

YANKEE GAS SERVICES COMPANY  
BALANCE SHEETS  
(Unaudited)

(Thousands of Dollars)	As of June 30, 2023	As of December 31, 2022
<b>ASSETS</b>		
Current Assets:		
Cash	\$ 2,678	\$ 1,172
Receivables, Net (net of allowance for uncollectible accounts of \$73,266 and \$57,429 as of June 30, 2023 and December 31, 2022, respectively)	47,236	85,400
Accounts Receivable from Affiliated Companies	6,495	14,288
Unbilled Revenues	4,756	16,507
Natural Gas, Materials and Supplies	36,221	54,443
Regulatory Assets	55,438	107,300
Other Current Assets	1,687	12,941
Total Current Assets	154,511	292,051
Property, Plant and Equipment, Net	2,366,903	2,255,761
Deferred Debits and Other Assets:		
Regulatory Assets	203,385	204,817
Goodwill	287,591	287,591
Other Long-Term Assets	30,349	25,832
Total Deferred Debits and Other Assets	521,325	518,240
Total Assets	<u>\$ 3,042,739</u>	<u>\$ 3,066,052</u>
<b>LIABILITIES AND CAPITALIZATION</b>		
Current Liabilities:		
Notes Payable to Eversource Parent	\$ 2,700	\$ 119,900
Accounts Payable	54,242	98,645
Accounts Payable to Affiliated Companies	18,885	19,304
Accrued Taxes	28,290	8,730
Accrued Interest	9,930	9,862
Regulatory Liabilities	35,541	3,844
Other Current Liabilities	10,075	12,347
Total Current Liabilities	159,663	272,632
Deferred Credits and Other Liabilities:		
Accumulated Deferred Income Taxes	302,685	314,797
Regulatory Liabilities	227,133	208,228
Other Long-Term Liabilities	72,718	71,607
Total Deferred Credits and Other Liabilities	602,536	594,632
Long-Term Debt	842,354	842,199
Common Stockholder's Equity:		
Common Stock	5	5
Capital Surplus, Paid In	1,218,862	1,159,462
Retained Earnings	219,368	197,158
Accumulated Other Comprehensive Loss	(49)	(36)
Common Stockholder's Equity	1,438,186	1,356,589
Total Liabilities and Capitalization	<u>\$ 3,042,739</u>	<u>\$ 3,066,052</u>

Note: In the opinion of the Company, all adjustments for a fair presentation of these financial statements for the periods shown have been made.

YANKEE GAS SERVICES COMPANY  
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	\$ 141,552	\$ 133,257	\$ 448,274	\$ 403,000
Operating Expenses:				
Cost of Natural Gas	63,204	55,894	212,974	175,194
Operations and Maintenance	34,654	34,941	71,729	69,503
Depreciation	13,880	13,177	27,695	26,200
Amortization of Regulatory (Liabilities)/Assets, Net	(945)	2,260	9,541	2,393
Energy Efficiency Programs	3,393	3,373	11,452	12,464
Taxes Other Than Income Taxes	17,383	16,550	41,560	38,970
Total Operating Expenses	131,569	126,195	374,951	324,724
Operating Income	9,983	7,062	73,323	78,276
Interest Expense	8,118	6,818	16,064	13,592
Other Income, Net	1,110	2,685	2,468	5,129
Income Before Income Tax Expense	2,975	2,929	59,727	69,813
Income Tax Expense	904	839	12,317	14,414
Net Income	\$ 2,071	\$ 2,090	\$ 47,410	\$ 55,399

Note: In the opinion of the Company, all adjustments for a fair presentation of these financial statements for the periods shown have been made.

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	\$ 2,071	\$ 2,090	\$ 47,410	\$ 55,399
Other Comprehensive (Loss)/Income, Net of Tax:				
Qualified Cash Flow Hedging Instruments	6	6	13	13
Changes in Funded Status of SERP Benefit Plan	(13)	21	(26)	54
Other Comprehensive (Loss)/Income, Net of Tax	(7)	27	(13)	67
Comprehensive Income	\$ 2,064	\$ 2,117	\$ 47,397	\$ 55,466

Note: In the opinion of the Company, all adjustments for a fair presentation of these financial statements for the periods shown have been made.

YANKEE GAS SERVICES COMPANY  
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	1,000	\$ 5	\$ 1,159,462	\$ 197,158	\$ (36)	\$ 1,356,589
Net Income				45,339		45,339
Dividends on Common Stock				(12,600)		(12,600)
Other Comprehensive Loss					(6)	(6)
Balance as of March 31, 2023	1,000	5	1,159,462	229,897	(42)	1,389,322
Net Income				2,071		2,071
Dividends on Common Stock				(12,600)		(12,600)
Capital Contributions from Parent			59,400			59,400
Other Comprehensive Loss					(7)	(7)
Balance as of June 30, 2023	1,000	\$ 5	\$ 1,218,862	\$ 219,368	\$ (49)	\$ 1,438,186

(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 Loss	Total Common Stockholder's Equity
	Stock	Amount				
Balance as of January 1, 2022	1,000	\$ 5	\$ 1,041,462	\$ 161,574	\$ (614)	\$ 1,202,427
Net Income				53,309		53,309
Dividends on Common Stock				(12,800)		(12,800)
Other Comprehensive Income					40	40
Balance as of March 31, 2022	1,000	5	1,041,462	202,083	(574)	1,242,976
Net Income				2,090		2,090
Dividends on Common Stock				(12,800)		(12,800)
Other Comprehensive Income					27	27
Balance as of June 30, 2022	1,000	\$ 5	\$ 1,041,462	\$ 191,373	\$ (547)	\$ 1,232,293

Note: In the opinion of the Company, all adjustments for a fair presentation of these financial statements for the periods shown have been made.

YANKEE GAS SERVICES COMPANY  
STATEMENTS OF CASH FLOWS  
(Unaudited)

(Thousands of Dollars)	For the Six Months Ended June 30,	
	2023	2022
Operating Activities:		
Net Income	\$ 47,410	\$ 55,399
Adjustments to Reconcile Net Income to Net Cash Flows Provided by Operating Activities:		
Depreciation	27,695	26,200
Deferred Income Taxes	(18,435)	993
Pension, SERP and PBOP Income, Net	(1,127)	(1,387)
Amortization of Regulatory Assets, Net	9,541	2,393
Regulatory Over/(Under) Recoveries, Net	93,132	(18,612)
Uncollectible Expense	5,031	4,660
Cost of Removal Expenditures	(16,862)	(31,186)
Other	2,285	27,606
Changes in Current Assets and Liabilities:		
Receivables and Unbilled Revenues, Net	35,627	17,880
Taxes Receivable/Accrued, Net	24,377	14,074
Accounts Payable	(42,634)	(1,697)
Other Current Assets and Liabilities, Net	24,930	(840)
Net Cash Flows Provided by Operating Activities	190,970	95,483
Investing Activities:		
Investments in Property, Plant and Equipment	(106,464)	(74,953)
Net Cash Flows Used in Investing Activities	(106,464)	(74,953)
Financing Activities:		
Cash Dividends on Common Stock	(25,200)	(25,600)
Capital Contributions from Parent	59,400	—
Retirement of Long-Term Debt	—	(20,000)
(Decrease)/Increase in Notes Payable to Eversource Parent	(117,200)	24,400
Net Cash Flows Used In Financing Activities	(83,000)	(21,200)
Net Increase/(Decrease) in Cash	1,506	(670)
Cash - Beginning of Period	1,172	1,912
Cash - End of Period	\$ 2,678	\$ 1,242

Note: In the opinion of the Company, all adjustments for a fair representation of these financial statements for the periods shown have been made.