

DEPARTMENT OF Public Utilities

This statement is filed in accordance with Chapter 164, Section 84A

CONDENSED FINANCIAL RETURN

FOR YEAR ENDED DECEMBER 31, 2012

NSTAR GAS COMPANY

FULL NAME OF COMPANY

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800 BOYLSTON STREET

LOCATION OF PRINCIPAL BUSINESS OFFICE

OFFICE OF THE CITY CLERK
CAMBRIDGE, MASSACHUSETTS

BOSTON, MA 02199

STATEMENT OF INCOME FOR THE YEAR

Item	Current Year	Increase or (Decrease) from Preceding Year
OPERATING INCOME		
Operating Revenues	376,193,409	(\$49,675,773)
Operating Expenses		
Operation Expense	285,817,071	(\$43,492,223)
Maintenance Expense	9,576,831	(\$588,040)
Depreciation Expense	25,121,953	\$1,681,581
Amortization of Utility Plant	532,506	(\$870,559)
Amortization of Regulatoru Debits	3,803,676	\$952,164
Amortization of Investment Tax Credit	(186,736)	(\$0)
Taxes other than Income Taxes	14,223,421	(\$1,080,193)
Income Taxes	(12,801,509)	(\$8,503,716)
Provisions for Deferred Federal Income Taxes	20,318,831	\$5,084,756
Federal Income Taxes Deferred In Prior Years..(Credit)		\$0
Total Operating Expenses	346,406,043	(46,816,229)
Net Operating Revenues	29,787,366	(2,859,543)
Income from Utility Plant Leased to Others	-	-
Other Utility Operating Income	-	-
Total Utility Operating Income	29,787,366	(2,859,543)
OTHER INCOME		
Income from Mdse. Jobbing & Contract Work	-	-
Income from Nonutility Operations	32,745	-
Nonoperating Rental Income	254,356	5,032
Interest and Dividend Income	27,408	12,971
Miscellaneous Nonoperating income	7,576	(7,526)
Total Other Income	322,085	10,477
Total Income	30,109,451	(2,849,065)
MISCELLANEOUS INCOME DEDUCTIONS		
Miscellaneous Amortization	-	-
Other Income Deductions	3,256,502	2,913,925
Total Income Deductions	3,256,502	2,913,925
Income Before Interest Charges	26,852,949	(5,762,991)
INTEREST CHARGES		
Interest on Long-Term Debt	12,311,000	0
Amortization of Debt Discount and Expense	130,897	27,144
Amortization of Premium on Debt-Credit	-	0
Interest on Debt to Associated Companies	272,954	149,838
Other Interest Expense	269,386	24,947
Interest Charged to Construction-Credit	(7,912)	(6,246)
Total Interest Charges	12,976,325	195,684
Net Income	13,876,624	(5,958,675)

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BALANCE SHEET

Title of Account	Balance End of Year	Title of Account	Balance End of Year
UTILITY PLANT		PROPRIETARY CAPITAL	
Utility Plant.....	884,214,435	CAPITAL STOCK	
OTHER PROPERTY AND INVESTMENTS		Common Stock Issued.....	71,425,000
Nonutility Property.....	4,243,352	Preferred Stock Issued.....	-
Investment in Associated Companies.....		Capital Stock Subscribed.....	-
Other Investments.....	6,000	Premium on Capital Stock.....	-
Special Funds.....		Total.....	71,425,000
Total Other Property and Investments	4,249,352	SURPLUS	
CURRENT AND ACCRUED ASSETS		Other Paid-In Capital.....	215,574,703
Cash.....	2,486,859	Eamed Surplus.....	(7,909,320)
Special Deposits.....	-	Surplus Invested in Plant.....	-
Working Funds.....	-	Total.....	207,665,383
Temporary Cash Investments.....	-	LONG-TERM DEBT	
Notes and Accounts Receivable.....	47,511,687	Bonds.....	210,000,000
Receivables from Associated Companies.....	1,271,004	Advances from Associated Companies.....	-
Materials and Supplies.....	24,078,183	Other Long-Term Debt.....	-
Prepayments.....	-	Total Long-Term Debt.....	210,000,000
Interest and Dividends Receivable.....	-	CURRENT AND ACCRUED LIABILITIES	
Rents Receivable.....	(67,344)	Notes Payable.....	
Accrued Utility Revenues.....	39,854,001	Accounts Payable.....	22,351,629
Misc. Current and Accrued Assets.....	-	Payables to Associated Companies.....	96,064,715
Total Current and Accrued Assets	115,134,390	Customer Deposits.....	1,143,390
DEFERRED DEBITS		Taxes Accrued.....	14,647,708
Unamortized Debt Discount and Expense.....	1,090,996	Interest Accrued.....	3,460,327
Extraordinary Property Losses.....	-	Dividends Declared.....	-
Preliminary Survey and Investigation Charges.....	11,364	Matured Long-Term Debt.....	-
Clearing Accounts.....	-	Matured Interest.....	-
Temporary Facilities.....	-	Tax Collections Payable.....	343,581
Miscellaneous Deferred Debits.....	150,113,220	Misc. Current and Accrued Liabilities.....	7,630,791
Total Deferred Debits	151,215,578	Total Current and Accrued Liabilities.....	145,642,141
CAPITAL STOCK DISCOUNT AND EXPENSE		DEFERRED CREDITS	
Discount on Capital Stock.....	-	Unamortized Premium on Debt.....	-
Capital Stock Expense.....	-	Customer Advances for Construction.....	2,827,675
Total Capital Stock Discount and Expense	-	Other Deferred Credits.....	60,718,311
REACQUIRED SECURITIES		Total Deferred Credits.....	63,545,986
Reacquired Capital Stock.....	-	RESERVES	
Reacquired Bonds.....	-	Reserves for Depreciation.....	300,372,550
Total Reacquired Securities	-	Reserves for Amortization.....	7,333,811
Total Assets and Other Debits	\$ 1,154,813,757	Reserves for Uncollectible Accounts.....	15,594,906
		Operating Reserves.....	13,414,429
		Reserve for Depreciation and Amortization of Nonutility Property.....	(3,197)
		Reserves for Deferred Income Taxes.....	119,822,747
		Total Reserves.....	456,535,246
		CONTRIBUTIONS IN AID OF CONSTRUCTION	
		Contributions in Aid of Construction.....	-
		Total Liabilities and Other Credits.....	\$ 1,154,813,757

STATEMENT OF EARNED SURPLUS

Account	Amount for Year	Inc/(Dec) from Preceding Year
Unappropriated Earned Surplus (at beginning of period).....	\$ 5,785,944	\$ (81,598,229)
Balance Transferred from Income.....	13,876,624	(5,958,675)
Miscellaneous Credits to Surplus.....	-	-
Miscellaneous Debits to Surplus.....	-	-
Appropriations of Surplus.....	-	-
Net Additions to Earned Surplus.....	13,876,624	(5,958,675)
Dividends Declared-Preferred Stock.....	-	-
Dividends Declared-Common Stock.....	16,000,000	0
Unappropriated Earned Surplus (at end of period).....	(7,909,320)	(87,556,904)

ELECTRIC OPERATING REVENUES

Account	Operating Revenues	
	Amount for Year	Inc/(Dec) from Preceding Year
SALES OF ELECTRICITY		
Residential Sales.....		
Commercial and Industrial Sales.....		
Small (or Commercial).....		
Large (or Industrial).....		
Public Street and Highway Lighting.....		
Other Sales to Public Authorities.....		
Sales to Railroad and Railways.....		
Interdepartmental Sales.....		
Miscellaneous Electric Sales.....		
Total Sales to Ultimate Consumers.....		
Sales for Resale.....		
Less: Provision for Rate Refunds.....		
Total Sales of Electricity.....		
OTHER OPERATING REVENUES		
Forfeited Discounts.....		
Miscellaneous Service Revenues.....		
Sales of Water and Water Power.....		
Rent from Electric Property.....		
Interdepartmental Rents.....		
Other Electric Revenues.....		
Total Other Operating Revenues.....		
Total Electric Operating Revenues.....	None	None

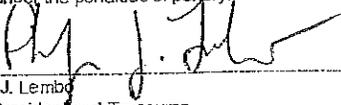
SUMMARY OF ELECTRIC OPERATION AND MAINTENANCE EXPENSES

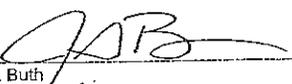
Functional Classification	Operation	Maintenance	Total
Power Production Expenses.....		\$	\$
Electric Generation.....			
Steam Power.....			
Nuclear Power.....			
Hydraulic Power.....			
Other Power.....			
Other Power Supply Expenses.....			
Total Power Production Expenses.....			
Transmission Expenses.....			
Distribution Expenses.....			
Customer Accounts Expenses.....			
Sales Expenses.....			
Administrative and General Expenses.....			
Total Electric Operation and Maintenance Expenses.....	None	None	None

GAS OPERATING REVENUES		
Account	Operating Revenues	
	Amount for Year	Increase or (Decrease) from Preceding Year
SALES OF GAS		
Residential Sales.....	\$ 212,308,454	\$ (55,830,215)
Commercial and Industrial Sales		
Small (or Commercial).....	81,797,615	(16,129,313)
Large (or Industrial).....	6,470,261	(1,802,231)
Other Sales to Public Authorities.....	311,654	(7,279,315)
Interdepartmental Sales.....	-	-
Miscellaneous Gas Sales.....	17,097,992	45,679,944
Total Sales to Ultimate Consumers.....	317,985,978	(35,361,128)
Sales for Resale.....	12,508,359	(8,766,915)
Total Sales of Gas.....	330,494,336	(44,128,044)
OTHER OPERATING REVENUES		
Forfeited Discounts-Late Payment Charges.....	222,455	(166,521)
Miscellaneous Service Revenues.....	8,106,931	851,953
Revenues from Transportation of Gas to Others.....	36,380,702	(5,093,090)
Sales of Products Extracted from Natural Gas.....	-	-
Revenues from Natural Gas Processed by Others.....	-	-
Rent from Gas Property.....	807,245	83,138
Interdepartmental Rents.....	-	-
Other Gas Revenues.....	181,738	(1,223,209)
Total Other Operating Revenues.....	45,699,073	(5,547,729)
Total Gas Operating Revenues.....	376,193,409	(49,675,773)

SUMMARY OF GAS OPERATION AND MAINTENANCE EXPENSES			
Functional Classification	Operation	Maintenance	Total
Steam Production.....	-	-	-
Manufactured Gas Production.....	-	-	-
Other Gas Supply Expenses.....	204,053,300	-	204,053,300
Total Production Expenses.....	204,053,300	-	204,053,300
Local Storage Expenses.....	938,717	202,725	1,141,442
Transmission and Distribution Expense.....	24,901,672	9,374,106	34,275,778
Customer Accounts Expense.....	19,881,595	-	19,881,595
Sales Expense.....	4,323,294	-	4,323,294
Administrative and General Expenses.....	31,718,493	-	31,718,493
Total Gas Operation and Maintenance Expenses.....	285,817,071	9,576,831	295,393,902

April 17, 2013, I hereby certify that the foregoing statements are full, just and true to the best of my knowledge and belief. This statement is signed under the penalties of perjury.


Philip J. Lembo
Vice President and Treasurer


Jay S. Butz
Vice President, Controller and Chief Accounting Officer