45,586		45,586	
Dividends on Common Stock				(26,000)		(26,000)	
Other Comprehensive Loss					(48)	(48)	
Balance as of March 31, 2022	301	—	1,088,134	524,142	(25)	1,612,251	
Net Income				37,038		37,038	
Dividends on Common Stock				(26,000)		(26,000)	
Capital Contributions from Eversource Parent			180,000			180,000	
Other Comprehensive Loss					(30)	(30)	
Balance as of June 30, 2022	301	\$ —	\$ 1,268,134	\$ 535,180	\$ (55)	\$ 1,803,259	

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

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

(Thousands of Dollars)	For the Six Months Ended June 30,	
	2023	2022
Operating Activities:		
Net Income	\$ 100,658	\$ 82,624
Adjustments to Reconcile Net Income to Net Cash Flows (Used In)/Provided by Operating Activities:		
Depreciation	68,790	62,810
Deferred Income Taxes	89,761	3,137
Uncollectible Expense	(451)	4,544
Pension, SERP and PBOP Income, Net	(5,197)	(8,118)
Regulatory Under Recoveries, Net	(244,668)	(1,744)
Amortization of Regulatory (Liabilities)/Assets, Net	(25,271)	36,052
Cost of Removal Expenditures	(15,678)	(16,560)
Other	3,896	4,436
Changes in Current Assets and Liabilities:		
Receivables and Unbilled Revenues, Net	12,223	(17,306)
Taxes Receivable/Accrued, Net	4,357	10,138
Accounts Payable	(45,255)	15,920
Other Current Assets and Liabilities, Net	(35,773)	(35,559)
Net Cash Flows (Used In)/Provided by Operating Activities	(92,608)	140,374
Investing Activities:		
Investments in Property, Plant and Equipment	(276,676)	(226,975)
Other Investing Activities	296	726
Net Cash Flows Used in Investing Activities	(276,380)	(226,249)
Financing Activities:		
Cash Dividends on Common Stock	(56,000)	(52,000)
Capital Contributions from Eversource Parent	100,000	180,000
Issuance of Long-Term Debt	300,000	—
Repayment of Rate Reduction Bonds	(21,605)	(21,605)
Increase/(Decrease) in Notes Payable to Eversource Parent	53,000	(21,300)
Other Financing Activities	(5,460)	(47)
Net Cash Flows Provided by Financing Activities	369,935	85,048
Net Increase/(Decrease) in Cash and Restricted Cash	947	(827)
Cash and Restricted Cash - Beginning of Period	36,812	35,126
Cash and Restricted Cash - End of Period	\$ 37,759	\$ 34,299

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

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

COMBINED NOTES TO CONDENSED FINANCIAL STATEMENTS (Unaudited)

Refer to the Glossary of Terms included in this combined Quarterly Report on Form 10-Q for abbreviations and acronyms used throughout the combined notes to the unaudited condensed financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

Eversource Energy is a public utility holding company primarily engaged, through its wholly-owned regulated utility subsidiaries, in the energy delivery business. Eversource Energy's wholly-owned regulated utility subsidiaries consist of CL&P, NSTAR Electric and PSNH (electric utilities), Yankee Gas, NSTAR Gas and EGMA (natural gas utilities), and Aquarion (water utilities). Eversource provides energy delivery and/or water service to approximately 4.4 million electric, natural gas and water customers through twelve regulated utilities in Connecticut, Massachusetts and New Hampshire.

The unaudited condensed consolidated financial statements of Eversource, NSTAR Electric and PSNH include the accounts of each of their respective subsidiaries. Intercompany transactions have been eliminated in consolidation. The accompanying unaudited condensed consolidated financial statements of Eversource, NSTAR Electric and PSNH and the unaudited condensed financial statements of CL&P are herein collectively referred to as the "financial statements."

The combined notes to the financial statements have been prepared pursuant to the rules and regulations of the SEC. Certain information and footnote disclosures included in annual financial statements prepared in accordance with GAAP have been omitted pursuant to such rules and regulations. The accompanying financial statements should be read in conjunction with the *Combined Notes to Financial Statements* included in Item 8, "Financial Statements and Supplementary Data," of the Eversource 2022 Form 10-K, which was filed with the SEC on February 15, 2023. The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities as of the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

The financial statements contain, in the opinion of management, all adjustments (including normal, recurring adjustments) necessary to present fairly Eversource's, CL&P's, NSTAR Electric's and PSNH's financial position as of June 30, 2023 and December 31, 2022, and the results of operations, comprehensive income and common shareholders' equity for the three and six months ended June 30, 2023 and 2022, and the cash flows for the six months ended June 30, 2023 and 2022. The results of operations and comprehensive income for the three and six months ended June 30, 2023 and 2022 and the cash flows for the six months ended June 30, 2023 and 2022 are not necessarily indicative of the results expected for a full year.

CYAPC and YAEC are inactive regional nuclear power companies engaged in the long-term storage of their spent nuclear fuel. Eversource consolidates the operations of CYAPC and YAEC because CL&P's, NSTAR Electric's and PSNH's combined ownership and voting interests in each of these entities is greater than 50 percent. Intercompany transactions between CL&P, NSTAR Electric, PSNH and the CYAPC and YAEC companies have been eliminated in consolidation of the Eversource financial statements.

Eversource holds several equity ownership interests that are not consolidated and are accounted for under the equity method.

Eversource's utility subsidiaries' electric, natural gas and water distribution and transmission businesses are subject to rate-regulation that is based on cost recovery and meets the criteria for application of accounting guidance for entities with rate-regulated operations, which considers the effect of regulation on the differences in the timing of the recognition of certain revenues and expenses from those of other businesses and industries. See Note 2, "Regulatory Accounting," for further information.

Certain reclassifications of prior period data were made in the accompanying financial statements to conform to the current period presentation.

B. Allowance for Uncollectible Accounts

Receivables, Net on the balance sheets primarily includes trade receivables from retail customers and customers related to wholesale transmission contracts, wholesale market sales, sales of RECs, and property rentals. Receivables, Net also includes customer receivables for the purchase of electricity from a competitive third party supplier, the current portion of customer energy efficiency loans, property damage receivables and other miscellaneous receivables. There is no material concentration of receivables.

Receivables are recorded at amortized cost, net of a credit loss provision (or allowance for uncollectible accounts). The current expected credit loss (CECL) model is applied to receivables for purposes of calculating the allowance for uncollectible accounts. This model is based on expected losses and results in the recognition of estimated expected credit losses, including uncollectible amounts for both billed and unbilled revenues, over the life of the receivable at the time a receivable is recorded.

The allowance for uncollectible accounts is determined based upon a variety of judgments and factors, including an aging-based quantitative assessment that applies an estimated uncollectible percentage to each receivable aging category. Factors in determining credit loss include historical collection, write-off experience, analysis of delinquency statistics, and management's assessment of collectability from customers, including current economic conditions, customer payment trends, the impact on customer bills because of energy usage trends and changes in rates, flexible payment plans and financial hardship arrearage management programs being offered to customers, reasonable forecasts, and expectations of future collectability and collection efforts. Management continuously assesses the collectability of receivables and adjusts estimates based on actual experience and future expectations based on economic conditions, collection efforts and other factors. Management also monitors the aging analysis of receivables to determine if there are changes in the collections of accounts receivable. Receivable balances are written off against the allowance for uncollectible accounts when the customer accounts are no longer in service and these balances are deemed to be uncollectible. Management concluded that the reserve balance as of June 30, 2023 adequately reflected the collection risk and net realizable value for its receivables.

As of both June 30, 2023 and December 31, 2022, the total amount incurred as a result of COVID-19 included in the allowance for uncollectible accounts was \$50.9 million at Eversource, \$16.0 million at CL&P, and \$4.1 million at NSTAR Electric. At our Connecticut and Massachusetts utilities, the COVID-19 related uncollectible amounts were deferred either as incremental regulatory costs or deferred through existing regulatory tracking mechanisms that recover uncollectible energy supply costs, as management believes it is probable that these costs will ultimately be recovered from customers in future rates. No COVID-19 related uncollectible amounts were deferred at PSNH as a result of a July 2021 NHPUC order. Based on the status of our COVID-19 regulatory dockets, policies and practices in the jurisdictions in which we operate, we believe the state regulatory commissions in Connecticut and Massachusetts will allow us to recover our incremental uncollectible customer receivable costs associated with COVID-19.

The PURA allows CL&P and Yankee Gas to accelerate the recovery of accounts receivable balances attributable to qualified customers under financial or medical duress (uncollectible hardship accounts receivable) outstanding for greater than 180 days and 90 days, respectively. The DPU allows NSTAR Electric, NSTAR Gas and EGMA to recover in rates amounts associated with certain uncollectible hardship accounts receivable. These uncollectible hardship customer account balances are included in Regulatory Assets or Other Long-Term Assets on the balance sheets. Hardship customers are protected from shut-off in certain circumstances, and historical collection experience has reflected a higher default risk as compared to the rest of the receivable population. Management uses a higher credit risk profile for this pool of trade receivables as compared to non-hardship receivables. The allowance for uncollectible hardship accounts is included in the total uncollectible allowance balance.

The total allowance for uncollectible accounts is included in Receivables, Net on the balance sheets. The activity in the allowance for uncollectible accounts by portfolio segment as of June 30th is as follows:

(Millions of Dollars)	Eversource			CL&P			NSTAR Electric			PSNH	
	Hardship Accounts	Retail (Non-Hardship), Wholesale, and Other	Total Allowance	Hardship Accounts	Retail (Non-Hardship), Wholesale, and Other	Total Allowance	Hardship Accounts	Retail (Non-Hardship), Wholesale, and Other	Total Allowance	Total Allowance ⁽²⁾	
Three Months Ended 2023											
Beginning Balance	\$ 318.7	\$ 216.4	\$ 535.1	\$ 216.2	\$ 37.2	\$ 253.4	\$ 42.0	\$ 52.6	\$ 94.6	\$ 33.5	
Uncollectible Expense	—	1.4	1.4	—	0.9	0.9	—	3.1	3.1	(5.5)	
Uncollectible Costs Deferred ⁽¹⁾	27.0	(5.5)	21.5	16.6	3.4	20.0	3.7	3.9	7.6	(13.5)	
Write-Offs	(8.1)	(21.8)	(29.9)	(6.8)	(6.7)	(13.5)	(0.1)	(8.6)	(8.7)	(2.0)	
Recoveries Collected	0.6	3.7	4.3	0.5	1.5	2.0	—	1.2	1.2	0.2	
Ending Balance	\$ 338.2	\$ 194.2	\$ 532.4	\$ 226.5	\$ 36.3	\$ 262.8	\$ 45.6	\$ 52.2	\$ 97.8	\$ 12.7	
Six Months Ended 2023											
Beginning Balance	\$ 284.4	\$ 201.9	\$ 486.3	\$ 188.9	\$ 36.4	\$ 225.3	\$ 43.7	\$ 51.3	\$ 95.0	\$ 29.2	
Uncollectible Expense	—	24.2	24.2	—	4.8	4.8	—	7.8	7.8	(0.5)	
Uncollectible Costs Deferred ⁽¹⁾	70.8	8.7	79.5	50.9	6.1	57.0	2.4	9.3	11.7	(12.2)	
Write-Offs	(17.8)	(48.0)	(65.8)	(14.1)	(13.7)	(27.8)	(0.5)	(18.9)	(19.4)	(4.2)	
Recoveries Collected	0.8	7.4	8.2	0.8	2.7	3.5	—	2.7	2.7	0.4	
Ending Balance	\$ 338.2	\$ 194.2	\$ 532.4	\$ 226.5	\$ 36.3	\$ 262.8	\$ 45.6	\$ 52.2	\$ 97.8	\$ 12.7	

(Millions of Dollars)	Eversource			CL&P			NSTAR Electric			PSNH	
	Hardship Accounts	Retail (Non-Hardship), Wholesale, and Other	Total Allowance	Hardship Accounts	Retail (Non-Hardship), Wholesale, and Other	Total Allowance	Hardship Accounts	Retail (Non-Hardship), Wholesale, and Other	Total Allowance	Total Allowance	
Three Months Ended 2022											
Beginning Balance	\$ 225.5	\$ 206.7	\$ 432.2	\$ 140.1	\$ 40.4	\$ 180.5	\$ 39.7	\$ 55.1	\$ 94.8	\$ 26.2	
Uncollectible Expense	—	12.9	12.9	—	2.9	2.9	—	4.0	4.0	2.0	
Uncollectible Costs Deferred ⁽¹⁾	21.4	12.6	34.0	15.0	2.2	17.2	5.4	2.4	7.8	0.1	
Write-Offs	(4.6)	(21.1)	(25.7)	(3.3)	(6.2)	(9.5)	(0.1)	(7.7)	(7.8)	(1.3)	
Recoveries Collected	0.4	4.0	4.4	0.3	1.3	1.6	—	1.7	1.7	0.3	
Ending Balance	\$ 242.7	\$ 215.1	\$ 457.8	\$ 152.1	\$ 40.6	\$ 192.7	\$ 45.0	\$ 55.5	\$ 100.5	\$ 27.3	
Six Months Ended 2022											
Beginning Balance	\$ 226.1	\$ 191.3	\$ 417.4	\$ 144.6	\$ 36.7	\$ 181.3	\$ 43.3	\$ 53.7	\$ 97.0	\$ 24.3	
Uncollectible Expense	—	30.0	30.0	—	6.7	6.7	—	8.7	8.7	4.5	
Uncollectible Costs Deferred ⁽¹⁾	22.4	27.3	49.7	11.0	—	11.0	2.1	7.8	9.9	1.1	
Write-Offs	(6.9)	(43.1)	(50.0)	(4.4)	(6.7)	(11.1)	(0.4)	(18.3)	(18.7)	(3.1)	
Recoveries Collected	1.1	9.6	10.7	0.9	3.9	4.8	—	3.6	3.6	0.5	
Ending Balance	\$ 242.7	\$ 215.1	\$ 457.8	\$ 152.1	\$ 40.6	\$ 192.7	\$ 45.0	\$ 55.5	\$ 100.5	\$ 27.3	

⁽¹⁾ These expected credit losses are deferred as regulatory costs on the balance sheets, as these amounts are ultimately recovered in rates. Amounts include uncollectible costs for hardship accounts and other customer receivables, including uncollectible amounts related to uncollectible energy supply costs and COVID-19. The increase in the allowance for uncollectible hardship accounts in 2023 at Eversource and CL&P primarily relates to increased customer enrollment in disconnection prevention programs in Connecticut.

⁽²⁾ In connection with PSNH's pole purchase agreement on May 1, 2023, the purchase price included the forgiveness of previously reserved receivables for reimbursement of operation and maintenance and vegetation management costs.

C. Fair Value Measurements

Fair value measurement guidance is applied to derivative contracts that are not elected or designated as "normal purchases" or "normal sales" (normal) and to marketable securities held in trusts. Fair value measurement guidance is also applied to valuations of the investments used to calculate the funded status of pension and PBOP plans, the nonrecurring fair value measurements of nonfinancial assets such as goodwill, long-lived assets, equity method investments, AROs, and in the valuation of business combinations and asset acquisitions. The fair value measurement guidance was also applied in estimating the fair value of preferred stock, long-term debt and RRBs.

Fair Value Hierarchy: In measuring fair value, Eversource uses observable market data when available in order to minimize the use of unobservable inputs. Inputs used in fair value measurements are categorized into three fair value hierarchy levels for disclosure purposes. The entire fair value measurement is categorized based on the lowest level of input that is significant to the fair value measurement. Eversource evaluates the classification of assets and liabilities measured at fair value on a quarterly basis. The levels of the fair value hierarchy are described below:

Level 1 - Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions for the asset or liability occur in sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2 - Inputs are quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-derived valuations in which all significant inputs are observable.

Level 3 - Quoted market prices are not available. Fair value is derived from valuation techniques in which one or more significant inputs or assumptions are unobservable. Where possible, valuation techniques incorporate observable market inputs that can be validated to external sources such as industry exchanges, including prices of energy and energy-related products.

Uncategorized - Investments that are measured at net asset value are not categorized within the fair value hierarchy.

Determination of Fair Value: The valuation techniques and inputs used in Eversource's fair value measurements are described in Note 1E, "Summary of Significant Accounting Policies - Investments in Unconsolidated Affiliates," Note 4, "Derivative Instruments," Note 5, "Marketable Securities," and Note 10, "Fair Value of Financial Instruments," to the financial statements.

D. Other Income, Net

The components of Other Income, Net on the statements of income were as follows:

(Millions of Dollars)	For the Three Months Ended							
	June 30, 2023				June 30, 2022			
	Eversource	CL&P	NSTAR Electric	PSNH	Eversource	CL&P	NSTAR Electric	PSNH
Pension, SERP and PBOP Non-Service Income Components, Net of Deferred Portion	\$ 33.3	\$ 8.4	\$ 14.1	\$ 3.9	\$ 54.9	\$ 16.2	\$ 21.4	\$ 6.7
AFUDC Equity	19.0	4.6	12.0	1.1	11.2	2.8	6.1	0.6
Equity in Earnings of Unconsolidated Affiliates ⁽¹⁾	5.0	—	0.1	—	16.6	—	0.1	—
Investment (Loss) Income	(1.4)	(1.1)	0.3	(0.3)	1.3	(0.7)	0.5	0.1
Interest Income	21.4	1.5	14.4	1.2	9.5	1.5	6.1	0.4
Other ⁽¹⁾	17.6	—	—	0.4	0.4	—	0.1	—
Total Other Income, Net	\$ 94.9	\$ 13.4	\$ 40.9	\$ 6.3	\$ 93.9	\$ 19.8	\$ 34.3	\$ 7.8

(Millions of Dollars)	For the Six Months Ended							
	June 30, 2023				June 30, 2022			
	Eversource	CL&P	NSTAR Electric	PSNH	Eversource	CL&P	NSTAR Electric	PSNH
Pension, SERP and PBOP Non-Service Income Components, Net of Deferred Portion	\$ 68.1	\$ 17.9	\$ 28.8	\$ 8.1	\$ 109.2	\$ 32.1	\$ 42.4	\$ 13.3
AFUDC Equity	34.5	8.7	21.5	1.8	21.1	5.6	11.0	1.0
Equity in Earnings of Unconsolidated Affiliates ⁽¹⁾	8.8	—	0.2	—	17.1	—	0.1	—
Investment (Loss) Income	(3.1)	(1.7)	(0.2)	(0.4)	1.1	(1.1)	0.2	0.3
Interest Income	44.5	3.4	30.4	2.1	16.1	2.8	9.6	0.7
Other ⁽¹⁾	31.1	—	0.1	0.4	0.8	—	0.2	—
Total Other Income, Net	\$ 183.9	\$ 28.3	\$ 80.8	\$ 12.0	\$ 165.4	\$ 39.4	\$ 63.5	\$ 15.3

⁽¹⁾ Eversource's equity method investment in a renewable energy fund was liquidated in March 2023. Liquidation proceeds in excess of the carrying value were recorded in both the first and second quarters of 2023 within Other in the table above. See Note 1E, "Summary of Significant Accounting Policies - Investments in Unconsolidated Affiliates," for further information. For the three and six months ended June 30, 2022, pre-tax income of \$12.2 million associated with this investment was included in Equity in Earnings of Unconsolidated Affiliates within Other Income, Net in the table above.

E. Investments in Unconsolidated Affiliates

Investments in entities that are not consolidated are included in long-term assets on the balance sheets and earnings impacts from these equity investments are included in Other Income, Net on the statements of income. Eversource's investments included the following:

(Millions of Dollars)	Ownership Interest	Investment Balance	
		As of June 30, 2023	As of December 31, 2022
Offshore Wind Business - North East Offshore	50 %	\$ 2,083.1	\$ 1,947.1
Natural Gas Pipeline - Algonquin Gas Transmission, LLC	15 %	116.4	118.8
Renewable Energy Investment Fund	90 %	—	84.1
Other	various	27.8	26.1
Total Investments in Unconsolidated Affiliates		\$ 2,227.3	\$ 2,176.1

Equity method investments are assessed for impairment when conditions exist that indicate that the fair value of the investment is less than book value. Eversource continually monitors and evaluates its equity method investments to determine if there are indicators of an other-than-temporary impairment. If the decline in value is considered to be other-than-temporary, the investment is written down to its estimated fair value, which establishes a new cost basis in the investment. Impairment evaluations involve a significant degree of judgment and estimation, including identifying circumstances that indicate an impairment may exist at the equity method investment level, selecting discount rates used to determine fair values, and developing an estimate of discounted future cash flows expected from investment operations or the sale of the investment.

Offshore Wind Business: Eversource's offshore wind business includes a 50 percent ownership interest in North East Offshore, which holds PPAs for the Revolution Wind and South Fork Wind projects and an Offshore Wind Renewable Energy Certificate (OREC) contract for the Sunrise Wind project, as well as an uncommitted offshore lease area. The offshore wind projects are being developed and constructed through a joint and equal partnership with Ørsted. The offshore leases include a 257 square-mile ocean lease off the coasts of Massachusetts and Rhode Island and a separate, adjacent 300-square-mile ocean lease located approximately 25 miles south of the coast of Massachusetts. The offshore wind investment includes capital expenditures for the three offshore wind projects, as well as capitalized costs related to future development, acquisition costs of offshore lease areas, and capitalized interest.

On May 4, 2022, Eversource announced that it had initiated a strategic review of its offshore wind investment portfolio. On May 25, 2023, Eversource announced that it has completed this review. As a result of completing this review, Eversource announced the following updates:

- On May 25, 2023, Eversource entered into a purchase and sale agreement with Ørsted for its 50 percent interest in an uncommitted lease area of approximately 175,000 developable acres located 25 miles off the south coast of Massachusetts for \$625 million in an all-cash transaction. Ørsted currently owns the other 50 percent share of the uncommitted lease area. This transaction is expected to close by the end of the third quarter of 2023, subject to regulatory approvals.
- On May 25, 2023, Eversource entered into a binding letter of intent with Ørsted to use \$575 million of the proceeds from the lease area sale to provide tax equity for the South Fork Wind project through a new tax equity ownership interest. As a 50 percent joint owner in South Fork Wind at the time of this transaction, half of that amount will be returned to Eversource. Eversource will recover its \$575 million tax equity investment primarily in the form of investment tax credits that will be received around the time of the project's commercial operation date, with the majority used in the fourth quarter of 2023 and the first half of 2024 to lower Eversource's cash tax obligation. Construction of South Fork Wind commenced in early 2022, with commercial operation expected in late 2023. Eversource's tax equity investment in South Fork Wind is also expected to close in the third quarter of 2023.
- Eversource has also determined that it will continue to pursue the sale of its existing 50 percent interest in its three jointly-owned, contracted offshore wind projects.

In connection with these developments in the strategic review, Eversource has evaluated its aggregate investment in the projects, uncommitted lease area, and other related capitalized costs and determined that the carrying value of the equity method offshore wind investment exceeded the fair value of the investment and that the decline was other-than-temporary. The current estimate of fair value is based on the expected sale price of Eversource's 50 percent interest in the three contracted projects based on the most recent bid value, the sale price of the uncommitted lease area included in the purchase and sale agreement, the value of the tax equity ownership interest, and the expectation of a successful repricing of the Sunrise Wind OREC contract. As a result, Eversource recognized a pre-tax other-than-temporary impairment charge of \$401.0 million (\$331.0 million after-tax, which includes the impact of a \$40 million valuation allowance for federal and state capital loss carryforwards) in the second quarter of 2023. The fair value of the investment will be updated based on final sales prices and final sales terms, final OREC pricing for the Sunrise Wind contract, and investment tax credit qualifications (including any investment tax credit adders), and changes to our estimates of these items could result in an adjustment to this impairment charge.

The impairment evaluation involved judgments in developing the estimate and timing of future cash flows arising from the anticipated sale transactions and from expected investment tax credits resulting from the tax equity ownership interest in South Fork Wind, and in the selection of the discount rate used to determine fair value, all of which are Level 3 fair value measurements.

The impairment charge is a non-cash charge and will not impact Eversource's cash position. Eversource will continue to make future cash expenditures for required cash contributions to North East Offshore up to the time of the sale of the offshore wind projects. Proceeds from the transaction will be used to pay off parent company debt. Eversource's strategic review of its offshore wind investment does not impact the presentation of the June 30, 2023 financial statements.

Liquidation of Renewable Energy Investment Fund: On March 21, 2023, Eversource's equity method investment in a renewable energy investment fund was liquidated by the fund's general partner in accordance with the partnership agreement. Proceeds received from the liquidation totaled \$147.0 million and are included in Investments in Unconsolidated Affiliates within investing activities on the statement of cash flows. Of this amount, \$123.4 million was received in the first quarter of 2023, and \$23.6 million was received from escrow in the second quarter of 2023. A portion of the proceeds was used to make a charitable contribution to the Eversource Energy Foundation (a related party) of \$20.0 million in the first quarter of 2023. The liquidation benefit received in excess of the investment's carrying value and the charitable contribution are included in Other Income, Net on the statement of income.

F. Other Taxes

Eversource's companies that serve customers in Connecticut collect gross receipts taxes levied by the state of Connecticut from their customers. These gross receipts taxes are recorded separately with collections in Operating Revenues and with payments in Taxes Other Than Income Taxes on the statements of income as follows:

(Millions of Dollars)	For the Three Months Ended				For the Six Months Ended			
	June 30, 2023		June 30, 2022		June 30, 2023		June 30, 2022	
Eversource	\$	44.7	\$	44.5	\$	99.7	\$	93.1
CL&P		38.9		39.0		82.0		76.8

As agents for state and local governments, Eversource's companies that serve customers in Connecticut and Massachusetts collect certain sales taxes that are recorded on a net basis with no impact on the statements of income.

G. Supplemental Cash Flow Information

Non-cash investing activities include plant additions included in Accounts Payable as follows:

(Millions of Dollars)	As of June 30, 2023		As of June 30, 2022	
Eversource	\$	457.5	\$	357.2
CL&P		104.8		96.7
NSTAR Electric		113.4		75.1
PSNH		59.6		49.6

The following table reconciles cash and cash equivalents as reported on the balance sheets to the cash, cash equivalents and restricted cash balance as reported on the statements of cash flows:

(Millions of Dollars)	As of June 30, 2023				As of December 31, 2022			
	Eversource	CL&P	NSTAR Electric	PSNH	Eversource	CL&P	NSTAR Electric	PSNH
Cash and Cash Equivalents as reported on the Balance Sheets	\$ 42.2	\$ 14.2	\$ 6.5	\$ 0.1	\$ 374.6	\$ 11.3	\$ 327.7	\$ 0.1
Restricted cash included in:								
Special Deposits	75.6	9.0	2.3	32.9	102.2	8.8	17.5	33.1
Marketable Securities	42.6	0.9	0.3	1.6	25.4	0.2	0.1	0.4
Other Long-Term Assets	17.6	—	—	3.2	19.6	—	—	3.2
Cash, Cash Equivalents and Restricted Cash as reported on the Statements of Cash Flows	\$ 178.0	\$ 24.1	\$ 9.1	\$ 37.8	\$ 521.8	\$ 20.3	\$ 345.3	\$ 36.8

Special Deposits represent cash collections related to the PSNH RRB customer charges that are held in trust, required ISO-NE cash deposits, cash held in escrow accounts, and CYAPC and YAEC cash balances. Special Deposits are included in Current Assets on the balance sheets. Restricted cash included in Marketable Securities represents money market funds held in trusts to fund certain non-qualified executive benefits and restricted trusts to fund CYAPC and YAEC's spent nuclear fuel storage obligations.

Restricted cash includes an Energy Relief Fund for energy efficiency and clean energy measures in the Merrimack Valley established under the terms of the EGMA 2020 settlement agreement. This restricted cash included \$20.0 million recorded as short-term in Special Deposits as of both June 30, 2023 and December 31, 2022, and \$14.4 million and \$15.9 million recorded in Other Long-Term Assets on the balance sheets as of June 30, 2023 and December 31, 2022, respectively.

2. REGULATORY ACCOUNTING

Eversource's utility companies are subject to rate regulation that is based on cost recovery and meets the criteria for application of accounting guidance for rate-regulated operations, which considers the effect of regulation on the timing of the recognition of certain revenues and expenses. The regulated companies' financial statements reflect the effects of the rate-making process. The rates charged to the customers of Eversource's regulated companies are designed to collect each company's costs to provide service, plus a return on investment.

The application of accounting guidance for rate-regulated enterprises results in recording regulatory assets and liabilities. Regulatory assets represent the deferral of incurred costs that are probable of future recovery in customer rates. Regulatory assets are amortized as the incurred costs are recovered through customer rates. Regulatory liabilities represent either revenues received from customers to fund expected costs that have not yet been incurred or probable future refunds to customers.

Management believes it is probable that each of the regulated companies will recover its respective investments in long-lived assets and the regulatory assets that have been recorded. If management were to determine that it could no longer apply the accounting guidance applicable to rate-regulated enterprises, or if management could not conclude it is probable that costs would be recovered from customers in future rates, the applicable costs would be charged to net income in the period in which the determination is made.

Regulatory Assets: The components of regulatory assets were as follows:

(Millions of Dollars)	As of June 30, 2023				As of December 31, 2022			
	Eversource	CL&P	NSTAR Electric	PSNH	Eversource	CL&P	NSTAR Electric	PSNH
Storm Costs, Net	\$ 1,680.7	\$ 875.2	\$ 552.9	\$ 252.6	\$ 1,379.1	\$ 799.3	\$ 484.4	\$ 95.4
Regulatory Tracking Mechanisms	1,075.7	286.6	438.3	136.9	1,075.3	216.8	391.5	73.7
Benefit Costs	873.9	144.1	282.2	52.3	921.7	156.7	299.5	56.6
Income Taxes, Net	864.7	499.8	121.7	12.7	853.3	491.1	115.6	16.0
Securitized Stranded Costs	414.1	—	—	414.1	435.7	—	—	435.7
Goodwill-related	272.5	—	234.0	—	281.0	—	241.2	—
Derivative Liabilities	152.1	152.1	—	—	181.8	181.8	—	—
Asset Retirement Obligations	132.1	37.1	49.4	4.5	127.9	35.9	68.2	4.4
Other Regulatory Assets	307.2	24.4	101.7	10.5	322.5	26.2	114.0	14.4
Total Regulatory Assets	5,773.0	2,019.3	1,800.2	883.6	5,578.3	1,907.8	1,714.4	696.2
Less: Current Portion	1,382.2	417.8	569.7	152.0	1,335.5	314.1	492.8	102.2
Total Long-Term Regulatory Assets	\$ 4,390.8	\$ 1,601.5	\$ 1,230.5	\$ 731.6	\$ 4,242.8	\$ 1,593.7	\$ 1,221.6	\$ 594.0

Regulatory Costs in Long-Term Assets: Eversource's regulated companies had \$248.3 million (including \$164.4 million for CL&P, \$23.7 million for NSTAR Electric and \$1.1 million for PSNH) and \$210.8 million (including \$135.9 million for CL&P, \$19.8 million for NSTAR Electric and \$1.0 million for PSNH) of additional regulatory costs as of June 30, 2023 and December 31, 2022, respectively, that were included in long-term assets on the balance sheets. These amounts represent incurred costs for which recovery has not yet been specifically approved by the applicable regulatory agency. However, based on regulatory policies or past precedent on similar costs, management believes it is probable that these costs will ultimately be approved and recovered from customers in rates. As of both June 30, 2023 and December 31, 2022, these regulatory costs included incremental COVID-19 related non-tracked uncollectible expense deferred of \$29.8 million at Eversource, \$11.8 million at CL&P, and \$2.2 million at NSTAR Electric.

Regulatory Liabilities: The components of regulatory liabilities were as follows:

(Millions of Dollars)	As of June 30, 2023				As of December 31, 2022			
	Eversource	CL&P	NSTAR Electric	PSNH	Eversource	CL&P	NSTAR Electric	PSNH
EDIT due to Tax Cuts and Jobs Act of 2017	\$ 2,584.1	\$ 976.5	\$ 923.6	\$ 343.7	\$ 2,619.3	\$ 983.6	\$ 944.3	\$ 348.6
Cost of Removal	660.9	147.1	412.8	19.3	670.6	130.8	405.3	14.7
Regulatory Tracking Mechanisms	683.7	215.4	290.7	77.4	890.8	361.0	336.1	155.0
Deferred Portion of Non-Service Income Components of Pension, SERP and PBOP	312.7	42.3	157.8	32.7	270.9	34.5	139.7	28.8
AFUDC - Transmission	110.2	51.5	58.7	—	98.2	48.2	50.0	—
Benefit Costs	50.1	0.6	25.7	—	55.4	0.7	31.4	—
Other Regulatory Liabilities	219.5	44.2	14.5	5.8	215.9	40.6	14.5	6.5
Total Regulatory Liabilities	4,621.2	1,477.6	1,883.8	478.9	4,821.1	1,599.4	1,921.3	553.6
Less: Current Portion	653.8	185.3	321.2	83.2	890.8	336.0	373.2	162.0
Total Long-Term Regulatory Liabilities	\$ 3,967.4	\$ 1,292.3	\$ 1,562.6	\$ 395.7	\$ 3,930.3	\$ 1,263.4	\$ 1,548.1	\$ 391.6

Recent Regulatory Development:

PSNH Pole Acquisition Approval: On November 18, 2022, the NHPUC issued a decision that approved a proposed purchase agreement between PSNH and Consolidated Communications, in which PSNH would acquire both jointly-owned and solely-owned poles and pole assets. The NHPUC also authorized PSNH to recover certain expenses associated with the operation and maintenance of the transferred poles, pole inspections, and vegetation management expenses through a new cost recovery mechanism, the Pole Plant Adjustment Mechanism (PPAM), subject to consummation of the purchase agreement. The purchase agreement was finalized on May 1, 2023 for a purchase price of \$23.3 million. Upon consummation of the purchase agreement, PSNH established a regulatory asset of \$16.9 million for operation and maintenance expenses and vegetation management expenses associated with the purchased poles incurred from February 10, 2021 through April 30, 2023 that PSNH is authorized to collect through the PPAM regulatory tracking mechanism. The establishment of the PPAM regulatory asset resulted in a pre-tax benefit recorded in Amortization expense on the PSNH statement of income in the second quarter of 2023.

3. PROPERTY, PLANT AND EQUIPMENT AND ACCUMULATED DEPRECIATION

The following tables summarize property, plant and equipment by asset category:

The following tables summarize property, plant and equipment by asset category.

Eversource		As of June 30, 2023		As of December 31, 2022	
<i>(Millions of Dollars)</i>					
Distribution - Electric	\$	18,984.3	\$	18,326.2	
Distribution - Natural Gas		7,667.0		7,443.8	
Transmission - Electric		14,106.9		13,709.3	
Distribution - Water		2,158.9		2,112.6	
Solar		200.8		200.8	
Utility		43,117.9		41,792.7	
Other ⁽¹⁾		1,856.0		1,738.1	
Property, Plant and Equipment, Gross		44,973.9		43,530.8	
Less: Accumulated Depreciation					
Utility		(9,483.3)		(9,167.4)	
Other		(783.4)		(706.1)	
Total Accumulated Depreciation		(10,266.7)		(9,873.5)	
Property, Plant and Equipment, Net		34,707.2		33,657.3	
Construction Work in Progress		2,871.0		2,455.5	
Total Property, Plant and Equipment, Net	\$	37,578.2	\$	36,112.8	

		As of June 30, 2023			As of December 31, 2022			
<i>(Millions of Dollars)</i>		CL&P	NSTAR Electric	PSNH	CL&P	NSTAR Electric	PSNH	
Distribution - Electric	\$	7,652.7	\$ 8,672.3	\$ 2,699.6	\$ 7,370.1	\$ 8,410.0	\$ 2,586.4	
Transmission - Electric		6,327.6	5,457.9	2,323.1	6,165.1	5,333.8	2,212.0	
Solar		—	200.8	—	—	200.8	—	
Property, Plant and Equipment, Gross		13,980.3	14,331.0	5,022.7	13,535.2	13,944.6	4,798.4	
Less: Accumulated Depreciation		(2,640.2)	(3,480.8)	(956.6)	(2,567.1)	(3,381.2)	(912.9)	
Property, Plant and Equipment, Net		11,340.1	10,850.2	4,066.1	10,968.1	10,563.4	3,886.1	
Construction Work in Progress		478.7	1,259.2	222.5	498.9	1,063.6	174.1	
Total Property, Plant and Equipment, Net	\$	11,818.8	\$ 12,109.4	\$ 4,288.6	\$ 11,467.0	\$ 11,627.0	\$ 4,060.2	

⁽¹⁾ These assets are primarily comprised of computer software, hardware and equipment at Eversource Service and buildings at The Rocky River Realty Company.

4. DERIVATIVE INSTRUMENTS

The electric and natural gas companies purchase and procure energy and energy-related products, which are subject to price volatility, for their customers. The costs associated with supplying energy to customers are recoverable from customers in future rates. These regulated companies manage the risks associated with the price volatility of energy and energy-related products through the use of derivative and non-derivative contracts.

Many of the derivative contracts meet the definition of, and are designated as, normal and qualify for accrual accounting under the applicable accounting guidance. The costs and benefits of derivative contracts that meet the definition of normal are recognized in Operating Expenses on the statements of income as electricity or natural gas is delivered.

Derivative contracts that are not designated as normal are recorded at fair value as current or long-term Derivative Assets or Derivative Liabilities on the balance sheets. For the electric and natural gas companies, regulatory assets or regulatory liabilities are recorded to offset the fair values of derivatives, as contract settlement amounts are recovered from, or refunded to, customers in their respective energy supply rates.

The gross fair values of derivative assets and liabilities with the same counterparty are offset and reported as net Derivative Assets or Derivative Liabilities, with current and long-term portions, on the balance sheets. The following table presents the gross fair values of contracts, categorized by risk type, and the net amounts recorded as current or long-term derivative assets or liabilities:

		As of June 30, 2023					As of December 31, 2022				
CL&P	Fair Value Hierarchy	Commodity Supply and Price Risk Management	Netting ⁽¹⁾	Net Amount Recorded as a Derivative			Commodity Supply and Price Risk Management	Netting ⁽¹⁾	Net Amount Recorded as a Derivative		
<i>(Millions of Dollars)</i>											
Current Derivative Assets	Level 3	\$ 17.0	\$ (0.5)	\$ 16.5	\$	16.3	\$ 16.3	\$ (0.5)	\$ 15.8		
Long-Term Derivative Assets	Level 3	20.6	(0.6)	20.0		28.8	28.8	(0.9)	27.9		
Current Derivative Liabilities	Level 3	(85.2)	—	(85.2)		(81.6)	(81.6)	—	(81.6)		
Long-Term Derivative Liabilities	Level 3	(103.4)	—	(103.4)		(143.9)	(143.9)	—	(143.9)		

⁽¹⁾ Amounts represent derivative assets and liabilities that Eversource elected to record net on the balance sheets. These amounts are subject to master netting agreements or similar agreements for which the right of offset exists.

Derivative Contracts at Fair Value with Offsetting Regulatory Amounts

Commodity Supply and Price Risk Management: As required by regulation, CL&P, along with UI, has capacity-related contracts with generation facilities. CL&P has a sharing agreement with UI, with 80 percent of the costs or benefits of each contract borne by or allocated to CL&P and 20 percent borne by or allocated to UI. The combined capacities of these contracts as of both June 30, 2023 and December 31, 2022 were 674 MW. The capacity contracts extend through 2026 and obligate both CL&P and UI to make or receive payments on a monthly basis to or from the generation facilities based on the difference between a set capacity price and the capacity market price received in the ISO-NE capacity markets.

Fair Value Measurements of Derivative Instruments

The fair value of derivative contracts classified as Level 3 utilizes both significant observable and unobservable inputs. The fair value is modeled using income techniques, such as discounted cash flow valuations adjusted for assumptions related to exit price. Valuations of derivative contracts using a discounted cash flow methodology include assumptions regarding the timing and likelihood of scheduled payments and also reflect non-performance risk, including credit, using the default probability approach based on the counterparty's credit rating for assets and the Company's credit rating for liabilities. Significant observable inputs for valuations of these contracts include energy-related product prices in future years for which quoted prices in an active market exist. Valuations incorporate estimates of premiums or discounts that would be required by a market participant to arrive at an exit price, using historical market transactions adjusted for the terms of the contract. Fair value measurements categorized in Level 3 of the fair value hierarchy are prepared by individuals with expertise in valuation techniques, pricing of energy-related products, and accounting requirements.

The following is a summary of the significant unobservable inputs utilized in the valuations of the derivative contracts classified as Level 3:

CL&P	As of June 30, 2023				As of December 31, 2022			
	Range		Average		Range		Average	
Forward Reserve Prices	\$	0.44 — \$7.50	\$	3.97	\$	0.44 — \$0.50	\$	0.47
				per kW-Month				per kW-Month
				2023 - 2024				2023 - 2024

Exit price premiums of 1.8 percent through 6.1 percent, or a weighted average of 5.0 percent, are also Level 3 significant unobservable inputs applied to these contracts and reflect the uncertainty and illiquidity premiums that would be required based on the most recent market activity available for similar type contracts. The risk premium was weighted by the relative fair value of the net derivative instruments.

Significant increases or decreases in future capacity or forward reserve prices in isolation would decrease or increase, respectively, the fair value of the derivative liability. Any increases in risk premiums would increase the fair value of the derivative liability. Changes in these fair values are recorded as a regulatory asset or liability and do not impact net income.

The following table presents changes in the Level 3 category of derivative assets and derivative liabilities measured at fair value on a recurring basis. The derivative assets and liabilities are presented on a net basis.

CL&P (Millions of Dollars)	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2023	2022	2023	2022
Derivatives, Net:				
Fair Value as of Beginning of Period	\$ (168.8)	\$ (229.4)	\$ (181.8)	\$ (249.2)
Net Realized/Unrealized Gains/(Losses) Included in Regulatory Assets	1.8	2.6	(0.1)	8.8
Settlements	14.9	13.5	29.8	27.1
Fair Value as of End of Period	\$ (152.1)	\$ (213.3)	\$ (152.1)	\$ (213.3)

5. MARKETABLE SECURITIES

Eversource holds marketable securities that are primarily used to fund certain non-qualified executive benefits. The trusts that hold these marketable securities are not subject to regulatory oversight by state or federal agencies. Eversource's marketable securities also include the CYAPC and YAEC legally restricted trusts that each hold equity and available-for-sale debt securities to fund the spent nuclear fuel removal obligations of their nuclear fuel storage facilities. Equity and available-for-sale debt marketable securities are recorded at fair value, with the current portion recorded in Prepayments and Other Current Assets and the long-term portion recorded in Marketable Securities on the balance sheets.

Equity Securities: Unrealized gains and losses on equity securities held in Eversource's non-qualified executive benefit trust are recorded in Other Income, Net on the statements of income. The fair value of these equity securities as of June 30, 2023 and December 31, 2022 was \$3.1 million and \$20.0 million, respectively. For each of the three months ended June 30, 2023 and 2022, there were unrealized losses of \$4.7 million recorded in Other Income, Net related to these equity securities. For the six months ended June 30, 2023 and 2022, there were unrealized losses of \$3.9 million and \$9.1 million recorded in Other Income, Net related to these equity securities, respectively.

Eversource's equity securities also include CYAPC's and YAEC's marketable securities held in spent nuclear fuel trusts, which had fair values of \$161.6 million and \$170.1 million as of June 30, 2023 and December 31, 2022, respectively. Unrealized gains and losses for these spent nuclear fuel trusts are subject to regulatory accounting treatment and are recorded in Marketable Securities with the corresponding offset to long-term liabilities on the balance sheets, with no impact on the statements of income.

Available-for-Sale Debt Securities: The following is a summary of the available-for-sale debt securities:

Eversource (Millions of Dollars)	As of June 30, 2023				As of December 31, 2022			
	Amortized Cost	Pre-Tax Unrealized Gains	Pre-Tax Unrealized Losses	Fair Value	Amortized Cost	Pre-Tax Unrealized Gains	Pre-Tax Unrealized Losses	Fair Value
Debt Securities	\$ 203.6	\$ 0.1	\$ (10.9)	\$ 192.8	\$ 201.6	\$ 0.1	\$ (16.2)	\$ 185.5

Unrealized gains and losses on available-for-sale debt securities held in Eversource's non-qualified executive benefit trust are recorded in Accumulated Other Comprehensive Income, excluding amounts related to credit losses or losses on securities intended to be sold, which are recorded in Other Income, Net. There were \$1.2 million of unrealized losses recorded on securities intended to be sold for the six months ended June 30, 2023 that were included in Other Income, Net. There have been no credit losses for the three and six months ended June 30, 2023 and 2022, and no allowance for credit losses as of June 30, 2023. Factors considered in determining whether a credit loss exists include adverse conditions specifically affecting the issuer, the payment history, ratings and rating changes of the security, and the severity of the impairment. For asset-backed debt securities, underlying collateral and expected future cash flows are also evaluated. Debt securities included in Eversource's non-qualified benefit trust portfolio are investment-grade bonds with a lower default risk based on their credit quality.

Eversource's debt securities also include CYAPC's and YAEC's marketable securities held in spent nuclear fuel trusts in the amounts of \$165.8 million and \$163.2 million as of June 30, 2023 and December 31, 2022, respectively. Unrealized gains and losses for available-for-sale debt securities included in the CYAPC and YAEC spent nuclear fuel trusts are subject to regulatory accounting treatment and are recorded in Marketable Securities with the corresponding offset to long-term liabilities on the balance sheets, with no impact on the statements of income. Pre-tax unrealized gains and losses as of June 30, 2023 and December 31, 2022 primarily relate to the debt securities included in CYAPC's and YAEC's spent nuclear fuel trusts.

As of June 30, 2023, the contractual maturities of available-for-sale debt securities were as follows:

Eversource (Millions of Dollars)	Amortized Cost	Fair Value
Less than one year ⁽¹⁾	\$ 46.6	\$ 46.6
One to five years	31.5	30.6
Six to ten years	39.3	37.4
Greater than ten years	86.2	78.2
Total Debt Securities	\$ 203.6	\$ 192.8

⁽¹⁾ Amounts in the Less than one year category include securities in the CYAPC and YAEC spent nuclear fuel trusts, which are restricted and are classified in long-term Marketable Securities on the balance sheets. Amounts also include securities in Eversource's non-qualified executive benefit trust, which are intended to be sold in 2023.

Realized Gains and Losses: Realized gains and losses are recorded in Other Income, Net for Eversource's benefit trust and are offset in long-term liabilities for CYAPC and YAEC. Eversource utilizes the specific identification basis method for the Eversource non-qualified benefit trust, and the average cost basis method for the CYAPC and YAEC spent nuclear fuel trusts to compute the realized gains and losses on the sale of marketable securities.

Fair Value Measurements: The following table presents the marketable securities recorded at fair value on a recurring basis by the level in which they are classified within the fair value hierarchy:

Eversource (Millions of Dollars)	As of June 30, 2023	As of December 31, 2022
Level 1:		
Mutual Funds and Equities	\$ 164.7	\$ 190.1
Money Market Funds	42.6	25.4
Total Level 1	\$ 207.3	\$ 215.5
Level 2:		
U.S. Government Issued Debt Securities (Agency and Treasury)	\$ 81.9	\$ 82.3
Corporate Debt Securities	41.5	46.1
Asset-Backed Debt Securities	6.4	8.6
Municipal Bonds	9.7	12.7
Other Fixed Income Securities	10.7	10.4
Total Level 2	\$ 150.2	\$ 160.1
Total Marketable Securities	\$ 357.5	\$ 375.6

U.S. government issued debt securities are valued using market approaches that incorporate transactions for the same or similar bonds and adjustments for yields and maturity dates. Corporate debt securities are valued using a market approach, utilizing recent trades of the same or similar instruments and also incorporating yield curves, credit spreads and specific bond terms and conditions. Asset-backed debt securities include collateralized mortgage obligations, commercial mortgage backed securities, and securities collateralized by auto loans, credit card loans or receivables. Asset-backed debt securities are valued using recent trades of similar instruments, prepayment assumptions, yield curves, issuance and maturity dates, and tranche information. Municipal bonds are valued using a market approach that incorporates reported trades and benchmark yields. Other fixed income securities are valued using pricing models, quoted prices of securities with similar characteristics, and discounted cash flows.

6. SHORT-TERM AND LONG-TERM DEBT

Short-Term Debt - Commercial Paper Programs and Credit Agreements: Eversource parent has a \$2.00 billion commercial paper program allowing Eversource parent to issue commercial paper as a form of short-term debt. Eversource parent, CL&P, PSNH, NSTAR Gas, Yankee Gas, EGMA and Aquarion Water Company of Connecticut are parties to a five-year \$2.00 billion revolving credit facility, which terminates on October 15, 2027. This revolving credit facility serves to backstop Eversource parent's \$2.00 billion commercial paper program.

NSTAR Electric has a \$650 million commercial paper program allowing NSTAR Electric to issue commercial paper as a form of short-term debt. NSTAR Electric is also a party to a five-year \$650 million revolving credit facility, which terminates on October 15, 2027, and serves to backstop NSTAR Electric's \$650 million commercial paper program.

The amount of borrowings outstanding and available under the commercial paper programs were as follows:

(Millions of Dollars)	Borrowings Outstanding as of		Available Borrowing Capacity as of		Weighted-Average Interest Rate as of	
	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
Eversource Parent Commercial Paper Program	\$ 529.0	\$ 1,442.2	\$ 1,471.0	\$ 557.8	5.31 %	4.63 %
NSTAR Electric Commercial Paper Program	324.0	—	326.0	650.0	5.17 %	— %

There were no borrowings outstanding on the revolving credit facilities as of June 30, 2023 or December 31, 2022.

CL&P and PSNH have uncommitted line of credit agreements totaling \$375 million and \$250 million, respectively, which will expire on May 10, 2024. There are no borrowings outstanding on either the CL&P or PSNH uncommitted line of credit agreements as of June 30, 2023.

Amounts outstanding under the commercial paper programs are included in Notes Payable and classified in current liabilities on the Eversource and NSTAR Electric balance sheets, as all borrowings are outstanding for no more than 364 days at one time. As a result of the CL&P long-term debt issuance in July 2023, \$297.5 million of commercial paper borrowings under the Eversource parent commercial paper program were reclassified as Long-Term Debt on Eversource's balance sheet as of June 30, 2023.

Intercompany Borrowings: Eversource parent uses its available capital resources to provide loans to its subsidiaries to assist in meeting their short-term borrowing needs. Eversource parent records intercompany interest income from its loans to subsidiaries, which is eliminated in consolidation. Intercompany loans from Eversource parent to its subsidiaries are eliminated in consolidation on Eversource's balance sheets. As of June 30, 2023, there were intercompany loans from Eversource parent to CL&P of \$449.0 million and to PSNH of \$226.3 million. As of December 31, 2022, there were intercompany loans from Eversource parent to PSNH of \$173.3 million. Eversource parent charges interest on these intercompany loans at the same weighted-average interest rate as its commercial paper program. Intercompany loans from Eversource parent are included in Notes Payable to Eversource Parent and classified in current liabilities on the respective subsidiary's balance sheets, as these intercompany borrowings are outstanding for no more than 364 days at one time. As a result of the CL&P long-term debt issuance in July 2023, \$297.5 million of CL&P's intercompany borrowings were reclassified to Long-Term Debt on CL&P's balance sheet as of June 30, 2023.

Sources and Uses of Cash: The Company expects the future operating cash flows of Eversource, CL&P, NSTAR Electric and PSNH, along with existing borrowing availability and access to both debt and equity markets, will be sufficient to meet any working capital and future operating requirements, and capital investment forecasted opportunities.

Availability under Long-Term Debt Issuance Authorizations: On June 7, 2023, PURA approved Yankee Gas' request for authorization to issue up to \$350 million in long-term debt through December 31, 2024.

Long-Term Debt Issuances and Repayments: The following table summarizes long-term debt issuances and repayments:

<i>(Millions of Dollars)</i>	Interest Rate	Issuance/(Repayment)	Issue Date or Repayment Date	Maturity Date	Use of Proceeds for Issuance/ Repayment Information
CL&P 2023 Series A First Mortgage Bonds	5.25 %	\$ 500.0	January 2023	January 2053	Repaid 2013 Series A Bonds at maturity and short-term debt, and paid capital expenditures and working capital
CL&P 2023 Series B First Mortgage Bonds	4.90 %	300.0	July 2023	July 2033	Repaid short-term debt, paid capital expenditures and working capital
CL&P 2013 Series A First Mortgage Bonds	2.50 %	(400.0)	January 2023	January 2023	Paid at maturity
PSNH Series W First Mortgage Bonds	5.15 %	300.0	January 2023	January 2053	Repaid short-term debt, paid capital expenditures and working capital
Eversource Parent Series Z Senior Notes	5.45 %	750.0	March 2023	March 2028	Repaid Series F Senior Notes at maturity and short-term debt
Eversource Parent Series F Senior Notes	2.80 %	(450.0)	May 2023	May 2023	Paid at maturity
Eversource Parent Series Z Senior Notes	5.45 %	550.0	May 2023	March 2028	Repay Series T Senior Notes and Series N Senior Notes at maturity and short-term debt
Eversource Parent Series AA Senior Notes	4.75 %	450.0	May 2023	May 2026	Repay Series T Senior Notes and Series N Senior Notes at maturity and short-term debt
Eversource Parent Series BB Senior Notes	5.125 %	800.0	May 2023	May 2033	Repay Series T Senior Notes and Series N Senior Notes at maturity and short-term debt

7. RATE REDUCTION BONDS AND VARIABLE INTEREST ENTITIES

Rate Reduction Bonds: In May 2018, PSNH Funding, a wholly-owned subsidiary of PSNH, issued \$635.7 million of securitized RRBs in multiple tranches with a weighted average interest rate of 3.66 percent, and final maturity dates ranging from 2026 to 2035. The RRBs are expected to be repaid by February 1, 2033. RRB payments consist of principal and interest and are paid semi-annually, beginning on February 1, 2019. The RRBs were issued pursuant to a finance order issued by the NHPUC in January 2018 to recover remaining costs resulting from the divestiture of PSNH's generation assets.

PSNH Funding was formed solely to issue RRBs to finance PSNH's unrecovered remaining costs associated with the divestiture of its generation assets. PSNH Funding is considered a VIE primarily because the equity capitalization is insufficient to support its operations. PSNH has the power to direct the significant activities of the VIE and is most closely associated with the VIE as compared to other interest holders. Therefore, PSNH is considered the primary beneficiary and consolidates PSNH Funding in its consolidated financial statements.

The following tables summarize the impact of PSNH Funding on PSNH's balance sheets and income statements:

<i>(Millions of Dollars)</i>	As of June 30, 2023		As of December 31, 2022	
PSNH Balance Sheets:				
Restricted Cash - Current Portion (included in Current Assets)	\$	31.3	\$	32.4
Restricted Cash - Long-Term Portion (included in Other Long-Term Assets)		3.2		3.2
Securitized Stranded Cost (included in Regulatory Assets)		414.1		435.7
Other Regulatory Liabilities (included in Regulatory Liabilities)		6.5		6.0
Accrued Interest (included in Other Current Liabilities)		6.6		6.9
Rate Reduction Bonds - Current Portion		43.2		43.2
Rate Reduction Bonds - Long-Term Portion		388.9		410.5

<i>(Millions of Dollars)</i>	For the Three Months Ended		For the Six Months Ended	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
PSNH Income Statements:				
Amortization of RRB Principal (included in Amortization of Regulatory Assets, Net)	\$ 10.8	\$ 10.8	\$ 21.6	\$ 21.6
Interest Expense on RRB Principal (included in Interest Expense)	3.9	4.3	8.0	8.7

8. PENSION BENEFITS AND POSTRETIREMENT BENEFITS OTHER THAN PENSION

Eversource provides defined benefit retirement plans (Pension Plans) that cover eligible employees. In addition to the Pension Plans, Eversource maintains non-qualified defined benefit retirement plans (SERP Plans), which provide benefits in excess of Internal Revenue Code limitations to eligible participants consisting of current and retired employees. Eversource also provides defined benefit postretirement plans (PBOP Plans) that provide life insurance and a health reimbursement arrangement created for the purpose of reimbursing retirees and dependents for health insurance premiums and certain medical expenses to eligible employees that meet certain age and service eligibility requirements.

The components of net periodic benefit plan expense/(income) for the Pension, SERP and PBOP Plans, prior to amounts capitalized as Property, Plant and Equipment or deferred as regulatory assets/(liabilities) for future recovery or refund, are shown below. The service cost component of net periodic benefit plan expense/(income), less the capitalized portion, is included in Operations and Maintenance expense on the statements of income. The remaining components of net periodic benefit plan expense/(income), less the deferred portion, are included in Other Income, Net on the statements of income. Pension, SERP and PBOP expense reflected in the statements of cash flows for CL&P, NSTAR Electric and PSNH does not include intercompany allocations of net periodic benefit plan expense/(income), as these amounts are cash settled on a short-term basis.

(Millions of Dollars)	Pension and SERP					PBOP				
	For the Three Months Ended June 30, 2023					For the Three Months Ended June 30, 2023				
	Eversource	CL&P	NSTAR Electric	PSNH		Eversource	CL&P	NSTAR Electric	PSNH	
Service Cost	\$ 10.7	\$ 3.1	\$ 1.9	\$ 1.1		\$ 2.0	\$ 0.3	\$ 0.3	\$ 0.2	
Interest Cost	63.5	12.7	13.5	6.8		8.4	1.5	2.3	0.9	
Expected Return on Plan Assets	(116.5)	(23.7)	(28.5)	(12.5)		(19.5)	(2.3)	(9.3)	(1.4)	
Actuarial Loss	11.6	0.6	4.0	0.4		—	—	—	—	
Prior Service Cost/(Credit)	0.3	—	0.1	—		(5.4)	0.3	(4.3)	0.1	
Settlement Loss	3.7	—	—	—		—	—	—	—	
Total Net Periodic Benefit Plan Income	\$ (26.7)	\$ (7.3)	\$ (9.0)	\$ (4.2)		\$ (14.5)	\$ (0.2)	\$ (11.0)	\$ (0.2)	
Intercompany Income Allocations	N/A	(0.6)	(0.4)	(0.1)		N/A	(0.4)	(0.5)	(0.1)	

(Millions of Dollars)	Pension and SERP					PBOP				
	For the Six Months Ended June 30, 2023					For the Six Months Ended June 30, 2023				
	Eversource	CL&P	NSTAR Electric	PSNH		Eversource	CL&P	NSTAR Electric	PSNH	
Service Cost	\$ 21.7	\$ 6.1	\$ 4.0	\$ 2.2		\$ 3.8	\$ 0.6	\$ 0.6	\$ 0.4	
Interest Cost	127.2	25.3	27.0	13.6		16.9	3.1	4.6	1.8	
Expected Return on Plan Assets	(232.4)	(47.1)	(56.9)	(24.8)		(38.6)	(4.7)	(18.5)	(2.8)	
Actuarial Loss	24.1	1.4	8.9	0.8		—	—	—	—	
Prior Service Cost/(Credit)	0.6	—	0.2	—		(10.8)	0.6	(8.5)	0.2	
Settlement Loss	3.7	—	—	—		—	—	—	—	
Total Net Periodic Benefit Plan Income	\$ (55.1)	\$ (14.3)	\$ (16.8)	\$ (8.2)		\$ (28.7)	\$ (0.4)	\$ (21.8)	\$ (0.4)	
Intercompany Income Allocations	N/A	(2.6)	(2.1)	(0.6)		N/A	(0.9)	(1.1)	(0.3)	

(Millions of Dollars)	Pension and SERP					PBOP				
	For the Three Months Ended June 30, 2022					For the Three Months Ended June 30, 2022				
	Eversource	CL&P	NSTAR Electric	PSNH		Eversource	CL&P	NSTAR Electric	PSNH	
Service Cost	\$ 17.5	\$ 4.7	\$ 3.4	\$ 1.7		\$ 3.0	\$ 0.5	\$ 0.5	\$ 0.3	
Interest Cost	38.6	7.8	8.2	4.2		5.1	0.9	1.3	0.6	
Expected Return on Plan Assets	(130.7)	(26.5)	(32.1)	(14.0)		(22.6)	(2.8)	(10.6)	(1.7)	
Actuarial Loss	28.4	4.0	8.1	1.9		—	—	—	—	
Prior Service Cost/(Credit)	0.3	—	0.1	—		(5.4)	0.3	(4.2)	0.1	
Total Net Periodic Benefit Plan Income	\$ (45.9)	\$ (10.0)	\$ (12.3)	\$ (6.2)		\$ (19.9)	\$ (1.1)	\$ (13.0)	\$ (0.7)	
Intercompany Income Allocations	N/A	(4.1)	(3.2)	(0.9)		N/A	(0.9)	(0.9)	(0.3)	

(Millions of Dollars)	Pension and SERP					PBOP				
	For the Six Months Ended June 30, 2022					For the Six Months Ended June 30, 2022				
	Eversource	CL&P	NSTAR Electric	PSNH		Eversource	CL&P	NSTAR Electric	PSNH	
Service Cost	\$ 35.2	\$ 9.2	\$ 7.0	\$ 3.5		\$ 5.8	\$ 1.0	\$ 1.0	\$ 0.5	
Interest Cost	77.2	15.6	16.3	8.4		10.1	1.8	2.6	1.1	
Expected Return on Plan Assets	(262.4)	(53.1)	(64.1)	(28.1)		(45.0)	(5.6)	(21.2)	(3.3)	
Actuarial Loss	59.1	8.2	16.6	4.1		—	—	—	—	
Prior Service Cost/(Credit)	0.7	—	0.2	—		(10.8)	0.5	(8.5)	0.2	
Total Net Periodic Benefit Plan Income	\$ (90.2)	\$ (20.1)	\$ (24.0)	\$ (12.1)		\$ (39.9)	\$ (2.3)	\$ (26.1)	\$ (1.5)	
Intercompany Income Allocations	N/A	(7.9)	(6.1)	(1.7)		N/A	(1.8)	(1.8)	(0.6)	

9. COMMITMENTS AND CONTINGENCIES

A. Environmental Matters

Eversource, CL&P, NSTAR Electric and PSNH are subject to environmental laws and regulations intended to mitigate or remove the effect of past operations and improve or maintain the quality of the environment. These laws and regulations require the removal or the remedy of the effect on the environment of the disposal or release of certain specified hazardous substances at current and former operating sites. Eversource, CL&P, NSTAR Electric and PSNH have an active environmental auditing and training program and each believes it is substantially in compliance with all enacted laws and regulations.

The number of environmental sites and related reserves for which remediation or long-term monitoring, preliminary site work or site assessment is being performed are as follows:

	As of June 30, 2023		As of December 31, 2022	
	Number of Sites	Reserve (in millions)	Number of Sites	Reserve (in millions)
Eversource	62	\$ 130.9	59	\$ 122.6
CL&P	13	12.3	13	13.9
NSTAR Electric	12	5.5	10	3.4
PSNH	8	7.7	8	6.1

The increase in the reserve balance was due primarily to the addition of one environmental site at NSTAR Gas, two additional environmental sites at NSTAR Electric, and changes in cost estimates at certain MGP sites at our natural gas companies and PSNH for which additional remediation will be required.

Included in the number of sites and reserve amounts above are former MGP sites that were operated several decades ago and manufactured natural gas from coal and other processes, which resulted in certain by-products remaining in the environment that may pose a potential risk to human health and the environment, for which Eversource may have potential liability. The reserve balances related to these former MGP sites were \$121.1 million and \$112.6 million as of June 30, 2023 and December 31, 2022, respectively, and related primarily to the natural gas business segment.

These reserve estimates are subjective in nature as they take into consideration several different remediation options at each specific site. The reliability and precision of these estimates can be affected by several factors, including new information concerning either the level of contamination at the site, the extent of Eversource's, CL&P's, NSTAR Electric's and PSNH's responsibility for remediation or the extent of remediation required, recently enacted laws and regulations or changes in cost estimates due to certain economic factors. It is possible that new information or future developments could require a reassessment of the potential exposure to required environmental remediation. As this information becomes available, management will continue to assess the potential exposure and adjust the reserves accordingly.

B. Guarantees and Indemnifications

In the normal course of business, Eversource parent provides credit assurances on behalf of its subsidiaries, including CL&P, NSTAR Electric and PSNH, in the form of guarantees. Management does not anticipate a material impact to net income or cash flows as a result of these various guarantees and indemnifications.

Guarantees issued on behalf of unconsolidated entities, including equity method offshore wind investments, for which Eversource parent is the guarantor, are recorded at fair value as a liability on the balance sheet at the inception of the guarantee. Eversource regularly reviews performance risk under these guarantee arrangements, and in the event it becomes probable that Eversource parent will be required to perform under the guarantee, the amount of probable payment will be recorded. The fair value of guarantees issued on behalf of unconsolidated entities are recorded within Other Long-Term Liabilities on the balance sheet, and were \$4.4 million and \$4.2 million as of June 30, 2023 and December 31, 2022, respectively.

The following table summarizes Eversource parent's exposure to guarantees and indemnifications of its subsidiaries and affiliates to external parties, and primarily relates to its offshore wind business:

As of June 30, 2023				
Company (Obligor)	Description	Maximum Exposure (in millions)	Expiration Dates	
North East Offshore	Construction-related purchase agreements with third-party contractors ⁽¹⁾	\$ 726.4	⁽¹⁾	
Sunrise Wind LLC	Construction-related purchase agreements with third-party contractors ⁽²⁾	742.8	2025 - 2028	
Revolution Wind, LLC	Construction-related purchase agreements with third-party contractors ⁽³⁾	405.1	2024 - 2027	
South Fork Wind, LLC	Construction-related purchase agreements with third-party contractors ⁽⁴⁾	83.9	2023 - 2026	
Eversource Investment LLC	Funding and indemnification obligations of North East Offshore ⁽⁵⁾	53.5	⁽⁵⁾	
South Fork Wind, LLC	Power Purchase Agreement Security ⁽⁶⁾	7.1	⁽⁶⁾	
Sunrise Wind LLC	OREC capacity production ⁽⁷⁾	11.0	⁽⁷⁾	
Bay State Wind LLC	Real estate purchase	2.5	2024	
South Fork Wind, LLC	Transmission interconnection	1.2	—	
Eversource Investment LLC	Letters of Credit ⁽⁸⁾	14.2	—	
Various	Surety bonds ⁽⁹⁾	38.2	2023 - 2024	
Eversource Service	Lease payments for real estate	0.3	2024	

⁽¹⁾ Eversource parent issued guarantees on behalf of its 50 percent-owned affiliate, North East Offshore (NEO), under which Eversource parent agreed to guarantee 50 percent of NEO's performance of obligations under certain purchase agreements with third-party contractors, in an aggregate amount not to exceed \$1.3 billion with an expiration date in 2025. Eversource parent also issued a separate guarantee to Ørsted on behalf of NEO, under which Eversource parent agreed to guarantee 50 percent of NEO's payment obligations under certain offshore wind project construction-related agreements with Ørsted in an aggregate amount not to exceed \$62.5 million and expiring upon full performance of the guaranteed obligation. Any amounts paid under this guarantee to Ørsted will count toward, but not increase, the maximum amount of the Funding Guarantee described in Note 5, below.

⁽²⁾ Eversource parent issued guarantees on behalf of its 50 percent-owned affiliate, Sunrise Wind LLC, whereby Eversource parent will guarantee Sunrise Wind LLC's performance of certain obligations, in an aggregate amount not to exceed \$925.6 million, in connection with construction-related purchase agreements. Eversource parent's obligations under the guarantees expire upon the earlier of (i) dates ranging from March 2025 and October 2028 and (ii) full performance of the guaranteed obligations.

⁽³⁾ Eversource parent issued guarantees on behalf of its 50 percent-owned affiliate, Revolution Wind, LLC, whereby Eversource parent will guarantee Revolution Wind, LLC's performance of certain obligations, in an aggregate amount not to exceed \$547.2 million, in connection with construction-related purchase agreements. Eversource parent's obligations under the guarantees expire upon the earlier of (i) dates ranging from May 2024 and November 2027 and (ii) full performance of the guaranteed obligations.

⁽⁴⁾ Eversource parent issued guarantees on behalf of its 50 percent-owned affiliate, South Fork Wind, LLC, whereby Eversource parent will guarantee South Fork Wind, LLC's performance of certain obligations in connection with construction-related purchase agreements. Under these guarantees, Eversource parent will guarantee South Fork Wind, LLC's performance of certain obligations, in a total aggregate amount not to exceed \$171.5 million. Eversource parent's obligations under these guarantees expire upon the earlier of (i) dates ranging from September 2023 and August 2026 and (ii) full performance of the guaranteed obligations.

⁽⁵⁾ Eversource parent issued a guarantee (Funding Guarantee) on behalf of Eversource Investment LLC (EI), its wholly-owned subsidiary that holds a 50 percent ownership interest in NEO, under which Eversource parent agreed to guarantee certain funding obligations and certain indemnification payments of EI under the operating agreement of NEO, in an amount not to exceed \$910 million. The guaranteed obligations include payment of EI's funding obligations during the construction phase of NEO's underlying offshore wind projects and indemnification obligations associated with third party credit support for its investment in NEO. Eversource parent's obligations under the Funding Guarantee expire upon the full performance of the guaranteed obligations.

⁽⁶⁾ Eversource parent issued a guarantee on behalf of its 50 percent-owned affiliate, South Fork Wind, LLC, whereby Eversource parent will guarantee South Fork Wind, LLC's performance of certain obligations, in an amount not to exceed \$7.1 million, under a Power Purchase Agreement between the Long Island Power Authority and South Fork Wind, LLC (the Agreement). The guarantee expires upon the later of (i) the end of the Agreement term and (ii) full performance of the guaranteed obligations.

⁽⁷⁾ Eversource parent issued a guarantee on behalf of its 50 percent-owned affiliate, Sunrise Wind LLC, whereby Eversource parent will guarantee Sunrise Wind LLC's performance of certain obligations, in an amount not to exceed \$15.4 million, under the Offshore Wind Renewable Energy Certificate Purchase and Sale Agreement (the Agreement). The Agreement was executed by and between the New York State Energy Research and Development Authority (NYSERDA) and Sunrise Wind LLC. The guarantee expires upon the full performance of the guaranteed obligations.

⁽⁸⁾ On September 16, 2020, Eversource parent entered into a guarantee on behalf of EI, which holds Eversource's investments in offshore wind-related equity method investments, under which Eversource parent would guarantee EI's obligations under a letter of credit facility with a financial institution that EI may request in an aggregate amount of up to approximately \$25 million. In January 2022, EI issued two letters of credit on behalf of South Fork Wind, LLC related to future decommissioning obligations of certain onshore transmission assets totaling \$4.3 million. In June 2023, EI issued an additional letter of credit on behalf of Sunrise Wind LLC related to future environmental remediation in the amount of \$9.9 million.

⁽⁹⁾ Surety bond expiration dates reflect termination dates, the majority of which will be renewed or extended. Certain surety bonds contain credit ratings triggers that would require Eversource parent to post collateral in the event that the unsecured debt credit ratings of Eversource parent are downgraded.

Third Quarter 2023 Guarantees: In the third quarter of 2023, Eversource parent issued an additional guaranty on behalf of Sunrise Wind LLC totaling \$143.0 million, whereby Eversource parent will guarantee Sunrise Wind LLC's performance of certain construction obligations.

C. Spent Nuclear Fuel Obligations - Yankee Companies

CL&P, NSTAR Electric and PSNH have plant closure and fuel storage cost obligations to the Yankee Companies, which have each completed the physical decommissioning of their respective nuclear power facilities and are now engaged in the long-term storage of their spent fuel. The Yankee Companies fund these costs through litigation proceeds received from the DOE and, to the extent necessary, through wholesale, FERC-approved rates charged under power purchase agreements with several New England utilities, including CL&P, NSTAR Electric and PSNH. CL&P, NSTAR Electric and PSNH, in turn recover these costs from their customers through state regulatory commission-approved retail rates. The Yankee Companies collect amounts that management believes are adequate to recover the remaining plant closure and fuel storage cost estimates for the respective plants. Management believes CL&P and NSTAR Electric will recover their shares of these obligations from their customers. PSNH has recovered its total share of these costs from its customers.

Spent Nuclear Fuel Litigation:

The Yankee Companies have filed complaints against the DOE in the Court of Federal Claims seeking monetary damages resulting from the DOE's failure to accept delivery of, and provide for a permanent facility to store, spent nuclear fuel pursuant to the terms of the 1983 spent fuel and high-level waste disposal contracts between the Yankee Companies and the DOE. The court previously awarded the Yankee Companies damages for Phases I, II, III and IV of litigation resulting from the DOE's failure to meet its contractual obligations. These Phases covered damages incurred in the years 1998 through 2016, and the awarded damages have been received by the Yankee Companies with certain amounts of the damages refunded to their customers.

DOE Phase V Damages - On March 25, 2021, each of the Yankee Companies filed a fifth set of lawsuits against the DOE in the Court of Federal Claims resulting from the DOE's failure to begin accepting spent nuclear fuel for disposal covering the years from 2017 to 2020. The Yankee Companies filed claims seeking monetary damages totaling \$120.4 million for CYAPC, YAEC and MYAPC. Pursuant to a June 2, 2022 court order, the Yankee Companies were subsequently permitted to include monetary damages relating to the year 2021 in the DOE Phase V complaint. The Yankee Companies submitted a supplemental filing to include these costs of \$33.1 million on June 8, 2022. The DOE Phase V trial is now expected to begin in the fourth quarter of 2023.

D. FERC ROE Complaints

Four separate complaints were filed at the FERC by combinations of New England state attorneys general, state regulatory commissions, consumer advocates, consumer groups, municipal parties and other parties (collectively, the Complainants). In each of the first three complaints, filed on October 1, 2011, December 27, 2012, and July 31, 2014, respectively, the Complainants challenged the NETOs' base ROE of 11.14 percent that had been utilized since 2005 and sought an order to reduce it prospectively from the date of the final FERC order and for the separate 15-month complaint periods. In the fourth complaint, filed April 29, 2016, the Complainants challenged the NETOs' base ROE billed of 10.57 percent and the maximum ROE for transmission incentive (incentive cap) of 11.74 percent, asserting that these ROEs were unjust and unreasonable.

The ROE originally billed during the period October 1, 2011 (beginning of the first complaint period) through October 15, 2014 consisted of a base ROE of 11.14 percent and incentives up to 13.1 percent. On October 16, 2014, FERC issued Opinion No. 531-A and set the base ROE at 10.57 percent and the incentive cap at 11.74 percent for the first complaint period. This was also effective for all prospective billings to customers beginning October 16, 2014. This FERC order was vacated on April 14, 2017 by the U.S. Court of Appeals for the D.C. Circuit (the Court).

All amounts associated with the first complaint period have been refunded, which totaled \$38.9 million (pre-tax and excluding interest) at Eversource and reflected both the base ROE and incentive cap prescribed by the FERC order. The refund consisted of \$22.4 million for CL&P, \$13.7 million for NSTAR Electric and \$2.8 million for PSNH.

Eversource has recorded a reserve of \$39.1 million (pre-tax and excluding interest) for the second complaint period as of both June 30, 2023 and December 31, 2022. This reserve represents the difference between the billed rates during the second complaint period and a 10.57 percent base ROE and 11.74 percent incentive cap. The reserve consisted of \$21.4 million for CL&P, \$14.6 million for NSTAR Electric and \$3.1 million for PSNH as of both June 30, 2023 and December 31, 2022.

On October 16, 2018, FERC issued an order on all four complaints describing how it intends to address the issues that were remanded by the Court. FERC proposed a new framework to determine (1) whether an existing ROE is unjust and unreasonable and, if so, (2) how to calculate a replacement ROE. Initial briefs were filed by the NETOs, Complainants and FERC Trial Staff on January 11, 2019 and reply briefs were filed on March 8, 2019. The NETOs' brief was supportive of the overall ROE methodology determined in the October 16, 2018 order provided the FERC does not change the proposed methodology or alter its implementation in a manner that has a material impact on the results.

The FERC order included illustrative calculations for the first complaint using FERC's proposed frameworks with financial data from that complaint. Those illustrative calculations indicated that for the first complaint period, for the NETOs, which FERC concludes are of average financial risk, the preliminary just and reasonable base ROE is 10.41 percent and the preliminary incentive cap on total ROE is 13.08 percent.

If the results of the illustrative calculations were included in a final FERC order for each of the complaint periods, then a 10.41 percent base ROE and a 13.08 percent incentive cap would not have a significant impact on our financial statements for all of the complaint periods. These preliminary calculations are not binding and do not represent what we believe to be the most likely outcome of a final FERC order.

On November 21, 2019, FERC issued Opinion No. 569 affecting the two pending transmission ROE complaints against the Midcontinent ISO (MISO) transmission owners, in which FERC adopted a new methodology for determining base ROEs. Various parties sought rehearing. On December 23, 2019, the NETOs filed supplementary materials in the NETOs' four pending cases to respond to this new methodology because of the uncertainty of the applicability to the NETOs' cases. On May 21, 2020, the FERC issued its order in Opinion No. 569-A on the rehearing of the MISO transmission owners' cases, in which FERC again changed its methodology for determining the MISO transmission owners' base ROEs. On November 19, 2020, the FERC issued Opinion No. 569-B denying rehearing of Opinion No. 569-A and reaffirmed the methodology previously adopted in Opinion No. 569-A. The new methodology differs significantly from the methodology proposed by FERC in its October 16, 2018 order to determine the NETOs' base ROEs in its four pending cases. FERC Opinion Nos. 569-A and 569-B were appealed to the Court. On August 9, 2022, the Court issued its decision vacating MISO ROE FERC Opinion Nos. 569, 569-A and 569-B and remanded to FERC to reopen the proceedings. The Court found that FERC's development of the new return methodology was arbitrary and capricious due to FERC's failure to offer a reasonable explanation for its decision to reintroduce the risk-premium financial model in its new methodology for calculating a just and reasonable return. At this time, Eversource cannot predict how and when FERC will address the Court's findings on the remand of the MISO FERC opinions or any potential associated impact on the NETOs' four pending ROE complaint cases.

Given the significant uncertainty regarding the applicability of the FERC opinions in the MISO transmission owners' two complaint cases to the NETOs' pending four complaint cases, Eversource concluded that there is no reasonable basis for a change to the reserve or recognized ROEs for any of the complaint periods at this time. As well, Eversource cannot reasonably estimate a range of loss for any of the four complaint proceedings at this time.

Eversource, CL&P, NSTAR Electric and PSNH currently record revenues at the 10.57 percent base ROE and incentive cap at 11.74 percent established in the October 16, 2014 FERC order.

A change of 10 basis points to the base ROE used to establish the reserves would impact Eversource's after-tax earnings by an average of approximately \$3 million for each of the four 15-month complaint periods.

10. FAIR VALUE OF FINANCIAL INSTRUMENTS

The following methods and assumptions were used to estimate the fair value of each of the following financial instruments:

Preferred Stock, Long-Term Debt and Rate Reduction Bonds: The fair value of CL&P's and NSTAR Electric's preferred stock is based upon pricing models that incorporate interest rates and other market factors, valuations or trades of similar securities and cash flow projections. The fair value of long-term debt and RRB debt securities is based upon pricing models that incorporate quoted market prices for those issues or similar issues adjusted for market conditions, credit ratings of the respective companies and treasury benchmark yields. The fair values provided in the table below are classified as Level 2 within the fair value hierarchy. Carrying amounts and estimated fair values are as follows:

	Eversource		CL&P		NSTAR Electric		PSNH	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value	Carrying Amount	Fair Value	Carrying Amount	Fair Value
<i>(Millions of Dollars)</i>								
As of June 30, 2023:								
Preferred Stock Not Subject to Mandatory Redemption	\$ 155.6	\$ 136.5	\$ 116.2	\$ 99.3	\$ 43.0	\$ 37.2	\$ —	\$ —
Long-Term Debt	23,834.4	21,761.1	4,607.3	4,252.5	4,426.9	4,106.7	1,459.4	1,281.1
Rate Reduction Bonds	432.1	407.9	—	—	—	—	432.1	407.9
As of December 31, 2022:								
Preferred Stock Not Subject to Mandatory Redemption	\$ 155.6	\$ 136.7	\$ 116.2	\$ 99.2	\$ 43.0	\$ 37.5	\$ —	\$ —
Long-Term Debt	21,044.1	18,891.3	4,216.5	3,828.3	4,425.1	4,091.8	1,164.6	970.5
Rate Reduction Bonds	453.7	424.7	—	—	—	—	453.7	424.7

Derivative Instruments and Marketable Securities: Derivative instruments and investments in marketable securities are carried at fair value. For further information, see Note 4, "Derivative Instruments," and Note 5, "Marketable Securities," to the financial statements.

See Note 1C, "Summary of Significant Accounting Policies – Fair Value Measurements," for the fair value measurement policy and the fair value hierarchy.

11. ACCUMULATED OTHER COMPREHENSIVE INCOME/(LOSS)

The changes in accumulated other comprehensive income/(loss) by component, net of tax, are as follows:

Eversource (Millions of Dollars)	For the Six Months Ended June 30, 2023					For the Six Months Ended June 30, 2022				
	Qualified Cash Flow Hedging Instruments	Unrealized Gains/(Losses) on Marketable Securities	Defined Benefit Plans	Total		Qualified Cash Flow Hedging Instruments	Unrealized Gains/(Losses) on Marketable Securities	Defined Benefit Plans	Total	
Balance as of Beginning of Period	\$ (0.4)	\$ (1.2)	\$ (37.8)	\$ (39.4)		\$ (0.4)	\$ 0.4	\$ (42.3)	\$ (42.3)	
OCI Before Reclassifications	—	—	0.1	0.1		—	(1.3)	(2.5)	(3.8)	
Amounts Reclassified from AOCI	—	1.2	6.0	7.2		—	—	3.2	3.2	
Net OCI	—	1.2	6.1	7.3		—	(1.3)	0.7	(0.6)	
Balance as of End of Period	\$ (0.4)	\$ —	\$ (31.7)	\$ (32.1)		\$ (0.4)	\$ (0.9)	\$ (41.6)	\$ (42.9)	

Defined benefit plan OCI amounts before reclassifications relate to actuarial gains and losses that arose during the year and were recognized in AOCI. The unamortized actuarial gains and losses and prior service costs on the defined benefit plans are amortized from AOCI into Other Income, Net over the average future employee service period, and are reflected in amounts reclassified from AOCI.

12. COMMON SHARES

The following table sets forth the Eversource parent common shares and the shares of common stock of CL&P, NSTAR Electric and PSNH that were authorized and issued, as well as the respective per share par values:

	Par Value	Shares			
		Authorized as of		Issued as of	
		June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
Eversource	\$ 5	410,000,000	380,000,000	359,984,073	359,984,073
CL&P	\$ 10	24,500,000	24,500,000	6,035,205	6,035,205
NSTAR Electric	\$ 1	100,000,000	100,000,000	200	200
PSNH	\$ 1	100,000,000	100,000,000	301	301

Treasury Shares: As of June 30, 2023 and December 31, 2022, there were 10,962,137 and 11,540,218 Eversource common shares held as treasury shares, respectively. As of June 30, 2023 and December 31, 2022, there were 349,021,936 and 348,443,855 Eversource common shares outstanding, respectively.

Eversource issues treasury shares to satisfy awards under the Company's incentive plans, shares issued under the dividend reinvestment and share purchase plan, and matching contributions under the Eversource 401k Plan. Eversource also issued treasury shares for its October 2022 water business acquisition. The issuance of treasury shares represents a non-cash transaction, as the treasury shares were used to fulfill Eversource's obligations that require the issuance of common shares.

On May 3, 2023, shareholders voted to increase the authorized common shares from 380,000,000 shares to 410,000,000 shares.

13. COMMON SHAREHOLDERS' EQUITY AND NONCONTROLLING INTERESTS

Dividends on the preferred stock of CL&P and NSTAR Electric totaled \$1.9 million for each of the three months ended June 30, 2023 and 2022 and \$3.8 million for each of the six months ended June 30, 2023 and 2022. These dividends were presented as Net Income Attributable to Noncontrolling Interests on the Eversource statements of income. Noncontrolling Interest – Preferred Stock of Subsidiaries on the Eversource balance sheets totaled \$155.6 million as of June 30, 2023 and December 31, 2022. On the Eversource balance sheets, Common Shareholders' Equity was fully attributable to Eversource parent and Noncontrolling Interest – Preferred Stock of Subsidiaries was fully attributable to the noncontrolling interest.

14. EARNINGS PER SHARE

Basic EPS is computed based upon the weighted average number of common shares outstanding during each period. Diluted EPS is computed on the basis of the weighted average number of common shares outstanding plus the potential dilutive effect of certain share-based compensation awards as if they were converted into outstanding common shares. The dilutive effect of unvested RSU and performance share awards is calculated using the treasury stock method. RSU and performance share awards are included in basic weighted average common shares outstanding as of the date that all necessary vesting conditions have been satisfied. For the three and six months ended June 30, 2023 and 2022, there were no antidilutive share awards excluded from the computation of diluted EPS.

The following table sets forth the components of basic and diluted EPS:

Eversource (Millions of Dollars, except share information)	For the Three Months Ended		For the Six Months Ended	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
Net Income Attributable to Common Shareholders	\$ 15.4	\$ 291.9	\$ 506.6	\$ 735.3
Weighted Average Common Shares Outstanding:				
Basic	349,462,359	345,893,714	349,339,752	345,525,030
Dilutive Effect	267,623	401,764	331,244	453,276
Diluted	349,729,982	346,295,478	349,670,996	345,978,306
Basic and Diluted EPS	\$ 0.04	\$ 0.84	\$ 1.45	\$ 2.13

15. REVENUES

The following tables present operating revenues disaggregated by revenue source:

Eversource (Millions of Dollars)	For the Three Months Ended June 30, 2023						
	Electric Distribution	Natural Gas Distribution	Electric Transmission	Water Distribution	Other	Eliminations	Total
Revenues from Contracts with Customers							
Retail Tariff Sales							
Residential	\$ 1,142.2	\$ 198.4	\$ —	\$ 38.9	\$ —	\$ —	\$ 1,379.5
Commercial	692.1	129.9	—	18.2	—	(1.2)	839.0
Industrial	84.9	41.9	—	1.1	—	(4.7)	123.2
Total Retail Tariff Sales Revenues	1,919.2	370.2	—	58.2	—	(5.9)	2,341.7
Wholesale Transmission Revenues	—	—	403.0	—	—	(303.8)	99.2
Wholesale Market Sales Revenues	112.3	39.8	—	1.0	—	—	153.1
Other Revenues from Contracts with Customers	21.0	1.1	4.5	2.0	408.8	(405.8)	31.6
Total Revenues from Contracts with Customers	2,052.5	411.1	407.5	61.2	408.8	(715.5)	2,625.6
Alternative Revenue Programs	(3.0)	(3.1)	72.5	(3.4)	—	(65.7)	(2.7)
Other Revenues	4.9	1.1	0.1	0.3	—	—	6.4
Total Operating Revenues	\$ 2,054.4	\$ 409.1	\$ 480.1	\$ 58.1	\$ 408.8	\$ (781.2)	\$ 2,629.3
Eversource (Millions of Dollars)	For the Six Months Ended June 30, 2023						
	Electric Distribution	Natural Gas Distribution	Electric Transmission	Water Distribution	Other	Eliminations	Total
Revenues from Contracts with Customers							
Retail Tariff Sales							
Residential	\$ 2,606.2	\$ 774.9	\$ —	\$ 67.9	\$ —	\$ —	\$ 3,449.0
Commercial	1,480.5	450.0	—	33.7	—	(2.3)	1,961.9
Industrial	174.1	111.4	—	2.1	—	(9.7)	277.9
Total Retail Tariff Sales Revenues	4,260.8	1,336.3	—	103.7	—	(12.0)	5,688.8
Wholesale Transmission Revenues	—	—	838.1	—	—	(629.1)	209.0
Wholesale Market Sales Revenues	329.6	88.9	—	1.8	—	—	420.3
Other Revenues from Contracts with Customers	39.2	2.7	9.1	4.0	822.7	(818.3)	59.4
Total Revenues from Contracts with Customers	4,629.6	1,427.9	847.2	109.5	822.7	(1,459.4)	6,377.5
Alternative Revenue Programs	3.1	24.3	91.2	(1.7)	—	(82.7)	34.2
Other Revenues	10.3	2.1	0.4	0.5	—	—	13.3
Total Operating Revenues	\$ 4,643.0	\$ 1,454.3	\$ 938.8	\$ 108.3	\$ 822.7	\$ (1,542.1)	\$ 6,425.0

Eversource (Millions of Dollars)	For the Three Months Ended June 30, 2022						
	Electric Distribution	Natural Gas Distribution	Electric Transmission	Water Distribution	Other	Eliminations	Total
Revenues from Contracts with Customers							
Retail Tariff Sales							
Residential	\$ 1,004.8	\$ 218.5	\$ —	\$ 35.3	\$ —	\$ —	\$ 1,258.6
Commercial	664.1	122.6	—	16.7	—	(1.4)	802.0
Industrial	88.9	43.5	—	1.1	—	(5.1)	128.4
Total Retail Tariff Sales Revenues	1,757.8	384.6	—	53.1	—	(6.5)	2,189.0
Wholesale Transmission Revenues	—	—	334.5	—	25.1	(266.4)	93.2
Wholesale Market Sales Revenues	212.6	33.2	—	0.9	—	—	246.7
Other Revenues from Contracts with Customers	24.9	1.2	3.9	1.9	310.6	(309.8)	32.7
Total Revenues from Contracts with Customers	1,995.3	419.0	338.4	55.9	335.7	(582.7)	2,561.6
Alternative Revenue Programs	6.8	(3.0)	119.0	(1.4)	—	(113.2)	8.2
Other Revenues	2.3	0.2	0.2	0.1	—	—	2.8
Total Operating Revenues	\$ 2,004.4	\$ 416.2	\$ 457.6	\$ 54.6	\$ 335.7	\$ (695.9)	\$ 2,572.6

Eversource (Millions of Dollars)	For the Six Months Ended June 30, 2022						
	Electric Distribution	Natural Gas Distribution	Electric Transmission	Water Distribution	Other	Eliminations	Total
Revenues from Contracts with Customers							
Retail Tariff Sales							
Residential	\$ 2,191.0	\$ 775.3	\$ —	\$ 63.4	—	\$ —	\$ 3,029.7
Commercial	1,325.5	380.1	—	31.3	—	(2.5)	1,734.4
Industrial	178.5	111.6	—	2.2	—	(9.6)	282.7
Total Retail Tariff Sales Revenues	3,695.0	1,267.0	—	96.9	—	(12.1)	5,046.8
Wholesale Transmission Revenues	—	—	780.7	—	49.6	(631.1)	199.2
Wholesale Market Sales Revenues	578.1	66.7	—	1.7	—	—	646.5
Other Revenues from Contracts with Customers	36.1	2.2	7.0	4.2	669.7	(662.9)	56.3
Amortization of/(Reserve for) Revenues Subject to Refund ⁽¹⁾	64.9	—	0.7	(0.7)	—	—	64.9
Total Revenues from Contracts with Customers	4,374.1	1,335.9	788.4	102.1	719.3	(1,306.1)	6,013.7
Alternative Revenue Programs	11.5	7.2	104.0	0.8	—	(99.6)	23.9
Other Revenues	5.1	0.7	0.4	0.2	—	—	6.4
Total Operating Revenues	\$ 4,390.7	\$ 1,343.8	\$ 892.8	\$ 103.1	\$ 719.3	\$ (1,405.7)	\$ 6,044.0

	For the Three Months Ended June 30, 2023			For the Three Months Ended June 30, 2022		
	CL&P	NSTAR Electric	PSNH	CL&P	NSTAR Electric	PSNH
<i>(Millions of Dollars)</i>						
Revenues from Contracts with Customers						
Retail Tariff Sales						
Residential	\$ 593.7	\$ 370.5	\$ 178.0	\$ 526.1	\$ 326.9	\$ 151.8
Commercial	255.0	347.2	90.2	255.3	327.8	81.7
Industrial	31.3	31.1	22.5	36.0	30.6	22.3
Total Retail Tariff Sales Revenues	880.0	748.8	290.7	817.4	685.3	255.8
Wholesale Transmission Revenues	172.5	166.9	63.6	115.8	163.6	55.1
Wholesale Market Sales Revenues	62.9	32.5	16.9	143.4	47.8	21.4
Other Revenues from Contracts with Customers	8.8	12.9	4.4	14.7	11.8	3.0
Total Revenues from Contracts with Customers	1,124.2	961.1	375.6	1,091.3	908.5	335.3
Alternative Revenue Programs	52.6	(5.0)	21.9	92.2	14.3	19.3
Other Revenues	2.5	1.8	0.7	0.2	1.6	0.7
Eliminations	(145.2)	(138.9)	(48.1)	(148.0)	(140.7)	(48.2)
Total Operating Revenues	\$ 1,034.1	\$ 819.0	\$ 350.1	\$ 1,035.7	\$ 783.7	\$ 307.1

	For the Six Months Ended June 30, 2023			For the Six Months Ended June 30, 2022		
	CL&P	NSTAR Electric	PSNH	CL&P	NSTAR Electric	PSNH
<i>(Millions of Dollars)</i>						
Revenues from Contracts with Customers						
Retail Tariff Sales						
Residential	\$ 1,355.9	\$ 838.3	\$ 412.0	\$ 1,125.2	\$ 731.5	\$ 334.3
Commercial	550.3	731.5	198.8	497.5	659.1	170.1
Industrial	65.2	63.8	45.1	69.5	64.7	44.3
Total Retail Tariff Sales Revenues	1,971.4	1,633.6	655.9	1,692.2	1,455.3	548.7
Wholesale Transmission Revenues	368.3	334.7	135.1	325.0	328.8	126.9
Wholesale Market Sales Revenues	217.6	73.6	38.4	423.4	105.6	49.1
Other Revenues from Contracts with Customers	17.0	23.6	7.3	15.3	23.4	5.7
Amortization of Revenues Subject to Refund ⁽¹⁾	1.7	—	—	65.6	—	—
Total Revenues from Contracts with Customers	2,576.0	2,065.5	836.7	2,521.5	1,913.1	730.4
Alternative Revenue Programs	77.3	(14.5)	31.5	93.4	6.1	16.0
Other Revenues	4.7	4.3	1.7	0.3	3.6	1.6
Eliminations	(284.9)	(280.0)	(99.7)	(293.7)	(276.0)	(101.5)
Total Operating Revenues	\$ 2,373.1	\$ 1,775.3	\$ 770.2	\$ 2,321.5	\$ 1,646.8	\$ 648.5

⁽¹⁾ Amortization of/(Reserve for) Revenues Subject to Refund within the Electric Distribution segment in the first half of 2022 represents customer credits being distributed to CL&P's customers on retail electric bills as a result of the October 2021 CL&P settlement agreement and the 2021 civil penalty for non-compliance with storm performance standards. Total customer credits as a result of the 2021 settlement and civil penalty were \$93.4 million. The settlement amount of \$65 million was refunded over a two-month billing period from December 1, 2021 to January 31, 2022 and the civil penalty of \$28.4 million was refunded over a one year billing period, which began September 1, 2021.

16. SEGMENT INFORMATION

Eversource is organized into the Electric Distribution, Electric Transmission, Natural Gas Distribution and Water Distribution reportable segments and Other based on a combination of factors, including the characteristics of each segments' services, the sources of operating revenues and expenses and the regulatory environment in which each segment operates. These reportable segments represent substantially all of Eversource's total consolidated revenues. Revenues from the sale of electricity, natural gas and water primarily are derived from residential, commercial and industrial customers and are not dependent on any single customer. The Electric Distribution reportable segment includes the results of NSTAR Electric's solar power facilities. Eversource's reportable segments are determined based upon the level at which Eversource's chief operating decision maker assesses performance and makes decisions about the allocation of company resources.

The remainder of Eversource's operations is presented as Other in the tables below and primarily consists of 1) the equity in earnings of Eversource parent from its subsidiaries and intercompany interest income, both of which are eliminated in consolidation, and interest expense related to the debt of Eversource parent, 2) the revenues and expenses of Eversource Service, most of which are eliminated in consolidation, 3) the operations of CYAPC and YAEC, 4) the results of other unregulated subsidiaries, which are not part of its core business, and 5) Eversource parent's equity ownership interests that are not consolidated, which primarily include the offshore wind business, a natural gas pipeline owned by Enbridge, Inc., and a renewable energy investment fund that was liquidated in the first quarter of 2023.

In the ordinary course of business, Yankee Gas, NSTAR Gas and EGMA purchase natural gas transmission services from the Enbridge, Inc. natural gas pipeline project described above. These affiliate transaction costs total \$77.7 million annually and are classified as Purchased Power, Purchased Natural Gas and Transmission on the Eversource statements of income.

Each of Eversource's subsidiaries, including CL&P, NSTAR Electric and PSNH, has one reportable segment.

Cash flows used for investments in plant included in the segment information below are cash capital expenditures that do not include amounts incurred on capital projects but not yet paid, cost of removal, AFUDC related to equity funds, and the capitalized and deferred portions of pension and PBOP income/expense.

Eversource's segment information is as follows:

Eversource (Millions of Dollars)	For the Three Months Ended June 30, 2023						
	Electric Distribution	Natural Gas Distribution	Electric Transmission	Water Distribution	Other	Eliminations	Total
Operating Revenues	\$ 2,054.4	\$ 409.1	\$ 480.1	\$ 58.1	\$ 408.8	\$ (781.2)	\$ 2,629.3
Depreciation and Amortization	82.1	(41.7)	(92.0)	(14.1)	(38.0)	2.2	(101.5)
Other Operating Expenses	(1,905.2)	(339.4)	(136.2)	(28.6)	(337.2)	779.5	(1,967.1)
Operating Income	\$ 231.3	\$ 28.0	\$ 251.9	\$ 15.4	\$ 33.6	\$ 0.5	\$ 560.7
Interest Expense	\$ (68.2)	\$ (21.5)	\$ (42.2)	\$ (9.2)	\$ (100.6)	\$ 34.4	\$ (207.3)
Impairment of Offshore Wind Investment	—	—	—	—	(401.0)	—	(401.0)
Other Income, Net	47.9	9.7	9.5	1.5	100.9	(74.6)	94.9
Net Income Attributable to Common Shareholders	165.5	11.7	161.0	9.3	(292.4)	(39.7)	15.4

Eversource (Millions of Dollars)	For the Six Months Ended June 30, 2023						
	Electric Distribution	Natural Gas Distribution	Electric Transmission	Water Distribution	Other	Eliminations	Total
Operating Revenues	\$ 4,643.0	\$ 1,454.3	\$ 938.8	\$ 108.3	\$ 822.7	\$ (1,542.1)	\$ 6,425.0
Depreciation and Amortization	60.0	(118.7)	(181.9)	(27.4)	(74.8)	4.3	(338.5)
Other Operating Expenses	(4,247.4)	(1,069.8)	(264.5)	(56.5)	(676.9)	1,538.8	(4,776.3)
Operating Income	\$ 455.6	\$ 265.8	\$ 492.4	\$ 24.4	\$ 71.0	\$ 1.0	\$ 1,310.2
Interest Expense	\$ (137.6)	\$ (42.7)	\$ (83.7)	\$ (18.6)	\$ (185.7)	\$ 66.4	\$ (401.9)
Impairment of Offshore Wind Investment	—	—	—	—	(401.0)	—	(401.0)
Other Income, Net	102.1	18.7	18.9	2.7	666.8	(625.3)	183.9
Net Income Attributable to Common Shareholders	331.0	181.9	316.1	10.8	224.7	(557.9)	506.6
Cash Flows Used for Investments in Plant	817.3	371.5	636.9	74.7	139.1	—	2,039.5

Eversource (Millions of Dollars)	For the Three Months Ended June 30, 2022						
	Electric Distribution	Natural Gas Distribution	Electric Transmission	Water Distribution	Other	Eliminations	Total
Operating Revenues	\$ 2,004.4	\$ 416.2	\$ 457.6	\$ 54.6	\$ 335.7	\$ (695.9)	\$ 2,572.6
Depreciation and Amortization	(198.1)	(39.1)	(83.3)	(12.5)	(33.2)	1.6	(364.6)
Other Operating Expenses	(1,636.1)	(360.7)	(141.3)	(27.0)	(279.4)	692.1	(1,752.4)
Operating Income	\$ 170.2	\$ 16.4	\$ 233.0	\$ 15.1	\$ 23.1	\$ (2.2)	\$ 455.6
Interest Expense	\$ (60.3)	\$ (16.7)	\$ (37.5)	\$ (8.4)	\$ (53.5)	\$ 16.3	\$ (160.1)
Other Income, Net	53.0	10.6	9.3	2.1	354.3	(335.4)	93.9
Net Income Attributable to Common Shareholders	129.0	7.7	151.5	9.0	316.0	(321.3)	291.9

Eversource (Millions of Dollars)	For the Six Months Ended June 30, 2022						
	Electric Distribution	Natural Gas Distribution	Electric Transmission	Water Distribution	Other	Eliminations	Total
Operating Revenues	\$ 4,390.7	\$ 1,343.8	\$ 892.8	\$ 103.1	\$ 719.3	\$ (1,405.7)	\$ 6,044.0
Depreciation and Amortization	(549.7)	(91.1)	(165.3)	(24.8)	(63.4)	3.3	(891.0)
Other Operating Expenses	(3,481.7)	(1,010.0)	(270.5)	(54.1)	(610.9)	1,400.8	(4,034.4)
Operating Income	\$ 359.3	\$ 234.7	\$ 457.0	\$ 24.2	\$ 45.0	\$ (1.6)	\$ 1,118.6
Interest Expense	\$ (119.8)	\$ (32.5)	\$ (70.6)	\$ (16.5)	\$ (100.3)	\$ 26.4	\$ (313.3)
Other Income, Net	100.5	20.8	18.2	4.2	850.2	(828.5)	165.4
Net Income Attributable to Common Shareholders	269.9	171.7	300.0	12.7	784.7	(803.7)	735.3
Cash Flows Used for Investments in Plant	541.8	275.4	543.6	65.6	122.7	—	1,549.1

The following table summarizes Eversource's segmented total assets:

Eversource (Millions of Dollars)	Electric Distribution	Natural Gas Distribution	Electric Transmission	Water Distribution	Other	Eliminations	Total
As of June 30, 2023	\$ 27,932.6	\$ 8,089.8	\$ 14,054.2	\$ 2,817.2	\$ 27,475.0	\$ (25,829.1)	\$ 54,539.7
As of December 31, 2022	27,365.0	8,084.9	13,369.5	2,783.8	26,365.2	(24,737.5)	53,230.9

EVERSOURCE ENERGY AND SUBSIDIARIES

Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis should be read in conjunction with our unaudited condensed consolidated financial statements and related combined notes included in this combined Quarterly Report on Form 10-Q, the combined Quarterly Report on Form 10-Q for the quarter ended March 31, 2023, as well as the Eversource 2022 combined Annual Report on Form 10-K. References in this combined Quarterly Report on Form 10-Q to "Eversource," the "Company," "we," "us," and "our" refer to Eversource Energy and its consolidated subsidiaries. All per-share amounts are reported on a diluted basis. The unaudited condensed consolidated financial statements of Eversource, NSTAR Electric and PSNH and the unaudited condensed financial statements of CL&P are herein collectively referred to as the "financial statements."

Refer to the Glossary of Terms included in this combined Quarterly Report on Form 10-Q for abbreviations and acronyms used throughout this *Management's Discussion and Analysis of Financial Condition and Results of Operations*.

The only common equity securities that are publicly traded are common shares of Eversource. Our earnings discussion includes financial measures that are not recognized under GAAP (non-GAAP) referencing our earnings and EPS excluding the impairment charge for the offshore wind investment, a loss on the disposition of land that was initially acquired to construct the Northern Pass Transmission project and was subsequently abandoned, and certain transaction and transition costs. EPS by business is also a non-GAAP financial measure and is calculated by dividing the Net Income Attributable to Common Shareholders of each business by the weighted average diluted Eversource common shares outstanding for the period. The earnings and EPS of each business do not represent a direct legal interest in the assets and liabilities of such business, but rather represent a direct interest in our assets and liabilities as a whole.

We use these non-GAAP financial measures to evaluate and provide details of earnings results by business and to more fully compare and explain our results without including these items. This information is among the primary indicators we use as a basis for evaluating performance and planning and forecasting of future periods. We believe the impacts of the impairment charge for the offshore wind investment, the loss on the disposition of land associated with an abandoned project, and transaction and transition costs are not indicative of our ongoing costs and performance. We view these charges as not directly related to the ongoing operations of the business and therefore not an indicator of baseline operating performance. Due to the nature and significance of the effect of these items on Net Income Attributable to Common Shareholders and EPS, we believe that the non-GAAP presentation is a more meaningful representation of our financial performance and provides additional and useful information to readers of this report in analyzing historical and future performance of our business. These non-GAAP financial measures should not be considered as alternatives to reported Net Income Attributable to Common Shareholders or EPS determined in accordance with GAAP as indicators of operating performance.

We make statements concerning our expectations, beliefs, plans, objectives, goals, strategies, assumptions of future events, future financial performance or growth and other statements that are not historical facts. These statements are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. You can generally identify our forward-looking statements through the use of words or phrases such as "estimate," "expect," "anticipate," "intend," "plan," "project," "believe," "forecast," "should," "could," and other similar expressions. Forward-looking statements involve risks and uncertainties that may cause actual results or outcomes to differ materially from those included in our forward-looking statements. Forward-looking statements are based on the current expectations, estimates, assumptions or projections of management and are not guarantees of future performance. These expectations, estimates, assumptions or projections may vary materially from actual results. Accordingly, any such statements are qualified in their entirety by reference to, and are accompanied by, the following important factors that may cause our actual results or outcomes to differ materially from those contained in our forward-looking statements, including, but not limited to:

- cyberattacks or breaches, including those resulting in the compromise of the confidentiality of our proprietary information and the personal information of our customers,
- disruptions in the capital markets or other events that make our access to necessary capital more difficult or costly,
- changes in economic conditions, including impact on interest rates, tax policies, and customer demand and payment ability,
- ability or inability to commence and complete our major strategic development projects and opportunities,
- the ability to sell Eversource's 50 percent interest in three offshore wind projects under development on the timeline we expect, to satisfy the investment tax credit qualifications related to the tax equity investment in the South Fork Wind project, and the ability of the Revolution Wind and Sunrise Wind projects to qualify for the investment tax credit adders, and to successfully reprice the Sunrise Wind OREC contract,
- acts of war or terrorism, physical attacks or grid disturbances that may damage and disrupt our electric transmission and electric, natural gas, and water distribution systems,
- actions or inaction of local, state and federal regulatory, public policy and taxing bodies,
- substandard performance of third-party suppliers and service providers,
- fluctuations in weather patterns, including extreme weather due to climate change,
- changes in business conditions, which could include disruptive technology or development of alternative energy sources related to our current or future business model,
- contamination of, or disruption in, our water supplies,
- changes in levels or timing of capital expenditures,
- changes in laws, regulations or regulatory policy, including compliance with environmental laws and regulations,
- changes in accounting standards and financial reporting regulations,
- actions of rating agencies, and
- other presently unknown or unforeseen factors.

Other risk factors are detailed in our reports filed with the SEC and updated as necessary, and we encourage you to consult such disclosures.

All such factors are difficult to predict and contain uncertainties that may materially affect our actual results, many of which are beyond our control. You should not place undue reliance on the forward-looking statements, as each speaks only as of the date on which such statement is made, and, except as required by federal securities laws, we undertake no obligation to update any forward-looking statement or statements to reflect events or circumstances after the date on which such statement is made or to reflect the occurrence of unanticipated events. New factors emerge from time to time and it is not possible for us to predict all of such factors, nor can we assess the impact of each such factor on the business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements. For more information, see Item 1A, Risk Factors, included in this combined Quarterly Report on Form 10-Q and in Eversource's 2022 combined Annual Report on Form 10-K. This combined Quarterly Report on Form 10-Q and Eversource's 2022 combined Annual Report on Form 10-K also describe material contingencies and critical accounting policies in the accompanying *Management's Discussion and Analysis of Financial Condition and Results of Operations and Combined Notes to Financial Statements*. We encourage you to review these items.

Financial Condition and Business Analysis

Executive Summary

Eversource Energy is a public utility holding company primarily engaged, through its wholly-owned regulated utility subsidiaries, in the energy delivery business. Eversource Energy's wholly-owned regulated utility subsidiaries consist of CL&P, NSTAR Electric and PSNH (electric utilities), Yankee Gas, NSTAR Gas and EGMA (natural gas utilities) and Aquarion (water utilities). Eversource is organized into the electric distribution, electric transmission, natural gas distribution, and water distribution reportable segments.

The following items in this executive summary are explained in more detail in this combined Quarterly Report on Form 10-Q:

Earnings Overview and Future Outlook:

- We earned \$15.4 million, or \$0.04 per share, in the second quarter of 2023, and \$506.6 million, or \$1.45 per share, in the first half of 2023, compared with \$291.9 million, or \$0.84 per share, in the second quarter of 2022, and \$735.3 million, or \$2.13 per share, in the first half of 2022. Results for the second quarter and first half of 2023 include an after-tax impairment charge of \$331.0 million or \$0.95 per share, related to our offshore wind investment recorded at Eversource parent. Our results also include after-tax transaction, transition and other charges recorded at Eversource parent of \$6.2 million in the second quarter of 2023 and \$6.7 million in the first half of 2023, compared with \$5.5 million in the second quarter of 2022 and \$10.8 million in the first half of 2022. Excluding the offshore wind impairment and these other charges, our non-GAAP earnings were \$352.6 million, or \$1.00 per share, in the second quarter of 2023, and \$844.3 million, or \$2.41 per share, in the first half of 2023, compared with \$297.4 million, or \$0.86 per share, in the second quarter of 2022, and \$746.1 million, or \$2.16 per share, in the first half of 2022.
- We reaffirmed our projection to earn within a 2023 non-GAAP EPS guidance range of \$4.25 per share to \$4.43 per share, which excludes the impact of the strategic review of our offshore wind investment portfolio and associated impairment charge, the loss on disposition of land, and transaction costs. We also reaffirmed our projection of our long-term EPS growth rate through 2027 from our regulated utility businesses in the upper half of the 5 to 7 percent range.

Liquidity:

- Cash flows provided by operating activities totaled \$647.3 million in the first half of 2023, compared with \$841.8 million in the first half of 2022. Investments in property, plant and equipment totaled \$2.04 billion in the first half of 2023, compared with \$1.55 billion in the first half of 2022.
- Cash and Cash Equivalents totaled \$42.2 million as of June 30, 2023, compared with \$374.6 million as of December 31, 2022. Our available borrowing capacity under our commercial paper programs totaled \$1.80 billion as of June 30, 2023.
- In the first half of 2023, we issued \$3.36 billion of new long-term debt and we repaid \$853 million of long-term debt.
- On May 3, 2023, our Board of Trustees approved a common share dividend payment of \$0.675 per share, paid on June 30, 2023 to shareholders of record as of May 18, 2023.

Strategic Developments:

- On May 25, 2023, we announced that we have completed the strategic review of our 50 percent ownership interest in the offshore wind investment portfolio. As a result of completing this review, we announced that we entered into a purchase and sale agreement with Ørsted for our 50 percent interest in an uncommitted lease area of approximately 175,000 developable acres for \$625 million in an all-cash transaction; we entered into a binding letter of intent with Ørsted to use \$575 million of the proceeds from the lease area sale to provide tax equity for the South Fork Wind project through a new tax equity ownership interest; and we determined that we will continue to pursue the sale of our existing 50 percent interest in the three jointly-owned contracted offshore wind projects. In connection with these developments in the strategic review, we evaluated our aggregate investment in the projects, uncommitted lease area, and other

related capitalized costs and determined that the carrying value of the equity method offshore wind investment exceeded the fair value of the investment and that the decline was other-than-temporary. The current estimate of fair value is based on the expected sale price of our 50 percent interest in the three contracted projects based on the most recent bid value, the sale price of the uncommitted lease area included in the purchase and sale agreement, the value of the tax equity ownership interest, and the expectation of a successful repricing of the Sunrise Wind OREC contract. As a result, we recognized a pre-tax other-than-temporary impairment charge of \$401.0 million (\$331.0 million after-tax) in the second quarter of 2023. The fair value of the investment will be updated based on final sales prices and final sales terms, final OREC pricing for the Sunrise Wind contract, and investment tax credit qualifications (including any investment tax credit adders), and changes to our estimates of these items could result in an adjustment to this impairment charge.

Earnings Overview

Consolidated: Below is a summary of our earnings by business, which also reconciles the non-GAAP financial measures of consolidated non-GAAP earnings and EPS, as well as EPS by business, to the most directly comparable GAAP measures of consolidated Net Income Attributable to Common Shareholders and diluted EPS.

	For the Three Months Ended June 30,				For the Six Months Ended June 30,			
	2023		2022		2023		2022	
	Amount	Per Share	Amount	Per Share	Amount	Per Share	Amount	Per Share
<i>(Millions of Dollars, Except Per Share Amounts)</i>								
Net Income Attributable to Common Shareholders (GAAP)	\$ 15.4	\$ 0.04	\$ 291.9	\$ 0.84	\$ 506.6	\$ 1.45	\$ 735.3	\$ 2.13
Regulated Companies	\$ 347.5	\$ 0.99	\$ 297.2	\$ 0.86	\$ 839.8	\$ 2.40	\$ 754.3	\$ 2.18
Eversource Parent and Other Companies (Non-GAAP)	5.1	0.01	0.2	—	4.5	0.01	(8.2)	(0.02)
Non-GAAP Earnings	\$ 352.6	\$ 1.00	\$ 297.4	\$ 0.86	\$ 844.3	\$ 2.41	\$ 746.1	\$ 2.16
Impairment of Offshore Wind Investment (after-tax) ⁽¹⁾	(331.0)	(0.95)	—	—	(331.0)	(0.95)	—	—
Loss on Land Disposition (after-tax) ⁽²⁾	(4.8)	(0.01)	—	—	(4.8)	(0.01)	—	—
Transaction and Transition Costs (after-tax) ⁽³⁾	(1.4)	—	(5.5)	(0.02)	(1.9)	—	(10.8)	(0.03)
Net Income Attributable to Common Shareholders (GAAP)	\$ 15.4	\$ 0.04	\$ 291.9	\$ 0.84	\$ 506.6	\$ 1.45	\$ 735.3	\$ 2.13

⁽¹⁾ In the second quarter of 2023, Eversource recorded an impairment charge associated with its equity method investment in its offshore wind business resulting from the completion of the strategic review of its offshore wind investment portfolio.

⁽²⁾ In the second quarter of 2023, Eversource recorded a loss on the disposition of land. The land was initially acquired to construct the Northern Pass Transmission project and was subsequently abandoned.

⁽³⁾ The transaction costs are for the strategic review of our offshore wind investment portfolio and our water business acquisitions. The costs in 2022 also include costs associated with the transition of systems as a result of our purchase of the assets of Columbia Gas of Massachusetts (CMA) on October 9, 2020 and integrating the CMA assets onto Eversource's systems.

Regulated Companies: Our regulated companies comprise the electric distribution, electric transmission, natural gas distribution, and water distribution segments. A summary of our segment earnings and EPS is as follows:

	For the Three Months Ended June 30,				For the Six Months Ended June 30,			
	2023		2022		2023		2022	
	Amount	Per Share	Amount	Per Share	Amount	Per Share	Amount	Per Share
<i>(Millions of Dollars, Except Per Share Amounts)</i>								
Electric Distribution	\$ 165.5	\$ 0.47	\$ 129.0	\$ 0.37	\$ 331.0	\$ 0.95	\$ 269.9	\$ 0.78
Electric Transmission	161.0	0.46	151.5	0.44	316.1	0.90	300.0	0.87
Natural Gas Distribution	11.7	0.03	7.7	0.02	181.9	0.52	171.7	0.49
Water Distribution	9.3	0.03	9.0	0.03	10.8	0.03	12.7	0.04
Net Income - Regulated Companies	\$ 347.5	\$ 0.99	\$ 297.2	\$ 0.86	\$ 839.8	\$ 2.40	\$ 754.3	\$ 2.18

Our electric distribution segment earnings increased \$36.5 million in the second quarter of 2023, as compared to the second quarter of 2022, due primarily to the impact of a new regulatory tracking mechanism at PSNH that allows for the recovery of previously incurred operating expenses associated with poles acquired on May 1, 2023, lower operations and maintenance due primarily to lower storm costs and lower employee-related costs, a base distribution rate increase effective January 1, 2023 at NSTAR Electric, higher earnings from CL&P's capital tracking mechanism due to increased electric system improvements, and an increase in interest income primarily on regulatory deferrals. Those earnings increases were partially offset by higher interest expense, higher pension expense in Connecticut and New Hampshire, higher depreciation expense, and higher property tax expense.

Our electric distribution segment earnings increased \$61.1 million in the first half of 2023, as compared to the first half of 2022, due primarily to higher revenues at NSTAR Electric as a result of a rate design change approved by the DPU in the 2022 rate case that shifted the recovery of quarterly revenues and a base distribution rate increase effective January 1, 2023. As part of the 2022 NSTAR Electric rate case decision, certain customer rates changed from seasonal demand charges to a single annual demand charge effective January 1, 2023, resulting in a shift in the timing of revenues and earnings recognized quarterly in 2023, as compared to 2022, but with no impact on an annual basis. This rate design change will result in higher revenues in each of the first and fourth quarters of 2023 of approximately \$21 million, offset by lower revenues in the third quarter.

of 2023 of approximately \$42 million, as compared to the same periods in 2022. Electric distribution segment earnings were also favorably impacted by higher earnings from CL&P's capital tracking mechanism due to increased electric system improvements, the impact of a new regulatory tracking mechanism at PSNH that allows for the recovery of previously incurred operating expenses associated with poles acquired on May 1, 2023, an increase in interest income primarily on regulatory deferrals, and higher AFUDC equity income. Those earnings increases were partially offset by higher interest expense, higher pension expense in Connecticut and New Hampshire, higher property and other tax expense, and higher depreciation expense.

Our electric transmission segment earnings increased \$9.5 million and \$16.1 million in the second quarter and the first half of 2023, respectively, as compared to the second quarter and the first half of 2022, due primarily to a higher transmission rate base as a result of our continued investment in our transmission infrastructure.

Our natural gas distribution segment earnings increased \$4.0 million and \$10.2 million in the second quarter and the first half of 2023, respectively, as compared to the second quarter and the first half of 2022, due primarily to higher earnings from capital tracking mechanisms due to continued investments in natural gas infrastructure, base distribution rate increases effective November 1, 2022 at NSTAR Gas and EGMA, lower operations and maintenance expense, and an increase in interest income primarily on regulatory deferrals. Those earnings increases were partially offset by higher depreciation expense, higher interest expense, and higher property tax expense.

Our water distribution segment earnings increased \$0.3 million and decreased \$1.9 million in the second quarter and the first half of 2023, respectively, as compared to the second quarter and the first half of 2022. Lower first half earnings were due primarily to higher operations and maintenance expense and higher interest expense.

Eversource Parent and Other Companies: Eversource parent and other companies' earnings decreased \$326.8 million and \$314.2 million in the second quarter and the first half of 2023, respectively, as compared to the second quarter and the first half of 2022, due primarily to the impairment of Eversource Parent's offshore wind investment, which resulted in an after-tax charge of \$331.0 million, or \$0.95 per share. Earnings were also unfavorably impacted by higher interest expense and a loss on the disposition of land in the second quarter of 2023 that was initially acquired to construct the Northern Pass Transmission project and was subsequently abandoned. The earnings decreases were partially offset by a benefit in both the first and second quarter from the liquidation of Eversource Parent's equity method investment in a renewable energy fund, partially offset by a charitable contribution made with a portion of the proceeds from the liquidation in the first quarter of 2023. Additionally, earnings in both periods benefited from a lower effective tax rate and a decrease in after-tax transaction and transition costs of \$4.1 million and \$8.9 million in the second quarter and the first half of 2023, respectively, as compared to the second quarter and first half of 2022.

Liquidity

Sources and Uses of Cash: Eversource's regulated business is capital intensive and requires considerable capital resources. Eversource's regulated companies' capital resources are provided by cash flows generated from operations, short-term borrowings, long-term debt issuances, capital contributions from Eversource parent, and existing cash, and are used to fund their liquidity and capital requirements. Eversource's regulated companies typically maintain minimal cash balances and use short-term borrowings to meet their working capital needs and other cash requirements. Short-term borrowings are also used as a bridge to long-term debt financings. The levels of short-term borrowing may vary significantly over the course of the year due to the impact of fluctuations in cash flows from operations (including timing of storm costs and regulatory recoveries), dividends paid, capital contributions received and the timing of long-term debt financings.

Eversource, CL&P, NSTAR Electric and PSNH each uses its available capital resources to fund its respective construction expenditures, meet debt requirements, pay operating costs, including storm-related costs, pay dividends, and fund other corporate obligations, such as pension contributions. Eversource's regulated companies recover their electric, natural gas and water distribution construction expenditures as the related project costs are depreciated over the life of the assets. This impacts the timing of the revenue stream designed to fully recover the total investment plus a return on the equity and debt used to finance the investments. Eversource's regulated companies spend a significant amount of cash on capital improvements and construction projects that have a long-term return on investment and recovery period. In addition, Eversource uses its capital resources to fund investments in its offshore wind business, which are recognized as long-term assets.

We expect the future operating cash flows of Eversource, CL&P, NSTAR Electric and PSNH, along with our existing borrowing availability and access to both debt and equity markets, will be sufficient to meet any working capital and future operating requirements, and capital investment forecasted opportunities.

Cash and Cash Equivalents totaled \$42.2 million as of June 30, 2023, compared with \$374.6 million as of December 31, 2022.

Short-Term Debt - Commercial Paper Programs and Credit Agreements: Eversource parent has a \$2.00 billion commercial paper program allowing Eversource parent to issue commercial paper as a form of short-term debt. Eversource parent, CL&P, PSNH, NSTAR Gas, Yankee Gas, EGMA and Aquarion Water Company of Connecticut are parties to a five-year \$2.00 billion revolving credit facility, which terminates on October 15, 2027. This revolving credit facility serves to backstop Eversource parent's \$2.00 billion commercial paper program.

NSTAR Electric has a \$650 million commercial paper program allowing NSTAR Electric to issue commercial paper as a form of short-term debt. NSTAR Electric is also a party to a five-year \$650 million revolving credit facility, which terminates on October 15, 2027, and serves to backstop NSTAR Electric's \$650 million commercial paper program.

The amount of borrowings outstanding and available under the commercial paper programs were as follows:

(Millions of Dollars)	Borrowings Outstanding as of		Available Borrowing Capacity as of		Weighted-Average Interest Rate as of	
	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
Eversource Parent Commercial Paper Program	\$ 529.0	\$ 1,442.2	\$ 1,471.0	\$ 557.8	5.31 %	4.63 %
NSTAR Electric Commercial Paper Program	324.0	—	326.0	650.0	5.17 %	— %

There were no borrowings outstanding on the revolving credit facilities as of June 30, 2023 or December 31, 2022.

CL&P and PSNH have uncommitted line of credit agreements totaling \$375 million and \$250 million, respectively, which will expire on May 10, 2024. There are no borrowings outstanding on either the CL&P or PSNH uncommitted line of credit agreements as of June 30, 2023.

Amounts outstanding under the commercial paper programs are included in Notes Payable and classified in current liabilities on the Eversource and NSTAR Electric balance sheets, as all borrowings are outstanding for no more than 364 days at one time. As a result of the CL&P long-term debt issuance in July 2023, \$297.5 million of commercial paper borrowings under the Eversource parent commercial paper program were reclassified as Long-Term Debt on Eversource's balance sheet as of June 30, 2023.

Intercompany Borrowings: Eversource parent uses its available capital resources to provide loans to its subsidiaries to assist in meeting their short-term borrowing needs. Eversource parent records intercompany interest income from its loans to subsidiaries, which is eliminated in consolidation. Intercompany loans from Eversource parent to its subsidiaries are eliminated in consolidation on Eversource's balance sheets. As of June 30, 2023, there were intercompany loans from Eversource parent to CL&P of \$449.0 million and to PSNH of \$226.3 million. As of December 31, 2022, there were intercompany loans from Eversource parent to PSNH of \$173.3 million. Eversource parent charges interest on these intercompany loans at the same weighted-average interest rate as its commercial paper program. Intercompany loans from Eversource parent are included in Notes Payable to Eversource Parent and classified in current liabilities on the respective subsidiary's balance sheets, as these intercompany borrowings are outstanding for no more than 364 days at one time. As a result of the CL&P long-term debt issuance in July 2023, \$297.5 million of CL&P's intercompany borrowings were reclassified to Long-Term Debt on CL&P's balance sheet as of June 30, 2023.

Availability under Long-Term Debt Issuance Authorizations: On June 7, 2023, PURA approved Yankee Gas' request for authorization to issue up to \$350 million in long-term debt through December 31, 2024.

Long-Term Debt Issuances and Repayments: The following table summarizes long-term debt issuances and repayments:

(Millions of Dollars)	Interest Rate	Issuance/(Repayment)	Issue Date or Repayment Date	Maturity Date	Use of Proceeds for Issuance/ Repayment Information
CL&P 2023 Series A First Mortgage Bonds	5.25 %	\$ 500.0	January 2023	January 2053	Repaid 2013 Series A Bonds at maturity and short-term debt, and paid capital expenditures and working capital
CL&P 2023 Series B First Mortgage Bonds	4.90 %	300.0	July 2023	July 2033	Repaid short-term debt, paid capital expenditures and working capital
CL&P 2013 Series A First Mortgage Bonds	2.50 %	(400.0)	January 2023	January 2023	Paid at maturity
PSNH Series W First Mortgage Bonds	5.15 %	300.0	January 2023	January 2053	Repaid short-term debt, paid capital expenditures and working capital
Eversource Parent Series Z Senior Notes	5.45 %	750.0	March 2023	March 2028	Repaid Series F Senior Notes at maturity and short-term debt
Eversource Parent Series F Senior Notes	2.80 %	(450.0)	May 2023	May 2023	Paid at maturity
Eversource Parent Series Z Senior Notes	5.45 %	550.0	May 2023	March 2028	Repay Series T Senior Notes and Series N Senior Notes at maturity and short-term debt
Eversource Parent Series AA Senior Notes	4.75 %	450.0	May 2023	May 2026	Repay Series T Senior Notes and Series N Senior Notes at maturity and short-term debt
Eversource Parent Series BB Senior Notes	5.125 %	800.0	May 2023	May 2033	Repay Series T Senior Notes and Series N Senior Notes at maturity and short-term debt

Rate Reduction Bonds: PSNH's RRB payments consist of principal and interest and are paid semi-annually. PSNH paid \$21.6 million of RRB principal payments and \$8.3 million of interest payments in the first half of 2023, and paid \$21.6 million of RRB principal payments and \$9.0 million of interest payments in the first half of 2022.

Cash Flows: Cash flows from operating activities primarily result from the transmission and distribution of electricity, and the distribution of natural gas and water. Cash flows provided by operating activities totaled \$647.3 million in the first half of 2023, compared with \$841.8 million in the first half of 2022. Operating cash flows were unfavorably impacted by an increase in regulatory under-recoveries driven primarily by the timing of collections for the CL&P non-bypassable FMCC and other regulatory tracking mechanisms, including energy supply, the timing of cash payments made on our accounts payable, an increase in cost of removal expenditures, and the timing of other working capital items. In 2023, CL&P increased the flow back to customers of net revenues generated by long-term state-approved energy contracts by providing these credits to customers through the non-bypassable FMCC retail rate. The reduction in the CL&P non-bypassable FMCC retail rate decreased the regulatory over-recovery balance, which resulted in a decrease to amortization expense of \$507.0 million in the first half of 2023, as compared to the first half of 2022, and is presented as a cash outflow in Amortization on the statement of cash flows. The impact of regulatory collections are included in

both Regulatory Recoveries and Amortization on the statements of cash flows. These unfavorable impacts were partially offset by the timing of cash collections on our accounts receivable, the absence in 2023 of \$78.4 million of payments in 2022 related to withheld property taxes at our Massachusetts companies, the absence in 2023 of \$64.9 million of customer credits distributed in 2022 at CL&P as a result of the October 2021 settlement agreement and the 2021 storm performance penalty for CL&P's response to Tropical Storm Isaias, a decrease of \$50.0 million in pension contributions made in 2023 compared to 2022, a \$34.2 million increase due to income tax refunds received in 2023 compared to income tax payments in 2022, and a \$27.7 million decrease in cash payments for storm costs.

Effective July 1, 2023, CL&P's non-bypassable FMCC retail rate changed to \$0.00000 per kWh, as compared to a credit of \$0.01524 per kWh from January 1, 2023 to June 30, 2023. The increase in the retail rate will result in higher cash collections in the second half of 2023, as compared to the first half of 2023.

On May 3, 2023, our Board of Trustees approved a common share dividend payment of \$0.675 per share, paid on June 30, 2023 to shareholders of record as of May 18, 2023. In the first half of 2023, we paid cash dividends of \$459.0 million and issued non-cash dividends of \$11.8 million in the form of treasury shares, totaling dividends of \$470.8 million. In the first half of 2022, we paid cash dividends of \$427.9 million and issued non-cash dividends of \$11.7 million in the form of treasury shares, totaling dividends of \$439.6 million.

Eversource issues treasury shares to satisfy awards under the Company's incentive plans, shares issued under the dividend reinvestment and share purchase plan, and matching contributions under the Eversource 401k Plan.

In the first half of 2023, CL&P, NSTAR Electric and PSNH paid \$165.2 million, \$327.4 million, and \$56.0 million, respectively, in common stock dividends to Eversource parent.

Investments in Property, Plant and Equipment on the statements of cash flows do not include amounts incurred on capital projects but not yet paid, cost of removal, AFUDC related to equity funds, and the capitalized and deferred portions of pension and PBOP income/expense. In the first half of 2023, investments for Eversource, CL&P, NSTAR Electric, and PSNH were \$2.04 billion, \$499.9 million, \$677.6 million, and \$276.7 million, respectively. Capital expenditures were primarily for continuing projects to maintain and improve infrastructure and operations, including enhancing reliability to the transmission and distribution systems.

Investments in Unconsolidated Affiliates within investing activities on the statements of cash flows includes proceeds received from the liquidation of an equity method investment in a renewable energy investment fund of \$147.0 million in the first half of 2023.

Contractual Obligations: Our cash requirements from contractual obligations were reported in Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations," of the Eversource 2022 Form 10-K. There have been no material changes to our cash requirements from contractual obligations and payment schedules previously disclosed in our 2022 Form 10-K.

Credit Ratings: On May 22, 2023, S&P changed CL&P's outlook from positive to stable.

Impact of COVID-19

The financial impacts of COVID-19 as it relates to our businesses primarily relate to collectability of customer receivables and the outcome of future proceedings before our state regulatory commissions to recover our incremental uncollectible customer receivable costs associated with COVID-19. As of both June 30, 2023 and December 31, 2022, the total amount incurred as a result of COVID-19 included in the allowance for uncollectible accounts was \$50.9 million at Eversource, \$16.0 million at CL&P, and \$4.1 million at NSTAR Electric. At our Connecticut and Massachusetts utilities, the COVID-19 related uncollectible amounts were deferred either as incremental regulatory costs or deferred through existing regulatory tracking mechanisms that recover uncollectible energy supply costs, as management believes it is probable that these costs will ultimately be recovered from customers in future rates.

Business Development and Capital Expenditures

Our consolidated capital expenditures, including amounts incurred but not paid, cost of removal, AFUDC, and the capitalized and deferred portions of pension and PBOP income/expense (all of which are non-cash factors), totaled \$1.98 billion in the first half of 2023, compared to \$1.56 billion in the first half of 2022. These amounts included \$119.1 million and \$103.8 million in the first half of 2023 and 2022, respectively, related to information technology and facilities upgrades and enhancements, primarily at Eversource Service and The Rocky River Realty Company.

Electric Transmission Business: Our consolidated electric transmission business capital expenditures increased by \$55.2 million in the first half of 2023, as compared to the first half of 2022. A summary of electric transmission capital expenditures by company is as follows:

(Millions of Dollars)	For the Six Months Ended June 30,			
	2023		2022	
CL&P	\$	162.9	\$	187.6
NSTAR Electric		227.4		175.0
PSNH		168.1		140.6
Total Electric Transmission	\$	558.4	\$	503.2

Our transmission projects are designed to improve the reliability of the electric grid, meet customer demand for power and increases in electrification of municipal infrastructure, strengthen the electric grid's resilience against extreme weather and other safety and security threats, and enable integration of increasing amounts of clean power generation from renewable sources, such as solar, battery storage, and offshore wind. In Connecticut, Massachusetts and New Hampshire, our transmission projects include transmission line upgrades, the installation of new transmission interconnection facilities, substations and lines, and transmission substation enhancements.

Our transmission projects in Massachusetts include electric transmission upgrades in the greater Boston metropolitan area. Two of these upgrades, the Mystic-Woburn and the Wakefield-Woburn reliability projects, are under construction and are expected to be placed in service by the fourth quarter of 2023. Construction on the last remaining upgrade, the Sudbury-Hudson Reliability Project, commenced in the fourth quarter of 2022. We spent \$37.4 million during the first half of 2023 and we now expect to make additional capital expenditures of approximately \$215 million on these remaining transmission upgrades.

Distribution Business: A summary of distribution capital expenditures is as follows:

	For the Six Months Ended June 30,													
	CL&P		NSTAR Electric		PSNH		Total Electric		Natural Gas		Water		Total	
2023														
Basic Business	\$	135.9	\$	172.1	\$	38.7	\$	346.7	\$	93.9	\$	7.7	\$	448.3
Aging Infrastructure		120.8		146.7		40.3		307.8		305.4		60.2		673.4
Load Growth and Other		62.1		80.0		11.9		154.0		26.9		0.3		181.2
Total Distribution	\$	318.8	\$	398.8	\$	90.9	\$	808.5	\$	426.2	\$	68.2	\$	1,302.9
2022														
Basic Business	\$	124.1	\$	67.7	\$	30.0	\$	221.8	\$	101.3	\$	5.4	\$	328.5
Aging Infrastructure		89.9		95.9		33.3		219.1		209.7		53.5		482.3
Load Growth and Other		30.6		82.3		10.8		123.7		20.1		0.3		144.1
Total Distribution	\$	244.6	\$	245.9	\$	74.1	\$	564.6	\$	331.1	\$	59.2	\$	954.9

For the electric distribution business, basic business includes the purchase of meters, tools, vehicles, information technology, transformer replacements, equipment facilities, and the relocation of plant. Aging infrastructure relates to reliability and the replacement of overhead lines, plant substations, underground cable replacement, and equipment failures. Load growth and other includes requests for new business and capacity additions on distribution lines and substation additions and expansions.

For the natural gas distribution business, basic business addresses daily operational needs including meters, pipe relocations due to public works projects, vehicles, and tools. Aging infrastructure projects seek to improve the reliability of the system through enhancements related to cast iron and bare steel replacement of main and services, corrosion mediation, and station upgrades. Load growth and other reflects growth in existing service territories including new developments, installation of services, and expansion.

For the water distribution business, basic business addresses daily operational needs including periodic meter replacement, water main relocation, facility maintenance, and tools. Aging infrastructure relates to reliability and the replacement of water mains, regulators, storage tanks, pumping stations, wellfields, reservoirs, and treatment facilities. Load growth and other reflects growth in our service territory, including improvements of acquisitions, installation of new services, and interconnections of systems.

Offshore Wind Business: Our offshore wind business includes a 50 percent ownership interest in North East Offshore, which holds PPAs for the Revolution Wind and South Fork Wind projects and an OREC contract for the Sunrise Wind project, as well as an uncommitted offshore lease area. Our offshore wind projects are being developed and constructed through a joint and equal partnership with Ørsted. The offshore leases include a 257 square-mile ocean lease off the coasts of Massachusetts and Rhode Island and a separate, adjacent 300-square-mile ocean lease located approximately 25 miles south of the coast of Massachusetts.

As of June 30, 2023 and December 31, 2022, Eversource's total equity investment balance in its offshore wind business was \$2.08 billion and \$1.95 billion, respectively. This equity investment includes capital expenditures for the three offshore wind projects, as well as capitalized costs related to future development, acquisition costs of offshore lease areas, and capitalized interest.

Strategic Review of Offshore Wind Investment: On May 4, 2022, Eversource announced that it had initiated a strategic review of its offshore wind investment portfolio. On May 25, 2023, Eversource announced that it has completed this review. As a result of completing this review, Eversource announced the following updates:

- On May 25, 2023, Eversource entered into a purchase and sale agreement with Ørsted for its 50 percent interest in an uncommitted lease area of approximately 175,000 developable acres located 25 miles off the south coast of Massachusetts for \$625 million in an all-cash transaction. Ørsted currently owns the other 50 percent share of the uncommitted lease area. This transaction is expected to close by the end of the third quarter of 2023, subject to regulatory approvals.
- On May 25, 2023, Eversource entered into a binding letter of intent with Ørsted to use \$575 million of the proceeds from the lease area sale to provide tax equity for the South Fork Wind project through a new tax equity ownership interest. As a 50 percent joint owner in South Fork Wind at the time of this transaction, half of that amount will be returned to Eversource. Eversource will recover its \$575 million tax equity investment primarily in the form of investment tax credits that will be received around the time of the project's

commercial operation date, with the majority used in the fourth quarter of 2023 and the first half of 2024 to lower Eversource's cash tax obligation. Construction of South Fork Wind commenced in early 2022, with commercial operation expected in late 2023. Eversource's tax equity investment in South Fork Wind is also expected to close in the third quarter of 2023.

- Eversource has also determined that it will continue to pursue the sale of its existing 50 percent interest in its three jointly-owned, contracted offshore wind projects. This process continues to progress, and Eversource anticipates an announcement in the near term.

In connection with these developments in the strategic review, Eversource has evaluated its aggregate investment in the projects, uncommitted lease area, and other related capitalized costs and determined that the carrying value of the equity method offshore wind investment exceeded the fair value of the investment and that the decline was other-than-temporary. The current estimate of fair value is based on the expected sale price of Eversource's 50 percent interest in the three contracted projects based on the most recent bid value, the sale price of the uncommitted lease area included in the purchase and sale agreement, the value of the tax equity ownership interest, and the expectation of a successful repricing of the Sunrise Wind OREC contract. As a result, Eversource recognized a pre-tax other-than-temporary impairment charge of \$401.0 million (\$331.0 million after-tax, which includes the impact of a \$40 million valuation allowance for federal and state capital loss carryforwards) in the second quarter of 2023. The fair value of the investment will be updated based on final sales prices and final sales terms, final OREC pricing for the Sunrise Wind contract, and investment tax credit qualifications (including any investment tax credit adders), and changes to our estimates of these items could result in an adjustment to this impairment charge.

The impairment charge is a non-cash charge and will not impact Eversource's cash position. Eversource will continue to make future cash expenditures for required cash contributions to North East Offshore up to the time of the sale of the offshore wind projects. Proceeds from the transaction will be used to pay off parent company debt.

Contracts, Permitting and Construction of Offshore Wind Projects: The following table provides a summary of the Eversource and Ørsted major projects with announced contracts:

Wind Project	State Servicing	Size (MW)	Term (Years)	Price per MWh	Pricing Terms	Contract Status
Revolution Wind	Rhode Island	400	20	\$98.43	Fixed price contract; no price escalation	Approved
Revolution Wind	Connecticut	304	20	\$98.43 - \$99.50	Fixed price contracts; no price escalation	Approved
South Fork Wind	New York (LIPA)	90	20	\$160.33	2 percent average price escalation	Approved
South Fork Wind	New York (LIPA)	40	20	\$86.25	2 percent average price escalation	Approved
Sunrise Wind	New York (NYSERDA)	924	25	\$110.37 ⁽¹⁾	Fixed price contract; no price escalation	Approved

⁽¹⁾ Index OREC strike price. In June 2023, Sunrise Wind filed a petition with the New York State Public Service Commission for an order authorizing NYSERDA to amend the Sunrise Wind OREC contract to incorporate interconnection cost inflation adjustments.

Revolution Wind and Sunrise Wind projects are subject to receipt of federal, state and local approvals necessary to construct and operate the projects. The federal permitting process is led by BOEM, and state approvals are required from New York, Rhode Island and Massachusetts. Significant delays in the siting and permitting process resulting from the timeline for obtaining approval from BOEM and the state and local agencies could adversely impact the timing of these projects' in-service dates.

Federal Siting and Permitting Process: The federal siting and permitting process for each of our offshore wind projects commence with the filing of a Construction and Operations Plan (COP) application with BOEM. The first major milestone in the BOEM review process is an issuance of a Notice of Intent (NOI) to complete an Environmental Impact Statement (EIS). BOEM then provides a review schedule for the project's COP approval. BOEM conducts environmental and technical reviews of the COP. The EIS assesses the environmental, social, and economic impacts of constructing the project and recommends measures to minimize impacts. The Final EIS will inform BOEM in deciding whether to approve the project or to approve with modifications and BOEM will then issue its Record of Decision. BOEM issues its final approval of the COP following the Record of Decision.

Revolution Wind and Sunrise Wind filed their COP applications with BOEM in March 2020 and September 2020, respectively. BOEM released its Draft EIS on September 2, 2022 and its Final EIS on July 17, 2023 for the Revolution Wind project, and released its Draft EIS on December 16, 2022 for the Sunrise Wind project. The EISs for Revolution Wind and Sunrise Wind include an impact assessment of alternative project configurations. Each of the identified alternative configurations in the Revolution Wind Final EIS and Sunrise Wind Draft EIS had a similar level of environmental impacts, and if an alternative configuration was selected, the Revolution Wind project and the Sunrise Wind project would each still meet their respective contractual output requirements. For Revolution Wind, the Record of Decision is expected in the third quarter of 2023, and final approval is expected in the fourth quarter of 2023. For Sunrise Wind, a Final EIS and Record of Decision are expected in the fourth quarter of 2023, and final approval is expected in the first quarter of 2024.

South Fork Wind, Revolution Wind and Sunrise Wind are each designated as a "Covered Project" pursuant to Title 41 of the Fixing America's Surface Transportation Act (FAST41) and a Major Infrastructure Project under Section 3(e) of Executive Order 13807, which provides greater federal attention on meeting the projects' permitting timelines.

State and Local Siting and Permitting Process: State permitting applications in Rhode Island for Revolution Wind and in New York for Sunrise Wind were filed in December 2020. On July 8, 2022, the Rhode Island Energy Facilities Siting Board issued a Final Decision and Order approving the Revolution Wind project and granting a license to construct and operate.

On September 23, 2022, Sunrise Wind filed a Joint Proposal to the New York State Public Service Commission. Among other things, the Joint Proposal includes proposed mitigation for certain environmental, community and construction impacts associated with constructing the project. The Joint Proposal was signed by the New York Departments of Public Service, Environmental Conservation, Transportation and State as well as the Office of Agriculture and Markets and the Long Island Commercial Fisheries Association. On November 17, 2022, the New York Public Service Commission approved an order adopting the Joint Proposal and granting a Certificate of Environmental Compatibility and Public Need. On November 18, 2022, Sunrise Wind filed its Phase 1 Environmental Management and Construction Plan (EM&CP) with the New York Public Service Commission, which details the plans on limited onshore construction activities subject to state and local jurisdiction. On March 27, 2023, Sunrise Wind filed its EM&CP for Phase 2, which covers the remainder of the project components. On June 22, 2023, Sunrise Wind received approval of the Phase 1 EM&CP. On July 13, 2023, the New York State Public Service Commission approved Sunrise Wind's notice for authorization to proceed with construction for Phase 1.

On November 9, 2022, the Towns of Brookhaven and Suffolk County executed the easements and other real estate rights necessary to construct the Sunrise Wind project. On November 28, 2022, the Town of North Kingstown and the Quonset Development Corporation approved Revolution Wind's real estate PILOT terms and the personal property PILOT agreement necessary to construct the Revolution Wind project.

Construction Process: South Fork Wind received all required approvals to start construction and the project entered the construction phase in early 2022. Onshore activities for the project's underground onshore transmission line were completed in the first quarter of 2023. Onshore activities for the construction of the onshore interconnection facility located in East Hampton, New York continue and are expected to be completed in the third quarter of 2023. Offshore construction activities began in the fourth quarter of 2022 and continue, with the installation of the subsea transmission cable largely complete. The remainder of the marine construction activities, including the project's monopile foundations, 11-megawatt wind turbines, and offshore substation, are expected to continue throughout the rest of 2023. Construction-related purchase agreements with third-party contractors and materials contracts have largely been secured. South Fork Wind faces several challenges and appeals of New York State and federal agency approvals, however it believes it is probable it will be able to overcome these challenges.

For Revolution Wind and Sunrise Wind, major construction is expected to begin in the second half of 2023 or early 2024 once all necessary federal, state and local approvals are received and the joint venture has made its final investment decision for each project.

Projected In-Service Dates: We expect the South Fork Wind project to be in-service by the end of 2023. For Revolution Wind and Sunrise Wind, based on the updated BOEM permit schedules outlining when BOEM will complete its review of the COP, we currently expect in-service dates in 2025 for both projects.

Projected Investments: For Revolution Wind and Sunrise Wind, we are preparing our final project designs and advancing the appropriate federal, state, and local siting and permitting processes along with our offshore wind partner, Ørsted. Construction of South Fork Wind is underway. Construction-related purchase agreements with third-party contractors and materials contracts have largely been secured. Subject to advancing our final project designs and federal, state and local permitting processes and construction schedules, we currently expect to make investments in our offshore wind business between \$1.4 billion and \$1.6 billion in 2023 and expect to make investments for our three projects in total between \$2.1 billion and \$2.4 billion from 2024 through 2026. These estimates assume that the three projects are completed and are in-service by the end of 2025, as planned. These projected investments are expected to be impacted by the completion of the strategic review of our offshore wind investment.

FERC Regulatory Matters

FERC ROE Complaints: Four separate complaints were filed at the FERC by combinations of New England state attorneys general, state regulatory commissions, consumer advocates, consumer groups, municipal parties and other parties (collectively, the Complainants). In each of the first three complaints, filed on October 1, 2011, December 27, 2012, and July 31, 2014, respectively, the Complainants challenged the NETOs' base ROE of 11.14 percent that had been utilized since 2005 and sought an order to reduce it prospectively from the date of the final FERC order and for the separate 15-month complaint periods. In the fourth complaint, filed April 29, 2016, the Complainants challenged the NETOs' base ROE billed of 10.57 percent and the maximum ROE for transmission incentive (incentive cap) of 11.74 percent, asserting that these ROEs were unjust and unreasonable.

The ROE originally billed during the period October 1, 2011 (beginning of the first complaint period) through October 15, 2014 consisted of a base ROE of 11.14 percent and incentives up to 13.1 percent. On October 16, 2014, FERC issued Opinion No. 531-A and set the base ROE at 10.57 percent and the incentive cap at 11.74 percent for the first complaint period. This was also effective for all prospective billings to customers beginning October 16, 2014. This FERC order was vacated on April 14, 2017 by the U.S. Court of Appeals for the D.C. Circuit (the Court).

All amounts associated with the first complaint period have been refunded. Eversource has recorded a reserve of \$39.1 million (pre-tax and excluding interest) for the second complaint period as of both June 30, 2023 and December 31, 2022. This reserve represents the difference between the billed rates during the second complaint period and a 10.57 percent base ROE and 11.74 percent incentive cap. The reserve consisted of \$21.4 million for CL&P, \$14.6 million for NSTAR Electric and \$3.1 million for PSNH as of both June 30, 2023 and December 31, 2022.

On October 16, 2018, FERC issued an order on all four complaints describing how it intends to address the issues that were remanded by the Court. FERC proposed a new framework to determine (1) whether an existing ROE is unjust and unreasonable and, if so, (2) how to calculate a replacement ROE. Initial briefs were filed by the NETOs, Complainants and FERC Trial Staff on January 11, 2019 and reply briefs were filed on March 8, 2019. The NETOs' brief was supportive of the overall ROE methodology determined in the October 16, 2018 order provided the FERC does not change the proposed methodology or alter its implementation in a manner that has a material impact on the results.

The FERC order included illustrative calculations for the first complaint using FERC's proposed frameworks with financial data from that complaint. Those illustrative calculations indicated that for the first complaint period, for the NETOs, which FERC concludes are of average financial risk, the preliminary just and reasonable base ROE is 10.41 percent and the preliminary incentive cap on total ROE is 13.08 percent.

If the results of the illustrative calculations were included in a final FERC order for each of the complaint periods, then a 10.41 percent base ROE and a 13.08 percent incentive cap would not have a significant impact on our financial statements for all of the complaint periods. These preliminary calculations are not binding and do not represent what we believe to be the most likely outcome of a final FERC order.

On November 21, 2019, FERC issued Opinion No. 569 affecting the two pending transmission ROE complaints against the Midcontinent ISO (MISO) transmission owners, in which FERC adopted a new methodology for determining base ROEs. Various parties sought rehearing. On December 23, 2019, the NETOs filed supplementary materials in the NETOs' four pending cases to respond to this new methodology because of the uncertainty of the applicability to the NETOs' cases. On May 21, 2020, the FERC issued its order in Opinion No. 569-A on the rehearing of the MISO transmission owners' cases, in which FERC again changed its methodology for determining the MISO transmission owners' base ROEs. On November 19, 2020, the FERC issued Opinion No. 569-B denying rehearing of Opinion No. 569-A and reaffirmed the methodology previously adopted in Opinion No. 569-A. The new methodology differs significantly from the methodology proposed by FERC in its October 16, 2018 order to determine the NETOs' base ROEs in its four pending cases. FERC Opinion Nos. 569-A and 569-B were appealed to the Court. On August 9, 2022, the Court issued its decision vacating MISO ROE FERC Opinion Nos. 569, 569-A and 569-B and remanded to FERC to reopen the proceedings. The Court found that FERC's development of the new return methodology was arbitrary and capricious due to FERC's failure to offer a reasonable explanation for its decision to reintroduce the risk-premium financial model in its new methodology for calculating a just and reasonable return. At this time, Eversource cannot predict how and when FERC will address the Court's findings on the remand of the MISO FERC opinions or any potential associated impact on the NETOs' four pending ROE complaint cases.

Given the significant uncertainty regarding the applicability of the FERC opinions in the MISO transmission owners' two complaint cases to the NETOs' pending four complaint cases, Eversource concluded that there is no reasonable basis for a change to the reserve or recognized ROEs for any of the complaint periods at this time. As well, Eversource cannot reasonably estimate a range of loss for any of the four complaint proceedings at this time.

Eversource, CL&P, NSTAR Electric and PSNH currently record revenues at the 10.57 percent base ROE and incentive cap at 11.74 percent established in the October 16, 2014 FERC order.

A change of 10 basis points to the base ROE used to establish the reserves would impact Eversource's after-tax earnings by an average of approximately \$3 million for each of the four 15-month complaint periods. Prospectively from the date of a final FERC order implementing a new base ROE, based off of actual 2022 rate base, a change of 10 basis points to the base ROE would impact Eversource's future annual after-tax earnings by approximately \$5.5 million per year, and will increase slightly over time as we continue to invest in our transmission infrastructure.

FERC Notice of Inquiry on ROE: On March 21, 2019, FERC issued a Notice of Inquiry (NOI) seeking comments from all stakeholders on FERC's policies for evaluating ROEs for electric public utilities, and interstate natural gas and oil pipelines. On June 26, 2019, the NETOs jointly filed comments supporting the methodology established in the FERC's October 16, 2018 order with minor enhancements going forward. The NETOs jointly filed reply comments in the FERC ROE NOI on July 26, 2019. On May 12, 2020, the NETOs filed supplemental comments in the NOI ROE docket. At this time, Eversource cannot predict how this proceeding will affect its transmission ROEs.

FERC Notice of Inquiry and Proposed Rulemaking on Transmission Incentives: On March 21, 2019, FERC issued an NOI seeking comments on FERC's policies for implementing electric transmission incentives. On June 26, 2019, Eversource filed comments requesting that FERC retain policies that have been effective in encouraging new transmission investment and remain flexible enough to attract investment in new and emerging transmission technologies. Eversource filed reply comments on August 26, 2019. On March 20, 2020, FERC issued a Notice of Proposed Rulemaking (NOPR) on transmission incentives. The NOPR intends to revise FERC's electric transmission incentive policies to reflect competing uses of transmission due to generation resource mix, technological innovation and shifts in load patterns. FERC proposes to grant transmission incentives based on measurable project economics and reliability benefits to consumers rather than its current project risks and challenges framework. On July 1, 2020, Eversource filed comments generally supporting the NOPR.

On April 15, 2021, FERC issued a Supplemental NOPR that proposes to eliminate the existing 50 basis point return on equity for utilities that have been participating in a regional transmission organization (RTO ROE incentive) for more than three years. On June 25, 2021, the NETOs jointly filed comments strongly opposing FERC's proposal. On July 26, 2021, the NETOs filed Supplemental NOPR reply comments responding to various parties advocating for the elimination of the RTO Adder. If FERC issues a final order eliminating the RTO ROE incentive as proposed in the Supplemental NOPR, the estimated annual impact (using 2022 actual rate base) on Eversource's after-tax earnings is approximately \$18 million. The Supplemental NOPR contemplates an effective date 30 days from the final order.

At this time, Eversource cannot predict the ultimate outcome of these proceedings, including possible appellate review, and the resulting impact on its transmission incentives.

Regulatory Developments and Rate Matters

Electric, Natural Gas and Water Utility Base Distribution Rates: The regulated companies' distribution rates are set by their respective state regulatory commissions, and their tariffs include mechanisms for periodically adjusting their rates for the recovery of specific incurred costs. Other than as described below, for the first half of 2023, changes made to the regulated companies' rates did not have a material impact on their earnings. For further information, see "Financial Condition and Business Analysis – Regulatory Developments and Rate Matters" included in Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations," of the Eversource 2022 Form 10-K.

Energy Supply Retail Rates: CL&P, NSTAR Electric and PSNH have finalized full requirements energy supply procurement contracts for its customers that choose to purchase power from the electric distribution company (standard offer, basic service or default energy service, respectively) for the second half of 2023 and new energy supply rates for residential customers were established effective July 1, 2023 at CL&P and NSTAR Electric and effective August 1, 2023 at PSNH. Energy supply rates are approved by the respective state regulatory commission and are re-set every six months for residential customers. CL&P's standard service rate for residential customers decreased to 13.82 cents per kWh effective July 1, 2023, as compared to 24.17 cents effective January 1, 2023. NSTAR Electric's basic service rate for residential customers in eastern Massachusetts decreased to 16.08 cents per kWh and for western Massachusetts customers to 14.85 cents per kWh effective July 1, 2023, as compared to 25.78 cents and 21.99 cents effective January 1, 2023, respectively. PSNH's default energy service rate for residential customers decreased to 12.58 cents per kWh effective August 1, 2023, as compared to 20.22 cents effective February 1, 2023. Decreases in energy supply retail rates will result in decreases in both energy supply procurement revenues and purchased power expenses, with no impact on earnings.

Connecticut:

CL&P Performance Based Rate Making: On May 26, 2021, in accordance with an October 2020 Connecticut law, PURA opened a proceeding to begin to evaluate and eventually implement performance-based regulation (PBR) for electric distribution companies. PURA will conduct the proceeding in two phases. On January 25, 2023, PURA staff issued a proposal outlining a suggested portfolio of performance-based regulation elements for further exploration and implementation in the second phase of the proceeding. On April 26, 2023, PURA issued a final decision on the first phase and identified various objectives to guide PBR development and evaluate adoption of a PBR framework. The decision commenced Phase 2 by initiating three reopener dockets focused on revenue adjustment mechanisms, performance metrics and integrated distribution system planning with final decisions expected in May and August of 2024. At this time, we cannot predict the ultimate outcome of this proceeding and the resulting impact to CL&P.

Aquarion Water Company of Connecticut Distribution Rate Case: On August 29, 2022, Aquarion Water Company of Connecticut (AWC-CT) filed an application with PURA to amend its existing rate schedules to address an operating revenue deficiency. AWC-CT's rate application requested approval of rate increases of \$27.5 million, an additional \$13.6 million, and an additional \$8.8 million, effective March 15, 2023, 2024, and 2025, respectively. On March 15, 2023, PURA issued a final decision that rejected this request. In this decision, PURA ordered a base distribution rate decrease of \$2.0 million effective March 15, 2023. The decision allows an authorized regulatory ROE of 8.70 percent. On March 30, 2023, AWC-CT filed an appeal on the decision and requested a stay of the decision with the State of Connecticut Superior Court. On April 5, 2023, the Court temporarily granted AWC-CT's request to stay and on May 25, 2023 granted a permanent stay of certain orders affecting base rates, which will keep existing rates in place until the appeal is completed. The stay included the condition that AWC-CT place any revenue received from customers above the rates and amounts authorized in the March 15, 2023 decision in a separate, interest bearing account until further order. A hearing on the merits of the appeal is scheduled for December 14, 2023.

Massachusetts:

Termination of Commonwealth Wind Power Purchase Agreement: On July 13, 2023, Commonwealth Wind, LLC, a subsidiary of Avangrid Renewables, and NSTAR Electric signed an agreement to terminate the Commonwealth Wind offshore wind generation PPA, at the request of Commonwealth Wind, LLC. Commonwealth Wind, LLC will pay a termination payment of \$25.9 million to NSTAR Electric resulting from the termination of the PPA, which NSTAR Electric will return to customers. The termination agreement is effective upon DPU approval, which has been requested within 30 days.

New Hampshire:

PSNH Pole Acquisition Approval: On November 18, 2022, the NHPUC issued a decision that approved a proposed purchase agreement between PSNH and Consolidated Communications, in which PSNH would acquire both jointly-owned and solely-owned poles and pole assets. The NHPUC also authorized PSNH to recover certain expenses associated with the operation and maintenance of the transferred poles, pole inspections, and vegetation management expenses through a new cost recovery mechanism, the PPAM, subject to consummation of the purchase agreement. The purchase agreement was finalized on May 1, 2023 for a purchase price of \$23.3 million. Upon consummation of the purchase agreement, PSNH established a regulatory asset of \$16.9 million for operation and maintenance expenses and vegetation management expenses associated with the purchased poles incurred from February 10, 2021 through April 30, 2023 that PSNH is authorized to collect through the PPAM regulatory tracking mechanism. The establishment of the PPAM regulatory asset resulted in a pre-tax benefit recorded in Amortization expense on the PSNH statement of income in the second quarter of 2023.

Legislative and Policy Matters

Connecticut: On June 29, 2023, Connecticut enacted Public Act No. 23-102 (Substitute Senate Bill No. 7) (the Act) that encompasses 40 sections. The Act prohibits recovery in retail rates of certain costs incurred by utilities, including costs for consultants and outside counsel for rate cases, membership dues, and lobbying. None of the rate-setting provisions will result in an immediate change to rates, as all will require some future process, primarily a general distribution rate proceeding before PURA.

The Act also makes prospective adjustments to the timing and procedures used in the retail rate setting process, including (1) requiring additional procedural steps to be satisfied for proposed settlements of cases; (2) increasing the deadline to issue a final decision on an application from a water company to amend base rates from 200 days to 270 days; (3) authorizing PURA to elect to evaluate if rates should be reduced on an interim basis if a utility earns an ROE that exceeds its authorized ROE by 50 basis points over a rolling 12-month period ending with the two most recent consecutive financial quarters (instead of the current standard of 100 basis points); and (4) authorizing PURA to elect to convene a general rate hearing at an interval of less than four years unless prohibited from doing so by an agency decision or other law. The Act is prospective, not retroactive and therefore does not change obligations or rate provisions established by settlements implemented prior to the Act.

The Act also prohibits CL&P's electric system improvements (ESI) capital tracking mechanism from being reauthorized in the next general distribution proceeding. The ESI will therefore remain in place until base distribution rates are adjusted in CL&P's next general distribution rate proceeding. The Act also excludes storms and other emergencies affecting 70 percent or more of an electric distribution company's customers from the 2020 law requiring credits for residential customers who are without power for 96 or more consecutive hours.

Lastly, the Act was amended by Public Act No. 23-204 (House Bill No. 6941) to require the Governor to designate the chairperson of PURA from among the sitting commissioners by June 30, 2023 and every two years thereafter; and to delete the changes in Section 21 of the Act to the duties and powers of PURA commissioners. Designation of the chairperson does not constitute a renomination for a full commission term, as otherwise provided by law.

Critical Accounting Policies

The preparation of financial statements in conformity with GAAP requires management to make estimates, assumptions and, at times, difficult, subjective or complex judgments. Changes in these estimates, assumptions and judgments, in and of themselves, could materially impact our financial position, results of operations or cash flows. Our management discusses with the Audit Committee of our Board of Trustees significant matters relating to critical accounting policies. Our critical accounting policies that we believed were the most critical in nature were reported in the Eversource 2022 Form 10-K. There have been no material changes with regard to these critical accounting policies.

Refer to Note 1E, "Summary of Significant Accounting Policies - Investments in Unconsolidated Affiliates," to the financial statements for further discussion of the critical accounting estimates surrounding impairment analysis.

Other Matters

Web Site: Additional financial information is available through our website at www.eversource.com. We make available through our website a link to the SEC's EDGAR website (<http://www.sec.gov/edgar/searchedgar/companysearch.html>), at which site Eversource's, CL&P's, NSTAR Electric's and PSNH's combined Annual Reports on Form 10-K, combined Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and any amendments to those reports may be reviewed. Information contained on the Company's website or that can be accessed through the website is not incorporated into and does not constitute a part of this combined Quarterly Report on Form 10-Q.

RESULTS OF OPERATIONS – EVERSOURCE ENERGY AND SUBSIDIARIES

The following provides the amounts and variances in operating revenues and expense line items in the statements of income for Eversource for the three and six months ended June 30, 2023 and 2022 included in this combined Quarterly Report on Form 10-Q:

(Millions of Dollars)	For the Three Months Ended June 30,			For the Six Months Ended June 30,		
	2023	2022	Increase/(Decrease)	2023	2022	Increase/(Decrease)
Operating Revenues	\$ 2,629.3	\$ 2,572.6	\$ 56.7	\$ 6,425.0	\$ 6,044.0	\$ 381.0
Operating Expenses:						
Purchased Power, Purchased Natural Gas and Transmission	1,161.1	940.5	220.6	3,064.3	2,330.2	734.1
Operations and Maintenance	427.3	452.2	(24.9)	881.9	924.6	(42.7)
Depreciation	320.0	294.2	25.8	632.9	583.6	49.3
Amortization	(218.5)	70.4	(288.9)	(294.5)	307.4	(601.9)
Energy Efficiency Programs	145.8	136.7	9.1	368.8	336.2	32.6
Taxes Other Than Income Taxes	232.9	223.0	9.9	461.4	443.4	18.0
Total Operating Expenses	2,068.6	2,117.0	(48.4)	5,114.8	4,925.4	189.4
Operating Income	560.7	455.6	105.1	1,310.2	1,118.6	191.6
Interest Expense	207.4	160.1	47.3	401.8	313.3	88.5
Impairment of Offshore Wind Investment	401.0	—	401.0	401.0	—	401.0
Other Income, Net	94.9	93.9	1.0	183.9	165.4	18.5
Income Before Income Tax Expense	47.2	389.4	(342.2)	691.3	970.7	(279.4)
Income Tax Expense	29.9	95.6	(65.7)	180.9	231.6	(50.7)
Net Income	17.3	293.8	(276.5)	510.4	739.1	(228.7)
Net Income Attributable to Noncontrolling Interests	1.9	1.9	—	3.8	3.8	—
Net Income Attributable to Common Shareholders	\$ 15.4	\$ 291.9	\$ (276.5)	\$ 506.6	\$ 735.3	\$ (228.7)

Operating Revenues

Sales Volumes. A summary of our retail electric GWh sales volumes, our firm natural gas MMcf sales volumes, and our water MG sales volumes, and percentage changes, is as follows:

Three Months Ended June 30:	Electric			Firm Natural Gas			Water		
	Sales Volumes (GWh)		Percentage Decrease	Sales Volumes (MMcf)		Percentage Decrease	Sales Volumes (MG)		Percentage Increase
	2023	2022		2023	2022		2023	2022	
Traditional	1,745	1,795	(2.8)%	—	—	—%	370	346	6.9 %
Decoupled and Special Contracts ⁽¹⁾	9,419	9,840	(4.3)%	23,751	24,894	(4.6)%	6,000	5,244	14.4 %
Total Sales Volumes	11,164	11,635	(4.0)%	23,751	24,894	(4.6)%	6,370	5,590	14.0 %
Six Months Ended June 30:									
Traditional	3,645	3,787	(3.7)%	—	—	—%	679	670	1.3 %
Decoupled and Special Contracts ⁽¹⁾	19,717	20,813	(5.3)%	83,534	93,413	(10.6)%	10,592	9,586	10.5 %
Total Sales Volumes	23,362	24,600	(5.0)%	83,534	93,413	(10.6)%	11,271	10,256	9.9 %

⁽¹⁾ Special contracts are unique to Yankee Gas natural gas distribution customers who take service under such an arrangement and generally specify the amount of distribution revenue to be paid to Yankee Gas regardless of the customers' usage.

Weather, fluctuations in energy supply costs, conservation measures (including utility-sponsored energy efficiency programs), and economic conditions affect customer energy usage and water consumption. Industrial sales volumes are less sensitive to temperature variations than residential and commercial sales volumes. In our service territories, weather impacts both electric and water sales volumes during the summer and both electric and natural gas sales volumes during the winter; however, natural gas sales volumes are more sensitive to temperature variations than electric sales volumes. Customer heating or cooling usage may not directly correlate with historical levels or with the level of degree-days that occur.

Fluctuations in retail electric sales volumes at PSNH impact earnings ("Traditional" in the table above). For CL&P, NSTAR Electric, NSTAR Gas, EGMA, Yankee Gas, and our Connecticut water distribution business, fluctuations in retail sales volumes do not materially impact earnings due to their respective regulatory commission-approved distribution revenue decoupling mechanisms ("Decoupled" in the table above). These distribution revenues are decoupled from their customer sales volumes, which breaks the relationship between sales volumes and revenues recognized.

Operating Revenues: Operating Revenues by segment increased/(decreased) for the three and six months ended June 30, 2023, as compared to the same periods in 2022, as follows:

(Millions of Dollars)	Three Months Ended		Six Months Ended	
Electric Distribution	\$	50.0	\$	252.3
Natural Gas Distribution		(7.1)		110.5
Electric Transmission		22.5		46.0
Water Distribution		3.5		5.2
Other		73.1		103.4
Eliminations		(85.3)		(136.4)
Total Operating Revenues	\$	56.7	\$	381.0

Electric and Natural Gas Distribution Revenues:

Base Distribution Revenues:

- Base electric distribution revenues increased \$7.2 million and \$36.1 million for the three and six months ended June 30, 2023, as compared to the same periods in 2022. The increase for the three month period was due primarily to a base distribution rate increase effective January 1, 2023 at NSTAR Electric. The increase for the six month period was due primarily to the result of a rate design change at NSTAR Electric approved by the DPU in the 2022 rate case that shifted the recovery of quarterly revenues (increase of \$20.2 million in 2023, as compared to 2022) and a base distribution rate increase effective January 1, 2023 at NSTAR Electric (increase of \$17.9 million in 2023, as compared to 2022). As part of the 2022 NSTAR Electric rate case decision, certain customer rates changed from seasonal demand charges to a single annual demand charge effective January 1, 2023, resulting in a shift in the timing of revenues and earnings recognized quarterly in 2023, as compared to 2022, but with no impact on an annual basis. This rate design change will result in higher revenues in each of the first and fourth quarters of 2023 of approximately \$21 million, offset by lower revenues in the third quarter of 2023 of approximately \$42 million, as compared to the same periods in 2022.
- Base natural gas distribution revenues increased \$2.1 million and \$13.1 million for the three and six months ended June 30, 2023, as compared to the same periods in 2022, due primarily to the impact of base distribution rate increases at NSTAR Gas and EGMA effective November 1, 2022.

Tracked Distribution Revenues: Tracked distribution revenues consist of certain costs that are recovered from customers in retail rates through regulatory commission-approved cost tracking mechanisms and therefore, recovery of these costs has no impact on earnings. Revenues from certain of these cost tracking mechanisms also include certain incentives earned, return on capital tracking mechanisms, and carrying charges that are billed in rates to customers, which do impact earnings. Costs recovered through cost tracking mechanisms include, among others, energy supply and natural gas supply procurement and other energy-related costs, electric retail transmission charges, energy efficiency program costs, electric restructuring and stranded cost recovery revenues (including securitized RRB charges), certain capital tracking mechanisms for infrastructure improvements, and additionally for the Massachusetts utilities, pension and PBOP benefits, net metering for distributed generation, and solar-related programs. Tracked revenues also include wholesale market sales transactions, such as sales of energy and energy-related products into the ISO-NE wholesale electricity market, sales of natural gas to third party marketers, and the sale of REC's to various counterparties.

Customers have the choice to purchase electricity from each Eversource electric utility or from a competitive third party supplier. For customers who have contracted separately with these competitive suppliers, revenue is not recorded for the sale of the electricity commodity, as the utility is acting as an agent on behalf of the third party supplier. For customers that choose to purchase electric generation from CL&P, NSTAR Electric or PSNH, each purchases power on behalf of, and is permitted to recover the related energy supply cost without mark-up from, its customers, and records offsetting amounts in revenues and purchased power related to this energy supply procurement. CL&P, NSTAR Electric and PSNH each remain as the distribution service provider for all customers and charge a regulated rate for distribution delivery service recorded in revenues. Certain eligible natural gas customers may elect to purchase natural gas from each Eversource natural gas utility or may contract separately with a gas supply operator. Revenue is not recorded for the sale of the natural gas commodity to customers who have contracted separately with these operators, only the delivery to a customer, as the utility is acting as an agent on behalf of the gas supply operator.

Tracked distribution revenues increased/(decreased) for the three and six months ended June 30, 2023, as compared to the same periods in 2022, due primarily to the following:

(Millions of Dollars)	Electric Distribution		Natural Gas Distribution	
	Three Months Ended	Six Months Ended	Three Months Ended	Six Months Ended
Retail Tariff Tracked Revenues:				
Energy supply procurement	\$ 297.5	\$ 772.4	\$ (35.6)	\$ 28.3
CL&P PMCC	(128.9)	(268.3)	—	—
Retail transmission	(29.1)	(48.4)	—	—
Energy efficiency	4.6	14.7	10.0	28.3
Other distribution tracking mechanisms	(0.8)	(4.5)	9.8	20.1
Wholesale Market Sales Revenue	(100.3)	(248.5)	6.6	22.2

The increase in energy supply procurement within electric distribution for the three and six months ended June 30, 2023, as compared to the same periods in 2022, was driven by higher average prices, partially offset by lower average supply-related sales volumes. The decrease in energy supply procurement within natural gas distribution for the three months ended June 30, 2023, as compared to the same period in 2022, was driven by lower average supply-related sales volumes and lower average prices. The increase in energy supply procurement within natural gas distribution for the six months ended June 30, 2023, as compared to the same period in 2022, was driven by higher average prices, partially offset by lower average supply-related sales volumes. Fluctuations in retail transmission revenues are driven by the recovery of the costs of our wholesale transmission business, such as those billed by ISO-NE and Local and Regional Network Service charges. For further information, see "Purchased Power, Purchased Natural Gas and Transmission Expense" below.

The decrease in CL&P's FMCC revenues was driven by a decrease in the retail Non-Bypassable Federally Mandated Congestion Charge (NBFMCC) rate, which reflects the impact of returning net benefits of higher wholesale market sales received in the ISO-NE market for long-term state approved energy contracts at CL&P, which are then credited back to customers through the retail NBFMCC rate. CL&P's average NBFMCC rate in effect from January 1, 2022 through April 30, 2022 was \$0.01423 per kWh and from May 1 through August 31, 2022 was \$0.01251 per kWh. As a result of the CL&P RAM proceeding in Docket No. 22-01-03, CL&P reduced the average NBFMCC rate effective September 1, 2022 from \$0.01251 per kWh to \$0.00000 per kWh. As part of a November 2022 rate relief plan, CL&P further reduced the average NBFMCC rate effective January 1, 2023 to a credit of \$0.01524 per kWh. These rate reductions returned to customers the net revenues generated by long-term state-approved energy contracts with the Millstone and Seabrook nuclear power plants. The average NBFMCC rate changed to \$0.00000 per kWh effective July 1, 2023.

The decrease in electric distribution wholesale market sales revenue for the three and six months ended June 30, 2023, as compared to the same periods in 2022, was due primarily to lower average electricity market prices received for wholesale sales at CL&P, NSTAR Electric and PSNH. ISO-NE average market prices received for CL&P's wholesale sales decreased to an average price of \$27.05 per MWh and \$42.15 per MWh for the three and six months ended June 30, 2023, as compared to \$65.90 per MWh and \$89.01 per MWh for the same periods in 2022, driven primarily by lower natural gas prices in New England. Volumes sold into the market were primarily from the sale of output generated by the Millstone PPA and Seabrook PPA that CL&P entered into in 2019, as required by regulation. CL&P sells the energy purchased from Millstone and Seabrook into the wholesale market and uses the proceeds from the energy sales to offset the contract costs. The net sales or net cost amount is refunded to, or recovered from, customers in the non-bypassable component of the CL&P FMCC rate.

Electric Transmission Revenues: Electric transmission revenues increased \$22.5 million and \$46.0 million for the three and six months ended June 30, 2023, as compared to the same periods in 2022, due primarily to a higher transmission rate base as a result of our continued investment in our transmission infrastructure.

Other Revenues and Eliminations: Other revenues primarily include the revenues of Eversource's service company, most of which are eliminated in consolidation. Eliminations are also primarily related to the Eversource electric transmission revenues that are derived from ISO-NE regional transmission charges to the distribution businesses of CL&P, NSTAR Electric and PSNH that recover the costs of the wholesale transmission business in rates charged to their customers.

Purchased Power, Purchased Natural Gas and Transmission expense includes costs associated with purchasing electricity and natural gas on behalf of our customers, the cost of energy purchase contracts entered into as required by regulation, and transmission costs. These electric and natural gas supply procurement costs, other energy-related costs, and transmission costs are recovered from customers in rates through commission-approved cost tracking mechanisms, which have no impact on earnings (tracked costs). Purchased Power, Purchased Natural Gas and Transmission expense increased for the three and six months ended June 30, 2023, as compared to the same periods in 2022, due primarily to the following:

(Millions of Dollars)

	Three Months Ended	Six Months Ended
Energy supply procurement costs	\$ 300.1	\$ 778.4
Other electric distribution costs	(9.8)	(8.2)
Natural gas costs	(27.9)	28.2
Transmission costs	(24.1)	(31.0)
Eliminations	(17.7)	(33.3)
Total Purchased Power, Purchased Natural Gas and Transmission	\$ 220.6	\$ 734.1

The increase in purchased power expense at the electric distribution business for the three and six months ended June 30, 2023, as compared to the same periods in 2022, was driven primarily by higher energy supply procurement costs resulting from higher average prices, partially offset by lower average supply-related sales volumes. The increase was partially offset by a decrease in long-term renewable contract costs and lower net metering costs at NSTAR Electric for the three and six month periods.

The decrease in costs at the natural gas distribution segment for the three months ended June 30, 2023, as compared to the same period in 2022, was due primarily to lower average supply-related sales volumes and lower average prices. The increase in costs at the natural gas distribution segment for the six months ended June 30, 2023, as compared to the same period in 2022, was due primarily to higher average prices, partially offset by lower average supply-related sales volumes.

The decrease in transmission costs for the three and six months ended June 30, 2023, as compared to the same periods in 2022, was primarily the result of a decrease in costs billed by ISO-NE that support regional grid investments and a decrease in the retail transmission cost deferral, which reflects the actual cost of transmission service compared to estimated amounts billed to customers. This decrease was partially offset by an

increase in Local Network Service charges, which reflect the cost of transmission service provided by Eversource over our local transmission network.

Operations and Maintenance expense includes tracked costs and costs that are part of base electric, natural gas and water distribution rates with changes impacting earnings (non-tracked costs). Operations and Maintenance expense decreased for the three and six months ended June 30, 2023, as compared to the same periods in 2022, due primarily to the following:

	Three Months Ended	Six Months Ended
<i>(All items in millions of dollars)</i>		
Base Electric Distribution (Non-Tracked Costs):		
Employee-related expenses, including labor and benefits	\$ (12.4)	\$ (9.8)
Storm costs	(9.5)	(9.6)
Operations-related expenses (including vendor services and vehicles)	(4.1)	1.5
Vegetation management	2.1	(3.2)
Shared corporate costs (including computer software depreciation at Eversource Service)	8.1	17.6
General costs (including vendor services in corporate areas, bad debt expense, insurance, fees and assessments)	2.5	10.9
Other non-tracked operations and maintenance	(3.3)	(11.5)
Total Base Electric Distribution (Non-Tracked Costs)	(16.6)	(4.1)
Tracked Electric Costs (Electric Distribution and Electric Transmission)	9.7	9.8
Total Electric Distribution and Electric Transmission	(6.9)	5.7
Natural Gas Distribution:		
Base (Non-Tracked Costs) - Decreases due primarily to lower general costs (including vendor services in corporate areas, bad debt expense, insurance, fees and assessments) and lower employee-related expenses; six month decrease partially offset by higher shared corporate costs	(7.1)	(10.8)
Tracked Costs	(0.5)	(2.1)
Total Natural Gas Distribution	(7.6)	(12.9)
Water Distribution	1.5	2.2
Parent and Other Companies and Eliminations:		
Eversource Parent and Other Companies - other operations and maintenance	63.1	77.9
Transaction and Transition Costs	(5.6)	(12.1)
Eliminations	(69.4)	(103.5)
Total Operations and Maintenance	\$ (24.9)	\$ (42.7)

Depreciation expense increased for the three and six months ended June 30, 2023, as compared to the same periods in 2022, due primarily to higher utility plant in service balances, partially offset by a decrease in approved depreciation rates as part of the rate case decision effective January 1, 2023 at NSTAR Electric.

Amortization expense includes the deferral of energy-related costs and other costs that are included in certain regulatory commission-approved cost tracking mechanisms. This deferral adjusts expense to match the corresponding revenues compared to the actual costs incurred. These costs are recovered from customers in rates and have no impact on earnings. Amortization expense also includes the amortization of certain costs as those costs are collected in rates.

Amortization decreased for the three and six months ended June 30, 2023, as compared to the same periods in 2022, due primarily to the deferral adjustment of energy-related and other tracked costs at CL&P (included in the non-bypassable component of the FMCC mechanism), NSTAR Electric and PSNH, which can fluctuate from period to period based on the timing of costs incurred and related rate changes to recover these costs. The decrease in the CL&P FMCC mechanism was driven primarily by the November 2022 rate relief plan, which reduced the non-bypassable FMCC rate effective January 1, 2023. The reduction in the CL&P non-bypassable FMCC retail rate decreased the regulatory over-recovery balance, which resulted in a decrease to amortization expense of \$220.3 million in the second quarter of 2023, as compared to the second quarter of 2022 and \$507.0 million in the first half of 2023, as compared to the first half of 2022. The decrease was also driven by the impact of a new regulatory tracking mechanism at PSNH that allows for the recovery of previously incurred operating expenses associated with poles acquired from Consolidated Communications on May 1, 2023. The establishment of the PPAM regulatory asset resulted in a pre-tax benefit of \$16.9 million recorded in Amortization expense on the PSNH statement of income in the second quarter of 2023. The decrease was partially offset by the amortization of historical exogenous property taxes that were approved for recovery effective January 1, 2023 in the November 2022 NSTAR Electric distribution rate case decision and effective November 1, 2022 at NSTAR Gas and EGMA.

Energy Efficiency Programs expense increased for the three and six months ended June 30, 2023, as compared to the same periods in 2022, due primarily to the deferral adjustment at NSTAR Electric, NSTAR Gas and EGMA, which reflects the actual costs of energy efficiency programs compared to the amounts billed to customers, and the timing of the recovery of energy efficiency costs. The costs for the majority of the state energy policy initiatives and expanded energy efficiency programs are recovered from customers in rates and have no impact on earnings.

Taxes Other Than Income Taxes expense increased for the three months ended June 30, 2023, as compared to the same period in 2022, due primarily to higher property taxes as a result of higher utility plant balances. For the six months ended June 30, 2023, as compared to the same period in 2022, the increase was due primarily to higher Connecticut gross earnings taxes and higher property taxes as a result of higher utility plant balances.

Interest Expense increased for the three and six months ended June 30, 2023, as compared to the same periods in 2022, due primarily to an increase in interest on long-term debt as a result of new debt issuances (\$57.9 million and \$102.5 million, respectively), an increase in interest on short-term notes payable (\$5.7 million and \$19.8 million, respectively), an increase in interest expense on regulatory deferrals (\$1.3 million and \$3.9 million, respectively), and higher amortization of debt discounts and premiums, net (\$1.1 million and \$2.4 million, respectively), partially offset by an increase in capitalized AFUDC related to debt funds and other capitalized interest (\$18.3 million and \$32.2 million, respectively), a decrease in RRB interest expense (\$0.3 million and \$0.7 million, respectively) and lower interest resulting from the payment of withheld property taxes in the second quarter of 2022 at NSTAR Electric for the six month period (\$1.7 million).

Impairment of Offshore Wind Investment relates to an impairment charge associated with Eversource's equity method investment in its offshore wind business resulting from the completion of the strategic review of its offshore wind investment portfolio. See "Business Development and Capital Expenditures – Offshore Wind Business" included in this *Management's Discussion and Analysis of Financial Condition and Results of Operations*.

Other Income, Net increased for the three and six months ended June 30, 2023, as compared to the same periods in 2022, due primarily to an increase in interest income primarily from regulatory deferrals (\$11.9 million and \$28.4 million, respectively) and an increase in capitalized AFUDC related to equity funds (\$7.8 million and \$13.4 million, respectively), partially offset by a decrease related to pension, SERP and PBOP non-service income components (\$21.6 million and \$41.1 million, respectively), a decrease in equity in earnings related to Eversource's equity method investments (\$11.6 million and \$8.3 million, respectively), a loss on the disposition of land in the second quarter of 2023 (\$6.5 million), and investment losses in 2023 compared to investment income in 2022 driven by market volatility (\$2.7 million and \$4.2 million, respectively). Other Income, Net also increased in both periods due to a benefit in both the first and second quarter of 2023 from the liquidation of Eversource's equity method investment in a renewable energy fund in excess of its carrying value, partially offset by a charitable contribution made with a portion of the proceeds from the liquidation in the first quarter of 2023.

Income Tax Expense decreased for the three months ended June 30, 2023, as compared to the same period in 2022, due primarily to lower pre-tax earnings (\$71.9 million), a decrease in items that impact our tax rate as a result of regulatory treatment (flow-through items) and permanent differences (\$11.8 million), lower state taxes (\$26.2 million), and higher share-based payment excess tax benefits (\$0.1 million), partially offset by a decrease in amortization of EDIT (\$1.4 million), and an increase in valuation allowances primarily related to the impairment of Eversource's offshore wind investment (\$42.9 million).

Income Tax Expense decreased for the six months ended June 30, 2023, as compared to the same period in 2022, due primarily to lower pre-tax earnings (\$58.7 million), a decrease in items that impact our tax rate as a result of regulatory treatment (flow-through items) and permanent differences (\$10.8 million), and lower state taxes (\$29.5 million), partially offset by lower share-based payment excess tax benefits (\$2.5 million), a decrease in amortization of EDIT (\$2.9 million) and an increase in valuation allowances primarily related to the impairment of Eversource's offshore wind investment (\$42.9 million).

**RESULTS OF OPERATIONS –
THE CONNECTICUT LIGHT AND POWER COMPANY
NSTAR ELECTRIC COMPANY AND SUBSIDIARY
PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE AND SUBSIDIARIES**

The following provides the amounts and variances in operating revenues and expense line items in the statements of income for CL&P, NSTAR Electric and PSNH for the six months ended June 30, 2023 and 2022 included in this combined Quarterly Report on Form 10-Q:

	For the Six Months Ended June 30,								
	CL&P			NSTAR Electric			PSNH		
	2023	2022	Increase/ (Decrease)	2023	2022	Increase/ (Decrease)	2023	2022	Increase/ (Decrease)
<i>(Millions of Dollars)</i>									
Operating Revenues	\$ 2,373.1	\$ 2,321.5	\$ 51.6	\$ 1,775.3	\$ 1,646.8	\$ 128.5	\$ 770.2	\$ 646.5	\$ 123.7
Operating Expenses:									
Purchased Power and Transmission	1,477.0	944.5	532.5	627.5	550.5	77.0	371.5	236.6	134.9
Operations and Maintenance	326.9	326.1	0.8	312.9	314.0	(1.1)	132.3	126.3	6.0
Depreciation	185.9	175.5	10.4	183.3	178.7	4.6	68.8	62.8	6.0
Amortization of Regulatory (Liabilities)/Assets, Net	(312.2)	212.5	(524.7)	21.4	49.4	(28.0)	(25.3)	36.1	(61.4)
Energy Efficiency Programs	60.8	65.2	(4.4)	156.9	149.5	7.4	19.4	17.5	1.9
Taxes Other Than Income Taxes	196.1	186.1	10.0	119.8	120.7	(0.9)	47.6	48.1	(0.5)
Total Operating Expenses	1,934.5	1,909.9	24.6	1,421.8	1,362.8	59.0	614.3	527.4	86.9
Operating Income	438.6	411.6	27.0	353.5	284.0	69.5	155.9	119.1	36.8
Interest Expense	93.0	82.8	10.2	91.6	77.1	14.5	36.6	28.4	8.2
Other Income, Net	28.3	39.4	(11.1)	80.8	63.5	17.3	12.0	15.3	(3.3)
Income Before Income Tax Expense	373.9	368.2	5.7	342.7	270.4	72.3	131.3	106.0	25.3
Income Tax Expense	92.2	89.4	2.8	74.1	58.2	15.9	30.6	23.4	7.2
Net Income	\$ 281.7	\$ 278.8	\$ 2.9	\$ 268.6	\$ 212.2	\$ 56.4	\$ 100.7	\$ 82.6	\$ 18.1

Operating Revenues

Sales Volumes: A summary of our retail electric GWh sales volumes is as follows:

	For the Six Months Ended June 30,		
	2023	2022	Percentage Decrease
CL&P	9,138	9,919	(7.9)%
NSTAR Electric	10,579	10,894	(2.9)%
PSNH	3,645	3,787	(3.7)%

Fluctuations in retail electric sales volumes at PSNH impact earnings. For CL&P and NSTAR Electric, fluctuations in retail electric sales volumes do not impact earnings due to their respective regulatory commission-approved distribution revenue decoupling mechanisms.

Operating Revenues: Operating Revenues, which consist of base distribution revenues and tracked revenues further described below, increased \$51.6 million at CL&P, \$128.5 million at NSTAR Electric, and \$123.7 million at PSNH, for the six months ended June 30, 2023, as compared to the same period in 2022.

Base Distribution Revenues:

- CL&P's distribution revenues were flat.
- NSTAR Electric's distribution revenues increased \$38.1 million due primarily to the result of a rate design change approved by the DPU in the 2022 rate case that shifted the recovery of quarterly revenues (increase of \$20.2 million in 2023, as compared to 2022) and a base distribution rate increase effective January 1, 2023 (increase of \$17.9 million in 2023, as compared to 2022). As part of the 2022 NSTAR Electric rate case decision, certain customer rates changed from seasonal demand charges to a single annual demand charge effective January 1, 2023, resulting in a shift in the timing of revenues and earnings recognized quarterly in 2023, as compared to 2022, but with no impact on an annual basis. This rate design change will result in higher revenues in each of the first and fourth quarters of 2023 of approximately \$21 million, offset by lower revenues in the third quarter of 2023 of approximately \$42 million, as compared to the same periods in 2022.
- PSNH's distribution revenues decreased \$2.0 million due primarily to a decrease in sales volumes as a result of milder weather for the six months ended June 30, 2023, as compared to the same period in 2022.

Tracked Distribution Revenues: Tracked distribution revenues consist of certain costs that are recovered from customers in retail rates through regulatory commission-approved cost tracking mechanisms and therefore, recovery of these costs has no impact on earnings. Revenues from certain of these cost tracking mechanisms also include certain incentives earned, return on capital tracking mechanisms, and carrying charges that are billed in rates to customers, which do impact earnings. Costs recovered through cost tracking mechanisms include, among others, energy supply procurement and other energy-related costs, retail transmission charges, energy efficiency program costs, electric restructuring and stranded cost recovery revenues (including securitized RRB charges), certain capital tracking mechanisms for infrastructure improvements, and additionally for NSTAR Electric, pension and PBOP benefits, net metering for distributed generation, and solar-related programs. Tracked revenues also include wholesale market sales transactions, such as sales of energy and energy-related products into the ISO-NE wholesale electricity market and the sale of RECs to various counterparties.

Customers have the choice to purchase electricity from each Eversource electric utility or from a competitive third party supplier. For customers who have contracted separately with these competitive suppliers, revenue is not recorded for the sale of the electricity commodity, as the utility is acting as an agent on behalf of the third party supplier. For customers that choose to purchase electric generation from CL&P, NSTAR Electric or PSNH, each purchases power on behalf of, and is permitted to recover the related energy supply cost without mark-up from, its customers, and records offsetting amounts in revenues and purchased power related to this energy supply procurement. CL&P, NSTAR Electric and PSNH each remain as the distribution service provider for all customers and charge a regulated rate for distribution delivery service recorded in revenues.

Tracked distribution revenues increased/(decreased) for the six months ended June 30, 2023, as compared to the same period in 2022, due primarily to the following:

	CL&P	NSTAR Electric	PSNH
<i>(Millions of Dollars)</i>			
Retail Tariff Tracked Revenues:			
Energy supply procurement	\$ 493.9	\$ 152.4	\$ 126.1
CL&P FMCC	(268.3)	—	—
Retail transmission	9.5	(31.8)	(26.1)
Other distribution tracking mechanisms	5.1	(2.7)	7.8
Wholesale Market Sales Revenue	(205.8)	(32.0)	(10.7)

The increase in energy supply procurement at CL&P, NSTAR Electric and PSNH was driven by higher average prices, partially offset by lower average supply-related sales volumes. Fluctuations in retail transmission revenues are driven by the recovery of the costs of our wholesale transmission business, such as those billed by ISO-NE and Local and Regional Network Service charges. For further information, see "Purchased Power and Transmission Expense" below.

The decrease in CL&P's FMCC revenues was driven by a decrease in the retail Non-Bypassable Federally Mandated Congestion Charge (NBFMCC) rate, which reflects the impact of returning net benefits of higher wholesale market sales received in the ISO-NE market for long-term state approved energy contracts at CL&P, which are then credited back to customers through the retail NBFMCC rate. CL&P's average NBFMCC rate in effect from January 1, 2022 through April 30, 2022 was \$0.01423 per kWh and from May 1 through August 31, 2022 was \$0.01251 per kWh. As a result of the CL&P RAM proceeding in Docket No. 22-01-03, CL&P reduced the average NBFMCC rate effective September 1, 2022 from \$0.01251 per kWh to \$0.00000 per kWh. As part of a November 2022 rate relief plan, CL&P further reduced the average NBFMCC rate effective January 1, 2023 to a credit of \$0.01524 per kWh. These rate reductions returned to customers the net revenues generated by long-term state-approved energy contracts with the Millstone and Seabrook nuclear power plants. The average NBFMCC rate changed to \$0.00000 per kWh effective July 1, 2023.

The decrease in wholesale market sales revenue for the six months ended June 30, 2023, as compared to the same period in 2022, was due primarily to lower average electricity market prices received for wholesale sales at CL&P, NSTAR Electric and PSNH. ISO-NE average market prices received for CL&P's wholesale sales decreased to an average price of \$42.15 per MWh for the six months ended June 30, 2023, as compared to \$89.01 per MWh for the same period in 2022, driven primarily by lower natural gas prices in New England. CL&P's volumes sold into the market were primarily from the sale of output generated by the Millstone PPA and Seabrook PPA that CL&P entered into in 2019, as required by regulation. CL&P sells the energy purchased from Millstone and Seabrook into the wholesale market and uses the proceeds from the energy sales to offset the contract costs. The net sales or net cost amount is refunded to, or recovered from, customers in the non-bypassable component of the CL&P FMCC rate.

Transmission Revenues: Transmission revenues increased \$8.4 million at CL&P, \$12.3 million at NSTAR Electric, and \$25.3 million at PSNH for the six months ended June 30, 2023, as compared to the same period in 2022, due primarily to a higher transmission rate base as a result of our continued investment in our transmission infrastructure.

Eliminations: Eliminations are primarily related to the Eversource electric transmission revenues that are derived from ISO-NE regional transmission charges to the distribution businesses of CL&P, NSTAR Electric and PSNH that recover the costs of the wholesale transmission business in rates charged to their customers. The impact of eliminations increased revenues by \$8.8 million at CL&P and \$1.8 million at PSNH and decreased revenues by \$4.0 million at NSTAR Electric for the six months ended June 30, 2023, as compared to the same period in 2022.

Purchased Power and Transmission expense includes costs associated with purchasing electricity on behalf of CL&P, NSTAR Electric and PSNH's customers, the cost of energy purchase contracts entered into as required by regulation, and transmission costs. These energy supply procurement, other energy-related costs, and transmission costs are recovered from customers in rates through commission-approved cost tracking mechanisms, which have no impact on earnings (tracked costs). Purchased Power and Transmission expense increased for the six months ended June 30, 2023, as compared to the same period in 2022, due primarily to the following:

<i>(Millions of Dollars)</i>					
	CL&P		NSTAR Electric		PSNH
Energy supply procurement costs	\$	491.4	\$	161.7	\$ 125.3
Other electric distribution costs		13.7		(48.9)	27.0
Transmission costs		20.1		(31.9)	(19.2)
Eliminations		7.3		(3.9)	1.8
Total Purchased Power and Transmission	\$	532.5	\$	77.0	\$ 134.9

Purchased Power Costs: Included in purchased power costs are the costs associated with providing electric generation service supply to all customers who have not migrated to third party suppliers, and the cost of energy purchase contracts entered into as required by regulation.

- The increase at CL&P was due primarily to higher energy supply procurement costs resulting from higher average prices, partially offset by lower average supply-related sales volumes.
- The increase at NSTAR Electric was due primarily to higher energy supply procurement costs resulting from higher average prices, partially offset by lower average supply-related sales volumes. This was partially offset by a decrease in long-term renewable contract costs and a decrease in net metering costs.
- The increase at PSNH was due primarily to higher energy supply procurement costs resulting from higher average prices, partially offset by lower average supply-related sales volumes.

Transmission Costs: Included in transmission costs are charges that recover the cost of transporting electricity over high-voltage lines from generation facilities to substations, including costs allocated by ISO-NE to maintain the wholesale electric market.

- The increase in transmission costs at CL&P was due primarily to an increase in Local Network Service charges, which reflect the cost of transmission service provided by Eversource over our local transmission network and an increase resulting from the retail transmission cost deferral, which reflects the actual costs of transmission service compared to estimated amounts billed to customers. This was partially offset by a decrease in costs billed by ISO-NE that support regional investments.
- The decrease in transmission costs at NSTAR Electric and PSNH was due primarily to a decrease resulting from the retail transmission cost deferral and a decrease in costs billed by ISO-NE. This was partially offset by an increase in Local Network Service charges.

Operations and Maintenance expense includes tracked costs and costs that are part of base distribution rates with changes impacting earnings (non-tracked costs). Operations and Maintenance expense increased/(decreased) for the six months ended June 30, 2023, as compared to the same period in 2022, due primarily to the following:

(Millions of Dollars)	CL&P	NSTAR Electric	PSNH
Base Electric Distribution (Non-Tracked Costs):			
Vegetation management	\$ (6.8)	\$ 5.2	\$ (1.6)
Employee-related expenses, including labor and benefits	(6.1)	(3.9)	0.2
Operations-related expenses (including storm costs, vendor services and vehicles)	(3.3)	(4.1)	(0.7)
Shared corporate costs (including computer software depreciation at Eversource Service)	5.7	9.9	2.0
General costs (including vendor services in corporate areas, bad debt expense, insurance, fees and assessments)	4.6	3.1	3.2
Other non-tracked operations and maintenance	(3.7)	(5.1)	(2.7)
Total Base Electric Distribution (Non-Tracked Costs)	(9.6)	5.1	0.4
Tracked Costs:			
Transmission expenses	(1.6)	(2.8)	0.9
Other tracked operations and maintenance	12.0	(3.4)	4.7
Total Tracked Costs	10.4	(6.2)	5.6
Total Operations and Maintenance	\$ 0.8	\$ (1.1)	\$ 6.0

Depreciation expense increased for the six months ended June 30, 2023, as compared to the same period in 2022, for CL&P, NSTAR Electric and PSNH due to higher net plant in service balances. The increase at NSTAR Electric was partially offset by a decrease in approved depreciation rates as part of the rate case decision effective January 1, 2023.

Amortization of Regulatory (Liabilities)/Assets, Net expense includes the deferral of energy-related costs and other costs that are included in certain regulatory commission-approved cost tracking mechanisms. This deferral adjusts expense to match the corresponding revenues compared to the actual costs incurred. These costs are recovered from customers in rates and have no impact on earnings. Amortization expense also includes the amortization of certain costs as those costs are collected in rates. Amortization of Regulatory (Liabilities)/Assets, Net decreased for the six months ended June 30, 2023, as compared to the same period in 2022, due primarily to the following:

- The decrease at CL&P was due primarily to the deferral adjustment of energy-related and other tracked costs that are included in the non-bypassable component of the FMCC mechanism, which can fluctuate from period to period based on the timing of costs incurred and related rate changes to recover these costs. The decrease in the FMCC mechanism was driven primarily by the CL&P November 2022 rate relief plan, which reduced the non-bypassable FMCC rate effective January 1, 2023. The reduction in the CL&P non-bypassable FMCC retail rate decreased the regulatory over-recovery balance, which resulted in a decrease to amortization expense of \$507.0 million in the first half of 2023, as compared to the first half of 2022.
- The decrease at NSTAR Electric was due to the deferral adjustment of energy-related costs and other tracked costs, partially offset by an increase due to the amortization of historical exogenous property taxes that were approved for recovery effective January 1, 2023 in the November 2022 NSTAR Electric distribution rate case decision.
- The decrease at PSNH was due to the deferral adjustment of energy-related and other tracked costs, as well as the impact of a new regulatory tracking mechanism at PSNH that allows for the recovery of previously incurred operating expenses associated with poles acquired from Consolidated Communications on May 1, 2023. The establishment of the PPAM regulatory asset resulted in a pre-tax benefit of \$16.9 million recorded in Amortization expense on the PSNH statement of income in the second quarter of 2023.

Energy Efficiency Programs expense includes costs of various state energy policy initiatives and expanded energy efficiency programs that are recovered from customers in rates, most of which have no impact on earnings. Energy Efficiency Programs expense increased/decreased for the six months ended June 30, 2023, as compared to the same period in 2022, due primarily to the following:

- The decrease at CL&P was due to the deferral adjustment, which reflects actual costs of energy efficiency programs compared to the estimated amounts billed to customers, and the timing of the recovery of energy efficiency costs.
- The increases at NSTAR Electric and PSNH were due to the deferral adjustment and the timing of the recovery of energy efficiency costs.

Taxes Other Than Income Taxes increased at CL&P for the six months ended June 30, 2023, as compared to the same period in 2022, due primarily to higher gross earnings taxes and higher property taxes as a result of higher utility plant balances.

Interest Expense increased for the six months ended June 30, 2023, as compared to the same period in 2022, due primarily to the following:

- The increase at CL&P was due to higher interest on long-term debt (\$7.9 million) and higher interest on short-term notes payable (\$4.7 million), partially offset by an increase in capitalized AFUDC related to debt funds (\$1.6 million).
- The increase at NSTAR Electric was due to higher interest on long-term debt (\$12.9 million), an increase in interest expense on regulatory deferrals (\$3.7 million), and higher interest on short-term notes payable (\$2.7 million), partially offset by an increase in capitalized AFUDC related to debt funds (\$3.3 million) and lower interest resulting from the payment of withheld property taxes in the second quarter of 2022 (\$1.7 million).

- The increase at PSNH was due to higher interest on long-term debt (\$7.3 million), higher interest on short-term notes payable (\$2.1 million), and higher interest expense on regulatory deferrals (\$0.7 million), partially offset by an increase in capitalized AFUDC related to debt funds (\$1.3 million) and a decrease in RRB interest expense (\$0.7 million).

Other Income, Net increased/decreased for the six months ended June 30, 2023, as compared to the same period in 2022, due primarily to the following:

- The decrease at CL&P was due primarily to a decrease related to pension, SERP and PBOP non-service income components (\$14.2 million) and higher investment losses driven by market volatility (\$0.6 million), partially offset by an increase in capitalized AFUDC related to equity funds (\$3.1 million) and an increase in interest income primarily on regulatory deferrals (\$0.6 million).
- The increase at NSTAR Electric was due primarily to an increase in interest income primarily on regulatory deferrals (\$20.8 million), and an increase in capitalized AFUDC related to equity funds (\$10.5 million), partially offset by a decrease related to pension, SERP and PBOP non-service income components (\$13.6 million) and investment losses in 2023 compared to investment income in 2022 driven by market volatility (\$0.4 million).
- The decrease at PSNH was due primarily to a decrease related to pension, SERP and PBOP non-service income components (\$5.2 million) and investment losses in 2023 compared to investment income in 2022 driven by market volatility (\$0.7 million), partially offset by an increase in interest income primarily on regulatory deferrals (\$1.4 million) and an increase in capitalized AFUDC related to equity funds (\$0.8 million).

Income Tax Expense increased for the six months ended June 30, 2023, as compared to the same period in 2022, due primarily to the following:

- The increase at CL&P was due primarily to higher pre-tax earnings (\$1.2 million), higher state taxes (\$0.7 million), lower share-based payment excess tax benefits (\$0.9 million), and an increase in valuation allowances (\$2.8 million), partially offset by an increase in amortization of EDIT (\$0.3 million), and a decrease in items that impact our tax rate as a result of regulatory treatment (flow-through items) and permanent differences (\$2.5 million).
- The increase at NSTAR Electric was due primarily to higher pre-tax earnings (\$15.2 million), higher state taxes (\$3.3 million), lower share-based payment excess tax benefits (\$1.0 million), and a decrease in amortization of EDIT (\$1.3 million), partially offset by a decrease in items that impact our tax rate as a result of regulatory treatment (flow-through items) and permanent differences (\$4.9 million).
- The increase at PSNH was due primarily to higher pre-tax earnings (\$5.3 million), higher state taxes (\$1.2 million), and a decrease in amortization of EDIT (\$0.9 million), partially offset by a decrease in items that impact our tax rate as a result of regulatory treatment (flow-through items) and permanent differences (\$0.2 million).

EARNINGS SUMMARY

CL&P's earnings increased \$2.9 million for the six months ended June 30, 2023, as compared to the same period in 2022, due primarily to higher earnings from its capital tracking mechanism due to increased electric system improvements and lower operations and maintenance expense. The earnings increase was partially offset by higher pension plan expense, higher interest expense, higher depreciation expense, and higher property and other tax expense.

NSTAR Electric's earnings increased \$56.4 million for the six months ended June 30, 2023, as compared to the same period in 2022, due primarily to higher revenues as a result of the rate design change approved by the DPU in the 2022 rate case that shifted the recovery of quarterly revenues and the base distribution rate increase effective January 1, 2023. Earnings were also favorably impacted by an increase in transmission earnings driven by a higher transmission rate base, an increase in interest income primarily on regulatory deferrals, and higher AFUDC equity income, partially offset by higher property and other tax expense, higher interest expense, and higher operations and maintenance expense.

PSNH's earnings increased \$18.1 million for the six months ended June 30, 2023, as compared to the same period in 2022, due primarily to the impact of a new regulatory tracking mechanism at PSNH that allows for the recovery of previously incurred operating expenses associated with poles acquired on May 1, 2023 and an increase in transmission earnings driven by a higher transmission rate base. The earnings increase was partially offset by higher interest expense, higher pension plan expense, and lower sales volumes.

LIQUIDITY

Cash Flows: CL&P had cash flows provided by operating activities of \$129.0 million for the six months ended June 30, 2023, as compared to \$238.6 million in the same period of 2022. The decrease in operating cash flows was due primarily to an increase in regulatory under-recoveries driven primarily by the timing of collections for the non-bypassable FMCC regulatory tracking mechanism, the timing of cash payments made on our accounts payable, and the timing of other working capital items. In 2023, CL&P increased the flow back to customers of net revenues generated by long-term state-approved energy contracts by providing these credits to customers through the non-bypassable FMCC retail rate. The reduction in the non-bypassable FMCC retail rate decreased the regulatory over-recovery balance, which resulted in a decrease to amortization expense of \$507.0 million in the first half of 2023, as compared to the first half of 2022, and is presented as a cash outflow in Amortization of Regulatory (Liabilities)/Assets on the statement of cash flows. The impact of regulatory collections are included in both Regulatory Recoveries and Amortization of Regulatory (Liabilities)/Assets on the statements of cash flows. These unfavorable impacts were partially offset by the timing of cash collections on our accounts receivable, a \$189.8 million increase due to income tax refunds received in 2023 compared to income tax payments in 2022, the absence in 2023 of \$64.9 million of customer credits distributed in 2022 as a result of the October 2021 settlement agreement and the 2021 storm performance penalty for CL&P's response to Tropical Storm Isaias, and a \$36.5 million decrease in cash payments for storm costs.

Effective July 1, 2023, CL&P's non-bypassable FMCC retail rate changed to \$0.00000 per kWh, as compared to a credit of \$0.01524 per kWh from January 1, 2023 to June 30, 2023. The increase in the retail rate will result in higher cash collections in the second half of 2023, as compared to the first half of 2023.

NSTAR Electric had cash flows provided by operating activities of \$233.5 million for the six months ended June 30, 2023, as compared to \$197.1 million in the same period of 2022. The increase in operating cash flows was due primarily to the absence in 2023 of \$76.1 million of payments in 2022 related to withheld property taxes, a \$71.7 million decrease in cash payments for storm costs, the timing of cash payments made on our accounts payable, and the absence in 2023 of pension contributions of \$10.0 million made in 2022. These favorable impacts were partially offset by an increase in regulatory under-recoveries driven by the timing of collections for regulatory tracking mechanisms, the timing of cash collections on our accounts receivable, a \$20.7 million decrease in income tax refunds received in 2023 compared to 2022, and the timing of other working capital items. The impact of regulatory collections are included in both Regulatory Recoveries and Amortization of Regulatory Assets on the statements of cash flows.

PSNH had cash flows used in operating activities of \$92.6 million for the six months ended June 30, 2023, as compared to cash flows provided by operating activities of \$140.4 million in the same period of 2022. The decrease in operating cash flows was due primarily to an increase in regulatory under-recoveries driven by the timing of collections for regulatory tracking mechanisms, primarily the energy supply tracking mechanism resulted in an unfavorable impact of \$49.3 million, an \$80.6 million increase in cash payments for storm costs, and the timing of cash payments made on our accounts payable. The impact of regulatory collections are included in both Regulatory Recoveries and Amortization of Regulatory (Liabilities)/Assets on the statements of cash flows. These unfavorable impacts were partially offset by a \$73.6 million increase due to income tax refunds received in 2023 compared to income tax payments in 2022, and the timing of cash collections on our accounts receivable.

For further information on CL&P's, NSTAR Electric's and PSNH's liquidity and capital resources, see "Liquidity" and "Business Development and Capital Expenditures" included in this *Management's Discussion and Analysis of Financial Condition and Results of Operations*.

RESULTS OF OPERATIONS – THE CONNECTICUT LIGHT AND POWER COMPANY

The following provides the amounts and variances in operating revenues and expense line items in the statements of income for CL&P for the three months ended June 30, 2023 and 2022 included in this combined Quarterly Report on Form 10-Q:

(Millions of Dollars)	For the Three Months Ended June 30,			
	2023		2022	Increase/(Decrease)
Operating Revenues	\$ 1,034.1	\$	1,035.7	\$ (1.6)
Operating Expenses:				
Purchased Power and Transmission	626.4		421.0	205.4
Operations and Maintenance	166.6		169.0	(2.4)
Depreciation	93.7		88.2	5.5
Amortization of Regulatory (Liabilities)/Assets, Net	(189.9)		42.8	(232.7)
Energy Efficiency Programs	28.1		29.8	(1.7)
Taxes Other Than Income Taxes	94.5		95.8	(1.3)
Total Operating Expenses	819.4		846.6	(27.2)
Operating Income	214.7		189.1	25.6
Interest Expense	47.8		42.2	5.6
Other Income, Net	13.4		19.8	(6.4)
Income Before Income Tax Expense	180.3		166.7	13.6
Income Tax Expense	47.0		40.9	6.1
Net Income	\$ 133.3	\$	125.8	\$ 7.5

Operating Revenues
Sales Volumes: CL&P's retail electric GWh sales volumes were 4,337 and 4,656 for the three months ended June 30, 2023 and 2022, respectively, resulting in a decrease of 6.9 percent. Fluctuations in retail electric sales volumes do not impact earnings due to its PURA-approved distribution revenue decoupling mechanism.

Operating Revenues: Operating Revenues, which consist of base distribution revenues and tracked revenues further described below, decreased \$1.6 million for the three months ended June 30, 2023, as compared to the same period in 2022.

Base Distribution Revenues: CL&P's base distribution revenues were flat.

Tracked Revenues: Tracked revenues increased/(decreased) for the three months ended June 30, 2023, as compared to the same period in 2022, due primarily to the following:

(Millions of Dollars)

Retail Tariff Tracked Revenues:

Energy supply procurement	\$	197.4
FMCC		(128.9)
Other distribution tracking mechanisms		3.2
Wholesale Market Sales Revenue		(80.5)

The increase in energy supply procurement was driven by higher average prices, partially offset by lower average supply-related sales volumes.

The decrease in CL&P's FMCC revenues was driven by a decrease in the retail Non-Bypassable Federally Mandated Congestion Charge (NBFMCC) rate, which reflects the impact of returning net benefits of higher wholesale market sales received in the ISO-NE market for long-term state approved energy contracts at CL&P, which are then credited back to customers through the retail NBFMCC rate. CL&P's average NBFMCC rate in effect from January 1, 2022 through April 30, 2022 was \$0.01423 per kWh and from May 1 through August 31, 2022 was \$0.01251 per kWh. As a result of the CL&P RAM proceeding in Docket No. 22-01-03, CL&P reduced the average NBFMCC rate effective September 1, 2022 from \$0.01251 per kWh to \$0.00000 per kWh. As part of a November 2022 rate relief plan, CL&P further reduced the average NBFMCC rate effective January 1, 2023 to a credit of \$0.01524 per kWh. These rate reductions returned to customers the net revenues generated by long-term state-approved energy contracts with the Millstone and Seabrook nuclear power plants. The average NBFMCC rate changed to \$0.00000 per kWh effective July 1, 2023.

The decrease in wholesale market sales revenue for the three months ended June 30, 2023, as compared to the same period in 2022, was due primarily to lower average electricity market prices received for wholesale sales. ISO-NE average market prices received for CL&P's wholesale sales decreased to an average price of \$27.05 per MWh for the three months ended June 30, 2023, as compared to \$65.90 per MWh for the same period in 2022, driven primarily by lower natural gas prices in New England. CL&P's volumes sold into the market were primarily from the sale of output generated by the Millstone PPA and Seabrook PPA that CL&P entered into in 2019, as required by regulation. CL&P sells the energy purchased from Millstone and Seabrook into the wholesale market and uses the proceeds from the energy sales to offset the contract costs. The net sales or net cost amount is refunded to, or recovered from, customers in the non-bypassable component of the CL&P FMCC rate.

Transmission Revenues: Transmission revenues increased \$4.6 million due primarily to a higher transmission rate base as a result of continued investment in our transmission infrastructure.

Eliminations: Eliminations are primarily related to transmission revenues derived from ISO-NE regional transmission charges to the distribution business that recover the costs of the wholesale transmission business in rates charged to customers. The impact of eliminations increased revenues by \$2.8 million.

Purchased Power and Transmission expense includes costs associated with purchasing electricity on behalf of CL&P's customers, the cost of energy purchase contracts entered into as required by regulation, and transmission costs. These energy supply procurement, other energy-related costs, and transmission costs are recovered from customers in PURA-approved cost tracking mechanisms, which have no impact on earnings (tracked costs). Purchased Power and Transmission expense increased for the three months ended June 30, 2023, as compared to the same period in 2022, due primarily to the following:

(Millions of Dollars)

Energy supply procurement costs	\$	196.5
Other distribution costs		3.0
Transmission costs		4.7
Eliminations		1.2
Total Purchased Power and Transmission	\$	205.4

The increase in energy supply procurement costs was driven by higher average prices, partially offset by lower average supply-related sales volumes.

Operations and Maintenance expense includes tracked costs and costs that are part of base distribution rates with changes impacting earnings (non-tracked costs). Operations and Maintenance expense decreased for the three months ended June 30, 2023, as compared to the same period in 2022, due primarily to the following:

<i>(Millions of Dollars)</i>	
Base Electric Distribution (Non-Tracked Costs)	
Employee-related expenses, including labor and benefits	\$ (6.4)
Storm costs	(4.7)
Operations-related expenses (including vegetation management, vendor services and vehicles)	(4.4)
Shared corporate costs (including computer software depreciation at Eversource Service)	2.7
Other non-tracked operations and maintenance	0.6
Total Base Electric Distribution (Non-Tracked Costs)	(12.2)
Total Tracked Costs	9.8
Total Operations and Maintenance	\$ (2.4)

Depreciation expense increased for the three months ended June 30, 2023, as compared to the same period in 2022, due primarily to a higher net plant in service balance.

Amortization of Regulatory (Liabilities)/Assets, Net expense includes the deferral of energy-related costs and other costs that are included in certain regulatory-approved cost tracking mechanisms. This deferral adjusts expense to match the corresponding revenues compared to the actual costs incurred. These costs are recovered from customers in rates and have no impact on earnings. Amortization expense also includes the amortization of certain costs as those costs are collected in rates. Amortization of Regulatory (Liabilities)/Assets, Net decreased for the three months ended June 30, 2023, as compared to the same period in 2022, due primarily to the deferral adjustment of energy-related and other tracked costs that are included in the non-bypassable component of the FMCC mechanism, which can fluctuate from period to period based on the timing of costs incurred and related rate changes to recover these costs. The decrease in the FMCC mechanism was driven primarily by the CL&P November 2022 rate relief plan, which reduced the non-bypassable FMCC rate effective January 1, 2023. The reduction in the CL&P non-bypassable FMCC retail rate decreased the regulatory over-recovery balance, which resulted in a decrease to amortization expense of \$220.3 million in the second quarter of 2023, as compared to the second quarter of 2022.

Energy Efficiency Programs expense includes costs of various state energy policy initiatives and expanded energy efficiency programs that are recovered from customers in rates, most of which have no impact on earnings. Energy Efficiency Programs expense decreased for the three months ended June 30, 2023, as compared to the same period in 2022, due to the deferral adjustment, which reflects actual costs of energy efficiency programs compared to the estimated amounts billed to customers, and the timing of the recovery of energy efficiency costs.

Interest Expense increased for the three months ended June 30, 2023, as compared to the same period in 2022, due primarily to higher interest on long-term debt (\$4.1 million) and higher interest on short-term notes payable (\$4.1 million), partially offset by an increase in capitalized AFUDC related to debt funds (\$0.9 million) and a decrease in interest expense on regulatory deferrals (\$0.8 million).

Other Income, Net decreased for the three months ended June 30, 2023, as compared to the same period in 2022, due primarily to a decrease related to pension, SERP and PBOP non-service income components (\$7.8 million) and higher investment losses driven by market volatility (\$0.4 million), partially offset by an increase in capitalized AFUDC related to equity funds (\$1.8 million).

Income Tax Expense increased for the three months ended June 30, 2023, as compared to the same period in 2022, due primarily to higher pre-tax earnings (\$2.8 million), higher state taxes (\$1.2 million), and an increase in valuation allowances (\$2.8 million), partially offset by a decrease in items that impact our tax rate as a result of regulatory treatment (flow-through items) and permanent differences (\$0.7 million).

EARNINGS SUMMARY

CL&P's earnings increased \$7.5 million for the three months ended June 30, 2023, as compared to the same period in 2022, due primarily to lower operations and maintenance expense and higher earnings from its capital tracking mechanism due to increased electric system improvements. The earnings increase was partially offset by higher pension plan expense, higher interest expense, and higher depreciation expense.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Market Risk Information

Commodity Price Risk Management: Our regulated companies enter into energy contracts to serve our customers, and the economic impacts of those contracts are passed on to our customers. Accordingly, the regulated companies have no exposure to loss of future earnings or fair values due to these market risk-sensitive instruments. Eversource's Energy Supply Risk Committee, comprised of senior officers, reviews and approves all large-scale energy related transactions entered into by its regulated companies.

Other Risk Management Activities

Interest Rate Risk Management: We manage our interest rate risk exposure in accordance with our written policies and procedures by maintaining a mix of fixed and variable rate long-term debt.

Credit Risk Management: Credit risk relates to the risk of loss that we would incur as a result of non-performance by counterparties pursuant to the terms of our contractual obligations. We serve a wide variety of customers and transact with suppliers that include IPPs, industrial companies, natural gas and electric utilities, oil and natural gas producers, financial institutions, and other energy marketers. Margin accounts exist within this diverse group, and we realize interest receipts and payments related to balances outstanding in these margin accounts. This wide customer and supplier mix generates a need for a variety of contractual structures, products and terms that, in turn, require us to manage the portfolio of market risk inherent in those transactions in a manner consistent with the parameters established by our risk management process.

Our regulated companies are subject to credit risk from certain long-term or high-volume supply contracts with energy marketing companies. Our regulated companies manage the credit risk with these counterparties in accordance with established credit risk practices and monitor contracting risks, including credit risk. As of June 30, 2023, our regulated companies held collateral (letters of credit or cash) of \$27.0 million from counterparties related to our standard service contracts. As of June 30, 2023, Eversource had \$21.8 million of cash posted with ISO-NE related to energy transactions.

We have provided additional disclosures regarding interest rate risk management and credit risk management in Part II, Item 7A, "Quantitative and Qualitative Disclosures about Market Risk," in Eversource's 2022 Form 10-K, which is incorporated herein by reference. There have been no additional risks identified and no material changes with regard to the items previously disclosed in the Eversource 2022 Form 10-K.

ITEM 4. CONTROLS AND PROCEDURES

Management, on behalf of Eversource, CL&P, NSTAR Electric and PSNH, evaluated the design and operation of the disclosure controls and procedures as of June 30, 2023 to determine whether they are effective in ensuring that the disclosure of required information is made timely and in accordance with the Securities Exchange Act of 1934 and the rules and regulations of the SEC. This evaluation was made under management's supervision and with management's participation, including the principal executive officer and principal financial officer as of the end of the period covered by this Quarterly Report on Form 10-Q. There are inherent limitations of disclosure controls and procedures, including the possibility of human error and the circumventing or overriding of the controls and procedures. Accordingly, even effective disclosure controls and procedures can only provide reasonable assurance of achieving their control objectives. The principal executive officer and principal financial officer have concluded, based on their review, that the disclosure controls and procedures of Eversource, CL&P, NSTAR Electric and PSNH are effective to ensure that information required to be disclosed by us in reports filed under the Securities Exchange Act of 1934 (i) is recorded, processed, summarized, and reported within the time periods specified in SEC rules and regulations and (ii) is accumulated and communicated to management, including the principal executive officer and principal financial officer, as appropriate to allow timely decisions regarding required disclosures.

There have been no changes in internal controls over financial reporting for Eversource, CL&P, NSTAR Electric and PSNH during the quarter ended June 30, 2023 that have materially affected, or are reasonably likely to materially affect, internal controls over financial reporting.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

We are parties to various legal proceedings. We have disclosed certain legal proceedings in Part I, Item 3, "Legal Proceedings," and elsewhere in our 2022 Form 10-K. These disclosures are incorporated herein by reference. There have been no material legal proceedings identified and no material changes with regard to the legal proceedings previously disclosed in our 2022 Form 10-K.

ITEM 1A. RISK FACTORS

We are subject to a variety of significant risks in addition to the matters set forth under our forward-looking statements section in Item 2, "Management's Discussion and Analysis of Financial Condition and Results of Operations," of this Quarterly Report on Form 10-Q. We have identified a number of these risk factors in Part I, Item 1A, "Risk Factors," in our 2022 Form 10-K, which risk factors are incorporated herein by reference. These risk factors should be considered carefully in evaluating our risk profile. There have been no additional risk factors identified and no material changes with regard to the risk factors previously disclosed in our 2022 Form 10-K.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

The following table discloses purchases of our common shares made by us or on our behalf for the periods shown below. The common shares purchased consist of open market purchases made by the Company or an independent agent. These share transactions related to matching contributions under the Eversource 401k Plan.

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans and Programs (at month end)
April 1 - April 30, 2023	—	\$ —	—	—
May 1 - May 31, 2023	210	75.95	—	—
June 1 - June 30, 2023	2,773	70.30	—	—
Total	2,983	\$ 70.70	—	—

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

Not applicable.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

On May 31, 2023, Jay S. Buth, Vice President, Controller and Chief Accounting Officer, terminated a Rule 10b5-1 plan that he entered into on May 24, 2021.

ITEM 6. EXHIBITS

Each document described below is filed herewith, unless designated with an asterisk (*), which exhibits are incorporated by reference by the registrant under whose name the exhibit appears.

<u>Exhibit No.</u>	<u>Description</u>
Listing of Exhibits (Eversource)	
* 4.1	Eighteenth Supplemental Indenture between Eversource Energy and The Bank of New York Trust Company, N.A., as Trustee, dated as of March 1, 2023, establishing the terms of the additional \$550 million aggregate principal amount of its 5.45% Senior Notes, Series Z, Due 2028 (Exhibit 4.1, Eversource Energy Current Report on Form 8-K filed March 6, 2023, File No. 001-05324)
* 4.2	Nineteenth Supplemental Indenture between Eversource Energy and The Bank of New York Trust Company N.A., as Trustee, dated as of May 1, 2023, relating to the issuance of an additional \$550 million aggregate principal amount of its 5.45% Senior Notes, Series Z, Due 2028, \$450 million aggregate principal amount of Senior Notes, Series AA, Due 2026 and \$800 million aggregate principal amount of Senior Notes, Series BB, Due 2033 (Exhibit 4.3, Eversource Energy Current Report on Form 8-K filed May 11, 2023, File No. 001-05324)
31	Certification by the Chief Executive Officer of Eversource Energy pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.1	Certification by the Chief Financial Officer of Eversource Energy pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32	Certification by the Chief Executive Officer and Chief Financial Officer of Eversource Energy pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
Listing of Exhibits (CL&P)	
* 4	Supplemental Indenture (2023 Series B Bonds) between CL&P and Deutsche Bank Trust Company Americas, as Trustee dated as of July 1, 2023 (Exhibit 4.1, CL&P Current Report on Form 8-K filed on July 6, 2023, File No. 000-00404)
31	Certification by the Chairman and Chief Executive Officer of The Connecticut Light and Power Company pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.1	Certification by the Chief Financial Officer of The Connecticut Light and Power Company pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32	Certification by the Chairman and Chief Executive Officer and the Chief Financial Officer of The Connecticut Light and Power Company pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
Listing of Exhibits (NSTAR Electric Company)	
31	Certification by the Chairman of NSTAR Electric Company pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.1	Certification by the Chief Financial Officer of NSTAR Electric Company pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32	Certification by the Chairman and the Chief Financial Officer of NSTAR Electric Company pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
Listing of Exhibits (PSNH)	
31	Certification by the Chairman of Public Service Company of New Hampshire pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.1	Certification by the Chief Financial Officer of Public Service Company of New Hampshire pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32	Certification by the Chairman and the Chief Financial Officer of Public Service Company of New Hampshire pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
Listing of Exhibits (Eversource, CL&P, NSTAR Electric, PSNH)	
101.INS	Inline XBRL Instance Document - the instance document does not appear in the interactive data file because its XBRL tags are embedded within the inline XBRL document
101.SCH	Inline XBRL Taxonomy Extension Schema
101.CAL	Inline XBRL Taxonomy Extension Calculation
101.DEF	Inline XBRL Taxonomy Extension Definition

101.LAB	Inline XBRL Taxonomy Extension Labels
101.PRE	Inline XBRL Taxonomy Extension Presentation
104	The cover page from the Quarterly Report on Form 10-Q for the quarter ended June 30, 2023, formatted in Inline XBRL.

SIGNATURE

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

EVERSOURCE ENERGY

August 4, 2023

By: /s/ Jay S. Buth
Jay S. Buth
Vice President, Controller and Chief Accounting Officer

SIGNATURE

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

THE CONNECTICUT LIGHT AND POWER COMPANY

August 4, 2023

By: /s/ Jay S. Buth
Jay S. Buth
Vice President, Controller and Chief Accounting Officer

SIGNATURE

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

NSTAR ELECTRIC COMPANY

August 4, 2023

By: /s/ Jay S. Buth
Jay S. Buth
Vice President, Controller and Chief Accounting Officer

SIGNATURE

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE

August 4, 2023

By: /s/ Jay S. Buth
Jay S. Buth
Vice President, Controller and Chief Accounting Officer

CERTIFICATION PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Joseph R. Nolan, Jr., certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Eversource Energy (the registrant);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 4, 2023

/s/ Joseph R. Nolan, Jr.
Joseph R. Nolan, Jr.
Chairman of the Board, President and Chief Executive Officer
(Principal Executive Officer)

CERTIFICATION PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, John M. Moreira, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Eversource Energy (the registrant);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(c) and 15d-15(c)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 4, 2023

/s/ John M. Moreira
 John M. Moreira
 Executive Vice President, Chief Financial Officer and Treasurer
 (Principal Financial Officer)

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with this Quarterly Report on Form 10-Q of Eversource Energy (the registrant) for the period ending June 30, 2023 as filed with the Securities and Exchange Commission (the Report), we, Joseph R. Nolan, Jr., Chairman of the Board, President and Chief Executive Officer of the registrant, and John M. Moreira, Executive Vice President, Chief Financial Officer and Treasurer of the registrant, certify, pursuant to 18 U.S.C. Sec. 1350, as adopted pursuant to Sec. 906 of the Sarbanes-Oxley Act of 2002, that:

- 1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- 2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the registrant.

/s/ Joseph R. Nolan, Jr.

Joseph R. Nolan, Jr.
Chairman of the Board, President and Chief Executive Officer

/s/ John M. Moreira

John M. Moreira
Executive Vice President, Chief Financial Officer and Treasurer

Date: August 4, 2023

CERTIFICATION PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, James W. Hunt, III, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of The Connecticut Light and Power Company (the registrant);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 4, 2023

/s/ James W. Hunt, III
James W. Hunt, III
Chairman and Chief Executive Officer
(Principal Executive Officer)

CERTIFICATION PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, John M. Moreira, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of The Connecticut Light and Power Company (the registrant);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 4, 2023

/s/	John M. Moreira
	John M. Moreira
	Executive Vice President, Chief Financial Officer and Treasurer
	(Principal Financial Officer)

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with this Quarterly Report on Form 10-Q of The Connecticut Light and Power Company (the registrant) for the period ending June 30, 2023 as filed with the Securities and Exchange Commission (the Report), we, James W. Hunt, III, Chairman and Chief Executive Officer of the registrant, and John M. Moreira, Executive Vice President, Chief Financial Officer and Treasurer of the registrant, certify, pursuant to 18 U.S.C. Sec. 1350, as adopted pursuant to Sec. 906 of the Sarbanes-Oxley Act of 2002, that:

- 1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- 2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the registrant.

/s/ James W. Hunt, III

James W. Hunt, III
Chairman and Chief Executive Officer

/s/ John M. Moreira

John M. Moreira
Executive Vice President, Chief Financial Officer and Treasurer

Date: August 4, 2023

CERTIFICATION PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Joseph R. Nolan, Jr., certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of NSTAR Electric Company (the registrant);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 4, 2023

/s/ Joseph R. Nolan, Jr.

 Joseph R. Nolan, Jr.
 Chairman
 (Principal Executive Officer)

CERTIFICATION PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, John M. Moreira, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of NSTAR Electric Company (the registrant);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 4, 2023

/s/ John M. Moreira
 John M. Moreira
 Executive Vice President, Chief Financial Officer and Treasurer
 (Principal Financial Officer)

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with this Quarterly Report on Form 10-Q of NSTAR Electric Company (the registrant) for the period ending June 30, 2023 as filed with the Securities and Exchange Commission (the Report), we, Joseph R. Nolan, Jr., Chairman of the registrant, and John M. Moreira, Executive Vice President, Chief Financial Officer and Treasurer of the registrant, certify, pursuant to 18 U.S.C. Sec. 1350, as adopted pursuant to Sec. 906 of the Sarbanes-Oxley Act of 2002, that:

- 1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- 2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the registrant.

/s/ Joseph R. Nolan, Jr.

Joseph R. Nolan, Jr.
Chairman

/s/ John M. Moreira

John M. Moreira
Executive Vice President, Chief Financial Officer and Treasurer

Date: August 4, 2023

CERTIFICATION PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Joseph R. Nolan, Jr., certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Public Service Company of New Hampshire (the registrant);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 4, 2023

/s/ Joseph R. Nolan, Jr.
Joseph R. Nolan, Jr.
Chairman
(Principal Executive Officer)

CERTIFICATION PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, John M. Moreira, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Public Service Company of New Hampshire (the registrant);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(c) and 15d-15(c)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 4, 2023

/s/ John M. Moreira
 John M. Moreira
 Executive Vice President, Chief Financial Officer and Treasurer
 (Principal Financial Officer)

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with this Quarterly Report on Form 10-Q of Public Service Company of New Hampshire (the registrant) for the period ending June 30, 2023 as filed with the Securities and Exchange Commission (the Report), we, Joseph R. Nolan, Jr., Chairman of the registrant, and John M. Moreira, Executive Vice President, Chief Financial Officer and Treasurer of the registrant, certify, pursuant to 18 U.S.C. Sec. 1350, as adopted pursuant to Sec. 906 of the Sarbanes-Oxley Act of 2002, that:

- 1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- 2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the registrant.

/s/ Joseph R. Nolan, Jr.

Joseph R. Nolan, Jr.
Chairman

/s/ John M. Moreira

John M. Moreira
Executive Vice President, Chief Financial Officer and Treasurer

Date: August 4, 2023