Willis Towers Watson

Eversource Energy Postretirement Welfare Plans

Consolidated Actuarial Valuation Report Benefit Cost for Fiscal Year Beginning January 1, 2021 under US GAAP

November 2021

This report is confidential and intended solely for the information and benefit of the intended recipient thereof. It may not be distributed to a third party unless expressly allowed under the "Actuarial Certification" section herein.

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Purposes of valuation

Eversource Energy ("Eversource" or "Company") engaged Willis Towers Watson US LLC ("Willis Towers Watson") to value its other postretirement benefit plans.

As requested by Eversource, this report documents the results of an actuarial valuation of the following plans:

- Eversource Group Health and Welfare Retiree Benefit Plan ("PBOP")
- Eversource MedVantage Plan ("MedVantage Plan")

The primary purpose of this valuation is to determine the Net Periodic Postretirement Benefit Cost/(Income) (Benefit Cost), in accordance with FASB Accounting Standards Codification Topic 715 (ASC 715) for the fiscal year beginning January 1, 2021. This report also provides information for plan reporting under ASC 965. It is anticipated that a separate report will be prepared for year-end financial reporting purposes and for documenting the maximum tax deductible contributions for the 2021 plan year.

Limitations

This valuation has been conducted for the purposes described above and may not be suitable for any other purpose. In particular, please note there may be certain events that have occurred since the valuation date that are not reflected in the current valuation. See Subsequent Events in the Basis for Valuation section below for more information.

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Section 1: Summary of key consolidated results for PBOP

Benefit cost, assets & obligations

All monetary amounts shown in US Dollars

Fiscal Year Beginning		01/01/2021	01/01/2020
Benefit Cost/ (Income)	Net Periodic Postretirement Benefit Cost/(Income)	(60,189,907)	(52,007,810)
	Immediate Recognition of Benefit Cost/(Income) due to Special Events	0	0
	Total Benefit Cost/(Income)	(60,189,907)	(52,007,810)
Measurement Date		**01/01/2021**	**01/01/2020**
Plan Assets	Fair Value of Assets (FVA)	976,024,094	911,456,817
Benefit Obligations	Accumulated Postretirement Benefit Obligation (APBO)	(916,849,142)	(850,883,278)
Accumulated Other Comprehensive (Income)/Loss	Net Prior Service Cost/(Credit)	(150,856,856)	(172,560,629)
	Net Loss/(Gain)	220,776,052	208,806,757
	Total Accumulated Other Comprehensive (Income)/Loss	69,919,196	36,246,128
Assumptions	Discount Rate	2.59%[1]	3.26%[2]
	Expected Return on Assets (401(h) and Union VEBAs / Management VEBAs)	8.25%/6.45%	8.25%/6.45%
	Annual Indexation on Annual HRA Credit (for certain grandfathered retirees)	3.50%	3.50%
	Current Health Care Cost Trend Rate	N/A	N/A
	Ultimate Health Care Cost Trend Rate	N/A	N/A
	Year of Ultimate Trend Rate	N/A	N/A
Participant Data	Census Date	01/01/2021	01/01/2020

[1] Reflects single equivalent discount rate for benefit obligations derived from the yield curve provided by Aon Hewitt in January 2021 and the plan's total cash flows.
[2] Reflects single equivalent discount rate for benefit obligations derived from the yield curve provided by Aon Hewitt in January 2020 and the plan's total cash flows. .

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Comments on results

The actuarial gains/(losses) due to demographic experience, including any assumption changes, and investment return different from assumed during the prior year were $(61,336,950) and $40,997,193 respectively.

Change in net periodic cost and funded position

The net periodic cost declined from $(52,007,810) in fiscal 2020 to $(60,189,907) in fiscal 2021 and the funded position declined from $60,573,539 to $59,174,952.

Significant reasons for these changes include the following:

- The actual return on the fair value of plan assets since the prior measurement date was greater than assumed, which resulted in an increase to the funded position.
- The single equivalent discount rate used to measure APBO declined 67 basis points compared to the prior year, which reduced the net periodic cost and resulted in a decrease to the funded position.
- Total number of retirees/surviving spouses with medical or life coverage decreased greater than assumed from 10,425 as of 1/1/2020 to 10,013 as of 1/1/2021 (133 retirements, 545 drops/exits), which resulted in an increase to the funded position.
- The results reflect the acquisition of Eversource Gas of Massachusetts (EGMA) as of October 9, 2020.

Basis for valuation

Appendix A summarizes the assumptions and methods used in the valuation. Appendices B-D summarize our understanding of the principal provisions of the plans being valued. The most recent plan change reflected was effective on January 1, 2017. Unless otherwise described below under Subsequent Events, assumptions were selected based on information known as of the measurement date.

Subsequent events

None.

Additional information

None.

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Actuarial certification

This valuation has been conducted in accordance with generally accepted actuarial principles and practices. However, please note the information discussed below regarding this valuation.

Reliances

In preparing the results presented in this report, we have relied upon information regarding plan provisions, participants, assets, and sponsor accounting policies and methods provided by Eversource and other persons or organizations designated by Eversource. See the Sources of Data and Other Information section of Appendix A for further details. We have relied on all the data and information provided as complete and accurate. We have reviewed this information for overall reasonableness and consistency, but have neither audited nor independently verified this information. Based on discussions with and concurrence by the plan sponsor, assumptions or estimates may have been made if data were not available. We are not aware of any errors or omissions in the data that would have a significant effect on the results of our calculations. The results presented in this report are directly dependent upon the accuracy and completeness of the underlying data and information. Any material inaccuracy in the data, assets, plan provisions or other information provided to us may have produced results that are not suitable for the purposes of this report and such inaccuracies, as corrected by Eversource, may produce materially different results that could require that a revised report be issued.

Measurement of benefit obligations, plan assets and balance sheet adjustments

Census date/measurement date

The measurement date is January 1, 2021. The benefit obligations were measured as of January 1, 2021 and are based on participant data as of the census date, January 1, 2021, which is displayed by Plan in Section 4.

Plan assets and balance sheet adjustments

Information about the fair value of plan assets was furnished to us by Eversource as of December 31, 2020. This data was reviewed for reasonableness and consistency, but no audit was performed.

Accumulated other comprehensive (income)/loss amounts shown in the report are shown prior to adjustment for tax effects. Any tax effects in AOCI should be determined in consultation with Eversource's tax advisors and auditors.

Assumptions and methods under U.S. GAAP

As required by U.S. GAAP, the actuarial assumptions and methods employed in the development of the other postretirement benefit cost and other financial reporting have been selected by Eversource. Willis Towers Watson has concurred with these assumptions and methods, except for the expected rate of return on plan assets selected as of January 1, 2021. Evaluation of the expected return assumption was outside the scope of Willis Towers Watson's assignment and would have required substantial additional work that we were not engaged to perform. U.S. GAAP requires that each significant assumption "individually represent the best estimate of a particular future event."

The results shown in this report have been developed based on actuarial assumptions that, to the extent evaluated by Willis Towers Watson, we consider to be reasonable. Other actuarial assumptions could also be considered to be reasonable. Thus, reasonable results differing from those presented in this report could have been developed by selecting different reasonable assumptions.

A summary of the assumptions, methods and sources of data and other information used is provided in Appendix A. Note that any subsequent changes in methods or assumptions for the January 1, 2021 measurement date will change the results shown in this report.

Certain models (as described in ASOP No. 56) were used in preparing the information presented herein. Further information on these models can be found in Appendix A.

Nature of actuarial calculations

The results shown in this report are estimates based on data that may be imperfect and on assumptions about future events that cannot be predicted with any certainty. The effects of certain plan provisions may be approximated, or determined to be insignificant and therefore not valued. Reasonable efforts were made in preparing this valuation to confirm that items that are significant in the context of the actuarial liabilities or costs are treated appropriately, and are not excluded or included inappropriately. Any rounding (or lack thereof) used for displaying numbers in this report is not intended to imply a degree of precision, which is not a characteristic of actuarial calculations.

If overall future plan experience produces higher benefit payments or lower investment returns than assumed, the relative level of plan costs reported in this valuation will likely increase in future valuations (and vice versa). Future actuarial measurements may differ significantly from the current measurements presented in this report due to many factors, including: plan experience differing from that anticipated by the economic or demographic assumptions, changes in economic or demographic assumptions, increases or decreases expected as part of the natural operation of the methodology used for the measurements (such as the end of an amortization period), and changes in plan provisions or applicable law. Due to the limited scope of our assignment, we did not perform an analysis of the potential range of such future measurements. Retiree group benefits models necessarily rely on the use of approximations and estimates, and are sensitive to changes in these approximations and estimates. Small variations in these approximations and estimates may lead to significant changes in actuarial measurements.

See Basis for Valuation in Section 1 above for a discussion of any material events that have occurred after the valuation date that are not reflected in this valuation.

Limitations on use

This report is provided subject to the terms set out herein and in our engagement letter dated December 18, 2019 and any accompanying or referenced terms and conditions.

The information contained in this report was prepared for the internal use of Eversource and its auditors in connection with our actuarial valuation of the other postretirement benefit plans as described in Purposes of Valuation above. It is not intended for and may not be used for other purposes, and we accept no responsibility or liability in this regard. Eversource may distribute this actuarial valuation report to the appropriate authorities who have the legal right to require Eversource to provide them this report, in which case Eversource will use best efforts to notify Willis Towers Watson in advance of this distribution. Further distribution to, or use by, other parties of all or part of this report is expressly prohibited without Willis Towers Watson's prior written consent. Willis Towers Watson accepts no responsibility for any consequences arising from any other party relying on this report or any advice relating to its contents.

Professional qualifications

The undersigned consulting actuaries are members of the Society of Actuaries and meet the "Qualification Standards for Actuaries Issuing Statements of Actuarial Opinion in the United States" relating to other postretirement benefit plans. Our objectivity is not impaired by any relationship between the plan sponsor and our employer, Willis Towers Watson US LLC ("Willis Towers Watson").



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November 2021

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Section 2: Consolidated accounting exhibits for PBOP

2.1 Balance sheet asset/(liability)

All monetary amounts shown in US Dollars

	Measurement Date	01/01/2021	01/01/2020
A	**Development of Balance Sheet Asset/(Liability)**		
1	Accumulated postretirement benefit obligation (APBO)	(916,849,142)	(850,883,278)
2	Fair value of assets (FVA)[1]	976,024,094	911,456,817
3	Net balance sheet asset/(liability)	59,174,952	60,573,539
B	**Current and Noncurrent Allocation**		
1	Noncurrent asset	59,174,952	60,573,539
2	Current liability	0	0
3	Noncurrent liability	0	0
4	Net balance sheet asset/(liability)	59,174,952	60,573,539
C	**Accumulated Other Comprehensive (Income)/Loss**		
1	Net prior service cost/(credit)	(150,856,856)	(172,560,629)
2	Net loss/(gain)	220,776,052	208,806,757
3	Accumulated other comprehensive (income)/loss[2]	69,919,196	36,246,128
D	**Assumptions and Dates**		
1	Discount rate	2.59%[3]	3.26%[4]
2	Annual indexation on annual HRA credit (for certain grandfathered retirees)	3.50%	3.50%
3	Current health care cost trend rate	N/A	N/A
4	Ultimate health care cost trend rate	N/A	N/A
5	Year of ultimate trend rate	N/A	N/A
6	Census date	01/01/2021	01/01/2020

[1] Excludes receivable contributions.
[2] Amount shown is pre-tax and should be adjusted by plan sponsor for tax effects.
[3] Reflects single equivalent discount rate derived from the yield curve provided by Aon Hewitt in January 2021 and the plan's total cash flows.
[4] Reflects single equivalent discount rate derived from the yield curve provided by Aon Hewitt in January 2020 and the plan's total cash flows.

2.2 PBOP changes in net balance sheet asset/(liability)

All monetary amounts shown in US Dollars

	Fiscal Year Beginning	1/1/2021	1/1/2020
A	**Reconciliation of Net Balance Sheet Asset/(Liability)**		
1	Net balance sheet asset/(liability) at beginning of prior period	60,573,539	48,456,239
2	Employer service cost	(10,089,934)	(7,775,763)
3	Interest cost	(23,198,167)	(30,897,311)
4	Expected return on assets	71,962,601	65,476,939
5	Plan amendments	0	0
6	Actuarial gain/(loss)	(20,339,757)	(22,991,014)
7	Employer contributions	0	7,926,853
8	Medicare D contributions	0	0
8	Benefits paid directly by the company[1]	390,643	377,596
9	Administrative Expenses paid	0	0
10	Acquisitions/divestitures	(27,479,941)	0
11	Adjustment to acquisition liability	7,355,968	0
12	Curtailments	0	0
13	Settlements (if settled using corporate cash)	0	0
14	Special/contractual termination benefits	0	0
15	Net balance sheet asset /(liability) at beginning of current period	59,174,952	60,573,539

[1] Key employee payments

2.3 PBOP changes in liabilities and assets

All monetary amounts shown in US Dollars

	Fiscal Year Beginning	1/1/2021	1/1/2020
A	**Change in Accumulated Postretirement Benefit Obligation (APBO)**		
1	APBO at beginning of prior period	850,883,278	780,124,728
2	Employer service cost	10,089,934	7,775,763
3	Interest cost	23,198,167	30,897,311
4	Actuarial loss/(gain)	61,336,950	80,439,007
5	Plan participants' contributions	516,758	692,608
6	Benefits paid from plan assets[1]	(48,909,275)	(48,668,543)
7	Benefits paid from the Company	(390,643)	(377,596)
8	Administrative expenses paid	0	0
9	Plan change	0	0
10	Acquisitions/divestitures[2]	27,479,941	0
11	Adjustment to acquisition liability	(7,355,968)	
12	Curtailments	0	0
13	Settlements	0	0
14	Special/contractual termination benefits	0	0
15	APBO at beginning of current period	916,849,142	850,883,278
B	**Change in Plan Assets**		
1	Fair value of assets at beginning of prior period	911,456,817	828,580,967
2	Actual return on assets	112,959,794	122,924,932
3	Employer contributions	0	7,926,853
4	Plan participants' contributions	516,758	692,608
5	Benefits paid[1]	(48,909,275)	(48,668,543)
6	Administrative expenses paid	0	0
7	Transfer payments	0	0
8	Acquisitions/(divestitures)	0	0
9	Settlements	0	0
10	Special/contractual termination benefits	0	0
11	Fair value of assets at beginning of current period	976,024,094	911,456,817

[1] Gross benefit payments, net of retiree contributions
[2] Reflects integration of Eversource Gas of Massachusetts (EGMA) during fiscal 2020 effective 10/9/2020 with no impact to AOCI at acquisition date.

2.4 PBOP development of assets for benefit cost

A. 401(h) account

All monetary amounts shown in US Dollars

Fiscal Year Beginning		Total
Reconciliation of Assets		
1	Plan assets at 12/31/2019	261,058,350
2	Investment return	25,075,742
3	Employer contributions	0
4	Plan participants' contributions	0
5	Benefits paid	(24,271,576)
6	Administrative expenses paid	0
7	Plan assets at 12/31/2020	261,862,516

B. Management / Non-Union VEBAs

All monetary amounts shown in US Dollars

Fiscal Year Beginning		Non-Union Medical	NSTAR Management Life	Total
Reconciliation of Assets				
1	Plan assets at 12/31/2019	29,262,756	24,531,722	53,794,478
2	Investment return	1,253,839	3,105,114	4,358,953
3	Employer contributions	0	0	0
4	Plan participants' contributions	27,339	0	27,339
5	Benefits paid	(778,049)	(923,017)	(1,701,066)
6	Administrative expenses paid	0	0	0
7	Plan assets at 12/31/2020	29,765,884	26,713,819	56,479,704

2.4 PBOP development of assets for benefit cost (continued)

C. Union VEBAs (includes Non-Union Life)

All monetary amounts shown in US Dollars

Fiscal Year Beginning	Union Medical	NUSCO Life (Union & Non-Union)	NSTAR Union Life	Total
Reconciliation of Assets				
1 Plan assets at 12/31/2019	539,411,557	34,625,750	22,566,682	596,603,989
2 Investment return	77,036,584	3,781,491	2,705,024	83,525,100
3 Employer contributions	0	0	0	0
4 Plan participants' contributions	35,032	454,387	0	489,419
5 Benefits paid	(15,203,808)	(5,858,822)	(1,874,003)	(22,936,634)
6 Administrative expenses paid	0	0	0	0
7 Plan assets at 12/31/2020	601,281,365	33,002,807	23,397,703	657,681,874

2.5 PBOP summary and comparison of benefit cost and cash flows

All monetary amounts shown in US Dollars

	Fiscal Year Ending	12/31/2021	12/31/2020
A	**Total Benefit Cost**		
1	Employer service cost	13,481,987	10,089,934
2	Interest cost	16,455,229	23,198,167
3	Expected return on assets	(77,328,912)	(71,962,601)
4	Subtotal	(47,391,696)	(38,674,500)
5	Net prior service cost/(credit) amortization	(21,703,773)	(21,703,773)
6	Net loss/(gain) amortization	8,905,562	8,370,463
7	Subtotal	(12,798,211)	(13,333,310)
8	Net periodic postretirement benefit cost/(income)	(60,189,702)	(52,007,810)
9	Curtailments	0	0
10	Settlements	0	0
11	Special/contractual termination benefits	0	0
12	Total benefit cost	(60,189,907)	(52,007,810)
B	**Assumptions[1]**		
1	Discount Rate[2]	2.59%	3.26%
2	Rate of return on assets	8.25%/6.45%	8.25%/6.45%
3	Annual Indexation on annual HRA credit for certain grandfathered retirees	3.50%	3.50%
4	Current health care cost trend rate	N/A	N/A
5	Ultimate health care cost trend rate	N/A	N/A
6	Year of ultimate trend rate	N/A	N/A
7	Census date	01/01/2021	01/01/2020
C	**Assets at Beginning of Year**	976,024,094	911,456,817

	D Cash Flow	Expected 2021	Actual 2020
1	Employer contributions[3]	0	0
2	Plan participants' contributions[4]	0	0
3	Benefits paid from the Company	0	0
4	Benefits paid from plan assets[5]	53,790,304	48,783,160

[1] These assumptions were used to calculate Net Periodic Postretirement Benefit Cost/(Income). Rates are expressed on an annual basis where applicable. Assumptions used for interim measurement periods are noted.
[2] Reflects single equivalent discount rates for benefit obligations derived from the yield curves provided by Aon Hewitt in January 2021 (for fiscal year ending December 31, 2020) and January 2020 (for the fiscal year ending December 31, 2019) and the Plan's total cash flows.
[3] Expected employer contributions set at beginning of year based on Eversource's funding policy. Actual contributions may be lower based on maximum tax deductible calculations completed at the end of the year.
[4] Over the fiscal year.
[5] Net of retiree contributions.

2.6 PBOP valuation results by company as of January 1, 2021

All monetary amounts shown in US Dollars

		CL&P	CL&P Transmission	HWP	EESCO	NNECO	WMECO	WMECO Transmission
A	1 APBO	(176,447,161)	(6,307,174)	(1,406,122)	(249,824,020)	(14,290,583)	(35,188,111)	(839,703)
	2 FVA[1]	126,967,793	5,572,848	4,312,374	197,057,185	(1,099,717)	32,153,750	412,305
	3 Unfunded APBO	(49,479,368)	(734,326)	2,906,252	(52,766,835)	(15,390,300)	(3,034,361)	(427,398)
B	**Accumulated Other Comprehensive (Income)/Loss (AOCI) as of 01/01/2021**							
	1 Net prior service cost/(credit)	7,227,529	421,356	(61,951)	(24,533,826)	1,125,503	1,012,328	40,005
	2 Net loss/(gain)	44,720,338	312,610	(937,866)	73,398,642	6,962,568	4,701,427	210,159
	3 AOCI[2]	51,947,867	733,966	(999,817)	48,864,816	8,088,071	5,713,755	250,164
C	**Total Benefit Cost**							
	1 Service cost	2,144,829	144,534	-	5,263,424	-	517,380	34,318
	2 Interest cost	3,079,602	139,059	15,945	4,827,240	193,700	620,349	18,136
	3 Expected return on assets	(9,825,288)	(436,820)	(320,288)	(15,451,158)	(7,908)	(2,438,539)	(28,782)
	4 Subtotal	(4,600,857)	(153,227)	(304,343)	(5,360,494)	185,792	(1,300,810)	23,672
	5 Prior service cost/(credit) amortization	1,034,968	60,337	(8,872)	(3,513,197)	60,291	144,963	5,728
	6 Net loss/(gain)amortization	1,806,466	-	(37,885)	2,964,919	281,251	189,913	8,489
	7 Amortization subtotal	2,841,434	60,337	(46,757)	(548,278)	341,542	334,876	14,217
	8 Total benefit cost	(1,759,423)	(92,890)	(351,100)	(5,908,772)	527,334	(965,934)	37,889

[1] Excludes receivable contributions
[2] Amount shown is pre-tax and should be adjusted by plan sponsor for tax effects.

2.6 PBOP valuation results by company as of January 1, 2021 (continued)

All monetary amounts shown in US Dollars

			PSNH	PSNH Transmission	PSNH Gen	NAESCO	Select	NGS	Yankee Gas
A	1	APBO	(81,761,046)	(5,274,883)	(14,416,647)	(7,543,625)	(2,092,739)	(5,960,311)	(30,598,922)
	2	FVA [1]	47,508,406	3,401,770	28,486,830	3,471,917	(394,378)	2,358,894	19,510,674
	3	Unfunded APBO	(34,252,640)	(1,873,113)	14,070,183	(4,071,708)	(2,487,117)	(3,601,417)	(11,088,248)
B		**Accumulated Other Comprehensive (Income)/Loss (AOCI) as of 01/01/2021**							
	1	Net prior service cost/(credit)	2,907,874	209,063	-	683,441	202,349	708,974	2,317,681
	2	Net loss/(gain)	26,772,721	1,113,306	(9,379,312)	3,780,290	1,164,352	2,197,427	5,226,340
	3	AOCI[2]	29,680,595	1,322,369	(9,379,312)	4,463,731	1,366,701	2,906,401	7,544,021
C		**Total Benefit Cost**							
	1	Service cost	1,003,928	155,418	5,600	-	-	-	845,023
	2	Interest cost	1,443,590	113,337	237,851	101,947	34,348	93,573	609,353
	3	Expected return on assets	(3,677,209)	(260,288)	(2,131,378)	(244,129)	51,630	(182,544)	(1,680,368)
	4	Subtotal	(1,229,691)	8,467	(1,887,927)	(142,182)	85,978	(88,971)	(225,992)
	5	Prior service cost/(credit) amortization	416,402	29,937	-	97,867	28,500	101,523	331,888
	6	Net loss/(gain)amortization	1,081,477	44,972	(378,875)	152,704	47,034	88,764	211,117
	7	Amortization subtotal	1,497,879	74,909	(378,875)	250,571	75,534	190,287	543,005
	8	Total benefit cost	268,188	83,376	(2,266,802)	108,389	161,512	101,316	317,013

[1] Excludes receivable contributions.
[2] Amount shown is pre-tax and should be adjusted by plan sponsor for tax effects.

2.6 PBOP valuation results by company as of January 1, 2021 (continued)

All monetary amounts shown in US Dollars

			EGMA[3]	NSTAR Electric	NSTAR Gas	Total
A	1	APBO	(15,298,947)	(226,349,405)	(43,249,743)	(916,849,142)
	2	FVA [1]	74,818	429,052,553	77,176,072	976,024,094
	3	Unfunded APBO	(15,224,129)	202,703,148	33,926,329	59,174,952
B	**Accumulated Other Comprehensive (Income)/Loss (AOCI) as of 01/01/2021**					
	1	Net prior service cost/(credit)	-	(119,599,252)	(23,517,930)	(150,856,856)
	2	Net loss/(gain)	(5,454,066)	53,866,095	12,121,021	220,776,052
	3	AOCI[2]	(5,454,066)	(65,733,157)	(11,396,909)	69,919,196
C	**Total Benefit Cost**					
	1	Service cost	1,053,418	1,838,537	475,578	13,481,987
	2	Interest cost	407,371	3,757,883	761,945	16,455,229
	3	Expected return on assets	(4,362)	(34,464,137)	(6,227,344)	(77,328,912)
	4	Subtotal	1,456,427	(28,867,717)	(4,989,821)	(47,391,696)
	5	Prior service cost/(credit) amortization	-	(17,126,385)	(3,367,723)	(21,703,773)
	6	Net loss/(gain)amortization	(220,316)	2,175,907	489,625	8,905,562
	7	Amortization subtotal	(220,316)	(14,950,478)	(2,878,098)	(12,798,211)
	8	Total benefit cost	1,236,111	(43,818,195)	(7,867,919)	(60,189,907)

[1] Excludes receivable contributions
[2] Amount shown is pre-tax and should be adjusted by plan sponsor for tax effects.

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2.7 PBOP ASC 965 (plan reporting) information

All monetary amounts shown in US Dollars

	Fiscal Year Ending	12/31/2020	12/31/2019
A	**Actuarial Present Value of Benefit Obligation**		
1	Participants in pay status	619,119,299	577,134,657
2	Participants fully eligible	178,783,477	161,258,213
3	Other participants	136,085,963	110,334,567
4	Total	933,988,739	848,727,437
5	Fair value of assets[1]	976,024,094	911,456,817
B	**Key Actuarial Assumptions**		
1	Discount rate	2.59%	3.26%
2	Mortality	Pri-2012 headcount weighted table with MP-2020 generational projection	Pri-2012 headcount weighted table with MP-2019 generational projection
3	Current health care cost trend rate	N/A	N/A
4	Ultimate health care cost trend rate	N/A	N/A
5	Year of ultimate trend rate	N/A	N/A
6	Census date	01/01/2020	01/01/2019
7	Effect of 1% increase in health care cost trend on APBO	N/A	N/A
8	Effect of 1% decrease in health care cost trend on APBO	N/A	N/A
C	**Change in Actuarial Present Value of Benefit Obligation**		
1	Actuarial present value of benefit obligation as of December 31, 2019		848,727,437
2	Additional benefits accumulated		10,089,934
3	Effect of acquisition		20,415,890
4	Effect of time value of money		23,198,167
5	Benefits paid[2]		(48,783,160)
6	Assumption changes[3]		80,340,471
7	Plan Amendments		0
8	Actuarial present value of benefit obligation as of December 31, 2020		933,988,739

[1] The fair value of assets corresponds to the fair value of assets as disclosed in the Eversource financial statements.
[2] Benefits paid exclude expenses paid from VEBA.
[3] Includes the change in discount rate from 3.26% to 2.59% and an update in mortality from Pri-2012 headcount weighted table with MP-2019 generational projection to Pri-2012 headcount weighted table with MP-2020 generational projection.

Section 3: Consolidated accounting exhibits for MedVantage

3.1 MedVantage balance sheet asset/(liability)

All monetary amounts shown in US Dollars

	Measurement Date	01/01/2021	01/01/2020
A	**Development of Balance Sheet Asset/(Liability)**		
1	Accumulated postretirement benefit obligation (APBO)	(11,300,977)	(9,125,120)
2	Fair value of assets (FVA)	N/A	N/A
3	Net balance sheet asset/(liability)	(11,300,977)	(9,125,120)
B	**Current and Noncurrent Allocation**		
1	Noncurrent asset	0	0
2	Current liability	0	0
3	Noncurrent liability	(11,300,977)	(9,125,120)
4	Net balance sheet asset/(liability)	(11,300,977)	(9,125,120)
C	**Accumulated Other Comprehensive (Income)/Loss**		
1	Net prior service cost/(credit)	0	0
2	Net loss/(gain)	1,206,521	724,692
3	Accumulated other comprehensive (income)/loss[1]	1,206,521	724,692
D	**Assumptions and Dates**		
1	Discount rate	2.56%	3.26%
2	Interest crediting rate on MedVantage account balance	4.00%	4.00%
3	Census date	01/01/2021	01/01/2020

[1] Amount shown is pre-tax and should be adjusted by plan sponsor for tax effects

3.2 MedVantage summary and comparison of benefit cost and cash flows

All monetary amounts shown in US Dollars

		Fiscal Year Ending	12/31/2020	12/31/2020
A	**Total Benefit Cost**			
	1	Employer service cost	1,796,457	1,437,603
	2	Interest cost	321,255	326,815
	3	Expected return on assets	N/A	N/A
	4	Subtotal	2,117,712	1,764,418
	5	Net prior service cost/(credit) amortization	0	0
	6	Net loss/(gain) amortization	100,690	59,892
	7	Subtotal	100,690	59,892
	8	Net periodic postretirement benefit cost/(income)	2,228,402	1,824,310
	9	Curtailments	0	0
	10	Settlements	0	0
	11	Special/contractual termination benefits	0	0
	12	Total benefit cost	2,228,402	1,824,310
B	**Assumptions**[1]			
	1	Discount Rate	2.56%	3.26%
	2	Interest crediting rate on Med/Vantage account balance	4.00%	4.00%
	3	Census date	01/01/2021	01/01/2020
C	**Assets at Beginning of Year**		N/A	N/A

		Cash Flow	Expected 2021	Actual 2020
D				
	1	Employer contributions	0	0
	2	Plan participants' contributions[2]	0	0
	3	Benefits paid from the Company	1,103,760	130,282
	4	Benefits paid from plan assets	0	0

[1] These assumptions were used to calculate Net Periodic Postretirement Benefit Cost/(Income) as of the beginning of the year. Rates are expressed on an annual basis where applicable. For assumptions used for interim measurement periods, if any, refer to Appendix A.
[2] Over the fiscal year.

3.3 MedVantage valuation results by company as of January 1, 2021

All monetary amounts shown in US Dollars

		CL&P	CL&P Transmission	HWP	EESCO	NNECO	WMECO	WMECO Transmission
1	APBO	(1,135,525)	(107,760)	0	(7,241,948)	0	(341,824)	(36,733)
2	FVA	N/A	N/A	N/A	N/A	N/A	N/A	N/A
3	Unfunded APBO	(1,135,525)	(107,760)	0	(7,241,948)	0	(341,824)	(36,733)
B	**Accumulated Other Comprehensive (Income)/Loss (AOCI)**							
1	Net prior service cost/(credit)	0	0	0	0	0	0	0
2	Net loss/(gain)	46,072	9,855	0	903,119	0	67,321	(618)
3	AOCI[1]	46,072	9,855	0	903,119	0	67,321	(618)
C	**Total Benefit Cost**							
1	Service cost	202,754	13,163	0	1,052,515	0	57,563	4,208
2	Interest cost	32,957	3,025	0	201,991	0	9,998	1,034
3	Expected return on assets	N/A	N/A	N/A	N/A	N/A	N/A	N/A
4	Subtotal	235,711	16,188	0	1,254,506	0	67,561	5,242
5	Prior service cost/(credit) amortization	0	0	0	0	0	0	0
6	Net loss/(gain)amortization	4,227	904	0	82,855	0	6,176	(57)
7	Amortization subtotal	4,227	904	0	82,855	0	6,176	(57)
8	Total benefit cost	239,938	17,092	0	1,337,361	0	73,737	5,185

[1] Amount shown is pre-tax and should be adjusted by plan sponsor for tax effects.

3.3 MedVantage valuation results by company as of January 1, 2021 (continued)

All monetary amounts shown in US Dollars

		PSNH	PSNH Transmission	PSNH Gen	NAESCO	Select	NGS	Yankee Gas
1	APBO	(906,216)	(116,866)	(232,516)	0	0	0	(493,014)
2	FVA	N/A	N/A	N/A	N/A	N/A	N/A	N/A
3	Unfunded APBO	(906,216)	(116,866)	(232,516)	0	0	0	(493,014)
B	**Accumulated Other Comprehensive (Income)/Loss (AOCI)**							
1	Net prior service cost/(credit)	0	0	0	0	0	0	0
2	Net loss/(gain)	103,678	31,894	(66,165)	0	0	0	(29,286)
3	AOCI[1]	103,678	31,894	(66,165)	0	0	0	(29,286)
C	**Total Benefit Cost**							
1	Service cost	145,317	22,245	1,009	0	0	0	106,645
2	Interest cost	26,046	3,437	5,595	0	0	0	14,842
3	Expected return on assets	N/A	N/A	N/A	N/A	N/A	N/A	N/A
4	Subtotal	171,363	25,682	6,604	0	0	0	121,487
5	Prior service cost/(credit) amortization	0	0	0	0	0	0	0
6	Net loss/(gain)amortization	9,512	2,926	(6,070)	0	0	0	(2,687)
7	Amortization subtotal	9,512	2,926	(6,070)	0	0	0	(2,687)
8	Total benefit cost	180,875	28,608	534	0	0	0	118,800

[1] Amount shown is pre-tax and should be adjusted by plan sponsor for tax effects.

3.3 MedVantage valuation results by company as of January 1, 2021 (continued)

All monetary amounts shown in US Dollars

		NSTAR Electric	NSTAR Gas	Total
1	APBO	(506,767)	(181,808)	(11,300,977)
2	FVA	N/A	N/A	N/A
3	Unfunded APBO	(506,767)	(181,808)	(11,300,977)
B	**Accumulated Other Comprehensive (Income)/Loss (AOCI)**			
1	Net prior service cost/(credit)	0	0	0
2	Net loss/(gain)	116,198	24,453	1,206,521
3	AOCI[1]	116,198	24,453	1,206,521
C	**Total Benefit Cost**			
1	Service cost	147,525	43,513	1,796,457
2	Interest cost	16,606	5,724	321,255
3	Expected return on assets	N/A	N/A	N/A
4	Subtotal	164,131	49,237	2,117,712
5	Prior service cost/(credit) amortization	0	0	0
6	Net loss/(gain)amortization	10,660	2,243	110,690
7	Amortization subtotal	10,660	2,243	110,690
8	Total benefit cost	174,791	51,481	2,228,402

[1] Amount shown is pre-tax and should be adjusted by plan sponsor for tax effects.

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Section 4: Data Exhibits

4.1 PBOP participant data

Census Date			01/01/2021
	NU	NSTAR	Total
A Participating Employees			
1 Number			
a Fully eligible	1,818	789	2,607
b Other	4,569	1,928	6,497
c Total participating employees	6,387	2,717	9,104
2 Average age	47.4	46.6	47.2
3 Average credited service	14.3	15.5	14.6
B Retirees and Surviving Spouses			
1 Number			
a Number with medical coverage	5,777	2,593	8,370
b Number with life insurance only (i.e., no medical)	1,225	418	1,643
c Total retirees and surviving spouses	7,002	3,011	10,013
2 Average age	75.6	77.7	76.2

4.2 MedVantage participant data

Census Date			01/01/2021
	NU	NSTAR	Total
A Participating Employees			
1 Number with MedVantage account	1,663	199	1,862
2 Average age	51.1	49.1	50.9
3 Average credited service	7.0	4.5	6.7
4 Average MedVantage account	$5,198	$3,537	$5,020
B Terminated Employees			
1 Number with MedVantage account	402	29	431
2 Average MedVantage account			$4,611

Appendix A - Statement of consolidated actuarial assumptions and methods

Plan Sponsor

Eversource Energy

Statement of Assumptions

The assumptions disclosed in this Appendix are for the fiscal year 2021 benefit cost.

Assumptions and methods for other postretirement benefit cost purposes

Actuarial Assumptions and Methods – Other Postretirement Benefit Cost	
Economic Assumptions	
Discount Rate	
■ Equivalent single discount rate for benefit obligations	2.59%
■ Equivalent single discount rate for service cost	3.14%
■ Equivalent single discount rate for interest cost	1.80%
Expected long-term return on assets	
■ Union VEBAs and Management 401(h) account	8.25%
■ Management VEBAs	6.45%

The return on assets shown above is net of investment expenses and administrative expenses assumed to be paid from the trust.

Economic Assumptions, Continued

Compensation increases

For purposes of valuing legacy NSTAR life insurance benefits, the S-3 Relative Salary Scale factors from the Actuary's Pension Handbook by Crocker, Sarason, and Straight, increased by 1.0% at each age are used. Sample rates are shown below:

Age	Compensation Increase Rate
25	7.66%
30	6.77%
40	5.39%
50	4.75%
60	2.35%

Demographic and Other Assumptions

Inclusion date	The valuation date coincident with or next following the date on which the employee is hired
New or rehired employees	It was assumed there will be no new or rehired employees.

Participation Assumptions for Plan

Participation	Current retirees: Actual election, future opt-ins or opt-outs not anticipated Future retirees: The assumption for all future retirees is 90%.
Percentage of future retirees covering a spouse	NUSCO: 80% of males and 50% of females NSTAR: 70% of all participants
Spouse age	Wives three years younger than husbands

Demographic Assumptions

Mortality:

Pri-2012 headcount weighted tables using generational projection scale MP-2020.

Retirement

Rates at which participants are assumed to retire are shown below. Points are calculated as age plus years of service. Rates were developed by Aon Hewitt based on an experience study conducted in 2019.

Age	Legacy NUSCO Non-Union		Legacy NUSCO Union		Legacy NSTAR	
	< 85 points	>=85 pts	< 85 pts	>=85 pts	Management	Union
<54	0.000	0.000	0.000	0.000	0.000	0.000
55	0.040	0.090	0.030	0.100	0.040	0.030
56	0.040	0.080	0.030	0.100	0.040	0.030
57	0.055	0.060	0.040	0.080	0.055	0.040
58	0.055	0.090	0.040	0.060	0.055	0.040
59	0.070	0.110	0.050	0.100	0.070	0.050
60	0.100	0.110	0.100	0.100	0.100	0.100
61	0.100	0.130	0.100	0.100	0.100	0.100
62	0.100	0.200	0.130	0.200	0.100	0.130
63	0.160	0.200	0.130	0.200	0.160	0.130
64	0.200	0.200	0.200	0.200	0.200	0.200
65	0.300	0.300	0.200	0.200	0.300	0.200
66	0.300	0.300	0.250	0.250	0.300	0.250
67	0.150	0.150	0.250	0.250	0.150	0.250
68	0.150	0.150	0.250	0.250	0.150	0.250
69	0.300	0.300	0.250	0.250	0.300	0.250
70+	1.000	1.000	1.000	1.000	1.000	1.000

Demographic Assumptions, Continued

Terminations

Rates at which participants are assumed to terminate are shown below. Rates were developed by Aon Hewitt based on an experience study conducted in 2014.

Age	Nonunion	Union
<20	0.000	0.000
20-24	0.060	0.025
25-29	0.060	0.025
30	0.060	0.025
31	0.060	0.025
32	0.060	0.020
33	0.060	0.020
34	0.060	0.020
35-39	0.040	0.015
40	0.040	0.015
41	0.040	0.015
42	0.040	0.015
43	0.040	0.015
44	0.020	0.015
45-49	0.020	0.015
50-54	0.020	0.015
55	0.020	0.015
56	0.020	0.015
57	0.020	0.015
58	0.020	0.015
59	0.020	0.020
60	0.020	0.020

Trend Rates	
Health care cost trend rate:	
■ Current Trend Rate	N/A
■ Ultimate Trend Rate	N/A
■ Year of Ultimate Trend Rate	N/A
■ Dental Trend Rate	N/A

Annual HRA Credit	
Annual HRA Credit for retirees effective January 1, 2017:	
Under age 65:	$6,500
Age 65 and over:	
Grandfathered participants:	$3,600*
Non-grandfathered participants:	$2,500

* Annual indexation applied at 3.50% beginning January 1, 2017.

Additional Assumptions	
Cash flow	It is assumed that the primary source of funding for all PBOP benefit payments during fiscal 2021 will be from the respective VEBA trusts for the various benefit programs, with the exception of certain non-bargained medical benefits. For non-bargained health benefits (excluding participants covered by the K-vantage retirement program, and also excluding key employees), funding will be primarily sourced from the 401(h) plan.
Decrement timing	The assumptions used are collectively called rounded middle of year (rounded MOY) decrement timing. Most events are assumed to occur at the middle of year during which the eligibility condition will be met or the start/end date will occur. Retiree medical claims costs are based on the nearest age at the beginning of the year, to align with how claims costs tables are typically developed.
Timing of benefit payments	Benefit payments and contributions are assumed to be made uniformly throughout the year and, on average, at mid-year.
Amount and timing of contributions	It is assumed there will be no employer contributions made to either the VEBA's or 401(h) accounts during fiscal 2021.
Funding policy	Eversource's funding policy is to contribute an amount equal to the postretirement welfare cost, not to exceed the maximum tax-deductible limit. Eversource maximizes its contribution to the §401(h) account and contributes the remainder to the VEBA. The sponsor may deviate from this policy, as permitted by its terms, based on cash, tax or other considerations.

Methods – Other Postretirement Benefit Cost and Funded Position	
Census date	January 1, 2021
Measurement date	January 1, 2021.
Service cost and accumulated postretirement benefit obligation	Costs are determined using the Projected Unit Credit Cost Method. The annual service cost is equal to the present value of the portion of the projected benefit attributable to service during the upcoming year, and the Accumulated Postretirement Benefit Obligation (APBO) is equal to the present value of the portion of the projected benefit attributable to service before the measurement date. Service from hire date through the expected full eligibility date. APBO and service cost are measured by separately discounting the projected benefit payments underlying these measures, determined using the methodology described above, using the spot rates on the December 31, 2021 Aon Hewitt yield curve. Interest cost was measured by summing the individual interest costs associated with each future benefit payment underlying the APBO and service cost. These individual interest costs are developed by multiplying the present value of each benefit payment, discounted using the applicable spot rate on the yield curve relating to the future benefit payment, by that spot rate. Interest on service cost is developed by multiplying the present value (using the spot rates on the December 31, 2021 Aon Hewitt yield curve) of each future benefit payment underlying service cost, determined using the methodology described above, by the corresponding spot rate. The interest on service cost is then added to the net interest cost, or added to the service cost, depending on the plan sponsor's accounting policy regarding where interest on service cost is reported. Equivalent single discount rates that would produce the resulting benefit obligation, service cost and interest cost have been determined and disclosed.
Market-related value of assets	The fair value of assets is used to determine the expected investment return during the year.
Amortization of unamortized amounts	
■ Recognition of past service cost/(credit)	Amortization of net prior service cost/(credit) resulting from a plan change is included as a component of Net Periodic Postretirement Benefit Cost/(Income) in the year first

	recognized and every year thereafter until such time as it is fully amortized. The annual amortization payment is determined in the first year as the increase in Accumulated Postretirement Benefit Obligation due to the plan change divided by the average remaining service period to full eligibility for participating employees expected to receive benefits under the plans. However, when the plan change reduces the Accumulated Postretirement Benefit Obligation, existing positive prior service costs are reduced or eliminated before a new prior service credit base is established.
■ Recognition of gains or losses	Amortization of net gain or loss resulting from experience different from that assumed and from changes in assumptions is included as a component of Net Periodic Postretirement Benefit Cost for a year. The amortization payment is that amount divided by the average remaining service period of participating employees expected to receive benefits under the plan. The minimum amortization is the excess, if any, of that net gain or loss over 10% of the greater of the Accumulated Postretirement Benefit Obligation and the market-related value of plan assets divided by the average remaining service period of participating employees expected to receive benefits under the plan. Under this methodology, the gain/loss amounts recognized in AOCI are not expected to be fully recognized in benefit cost until the plan is terminated (or an earlier event, like a settlement, triggers recognition) because the average expected remaining service of active participants expected to benefit under the plan over which the amounts are amortized is redetermined each year.
Benefits not valued	All benefits described in the Plan Provisions section of this report were valued.

Sources of Data and Other Information

Eversource and Via Benefits furnished participant data and HRA information as of January 1, 2021. Data were reviewed for reasonableness and consistency, but no audit was performed. Based on discussions with the plan sponsor, assumptions or estimates were made when data were not available, and the data was adjusted to reflect any significant events that occurred between the date the data was collected and the measurement date.

Accumulated other comprehensive (income)/loss amounts shown in the report are shown prior to adjustment for deferred taxes. Any deferred tax effects in AOCI should be determined in consultation

with Eversource's tax advisors and auditors. Willis Towers Watson used information supplied by Eversource regarding the postretirement benefit asset, postretirement benefit liability, and amounts recognized in accumulated other comprehensive income as of the end of the 2020 fiscal year and amounts recognized in other comprehensive income in the 2021 fiscal year.

We are not aware of any errors or omissions in the data that would have a significant effect on the results of our calculations.

Assumptions Rationale - Significant Economic Assumptions	
Discount rate	As required by U.S. GAAP the discount rate was chosen by the plan sponsor based on market information on the measurement dates.
Expected return on plan assets	We understand that the expected return on assets assumption reflects the plan sponsor's estimate of future experience for trust asset returns, reflecting the plan's current asset allocation and any expected changes during the current plan year, current market conditions and the plan sponsor's expectations for future market conditions.

Assumptions Rationale - Significant Economic Assumptions, Continued

Healthy Mortality	Assumptions were selected by the plan sponsor and, as required by U.S. GAAP represents a best estimate of future experience.
Termination	The termination rate assumption was updated based upon the results of an experience study conducted in December 2014 by Aon Hewitt.
Retirement	The retirement rate assumption was updated based upon the results of an experience study conducted in December 2019 by Aon Hewitt.
Participation	Assumed participation rates reflect historical experience as well as anticipated future experience for participation in healthcare exchanges.
Marital Assumptions	
Percent married	The assumed percentage electing spouse coverage is based on the percentage married observed among recent retirees.
Spouse age	The assumed age difference for spouses is based on general population statistics of the age difference for married individuals of retirement age.

Source of Prescribed Methods

Accounting methods	The methods used for accounting purposes as described in Appendix A, are “prescribed methods set by another party”, as defined in the actuarial standards of practice (ASOPs). As required by U.S. GAAP, these methods were selected by the plan sponsor.

Changes in Assumptions and Methods

Change in assumptions since prior valuation

The following assumptions were changed since the previous valuation to reflect revised expectations of future experience:

- The discount rate assumption for the Eversource PBOP was updated to 2.59% to reflect the single equivalent discount rate derived from the yield curve provided by Aon Hewitt in January 2021 and the Plan's total cash flows.
- The mortality assumption was changed to the Pri-2012 headcount weighted tables using generational projection scale MP-2020

Change in methods since prior valuation

None

Model Descriptions and Disclosures (in accordance with ASOP No. 56)

Quantify

Quantify is the Willis Towers Watson centrally developed, tested and maintained Global actuarial valuation system. It is used to perform valuations of clients' benefit plans.

Quantify provides the ability to process data, calculate benefits and value benefit liabilities, develop results using applicable standards, and generate client reports.

Quantify parameters provide significant flexibility to model populations and plan designs. Various demographic, economic and benefit related assumptions exist for users to model multiple demographic and economic situations.

Plan liabilities are calculated based on standard actuarial techniques, developing actuarially reasonable results using the population and parameters entered. The calculation and presentation of liabilities in Quantify relies on the assumptions used and the reasonability of the assumptions selected.

Quantify incorporates standard liability methodologies that are intended to reasonably reflect a variety of economic or demographic conditions. The model itself does not evaluate any assumptions entered for reasonableness, consistency or probability of occurrence.

Quantify is designed specifically for these purposes, and we know of no material limitations that would prevent the system from being suitable for these intended purposes. The actuaries signing this report have relied on the actuaries who develop, test and maintain

this system, and have also performed a limited review of results to ensure that system parameters have been set appropriately and plan provisions coded correctly.

SWIFT	Swift is intended to develop projections of plan liability (pension and OPRB plans) and/or asset values based on various user specified inputs. These amounts are then used to develop contribution and cost results under selected accounting standards and funding regulations. The time horizon for the analysis is 10 full future years. The parameters provide a great deal of flexibility to model populations and plan designs. The parameters provide a great deal of flexibility to model populations and plan designs. Various demographic and economic assumptions exist for users to model multiple demographic and economic scenarios. The Swift model for liabilities is a simplified alternative to using a full valuation system to develop projections of plan liabilities. The assumptions used to control the projected asset values are intended to be flexible enough to model a variety of scenarios reflecting the investment mix of the plan modeled. Plan liabilities are initially projected based on standard actuarial techniques for a roll-forward based on the population/design parameters entered. The liabilities are then adjusted with inputs providing their sensitivity to various economic experience and valuation assumptions. Assets are projected on a monthly basis reflecting the data, calculated cash flows, and input assumptions. The model itself does not evaluate any assumptions entered for reasonableness, consistency or probability of occurrence. Funding and accounting calculations assume that applicable rules will not change during the forecast horizon. Certain details are not reflected in the model. For example, special events (curtailments, settlements, termination benefits) are not included in the standard accounting calculations. Additionally, the model does not support interim re-measurements of benefit cost. Actuaries make adjustments to the data, plan provisions and assumptions reflected in the calculation of the liabilities that are projected forward so that the results reflect conditions at the measurement date, and/or make similar adjustments to the results of the projection, including reflecting any changes in applicable accounting standards.

Appendix B - Summary of principal legacy Northeast Utilities PBOP provisions

Substantive Plan Provisions

The following substantive plan provisions are effective January 1, 2017.

Medical Benefits – Non-Grandfathered Participants Retiring After 1990 (1992 for PSNH/NAESCO)

Participation	Participation begins on date of hire.
Eligibility	Retirement after age 55 with 10 years of service
Dependent eligibility	Spouse, and children under age 26
Survivor eligibility	Survivor benefits continue for the life of the spouse following the death of a retiree or active participant eligible to retire.
Pre-65 Medical Benefits Effective 1/1/2017:	**Effective 1/1/2017**, all eligible pre-65 retirees and covered dependents will transition from Eversource-sponsored group health plan to a private exchange solution that leverages individual marketplace options. Participants will receive a Health Reimbursement Account (HRA) amount each year if they elect coverage through the individual health insurance marketplace. The annual HRA amount provided by Eversource for 2020 is $6,500. This amount is not assumed to increase each year. Enrolled eligible dependents receive the same HRA amount as the retiree.
Post-65 Medical Benefits Effective 1/1/2017:	**Effective 1/1/2017**, all eligible Medicare retirees and covered dependents will transition from Eversource-sponsored group health plan to a private exchange solution that leverages Medicare coverage options available in the individual market. Participants will receive a Health Reimbursement Account (HRA) amount each year only if they enroll in coverage through the private exchange solution. The annual HRA amount provided by Eversource for 2020 will be $2,500. This amount is not assumed to increase each year. Enrolled eligible dependents receive the same HRA amount as the retiree. In addition to the core HRA, Eversource will also offer a catastrophic prescription drug benefit, which will be fully paid by the company. This benefit is designed to reimburse participants for the 5% coinsurance associated with the catastrophic phase of coverage under individual part D plans. Participants need to submit evidence of eligible prescription drug claims for reimbursement.

Medical Benefits – Grandfathered Participants Retiring Before 1991 (excluding PSNH/NAESCO) and PSNH/NAESCO Participants Retiring Before 1993	
Participation	Retire, or die in service while eligible for retiree welfare benefits, before January 1, 1991 PSNH/NAESCO participants who retire or die in service while eligible for retiree welfare benefits before January 1, 1993
Eligibility	Retirement after age 55 with 10 years
Dependent eligibility	Spouse and children under age 26
Survivor eligibility	Survivor benefits continue for the life of the spouse following the death of a retiree or active participant eligible to retire.
Post-65 Medical Benefits	
Effective 1/1/2017:	**Effective 1/1/2017**, all eligible Medicare retirees and covered dependents will transition from Eversource-sponsored group health plan to a private exchange solution that leverages Medicare coverage options available in the individual market. Participants will receive a Health Reimbursement Account (HRA) amount each year only if they enroll in coverage through the private exchange solution. The annual HRA amount provided by Eversource will be increased by 3.5% each year. Enrolled eligible dependents receive the same HRA amount as the retiree. In addition to the core HRA, Eversource will also offer a catastrophic prescription drug benefit, which will be fully paid by the company. This benefit is designed to reimburse participants for the 5% coinsurance associated with the catastrophic phase of coverage under individual part D plans. Participants need to submit evidence of eligible prescription drug claims for reimbursement.

Dental Benefits	
Effective 1/1/2017:	**Effective 1/1/2017**, the company will no longer provide a subsidy for dental benefits. Dental coverage may be purchased through the individual health insurance marketplace using HRA funds described in the medical benefits sections above.

Life Insurance Benefits	
Participation	Participation begins on date of hire.
Eligibility	Retirement after age 55 with 10 years of service. Non-union employees hired before January 1, 2006 who elected the K-Vantage plan (instead of the pension plan) and non-union employees hired January 1, 2006 and later are not eligible to receive a life insurance benefit. Union employees hired on or after the date specified in their respective collectively bargained agreements are not eligible to receive a life insurance benefit.
Postretirement contributions	None

Benefits	75% of base pay at retirement, up to a maximum of $40,000. Retirees may make an election at retirement or later to trade a portion or all of the life insurance coverage for additional pension benefits. Actual individual life insurance coverage amounts for current retirees are provided in the census data.

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Appendix C – Summary of principal legacy NSTAR PBOP provisions

Substantive Plan Provisions

The following substantive plan provisions were effective January 1, 2017.

Medical Benefits - Management Participants

Participation	Participation begins on date of hire.
Eligibility	Effective 1/1/2017, Retirement after 20 continuous years of service or upon reaching age 55 with 10 continuous years of service.
Dependent eligibility	Spouse, and children under age 26
Survivor eligibility	*Post-1999 Retirees* Survivor benefits continue for the life of the spouse following the death of a retiree. Survivor benefits continue until age 65 for the spouse of an active employee who dies after attaining age 55 or 10 years of service[1]. *Boston Edison Pre-2000 Retirees / VSP* Survivor benefits continue for the life of the spouse following the death of a retiree. *Commonwealth Pre-2000 Retirees / VSP* Effective 1/1/2017, survivor benefits continue for the life of the spouse following the death of a retiree.
Pre-65 Medical Benefits	
Effective 1/1/2017:	**Effective 1/1/2017**, all eligible pre-65 retirees and covered dependents will transition from Eversource-sponsored group health plan to a private exchange solution that leverages individual marketplace options. Participants will receive a Health Reimbursement Account (HRA) amount each year if they elect coverage through the individual health insurance marketplace. The annual HRA amount provided by Eversource for 2020 is $6,500. This amount is not assumed to increase each year. Enrolled eligible dependents receive the same HRA amount as the retiree.

[1] Prior to age 55, the spouse pays the active premium. After age 55, the spouse pays the retiree premium.

Post-65 Medical Benefits Effective 1/1/2017:	*Post-1999 Retirees* **Effective 1/1/2017**, all eligible Medicare retirees and covered dependents will transition from Eversource-sponsored group health plan to a private exchange solution that leverages Medicare coverage options available in the individual market. Participants will receive a Health Reimbursement Account (HRA) amount each year only if they enroll in coverage through the private exchange solution. The annual HRA amount provided by Eversource for 2020 will be $2,500. This amount is not assumed to increase each year. Enrolled eligible dependents receive the same HRA amount as the retiree. In addition to the core HRA, Eversource will also offer a catastrophic prescription drug benefit, which will be fully paid by the company. This benefit is designed to reimburse participants for the 5% coinsurance associated with the catastrophic phase of coverage under individual part D plans. Participants need to submit evidence of eligible prescription drug claims for reimbursement. *Boston Edison and Commonwealth Pre-2000 Retirees / VSP* **Effective 1/1/2017**, all eligible Medicare retirees and covered dependents will transition from Eversource-sponsored group health plan to a private exchange solution that leverages Medicare coverage options available in the individual market. Participants will receive a Health Reimbursement Account (HRA) amount each year only if they enroll in coverage through the private exchange solution. The annual HRA amount provided by Eversource will be increased by 3.5% each year. Enrolled eligible dependents receive the same HRA amount as the retiree. In addition to the core HRA, Eversource will also offer a catastrophic prescription drug benefit, which will be fully paid by the company. This benefit is designed to reimburse participants for the 5% coinsurance associated with the catastrophic phase of coverage under individual part D plans. Participants need to submit evidence of eligible prescription drug claims for reimbursement.

Medical Benefits – Union Local 369 Participants

Participation	Participation begins on date of hire.
Eligibility	Effective 1/1/2017, employees are eligible for benefits upon termination after attainment of age 55 with 10 continuous years of service Employees formerly represented by Locals 333, 338, 339 and 392 who retired prior to May 1, 2001 are covered under the Commonwealth Energy represented plan provisions as described in Local 12004 plan provisions.
Dependent eligibility	Spouse and children under age 26
Survivor eligibility	Survivor benefits continue for the life of the spouse following the death of a retiree. Survivor benefits continue until age 65 for the spouse of an active employee who dies after attaining age 55 or 10 years of service.

Pre-65 Medical Benefits

Effective 1/1/2017:

Effective 1/1/2017, all eligible pre-65 retirees and covered dependents will transition from Eversource-sponsored group health plan to a private exchange solution that leverages individual marketplace options. Participants will receive a Health Reimbursement Account (HRA) amount each year if they elect coverage through the individual health insurance marketplace. The annual HRA amount provided by Eversource for 2020 is $6,500. This amount is not assumed to increase each year. Enrolled eligible dependents receive the same HRA amount as the retiree.

Post-65 Medical Benefits

Effective 1/1/2017:

Retirements After December 31, 2000

Effective 1/1/2017, all eligible Medicare retirees and covered dependents will transition from Eversource-sponsored group health plan to a private exchange solution that leverages Medicare coverage options available in the individual market. Participants will receive a Health Reimbursement Account (HRA) amount each year only if they enroll in coverage through the private exchange solution. The annual HRA amount provided by Eversource for 2020 will be $2,500. This amount is not assumed to increase each year. Enrolled eligible dependents receive the same HRA amount as the retiree.

In addition to the core HRA, Eversource will also offer a catastrophic prescription drug benefit, which will be fully paid by the company. This benefit is designed to reimburse participants for the 5% coinsurance associated with the catastrophic phase of coverage under individual part D plans. Participants need to submit evidence of eligible prescription drug claims for reimbursement.

Retirements Prior to 2001

Effective 1/1/2017, all eligible Medicare retirees and covered dependents will transition from Eversource-sponsored group health plan to a private exchange solution that leverages Medicare coverage options available in the individual market. Participants will receive a Health Reimbursement Account (HRA) amount each year only if they enroll in coverage through the private exchange solution. The annual HRA amount provided by Eversource will be increased by 3.5% each year. Enrolled eligible dependents receive the same HRA amount as the retiree.

In addition to the core HRA, Eversource will also offer a catastrophic prescription drug benefit, which will be fully paid by the company. This benefit is designed to reimburse participants for the 5% coinsurance associated with the catastrophic phase of coverage under individual part D plans. Participants need to submit evidence of eligible prescription drug claims for reimbursement.

Medical Benefits – Union Local 12004 Participants

Eligibility	Employees formerly represented by Locals 333, 338, 339 and 392 who retire prior to May 1, 2001 are entitled to receive benefits described in this section. Individuals who retired on or after May 1, 2001 are entitled to benefits described in the Local 369 plan provisions. Employees of Local 12004 who attained age 40 and 12 years of service as of January 1, 1993 and whose age plus years of service as of December 31, 2003 total at least 75 are eligible for benefits described in this section. All other employees of Local 12004 are entitled to benefits as described in the Local 369 plan provisions.
Dependent eligibility	Spouse and children under age 26
Survivor eligibility	Survivor benefits cease one year after the death of the retiree.
Pre-65 Medical Benefits	
Effective 1/1/2017:	**Effective 1/1/2017**, all eligible pre-65 retirees and covered dependents will transition from Eversource-sponsored group health plan to a private exchange solution that leverages individual marketplace options. Participants will receive a Health Reimbursement Account (HRA) amount each year if they elect coverage through the individual health insurance marketplace. The annual HRA amount provided by Eversource for 2020 is $6,500. This amount is not assumed to increase each year. Enrolled eligible dependents receive the same HRA amount as the retiree.
Post-65 Medical Benefits	
Effective 1/1/2017:	**Effective 1/1/2017**, all eligible Medicare retirees and covered dependents will transition from Eversource-sponsored group health plan to a private exchange solution that leverages Medicare coverage options available in the individual market. Participants will receive a Health Reimbursement Account (HRA) amount each year only if they enroll in coverage through the private exchange solution. The annual HRA amount provided by Eversource will be increased by 3.5% each year. Enrolled eligible dependents receive the same HRA amount as the retiree. In addition to the core HRA, Eversource will also offer a catastrophic prescription drug benefit, which will be fully paid by the company. This benefit is designed to reimburse participants for the 5% coinsurance associated with the catastrophic phase of coverage under individual part D plans. Participants need to submit evidence of eligible prescription drug claims for reimbursement.

Dental Benefits – Management Participants

Effective 1/1/2017: Effective 1/1/2017, the company will no longer provide a subsidy for dental benefits. Dental coverage may be purchased through the individual health insurance marketplace using HRA funds described in the medical benefits sections above.

Dental and Vision Benefits – Union Participants

Effective 1/1/2017: Effective 1/1/2017, the company will no longer provide a subsidy for dental benefits. Dental and/or vision coverage may be purchased through the individual health insurance marketplace using HRA funds described in the medical benefits sections above.

Life Insurance Benefits – Management Participants

Participation Participation begins on date of hire.

Eligibility Same as postretirement medical benefit eligibility except age at termination must be at least 55.

Postretirement contributions None

Benefits

Age 55 to 59 - $50,000
Age 60 to 64 - $30,000
Age 65 and older - $20,000

Different amounts are applicable for participants who retired prior to January 1, 2000.

Actual individual life insurance coverage amounts for current retirees are provided in the census data.

Life Insurance Benefits – Union Local 369 Participants

Participation Participation begins on date of hire.

Eligibility Same as postretirement medical benefit eligibility except age at termination must be at least 55.

Postretirement contributions None

Benefits

Age 55 to 59 - $50,000
Age 60 to 64 - $30,000
Age 65 and older - $20,000

Different amounts are applicable for Local 369 participants who retired prior to January 1, 2007.

Actual individual life insurance coverage amounts for current retirees are provided in the census data.

Life Insurance Benefits – Union Local 12004 Participants

Eligibility	Employees formerly represented by Locals 333, 338, 339 and 392 who retire prior to May 1, 2001 are entitled to receive benefits described in this section. Individuals who retired on or after May 1, 2001 are entitled to benefits described in the Local 369 plan provisions. Employees of Local 12004 who attained age 40 and 12 years of service as of January 1, 1993 and whose age plus years of service as of December 31, 2003 total at least 75 are eligible for benefits described in this section. All other employees of Local 12004 are entitled to benefits as described in the Local 369 plan provisions.
Postretirement contributions	None
Benefits	If the “Rule of 75” was met as of January 1, 1990, the life insurance benefit is one times final pay to a maximum of $300,000, reduced to 50% at age 70. If the “Rule of 75” was not met as of this date, the life insurance benefit is one times final pay to a maximum of $300,000, reduced to $15,000 at age 62.

Appendix D – Summary of principal MedVantage plan provisions

Substantive Plan Provisions

The following substantive plan provisions were effective January 1, 2015

Medical Benefits

Participation	Non-union employees hired before January 1, 2006 (and union employees on dates negotiated in their respective collectively bargained agreements) who elected the K-Vantage plan (instead of the pension plan) and those non-union employees who were hired January 1, 2006 and later (and union employees on dates negotiated).
Vesting	Three years of service
Health care account	The sum of the Company Contributions and the Interest Credits
Company contributions	$1,000 multiplied by 1. / 2. 1) The number of pay periods worked during the year (max 26) after attainment of age 40 while eligible for the K-Vantage plan 2) 26 The employer credit shall be recorded on each bi-weekly pay period or date of termination.
Interest credits	The interest crediting rate shall be the 5-year US Treasury constant maturity average yield during the month of November preceding the applicable calendar year. Interest on the account will be determined based on average of beginning and end of year balances. However, no interest will be credit if the end of year balance is zero. Interest will be credited to the account as of each bi-weekly pay period.
Payment of benefit claims	Account may be used to pay any qualified participant healthcare expense.
Death benefit	Eligible spouses can access account following death of retiree. Account is forfeited after death of both retiree and spouse. If no spouse, the account is forfeited after the death of the retiree.