

Exhibit 1(A)

YANKEE GAS SERVICES, DBA EVERSOURCE
 INCOME STATEMENT
 12 MONTHS ENDED MARCH 31 , 2016
 (THOUSANDS OF DOLLARS & Sales MCF)

	REVENUES AND INCOME	SALES MCF	CUSTOMERS AVERAGE
SALES OF GAS:			
RESIDENTIAL SERVICE	190,116	13,366	196,956
COMMERCIAL FIRM SERVICE	146,277	18,917	24,909
INDUSTRIAL FIRM SERVICE	58,901	14,780	1,632
SEASONAL SERVICE		0	30
INTERRUPTIBLE SERVICE	7,607	3,134	2
SALES FOR RESALE	<u>4,674</u>		<u>0</u>
TOTAL SALES OF GAS	407,575	50,197	223,529
OTHER GAS REVENUES	3,631		0
TOTAL GAS REVENUES	<u>411,206</u>	<u>50,197</u>	<u>223,529</u>
OPERATING EXPENSES:			
OPERATION & MAINTENANCE EXPENSE	250,420		
DEPRECIATION EXPENSE	33,818		
TAXES OTHER THAN INCOME	44,157		
INCOME TAXES	1,447		
INCOME TAXES DEFERRED - NET	16,907		
INVESTMENT TAX CREDIT	-309		
AMORTIZATION OF REGULATORY ASSETS	1,792		
DISPOSITION OF UTILITY PLANT			
TOTAL OPERATING EXPENSES	<u>348,232</u>		
OPERATING INCOME	62,974		
OTHER INCOME AND DEDUCTIONS -NET AFUDC	224		
TOTAL INCOME	63,198		
INTEREST ON LONG-TERM DEBT	22,872		
AMORT. DEBT DISC.,PREM & EXPENSE	223		
OTHER INTEREST EXPENSE	862		
AFUDC - CREDIT	<u>-152</u>		
NET INTEREST CHARGES	<u>23,805</u>		
INCOME BEFORE PREFERRED DIVIDENDS	39,393		
PREFERRED DIVIDENDS			
BALANCE FOR COMMON	<u>39,393</u>		

YANKEE GAS SERVICES, DBA EVERSOURCE
Rate of Return on Rate Base
March 31, 2016
(Thousands of Dollars)

	Average *
Total Utility Plant In Service	1,549,902
Less: Reserve for Depreciation	428,693
Net Utility Plant	1,121,209
 Plus:	
Materials & Supplies, ex. fuel	3,016
Fuel Reserve (13 Month Average)	26,358
Working Capital Allowance	(4,297)
Prepayments	967
Other - additions	
Regulatory Asset - FAS 109	29,057
Deferred Hardship Charges, Net of Tax	6,170
Other Deferred Regulatory Assets, Net of Tax	991
 Less:	
Accumulated Provision for Deferred Income Tax	269,734
Regulatory Liability - FAS 109	29,057
Reserves, Net of Tax	7,327
Non-Firm Margin Credit CES, Net of Tax	4,609
Other - deductions	
Customer Advances for Construction	184
Customer Deposits	3,652
 Rate Base	 868,908
 Operating Income	 62,974
 Rate of Return	 7.25

* 5 Quarter Average Rate Base

YANKEE GAS SERVICES, DBA EVERSOURCE
Rate of Return on Common Equity
Cost of Capital Method
March 31, 2016
(Thousands of Dollars)

	<u>Amount</u> <u>5-Q Average</u>	<u>Capitalization</u> <u>Ratios</u> <u>5-Q Average</u>
Short-Term Debt	-	0.00%
Long-Term Debt	411,716	46.67%
Common Equity	<u>470,427</u>	<u>53.33%</u>
Total	<u><u>882,143</u></u>	<u><u>100.00%</u></u>
	<u>Embedded</u>	<u>Average</u>
	<u>Cost</u>	<u>Capitalization</u>
		<u>Ratio</u>
		<u>Weighted</u>
		<u>Cost</u>
Short-Term Debt	0.00%	0.00%
Long-Term Debt	5.59%	46.67%
Weighted Costs		<u><u>2.61%</u></u>
Rate of Return on Rate Base		7.25%
Less: Weighted Costs		<u>2.61%</u>
Common Equity Component		4.64%
Percentage of Common Equity to Total Capitalization		<u>53.33%</u>
Return on Common Equity		<u><u>8.70%</u></u>

Notes:

(a) Beginning with the 3/31/05 Filing Short-Term Debt will no longer be included in the YGS capitalization.

YANKEE GAS SERVICES, DBA EVERSOURCE
Return on Equity Reflecting Adjustments For
Retained Interruptible, Capacity Release, Off-System Sales Margins, ILEP and Weather Normalization
March 31, 2016

<u>Month</u>	<u>Allowed Return on Equity (a)</u>	<u>Calculated Return on Equity</u>	<u>Less Margins Over Target</u>	<u>Balance Adjusted For Margins</u>	<u>Weather Normalization Adjustment</u>	<u>Balance Comparable to Rate Case Return on Equity</u>
March 2015	8.83%	10.06%	0.02%	10.04%	-0.99%	9.05%
June 2015	8.83%	10.32%	0.02%	10.30%	-0.74%	9.56%
September 2015	8.83%	11.33%	0.02%	11.31%	-0.73%	10.58%
December 2015	8.83%	9.98%	0.04% (b)	9.94%	0.11%	10.05%
March 2016	8.83%	8.70%	0.04% (b)	8.66%	2.23%	10.89%

Notes:

(a) Per the Final Decision to the YGS Rate Case in Docket No. 10-12-02.

(b) Reflects margins associated with the Interruptible Line Extension Policy (ILEP).