

YANKEE GAS SERVICES COMPANY  
BALANCE SHEETS  
(Unaudited)

(Thousands of Dollars)	As of June 30, 2022	As of December 31, 2021
<b>ASSETS</b>		
Current Assets:		
Cash	\$ 1,242	\$ 1,912
Receivables, Net (net of allowance for uncollectible accounts of \$54,095 and \$45,696 as of June 30, 2022 and December 31, 2021, respectively)	55,268	75,841
Accounts Receivable from Affiliated Companies	4,474	5,333
Unbilled Revenues	4,316	13,440
Fuel, Materials and Supplies	34,325	29,317
Regulatory Assets	71,399	69,884
Other Current Assets	2,276	15,407
<b>Total Current Assets</b>	<b>173,300</b>	<b>211,134</b>
Property, Plant and Equipment, Net	2,131,480	2,077,383
Deferred Debits and Other Assets:		
Regulatory Assets	197,224	163,569
Goodwill	287,591	287,591
Other Long-Term Assets	10,392	10,193
<b>Total Deferred Debits and Other Assets</b>	<b>495,207</b>	<b>461,353</b>
<b>Total Assets</b>	<b>\$ 2,799,987</b>	<b>\$ 2,749,870</b>
<b>LIABILITIES AND CAPITALIZATION</b>		
Current Liabilities:		
Notes Payable to Eversource Parent	\$ 152,700	\$ 128,300
Long-Term Debt - Current Portion	—	20,000
Accounts Payable	65,602	62,196
Accounts Payable to Affiliated Companies	17,133	21,037
Regulatory Liabilities	4,563	13,137
Other Current Liabilities	27,260	26,221
<b>Total Current Liabilities</b>	<b>267,258</b>	<b>270,891</b>
Deferred Credits and Other Liabilities:		
Accumulated Deferred Income Taxes	281,100	271,553
Regulatory Liabilities	196,427	181,613
Other Long-Term Liabilities	80,338	80,928
<b>Total Deferred Credits and Other Liabilities</b>	<b>557,865</b>	<b>534,094</b>
Long-Term Debt	742,571	742,458
Common Stockholder's Equity:		
Common Stock	5	5
Capital Surplus, Paid In	1,041,462	1,041,462
Retained Earnings	191,373	161,574
Accumulated Other Comprehensive Loss	(547)	(614)
<b>Common Stockholder's Equity</b>	<b>1,232,293</b>	<b>1,202,427</b>
<b>Total Liabilities and Capitalization</b>	<b>\$ 2,799,987</b>	<b>\$ 2,749,870</b>

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,	
	2022	2021	2022	2021
Operating Revenues	\$ 133,257	\$ 111,245	\$ 403,000	\$ 358,460
Operating Expenses:				
Cost of Natural Gas	55,894	40,426	175,194	144,955
Operations and Maintenance	34,941	27,295	69,503	57,868
Depreciation	13,177	12,404	26,200	24,723
Amortization of Regulatory Assets/(Liabilities), Net	2,260	(815)	2,393	(737)
Energy Efficiency Programs	3,373	3,153	12,464	12,124
Taxes Other Than Income Taxes	16,550	14,385	38,970	34,094
Total Operating Expenses	126,195	96,848	324,724	273,027
Operating Income	7,062	14,397	78,276	85,433
Interest Expense	6,818	6,394	13,592	12,547
Other Income, Net	2,685	360	5,129	528
Income Before Income Tax Expense	2,929	8,363	69,813	73,414
Income Tax Expense	839	3,502	14,414	16,722
Net Income	\$ 2,090	\$ 4,861	\$ 55,399	\$ 56,692

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,	
	2022	2021	2022	2021
Net Income	\$ 2,090	\$ 4,861	\$ 55,399	\$ 56,692
Other Comprehensive Income, Net of Tax:				
Qualified Cash Flow Hedging Instruments	6	6	13	13
Changes in Funded Status of SERP Benefit Plan	21	43	54	86
Other Comprehensive Income, Net of Tax	27	49	67	99
Comprehensive Income	\$ 2,117	\$ 4,910	\$ 55,466	\$ 56,791

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

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STATEMENTS OF COMMON STOCKHOLDER'S EQUITY  
(Unaudited)

(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

(Thousands of Dollars, Except Stock Information)	For the Six Months Ended June 30, 2021					
	Common Stock		Capital Surplus, Paid In	Retained Earnings	Accumulated Other Comprehensive Loss	Total Common Stockholder's Equity
	Stock	Amount				
Balance as of January 1, 2021	1,000	\$ 5	\$ 918,062	\$ 125,576	\$ (815)	\$ 1,042,828
Net Income				51,831		51,831
Dividends on Common Stock				(10,300)		(10,300)
Capital Contributions from Parent			34,600			34,600
Other Comprehensive Income					50	50
Balance as of March 31, 2021	1,000	5	952,662	167,107	(765)	1,119,009
Net Income				4,861		4,861
Dividends on Common Stock				(10,300)		(10,300)
Capital Contributions from Parent			18,600			18,600
Other Comprehensive Income					49	49
Balance as of June 30, 2021	1,000	\$ 5	\$ 971,262	\$ 161,668	\$ (716)	\$ 1,132,219

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,	
	2022	2021
Operating Activities:		
Net Income	\$ 55,399	\$ 56,692
Adjustments to Reconcile Net Income to Net Cash Flows Provided by Operating Activities:		
Depreciation	26,200	24,723
Deferred Income Taxes	993	1,485
Pension, SERP and PBOP Expense	(1,387)	(7,264)
Amortization of Regulatory Assets/(Liabilities), Net	2,393	(737)
Regulatory (Under)/Over Recoveries, Net	(18,612)	21,567
Uncollectible Expense	4,660	4,040
Other	(3,580)	(2,778)
Changes in Current Assets and Liabilities:		
Receivables and Unbilled Revenues, Net	17,880	7,764
Fuel, Materials and Supplies	(5,008)	3,339
Taxes Receivable/Accrued, Net	14,074	9,001
Accounts Payable	(1,697)	(7,790)
Other Current Assets and Liabilities, Net	4,168	5,277
Net Cash Flows Provided by Operating Activities	<u>95,483</u>	<u>115,319</u>
Investing Activities:		
Investments in Property, Plant and Equipment	(74,953)	(88,019)
Net Cash Flows Used in Investing Activities	<u>(74,953)</u>	<u>(88,019)</u>
Financing Activities:		
Cash Dividends on Common Stock	(25,600)	(20,600)
Capital Contributions from Parent	—	53,200
Retirement of Long-Term Debt	(20,000)	—
Increase/(Decrease) in Notes Payable to Eversource Parent	24,400	(59,900)
Net Cash Flows Used in Financing Activities	<u>(21,200)</u>	<u>(27,300)</u>
Net Decrease in Cash	(670)	—
Cash - Beginning of Period	1,912	—
Cash - End of Period	<u>\$ 1,242</u>	<u>\$ —</u>

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