



2018 Year-End Results Investor Call

February 21, 2019



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Agenda



Jim Judge

Chairman, President & CEO

- 2018 Successes
 - Shareholder Value
 - Clean Energy Leadership
-



Phil Lembo

*Executive Vice President
and CFO*

- 2018 Performance
- Regulatory Update
- 2019 Outlook
- Long-Term Forecast & Growth Rate



Jim Judge
*Chairman, President &
Chief Executive Officer*



2018 Successes

Resolution of multi-year CT distribution rate reviews

Excellent reliability and safety performance

Completion of PSNH generation divestiture, MA solar build-out

Approval of MA grid modernization investments

Strong recognition of Eversource industry-leading ESG initiatives

Strong total returns for Eversource shareholders in a difficult equity market

Very strong credit ratings and profile

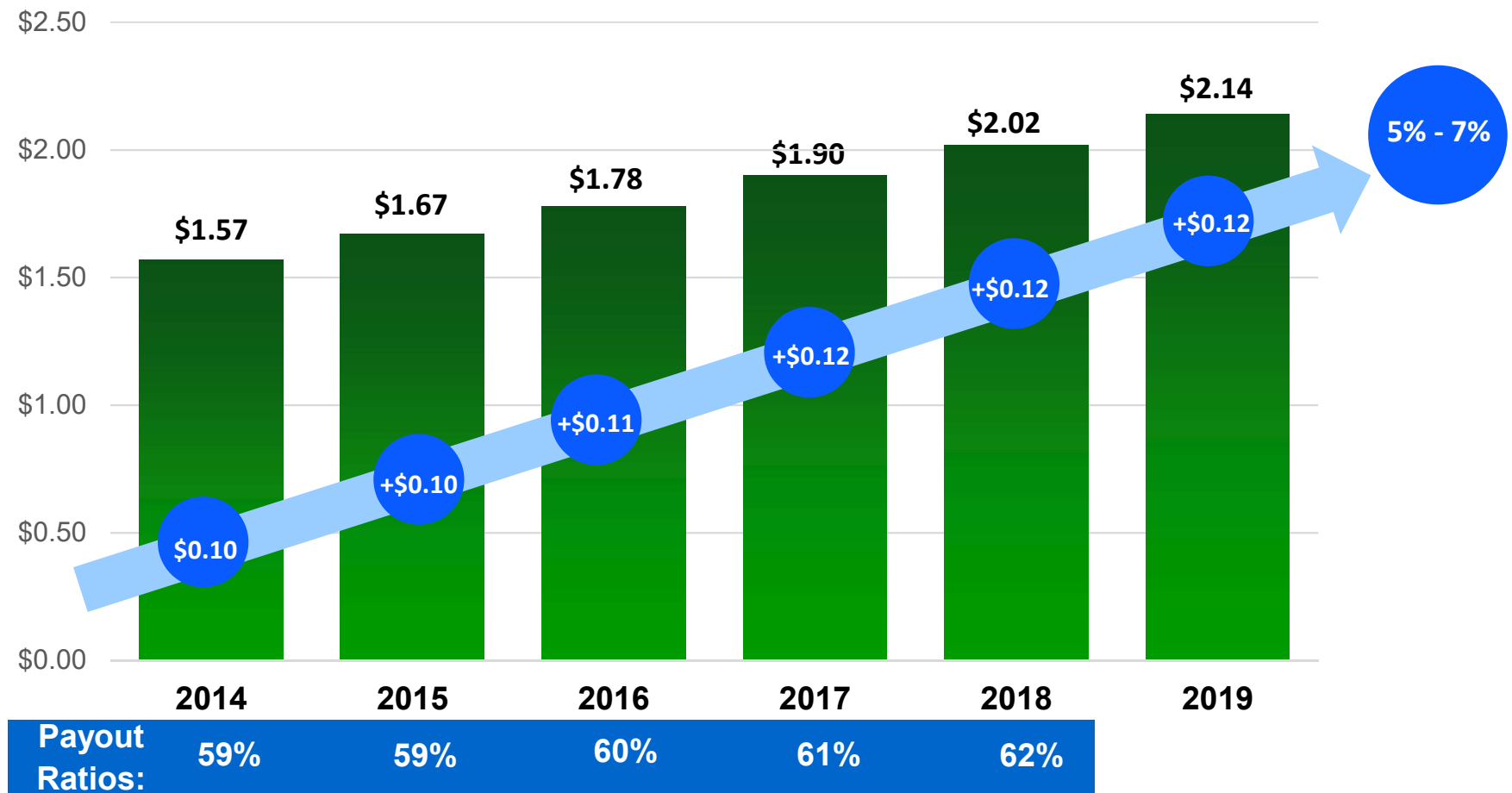


Eversource's Total Return Has Outperformed in Both the Short and Long Term

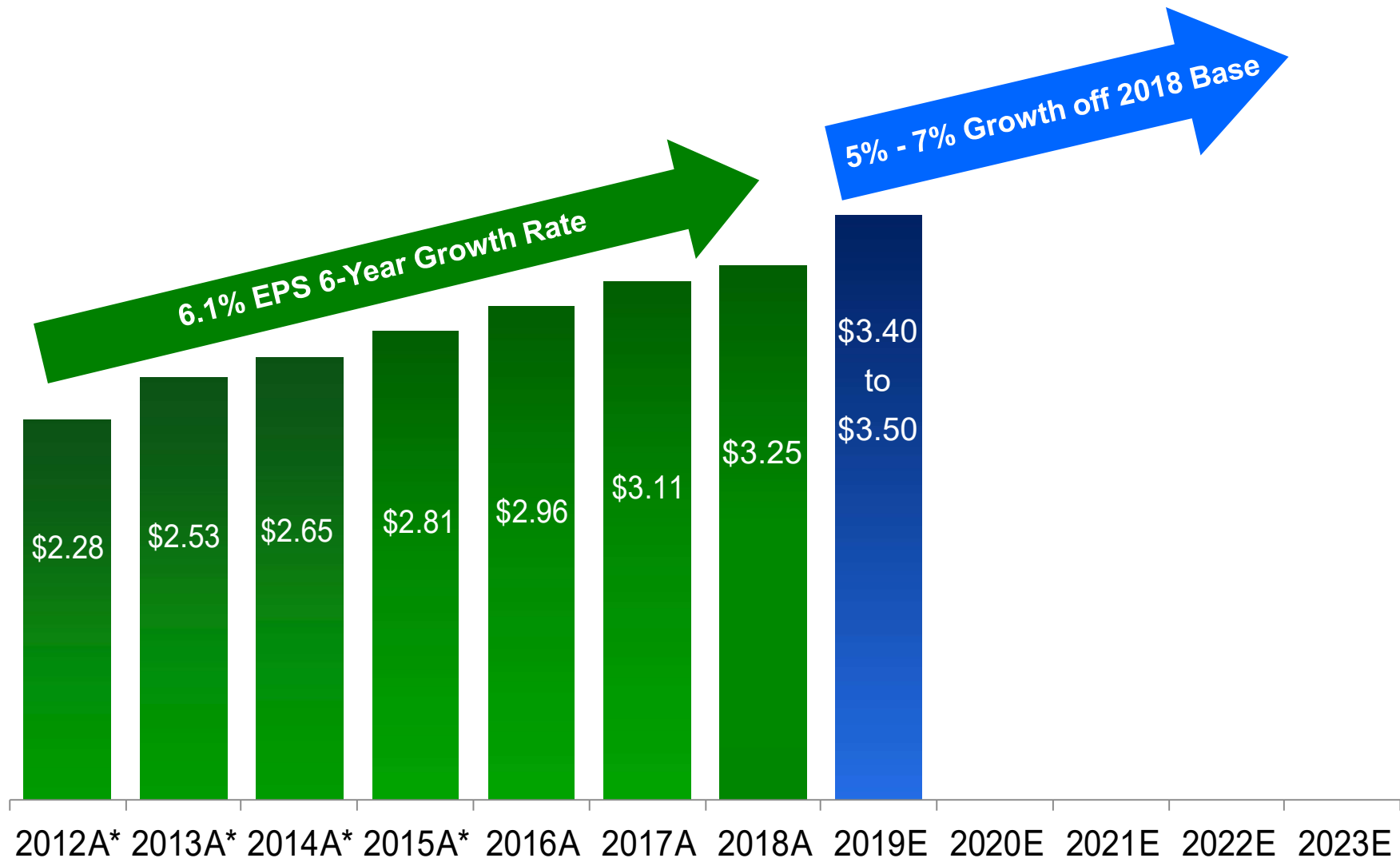
Total Shareholder Return	2018	3-Year	5-Year	10-Year
Eversource	6.4%	40.1%	80.4%	279.4%
EEl Index	3.7%	36.0%	68.5%	176.4%
S&P 500	-4.4%	30.4%	50.3%	243.0%

Dividend Growth Continues to Outperform Peers

Annualized Dividend



Strong Long-Term Earnings Growth Expected to Continue



*Excludes merger and integration costs

Creating the Leading Offshore Wind Platform in the Northeast



- ✓ Acquired 50% of Ørsted's Deepwater Wind Northeast portfolio on February 8th
- ✓ 4,000 MW of development potential with Bay State Wind
- ✓ 830 MW of awarded PPA at prices that exceed recent Massachusetts award
- ✓ Lower development costs – reduced water depth and distance to shore



Phil Lembo
*Executive Vice President &
Chief Financial Officer*

2018 vs. 2017 Financial Results

	Q4 2018	Q4 2017	Change	Full Year 2018	Full Year 2017	Change
Electric Distribution	\$0.24	\$0.33	(\$0.09)	\$1.44	\$1.57	(\$0.13)
Electric Transmission	\$0.31	\$0.32	(\$0.01)	\$1.34	\$1.23	\$0.11
Natural Gas Distribution	\$0.14	\$0.08	\$0.06	\$0.29	\$0.23	\$0.06
Water Distribution	\$0.01	\$0.00	\$0.01	\$0.10	\$0.00	\$0.10
Parent & Other	\$0.03	\$0.02	\$0.01	\$0.08	\$0.08	\$0.00
Reported EPS (GAAP)	\$0.73	\$0.75	\$0.02	\$3.25	\$3.11	\$0.14



2018 Distribution Rate Decisions

CL&P Rate Settlement

- Effective Date: 5/1/18
- Authorized ROE: 9.25%
- Term: 3 years
- Base rate increases of \$64.3 million on 5/1/18, \$31.1 million on 5/1/19 and \$29.2 million on 5/1/20
- Tracking mechanism for capex over \$270 million

Yankee Gas Rate Settlement

- Effective date: 11/15/18
- Authorized ROE: 9.3% (previous 8.83%)
- Step rate increases in 2020 and 2021
- Revenue decoupling
- Tracking mechanism for aging infrastructure replacements and for capex over \$150 million

Aquarion MA Rate Order

- Effective date: 11/1/18
- Provides additional revenue of \$2 million
- Authorized ROE: 10.5%
- New tracker for certain capital investments



FERC Transmission ROE Update

- Order issued: 10/16/18
- Current base: 10.57%; Cap: 11.74%
- Illustrative base: 10.41%; Cap: 13.08%
- New methodology that averages DCF, CAPM, risk premium, expected earnings
- Provides path forward to resolve 2011, 2012, 2014 and 2016 complaints against New England transmission ROEs
- Initial briefs filed 1/11/19 with reply briefs due in March 2019
- Likely to mitigate future FERC Section 206 complaint filings

***Expected to provide more stability and predictability
for transmission ROEs***



2019 Guidance

EPS Range \$3.40 - \$3.50

Key Drivers Compared to 2018 Results

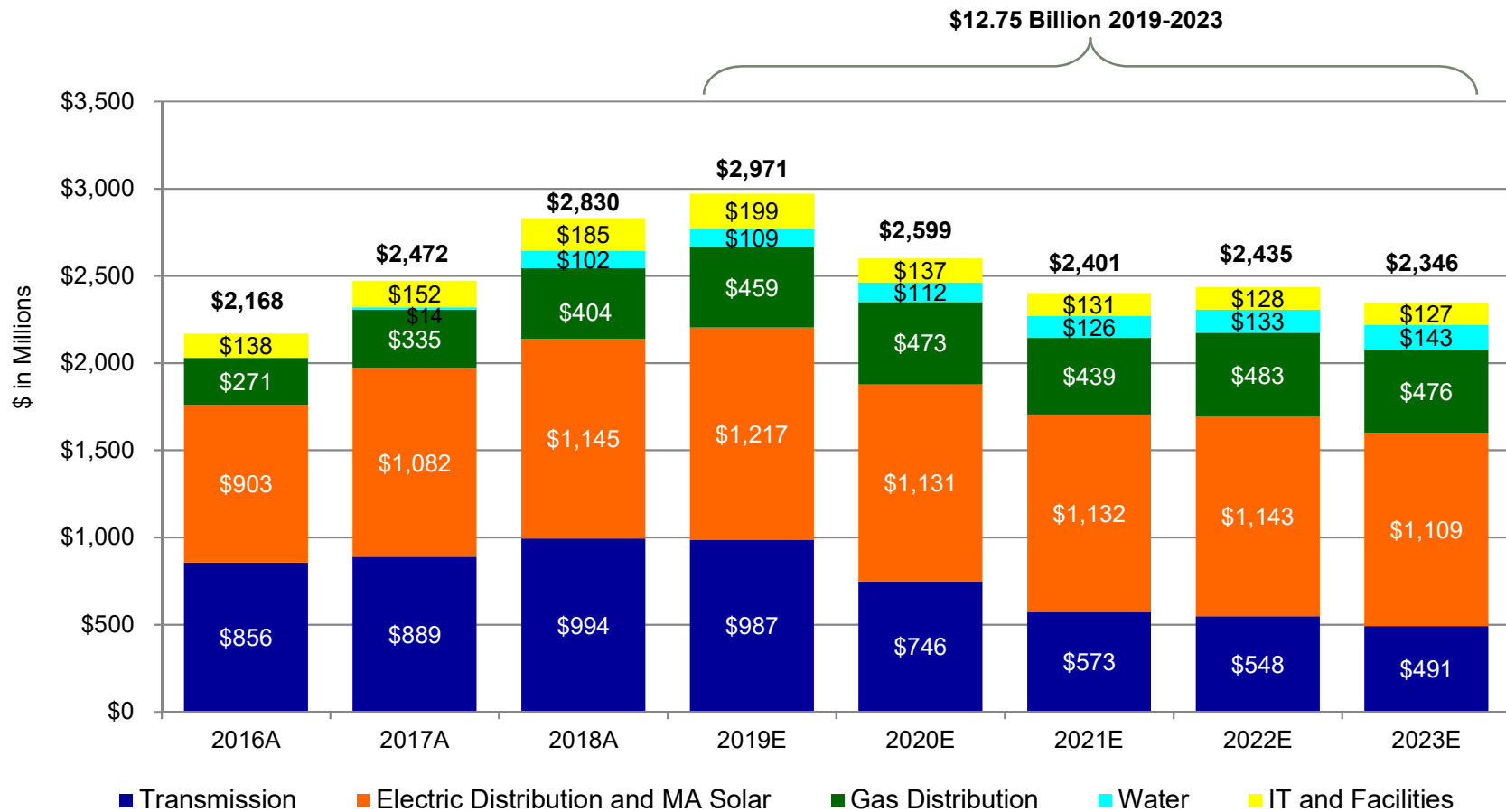


- Distribution rate increases
- Transmission rate base growth
- Lower non-tracked O&M
- Growth in distribution capital tracking programs

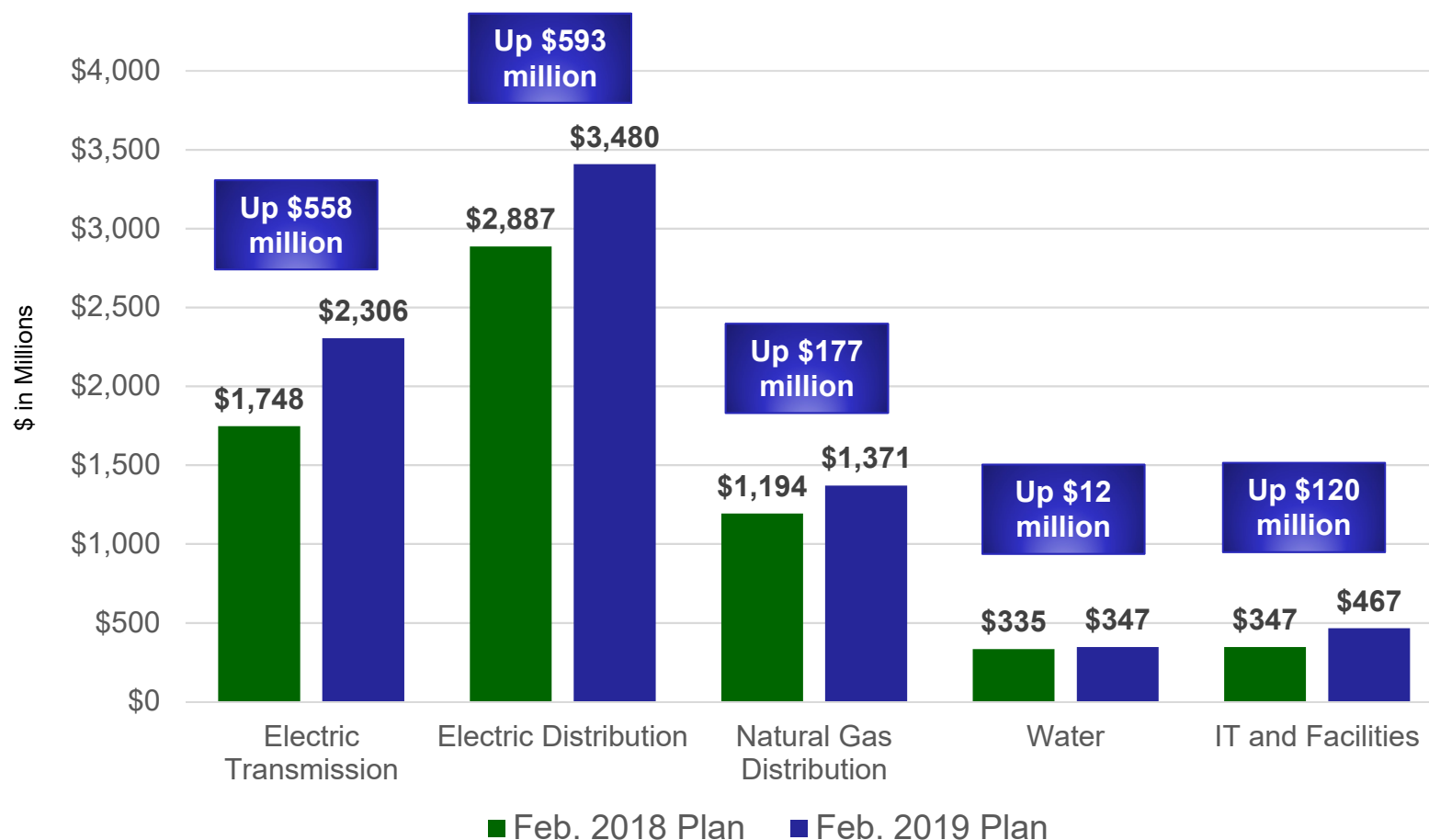


- Higher depreciation and property taxes
- Higher interest expense

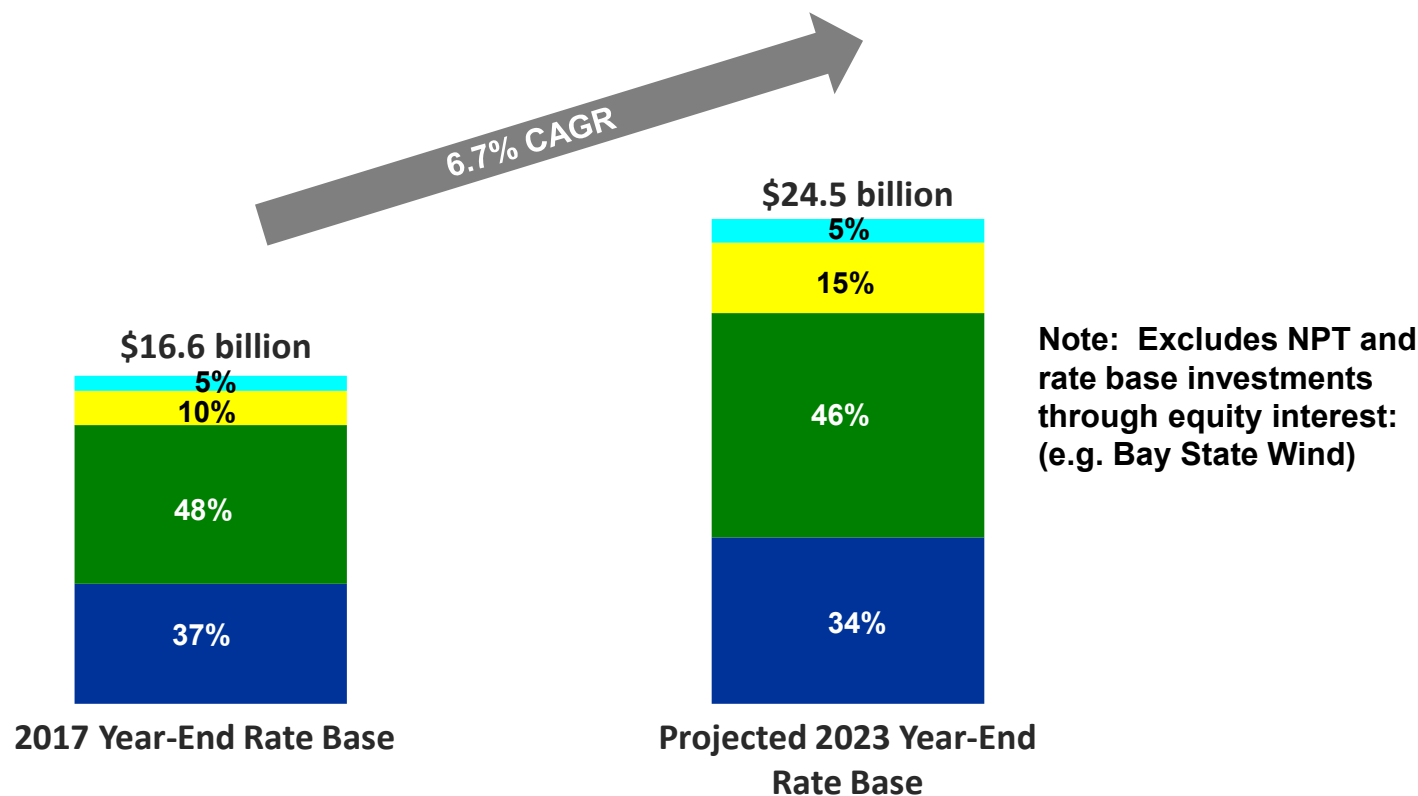
Projected Capital Expenditures For Core Businesses



Nearly \$1.5 Billion Increase in 2019-2021 Core Business Capex Since February 2018 Plan



Rate Base by Core Business – Current and Future



■ Transmission, ex NPT ■ Electric Distribution & MA Solar ■ Natural Gas Distribution ■ Water

Progress on Major Transmission Reliability Projects

Greater Boston Reliability Solution

- 28 upgrades including seven new transmission lines, new substations and substation expansion projects
- 16 projects in service; 9 under construction; 1 expected to enter construction in Q2 2019
- Approval of remaining 2 projects expected Q1 2019
- Projected completion: 2021 (all but three by end of 2019)
- Total projected investment: \$560 million
- Investment through December 31: \$357.3 million



Greater Hartford Central Connecticut (GHCC)

- 27 projects for Greater Hartford, Manchester, Southington, Middletown and NW CT
- 23 of 27 projects now in service
- Four projects under construction
- Projected completion: 2019
- Total projected investment: \$350 million
- Investment through December 31: \$232 million

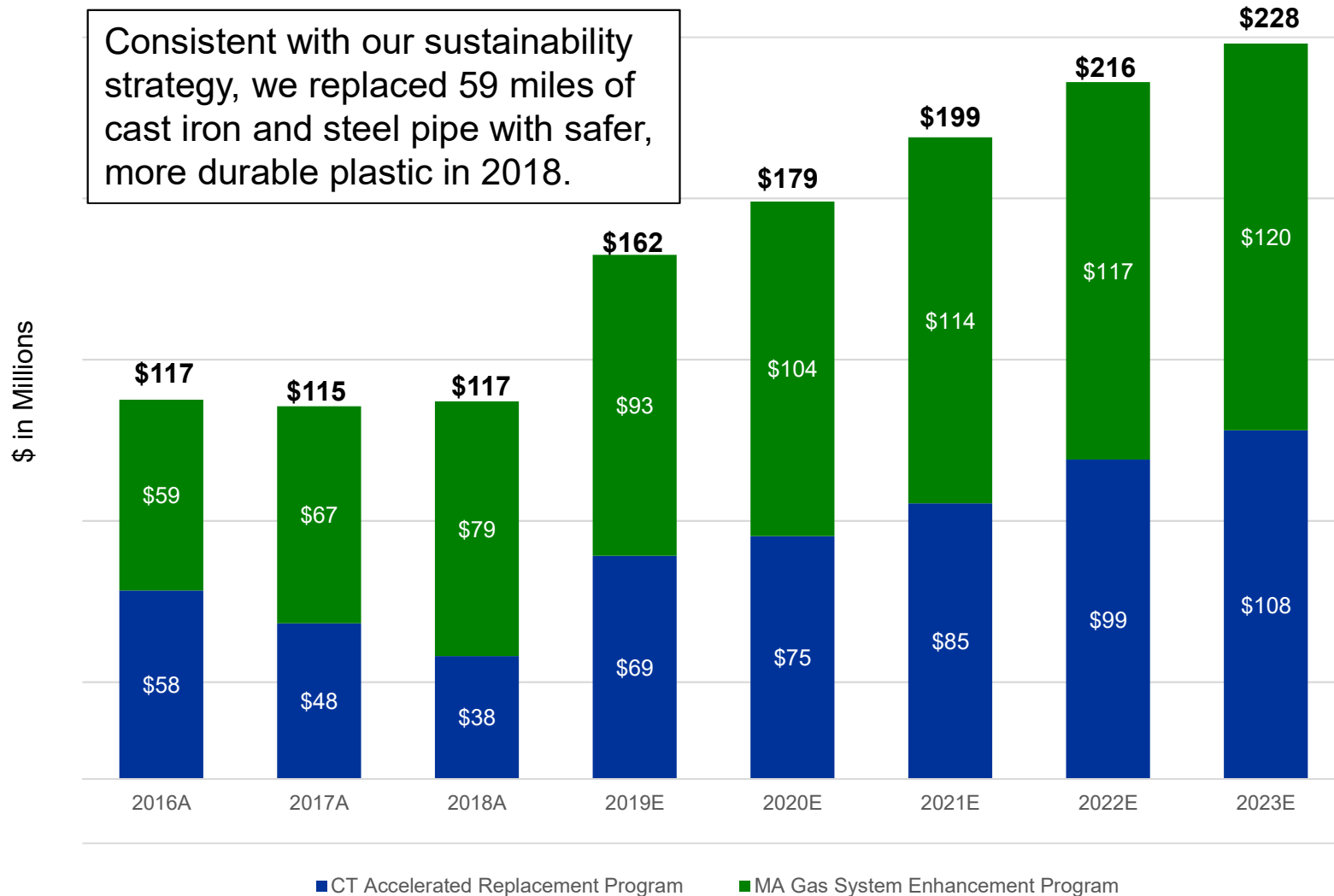
Greenwich Substation Project

- CT Siting Council approved new project design in November 2017
- Town appealed siting decision in December 2017
- Working with town on development and management plan during appeal process
- Projected completion: 2020
- Total projected ES investment: \$89 million

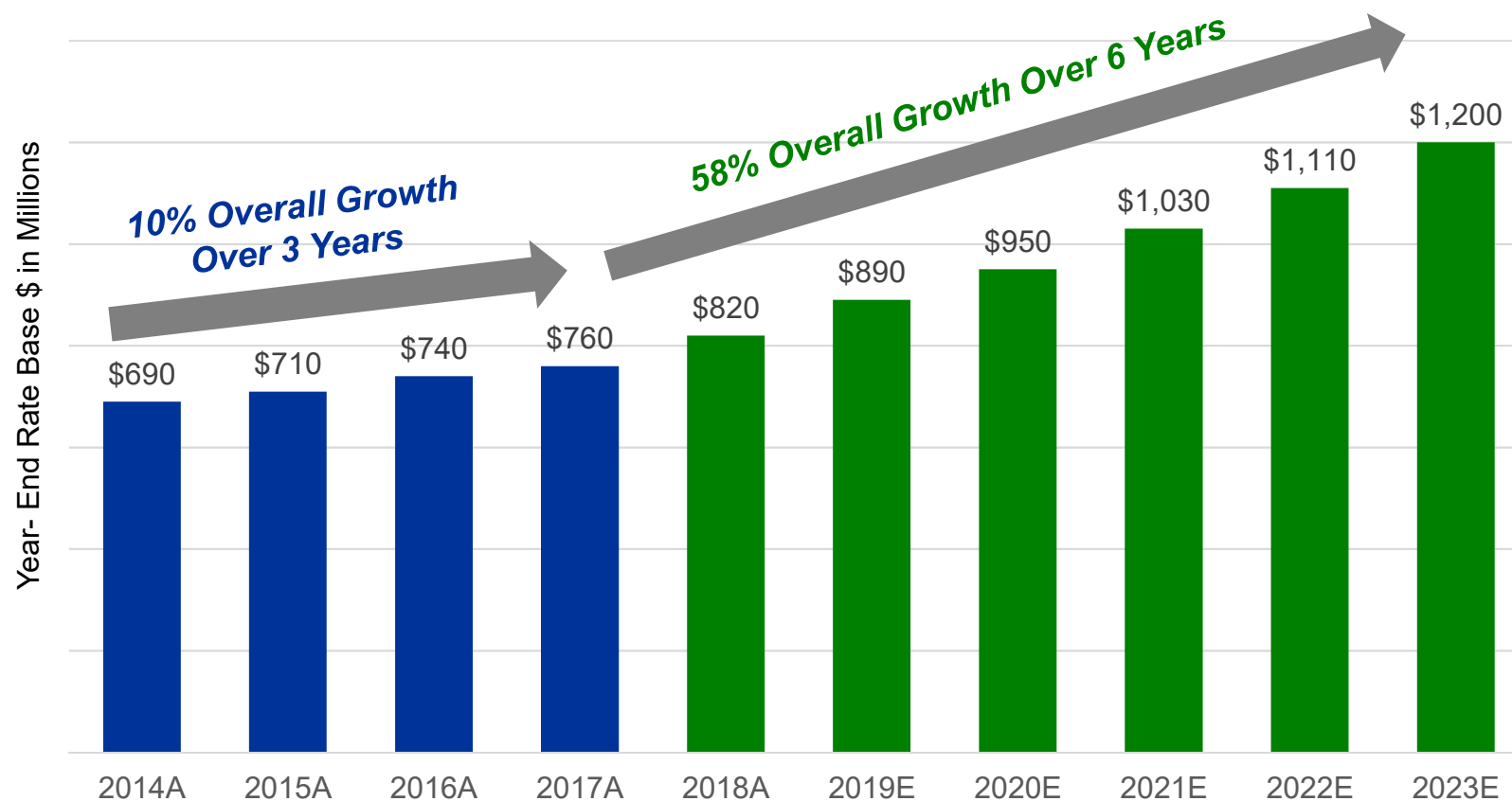
Seacoast Reliability Project

- New 13-mile project between Portsmouth and Madbury, NH
- NHSEC order approving project issued 1/31/19
- Projected completion: December 2019
- Total projected investment: \$84 million
- Investment through December 31: \$31.2 million

Projected Investment in Pipe Replacements 2016-2023 All With Timely Cost Recovery



Incremental Investments Expected to Grow Aquarion Rate Base Nearly 3 Times Faster Than Before Eversource Acquisition



Aquarion Water's \$200 Million Plan to Improve SW CT Supplies

Transmission Main Improvements

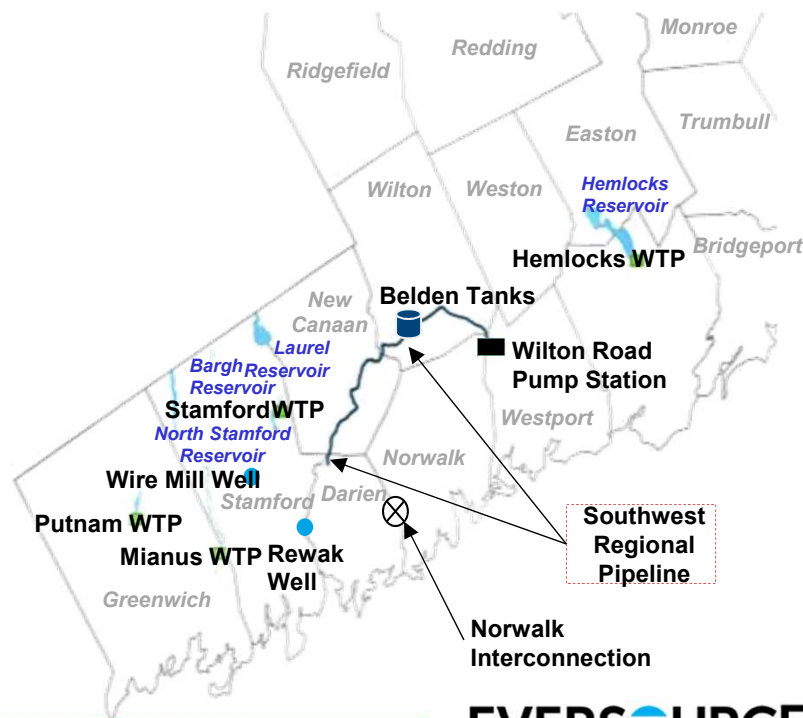
- Phase 1 – Water mains complete \$10 million
- Phase 2 – Stamford mains projected \$14 million
 - Project completion 2019
- Phase 3 – Partial parallel SWRP projected \$56 million
 - Design – 2019 to 2020
 - Execution – 2020 to 2023
- Phase 4 – Hemlocks pump station and main projected \$100 million
 - Design – 2021 to 2022
 - Execution – 2023 to 2026
- Total program estimated at \$180 million

Pumping & Storage Improvements

- \$20 million for Anderson Road pump station, Westport tank improvements and Havemeyer pump station

Supply Improvements

- Cannondale Well Diversion Permit Application filed with DEEP (Additional 1 MGD)
- Cannondale treatment facility projected \$3 million





What Would be Additive to the Cap Ex Forecast?

- Grid modernization at CL&P, PSNH
- AMI
- Northern Pass
- New off-shore wind RFP success

NSTAR Electric Clean Energy and Grid Modernization Initiatives



Solar:

- Completed construction on 62 MW; total cost to be approximately \$170 million
- 17 of 19 sites now in service



Storage:

- Planning and permitting under way on \$55 million of projects on Cape Cod and Martha's Vineyard
- Completion expected in late 2020



EV Infrastructure:

- Executing on \$45 million effort to build 3,000 new charging ports
- Three-year build-out



Grid Modernization:

- Approved \$133 million in grid facing investments in visibility and automation
- New 2021-2023 plan due to DPU by mid-2020



Sources of Funds to Execute Our Five-Year Plan

- Operating cash flows
- New debt financings
- Approximately \$2 billion of new equity
- Using \$100 million/year of Treasury shares to fund dividend reinvestment and employee stock plans

We expect our core business to grow EPS around the midpoint of our 5-7% CAGR through 2023, inclusive of the new equity and debt financings noted above

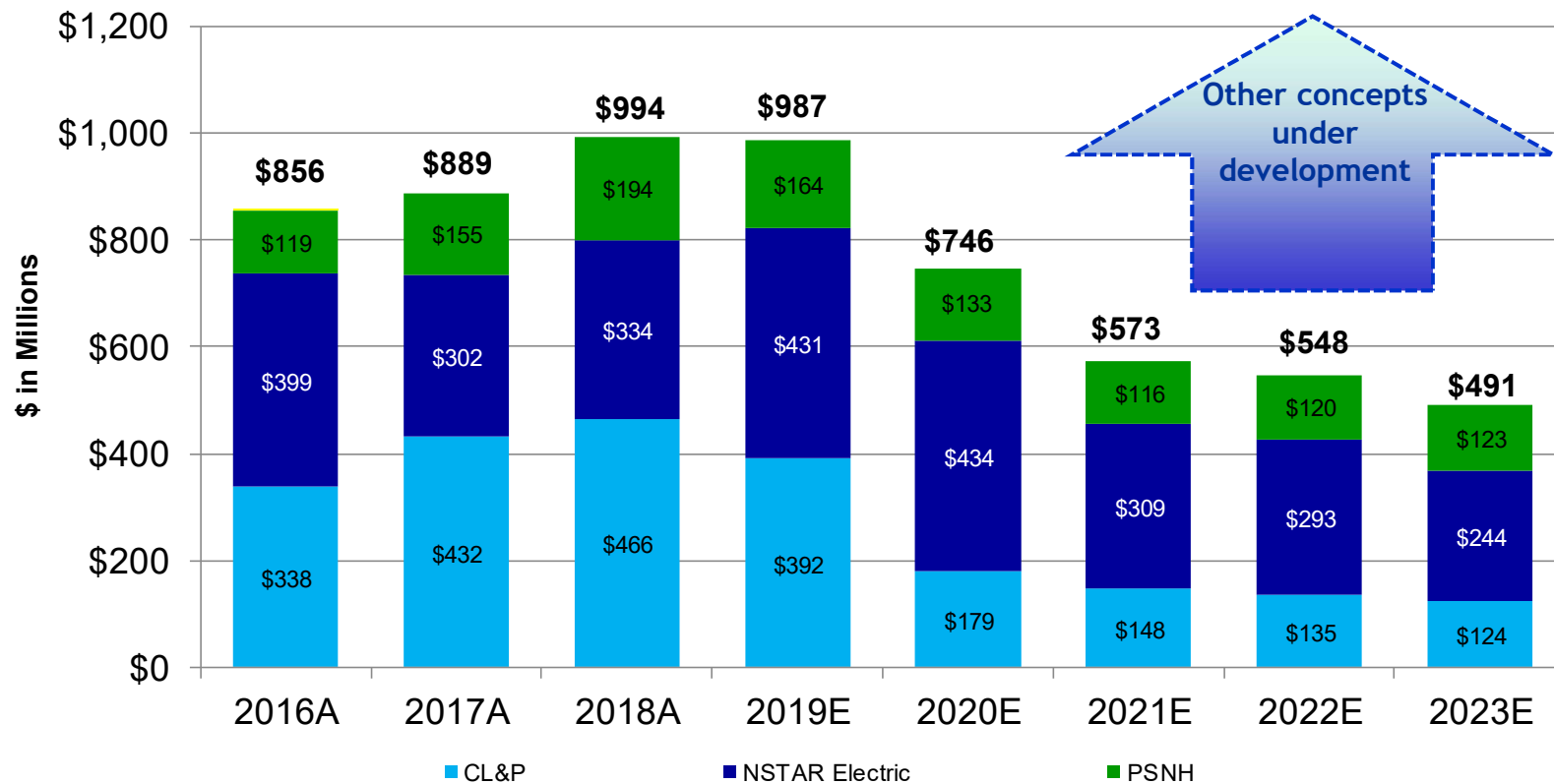
We Continue to Meet or Exceed Our Commitments to Investors

<i>Our Commitments:</i>	<i>Results Delivered:</i>	
1. Exceed industry EPS and dividend growth	Seven-year average EPS and dividend growth of 6.1% and 7.5%, respectively, through 2018. Growth driven by robust regulated Cap Ex program and effective cost control	✓
2. Reduce spending – Target 3-4%/yr.	Six-year average O&M reduction 3%-4%/yr. through 2018 (~ \$275M)	✓
3. Maintain strong financial condition	“A+” credit rating is the best in industry	✓
4. Deliver top-tier service quality and reliability	Reliability and safety metrics significantly improved since 2012 – top quartile	✓
5. Continue to grow our transmission, natural gas and water businesses	Transmission portfolio continues to grow; natural gas and water investments accelerating	✓
6. Address environmental, social and governance strengths	Achieving top-quartile rating from sustainability raters	✓

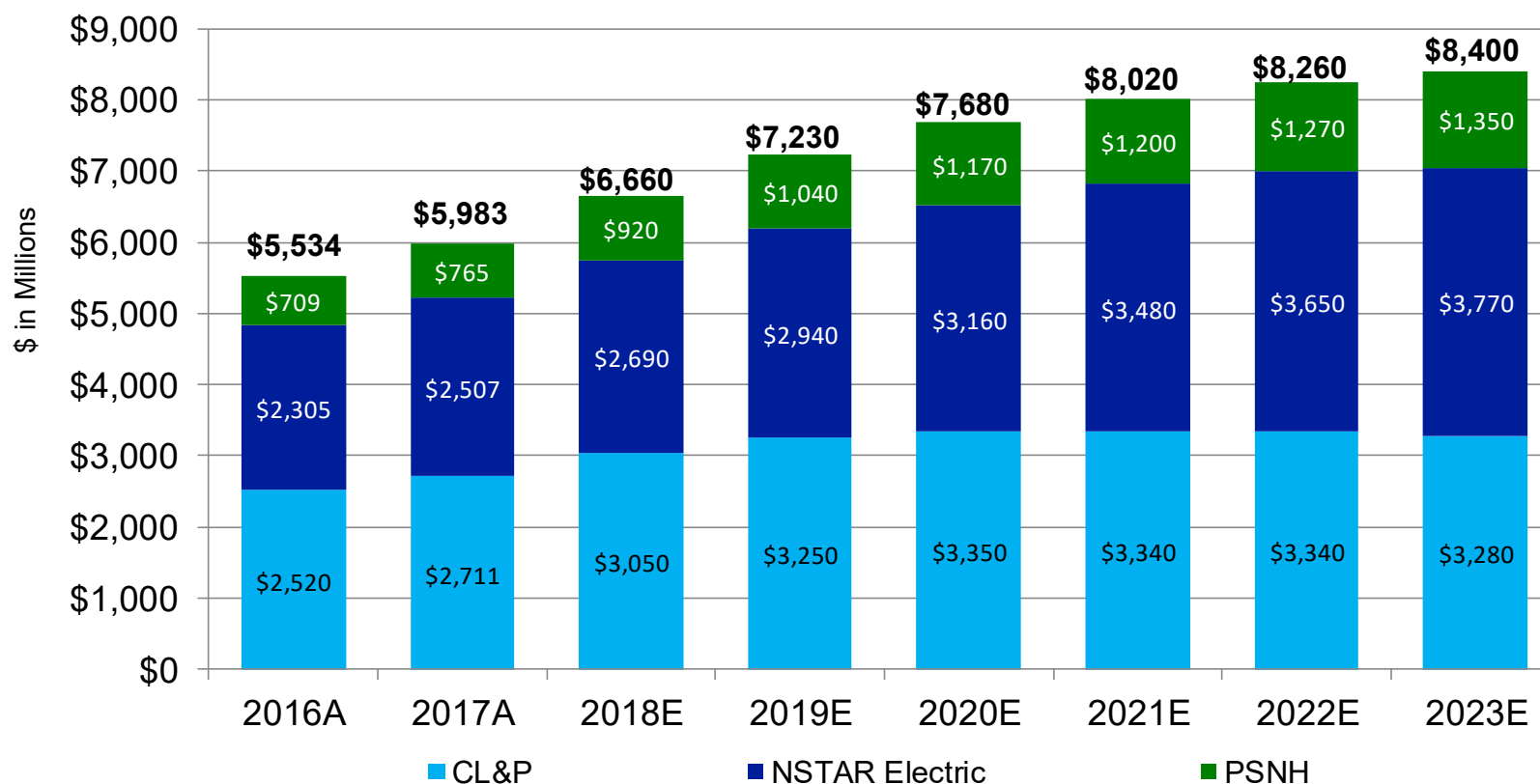


APPENDIX

Projected Transmission Capital Expenditures



Transmission Rate Base Growth Projections





Status of Grid Modernization and Advanced Metering Infrastructure (AMI) in Massachusetts and Connecticut

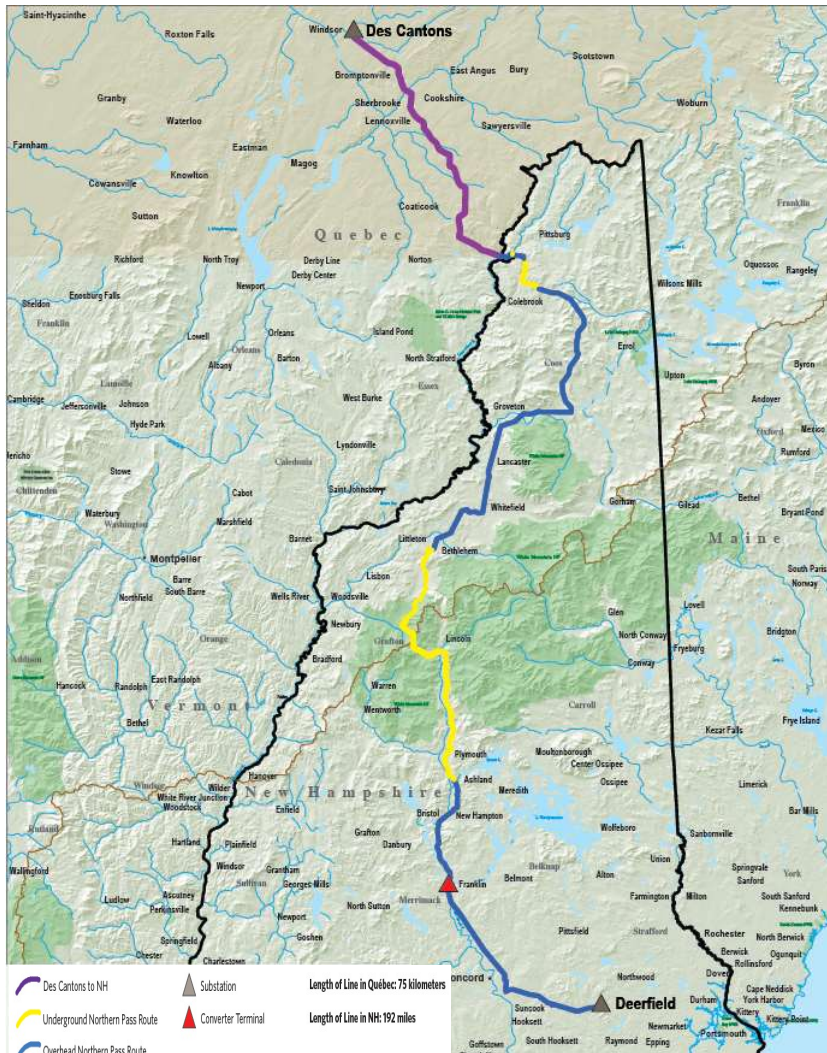
Massachusetts (D.P.U. 15-122)

- May 2018 decision approved \$133 million in grid facing investments in visibility and automation through 2020
- Next three-year plan will be filed in 2020
- In its 15-122 decision, the DPU affirmed support for advanced metering functionality and stated expectation for new proceeding into “customer facing” technologies

Connecticut (Docket # 17-12-03)

- PURA currently reviewing distribution company planning and grid modernization
- Topics include foundational investments in grid edge visibility, forecasting and communications as well as integration of advanced technologies
- Briefing in late 2018
- Awaiting draft decision as of February 20, 2019

Status of Northern Pass



Regulatory Hurdles Cleared:

New Hampshire

- Departments of Environmental Services and Transportation
- NHPUC authorization to commence business as a public utility and to cross public lands and waters
- NHPUC approval of PSNH – NPT lease settlement

Federal

- DOE Presidential Permit, final EIS, final Record of Decision
- USFS final Record of Decision (special use permit pending)

Canadian

- Quebec Provincial Permit
- Canadian National Energy Board

Remaining Permits for Construction:

- NHSEC permit denied on 2/1/18; NPT appeal now before NH Supreme Court
- Army Corps of Engineers (post-NHSEC decision)

Summary of ADIT-Related Regulatory Activity

Eversource Utility & Jurisdiction	Excess ADIT Refund Timing	Effective Date of New Tax Rate Reflected in Rates	1/1/2018 Change in Tax Rate Prior to Effective Date of New Rates
Connecticut			
CL&P	Refunds will be incorporated into May 1, 2019 distribution rate change	May 1, 2018	January 1, 2018 through April 30, 2018 fully refunded to customers as of December 31, 2018
Yankee Gas	Refunds began to be reflected in rates effective November 15, 2018	November 15, 2018	January 1, 2018 through November 14, 2018 began to be refunded to customers beginning November 15, 2018
Massachusetts			
NSTAR Electric	Refunds began to be reflected in rates effective January 1, 2019	February 1, 2018	Refunds not required for the period January 1, 2018 to January 31, 2018
NSTAR Gas	Refunds began to be reflected in rates effective February 1, 2019	July 1, 2018	Refunds not required for the period January 1, 2018 to June 30, 2018
New Hampshire			
PSNH	Refunds will be addressed as part of the next distribution rate case filing	No later than July 1, 2019	January 1, 2018 through effective date of next of next rate change will be refunded to customers
Transmission			
CL&P, NSTAR Electric & PSNH	Refunds will be made based on expected guidance from FERC	January 1, 2018	Effective January 1, 2018 for local transmission service, and effective June 1, 2018 for regional transmission service, rates reflected the reduced federal corporate income tax rate



More Than \$1 Billion of Higher Cost Debt Matures Through 2020

2019 Maturities

Issuer	Size (in millions)	Rate	Maturity
CL&P	\$250	5.50%	2/1/19
Yankee Gas	\$50	5.26%	11/1/19
ES Parent	\$350	4.50%	11/15/19
PSNH	\$150	4.50%	12/1/19

2020 Maturities

Issuer	Size (in millions)	Rate	Maturity
NSTAR Gas	\$125	4.46%	1/1/20
NSTAR Electric	\$95	5.10%	3/1/20
Yankee Gas	\$50	4.87%	4/1/20
NSTAR Gas	\$25	9.95%	12/1/20