

YANKEE GAS SERVICES COMPANY  
BALANCE SHEETS  
(Unaudited)

(Thousands of Dollars)	As of March 31, 2022	As of December 31, 2021
<b>ASSETS</b>		
Current Assets:		
Cash	\$ 2,474	\$ 1,912
Receivables, Net (net of allowance for uncollectible accounts of \$54,529 and \$45,696 as of March 31, 2022 and December 31, 2021, respectively)	91,616	75,841
Accounts Receivable from Affiliated Companies	6,750	5,333
Unbilled Revenues	10,609	13,440
Fuel, Materials and Supplies	15,807	29,317
Regulatory Assets	66,218	69,884
Prepayments	12,677	10,434
Other Current Assets	5,474	4,973
<b>Total Current Assets</b>	<b>211,625</b>	<b>211,134</b>
Property, Plant and Equipment, Net	2,092,872	2,077,383
Deferred Debits and Other Assets:		
Regulatory Assets	185,256	163,569
Goodwill	287,591	287,591
Other Long-Term Assets	10,209	10,193
<b>Total Deferred Debits and Other Assets</b>	<b>483,056</b>	<b>461,353</b>
<b>Total Assets</b>	<b>\$ 2,787,553</b>	<b>\$ 2,749,870</b>
<b>LIABILITIES AND CAPITALIZATION</b>		
Current Liabilities:		
Notes Payable to Eversource Parent	\$ 119,700	\$ 128,300
Long-Term Debt - Current Portion	—	20,000
Accounts Payable	55,646	62,196
Accounts Payable to Affiliated Companies	34,221	21,037
Regulatory Liabilities	20,604	13,137
Other Current Liabilities	24,109	26,221
<b>Total Current Liabilities</b>	<b>254,280</b>	<b>270,891</b>
Deferred Credits and Other Liabilities:		
Accumulated Deferred Income Taxes	276,784	271,553
Regulatory Liabilities	189,881	181,613
Other Long-Term Liabilities	81,115	80,928
<b>Total Deferred Credits and Other Liabilities</b>	<b>547,780</b>	<b>534,094</b>
Long-Term Debt	742,517	742,458
Common Stockholder's Equity:		
Common Stock	5	5
Capital Surplus, Paid In	1,041,462	1,041,462
Retained Earnings	202,083	161,574
Accumulated Other Comprehensive Loss	(574)	(614)
<b>Common Stockholder's Equity</b>	<b>1,242,976</b>	<b>1,202,427</b>
<b>Total Liabilities and Capitalization</b>	<b>\$ 2,787,553</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 March 31,	
	2022	2021
Operating Revenues	\$ 269,744	\$ 247,216
Operating Expenses:		
Cost of Natural Gas	119,300	104,529
Operations and Maintenance	34,562	30,573
Depreciation	13,023	12,319
Amortization of Regulatory Assets, Net	134	77
Energy Efficiency Programs	9,091	8,970
Taxes Other Than Income Taxes	22,421	19,712
Total Operating Expenses	198,531	176,180
Operating Income	71,213	71,036
Interest Expense	6,773	6,154
Other Income, Net	2,444	168
Income Before Income Tax Expense	66,884	65,050
Income Tax Expense	13,575	13,219
Net Income	\$ 53,309	\$ 51,831

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 March 31,	
	2022	2021
Net Income	\$ 53,309	\$ 51,831
Other Comprehensive Income, Net of Tax:		
Qualified Cash Flow Hedging Instruments	7	7
Changes in Funded Status of SERP Benefit Plan	33	43
Other Comprehensive Income, Net of Tax	40	50
Comprehensive Income	\$ 53,349	\$ 51,881

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)

For the Three Months Ended March 31, 2022						
(Thousands of Dollars, Except Stock Information)	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

For the Three Months Ended March 31, 2021						
(Thousands of Dollars, Except Stock Information)	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

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)

For the Three Months Ended March 31,  
2022 2021

(Thousands of Dollars)

	2022	2021
<b>Operating Activities:</b>		
Net Income	\$ 53,309	\$ 51,831
Adjustments to Reconcile Net Income to Net Cash Flows Provided by Operating Activities:		
Depreciation	13,023	12,319
Deferred Income Taxes	2,753	1,552
Pension, SERP and PBOP Expense	(703)	(3,581)
Amortization of Regulatory Assets, Net	134	77
Regulatory Overrecoveries, Net	7,803	23,147
Uncollectible Expense	3,113	2,668
Cost of Removal Expenditures	(14,026)	(4,582)
Other	12,424	3,248
<b>Changes in Current Assets and Liabilities:</b>		
Receivables and Unbilled Revenues, Net	(26,172)	(28,223)
Fuel, Materials and Supplies	13,510	4,356
Taxes Receivable/Accrued, Net	4,385	14,299
Accounts Payable	5,850	(4,637)
Other Current Assets and Liabilities, Net	(9,102)	(4,606)
Net Cash Flows Provided by Operating Activities	<u>66,301</u>	<u>67,868</u>
<b>Investing Activities:</b>		
Investments in Property, Plant and Equipment	(24,339)	(39,738)
Net Cash Flows Used in Investing Activities	<u>(24,339)</u>	<u>(39,738)</u>
<b>Financing Activities:</b>		
Cash Dividends on Common Stock	(12,800)	(10,300)
Capital Contributions from Parent	—	34,600
Retirement of Long-Term Debt	(20,000)	—
Decrease in Notes Payable to Eversource Parent	(8,600)	(50,400)
Net Cash Flows Used in Financing Activities	<u>(41,400)</u>	<u>(26,100)</u>
Net Increase in Cash	562	2,030
Cash - Beginning of Period	1,912	—
Cash - End of Period	<u>\$ 2,474</u>	<u>\$ 2,030</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.