EEI Financial Conference

Eversource Energy

November 11-13, 2018
Safe Harbor Statement

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Recent Successes

Resolution of key electric and natural gas distribution rate cases

Excellent reliability and safety performance

Completion of Aquarion transaction

Completion of fossil and hydro generation divestiture

Progress on numerous clean energy initiatives

S&P credit rating of “A+”: Highest rating in industry
Eversource’s Total Return Has Performed Well in the Short and Long Term

<table>
<thead>
<tr>
<th>Total Shareholder Return</th>
<th>YTD 10/31/18</th>
<th>2017</th>
<th>3-Year</th>
<th>5-Year</th>
<th>10-Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>ES (1)</td>
<td>2.7%</td>
<td>18.0%</td>
<td>30.0%</td>
<td>90.4%</td>
<td>183.5%</td>
</tr>
<tr>
<td>EEI Index</td>
<td>4.1%</td>
<td>11.7%</td>
<td>26.1%</td>
<td>83.7%</td>
<td>97.6%</td>
</tr>
<tr>
<td>S&amp;P 500</td>
<td>3.0%</td>
<td>21.8%</td>
<td>38.3%</td>
<td>108.1%</td>
<td>126.0%</td>
</tr>
</tbody>
</table>

(1) TSR for 2017 represents the 8th time in 9 years that ES has achieved double-digit returns. Only two other companies in the EEI Index can make this statement. Multiple year returns represent the periods ended 12/31/17.
Strong Long-Term Earnings Growth Expected to Continue

6.4% EPS 5-Year Growth Rate

5% - 7% Growth off 2017 Base

*Excludes merger and integration costs
Dividend Growth Continues to Outperform Peers

Annualized Dividend

*Reflects impact of NU-NSTAR merger

Payout Ratios: 58% 59% 59% 60% 61%
REGULATORY UPDATE
Positive Regulatory Developments in Recent Months

<table>
<thead>
<tr>
<th>Yankee Gas Rate Settlement</th>
<th>FERC Transmission ROE Update</th>
<th>Aquarion MA Rate Order</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Effective date: 11/15/18, subject to PURA approval</td>
<td>• Order issued: 10/16/18</td>
<td>• Order issued: 10/31/18</td>
</tr>
<tr>
<td>• Authorized ROE: 9.3% (current 8.83%)</td>
<td>• Current base: 10.57%; Cap: 11.74%</td>
<td>• Effective date: 11/1/18</td>
</tr>
<tr>
<td>• Step rate increases in 2020 and 2021</td>
<td>• Illustrative base: 10.41%; Cap: 13.08%</td>
<td>• Provides additional revenue of $2 million</td>
</tr>
<tr>
<td>• Revenue decoupling</td>
<td>• New methodology that averages DCF, CAPM, risk premium, expected earnings</td>
<td>• Authorized ROE: 10.5%</td>
</tr>
<tr>
<td>• Tracking mechanism for aging infrastructure replacements and for cap ex over $150 million</td>
<td>• Provides path forward to resolve 2011, 2012, 2014 and 2016 complaints against New England transmission ROEs</td>
<td>• New tracker for certain capital investments</td>
</tr>
</tbody>
</table>

*Expected to provide more stability and predictability for transmission ROEs*
### CL&P
- **Effective Date:** 5/1/18
- **Authorized ROE:** 9.25%
- **Term:** 3 years
- **Base rate increases of $64.3 million on 5/1/18, $31 million on 5/1/19 and $29.2 million on 5/1/20
- **Key Provisions:** Continued revenue decoupling; tracking mechanism for capex over $270 million

### NSTAR Electric
- **Effective Date:** 2/1/18
- **Authorized ROE:** 10%
- **Term:** 5 years
- **Base rate decrease of $19 million on 2/1/18 (net of tax reform) followed by inflation-adjusted increases from 2019-2022
- **Key Provisions:** Revenue decoupling; approval of grid modernization expenditures with tracking for battery storage; EV infrastructure
Massachusetts Grid Mod: Outer Cape Community Battery Project

What It Is:
A lithium ion battery, projected to provide up to three hours of back up supply in the summer and 10 hours in the winter.

What It Will Look Like:
The battery will be housed in a Cape Style Building on about half an acre in the Outer Cape.

What It Will Do:
Improve reliability in Provincetown, Truro and Wellfleet by an estimated 50% on the distribution and transmission system.

Avoid the need to build 13 miles of distribution line through the Cape Cod National Seashore area.

Act as the equivalent to taking approximately 25,000 homes off the grid during peak hours.
Massachusetts Grid Mod: Make-Ready EV Plan

- First step to supporting electric vehicles in our service territory
- We are evaluating program options to file in CT and NH
- We believe the total investment opportunity across the three states could reach $500 million over the next decade

- DPU decision received Nov 2017
- $45 million capital investment
- In service by 2022

- Supports up to 3,500 charging points (up to 430 customer sites)*
  - Non-residential (except multi-unit dwellings)
  - Level 2 and DC Fast Charger

*Reference case; actual installations may be more or less based on demand, location, and cost
Regulatory Status of Implementing Tax Reform

- **FERC**
  - Federal income tax (FIT) rate decline to 21% reflected in rates effective 1/1/18
  - Filed comments on FERC’s Notice of Inquiry on 5/21/18; Awaiting FERC response to address impacts through second filing

- **NSTAR Electric**
  - FIT rate decline to 21% reflected in new rates effective 2/1/18
  - DPU to address ADIT refund in performance based rates mechanism

- **CL&P**
  - FIT rate decline to 21% reflected in 5/1/18 rates
  - ADIT refund to commence effective May 2019

- **PSNH, Aquarion NH**
  - PSNH to begin refunding tax impacts no later than July 1, 2019
  - Aquarion NH will be addressed in individual docket

- **NSTAR Gas**
  - FIT rate decline to 21% set prospectively on 7/1/18
  - DPU to address ADIT refund and 1/1 through 6/30 period in separate docket

- **Yankee Gas**
  - Proposed rate case settlement incorporates 21% FIT rate and ADIT refund for new rates effective 11/15/18

- **Aquarion CT**
  - PURA expected to address as part of generic docket, along with other water, electric and gas companies

- **Aquarion MA**
  - Reflected in current rate proceeding; proposing to use savings to fund new infrastructure tracker
CAPITAL INITIATIVES
November Update to Our Utility Core Business
Four-Year Capital Plan
(in millions)

$2,742*

2018E

Transmission $178
Electric Distribution & Solar $100
Gas Distribution $422
Water $1,170
Other, Including IT $872

Now Projecting $7.1 Billion

$6,511*

2019-2021E

Transmission $347
Electric Distribution & Solar $335
Gas Distribution $1,194
Water $2,887
Other, Including IT $1,748

On Target

* February 2018 10-K estimate
Drivers of Expected Increase in Utility Capital Expenditures From 2019-2021

**Transmission (up $300M since February):**

- Additional investments in structures and system hardening as a result of robust maintenance programs and post-March and May storm assessments

**Electric Distribution (up $200M since February):**

- Additional automation, distribution facility upgrades and storm hardening investments identified during March and May post-storm assessments
- Greater than expected customer growth rate in Greater Boston area driving need for increased substation investments

**Natural Gas Distribution (up $100M since February):**

- Acceleration of cast iron and bare steel pipe replacement programs in MA
- Additional plant upgrades at Hopkinton LNG facility for reliability

_Eversource can achieve long-term EPS growth around the middle of its 5% to 7% CAGR with no major projects (Northern Pass, Off-Shore Wind, Access Northeast) and no share repurchases_
Increasing Investments In Our Electric Distribution System

Growth in Greater Boston

Targeted Equipment Replacement

System Hardening and Reliability Upgrades

Growing Automation Investments
### 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
- Remaining schedule:
  - Briefs – November 26, 2018
  - Reply Briefs – December 3, 2018
  - Draft Decision – January 4, 2019
  - Final Decision – January 23, 2019
Increasing Investments In Our Natural Gas Business

Accelerating Cast Iron & Bare Steel Replacements

Ongoing LNG Investments
30% of NSTAR Gas Mains (Bare Steel, Cast Iron, Unprotected Coated Steel) Cause 92% of the Leaks

Miles of Main – Year-End 2017

- Plastic: 58%
- Cast iron: 10%
- Bare steel: 8%
- Protected coated steel: 12%
- Unprotected coated steel: 12%

Leaks – Year-End 2017

- Cast iron: 36%
- Plastic: 7%
- Protected coated steel: 1%
- Unprotected coated steel: 19%
- Bare steel: 37%

Calculated using 2017 data reported to PHMSA via Form 7100.1-1.
Pipe Replacements 2015-2021

Consistent with our sustainability strategy, we replaced 61 miles of cast iron and steel pipe with safer, more durable plastic in 2017.
Natural Gas Capex Continues To Grow as a Result of Pipe Replacement, LNG Facility Upgrades and System Modernization and Expansion

At least $100 million of additional capex expected over 2019-2021 period in next forecast
Progress on Major Transmission Reliability Projects

Greater Boston Reliability Solution
- 28 projects including seven new transmission lines, new substations and substation expansion projects
- 16 projects have been placed in service
- 9 projects under construction
- 1 project in planning but expected to enter construction in Q2 2019
- 2 projects in MADPU expected Q4 2018 Approval
- Projected completion: 2021 (all but three by end of 2019)
- Total projected investment: $560 million
- Investment through September 30: $311.4 million

Greenwich Substation Project
- Original proposal rejected without prejudice by CT Siting Council in 2016
- New design includes scaled down substation
- 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: $80 million

Greater Hartford Central Connecticut (GHCC)
- 27 projects for Greater Hartford, Manchester, Southington, Middletown and NW CT
- 21 of 27 projects now in service
- Six projects under construction
- Projected completion: 2019
- Total projected investment: $350 million
- Investment through September 30: $226.5 million

Seacoast Reliability Project
- New 13-mile project between Portsmouth and Madbury, NH
- Expected NHSEC approval: Late 2018 or early 2019
- Projected completion: December 2019
- Total projected investment: $84 million
- Investment through September 30: $29.4 million
Current Progress on Major Water Reliability Projects

Southwest Fairfield County (SWFC) Supply Improvements

- Major pumping, supply, and transmission program aimed at improving reliability in the Stamford and Greenwich, CT region
- Anderson Road pump station in service 2017 - $5 million
- Phase 1 transmission mains 2017/2018 - $10 million
- Investment through September 30: $7 million
- Total projected 2018 investment: $9 million

Water Main Replacement Program

- Replacement Program of 33 projects in 15 towns in CT, MA, and NH
- 22 projects have been placed in service
- 11 projects in construction in Q4
- $24 million in WICA filings approved in CT
- Total projected 2018 investment: $25 million
- Investment through September 30: $17 million

Seacoast Reliability Program

- Major program of improvements for Hampton, Hampton Beach, Rye and Rye Brook NH
- Transmission main improvements: $2.6 million
- New source of supply installed and tested
- Centralized treatment facility approved by the Town in January 2018
- Abutter lost Superior Court appeal but appealed to NH State Supreme Court – decision anticipated late 2019
- Total projected investment: $9.5 million
- Investment through September 30: $3.4 million

Greater Bridgeport System SWTP Capital Improvement Program

- 9 projects for the three surface water treatment plants serving 11 towns in Fairfield County, CT
- 4 of 9 projects now in service
- Total projected 2018 investment: $7 million
- Investment through September 30: $5 million
A Deeper Look at Aquarion Water-CT’s Nearly $200 Million Plan to Improve SW CT Supplies

Transmission Main Improvements

- **Phase 1** – Water mains complete $10 million
- **Phase 2** – Stamford mains projected $18 million
  - 50% complete in October 2018
  - Bidding for remainder in November 2018
  - Project completion 2019
- **Phase 3** – Partial parallel SWRP projected $56 million
  - Routing analysis in 2018
  - Design – 2019 to 2020
  - Diversion permitting – 2018 to 2020
  - Execution – 2020 to 2023
- **Phase 4** – Hemlocks pump station and main projected $93 million
  - Alternative analysis – 2020
  - Design – 2021 to 2022
  - Execution – 2023 to 2026
- Total program estimated at $180 million

Supply Improvements

- Cannondale Well Diversion Permit Application filed with DEEP (Additional 1 MGD)
- Cannondale treatment facility projected $3 million
- Search for additional sources of supply in the Greenwich / Stamford region continues

Pumping Improvements

- Anderson Road pump station in service 2017 $5 million
- Havemeyer pump station projected $6 million
  - Design 2018
  - Execution 2019/2020
Incremental Investments Expected to Grow Aquarion Rate Base 2 to 3 Times Faster Than Before Eversource Acquisition
ESG PERFORMANCE AND CLEAN ENERGY INITIATIVES
Eversource is a Key Partner in Regional Energy Efficiency Efforts

#1 Energy Efficiency Provider in the Nation
- According to Ceres, 2016 Benchmarking Utility Clean Energy report

Eversource MA, #1 Most Energy Efficient Utility in the United States
- According to ACEEE, in their first edition of the Utility Energy Efficiency Scorecard

Generates pre-tax earnings of $30 million per year

Note: The lower the number…the more effective the Energy Efficiency Programs
Source: American Council for an Energy-Efficient Economy 2017 Scorecard
Eversource Maintained Top Quartile Performance For All Sustainability Raters

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Employee, Customer Focus: Considers Materiality
Carbon Intensity Focus: Carbon Reduction Focus
Disclosure Focus: Focus

In May 2018 Sustainalytics assessment, Eversource’s score increased due to a significant improvement in our score for environmental aspects (68 to 74)

Bloomberg and CDP 2017 rank is based on 2016 data
Sustainalytics score rank is based on scores in Bloomberg Terminal as of 6/30/18 (score can change daily)
Newsweek 2017 rank uses 2013-2015 environmental data normalized by 2015 revenue
New England States’ Aggressive Renewable and GHG Targets Likely Unaffected By Change in Washington

**Regional Greenhouse Gas Emission Targets**

**MMTCO2e**

<table>
<thead>
<tr>
<th>Year</th>
<th>NH</th>
<th>MA</th>
<th>CT</th>
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<tbody>
<tr>
<td>1990 Actual</td>
<td>44</td>
<td>13</td>
<td>16</td>
</tr>
<tr>
<td>2020/2025 Target</td>
<td>94</td>
<td>71</td>
<td>9</td>
</tr>
<tr>
<td>2050 Target</td>
<td>3</td>
<td>19</td>
<td>9</td>
</tr>
</tbody>
</table>

**Renewable Portfolio Standards in Place**

<table>
<thead>
<tr>
<th></th>
<th>2017 %</th>
<th>2020 %</th>
<th>2025 %</th>
</tr>
</thead>
<tbody>
<tr>
<td>CT</td>
<td>22.5%</td>
<td>29%</td>
<td>38%</td>
</tr>
<tr>
<td>MA</td>
<td>22.34%</td>
<td>23.5%</td>
<td>29.75%</td>
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<tr>
<td>NH</td>
<td>17.6%</td>
<td>20.7%</td>
<td>25.2%</td>
</tr>
</tbody>
</table>

(Percentage of electricity that must come from qualifying renewable facilities)
Eversource Addressing Largest Sources of New England Carbon Emissions: Transportation, Space Heating and Power Generation

2016 Energy Carbon Emissions by Source
New England vs. U.S.

- New England:
  - Transportation: 48.4%
  - Space Heating: 29.0%
  - Power Generation: 16.7%
  - Industrial: 5.9%

- U.S.:
  - Transportation: 36.7%
  - Space Heating: 34.8%
  - Power Generation: 10.3%
  - Industrial: 18.2%

Source: U.S. Energy Information Administration
Current EV adoption trajectory insufficient to ensure compliance with 2025 target

MA/CT CO2 emissions by sector (2015)

Significant progress yet to be made in decarbonizing the transportation sector

States’ Objectives

- Ambitious goals set forth in the 2008 Global Warming Solutions Act
- Reduce GHG emissions 80% below 1990 levels by 2050
- Committed to 450,000 EVs on the road by 2025 as part of ZEV Alliance

EVs on the road in MA/CT

Barriers to EV Adoption

- Limited availability of public charging stations
- Cost of charging infrastructure
- Lack of consumer awareness
- Upfront cost of electric vehicles
- Variety of available vehicle models

An appropriate level of utility support can address these barriers and drive market transformation

*2018 data available through February
Bay State Wind: Transforming Clean Energy in New England

- Eversource and Ørsted plan to construct a large scale, offshore wind facility in North America
- 50-50 partnership in Bay State Wind
- Proposed offshore wind farm 15-25 miles south of Martha’s Vineyard
  - 300 square mile ocean area can accommodate at least 2,000 MW of capacity
- Bay State not awarded initial 1,400 MW of awards in MA, CT and RI
  - Bay State bid into CT zero-carbon RFP. Results expected by end of 2018.
  - More wind RFPs scheduled in MA and NY
FINANCIAL DEVELOPMENTS
## Third Quarter and First Nine Month 2018 Results

<table>
<thead>
<tr>
<th></th>
<th>3Q 2018</th>
<th>3Q 2017</th>
<th>Change</th>
<th>YTD 9-30-18</th>
<th>YTD 9-30-17</th>
<th>Change</th>
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<tr>
<td>Electric Distribution</td>
<td>$0.55</td>
<td>$0.50</td>
<td>$0.05</td>
<td>$1.19</td>
<td>$1.24</td>
<td>($0.05)</td>
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<td>Electric Transmission</td>
<td>0.34</td>
<td>0.31</td>
<td>0.03</td>
<td>1.04</td>
<td>0.91</td>
<td>0.13</td>
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<td>Natural Gas Distribution</td>
<td>(0.04)</td>
<td>(0.02)</td>
<td>(0.02)</td>
<td>0.16</td>
<td>0.15</td>
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<td>0.08</td>
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<tr>
<td>Parent &amp; Other</td>
<td>0.00</td>
<td>0.03</td>
<td>(0.03)</td>
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<td>Reported EPS (GAAP)</td>
<td>$0.91</td>
<td>$0.82</td>
<td>$0.09</td>
<td>$2.52</td>
<td>$2.36</td>
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**Successful Conclusion of PSNH Generation Sale Resulted in Significant Changes in PSNH Capital Structure**

### Source of Proceeds in 2018

- **Proceeds from plant sales** $194 million
- **Net proceeds from issuance of rate reduction bonds** $629 million

### Use of Proceeds in 2018

- **Decrease in notes payable to ES Parent** $258 million
- **Retirement of PSNH Long-Term Debt** $110 million
- **Return of equity capital to ES Parent net of 2018 dividends, capital contribution** $455 million
More Than $1 Billion of Higher Cost Debt Matures Through 2020

<table>
<thead>
<tr>
<th>Issuer</th>
<th>Size (in $millions)</th>
<th>Rate</th>
<th>Maturity</th>
</tr>
</thead>
<tbody>
<tr>
<td>CL&amp;P</td>
<td>$250</td>
<td>5.50%</td>
<td>2/1/19</td>
</tr>
<tr>
<td>Yankee Gas</td>
<td>$50</td>
<td>5.26%</td>
<td>11/1/19</td>
</tr>
<tr>
<td>ES Parent</td>
<td>$350</td>
<td>4.50%</td>
<td>11/15/19</td>
</tr>
<tr>
<td>PSNH</td>
<td>$150</td>
<td>4.50%</td>
<td>12/1/19</td>
</tr>
</tbody>
</table>

2020 Maturities

<table>
<thead>
<tr>
<th>Issuer</th>
<th>Size (in $millions)</th>
<th>Rate</th>
<th>Maturity</th>
</tr>
</thead>
<tbody>
<tr>
<td>NSTAR Gas</td>
<td>$125</td>
<td>4.46%</td>
<td>1/1/20</td>
</tr>
<tr>
<td>NSTAR Electric</td>
<td>$95</td>
<td>5.10%</td>
<td>3/1/20</td>
</tr>
<tr>
<td>Yankee Gas</td>
<td>$50</td>
<td>4.87%</td>
<td>4/1/20</td>
</tr>
<tr>
<td>NSTAR Gas</td>
<td>$25</td>
<td>9.95%</td>
<td>12/1/20</td>
</tr>
</tbody>
</table>
Eversource Energy Credit Rating Agency
Developments in 2018

- CL&P, Aquarion Company, and Aquarion CT ratings raised one notch
- NSTAR Electric outlook raised to “positive”
- Published note saying it viewed Yankee Gas settlement positively

- A+ stable corporate credit rating affirmed

- Eversource Parent outlook still “positive”
S&P Ratings For Eversource Best Among Electric Utility Peers

1. ES (Stable)

*Standard & Poor’s credit ratings
We Continue to Meet or Exceed Our Commitments to Investors

**Our Commitments:**

1. Exceed industry EPS and dividend growth
2. Reduce spending – Target 3-4%/yr.
3. Maintain strong financial condition
4. Deliver top-tier service quality and reliability
5. Continue to grow our transmission, gas and water businesses
5. Address environmental, social and governance strengths

**Results Delivered:**

- Five-year average EPS and dividend growth of 6.4% and 7.5%, respectively, through 2017. Growth driven by robust regulated Cap Ex program
- Five-year average O&M reduction 4%-5%/yr. through 2017 (~ $300M)
- “A+” credit rating is the best in industry
- Reliability and safety metrics significantly improved since 2012 – top quartile
- Transmission portfolio continues to grow; natural gas investment accelerating
- Achieving top-quartile rating from sustainability raters