

Eversource Energy

New York Investor Meetings

June 1, 2016

EVERSOURCE
ENERGY

Safe Harbor

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The Eversource Investment Thesis

- Fully regulated business model
- Strong FERC regulated electric and gas transmission growth
- Attractive natural gas segment growth from conversions, upgrades
- Top-tier credit ratings
- No equity needs
- Strong operating performance
- Experienced, successful management team
- Best-in-industry cost reduction record

- ✓ 5% - 7% EPS CAGR
- ✓ 5% - 7% dividend CAGR
- ✓ Very strong balance sheet

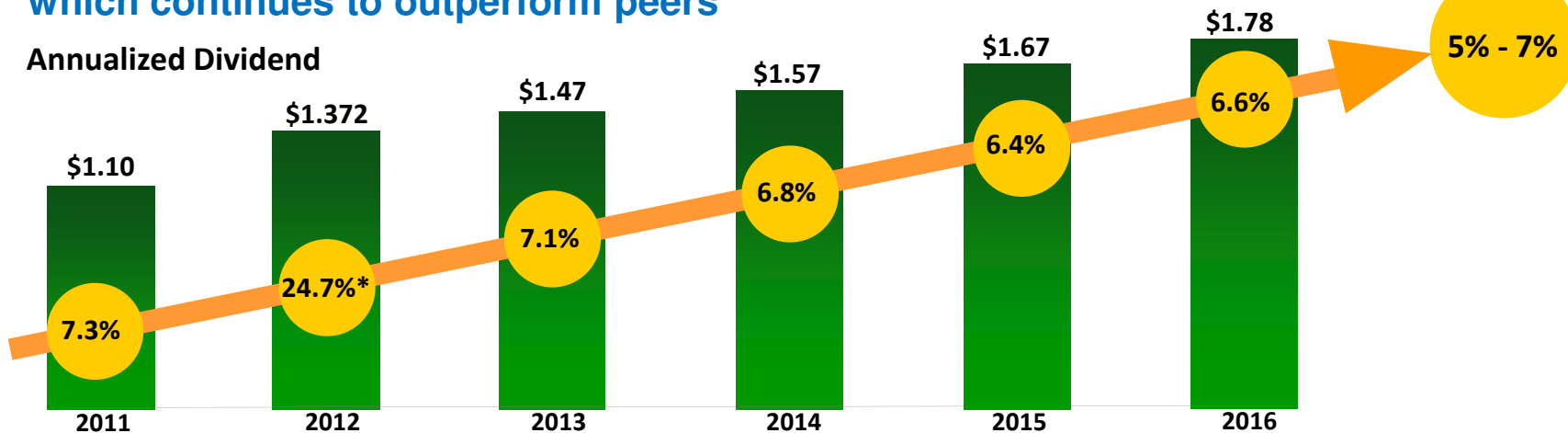
We've Delivered Top-Tier Shareholder Returns

ES outperformed the Philadelphia Utility Index over the 1, 3, 5 and 10 year periods

Total Shareholder Return	2015	3-Year	5-Year	10-Year
ES	-1.3%	44.6%	89.3%	263.1%
Philadelphia Utility Index	-6.3%	33.5%	57.6%	89.1%
S&P 500	1.4%	52.6%	80.8%	105.7%

An integral part of our total return is the dividend.... which continues to outperform peers

Annualized Dividend



* Reflects impact of the merger

Long-Term Earnings Growth



Key Drivers for EPS Growth in 2016 and Through 2019:

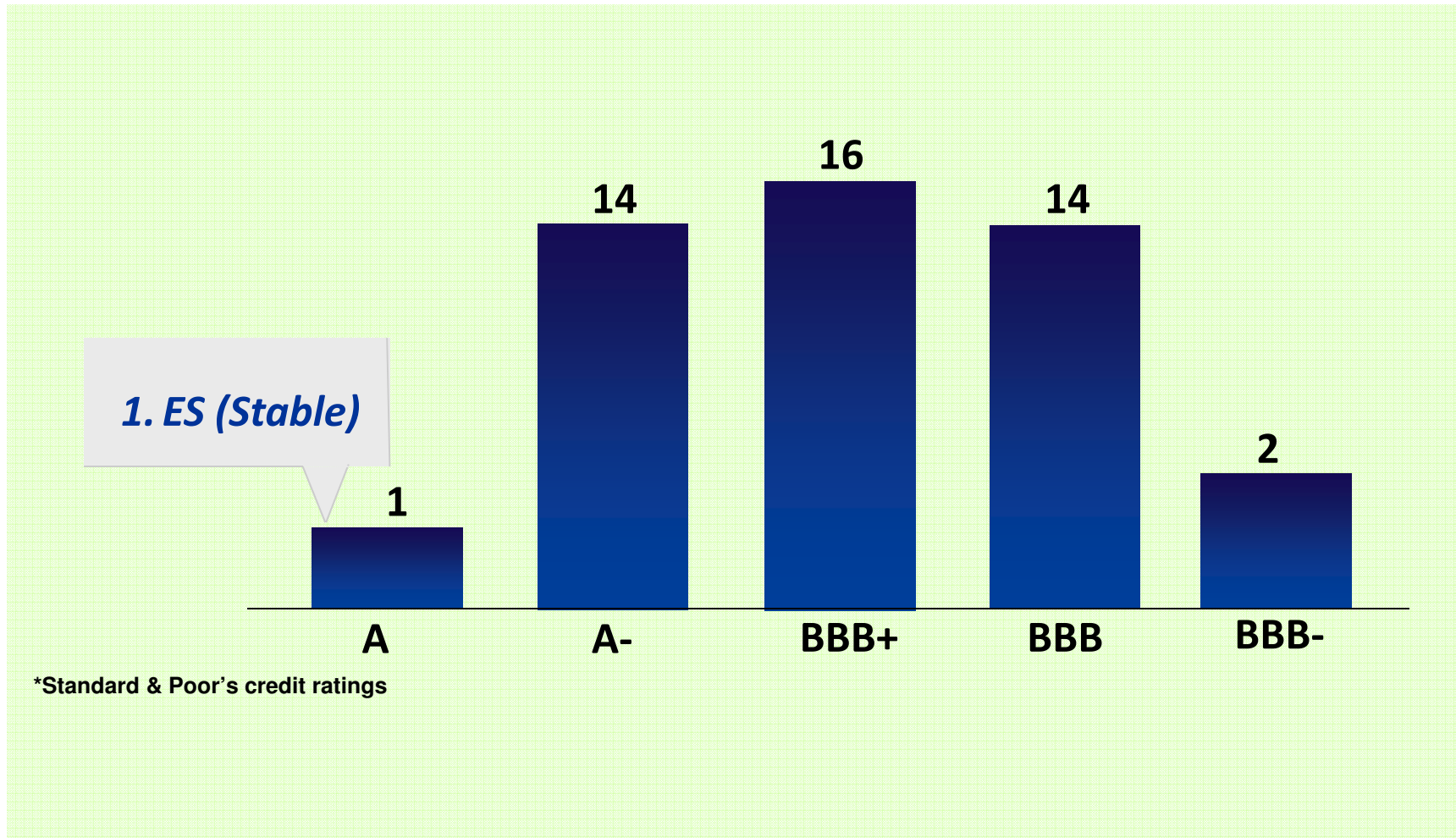
Positive

- *FERC-regulated electric and natural gas transmission growth*
- *O&M reductions of 2%-3% per year*
- *Natural gas expansion and system upgrades*

Negative

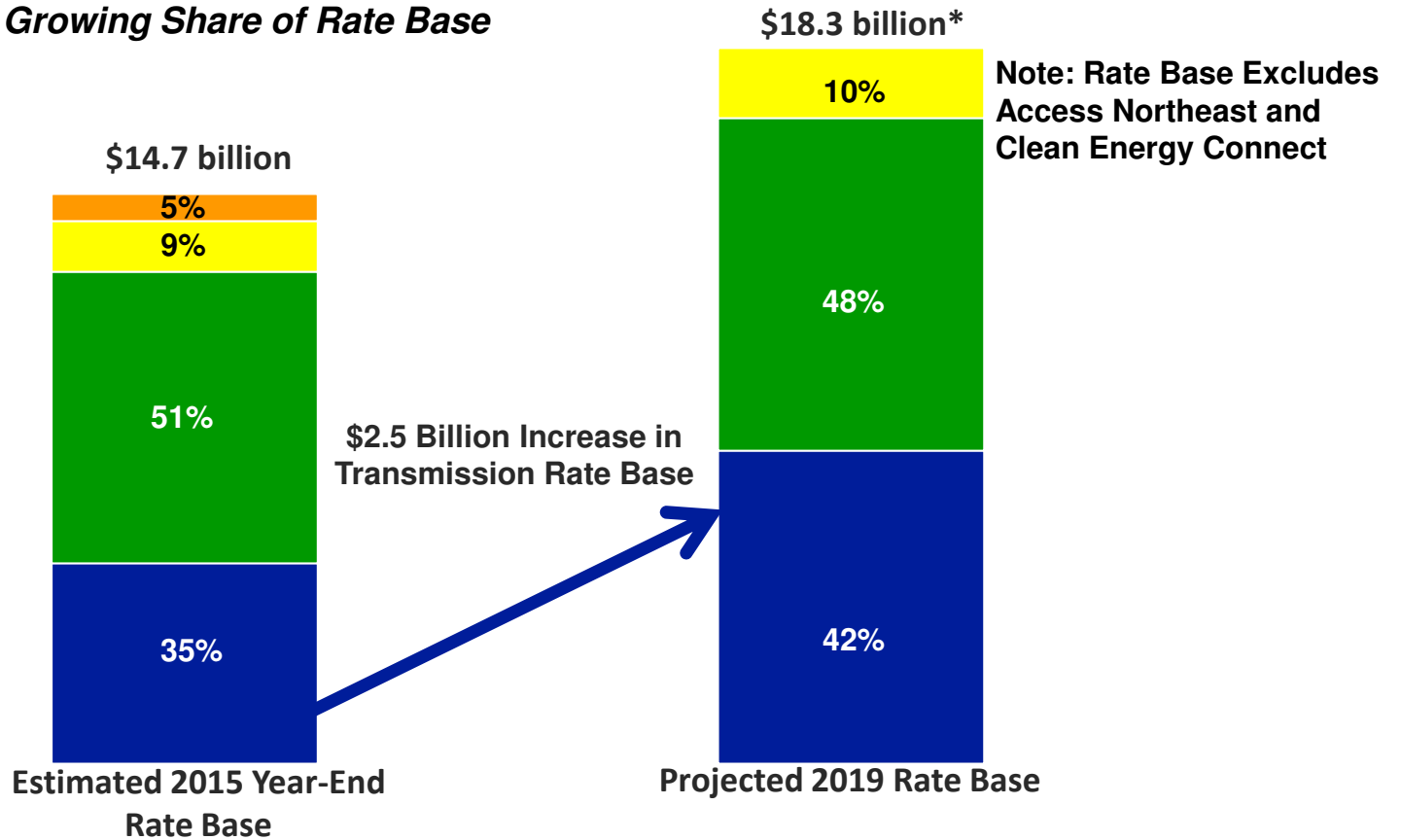
- *Increasing depreciation & property taxes*
- *Rising interest costs - capital investments*

ES Has the Highest Credit Rating in Utility Industry



Rate Base by Business – Current and Future

*Higher Earnings from Transmission
Becoming a Growing Share of Rate Base*

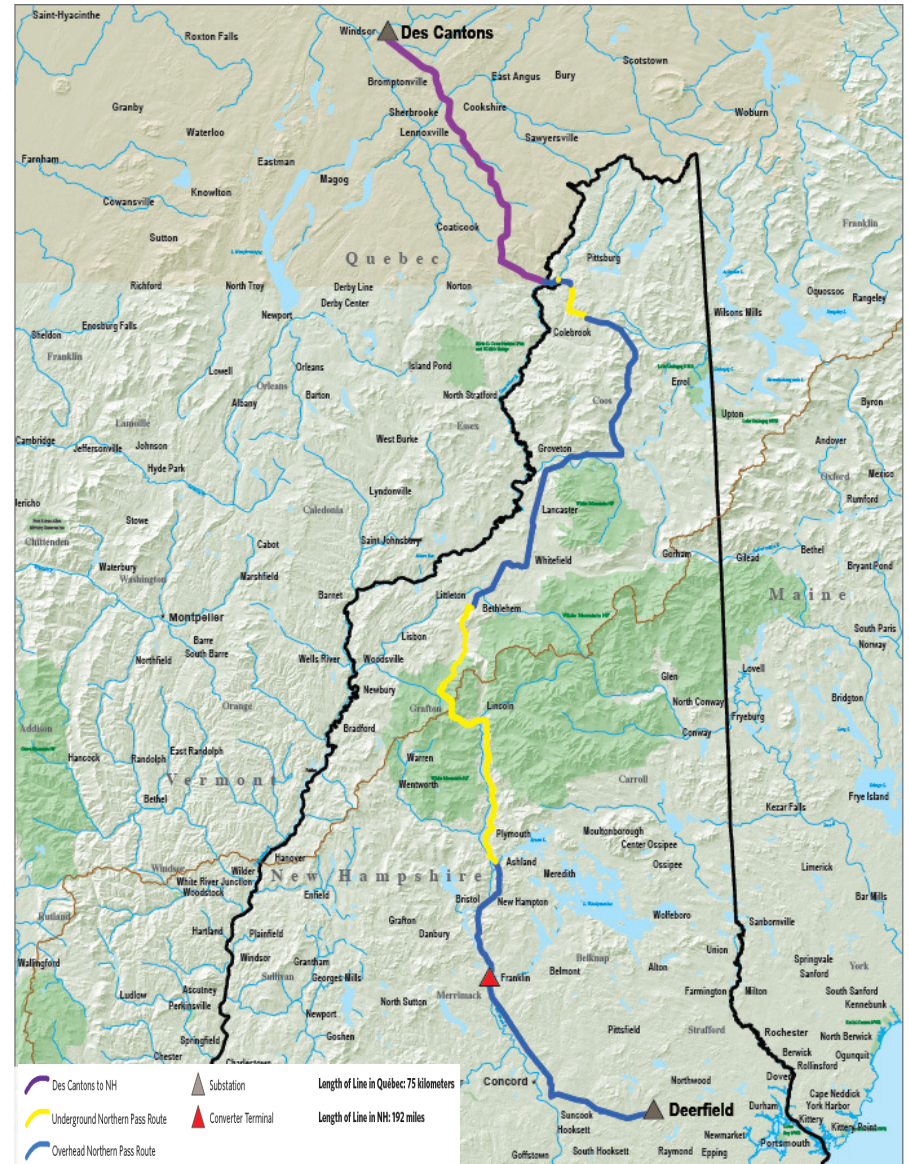


■ Electric Transmission ■ Electric Distribution ■ Gas Distribution ■ Electric Generation

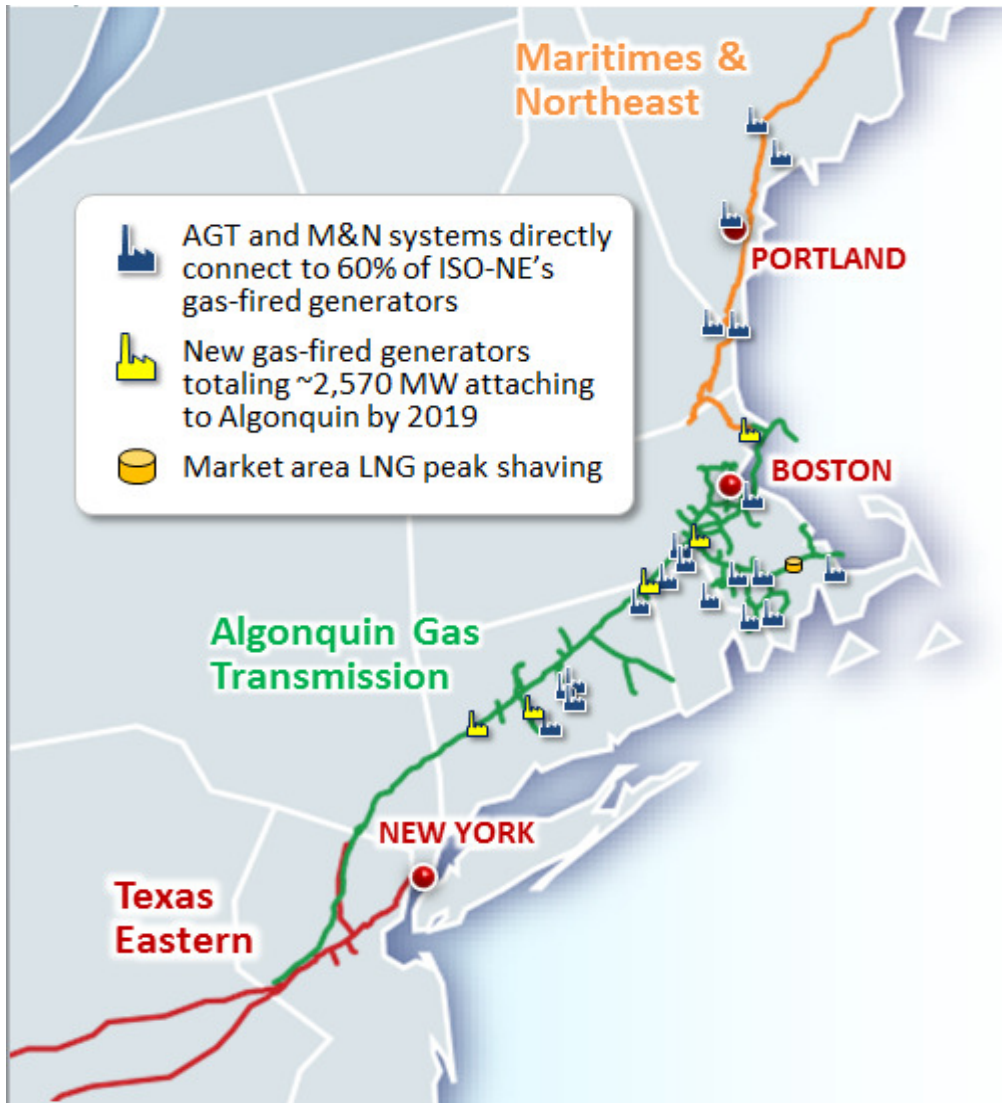
*Assumes divestiture of New Hampshire generation

Transmission – Northern Pass Update

- 1,090 MW of clean energy
- \$1.6 billion HVDC line, terminal and AC facilities
- Approximately 192 miles of new transmission using HVDC technology with AC/DC converters in Quebec and NH
- DOE draft Environmental Impact Statement issued July 21, 2015. Public comments due April 4, 2016
- Revised route announced August 18, 2015. Underground section increased from 8 miles to 60 miles
- Application filed with New Hampshire siting regulators on October 19, 2015.
 - NHSEC accepted application as complete on December 18, 2015
 - Public info sessions largely completed in Q1 2016
 - NHSEC voted on May 19, 2016 to issue a decision no later than September 30, 2017
- Expected to provide significant benefits to the region:
 1. Billions of dollars in total energy and capacity value through reduced wholesale market prices
 2. Environmental value through carbon emissions reductions – annual reduction of approximately 3 million tons of CO₂
 3. Economic value through jobs and new tax base
 4. Reduces growing dependence on natural gas generation



Access Northeast - Designed to Provide a Long-Term Solution to Challenge of New England Natural Gas Supply



Project Scope:

- Joint development with Eversource (40%), Spectra Energy (40%) and National Grid (20%)
- ~\$3 billion (100%); 900 MMcf/d, initial in-service 2018
- Will provide fuel for 5000 MW of electric generation

Unique Project Attributes:

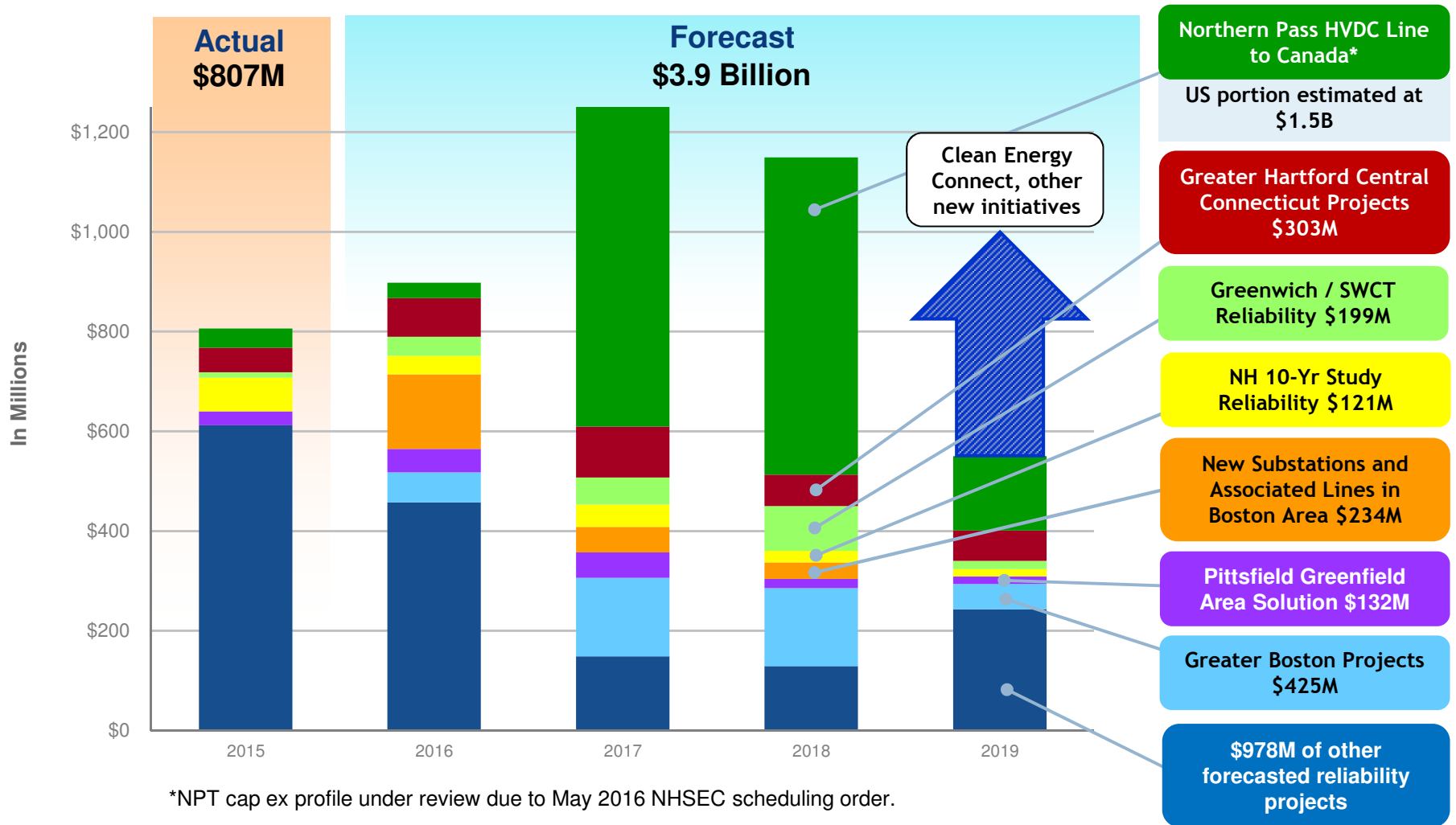
- Serving New England electric power market
- Connected to over 60% of gas-fired generation
- Primarily brownfield with minimal environmental impact
- Built to handle peak power loads
- State PUC approval of EDC-held firm gas transportation agreements is required

5 of 6 New England States Addressing Natural Gas Capacity Issues

Electric Distribution Co. (EDC) Purchase of Natural Gas Pipeline Capacity

CT	Public Act 15-107 enacted June 22, 2015. Draft RFP issued on March 9 with schedule that included selection of gas projects this summer and submission to PURA no later than October. Expect final RFP shortly in-line with PURA decision late this year or early 2017.
MA	Order of October 2, 2015 found the DPU had authority to approve EDC natural gas supply contracts. NSTAR, WMECO, Massachusetts Electric and Nantucket Electric have filed Access Northeast contracts with the DPU seeking approval by October 1, 2016. Discovery is under way and hearings are scheduled for July 26 – August 12, 2016.
NH	PUC opened docket in April (IR 15-124). Staff report released September 15, 2015 concluded PUC may approve EDC natural gas supply contracts. NHPUC issued an order January 19 accepting staff report, said it will conduct a two-part review process as EDCs submit natural gas capacity contracts. PSNH filed Access Northeast contract on February 18 and first part of proceeding to review legal authority of PUC to approve EDC natural gas supply contracts is under way.
ME	PUC launched RFP in late 2014 and Access Northeast is participating. Hearings are currently under way and decision is expected in the third quarter.
RI	2014 Energy Security Act allows RI EDCs to pursue contracts. National Grid issued an RFP with bids received November 13, 2015. National Grid decision expected by early summer 2016. PUC required to act on contracts within 120 days of submittal.
VT	Supportive of additional natural gas infrastructure. Level of support and participation to be determined.

Electric Transmission Investing \$4.7 Billion From 2015-2019



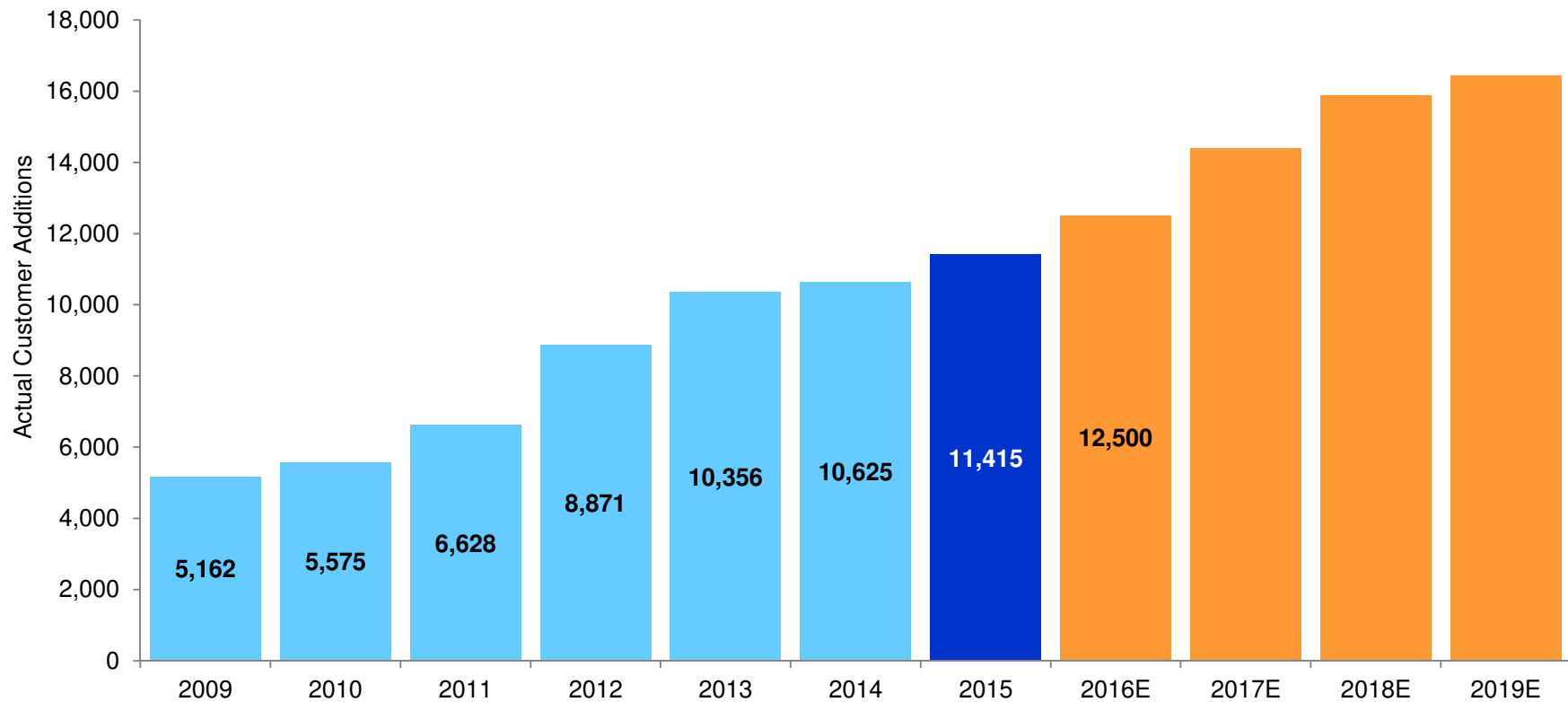
Initiatives to Support Growth Beyond 2019

<i>Investment</i>	<i>Status</i>	<i>Amount</i>	<i>Time Period</i>
Access Northeast	FERC pre-filing started on November 3	\$1.2 billion (ES share)	Initial pipeline 2018; LNG afterward
Clean Energy Connect	Bid into Clean Energy RFP	TBD	2018-2020
Regional initiatives to move additional clean power to market	In development	TBD	2020 and beyond
MA grid modernization (A)	Filed with state (MDPU)	\$430 million (2/3 capex)	2017-2021
MA Hopkinton LNG upgrade	Contract approved with NSTAR Gas by MDPU	\$200 million	2016-2020
MA gas pipe replacement	In progress	Up to \$62 million/yr	20-25 years
CT Energy Strategy – natural gas expansion	In progress	Nearly \$600 million	Through 2023
MA natural gas expansion	Expect to file early 2016	TBD	Beginning 2017

(A) CT and NH are currently assessing

Customer Growth Has Picked Up for Eversource's Natural Gas Business

**Natural gas heating customer count rising by 2%-3% per year in forecast period
(Conversions and new construction)**

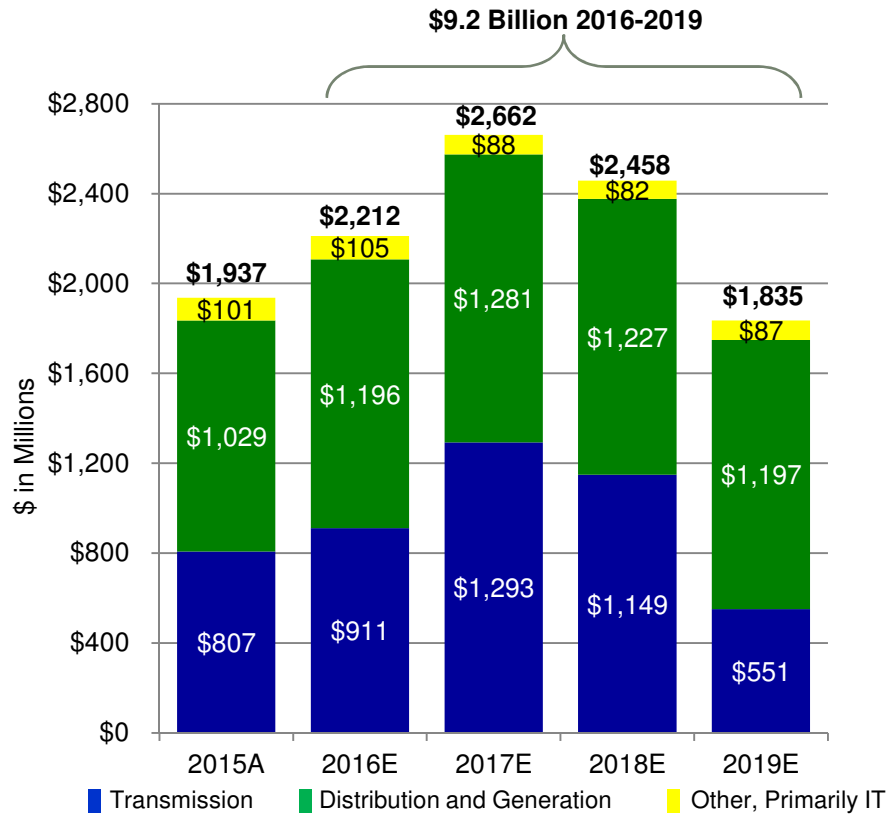


Delivered on Commitments

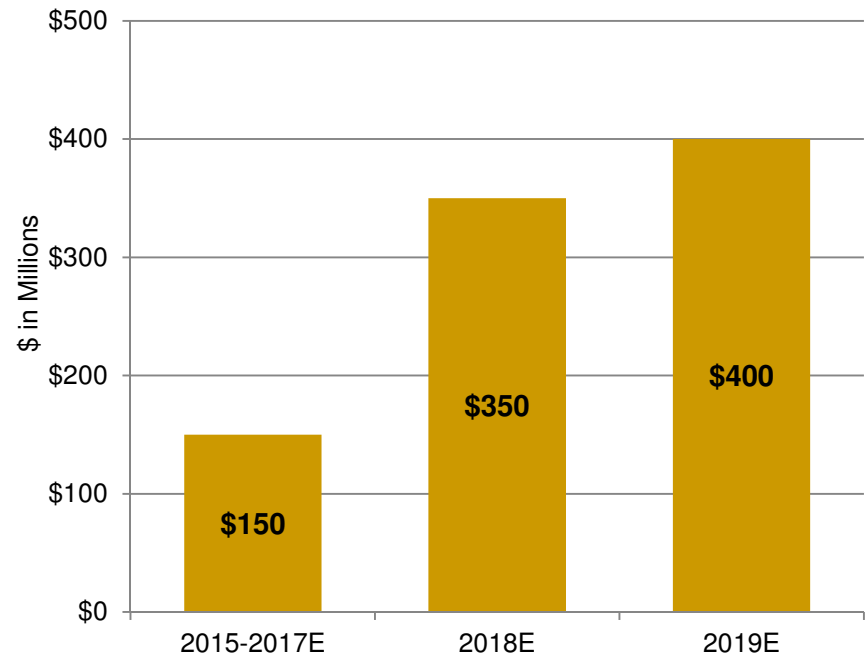
<u>Our Commitments:</u>	<u>Results Delivered:</u>	✓
1. Exceed industry EPS & Dividend growth	Three-year average EPS and dividend growth of 7.2% and 8.2%, respectively	✓
2. Reduce spending – Target 3-4%/yr.	Three year average O&M reduction over 5%	✓
3. Maintain strong financial condition	“A” credit rating is the best in industry	✓
4. Deliver top-tier service quality and reliability	2015 best reliability year ever; top-quartile service levels	✓
5. Continue to grow and leverage our transmission & gas businesses	Transmission portfolio continues to grow; progress on major projects; gas expansion exceeds target	✓
6. Advancing energy policy in the region	“Access Northeast” – the solution to address needed regional gas infrastructure; NPT and Clean Energy Connect bid into RFP	✓

Projected Capital Expenditures

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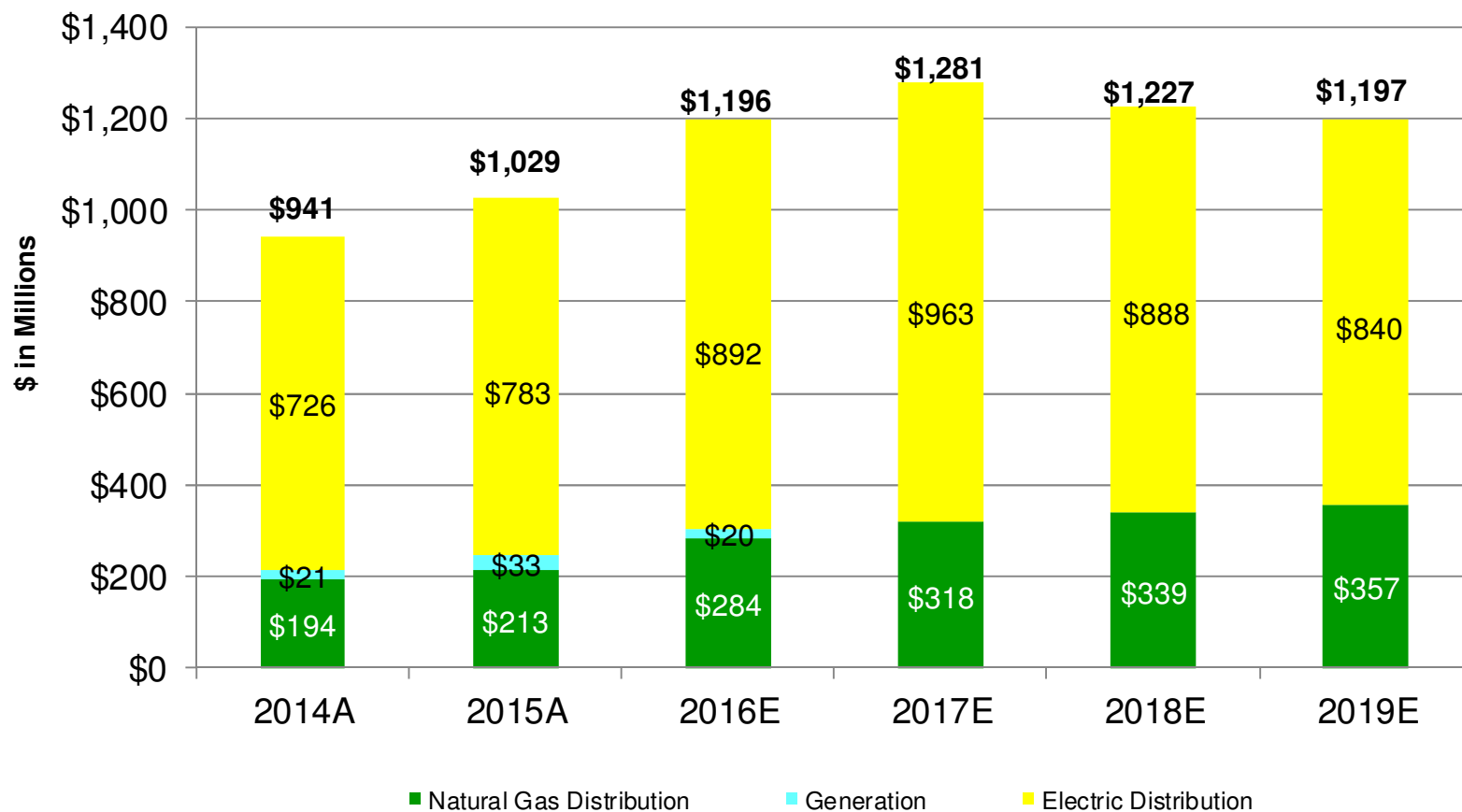


Estimated ES Access Northeast Investments

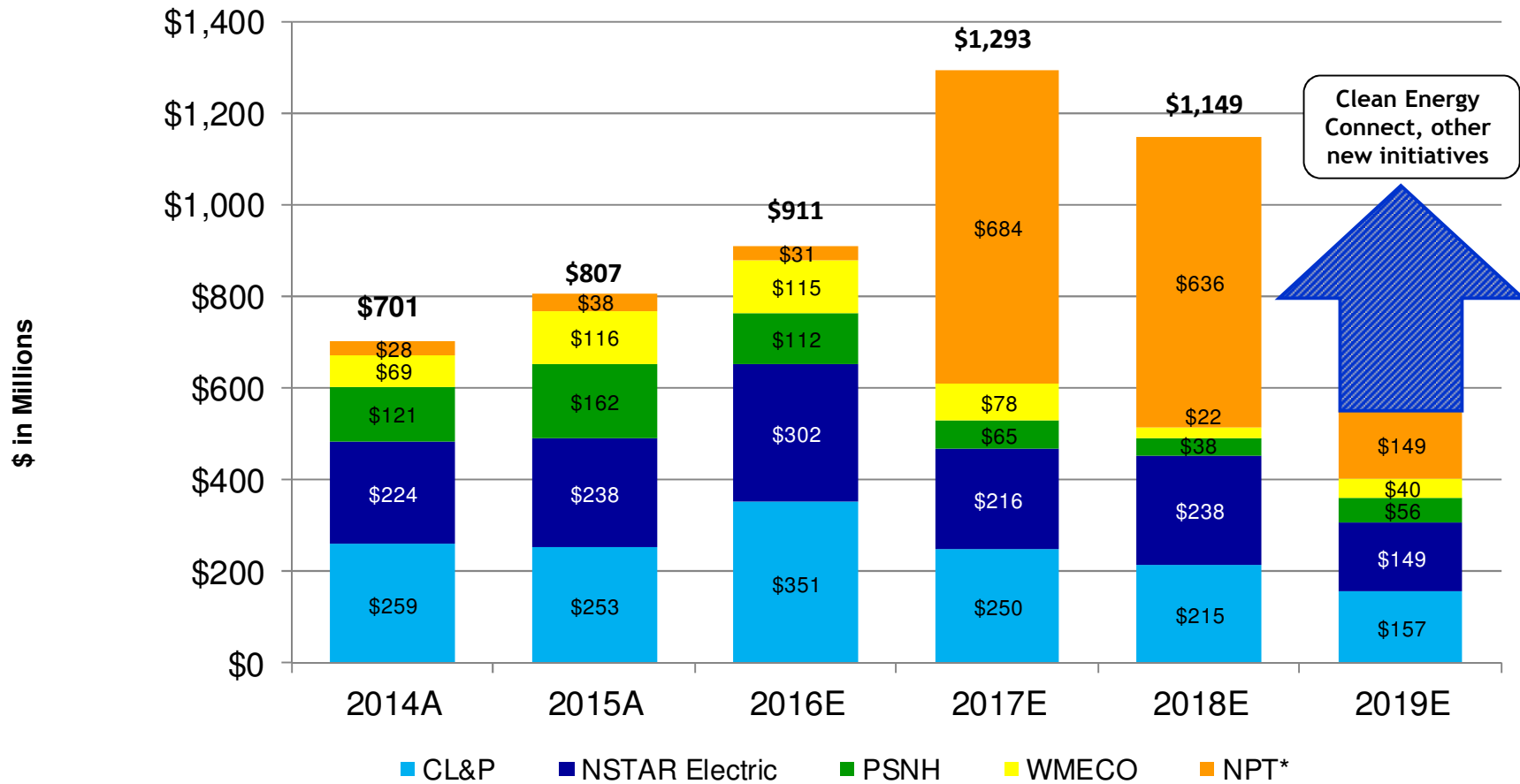


***Excludes Access Northeast and Clean Energy Connect.
NPT cap ex profile under review due to May 2016 NHSEC scheduling order.**

Projected Distribution/Generation Capital Expenditures

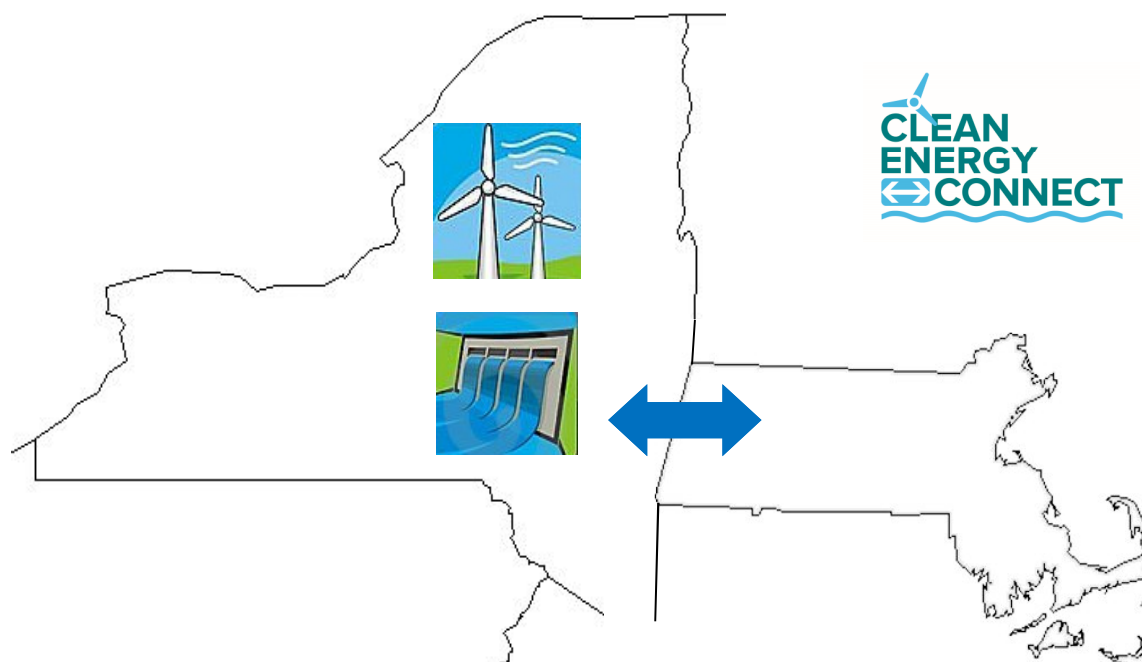


Projected Transmission Capital Expenditures



**NPT cap ex profile under review due to May 2016 NHSEC scheduling order.*

Transmission - Clean Energy Connect



- Bid includes transmission, wind and hydro generation
- Eversource investment is the Massachusetts portion of a 25-mile, 345 kV transmission line
- 600 MW capacity
- Co-developing with experienced renewable generation developers
- Construction expected 2018 - 2020

Three-State Clean Energy RFP Timeline

Action Item	Date
Proposals Submitted	January 28, 2016
Selection of Bidders	April 26, 2016 – July 26, 2016
EDCs Execute Contracts	June 23, 2016 – September 22, 2016
Submit Contracts for Regulatory Approval	July 26, 2016 – October 25, 2016
Regulatory Approval	2016

Pending Regulatory Dockets



New Hampshire Generation Divestiture

- Initial settlement filed in June 2015
- Settlement with staff filed in January 2016
- Decision expected shortly
- PSNH to recover generation investment through plant sales, securitization
- PSNH to forego \$25 million of equity return not yet recognized on scrubber
- Conditions for plant sales include honoring collective bargaining agreements, tax stabilization, operating plants for 18 months after sale
- Process expected to be complete in first half 2017



Federal Energy
Regulatory Commission

FERC ROE Complaints

- ALJ recommended decision issued on 3/22/16
 - Second complaint: Base ROE = 9.59%;
Cap = 10.42%
 - Third complaint: Base ROE = 10.90%;
Cap = 12.19%
- FERC decision expected in late 2016 or early 2017
- First complaint resulted in base ROE of 10.57%,
project cap of 11.74%
 - Appeals pending in DC Circuit Court
- Fourth complaint filed on 4/29/16

Rate Case Activity

<u>Jurisdiction</u>	<u>Company</u>	<u>Commentary</u>
Massachusetts	NSTAR Electric WMECO	Base rates frozen through 12/31/15 Base rate cases filed in 2017
	NSTAR Gas	\$15.8M base rate increase effective 1/1/16
Connecticut	CL&P	Next case: 2 nd half of 2017, effective 12/1/17
	Yankee Gas	Need to file by 2019
New Hampshire	PSNH	Next distribution rate request will not occur before 7/1/17