

YANKEE GAS SERVICES COMPANY  
BALANCE SHEETS  
(Unaudited)

(Thousands of Dollars)	As of September 30, 2022	As of December 31, 2021
<b>ASSETS</b>		
Current Assets:		
Cash	\$ —	\$ 1,912
Receivables, Net (net of allowance for uncollectible accounts of \$52,117 and \$45,696 as of September 30, 2022 and December 31, 2021, respectively)	40,171	75,841
Accounts Receivable from Affiliated Companies	6,809	5,333
Unbilled Revenues	5,338	13,440
Fuel, Materials and Supplies	54,470	29,317
Regulatory Assets	96,312	69,884
Prepayments	21,547	10,434
Other Current Assets	9,458	4,973
<b>Total Current Assets</b>	<b>234,105</b>	<b>211,134</b>
Property, Plant and Equipment, Net	2,170,918	2,077,383
Deferred Debits and Other Assets:		
Regulatory Assets	222,848	163,569
Goodwill	287,591	287,591
Other Long-Term Assets	9,291	10,193
<b>Total Deferred Debits and Other Assets</b>	<b>519,730</b>	<b>461,353</b>
<b>Total Assets</b>	<b>\$ 2,924,753</b>	<b>\$ 2,749,870</b>
<b>LIABILITIES AND CAPITALIZATION</b>		
Current Liabilities:		
Notes Payable to Eversource Parent	\$ 78,400	\$ 128,300
Long-Term Debt - Current Portion	—	20,000
Accounts Payable	65,392	62,196
Accounts Payable to Affiliated Companies	14,977	21,037
Regulatory Liabilities	3,318	13,137
Other Current Liabilities	15,378	26,221
<b>Total Current Liabilities</b>	<b>177,465</b>	<b>270,891</b>
Deferred Credits and Other Liabilities:		
Accumulated Deferred Income Taxes	297,186	271,553
Regulatory Liabilities	198,453	181,613
Other Long-Term Liabilities	75,302	80,928
<b>Total Deferred Credits and Other Liabilities</b>	<b>570,941</b>	<b>534,094</b>
Long-Term Debt	842,289	742,458
Common Stockholder's Equity:		
Common Stock	5	5
Capital Surplus, Paid In	1,159,462	1,041,462
Retained Earnings	175,085	161,574
Accumulated Other Comprehensive Loss	(494)	(614)
<b>Common Stockholder's Equity</b>	<b>1,334,058</b>	<b>1,202,427</b>
<b>Total Liabilities and Capitalization</b>	<b>\$ 2,924,753</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 September 30,		For the Nine Months Ended September 30,	
	2022	2021	2022	2021
Operating Revenues	\$ 90,997	\$ 77,885	\$ 493,997	\$ 436,345
Operating Expenses:				
Cost of Natural Gas	32,657	23,195	207,851	168,150
Operations and Maintenance	32,444	28,368	101,947	86,236
Depreciation	13,390	12,539	39,590	37,262
Amortization of Regulatory Liabilities, Net	(3,165)	(3,249)	(772)	(3,986)
Energy Efficiency Programs	1,918	2,026	14,382	14,149
Taxes Other Than Income Taxes	15,374	12,730	54,344	46,826
Total Operating Expenses	92,618	75,609	417,342	348,637
Operating (Loss)/Income	(1,621)	2,276	76,655	87,708
Interest Expense	7,144	6,256	20,735	18,802
Other Income, Net	2,530	340	7,659	868
(Loss)/Income Before Income Tax (Benefit)/Expense	(6,235)	(3,640)	63,579	69,774
Income Tax (Benefit)/Expense	(2,747)	(199)	11,668	16,523
Net (Loss)/Income	\$ (3,488)	\$ (3,441)	\$ 51,911	\$ 53,251

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 September 30,		For the Nine Months Ended September 30,	
	2022	2021	2022	2021
Net (Loss)/Income	\$ (3,488)	\$ (3,441)	\$ 51,911	\$ 53,251
Other Comprehensive Income, Net of Tax:				
Qualified Cash Flow Hedging Instruments	7	7	20	20
Changes in Funded Status of SERP Benefit Plan	46	43	100	129
Other Comprehensive Income, Net of Tax	53	50	120	149
Comprehensive (Loss)/Income	\$ (3,435)	\$ (3,391)	\$ 52,031	\$ 53,400

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 Nine Months Ended September 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
Net Loss				(3,488)		(3,488)
Dividends on Common Stock				(12,800)		(12,800)
Capital Contributions from Parent			118,000			118,000
Other Comprehensive Income					53	53
Balance as of September 30, 2022	1,000	\$ 5	\$ 1,159,462	\$ 175,085	\$ (494)	\$ 1,334,058

(Thousands of Dollars, Except Stock Information)	For the Nine Months Ended September 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
Net Loss				(3,441)		(3,441)
Dividends on Common Stock				(10,300)		(10,300)
Capital Contributions from Parent			47,600			47,600
Other Comprehensive Income					50	50
Balance as of September 30, 2021	1,000	\$ 5	\$ 1,018,862	\$ 147,927	\$ (666)	\$ 1,166,128

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 Nine Months Ended September 30,

(Thousands of Dollars)	2022	2021
Operating Activities:		
Net Income	\$ 51,911	\$ 53,251
Adjustments to Reconcile Net Income to Net Cash Flows Provided by Operating Activities:		
Depreciation	39,590	37,262
Deferred Income Taxes	17,885	3,560
Pension, SERP and PBOP (Income)/Expense	(2,040)	1,472
Pension Contributions	—	(17,249)
Amortization of Regulatory Liabilities, Net	(772)	(3,986)
Regulatory (Under)/Over Recoveries, Net	(11,910)	4,688
Uncollectible Expense	4,566	5,016
Cost of Removal Expenditures	(53,448)	(18,936)
Other	(2,998)	12,593
Changes in Current Assets and Liabilities:		
Receivables and Unbilled Revenues, Net	30,279	14,676
Fuel, Materials and Supplies	(25,153)	(6,433)
Taxes Receivable/Accrued, Net	(8,637)	(8,259)
Accounts Payable	(4,010)	(8,441)
Other Current Assets and Liabilities, Net	(17,526)	(16,080)
Net Cash Flows Provided by Operating Activities	<u>17,737</u>	<u>53,134</u>
Investing Activities:		
Investments in Property, Plant and Equipment	(129,000)	(147,733)
Net Cash Flows Used in Investing Activities	<u>(129,000)</u>	<u>(147,733)</u>
Financing Activities:		
Cash Dividends on Common Stock	(38,400)	(30,900)
Capital Contributions from Parent	118,000	100,800
Issuance of Long-Term Debt	100,000	125,000
Retirement of Long-Term Debt	(20,000)	—
Decrease in Notes Payable to Eversource Parent	(49,900)	(98,600)
Other Financing Expenses	(349)	(356)
Net Cash Flows Provided By Financing Activities	<u>109,351</u>	<u>95,944</u>
Net (Decrease)/Increase in Cash	(1,912)	1,345
Cash - Beginning of Period	1,912	—
Cash - End of Period	<u>\$ —</u>	<u>\$ 1,345</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.