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FitchRatings

RATING ACTION COMMENTARY

Fitch Revises Eversource Energy's Subs' Outlooks to Stable; Affirms Ratings

Fri 14 Aug, 2026 - 1:44 PM ET

Fitch Ratings - Toronto - 14 Aug 2026: Fitch Ratings has affirmed the ratings of Eversource Energy (ES) and its subsidiaries and revised their Rating Outlooks to Stable from Negative. The Stable Outlook reflects ES's completed sale of Aquarion Water on June 30, 2026 for $2.4 billion, with net proceeds expected to reduce holding company leverage. The Stable Outlook also reflects greater likelihood that Revolution Wind will reach commercial operation by YE 2026 after first power was delivered in March 2026.

Fitch forecasts ES's FFO leverage to remain elevated at about 6.0x in 2026, despite the Aquarion sale, partly due to roughly $880 million in refunds from the FERC base ROE reduction. Leverage is forecast to improve to about 5.5x in 2027, supported by expected new base rates at operating utilities and securitization of approved storm costs of about $668 million.

The Stable Outlook for ES's subsidiaries reflect application of Fitch's Parent-Subsidiary Linkage (PSL) criteria.

KEY RATING DRIVERS

Eversource Energy

Revolution Wind Project Update: The operating environment for U.S. offshore wind projects remains uncertain in Fitch's view. The current U.S. Administration had issued stop-work order on multiple occasions to halt the progress on Revolution but was overturned with a favorable preliminary injunction by a federal judge on each occasion. This allowed ES to continue construction and minimizes cost overruns and liabilities incurred associated with the project.

As of Jun 30, 2026, the project is over 90% completed and achieved first power in March 2026. Revolution is actively exporting over 300MW of electricity to the New England grid. Orsted A/S (BBB/Stable), one of the project owners, has reiterated Revolution, which remains on track for completion and commercial operation by YE 2026. Fitch believes there is visibility to project completion without further delays and cost overruns.

Aquarion Update: On March 25, 2026, PURA approved the sale of Aquarion Water Company. The transaction was closed on June 30, 2026, for a total sale price of $2.4 billion with net proceeds of about $1.7 billion after settling about $650 million of Aquarion's debt. Fitch views this positively as the completion of the transaction allows ES to use sale proceeds to reduce holding company leverage.

FERC Base ROE Reduction: On March 19, 2026, The Federal Energy Regulatory Commission (FERC) reduced the New England transmission base ROE to 9.57% from 10.57% and ordered retroactive refunds, later extending the final refund completion deadline to May 20, 2027. The order determined that the regional transmission owners' equity returns dating back to 2011 were unjust and unreasonable, leading FERC to reduce the base ROE and impose a one-time rate refund. Fitch expects ES to refund about $880 million to customers across 2026 and 2027, which will pressure FFO leverage.

Prospective ROE Reset: Following the base ROE cut, ES and other New England transmission owners filed a Section 205 request to raise the base ROE to 11.39% using current market data and to increase the ROE cap to 12.89% from 12.09%. The filing is expected to go into effect at the end of November 2026, subject to refunds and potential settlements. If this gets approved, it will provide cash flow relief for electric transmission operators, including Eversource, in the New England region.

Adequate Credit Metrics: ES's FFO leverage for fiscal 2025 was about 5.2x. Fitch expects ES' FFO leverage to temporarily weaken in 2026 primary due to the one-time $880 million refund, associated with the FERC base ROE reduction, to customers over 2026 and 2027. This is partly offset by the closing of the Aquarion sale and expected proceeds from storm cost securitization in Connecticut. Fitch projects ES's FFO leverage to average 5.5x through 2027, below its downgrade sensitivity of 6.0x.

Large Utility Capex Plan: ES has a large capex program, about $21 billion between 2026 to 2029, almost 3x depreciation expense, across electric transmission and distribution and gas distribution. This utility capex is a relatively low-risk growth plan, including about $9 billion in electric distribution, $5.6 billion in FERC regulated electric transmission and $5.4 billion in natural gas distribution. More than 80% of ES's planned utility capex will be recovered

with minimal lag, reflecting FERC construction work in progress, electric distribution trackers and natural gas distribution infrastructure expansion cost-recovery mechanisms.

Regulatory Diversification: ES operates utilities in three states and invests heavily in FERC-regulated projects. FERC, Connecticut, Massachusetts and New Hampshire represent 35%, 28%, 29% and 7% of ES's consolidated rate base, respectively. Fitch views FERC as one of the most constructive U.S. regulators due to timely cost recovery and formulaic rates of return. Connecticut's electric regulatory environment is more challenging. Fitch views PURA's recent actions to implement performance-based regulation, enactment of Senate Bill 7 in 2023 and authorized ROEs below the national average as less constructive.

Parent-Subsidiary Linkage: There is PSL between ES and its regulated utility subsidiaries. Fitch views the subsidiaries' Standalone Credit Profiles (SCPs) as stronger than ES's parent consolidated profile due to lower risk regulated utility operations and better credit and financial leverage metrics. Legal ring-fencing is porous given the general protection afforded by economic regulation. Access and control are porous as ES centrally manages the treasury function for all its subsidiaries and is the sole source of equity, but the subsidiaries issue their own debt. Therefore, Fitch limits the difference between ES and any of its higher-rated regulated subsidiaries to two notches.

The **Connecticut Light and Power Company (CL&P)**

Commissioner Changes: On Oct. 20, 2025, the Connecticut governor appointed four new commissioners and a new chair to Public Utilities Regulatory Authority (PURA), the regulator in Connecticut. Under the previous regime, the relationship between PURA and utilities had been contentious, leading to rate case outcomes that are unsupportive of credit quality, including decreased cash flow visibility, predictability and profitability.

With the appointment of new commissioners, the five expanded commission members and new chair, Fitch believes improvement to the state's regulatory environment could lead to more balanced regulatory outcomes. Fitch will continue to monitor the regulatory environment in Connecticut. Negative rating actions could result if the environment remains challenging and regulatory outcomes unsupportive of credit quality.

Regulatory Challenges: Connecticut's regulatory environment has been challenging in recent years, with rate orders that have been unsupportive of utility credit quality, including rate decreases for peer utilities and below-average ROEs. Senate Bill 7, enacted in June 2023, further weakens cash flow predictability by restricting cost recovery mechanisms, requiring consideration of macroeconomic conditions in ROE decisions, mandatory base

rate reviews every four years, and performance-based limits on management compensation if customer bills rise beyond certain level. Fitch could take negative rating actions if the final regulatory framework becomes materially more punitive.

Rate Case Filing: On July 14, 2026, CL&P filed for new distribution base rate increases with the PURA. The utility is seeking increases of about $450.9 million based on a 10.25% ROE and a 53.86% equity capitalization ratio. The last rate case for CL&P was April 2018. The utility has been utilizing alternate mechanisms such as the rate adjustment mechanisms (RAM) and trackers for rate adjustments. This is the first electric distribution rate case filed by CL&P under the recent leadership and commissioner changes at PURA. Fitch expects a constructive outcome and will continue to monitor this development.

Storm Costs Securitization Approved: On July 29, 2026, PURA approved about $868 million of prudently incurred storm restoration costs for CL&P, down from the proposed $942 million. Of the $74 million difference, $64 million was deferred for future recovery and is under review by PURA. Commissioners also denied recovery of about $397 million of retroactive interest charges. The net recoverable amount through securitization is about $667.9 million, after credits from storm recovery reserves and prior RAM recoveries. Fitch views the decision as balanced, as it allows recovery of most storm costs and may signal improving regulatory conditions in Connecticut.

Adequate Financial Profile: CL&P's FFO leverage for 2025 was about 3.0x, consistent with Fitch's expectation. The result was driven by the implementation of rate increases under RAM and recovery of costs from the Millstone and Seabrook PPAs between 2024-2025. Through 2027, Fitch forecast CL&P's FFO leverage to average about 4.0x. This is driven by new base distribution rates, securitization of storm cost recovery, and timely cost recovery associated with FERC-regulated transmission investments.

Transmission Base Supports Business Profile: CL&P's regulated electric T&D operations have a relatively low-risk business profile. The utility has no commodity exposure, and full revenue decoupling mitigates volume risk exposure, providing cash flow predictability. Oversight by FERC provides CL&P's growing electric transmission business with beneficial exposure to one of the more constructive regulatory jurisdictions, due to timely cost recovery and formulaic rates of return. CL&P's FERC-regulated electric transmission operations account for more than 40% of the utility's rate base, helping to counterbalance Connecticut's more challenging regulatory environment.

Capex Plan Moderating: Fitch expects capex to modestly decrease through the forecast plan. CL&P continues to make significant investments in FERC-regulated regional

transmission projects. Management forecasts transmission capex to account for approximately 40% of the total projected spend over 2026-2029. Fitch expects capex to be funded in a consistent manner with the existing capital structure.

Parent-Subsidiary Linkage: A PSL exists between ES and CL&P. Fitch considers CL&P's SCP stronger than ES's parent consolidated profile due to CL&P's lower-risk regulated utility operations, strong regulatory environment and better financials. Legal ring-fencing is porous given general protection afforded by economic regulation. Access and control is porous, reflecting ES centrally manages CL&P's treasury function and serves as its sole source of equity, but CL&P issues its own debt. Consequently, Fitch limits the credit rating difference between CL&P and ES to two notches.

NSTAR Electric Company (NEC)

Balanced Regulatory Environment: Fitch considers the regulatory environment overseen by the Massachusetts Department of Public Utilities (DPU) relatively balanced, supporting NEC's adequate financial measures. NEC operates under a five-year performance-based ratemaking (PBR) plan that runs through Dec. 31, 2027.

NEC benefits from full-revenue decoupling and several cost-recovery mechanisms, which enhance the stability and predictability of cash flows. The DPU permits recovery outside of general rate cases for pension and post-retirement benefits, energy efficiency program costs and the associated lost revenue and storm costs.

Large Capex: Fitch expects capex to remain elevated throughout the forecast plan, largely due to significant investments in FERC-regulated regional transmission projects. Management forecasts transmission capex to total about $3.3 billion over 2026-2029. Investments into NEC's distribution system to support the state's clean energy goals will also contribute to capex in the near term. Fitch expects capex to be funded consistent with the existing capital structure. Investments beyond core distribution capex are being recovered through various trackers, including advanced metering, grid modernization and solar tracker.

Adequate Financial Metrics: NEC's FFO leverage for 2025 was 4.3x, consistent with Fitch's expectation. The results were driven by deferred storm cost recovery and a $56 million base distribution rate increase in 2025 under the PBR framework. Fitch expects NEC's FFO leverage average about 4.3x through 2027. Ongoing investments in FERC-regulated transmission with timely cost recovery and above-average returns along with annual distribution rate increases under PBR should help maintain financial strength.

Low-Risk Business Profile: NEC's ratings largely reflect the low business risk and stable cash flows of its regulated electric transmission and distribution operations. The company has no commodity exposure and a decoupling mechanism that eliminates the effect of weather and usage patterns on revenue. A significant and growing share of the rate base is derived from electric transmission investments regulated by FERC.

Parent-Subsidiary Linkage: There is linkage between ES and NEC. Fitch considers NEC's SCP stronger than ES's parent consolidated profile due to NEC's lower risk regulated operation, strong regulatory environment, and better financials. Legal ring-fencing is porous given general protection afforded by economic regulation. Access and control are also porous. ES manages NEC's treasury function and serves as its sole source of equity, but NEC issues its own debt. Consequently, Fitch limits the credit rating difference between NEC and ES to two notches.

Public Service Company of New Hampshire (PSNH)

Low-Risk Business Profile: PSNH's ratings largely reflect the low business risk and stable cash flows of its regulated electric transmission and distribution operations. The company has no commodity exposure and fully passes through all power supply costs to its customers. A significant share of PSNH's rate base is derived from electric transmission investments regulated by FERC.

PSNH's capex became more focused on transmission assets following the 2018 sale of the utility's generation facilities. Management expects to spend approximately $830 million on transmission capex from 2026 to 2029, and FERC regulated transmission has increased to over 50% of PSNH's rate base, a credit positive. FERC-regulated transmission projects receive timely recovery of their costs, formulaic rates and attractive ROE, which should enable PSNH to maintain its solid financial profile.

Rate Case Outcome: On July 25, 2025, the New Hampshire Public Utilities Commission (NHPUC) authorized PSNH's distribution base rate increase of $100.7 million, compared with the revised request of $102.8 million filed in June 2025. The outcome was consistent with expectations. The approved increase includes the $61.2 million temporary rate increase approved on July 31, 2024. The net base rate increase is about $40 million. The decision also allows PSNH to establish an annual revenue requirement for each 12-month periods beginning on Aug. 1, 2026 to 2028, using an NHPUC-authorized formula. The annual formula rate increase supports cash flow visibility.

Adequate Financial Metrics: PSNH's 2025 FFO leverage was 3.8x, reflecting new distribution base rate increases. Over the forecast period, Fitch expects PSNH's FFO leverage to average about 4.3x through 2027, reflecting the annual formula rate increases and recovery of FERC-regulated investments.

Securitization Legislation Enact into Law: In 2026, New Hampshire enacted house bill (HB) 1539 into law, authorizing electric utilities to issue securitization bonds to recover storm-related costs and support infrastructure resilience. The law empowers the NHPUC to issue orders approving the use of rate recovery bonds backed by dedicated utility charges. HB1539 was signed into law on April 15, 2026, marking New Hampshire's adoption of a new utility securitization mechanism specifically targeted at storm cost recovery. Fitch views this positively as this allows PSNH to securitize and recover about $400 million of deferred storm costs, expect in 2028.

New Hampshire Regulatory Environment: Fitch views the NHPUC as balanced. Although authorized ROEs are below the industry average, the transmission cost adjustment mechanism and lost revenue adjustment mechanism support cash flow stability. In 2018, the NHPUC allowed PSNH to issue rate reduction bonds to recover stranded costs from the state-mandated sale of its thermal and hydroelectric generation facilities. The utility also recovered deferred storm costs. The state passed HB1539 to allow new utility securitization for storm cost recovery. PSNH's decision also allows formula-based rate increases from 2026 to 2028, further improving cash flow visibility.

Parent-Subsidiary Linkage: There is linkage between ES and PSNH. Fitch considers PSNH's SPC stronger than ES's parent consolidated profile due to PSNH's lower-risk regulated utility operations, strong regulatory environment and better financials. Legal ring-fencing is porous given the general protection afforded by economic regulation. Access and control are porous, reflecting that ES centrally manages PSNH's treasury function and serves as its sole source of equity, but PSNH issues its own debt. Consequently, Fitch limits the credit rating difference between PSNH and ES to two notches.

NSTAR Gas Company (NGC)

Generally Supportive Regulation: Fitch considers the regulatory environment overseen by the Massachusetts Department of Public Utilities (DPU) relatively supportive of credit quality. NGC operates under a 10-year PBR plan that runs through Oct. 31, 2030. The company benefits from full revenue decoupling and the Gas System Enhancement Program (GSEP) cost-recovery mechanism, which enhances the stability and predictability of cash flows.

A DPU-approved tariff allows for annual adjustments to recover program costs. It has no commodity exposure and benefits from a decoupling mechanism that eliminates the impact of weather and usage patterns on revenue. Fuel supply costs are recovered through a seasonal cost of gas adjustment clause that is reset semi-annually.

2026 Rate Case Settlement: In October 2025, the DPU authorized a $117 million rate increase, including about $10 million from annual PBR rate increases and $107 million of rolling in of costs from the GSEP investments. However, the DPU denied about $45 million recovery of non-GSEP capital-related investments.

Subsequently, in January 2026, NGC reached a settlement that allowed for the recovery of $45 million of non-GSEP related investments. The settlement also required NGC to provide a one-time customer credit of about $12.2 million over a 10-month period as performance penalty. Overall, Fitch views the outcome as balanced decision, allowing utilities timely recovery of capital investment.

Adequate Financial Metrics: NGC's FFO leverage for 2025 was 3.9x, consistent with Fitch's expectation. Over the outlook period, Fitch expects NGC's FFO leverage to remain within Fitch's negative rating sensitivity threshold and average about 4.0x through 2027. DPU preapproval and cost recovery mechanisms mitigate the risk associated with NGC's accelerated pipe replacement program and higher leverage.

Parent-Subsidiary Linkage: There is linkage between ES and NGC. Fitch considers NGC's SPC stronger than ES's parent consolidated profile due NGC's lower-risk regulated utility operations, strong regulatory environment, and better financials. Legal ring- fencing is porous given general protection afforded by economic regulation. Access and control are porous, reflecting ES centrally manages NG's treasury function and serves as its sole source of equity, but NGC issues its own debt. Consequently, Fitch limits the credit rating difference between NGC and ES to two notches.

PEER ANALYSIS

Eversource Company

Eversource compares adequately with other 'BBB' rated utility parent companies Emera Incorporated (BBB/Stable) and American Electric Power Company, Inc. (AEP; BBB/Stable). Eversource derives all its cashflows from regulated operations compared with approximately 90%-95% for AEP and Emera. AEP has a more geographically diverse asset

mix with operations in 11 states, compared to Eversource's three state jurisdictions. Emera, which operates primarily in Florida, also operates in Canada and Caribbean region.

Eversource has been more levered in the past few years compared to its peers, with FFO leverage of over 7.0x. Fitch expects FFO leverage to improve and average about 5.6x through 2027 after the Aquarion sale closes and recovery of storm recovery cost through rates and securitization. Similar to ES, Emera's leverage has been high over the past few years, with FFO leverage average around 7.0x. Fitch forecast Emera's FFO leverage to improve and average about 5.7x through 2027 following the execution of the company's deleveraging plan. Fitch expects AEP's FFO leverage to average around 5.5x over the forecast period.

RATING SENSITIVITIES

Eversource Energy

Factors that Could, Individually or Collectively, Lead to Negative Rating Action/Downgrade

--Unexpected additional Revolution incurred liabilities that are not funded in a credit-supportive manner;

--Failure to issue equity over 2026 and 2027 as planned to support deleveraging plan;

--Adverse regulatory actions or other events that result in downgrades to ES's utility subsidiaries;

--FFO leverage exceeds 6.0x on a sustained basis.

Factors that Could, Individually or Collectively, Lead to Positive Rating Action/Upgrade

--FFO leverage less than 5.2x on a sustained basis.

The Connecticut Light and Power Company

Factors that Could, Individually or Collectively, Lead to Negative Rating Action/Downgrade

--A downgrade to parent ES's Long-Term IDR;

--FFO leverage exceeds 4.3x on a sustained basis;

--An adverse implementation of the recent regulatory changes that reduces the stability and predictability of earnings and cash flow and materially weakens CL&P's financial profile;

Factors that Could, Individually or Collectively, Lead to Positive Rating Action/Upgrade

--An upgrade to parent ES's Long-Term IDR and FFO leverage less than 3.5x on a sustained basis;

--A material improvement in the regulatory environment that results in constructive rate decisions and higher earned ROEs;

NSTAR Electric Company

Factors that Could, Individually or Collectively, Lead to Negative Rating Action/Downgrade

--A downgrade to parent ES's Long-Term IDR;

--FFO leverage exceeds 4.5x on a sustained basis.

--Adverse regulatory outcomes.

Factors that Could, Individually or Collectively, Lead to Positive Rating Action/Upgrade

--An upgrade to parent ES's Long-Term IDR and FFO leverage less than 4.0x on a sustained basis.

Public Service Company of New Hampshire

Factors that Could, Individually or Collectively, Lead to Negative Rating Action/Downgrade

--A downgrade to parent ES's Long-Term IDR;

--FFO leverage exceeds 4.5x on a sustained basis;

--Adverse regulatory outcomes.

Factors that Could, Individually or Collectively, Lead to Positive Rating Action/Upgrade-

--An upgrade to parent ES's Long-Term IDR and FFO leverage less than 3.5x on a sustained basis.

NSTAR Gas Company

Factors that Could, Individually or Collectively, Lead to Negative Rating Action/Downgrade

--A downgrade to parent ES's Long-Term IDR

--FFO leverage exceeds 4.5x on a sustained basis;

--Adverse regulatory outcomes.

Factors that Could, Individually or Collectively, Lead to Positive Rating Action/Upgrade

-- An upgrade to parent ES's Long-Term IDR and FFO leverage less than 4.0x on a sustained basis.

LIQUIDITY AND DEBT STRUCTURE

Fitch considers liquidity for ES and each of its regulated utility subsidiaries adequate. ES has a $2.0 billion commercial paper (CP) program it uses to provide subsidiaries with intercompany loans. ES had $432 million of CP borrowings outstanding as of June 30, 2026, leaving $1,568 million of available borrowing capacity. ES, CL&P, PSNH, NGC, Yankee Gas Services Company (not rated) and Eversource Gas Company of Massachusetts (EGMA; not rated) participate in a joint $2.0 billion revolving credit facility (RCF) that terminates on Oct. 11, 2030.

Under the RCF, CL&P has a $600 million borrowing sublimit; PSNH, NGC, EGMA and Yankee Gas each have a $300 million sublimit. The RCF serves to backstop ES' CP program. There were no RCF borrowings outstanding as of June 30, 2026.

NEC maintains its own $650 million CP program backstopped by an equal-sized RCF. NEC's $650 million RCF is separate from the shared RCF of parent ES and the other utilities but also terminates on Oct. 11, 2030. As of June 30, 2026, there was $63 million CP

outstanding, leaving $587 million available borrowing capacity. ES and its utility subsidiaries require modest cash on hand and had about $1.82 billion of unrestricted cash as of June. 30, 2026.

Corporate Rating Tool Inputs and Scores

Eversource Energy

Fitch scored the issuer as follows, using our Corporate Rating Tool (CRT) to produce the Standalone Credit Profile (SCP):

Business and financial profile factors (assessment, relative importance): management ('bbb', Lower), sector characteristics ('bbb+', Higher), market and competitive positioning ('bbb+', Moderate), diversification and asset quality ('a-', Moderate), company operational characteristics ('bbb+', Moderate), profitability ('bbb+', Moderate), financial structure ('bbb-', Higher), and financial flexibility ('bbb', Moderate).

The quantitative financial subfactors are based on standard CRT financial period parameters: 20% weight for the latest historical year 2025, 40% for the forecast year 2026 and 40% for the forecast year 2027.

The governance assessment of 'good' has no impact.

The operating environment assessment of 'aa-' has no impact.

The SCP is 'bbb'.

To derive the Long-Term IDR:

Application of Fitch's Parent Subsidiary Linkage Rating Criteria results in a(n) consolidated approach.

The Connecticut Light and Power Company

Fitch scored the issuer as follows, using our Corporate Rating Tool (CRT) to produce the Standalone Credit Profile (SCP):

Business and financial profile factors (assessment, relative importance): management ('bbb', Lower), sector characteristics ('a-', Higher), market and competitive positioning ('bbb', Moderate), diversification and asset quality ('bbb+', Moderate), company operational

characteristics ('a-', Moderate), profitability ('bbb+', Moderate), financial structure ('a', Higher), and financial flexibility ('a', Moderate).

The quantitative financial subfactors are based on standard CRT financial period parameters: 20% weight for the latest historical year 2025, 40% for the forecast year 2026 and 40% for the forecast year 2027.

The governance assessment of 'good' has no impact.

The operating environment assessment of 'aa-' has no impact.

The SCP is 'a-'.

To derive the Long-Term IDR:

Application of Fitch's Parent Subsidiary Linkage Rating Criteria results in a(n) consolidated profile+2 approach.

NSTAR Electric Company

Fitch scored the issuer as follows, using our Corporate Rating Tool (CRT) to produce the Standalone Credit Profile (SCP):

Business and financial profile factors (assessment, relative importance): management ('bbb', Lower), sector characteristics ('a', Higher), market and competitive positioning ('bbb+', Moderate), diversification and asset quality ('bbb+', Moderate), company operational characteristics ('a-', Moderate), profitability ('bbb+', Moderate), financial structure ('a-', Higher), and financial flexibility ('a', Moderate).

The quantitative financial subfactors are based on standard CRT financial period parameters: 20% weight for the latest historical year 2025, 40% for the forecast year 2026 and 40% for the forecast year 2027.

The governance assessment of 'good' has no impact.

The operating environment assessment of 'aa-' has no impact.

The SCP is 'a-'.

To derive the Long-Term IDR:

Application of Fitch's Parent Subsidiary Linkage Rating Criteria results in a(n) consolidated profile+2 approach.

Public Service Company of New Hampshire

Fitch scored the issuer as follows, using our Corporate Rating Tool (CRT) to produce the Standalone Credit Profile (SCP):

Business and financial profile factors (assessment, relative importance): management ('bbb', Lower), sector characteristics ('a-', Higher), market and competitive positioning ('bbb', Moderate), diversification and asset quality ('bbb+', Moderate), company operational characteristics ('bbb+', Moderate), profitability ('bbb+', Moderate), financial structure ('a-', Higher), and financial flexibility ('a', Moderate).

The quantitative financial subfactors are based on standard CRT financial period parameters: 20% weight for the latest historical year 2025, 40% for the forecast year 2026 and 40% for the forecast year 2027.

The governance assessment of 'good' has no impact.

The operating environment assessment of 'aa-' has no impact.

The SCP is 'a-'.

To derive the Long-Term IDR:

Application of Fitch's Parent Subsidiary Linkage Rating Criteria results in a(n) consolidated profile+2 approach.

NSTAR Gas Company

Fitch scored the issuer as follows, using our Corporate Rating Tool (CRT) to produce the Standalone Credit Profile (SCP):

Business and financial profile factors (assessment, relative importance): management ('bbb', Lower), sector characteristics ('a-', Higher), market and competitive positioning ('bbb+', Moderate), diversification and asset quality ('bbb+', Moderate), company operational

characteristics ('bbb+', Moderate), profitability ('bbb+', Moderate), financial structure ('a-', Higher), and financial flexibility ('a', Moderate).

The quantitative financial subfactors are based on standard CRT financial period parameters: 20% weight for the latest historical year 2025, 40% for the forecast year 2026 and 40% for the forecast year 2027.

The governance assessment of 'good' has no impact.

The operating environment assessment of 'aa-' has no impact.

The SCP is 'a-'.

To derive the Long-Term IDR:

Application of Fitch's Parent Subsidiary Linkage Rating Criteria results in a(n) consolidated profile+2 approach.

ISSUER PROFILE

ES is a holding company that owns six regulated utilities serving about 4.4 million electric T&D and natural gas distribution customers in Massachusetts, Connecticut and New Hampshire.

REFERENCES FOR SUBSTANTIALLY MATERIAL SOURCE CITED AS KEY DRIVER OF RATING

The principal sources of information used in the analysis are described in the Applicable Criteria.

MACROECONOMIC ASSUMPTIONS AND SECTOR FORECASTS

Click here to access Fitch's latest quarterly Global Corporates Sector Forecasts Monitor data file which aggregates key data points used in our credit analysis. Fitch's macroeconomic forecasts, commodity price assumptions, default rate forecasts, sector key performance indicators and sector-level forecasts are among the data items included.

CLIMATE VULNERABILITY SIGNALS

The results of our Climate.VS screener did not indicate an elevated risk for Eversource Energy, NSTAR Electric Company, NSTAR Gas Company, Public Service Company of New Hampshire, and The Connecticut Light and Power Company.

ESG CONSIDERATIONS

The highest level of ESG credit relevance is a score of '3', unless otherwise disclosed in this section. A score of '3' means ESG issues are credit-neutral or have only a minimal credit impact on the entity, either due to their nature or the way in which they are being managed by the entity. Fitch's ESG Relevance Scores are not inputs in the rating process; they are an observation on the relevance and materiality of ESG factors in the rating decision. For more information on Fitch's ESG Relevance Scores, visit https://www.fitchratings.com/topics/esg/products#esg-relevance-scores.

RATING ACTIONS

ENTITY / DEBT	RATING TYPE	RATING	RATING ACTION	PRIOR
NSTAR Electric Company	LT IDR	A- Rating Outlook Stable	Affirmed	A- Rating Outlook Negative
	ST IDR	F1	Affirmed	F1
senior unsecured	LT	A	Affirmed	A
preferred	LT	BBB+	Affirmed	BBB+
senior unsecured	ST	F1	Affirmed	F1
Eversource Energy	LT IDR	BBB Rating Outlook Stable	Affirmed	BBB Rating Outlook Negative
	ST IDR	F3	Affirmed	F3
senior unsecured	LT	BBB	Affirmed	BBB
junior subordinated	LT	BB+	Affirmed	BB+
senior unsecured	ST	F3	Affirmed	F3

Public Service Company of New Hampshire	LT IDR	A- Rating Outlook Stable	Affirmed	A- Rating Outlook Negative
senior secured	LT	A+	Affirmed	A+
NSTAR Gas Company	LT IDR	A- Rating Outlook Stable	Affirmed	A- Rating Outlook Negative
senior secured	LT	A+	Affirmed	A+
The Connecticut Light and Power Company	LT IDR	A- Rating Outlook Stable	Affirmed	A- Rating Outlook Negative
preferred	LT	BBB+	Affirmed	BBB+
senior secured	LT	A+	Affirmed	A+

VIEW ADDITIONAL RATING DETAILS

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PARTICIPATION STATUS

The rated entity (and/or its agents) or, in the case of structured finance, one or more of the transaction parties participated in the rating process except that the following issuer(s), if any, did not participate in the rating process, or provide additional information, beyond the issuer's available public disclosure.

APPLICABLE CRITERIA

Corporates Recovery Ratings and Instrument Ratings Criteria (pub. 02 Aug 2024) (including rating assumption sensitivity)

Corporate Hybrids Treatment and Notching Criteria (pub. 08 Apr 2025)

Parent and Subsidiary Linkage Rating Criteria (pub. 27 Jun 2025)

Corporate Rating Criteria (pub. 09 Jan 2026) (including rating assumption sensitivity)

Sector Navigators – Addendum to the Corporate Rating Criteria (pub. 09 Jan 2026)

APPLICABLE MODELS

Numbers in parentheses accompanying applicable model(s) contain hyperlinks to criteria providing description of model(s).

Corporate Monitoring & Forecasting Model (COMFORT Model), v8.2.0 (1)

ADDITIONAL DISCLOSURES

Dodd-Frank Rating Information Disclosure Form

Solicitation Status

Endorsement Policy

ENDORSEMENT STATUS

Eversource Energy	EU Endorsed, UK Endorsed
NSTAR Electric Company	EU Endorsed, UK Endorsed
NSTAR Gas Company	EU Endorsed, UK Endorsed
Public Service Company of New Hampshire	EU Endorsed, UK Endorsed
The Connecticut Light and Power Company	EU Endorsed, UK Endorsed

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FitchRatings

RATING ACTION COMMENTARY

Fitch Assigns First-Time 'BB+' Rating to Eversource's Junior Subordinated Notes

Mon 23 Feb, 2026 - 9:41 AM ET

Fitch Ratings - New York - 23 Feb 2026: Fitch Ratings has assigned a first-time 'BB+' rating to Eversource Energy's (ES) planned fixed-to-fixed reset rate junior subordinated notes. Proceeds will be used to repay a portion of Eversource's short-term debt, refinance upcoming debt maturities including the $450 million Series AA senior notes (May 15, 2026) and the $300 million Series U senior notes (Aug. 15, 2026), and for general company purposes.

These securities qualify for 50% equity credit under Fitch's hybrid methodology, reflecting their junior subordinate priority, the option to defer interest payments on a cumulative basis for up to 10 years on each occasion, and no step-up.

Eversource's Negative Rating Outlook reflects deleveraging uncertainty following the Connecticut regulator's rejection of the proposed $2.4 billion sale of Aquarion Water (Aquarion) and continuing political uncertainty regarding Revolution Wind (Revolution). Failure to offset higher leverage from the Aquarion decision or meaningful incremental delays to Revolution could lead to negative rating actions.

KEY RATING DRIVERS

Aquarion Update: On Jan. 27, 2025, ES announced the sale of Aquarion for $2.4 billion, with expected net proceeds of about $1.6 billion after settling $800 million of Aquarion's debt. On Nov. 19, 2025, Connecticut Public Utilities Regulatory Authority (PURA) rejected the sale, stating it was not in the best interest of customers. On Dec. 2, 2025, ES appealed PURA's rejection, and on Jan. 15, 2026, a Connecticut Superior Court judge ruled PURA had illegally blocked the sale of Aquarion. PURA now needs to reconsider the application consistent with the court's ruling. A decision is expected in 1Q26.

The rejected sale caused a large funding gap in ES's deleveraging plan. The company had planned to use sale proceeds to reduce holding company leverage. Fitch could revise ES's Outlook to Stable if the sale of Aquarion closes and ES uses the proceeds to pay down debt, or if ES finances the funding gap in a credit-supportive and timely manner over the next six to 12 months. Without the sale proceeds, Fitch estimates ES's FFO leverage will average around 6.2x through 2027, above its downgrade sensitivity of 6.0x.

Revolution Update: On Dec. 22, 2025, the U.S. Department of the Interior issued another stop-work order halting construction on five major offshore wind projects along the U.S. East Coast, including Revolution. On Jan. 1, 2026, Revolution's project partners appealed to the order. On Jan. 12, 2026, a federal judge granted a preliminary injunction which allowed the project to resume construction. The project is 87% and remains on track for commercial operation in 2H26. The U.S. government stated its plans to appeal the preliminary injunction and further actions causing material delays or cost overruns to the project, or obligations to ES, could lead to adverse rating actions.

Offshore Wind Exits Risks: In 2024, ES sold its two remaining offshore wind projects, 50% ownership interest in the South Fork Wind and Revolution. The company has fully exited its offshore wind operations, a credit positive, but risks remain. In addition to construction cost overruns and abandonment costs, ES must ensure Global Infrastructure Partners (GIP) receives a 13% pre-tax internal rate of return on its Revolution investment. ES already recorded about $365 million of liabilities at the time of the sale to reflect increased construction costs and delays.

Revolution Contingent Liabilities: During 3Q'25, the company incurred an additional $284 million of liabilities on the project related to construction cost increases and impact from the stop-work order. This is partly offset by about $209 million federal tax benefit linked to tax losses on ES's offshore wind investments, resulting in a net charge of $75 million. In 2025, ES made payment of about $201 million to GIP to reduce the contingent liabilities. As of Dec. 31, 2025, the contingent liability totaled about $448.2 million. Further cost overruns, delays, or abandonment could result in additional costs. Fitch expects ES to fund additional needs in a credit-supportive manner.

Minimal Credit Metrics Cushion: ES's FFO leverage has been elevated, averaging about 7.2x over the past four years due to acquisitions, high capex, offshore wind cost overruns and large deferrals, including storm costs. In 2024, FFO leverage improved to 6.4x after ES divested the offshore wind operations and issued about $1 billion in equity. The Aquarion sale falling through created a large funding gap in the company's deleveraging plan. Fitch

now projects ES's FFO leverage of about 6.2x through 2027, above its downgrade sensitivity of 6.0x.

Large Utility Capex Plan: ES's five-year capex program targets about $26.5 billion of investments, almost 3x depreciation expense, across electric transmission and distribution as well as gas distribution. This utility capex is a relatively low-risk growth plan, including about $11.2 billion in electric distribution, $7.2 billion in Federal Energy Regulatory Commission (FERC) regulated electric transmission and $6.8 billion in natural gas distribution. Most of ES's planned utility capex will be recovered with limited lag, reflecting FERC construction work in progress, electric distribution trackers and natural gas distribution infrastructure expansion cost-recovery mechanisms.

Regulatory Diversification: ES operates utilities in three states and invests heavily in FERC-regulated projects. FERC, Connecticut, Massachusetts and New Hampshire represent 36%, 29%, 29% and 6% of ES's consolidated rate base, respectively. Fitch views FERC as one of the most constructive U.S. regulators due to timely cost recovery and formulaic rates of return. Connecticut's electric regulatory environment is more challenging. Fitch views PURA's recent actions to implement performance-based regulation, enactment of Senate Bill 7 and authorized returns on equity (ROEs) below the national average as less constructive.

PEER ANALYSIS

Eversource's business and financial risk profiles are consistent with those of other 'BBB' rated utility parent companies including Emera Incorporated (Emera; BBB/Stable) and American Electric Power Company, Inc. (AEP; BBB/Stable). Eversource derives all its cash flows from regulated operations compared with approximately 90%-95% for AEP and Emera. AEP has a more geographically diverse asset mix with operations in 11 states, compared to Eversource's three state jurisdictions and Emera, which operates primarily in Florida but also has operations in Canada and the Caribbean region.

Eversource has been more levered in the past few years compared to its peers with FFO leverage of over 7.0x. Fitch expects FFO leverage to average about 6.2x following the sale of Aquarion falling through. Similar to ES, Emera's leverage has been high over the past few years with FFO leverage average around 7.0x. Fitch forecast Emera's FFO leverage to improve between 5.8x and 5.9x over the forecast period following the execution of the company's deleveraging plan. For AEP, Fitch expects FFO leverage to average around 5.8x over the forecast period.

CORPORATE RATING TOOL INPUTS AND SCORES

Fitch scored the issuer as follows, using our Corporate Rating Tool (CRT) to produce the Standalone Credit Profile (SCP):

- Business and financial profile factors (assessment, relative importance): Management (bbb+, Moderate), Sector Characteristics (bbb+, Higher), Market and Competitive Positioning (bbb+, Moderate), Diversification and Asset Quality (a-, Moderate), Company Operational Characteristics (bbb+, Moderate), Profitability (bbb+, Moderate), Financial Structure (bb+, Higher), and Financial Flexibility (bbb, Moderate).

- The quantitative financial subfactors are based on standard CRT financial period parameters: 20% weight for the latest historical year 2024, 40% for the forecast year 2025 and 40% for the forecast year 2026.

- The Governance assessment of 'Good' results in no adjustment.

- The Operating Environment assessment of 'aa-' results in no adjustment.

- The SCP is 'bbb'.

To derive the IDR:

- Application of Fitch's Parent Subsidiary Linkage Rating Criteria results in a consolidated approach.

RATING SENSITIVITIES

Factors that Could, Individually or Collectively, Lead to Negative Rating Action/Downgrade

--Failure to address the funding gap to support deleveraging plan in a credit-supportive and timely manner;

--Significant additional Revolution costs due to delays, overruns or abandonment that are not funded in a credit-supportive manner;

--Failure to issue equity over 2026 and 2027 as planned to support deleveraging;

--Adverse regulatory actions or other events that result in downgrades to ES's utility subsidiaries;

--FFO leverage exceeding 6.0x on a sustained basis.

Factors that Could, Individually or Collectively, Lead to Revision of the Outlook to Stable

-- Clear line of sight into the company's financing of the Aquarion sale funding gap in a credit-supportive manner;

--ES to fund any potential Revolution related liabilities in a credit-supportive manner;

--Sustain FFO leverage below 6.0x.

Factors that Could, Individually or Collectively, Lead to Positive Rating Action/Upgrade

--FFO leverage sustained below 5.2x.

LIQUIDITY AND DEBT STRUCTURE

Fitch considers liquidity for ES and its regulated utility subsidiaries adequate. ES has a $2.0 billion CP program that the company uses to provide its subsidiaries with intercompany loans. ES had about $1,280 million of CP borrowings outstanding as of Dec. 31, 2025, leaving about $720 million of available borrowing capacity.

ES, The Connecticut Light and Power Company (CL&P; A-/Negative), Public Service Company of New Hampshire (PSNH; A-/Negative), NSTAR Gas Company (NGC; A-/Negative), Yankee Gas Services Company (Yankee Gas; not rated), Eversource Gas Company of Massachusetts (EGMA; not rated) and Aquarion Water Company of Connecticut (not rated) participate in a joint $2.0 billion RCF that terminates on Oct. 11, 2030.

Under the RCF, CL&P has a $600 million borrowing sublimit; PSNH, NGC, EGMA and Yankee Gas each have a $300 million sublimit; and Aquarion Water Company of Connecticut has a $100 million sublimit. The RCF serves to backstop ES's CP program. There were no RCF borrowings outstanding as of Dec. 31, 2025.

NSTAR Electric Company (NEC; A-/Negative) maintains its own $650 million CP program backstopped by an equal-sized RCF. NEC's $650 million RCF is separate from the shared RCF of parent ES and the other utilities but also terminates on Oct. 11, 2030. As of Dec. 31,

2025, about $245 million remained outstanding, leaving about $405 million of available borrowing capacity. ES and its utility subsidiaries require modest cash on hand and had $135 million of unrestricted cash as of Dec. 31, 2025.

ISSUER PROFILE

ES is a holding company that owns seven regulated utilities serving electric T&D, natural gas distribution and water distribution customers in Massachusetts, Connecticut and New Hampshire.

REFERENCES FOR SUBSTANTIALLY MATERIAL SOURCE CITED AS KEY DRIVER OF RATING

The principal sources of information used in the analysis are described in the Applicable Criteria.

MACROECONOMIC ASSUMPTIONS AND SECTOR FORECASTS

Click here to access Fitch's latest quarterly Global Corporates Sector Forecasts Monitor data file which aggregates key data points used in our credit analysis. Fitch's macroeconomic forecasts, commodity price assumptions, default rate forecasts, sector key performance indicators and sector-level forecasts are among the data items included.

CLIMATE VULNERABILITY SIGNALS

The results of our Climate.VS screener did not indicate an elevated risk for Eversource Energy.

ESG CONSIDERATIONS

The highest level of ESG credit relevance is a score of '3', unless otherwise disclosed in this section. A score of '3' means ESG issues are credit-neutral or have only a minimal credit impact on the entity, either due to their nature or the way in which they are being managed by the entity. Fitch's ESG Relevance Scores are not inputs in the rating process; they are an observation on the relevance and materiality of ESG factors in the rating decision. For more information on Fitch's ESG Relevance Scores, visit https://www.fitchratings.com/topics/esg/products#esg-relevance-scores.

RATING ACTIONS

ENTITY / DEBT	RATING

Eversource Energy			
junior subordinated	LT	BB+	New Rating

VIEW ADDITIONAL RATING DETAILS

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APPLICABLE CRITERIA

Corporates Recovery Ratings and Instrument Ratings Criteria (pub. 02 Aug 2024) (including rating assumption sensitivity)

Corporate Hybrids Treatment and Notching Criteria (pub. 08 Apr 2025)

Parent and Subsidiary Linkage Rating Criteria (pub. 27 Jun 2025)

Corporate Rating Criteria (pub. 09 Jan 2026) (including rating assumption sensitivity)

Sector Navigators – Addendum to the Corporate Rating Criteria (pub. 09 Jan 2026)

APPLICABLE MODELS

Numbers in parentheses accompanying applicable model(s) contain hyperlinks to criteria providing description of model(s).

Corporate Monitoring & Forecasting Model (COMFORT Model), v8.2.0 (08 Apr 2025, 09 Jan 2026, 09 Jan 2026)

ADDITIONAL DISCLOSURES

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FitchRatings

RATING ACTION COMMENTARY

Fitch Assigns Eversource and Subs Negative Outlooks; Affirms Ratings

Wed 26 Nov, 2025 - 10:33 AM ET

Fitch Ratings - New York - 26 Nov 2025: Fitch Ratings has removed the ratings for Eversource Energy (ES) and its subsidiaries from Rating Watch Negative (RWN). Fitch also affirmed the ratings and assigned Negative Rating Outlooks.

The Negative Outlook for ES reflects uncertainty about its deleveraging plans following the Connecticut Public Utilities Regulatory Authority (PURA) rejection of the proposed sale of water utility Aquarion Water (Aquarion) for $2.4 billion. ES had planned to use the net proceeds from the sale to reduce holding company leverage. The Negative Outlook also reflects political uncertainty regarding Revolution Wind (Revolution), which is on track for completion in 2H26. If ES is unable to offset higher leverage due to the rejection of the Aquarion sale or meaningful incremental delay to Revolution it could result in adverse rating actions.

The Negative Outlook for ES's subsidiaries reflects the application of Fitch's Parent-Subsidiary Linkage (PSL) criteria. A downgrade of ES would result in downgrades of the utilities.

KEY RATING DRIVERS

Eversource Energy

Aquarion Update: On Jan. 27, 2025, ES announced the sale of Aquarion for $2.4 billion, with expected net proceeds of about $1.6 billion after settling $800 million of Aquarion's debt. On Nov. 19, 2025, PURA rejected the sale, stating it was not in the best interest of customers. The order causes a large funding gap in ES's deleveraging plan. The company had planned to use sale proceeds to reduce holding company leverage.

Fitch could revise ES's Outlook to Stable if the company finances the funding gap in a credit-supportive and timely manner over the next 6-12 months. Without the sale proceeds, Fitch estimates ES's FFO leverage will average around 6.2x through 2027, above its downgrade sensitivity of 6.0x.

Revolution Project Update: Following the stop-work order on the Revolution project issued by the Bureau of Ocean Energy Management on Aug. 22, 2025, Orsted A/S (Orsted; BBB/Negative), one of the project owners, appealed the order. On Sept. 22, 2025, a federal judge from the U.S. District Court in Washington, D.C. issued a preliminary injunction that overturned the stop-work order and allowed Revolution to resume construction.

The U.S. government did not appeal the preliminary injunction within a 60-day period, which expired on Nov. 21, 2025, easing uncertainty regarding timely completion of Revolution. Orsted reiterated the project's target commercial operation date (COD) in 2H2026. Further actions by the U.S. government causing material delays or cost overruns to the project, or obligations to ES, could lead to adverse rating actions.

Offshore Wind Exits Risks: In 2024, ES sold its two remaining offshore wind projects, 50% ownership interest in the South Fork Wind and Revolution. The company has fully exited its offshore wind operations, a credit positive, but key risks remain. In addition to construction cost overruns and abandonment costs, ES must ensure Global Infrastructure Partners (GIP) receives a 13% pre-tax internal rate of return on its Revolution investment.

ES already recorded about $360 million of liabilities at the time of the sale to reflect increased construction costs and delays, which it expected to be settled in 2026. During 3Q'25, the company incurred an additional $285 million of liabilities on the project related to construction cost increases and impact from the stop-work order. This is partly offset by about $210 million federal tax benefit linked to tax losses on ES's offshore wind investments, resulting in a net charge of $75 million. Further cost overruns, delays, or abandonment could result in additional costs. Fitch expects ES to fund additional needs in a credit-supportive manner.

Minimal Credit Metrics Cushion: ES's FFO leverage has been elevated, averaging about 7.2x over the past four years due to acquisitions, high capex, offshore wind cost overruns and large deferrals, including storm costs. In 2024, FFO leverage improved to 6.4x after ES divested the offshore wind operations and issued about $1 billion in equity. The Aquarion sale falling through created a large funding gap in the company's deleveraging plan. Fitch now projects ES's FFO leverage of about 6.2x through 2027, above its downgrade sensitivity of 6.0x.

Large Utility Capex Plan: ES's five-year capex program targets about $24 billion of investments, almost 3x depreciation expense, across electric transmission and distribution as well as gas distribution. This utility capex is a relatively low-risk growth plan, including about $10.2 billion in electric distribution, $6.8 billion in Federal Energy Regulatory Commission (FERC) regulated electric transmission and $6.0 billion in natural gas distribution. Most of ES's planned utility capex will be recovered with limited lag, reflecting FERC construction work in progress, electric distribution trackers and natural gas distribution infrastructure expansion cost-recovery mechanisms.

Regulatory Diversification: ES operates utilities in three states and invests heavily in FERC-regulated projects. FERC, Connecticut, Massachusetts and New Hampshire represent 36%, 29%, 29% and 6% of ES's consolidated rate base, respectively. Fitch views FERC as one of the most constructive U.S. regulators due to timely cost recovery and formulaic rates of return. Connecticut's electric regulatory environment is more challenging. Fitch views PURA's recent actions to implement performance-based regulation, enactment of Senate Bill 7 and authorized returns on equity (ROEs) below the national average as less constructive.

Parent-Subsidiary Linkage: There is PSL between ES and its regulated utility subsidiaries. Fitch views the subsidiaries' Standalone Credit Profiles (SCPs) as stronger than ES's parent consolidated profile due to lower risk regulated utility operations and better credit and financial leverage metrics. Legal ring-fencing is porous given the general protection afforded by economic regulation. Access and control are porous as ES centrally manages the treasury function for all its subsidiaries and is the sole source of equity, but the subsidiaries issue their own debt. Due to this, Fitch limits the difference between ES and any of its higher-rated regulated subsidiaries to two notches.

NSTAR Electric Company (NEC)

Low-Risk Business Profile: NEC's ratings largely reflect the low business risk and stable cash flows of its regulated electric transmission and distribution operations. The company has no commodity exposure and a decoupling mechanism that eliminates the effect of weather and usage patterns on revenue. A significant and growing share of the rate base is derived from electric transmission investments regulated by FERC.

Balanced Regulatory Environment: Fitch considers the regulatory environment overseen by the Massachusetts Department of Public Utilities (DPU) relatively balanced, supporting NEC's strong financial profile. NEC operates under a five-year performance-based ratemaking (PBR) plan that runs through Dec. 31, 2027.

NEC benefits from full-revenue decoupling and several cost-recovery mechanisms, which enhance the stability and predictability of cash flows. The DPU permits recovery outside of general rate cases for pension and post-retirement benefits, energy efficiency program costs and the associated lost revenue and storm costs.

2022 Multiyear Rate Case Settlement: Fitch deems the outcome of NEC's last rate case constructive and supportive of credit quality. DPU authorized a $64.3 million increase based on a return on equity (ROE) of 9.8%, with 53.21% equity capital and a five-year PBR plan commencing on Jan. 1, 2023. Earnings over 10.8% are to be shared with ratepayers. The decision implements storm fund refinements and an advanced metering infrastructure tariff, and it is in alignment with the state's electrification policy.

Large Capex: Fitch expects capex to remain elevated throughout the forecast plan, largely due to significant investments in FERC-regulated regional transmission projects. Management forecasts transmission capex to total about $2.8 billion over 2025-2028. Investments into NEC's distribution system to support the state's clean energy goals will also contribute to capex in the near term. Fitch expects capex to be funded consistent with the existing capital structure. Investments beyond core distribution capex are being recovered through various trackers, including advanced metering, grid modernization and solar tracker.

Improving Financial Metrics: Fitch-calculated NEC's FFO leverage averaged about 4.7x in 2021-2024, only modestly above the negative sensitivity threshold. Regulatory lag during the capital spending ramp-up and under-recovered balances tied to fully tracking reconciling mechanisms drove the elevated leverage. Fitch expects FFO leverage to improve and average around 4.3x through 2027. Approved deferred storm cost recovery and a $56 million base distribution rate increase in 2025 under the PBR framework will support this improvement. Ongoing investments in FERC-regulated transmission with timely cost recovery and above-average returns should help maintain financial strength.

Parent-Subsidiary Linkage: Linkage exists between ES and NEC. Fitch considers NEC's standalone credit profile stronger than ES's parent consolidated profile due to NEC's lower risk regulated operation, strong regulatory environment, and better financials. Legal ring-fencing is porous given general protection afforded by economic regulation. Access and control are also porous. ES manages NEC's treasury function and serves as its sole source of equity, but NEC issues its own debt. Consequently, Fitch limits the credit rating difference between NEC and ES to two notches.

Public Service Company of New Hampshire (PSNH)

Low-Risk Business Profile: PSNH's ratings largely reflect the low business risk and stable cash flows of its regulated electric transmission and distribution operations. The company has no commodity exposure and fully passes through all power supply costs to its customers. A significant share of PSNH's rate base is derived from electric transmission investments regulated by FERC.

PSNH's capex became more focused on transmission assets following the 2018 sale of the utility's generation facilities. Management expects to spend approximately $1.2 billion on transmission capex from 2025 to 2028, and FERC regulated transmission has increased to more than 50% of PSNH's rate base, a credit positive. FERC-regulated transmission projects receive timely recovery of their costs, formulaic rates and attractive return on equity (ROE), which should enable PSNH to maintain its solid financial profile.

Rate Case Outcome: On July 25, 2025, the New Hampshire Public Utilities Commission (NHPUC) authorized PSNH's distribution base rate increase of $100.7 million compared to the revised base rate increase request of $102.8 million filed in June 2025. Fitch views the outcome as in line with expectation. The new rate increase includes the $61.2 million temporary rate increase approved on July 31, 2024. The net base rate increase is about $40 million. The rate decision also allows PSNH to establish an annual revenue requirement for each of the 12-month periods beginning August 1, 2026 to 2028, using an NHPUC-authorized formula. Fitch views the annual formula rate increase positively as it provides cash flow visibility.

New Hampshire Balanced Regulatory Environment: Fitch views the NHPUC as mostly balanced. Although authorized ROEs are below the industry average, mechanisms like the transmission cost adjustment mechanism and lost revenue adjustment provide some cash flow stability. In 2018, the NHPUC allowed PSNH to issue rate reduction bonds to recover the stranded costs from the state-mandated sale of its thermal and hydroelectric generation facilities. Recently, PSNH was allowed to recover deferred storm costs related to storm activity. On PSNH's latest rate decision, the use of formula base rate increases in 2026 to 2028 also provides cash flow visibility.

Adequate Financial Metrics: PSNH's ratings are also supported by adequate financial metrics. Growth in FERC-regulated transmission projects is likely to further strengthen cash flows, with reductions in operations and maintenance (O&M) expense and other cost-cutting initiatives improving EBITDA margins. Fitch expects PSNH's FFO leverage to average around 4.0x through 2027.

Parent-Subsidiary Linkage: A PSL exists between ES and PSNH. Fitch considers PSNH's Standalone Credit Profile stronger than ES's parent consolidated profile due to PSNH's lower-risk regulated utility operations, strong regulatory environment and better financials. Legal ring-fencing is porous given the general protection afforded by economic regulation. Access and control are porous, reflecting that ES centrally manages PSNH's treasury function and serves as its sole source of equity, but PSNH issues its own debt. Consequently, Fitch limits the credit rating difference between PSNH and ES to two notches.

The Connecticut Light and Power Company (CL&P)

Regulatory Environment Uncertainty: In 2023, Connecticut passed legislation that may further degrade the regulatory environment, depending on the final framework and implementation. Senate Bill (SB) 7 introduced several restrictive measures. These include proposed restrictions on recoveries and considerations of several factors, including macroeconomic conditions in determining return on equity (ROE) and performance-based restriction on management compensation if customer bills increase over a certain threshold.

Recent rate cases have had terms that are materially weaker than Fitch expected. Authorized ROE in Connecticut tends to be below the industry average and PURA periodically assesses performance penalties. In total, ES derives about 25% of its earnings from Connecticut. CL&P, its parent ES and other regulated utilities, participate in the implementation of the framework. Fitch may take negative rating action of the final framework becomes significantly more punitive.

Adequate Financial Profile: CL&P's FFO leverage for 2024 was high at about 5.6x mainly due to under recovery of storm costs, but Fitch expects leverage to improve in 2025 with the rate adjustment mechanisms (RAM) approval from 2024 that allows CL&P to recover about $1 billion in costs relates to the Millstone and Seabrook PPAs between 2024 and 2025. In addition, FERC-regulated transmission investments receive timely cost recovery and above- average returns provide strong and stable cash flows. Fitch expects FFO leverage will average 4.2x through 2027, which is commensurate with its 'A-' rating but with limited cushion.

Over the Outlook horizon, Fitch's assumptions include a constructive approval of the large outstanding storm cost balances prudency review. Further deterioration iofthe regulatory environment, including credit-negative rate decisions would result in a negative rating outcome.

Securitization of Storm Costs: The Connecticut legislature passed SB 4 into law in July 2025. It allows the use of securitization to recover storm costs incurred by CL&P from 2018 to 2025. As of 2025 Q2, CL&P has incurred about $1 billion of deferred storm costs, of which about $950 million is currently under prudence reviews. While securitization can provide timely recovery of storm costs, Fitch excludes it from the base case scenario pending prudency review outcomes. Fitch expects a constructive approval of the large outstanding storm cost balances from the review process.

Transmission Base Supports Business Profile: CL&P's regulated electric T&D operations have a relatively low-risk business profile. The utility has no commodity exposure, and full revenue decoupling mitigates volume risk exposure, providing cash flow predictability. Oversight by FERC provides CL&P's growing electric transmission business with beneficial exposure to one of the more constructive regulatory jurisdictions, due to timely cost recovery and formulaic rates of return. CL&P's FERC-regulated electric transmission operations account for more than 40% of the utility's rate base, helping to counterbalance Connecticut's more challenging regulatory environment.

Capex Plan Moderating: Fitch expects capex to modestly decrease through the forecast plan. At the same time, CL&P continues to make significant investments in FERC-regulated regional transmission projects. Management forecasts transmission capex to account for approximately 48% of the total projected spend over 2025-2028. Fitch expects capex to be funded in a manner consistent with the existing capital structure.

Parent-Subsidiary Linkage: A PSL exists between ES and CL&P. Fitch considers CL&P's Standalone Credit Profile stronger than ES's parent consolidated profile due to CL&P's lower-risk regulated utility operations, strong regulatory environment, and better financials. Legal ring-fencing is porous given general protection afforded by economic regulation. Access and control is porous reflecting ES centrally manages CL&P's treasury function and serves as its sole source of equity, but CL&P issues its own debt. Consequently, Fitch limits the credit rating difference between CL&P and ES to two notches.

NSTAR Gas Company (NGC)

Generally Supportive Regulation: Fitch considers the regulatory environment overseen by the Massachusetts Department of Public Utilities (DPU) relatively supportive of credit quality. NGC operates under a 10-year PBR plan that runs through Oct. 31, 2030. The company benefits from full revenue decoupling and the Gas System Enhancement Program (GSEP) cost-recovery mechanism, which enhance the stability and predictability of cash flows.

A DPU-approved tariff allows for annual adjustments to recover program costs. It has no commodity exposure and benefits from a decoupling mechanism that eliminates the impact of weather and usage patterns on revenue. Fuel supply costs are recovered through a seasonal cost of gas adjustment clause that is reset semi-annually.

Energy Transition Risk: NGC's ratings are predicated on the expectation that the gas infrastructure transition in Massachusetts will be constructive and gradual and allow gas utilities sufficient time to comply with various environmental mandates, implement new technologies and adjust their capital structures as necessary. Indication of an accelerated time frame or changes in regulation that are likely to result in significant unrecoverable stranded assets could result in negative rating actions.

In December 2023, the DPU issued an order to examine the role of Massachusetts's natural gas local distribution companies (LDCs) in helping to meet the state's climate goal of net zero emissions target by 2050. The DPU indicated it will consider new processes and analysis for traditional natural gas investments, which may require changes to the LDC business models in the future. The DPU preserved customer choice for energy needs and encouraged further development of decarbonized alternatives. There are no significant changes to cost recovery, but the company has some exposure to state regulations or policy changes that could introduce additional costs and risks.

2019 Rate Case Decision: Fitch considers the outcome of NGC's 2019 rate case and implementation of PBR to be constructive. The DPU authorized NGC's a $23.0 million base distribution rate increase on Oct. 30, 2020. The DPU also approved NGC's proposal to continue its ongoing GSEP cost-recovery mechanism, the inclusion of GSEP investments since 2015 into base rates and the implementation of a 10- year PBR plan, which includes an inflation-based adjustment mechanism to annual base distribution rates. NG is allowed a 9.9% authorized ROE with a 54.77% common equity ratio.

Adequate Financial Metrics: NGC's FFO leverage was higher than expected in 2024 at 4.9x due to under-recoveries related to gas prices and warmer weather. Fitch expects NGC's FFO leverage to remain within Fitch's negative rating sensitivity threshold and average around 4.2x-4.3x through 2027. DPU preapproval and cost recovery mechanisms mitigate the risk associated with NGC's accelerated pipe replacement program and higher leverage. In addition, parent ES continues to provide equity infusion into NGC, resulting in equity capitalization increases from 2021 through 2024 to support its leverage ratios, a credit positive.

Parent-Subsidiary Linkage: A PSL exists between ES and NGC. Fitch considers NGC's Standalone Credit Profile stronger than ES's parent consolidated profile due NGC's lower-risk regulated utility operations, strong regulatory environment, and better financials. Legal ring- fencing is porous given general protection afforded by economic regulation. Access and control are porous reflecting ES centrally manages NG's treasury function and serves as its sole source of equity, but NGC issues its own debt. Consequently, Fitch limits the credit rating difference between NGC and ES to two notches.

PEER ANALYSIS

Eversource's business and financial risk profiles are consistent with those of other 'BBB' rated utility parent companies including Emera Incorporated (Emera; BBB/Stable) and American Electric Power Company, Inc. (AEP; BBB/Stable). Eversource derives all its cashflows from regulated operations compared with approximately 90%-95% for AEP and Emera. AEP has a more geographically diverse asset mix with operations in 11 states, compared to Eversource's three state jurisdictions and Emera, which operates primarily in Florida but also has operations in Canada and Caribbean region.

Eversource has been more levered in the past few years compared to its peers with FFO leverage of over 7.0x. Fitch expects FFO leverage to average about 6.2x following the sale of Aquarion fell through. Similar to ES, Emera's leverage has been high over the past few years with FFO leverage average around 7.0x. Fitch forecast Emera's FFO leverage to improve between 5.8x and 5.9x over the forecasted period following the execution of the company's deleveraging plan. For AEP, Fitch expects FFO leverage to average around 5.8x, over the forecast period.

KEY ASSUMPTIONS

--Equity issuance in line with company's guidance;

--Consolidated core business capex and rate base growth in line with company's guidance;

--O&M expense relatively flat;

--Storm cost recovery as approved and approval of outstanding deferred balances;

--No adverse regulatory outcomes;

--Continued credit-supportive economic regulation in Massachusetts and at FERC;

--Normal weather.

RATING SENSITIVITIES

Eversource Energy

Factors that Could, Individually or Collectively, Lead to Negative Rating Action/Downgrade

--Failure to address the funding gap to support deleveraging plan in a credit-supportive and timely manner;

--Significant additional Revolution costs due to delays, overruns or abandonment that are not funded in a credit-supportive manner;

--Failure to issue equity over 2026 and 2027 as planned to support deleveraging plan;

--Adverse regulatory actions or other events that result in downgrades to ES's utility subsidiaries;

--FFO leverage exceeding 6.0x on a sustained basis.

Factors that Could, Individually or Collectively, Lead to Revision of the Outlook to Stable

--Clear line of sight of company finance the funding gap in a credit-supportive manner;

--ES to fund any potential Revolution related liabilities in a credit-supportive manner;

--Maintain FFO leverage below 6.0x on a sustained basis.

Factors that Could, Individually or Collectively, Lead to Positive Rating Action/Upgrade

--FFO leverage expected to remain less than 5.2x on a sustained basis.

NSTAR Electric Company

Factors that Could, Individually or Collectively, Lead to Negative Rating Action/Downgrade

--A downgrade to parent Eversource's Long-Term IDR, given Fitch's maximum allowed two-notch differential between the Long-Term IDRs of the entities;

--FFO leverage expected to exceed 4.5x on a sustained basis.

Factors that Could, Individually or Collectively, Lead to Revision of the Outlook to Stable

--ES's Outlook is revised back to Stable.

Factors that Could, Individually or Collectively, Lead to Positive Rating Action/Upgrade

--An upgrade to parent Eversource's Long-Term IDR;

--NSTAR Electric's ratings upside is restricted by a maximum two-notch differential between the Long-Term IDRs of NSTAR Electric and Eversource coupled with the FFO leverage expected to remain below 4.0x on a sustained basis.

Public Service Company of New Hampshire

Factors that Could, Individually or Collectively, Lead to Negative Rating Action/Downgrade

--A downgrade to parent ES's Long-Term IDR, given Fitch's maximum allowed two-notch differential between the Long-Term IDRs of the entities;

--FFO leverage expected to exceed 4.5x on a sustained basis;

--An adverse regulatory decision that meaningfully reduces the stability and predictability of earnings and cash flow.

Factors that Could, Individually or Collectively, Lead to Revision of the Outlook to Stable

--ES's Outlook is revised back to Stable.

Factors that Could, Individually or Collectively, Lead to Positive Rating Action/Upgrade-

--An upgrade to parent ES's Long-Term IDR;

--PSNH's ratings upside is restricted by a maximum two-notch differential between the Long-Term IDRs of PSNH and ES coupled with the FFO leverage expected to remain less than 3.5x on a sustained basis.

The Connecticut Light and Power Company

Factors that Could, Individually or Collectively, Lead to Negative Rating Action/Downgrade

--A downgrade to parent ES's Long-Term IDR, given Fitch's maximum allowed two-notch differential between the Long-Term IDRs of the entities;

--An adverse implementation of the recent regulatory changes that reduces the stability and predictability of earnings and cash flow and materially weakens CL&P's financial profile;

--FFO leverage expected to exceed 4.3x on a sustained basis.

Factors that Could, Individually or Collectively, Lead to Revision of the Outlook to Stable

--ES's Outlook is revised back to Stable.

Factors that Could, Individually or Collectively, Lead to Positive Rating Action/Upgrade

--An upgrade to parent ES's Long-Term IDR; CL&P's ratings upside is restricted by a maximum two-notch differential between the Long-Term IDRs of CL&P and ES;

--A material improvement in the regulatory environment that results in constructive rate decisions and higher earned ROEs;

--FFO leverage expected to remain less than 3.5x on a sustained basis.

NSTAR Gas Company

Factors that Could, Individually or Collectively, Lead to Negative Rating Action/Downgrade

--A downgrade to parent Eversource's Long-Term IDR, given Fitch's maximum allowed two-notch differential between the Long-Term IDRs of the entities;

--FFO leverage expected to exceed 4.5x on a sustained basis;

--An adverse regulatory decision that meaningfully reduces the stability and predictability of earnings and cash flow.

Factors that Could, Individually or Collectively, Lead to Revision of the Outlook to Stable

--ES's Outlook is revised back to Stable.

Factors that Could, Individually or Collectively, Lead to Positive Rating Action/Upgrade

--A positive rating action is not likely due to the utility's small scale of operations and large capex plan;

--FFO leverage expected to remain less than 4.0x on a sustained basis.

LIQUIDITY AND DEBT STRUCTURE

Fitch considers liquidity for ES and its regulated utility subsidiaries adequate. ES has a $2.0 billion CP program that the company uses to provide its subsidiaries with intercompany loans. ES had about $1,039 million of CP borrowings outstanding as of Sept. 30, 2025, leaving about $962 million of available borrowing capacity.

ES, The Connecticut Light and Power Company (CL&P; A-/Negative), Public Service Company of New Hampshire (PSNH; A-/Negative), NSTAR Gas Company (NGC; A-/Negative), Yankee Gas Services Company (Yankee Gas; not rated), Eversource Gas Company of Massachusetts (EGMA; not rated) and Aquarion Water Company of Connecticut (not rated) participate in a joint $2.0 billion RCF that terminates on Oct. 11, 2030.

Under the RCF, CL&P has a $600 million borrowing sublimit; PSNH, NGC, EGMA and Yankee Gas each have a $300 million sublimit; and Aquarion Water Company of Connecticut has a $100 million sublimit. The RCF serves to backstop ES's CP program. There were no RCF borrowings outstanding as of June 30, 2025.

NSTAR Electric Company (NEC; A-/Negative) maintains its own $650 million CP program backstopped by an equal-sized RCF. NEC's $650 million RCF is separate from the shared RCF of parent ES and the other utilities but also terminates on Oct. 11, 2030. As of Sept. 30, 2025, there was $479 million outstanding, leaving $171 million of available borrowing

capacity. ES and its utility subsidiaries require modest cash on hand and had $259 million of unrestricted cash as of Sept. 30, 2025.

ISSUER PROFILE

ES is a holding company that owns seven regulated utilities serving electric T&D, natural gas distribution and water distribution customers in Massachusetts, Connecticut and New Hampshire.

REFERENCES FOR SUBSTANTIALLY MATERIAL SOURCE CITED AS KEY DRIVER OF RATING

The principal sources of information used in the analysis are described in the Applicable Criteria.

Click here to access Fitch's latest quarterly Global Corporates Sector Forecasts Monitor data file which aggregates key data points used in our credit analysis. Fitch's macroeconomic forecasts, commodity price assumptions, default rate forecasts, sector key performance indicators and sector-level forecasts are among the data items included.

ESG CONSIDERATIONS

The highest level of ESG credit relevance is a score of '3', unless otherwise disclosed in this section. A score of '3' means ESG issues are credit-neutral or have only a minimal credit impact on the entity, either due to their nature or the way in which they are being managed by the entity. Fitch's ESG Relevance Scores are not inputs in the rating process; they are an observation on the relevance and materiality of ESG factors in the rating decision. For more information on Fitch's ESG Relevance Scores, visit https://www.fitchratings.com/topics/esg/products#esg-relevance-scores.

RATING ACTIONS

ENTITY / DEBT	RATING		PRIOR
NSTAR Electric Company	LT IDR Affirmed	A- Rating Outlook Negative	A- Rating Watch Negative

	ST IDR	F1	Affirmed	F1 Rating Watch Negative
senior unsecured	LT	A	Affirmed	A Rating Watch Negative
preferred	LT	BBB+	Affirmed	BBB+ Rating Watch Negative
senior unsecured	ST	F1	Affirmed	F1 Rating Watch Negative
Eversource Energy	LT IDR	BBB Rating Outlook Negative	Affirmed	BBB Rating Watch Negative
	ST IDR	F3	Affirmed	F3
senior unsecured	LT	BBB	Affirmed	BBB Rating Watch Negative
senior unsecured	ST	F3	Affirmed	F3
Public Service Company of New Hampshire	LT IDR	A- Rating Outlook Negative	Affirmed	A- Rating Watch Negative

VIEW ADDITIONAL RATING DETAILS

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PARTICIPATION STATUS

The rated entity (and/or its agents) or, in the case of structured finance, one or more of the transaction parties participated in the rating process except that the following issuer(s), if any, did not participate in the rating process, or provide additional information, beyond the issuer's available public disclosure.

APPLICABLE CRITERIA

Corporates Recovery Ratings and Instrument Ratings Criteria (pub. 02 Aug 2024) (including rating assumption sensitivity)

Corporate Hybrids Treatment and Notching Criteria (pub. 08 Apr 2025)

Parent and Subsidiary Linkage Rating Criteria (pub. 27 Jun 2025)

Corporate Rating Criteria (pub. 27 Jun 2025) (including rating assumption sensitivity)

Sector Navigators – Addendum to the Corporate Rating Criteria (pub. 27 Jun 2025)

APPLICABLE MODELS

Numbers in parentheses accompanying applicable model(s) contain hyperlinks to criteria providing description of model(s).

Corporate Monitoring & Forecasting Model (COMFORT Model), v8.2.0 (08 Apr 2025, 27 Jun 2025)

ADDITIONAL DISCLOSURES

Dodd-Frank Rating Information Disclosure Form

Solicitation Status

Endorsement Policy

ENDORSEMENT STATUS

Eversource Energy	EU Endorsed, UK Endorsed
NSTAR Electric Company	EU Endorsed, UK Endorsed
NSTAR Gas Company	EU Endorsed, UK Endorsed
Public Service Company of New Hampshire	EU Endorsed, UK Endorsed
The Connecticut Light and Power Company	EU Endorsed, UK Endorsed

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Eversource Energy

The Rating Watch Negative (RWN) on Eversource Energy (ES) reflects potentially material obligations due to a recent stop-work order for the Revolution Wind (Revolution) project. ES sold its 50% interest in 2024 and remains obligated under the sale agreement for certain project costs. The order creates significant uncertainty and could meaningfully delay construction, causing large cost overruns or abandonment. The resulting pressure on ES' credit ratings, in a worst-case scenario, could trigger a one-notch downgrade if costs are not funded in a credit-supportive manner. Conversely, Fitch Ratings could remove ES from RWN if the order is resolved promptly and/or a high confidence path to the timely completion of Revolution emerges.

The Long-Term Issuer Default Rating (IDR) on ES reflects the consolidated strength of ES' regulated electric transmission and distribution (T&D), natural gas distribution and water distribution utility subsidiaries.

Key Rating Drivers

Revolution Stop Work Order: The recent Revolution stop-work order is an adverse development from a credit perspective and the primary driver of placing ES on RWN. ES sold its 50% ownership interest in Revolution to Global Infrastructure Partners (GIP) in September 2024 and agreed to retain certain financial obligations including equal sharing of capital expenditure (capex) cost overruns for the first $240 million with GIP. In the case of project abandonment, ES must make GIP whole for the purchase price of Revolution, other expenditures, and a 6.5% return on those amounts. ES would also be responsible for decommissioning costs.

The stop-work order was overturned on September 22, 2025 by a federal judge from the U.S. District Court in Washington, D.C. This allows the project to resume construction, limiting cost overruns but is likely to remain subject to continued judicial review and uncertainty until a resolution is reached between the project owners and the U.S. administration. Fitch could remove ES from RWN with clear visibility to timely completion of Revolution in-line with budget. If the project is delayed or cancelled resulting in significantly higher costs to ES, Fitch could remove ES from RWN if these costs are funded in a credit supportive manner.

Offshore Wind Exits but Risks Remain: ES recently completed the sale of its two remaining offshore wind projects, 50% ownership interest in the South Fork Wind and Revolution in 2024. The company has fully exited its offshore wind operations, a credit positive, but key risks remain. In addition to construction cost overruns and abandonment costs, ES must ensure GIP receives a 13% pre-tax internal rate of return on its investment in Revolution. ES already recorded about $360 million of liabilities at the time of the sale to reflect increase in construction costs and delays, which is expected to be settled in 2026. Further cost overruns, delays or abandonment could result in additional costs. Fitch expects any additional funding needs will be financed in a credit supportive manner.

Sale of Aquarion Water: On Jan. 27, 2025, ES announced the sale of its water utility Aquarion Water (Aquarion) for $2.4 billion, with expected net proceeds of about $1.6 billion after settling Aquarion's debt. ES plans to use the net proceeds to reduce leverage at the ES parent level, a credit positive. The transaction is subject to several state regulatory approvals including the Connecticut Public Utilities Regulatory Authority (PURA), the Massachusetts Department of Public Utilities (DPU) and the New Hampshire Public Utilities Commission (NHPUC). Fitch expects the transaction to close by year-end 2025.

Ratings

Long-Term IDR	BBB
Short-Term IDR	F3
Senior Unsecured Debt - Long-Term Rating	BBB
Senior Unsecured Debt - Short-Term Rating	F3
Outlook	
Long-Term IDR	Rating Watch Negative

Click here for the full list of ratings

ESG and Climate

Highest ESG Relevance Scores	
Environmental	3
Social	3
Governance	3

2035 Climate Vulnerability Signal: 28

Applicable Criteria

Corporate Rating Criteria (June 2025)

Sector Navigators – Addendum to the Corporate Rating Criteria (June 2025)

Corporates Recovery Ratings and Instrument Ratings Criteria (August 2024)

Parent and Subsidiary Linkage Rating Criteria (June 2025)

Corporate Hybrids Treatment and Notching Criteria (April 2025)

Related Research

Global Corporates Sector Forecasts Monitor — September 2025 (September 2025)

North American Utilities Outlook 2025 (December 2024)

North American Utilities, Power & Gas Dashboard: 2Q25 (July 2025)

North American Utilities Monitor: 1Q25 (June 2025)

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Financial Profile to Improve: ES's funds from operations (FFO) Leverage has been elevated, averaging about 7.2x over the past four years driven by acquisitions, high capex, offshore wind cost overruns and large deferrals (including storm costs). In 2024, FFO leverage improved to 6.4x, partially through divestiture of the offshore wind operations and issuance of about $1 billion in equity. Fitch expects further improvement after the Aquarion sales closes later in 2025 and additional equity issuance, with FFO leverage averaging 5.7x to 5.8x through 2027. Fitch's base case excludes potential large Revolution-related liabilities. ES has historically issued equity to support its rating, which Fitch expects to continue.

Large Utility Capex Plan: ES's five-year capex program targets about $24 billion of investments, almost 3x depreciation expense, across electric transmission and distribution as well as gas distribution. This utility capex is a relatively low-risk growth plan, including about $10.2 billion in electric distribution, $6.8 billion in Federal Energy Regulatory Commission (FERC) regulated electric transmission and $6.0 billion in natural gas distribution. Most of ES' planned utility capex will be recovered with limited lag, reflecting FERC construction work in progress, electric distribution trackers and natural gas distribution infrastructure expansion cost-recovery mechanisms.

Regulatory Diversification: ES operates utilities in three states and invests heavily in FERC-regulated projects. FERC, Connecticut, Massachusetts and New Hampshire represent 36%, 29%, 29% and 6% of ES's consolidated rate base, respectively. Fitch views FERC as one of the most constructive U.S. regulators due to timely cost recovery and formulaic rates of return. Connecticut's electric regulatory environment is more challenging. The PURA recently implemented performance-based regulation. Fitch also views the enactment of Senate Bill 7 and authorized returns on equity (ROEs) below the national average as less constructive.

Parent-Subsidiary Linkage (PSL): There is PSL between ES and its regulated utility subsidiaries. Fitch views the subsidiaries' Standalone Credit Profiles (SCPs) as stronger than ES' parent consolidated profile due to lower risk regulated utility operations and better credit and financial leverage metrics. Legal ring-fencing is porous given the general protection afforded by economic regulation. Access and control are porous as ES centrally manages the treasury function for all its subsidiaries and is the sole source of equity, but the subsidiaries issue their own debt. Due to this, Fitch limits the difference between ES and any of its higher-rated regulated subsidiaries to two notches.

Financial Summary

(USD Mil.)	2021	2022	2023	2024
Gross revenue	9,801	12,229	11,852	11,843
EBITDA	3,026	3,754	3,134	4,401
CFO (Fitch-defined)	1,907	2,342	1,834	2,392
Capital intensity (capex/revenue) (%)	32.4	28.1	39.3	40.3
Debt	19,877	22,684	26,570	29,019
FFO interest coverage (x)	4.9	4.7	4.4	4.4
FFO leverage (x)	7.3	7.4	7.7	6.4
EBITDA leverage (x)	6.6	6.0	8.5	6.6

Source: Fitch Ratings, Fitch Solutions

Peer Analysis

ES compares adequately with other 'BBB' rated utility parent companies: Emera Incorporated (Emera; BBB/Stable) and American Electric Power Company, Inc. (AEP; BBB/Stable). ES derives all its cashflows from regulated operations, compared with approximately 90% to 95% for AEP and Emera. AEP has a more geographically diverse asset mix with operations in 11 states, compared to ES' three-state jurisdictions. Emera operates primarily in Florida but also has operations in Canada and Caribbean region.

ES has been more levered in the past few years compared to its peers with FFO leverage of over 7.0x. Fitch expects FFO leverage to improve to approximately between 5.8x and 5.7x over the forecast period, following execution of the offshore wind and Aquarion sale, equity issuances and constructive outcome in the regulatory proceedings. Similar to ES, Emera's leverage has been high over the past few years with FFO leverage average around 7.0x. Fitch forecast Emera's FFO leverage to improve between 5.8x and 5.9x over the forecasted period following the execution of the company's deleveraging plan. For AEP, Fitch expects FFO leverage to average around 5.8x, over the forecast period.

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Rating Sensitivities

Factors that Could, Individually or Collectively, Lead to Negative Rating Action/Downgrade

- Significant additional Revolution costs due to delays, overruns or abandonment;
- Failure to continue to issue equity over 2025 to 2027 timeframe to support deleveraging including balanced funding of potential Revolution costs;
- The sale of Aquarion Water does not close by 4Q25 as expected or allocation of proceeds towards use other than debt reduction;
- FFO leverage exceeding 6.0x on a sustained basis;
- Adverse regulatory actions or other events that result in downgrades to ES' utility subsidiaries.

Factors that Could, Individually or Collectively, Lead to Stabilization of Rating

- Clear visibility to Revolution project completion in a timely manner without material overruns or delay;
- ES funds potential Revolution liabilities in a credit supportive manner to maintain FFO leverage below 6.0x on a sustained basis.

Factors that Could, Individually or Collectively, Lead to Positive Rating Action/Upgrade

- FFO leverage expected to remain less than 5.2x on a sustained basis.

Liquidity and Debt Structure

Fitch considers liquidity for ES and each of its regulated utility subsidiaries to be adequate. ES has a $2.0 billion commercial paper (CP) program that the company uses to provide its subsidiaries with intercompany loans. ES had $950.5 million of CP borrowings outstanding as of June 30, 2025, leaving $1,050 million of available borrowing capacity. ES, The Connecticut Light and Power Company (CL&P; A-/RWN), Public Service Company of New Hampshire (PSNH; A-/RWN), NSTAR Gas Company (NGC; A-/RWN), Yankee Gas Services Company (Yankee Gas; not rated), Eversource Gas Company of Massachusetts (EGMA; not rated) and Aquarion Water Company of Connecticut (not rated) participate in a joint $2.0 billion revolving credit facility (RCF) that terminates on Oct. 11, 2029.

Under the RCF, CL&P has a $600 million borrowing sublimit; PSNH, NGC, EGMA and Yankee Gas each have a $300 million sublimit; and Aquarion Water Company of Connecticut has a $100 million sublimit. The RCF serves to backstop ES' CP program. There were no RCF borrowings outstanding as of June 30, 2025.

NSTAR Electric Company (NEC; A-/RWN) maintains its own $650 million CP program backstopped by an equal-sized RCF. NEC's $650 million RCF is separate from the shared RCF of parent ES and the other utilities but also terminates on Oct. 11, 2029. As of June 30, 2025, there was $430 million outstanding, leaving $220 million of available borrowing capacity. ES and its utility subsidiaries require modest cash on hand and had $344 million of unrestricted cash as of June. 30, 2025.

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Liquidity and Debt Maturities

Liquidity Analysis

(USD Mil.)	December 31, 2023	December 31, 2024
Total cash and cash equivalents	54	27
Short-term investments	—	—
Less not readily available cash and cash equivalents	—	—
Fitch-defined readily available cash and cash equivalents	**54**	**27**
Availability under committed lines of credit	512	607
Total liquidity	566	634
LTM EBITDA after associates and minorities	3,700	4,401
LTM FCF	-3,665	-3,385

Source: Fitch Ratings, Fitch Solutions, Eversource Energy

Scheduled Debt Maturities

(USD Mil.)	December 31, 2024
2025	3,443
2026	1,390
2027	2,889
2028	1,979
2029	2,300
Thereafter	17,018
Total	**29,019**

Source: Fitch Ratings, Fitch Solutions, Eversource Energy

Key Assumptions

- Sale of Aquarion to close 4Q25 with use of proceeds to pay down debt;
- Equity issuance in line with company's guidance;
- Consolidated core business capex and rate base growth in line with company's guidance;
- Operations and maintenance (O&M) expense relatively flat;
- Storm cost recovery as approved and approval of outstanding deferred balances;
- No adverse regulatory outcomes;
- Continued credit-supportive economic regulation in Massachusetts and at FERC;
- Normal weather.

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Financial Data

(USD Mil.)	2021	2022	2023	2024
Summary income statement				
Gross revenue	9,801	12,229	11,852	11,843
Revenue growth (%)	10.9	24.8	-3.1	-0.1
EBITDA before income from associates	3,026	3,754	3,134	4,401
EBITDA margin (%)	30.9	30.7	26.4	37.2
EBITDA after associates and minorities	3,026	3,754	3,134	4,401
EBIT	1,971	2,162	2,366	2,674
EBIT margin (%)	20.1	17.7	20.0	22.6
Gross interest expense	-578	-664	-867	-1,144
Pretax income including associate income/loss	1,572	1,866	-275	1,244
Summary balance sheet				
Readily available cash and equivalents	67	375	54	27
Debt	19,877	22,684	26,570	29,019
Net debt	19,810	22,309	26,516	28,993
Summary cash flow statement				
EBITDA	3,026	3,754	3,134	4,401
Cash interest paid	-555	-636	-783	-1,014
Cash tax	-122	-78	-39	70
Other items before FFO	-163	-620	368	35
FFO	2,179	2,462	2,766	3,622
FFO margin (%)	22.2	20.1	23.3	30.6
Change in working capital	-272	-120	-932	-1,230
CFO (Fitch-defined)	1,907	2,342	1,834	2,392
Capex	-3,175	-3,442	-4,653	-4,776
Capital intensity (capex/revenue) (%)	32.4	28.1	39.3	40.3
Common dividends	-805	-860	-919	-1,001
FCF	-2,073	-1,960	-3,738	-3,385
FCF margin (%)	-21.2	-16.0	-31.5	-28.6
Other investing and financing cash flow items	-267	-678	-498	-45
Net debt proceeds	2,300	2,749	3,842	2,413
Net equity proceeds	—	197	—	989
Total change in cash	-40	308	-393	-27
Calculations for forecast publication				
Capex, dividends, acquisitions and other items before FCF	-3,981	-4,302	-5,572	-5,777
FCF after acquisitions and divestitures	-2,073	-1,960	-3,738	-3,385
FCF margin after net acquisitions (%)	-21.2	-16.0	-31.5	-28.6
Gross Leverage ratios (x)				
EBITDA leverage	6.6	6.0	8.5	6.6
FFO leverage	7.3	7.4	7.7	6.4
(CFO-capex)/debt (%)	-6.4	-4.8	-10.6	-8.2
Net Leverage ratios (x)				
EBITDA net leverage	6.5	5.9	8.5	6.6
FFO net leverage	7.2	7.3	7.7	6.4
(CFO-capex)/net debt (%)	-6.4	-4.9	-10.6	-8.2
Coverage ratios (x)				
EBITDA interest coverage	5.5	5.9	4.0	4.3
FFO interest coverage	4.9	4.7	4.4	4.4

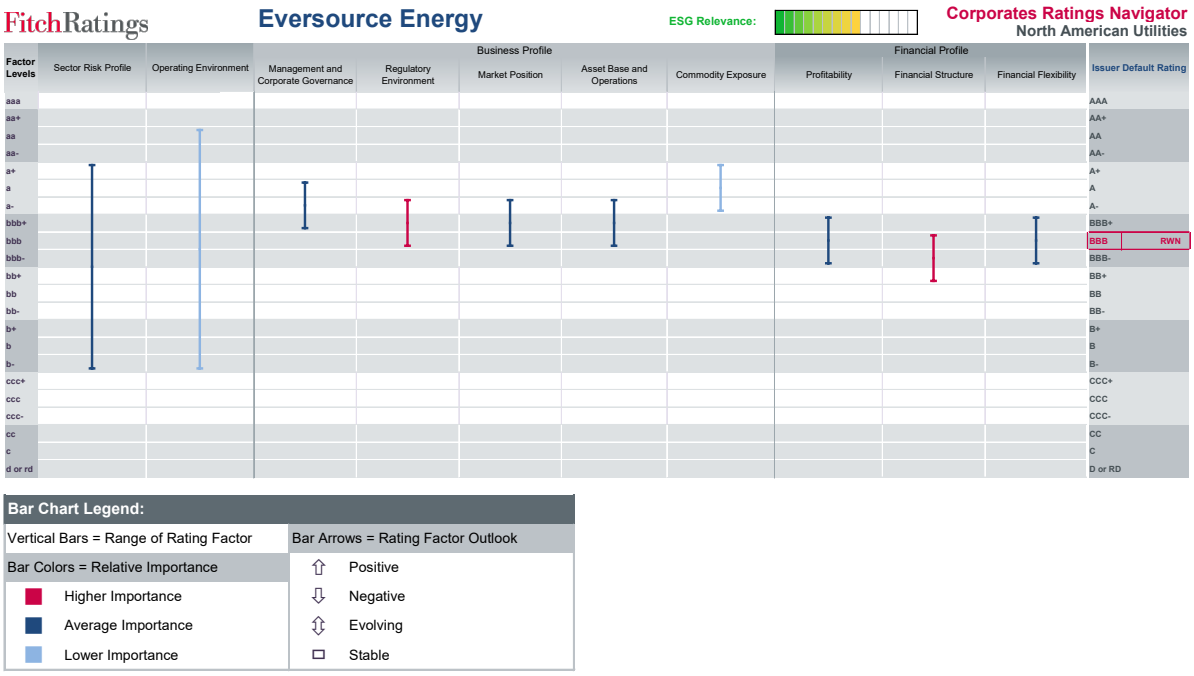
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(USD Mil.)	2021	2022	2023	2024
FFO fixed-charge coverage	4.9	4.7	4.4	4.4

CFO – Cash flow from operations
Source: Fitch Ratings, Fitch Solutions

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Ratings Navigator



Bar Chart Legend:	
Vertical Bars = Range of Rating Factor	Bar Arrows = Rating Factor Outlook
Bar Colors = Relative Importance	⇧ Positive
Higher Importance	⇩ Negative
Average Importance	⇳ Evolving
Lower Importance	▭ Stable

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FitchRatings

Eversource Energy

Corporates Ratings Navigator
North American Utilities

Operating Environment

aa+		Economic Environment	aa	Very strong combination of countries where economic value is created and where assets are located.
aa		Financial Access	aa	Very strong combination of issuer specific funding characteristics and of the strength of the relevant local financial market.
		Systemic Governance	aa	Systemic governance (eg rule of law, corruption; government effectiveness) of the issuer's country of incorporation consistent with 'aa'.
b-				
ccc+				

Management and Corporate Governance

a+		Management Strategy	bbb	Strategy may include opportunistic elements but soundly implemented.
a		Governance Structure	a	Experienced board exercising effective check and balances. Ownership can be concentrated among several shareholders.
a-		Group Structure	a	Group structure shows some complexity but mitigated by transparent reporting.
bbb+		Financial Transparency	a	High quality and timely financial reporting.
bbb				

Regulatory Environment

a		Degree of Transparency and Predictability	bbb	Generally transparent and predictable regulation with limited political interference.
a-		Timeliness of Cost Recovery	a	Minimal lag to recover capital and operating costs.
bbb+		Trend in Authorized ROEs	bbb	Average authorized ROE.
bbb		Mechanisms Available to Stabilize Cash Flows	bbb	Revenues partially insulated from variability in consumption.
bbb-		Mechanisms Supportive of Creditworthiness		n.a.

Market Position

a		Market Structure	a	Well-established market structure with complete transparency in price-setting mechanisms.
a-		Consumption Growth Trend	bbb	Customer and usage growth in line with industry averages.
bbb+		Customer Mix	a	Favorable customer mix.
bbb		Geographic Location	bbb	Beneficial location or reasonable locational diversity.
bbb-		Supply Demand Dynamics	bbb	Moderately favorable outlook for prices/rates.

Asset Base and Operations

a		Diversity of Assets	a	High-quality and/or large-scale diversified assets.
a-		Operations Reliability and Cost Competitiveness	a	Track record of reliable, low-cost operations.
bbb+		Exposure to Environmental Regulations	a	No exposure to environmental regulations.
bbb		Capital and Technological Intensity of Capex	bbb	Moderate reinvestments requirements in established technologies.
bbb-		Exposure to Weather Risk	bbb	Resilient asset base, manageable exposure to wildfire, hurricane or other weather-related natural disasters supported by effective legal/regulatory constructs.

Commodity Exposure

aa-		Ability to Pass Through Changes in Fuel	a	Complete pass-through of commodity costs.
a+		Underlying Supply Mix		n.a.
a		Hedging Strategy		n.a.
a-				
bbb+				

Profitability

a-		Free Cash Flow	bbb	Structurally neutral to negative FCF across the investment cycle.
bbb+		Volatility of Profitability	bbb	Stability and predictability of profits in line with utility peers.
bbb				
bbb-				
bb+				

Financial Structure

bbb+		EBITDA Leverage	bb	4.75x
bbb		FFO Leverage	bbb	5.0x
bbb-				
bb+				
bb				

Financial Flexibility

a-		Financial Discipline	bbb	Less conservative policy, but generally applied consistently.
bbb+		Liquidity	bb	Liquidity ratio around 1.0x. Less smooth debt maturity or concentrated funding.
bbb		FFO Interest Coverage	a	5.5x
bbb-				
bb+				

How to Read This Page: The left column shows the three-notch band assessment for the overall Factor, illustrated by a bar. The right column breaks down the Factor into Sub-Factors, with a description appropriate for each Sub-Factor and its corresponding category.

Credit-Relevant ESG Derivation

Overall ESG

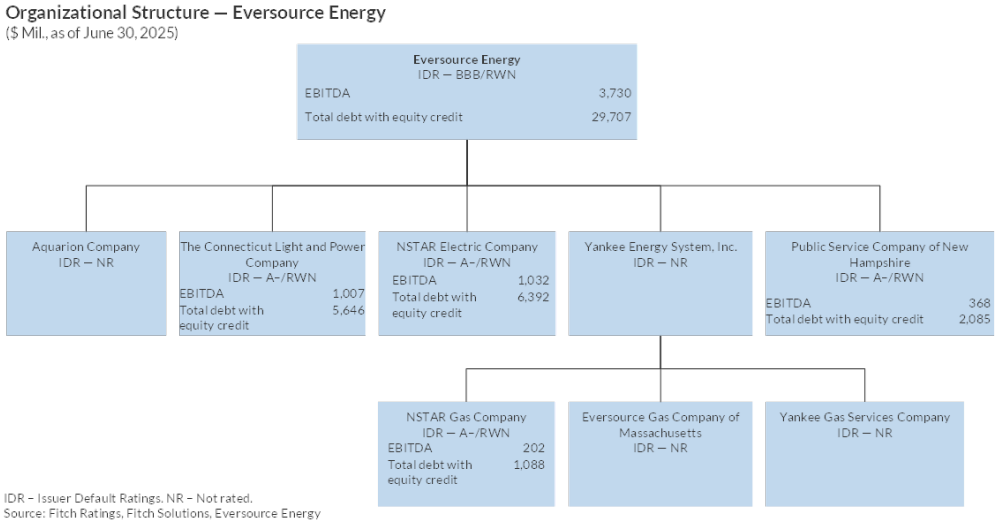
Eversource Energy has 12 ESG potential rating drivers	key driver	0	issues	5	
Emissions from operations	driver	0	issues	4	
Fuel use to generate energy and serve load	potential driver	12	issues	3	
Impact of waste from operations					
Plants' and networks' exposure to extreme weather	not a rating driver	2	issues	2	
Product affordability and access					
Quality and safety of products and services; data security		0	issues	1	

Showing top 6 issues

For further details on Credit-Relevant ESG scoring, see page 3.

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Simplified Group Structure Diagram



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Peer Financial Summary

Company	Issuer Default Rating	Financial statement date	Gross revenue (USD Mil.)	FFO (USD Mil.)	FFO interest coverage (x)	FFO leverage (x)	EBITDA leverage (x)
Eversource Energy	BBB						
	BBB	2024	11,843	3,622	4.4	6.4	6.6
	BBB+	2023	11,852	2,766	4.4	7.7	8.5
	BBB+	2022	12,229	2,462	4.7	7.4	6.0
American Electric Power Company, Inc.	BBB						
	BBB	2024	19,592	6,016	4.1	5.5	5.9
	BBB	2023	18,858	4,666	3.6	6.6	6.5
	BBB	2022	19,506	5,691	5.3	5.7	6.3
Emera Incorporated	BBB						
	BBB	2024	5,010	1,367	2.8	6.7	8.6
	BBB	2023	5,718	1,387	2.8	7.1	6.6
	BBB	2022	5,578	1,378	3.4	7.2	7.0

Source: Fitch Ratings, Fitch Solutions

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Fitch Adjusted Financials

(USD Mil., as of December 31, 2024)	Notes and formulas	Standardized values	Fair value and other debt adjustments	Lease treatment	Other adjustments	Adjusted values
Income statement summary						
Revenue		11,901	—	—	-58	11,843
EBITDA	(a)	4,185	—	-9	225	4,401
Depreciation and amortization		-1,776	—	6	43	-1,727
EBIT		2,409	—	-3	268	2,674
Balance sheet summary						
Debt	(b)	29,270	116	—	-367	29,019
Of which other off-balance-sheet debt		—	—	—	—	—
Lease-equivalent debt		—	—	—	—	—
Lease-adjusted debt		29,270	116	—	-367	29,019
Readily available cash and equivalents	(c)	27	—	—	—	27
Not readily available cash and equivalents		—	—	—	—	—
Cash flow summary						
EBITDA	(a)	4,185	—	-9	225	4,401
Dividends received from associates less dividends paid to minorities	(d)	—	—	—	—	—
Interest paid	(e)	-1,014	—	—	—	-1,014
Interest received	(f)	138	—	—	—	138
Preferred dividends paid	(g)	-8	—	—	—	-8
Cash tax paid		70	—	—	—	70
Other items before FFO		-914	—	3	946	35
FFO	(h)	2,457	—	-6	1,171	3,622
Change in working capital		-311	—	—	-919	-1,230
CFO	(i)	2,146	—	-6	252	2,392
Non-operating/nonrecurring cash flow		—	—	—	—	—
Capex	(j)	-4,481	—	—	-295	-4,776
Common dividends paid		-1,001	—	—	—	-1,001
FCF		-3,336	—	-6	-43	-3,385
Gross leverage (x)						
EBITDA leverage	b/(a+d)	7.0	—	—	—	6.6
FFO leverage	b/(h-e-f-g)	8.8	—	—	—	6.4
(CFO-capex)/debt (%)	(i+j)/b	-7.9	—	—	—	-8.2
Net leverage (x)						
EBITDA net leverage	(b-c)/(a+d)	7.0	—	—	—	6.6
FFO net leverage	(b-c)/(h-e-f-g)	8.8	—	—	—	6.4
(CFO-capex)/net debt (%)	(i+j)/(b-c)	-8.0	—	—	—	-8.2
Coverage (x)						
EBITDA interest coverage	(a+d)/(-e)	4.1	—	—	—	4.3
FFO interest coverage	(h-e-f-g)/(-e-g)	3.3	—	—	—	4.4

CFO – Cash flow from operations
Notes: The standardized items presented above are based on Fitch's taxonomy for the given sector and region.
Reported items may not match the Fitch taxonomy, but they are captured into corresponding lines accordingly.
Debt includes other off-balance-sheet debt.
Source: Fitch Ratings, Fitch Solutions, Eversource Energy

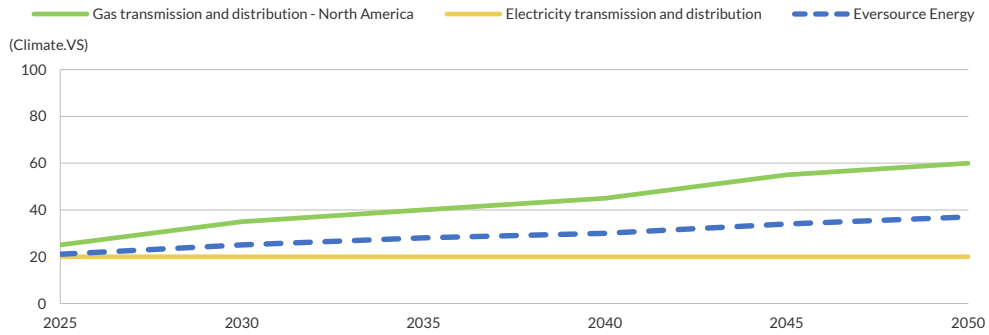
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Climate Vulnerability Considerations

Fitch uses Climate Vulnerability Signals (Climate.VS) as a screening tool to identify sectors and Fitch-rated issuers that are potentially most exposed to credit-relevant climate transition risks and, therefore, require additional consideration of these risks in rating reviews. Climate.VS range from 0 (lowest risk) to 100 (highest risk). For more information on Climate.VS, see Fitch's Corporate Rating Criteria. For more detailed, sector-specific information on how Fitch perceives climate-related transition risks, see Climate Vulnerability Signals for Non-Financial Corporate Sectors.

ES' Climate.VS is relatively low at 28 out of 100 in 2035, based on 2024 data. The signal reflects ES' large transmission and distribution operation, small water utility business and comparatively low exposure to natural gas transmission and distribution in Massachusetts. For further information on how Fitch perceives climate-related risks in the utilities sector, see Utilities – Long-Term Climate Vulnerability Signals Update.

Climate.VS Evolution
As of Dec. 31, 2024



Source: Fitch Ratings

ESG Considerations

The highest level of ESG credit relevance is a score of '3', unless otherwise disclosed in this section. A score of '3' means ESG issues are credit-neutral or have only a minimal credit impact on the entity, either due to their nature or the way in which they are being managed by the entity. Fitch's ESG Relevance Scores are not inputs in the rating process; they are an observation on the relevance and materiality of ESG factors in the rating decision. For more information on Fitch's ESG Relevance Scores, visit https://www.fitchratings.com/topics/esg/products#esg-relevance-scores.

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FitchRatings

Eversource Energy

Corporates Ratings Navigator
North American Utilities

Credit-Relevant ESG Derivation

Eversource Energy has 12 ESG potential rating drivers

- Eversource Energy has exposure to emissions regulatory risk but this has very low impact on the rating.
- Eversource Energy has exposure to energy productivity risk but this has very low impact on the rating.
- Eversource Energy has exposure to waste & impact management risk but this has very low impact on the rating.
- Eversource Energy has exposure to extreme weather events but this has very low impact on the rating.
- Eversource Energy has exposure to access/affordability risk but this has very low impact on the rating.
- Eversource Energy has exposure to customer accountability risk but this has very low impact on the rating.

Showing top 6 issues

key driver	0	issues	5
driver	0	issues	4
potential driver	12	issues	3
not a rating driver	2	issues	2
	0	issues	1

ESG Relevance to Credit Rating

Environmental (E) Relevance Scores

General Issues	E Score	Sector-Specific Issues	Reference
GHG Emissions & Air Quality	3	Emissions from operations	Asset Base and Operations; Commodity Exposure; Regulatory Environment; Profitability
Energy Management	3	Fuel use to generate energy and serve load	Asset Base and Operations; Commodity Exposure; Profitability
Water & Wastewater Management	2	Water used by hydro plants or by other generation plants, also effluent management	Asset Base and Operations; Regulatory Environment; Profitability
Waste & Hazardous Materials Management; Ecological Impacts	3	Impact of waste from operations	Asset Base and Operations; Regulatory Environment; Profitability
Exposure to Environmental Impacts	3	Plants' and networks' exposure to extreme weather	Asset Base and Operations; Regulatory Environment; Profitability

E Relevance

Social (S) Relevance Scores

General Issues	S Score	Sector-Specific Issues	Reference
Human Rights, Community Relations, Access & Affordability	3	Product affordability and access	Asset Base and Operations; Regulatory Environment; Profitability; Financial Structure
Customer Welfare - Fair Messaging, Privacy & Data Security	3	Quality and safety of products and services; data security	Regulatory Environment; Profitability
Labor Relations & Practices	3	Impact of labor negotiations and employee (dis)satisfaction	Asset Base and Operations; Profitability
Employee Wellbeing	2	Worker safety and accident prevention	Profitability; Asset Base and Operations
Exposure to Social Impacts	3	Social resistance to major projects that leads to delays and cost increases	Asset Base and Operations; Profitability

S Relevance

Governance (G) Relevance Scores

General Issues	G Score	Sector-Specific Issues	Reference
Management Strategy	3	Strategy development and implementation	Management and Corporate Governance
Governance Structure	3	Board independence and effectiveness; ownership concentration	Management and Corporate Governance
Group Structure	3	Complexity, transparency and related-party transactions	Management and Corporate Governance
Financial Transparency	3	Quality and timing of financial disclosure	Management and Corporate Governance

G Relevance

How to Read This Page
ESG relevance scores range from 1 to 5 based on a 15-level color gradation. Red (5) is most relevant to the credit rating and green (1) is least relevant.

The Environmental (E), Social (S) and Governance (G) tables break out the ESG general issues and the sector-specific issues that are most relevant to each industry group. Relevance scores are assigned to each sector-specific issue, signaling the credit-relevance of the sector-specific issues to the issuer's overall credit rating. The Criteria Reference column highlights the factor(s) within which the corresponding ESG issues are captured in Fitch's credit analysis. The vertical color bars are visualizations of the frequency of occurrence of the highest constituent relevance scores. They do not represent an aggregate of the relevance scores or aggregate ESG credit relevance.

The Credit-Relevant ESG Derivation table's far right column is a visualization of the frequency of occurrence of the highest ESG relevance scores across the combined E, S and G categories. The three columns to the left of ESG Relevance to Credit Rating summarize rating relevance and impact to credit from ESG issues. The box on the far left identifies any ESG Relevance Sub-factor issues that are drivers or potential drivers of the issuer's credit rating (corresponding with scores of 3, 4 or 5) and provides a brief explanation for the relevance score. All scores of '4' and '5' are assumed to reflect a negative impact unless indicated with a '+' sign for positive impact.

Classification of ESG issues has been developed from Fitch's sector ratings criteria. The General Issues and Sector-Specific Issues draw on the classification standards published by the United Nations Principles for Responsible Investing (PRI), the Sustainability Accounting Standards Board (SASB), and the World Bank.

CREDIT-RELEVANT ESG SCALE

How relevant are E, S and G issues to the overall credit rating?

5	Highly relevant, a key rating driver that has a significant impact on the rating on an individual basis. Equivalent to "higher" relative importance within Navigator.
4	Relevant to rating, not a key rating driver but has an impact on the rating in combination with other factors. Equivalent to "moderate" relative importance within Navigator.
3	Minimally relevant to rating, either very low impact or actively managed in a way that results in no impact on the entity rating. Equivalent to "lower" relative importance within Navigator.
2	Irrelevant to the entity rating but relevant to the sector.
1	Irrelevant to the entity rating and irrelevant to the sector.

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For information on the participation status in the rating process of an issuer listed in this report, please refer to the most recent rating action commentary for the relevant issuer, available on the Fitch Ratings website.

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FitchRatings

Corporates
Electric-Corporate
United States

The Connecticut Light and Power Company

The 'A–' Long-Term Issuer Default Rating (IDR) of The Connecticut Light and Power Company (CL&P) primarily reflects its low-risk regulated electric transmission and distribution (T&D) operations and stable financial profile. Regulatory challenges in Connecticut partially offset these strengths.

The RWN on CL&P reflects the application of Fitch Ratings' Parent-Subsidiary Linkage (PSL) criteria. A downgrade at parent company Eversource Energy (ES; BBB/RWN) would result in downgrade to CL&P.

Key Rating Drivers

Regulatory Environment Uncertainty: In 2023, Connecticut passed legislation that may further degrade the regulatory environment, depending on the final framework and implementation. Senate Bill (SB) 7 introduced several restrictive measures. These include proposed restrictions on recoveries and considerations of several factors, including macroeconomic conditions in determining return on equity (ROE) and performance-based restriction on management compensation if customer bills increase over a certain threshold.

Recent rate cases have had terms that are materially weaker than Fitch expected. Authorized ROE in Connecticut tends to be below the industry average and PURA periodically assesses performance penalties. In total, ES derives about 25% of its earnings from Connecticut. CL&P, its parent ES and other regulated utilities, participate in the implementation of the framework. Fitch may take negative rating action of the final framework becomes significantly more punitive.

Adequate Financial Profile: CL&P's FFO leverage for 2024 was high at about 5.6x mainly due to under recovery of storm costs, but Fitch expects leverage to improve in 2025 with the rate adjustment mechanisms (RAM) approval from 2024 that allows CL&P to recover about $1 billion in costs relates to the Millstone and Seabrook PPAs between 2024 and 2025. In addition, Federal Energy Regulatory Commission (FERC)-regulated transmission investments receive timely cost recovery and above- average returns provide strong and stable cash flows. Fitch expects FFO leverage will average at 4.2x through 2027, which is commensurate for its 'A-' rating but with limited cushion.

Over the outlook horizon, Fitch's assumptions include a constructive approval of the large outstanding storm cost balances prudency review. Any indication of the further deterioration in the regulatory environment, including credit-negative rate decisions would result in a negative rating outcome.

Securitization of Storm Costs: One positive in Connecticut is that the Connecticut legislature passed SB 4 in June 2025 and became law in July 2025. The law allows the use of securitization to recover storm costs incurred by CL&P from 2018 to 2025. As of 2025 Q2, CL&P has incurred about $1 billion of deferred storm costs, of which about $950 million is currently under prudence reviews. Fitch views this constructively as securitization can provide timely recovery of storm costs. However, Fitch has excluded it from the base case scenario pending prudency review outcomes. Fitch expects a constructive approval of the large outstanding storm cost balances from the review process.

Transmission Base Supports Business Profile: CL&P's regulated electric T&D operations have a relatively low-risk business profile. The utility has no commodity exposure, and full revenue decoupling mitigates volume risk exposure, providing cash flow predictability. Oversight by the FERC provides CL&P's growing electric transmission business with beneficial exposure to one of the more constructive regulatory jurisdictions, due to timely cost recovery and formulaic rates of return. CL&P's FERC-regulated electric transmission operations account for more than 40% of the utility's rate base, helping to counterbalance the state of Connecticut's more challenging regulatory environment.

Capex Plan Moderating: Capex is expected to modestly decrease through the forecast plan. At the same time, CL&P continues to make significant investments in FERC-regulated regional transmission projects. Management forecasts transmission capex to account for approximately 48% of the total projected spend over 2025-2028. Fitch expects capex to be funded in a manner consistent with the existing capital structure.

Parent-Subsidiary Linkage: A PSL exists between ES and CL&P. Fitch considers CL&P's Standalone Credit Profile stronger than ES' parent consolidated profile due to CL&P's lower-risk regulated utility operations, strong regulatory environment, and better financials. Legal ring-fencing is porous given general protection afforded by economic regulation. Access and control is porous reflecting ES centrally manages CL&P's treasury function and serves as its sole source of equity, but CL&P issues its own debt. Consequently, Fitch limits the credit rating difference between CL&P and ES to two notches.

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Financial Summary

(USD Mil.)	2021	2022	2023	2024
Gross revenue	3,637	4,818	4,579	4,615
EBITDA	1,007	1,146	1,198	1,267
CFO (Fitch-defined)	607	864	524	738
Capital intensity (capex/revenue) (%)	21.7	18.2	25.6	22.5
Debt	4,278	4,278	5,135	5,468
FFO interest coverage (x)	5.0	6.4	7.6	4.4
FFO leverage (x)	4.9	3.9	3.7	5.6
EBITDA leverage (x)	4.2	3.7	4.3	4.3

Source: Fitch Ratings, Fitch Solutions

Peer Analysis

CL&P compares adequately with peers. CL&P, The United Illuminating Company (UI; A-/Negative), Public Service Company of New Hampshire (PSNH; A-/RWN) and Central Maine Power Company (CMP; BBB+/Stable) are all relatively low-risk T&D utilities that operate in New England. Fitch considers the regulatory environment in Connecticut and Maine to be somewhat more restrictive, with lower authorized ROE; the regulatory environment in New Hampshire is relatively balanced. CL&P, UI and PSNH are comparable with their mix of state-regulated utility operations and FERC-regulated electric transmission assets, which are relatively low-risk and provide stable and predictable cash flows.

CL&P, UI and CMP all benefit from revenue decoupling. In terms of FFO, CL&P is roughly 2.5x larger than UI, and approximately 1.5x larger than CMP and PSNH, providing CL&P with some benefit due to scale. Fitch expects FFO leverage to average around 4.2x for CL&P through the forecast period, 4.4x-4.6x for UI, 3.8x for PSNH and 4.3x for CMP.

Rating Sensitivities

Factors that Could, Individually or Collectively, Lead to Negative Rating Action/Downgrade

- A downgrade to parent ES's Long-Term IDR, given Fitch's maximum allowed two-notch differential between the Long-Term IDRs of the entities;
- An adverse implementation of the recent regulatory changes that reduces the stability and predictability of earnings and cash flow and materially weakens CL&P's financial profile;
- FFO leverage expected to exceed 4.3x on a sustained basis.

Factors that Could, Individually or Collectively, Lead to Stabilization of Rating

- Remove parent ES off RWN and revise ES' Outlook back to Stable

Factors that Could, Individually or Collectively, Lead to Positive Rating Action/Upgrade

- An upgrade to parent ES's Long-Term IDR; CL&P's ratings upside is restricted by a maximum two-notch differential between the Long-Term IDRs of CL&P and ES;
- A material improvement in the regulatory environment that results in constructive rate decisions and higher earned ROEs;
- FFO leverage expected to remain less than 3.5x on a sustained basis.

Liquidity and Debt Structure

Fitch considers liquidity for ES and each of its regulated utility subsidiaries to be adequate. ES has a $2.0 billion commercial paper (CP) program that the company uses to provide its subsidiaries with intercompany loans. ES had $950.5 million of CP borrowings outstanding as of June 30, 2025, leaving $1,050 million of available borrowing capacity. ES, The Connecticut Light and Power Company (CL&P; A-/RWN), Public Service Company of New Hampshire (PSNH; A-/RWN), NSTAR Gas Company (NGC; A-/RWN), Yankee Gas Services Company (Yankee Gas; not rated), Eversource Gas Company of Massachusetts (EGMA; not rated) and Aquarion Water Company of Connecticut (not rated) participate in a joint $2.0 billion revolving credit facility (RCF) that terminates on Oct. 11, 2029.

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Under the RCF, CL&P has a $600 million borrowing sublimit; PSNH, NGC, EGMA and Yankee Gas each have a $300 million sublimit; and Aquarion Water Company of Connecticut has a $100 million sublimit. The RCF serves to backstop ES' CP program. There were no RCF borrowings outstanding as of June 30, 2025.

Liquidity and Debt Maturities

Liquidity Analysis

(USD Mil.)	December 31, 2023	December 31, 2024
Total cash and cash equivalents	10	1
Short-term investments	—	—
Less not readily available cash and cash equivalents	—	—
Fitch-defined readily available cash and cash equivalents	10	1
Availability under committed lines of credit	—	—
Total liquidity	10	1
LTM EBITDA after associates and minorities	1,198	1,267
LTM FCF	-980	-635

Source: Fitch Ratings, Fitch Solutions, The Connecticut Light and Power Company

Scheduled Debt Maturities

(USD Mil.)	December 31, 2024
2025	677
2026	—
2027	500
2028	—
2029	350
Thereafter	3,999
Total	**5,526**

Source: Fitch Ratings, Fitch Solutions, The Connecticut Light and Power Company

Key Assumptions

- CL&P's transmission capex about 48% of total capex over the 2025-2028 period;
- Operations and maintenance expense remaining relatively flat;
- Normal weather

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Financial Data

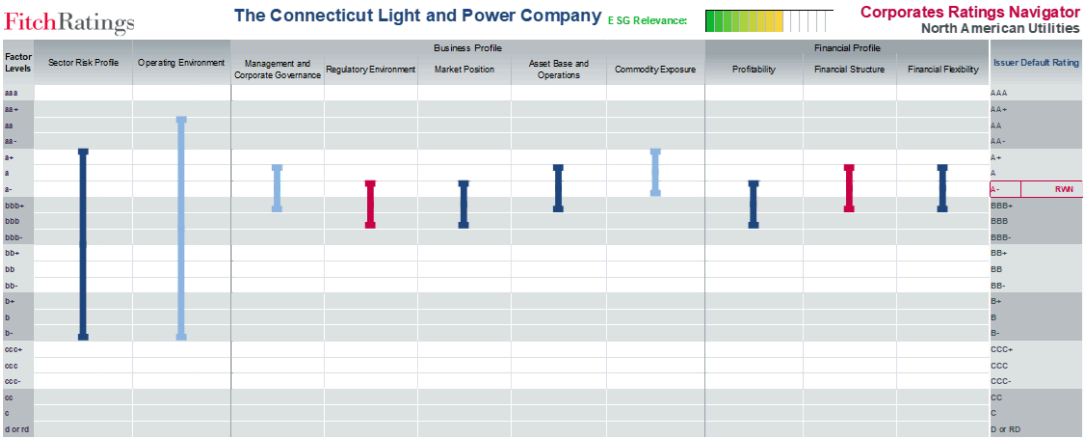
(USD Mil.)	2021	2022	2023	2024
Summary income statement				
Gross revenue	3,637	4,818	4,579	4,615
Revenue growth (%)	2.5	32.5	-5.0	0.8
EBITDA before income from associates	1,007	1,146	1,198	1,267
EBITDA margin (%)	27.7	23.8	26.2	27.5
EBITDA after associates and minorities	1,007	1,146	1,198	1,267
EBIT	669	790	821	860
EBIT margin (%)	18.4	16.4	17.9	18.7
Gross interest expense	-169	-174	-201	-239
Pretax income including associate income/loss	533	704	690	707
Summary balance sheet				
Readily available cash and equivalents	56	11	10	1
Debt	4,278	4,278	5,135	5,468
Net debt	4,222	4,267	5,125	5,467
Summary cash flow statement				
EBITDA	1,007	1,146	1,198	1,267
Cash interest paid	-169	-167	-177	-217
Cash tax	-38	-118	44	47
Dividends received less dividends paid to minorities (inflow/outflow)	—	—	—	—
Other items before FFO	-94	74	139	-332
FFO	700	936	1,208	789
FFO margin (%)	19.2	19.4	26.4	17.1
Change in working capital	-93	-72	-684	-51
CFO (Fitch-defined)	607	864	524	738
Total non-operating/nonrecurring cash flow	—	—	—	—
Capex	-790	-877	-1,174	-1,039
Capital intensity (capex/revenue) (%)	21.7	18.2	25.6	22.5
Common dividends	-341	-292	-330	-334
FCF	-525	-305	-980	-635
FCF margin (%)	-14.4	-6.3	-21.4	-13.8
Net acquisitions and divestitures	—	—	—	—
Other investing and financing cash flow items	-15	11	-2	-8
Net debt proceeds	305	—	857	333
Net equity proceeds	200	250	124	300
Total change in cash	-35	-44	-1	-9
Calculations for forecast publication				
Capex, dividends, acquisitions and other items before FCF	-1,131	-1,169	-1,504	-1,373
FCF after acquisitions and divestitures	-525	-305	-980	-635
FCF margin after net acquisitions (%)	-14.4	-6.3	-21.4	-13.8
Gross leverage ratios (x)				

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EBITDA leverage	4.2	3.7	4.3	4.3
FFO leverage	4.9	3.9	3.7	5.6
(CFO-capex)/debt (%)	-4.3	-0.3	-12.6	-5.5
Net leverage ratios (x)				
EBITDA net leverage	4.2	3.7	4.3	4.3
FFO net leverage	4.8	3.9	3.7	5.6
(CFO-capex)/net debt (%)	-4.3	-0.3	-12.7	-5.5
Coverage ratios (x)				
EBITDA interest coverage	6.0	6.9	6.8	5.8
FFO interest coverage	5.0	6.4	7.6	4.4
FFO fixed-charge coverage	5.0	6.4	7.6	4.4

CFO – Cash flow from operations
Source: Fitch Ratings, Fitch Solutions

Ratings Navigator

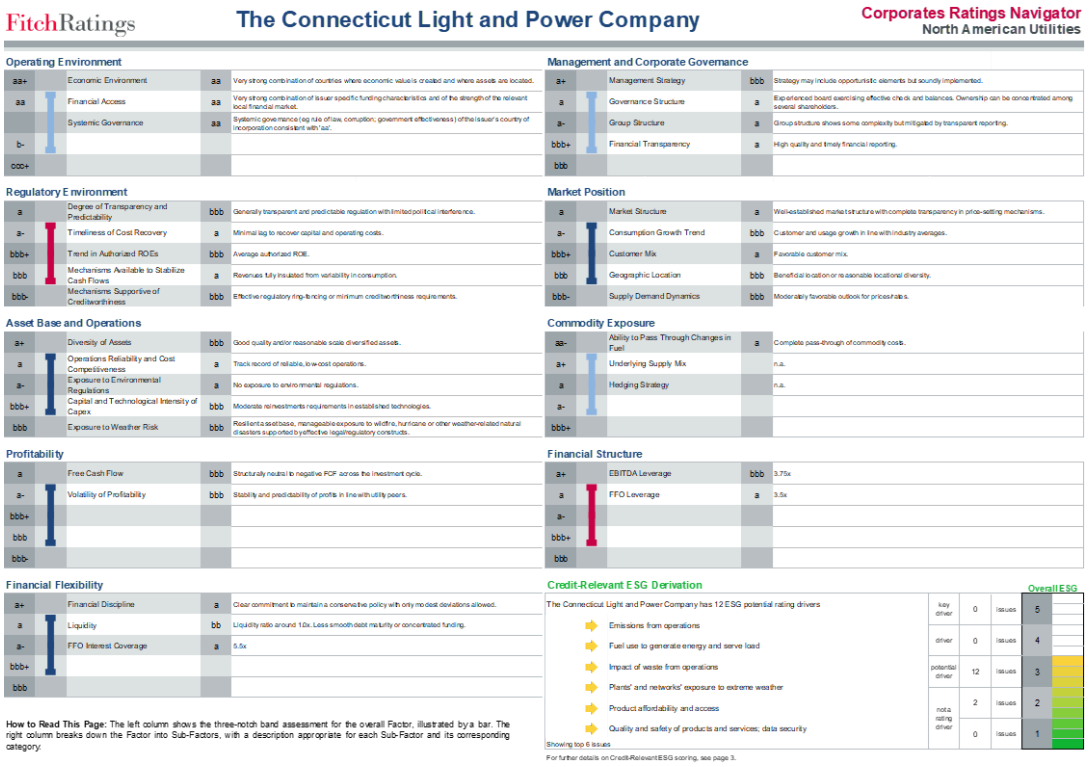


Bar Chart Legend:	
Vertical Bars = Range of Rating Factor	Bar Arrows = Rating Factor Outlook
Bar Colors = Relative Importance	⇧ Positive
Higher Importance	⇩ Negative
Average Importance	⇳ Evolving
Lower Importance	▭ Stable

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FitchRatings

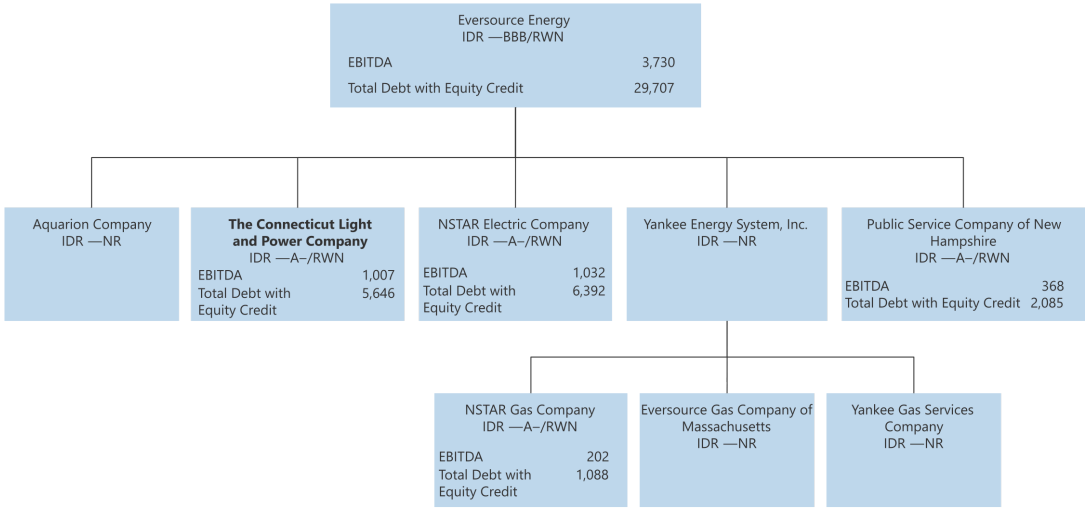
Corporates
Electric-Corporate
United States



Simplified Group Structure Diagram

Organizational Structure—The Connecticut Light and Power Company

($ Mil., as of June 30, 2025)



IDR – Issuer Default Ratings, NR – Not rated,
Source: Fitch Ratings, Fitch Solutions, Eversource Energy

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Peer Financial Summary

Company	Issuer Default Rating	Financial statement date	Gross revenue (USD Mil.)	FFO (USD Mil.)	FFO interest coverage (x)	FFO leverage (x)	EBITDA leverage (x)
The Connecticut Light and Power Company	A-						
	A-	2024	4,615	789	4.4	5.6	4.3
	A-	2023	4,579	1,208	7.6	3.7	4.3
	A-	2022	4,818	936	6.4	3.9	3.7
The United Illuminating Company	A-						
	A-	2024	1,341	277	5.6	3.5	4.2
	A-	2023	1,356	185	4.7	4.7	3.9
	A-	2022	1,156	147	4.4	5.1	3.4
Central Maine Power Company	BBB+						
	BBB+	2024	1,275	422	7.0	3.4	4.5
	BBB+	2023	1,127	418	6.8	3.0	4.0
	BBB+	2022	1,051	370	8.2	3.2	3.7
Public Service Company of New Hampshire	A-						
	A-	2024	1,237	535	7.8	3.1	4.4
	A-	2023	1,389	399	7.4	3.6	4.4
	A-	2022	1,415	330	8.4	3.6	4.2

Source: Fitch Ratings, Fitch Solutions

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Fitch Adjusted Financials

(USD Mil., as of December 31, 2024)	Notes and formulas	Standardised values	Fair value and other debt adjustments	Lease treatment	Other adjustments	Adjusted values
Income statement summary						
Revenue		4,615	—	—	—	4,615
EBITDA	(a)	1,267	—	—	—	1,267
Depreciation and amortization		-407	—	—	—	-407
EBIT		860	—	—	—	860
Balance sheet summary						
Debt	(b)	5,449	19	—	—	5,468
Of which other off-balance-sheet debt		—	—	—	—	—
Lease-equivalent debt		—	—	—	—	—
Lease-adjusted debt		5,449	19	—	—	5,468
Readily available cash and equivalents	(c)	1	—	—	—	1
Not readily available cash and equivalents		—	—	—	—	—
Cash flow summary						
EBITDA	(a)	1,267	—	—	—	1,267
Dividends received from associates less dividends paid to minorities	(d)	—	—	—	—	—
Interest paid	(e)	-217	—	—	—	-217
Interest received	(f)	28	—	—	—	28
Preferred dividends paid	(g)	-6	—	—	—	-6
Cash tax paid		47	—	—	—	47
Other items before FFO		-288	—	—	-44	-332
FFO	(h)	833	—	—	-44	789
Change in working capital		-155	—	—	104	-51
CFO	(i)	678	—	—	61	738
Non-operating/nonrecurring cash flow		—	—	—	—	—
Capex	(j)	-979	—	—	-61	-1,039
Common dividends paid		-334	—	—	—	-334
FCF		-635	—	—	—	-635
Gross leverage (x)						
EBITDA leverage	b/(a+d)	4.3	—	—	—	4.3
FFO leverage	b/(h-e-f-g)	5.3	—	—	—	5.6
(CFO-capex)/debt (%)	(i+j)/b	-5.5	—	—	—	-5.5
Net leverage (x)						
EBITDA net leverage	(b-c)/(a+d)	4.3	—	—	—	4.3
FFO net leverage	(b-c)/(h-e-f-g)	5.3	—	—	—	5.6
(CFO-capex)/net debt (%)	(i+j)/(b-c)	-5.5	—	—	—	-5.5
Coverage (x)						
EBITDA interest coverage	(a+d)/(-e)	5.8	—	—	—	5.8

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FFO interest coverage	(h-e-f-g)/(-e-g)	4.6	—	—	—	4.4

CFO – Cash flow from operations
Note: The standardised items presented above are based on Fitch's taxonomy for the given sector and region.
Reported items may not match the Fitch taxonomy, but they are captured into corresponding lines accordingly.
Debt includes other off-balance-sheet debt.
Source: Fitch Ratings, Fitch Solutions, The Connecticut Light and Power Company

Parent Subsidiary Linkage Analysis

Key Risk Factors and Notching Approach

Parent	Eversource Energy
Parent LT IDR	BBB
Subsidiary	The Connecticut Light and Power Company
Subsidiary LT IDR	A-
Path	Stronger Subsidiary
Legal ring-fencing	Porous
Access and control	Porous
Notching matrix outcome	Parent consolidated profile+2
Override applied	No
Notching approach	—

LT IDR – Long-Term Issuer Default Rating
Source: Fitch Ratings

Path SS Subsidiary Maximum Rating Matrix

Access and control	Open	Porous	Insulated
With open ring-fencing	Parent consolidated profile	Parent consolidated profile+1	Parent consolidated profile+2[b]
With porous ring-fencing	Parent consolidated profile+1	Parent consolidated profile+2[b]	Parent consolidated profile+2[b]
With insulated ring-fencing	[a]	Standalone	Standalone

[a] It is unlikely that considerations for "insulated" legal ring-fencing would coexist with the conditions outlined under "open" for access and control. It is more likely that other factors relevant to legal ring-fencing or access and control, but not within this table, would move either one, or both, of the individual Linkage Factor Assessments (LFAs) to a "porous" level that would lead to a Parent consolidated+1, Parent consolidated+2 or standalone outcome. [b]Notching is capped at the subsidiary's Standalone Credit Profile.
Source: Fitch Ratings

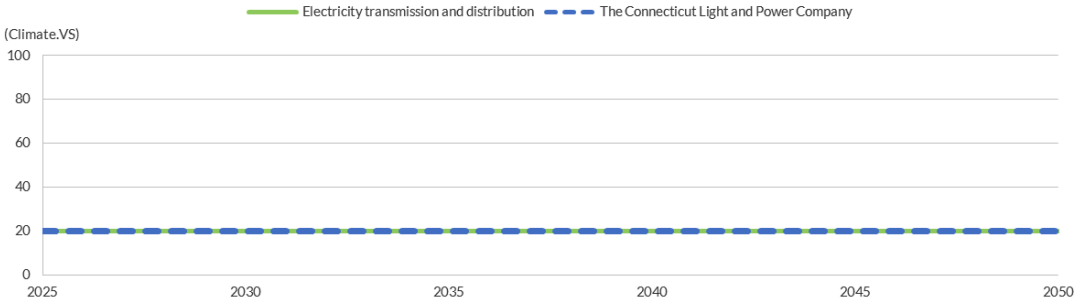
Climate Vulnerability Considerations

Fitch uses Climate Vulnerability Signals (Climate.VS) as a screening tool to identify sectors and Fitch-rated issuers that are potentially most exposed to credit-relevant climate transition risks and, therefore, require additional consideration of these risks in rating reviews. Climate.VS range from 0 (lowest risk) to 100 (highest risk). For more information on Climate.VS, see Fitch's Corporate Rating Criteria. For more detailed, sector-specific information on how Fitch perceives climate-related transition risks, see Climate Vulnerability Signals for Non-Financial Corporate Sectors.

CL&P's Climate.VS is relatively low at 26 out of 100 in 2035, based on 2024 data. The signal reflects Eversource's large transmission and distribution operation, small water utility business and comparatively low exposure to natural gas transmission and distribution in Massachusetts. For further information on how Fitch perceives climate-related risks in the utilities sector, see Utilities - Long-Term Climate Vulnerability Signals Update.

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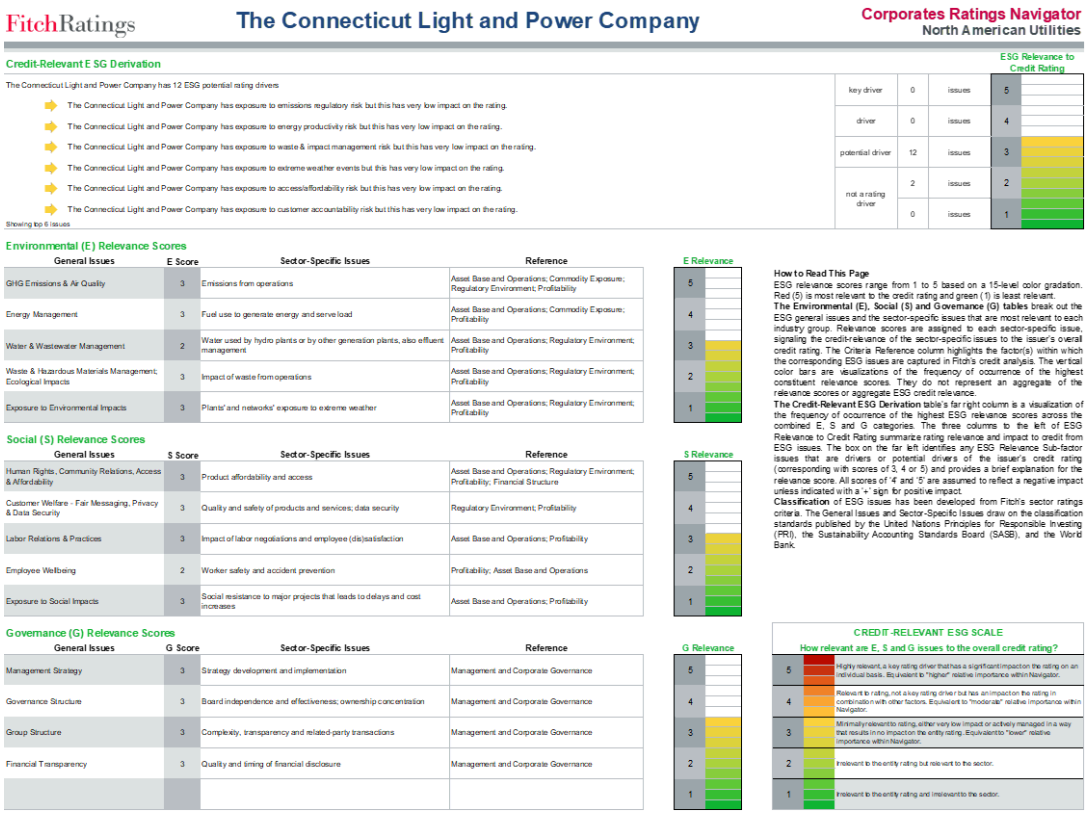
Climate.VS Evolution
As of Dec. 31, 2024



Source: Fitch Ratings

ESG Considerations

The highest level of ESG credit relevance is a score of '3', unless otherwise disclosed in this section. A score of '3' means ESG issues are credit-neutral or have only a minimal credit impact on the entity, either due to their nature or the way in which they are being managed by the entity. Fitch's ESG Relevance Scores are not inputs in the rating process; they are an observation on the relevance and materiality of ESG factors in the rating decision. For more information on Fitch's ESG Relevance Scores, visit www.fitchratings.com/topics/esg/products#esg-relevance-scores.



FitchRatings — The Connecticut Light and Power Company — Corporates Ratings Navigator, North American Utilities

Credit-Relevant E SG Derivation

The Connecticut Light and Power Company has 12 ESG potential rating drivers

- The Connecticut Light and Power Company has exposure to emissions regulatory risk but this has very low impact on the rating.
- The Connecticut Light and Power Company has exposure to energy productivity risk but this has very low impact on the rating.
- The Connecticut Light and Power Company has exposure to waste & impact management risk but this has very low impact on the rating.
- The Connecticut Light and Power Company has exposure to extreme weather events but this has very low impact on the rating.
- The Connecticut Light and Power Company has exposure to access/affordability risk but this has very low impact on the rating.
- The Connecticut Light and Power Company has exposure to customer accountability risk but this has very low impact on the rating.

Showing top 6 issues

ESG Relevance to Credit Rating

key driver	0	issues	5
driver	0	issues	4
potential driver	12	issues	3
not a rating driver	2	issues	2
	0	issues	1

Environmental (E) Relevance Scores

General Issues	E Score	Sector-Specific Issues	Reference
GHG Emissions & Air Quality	3	Emissions from operations	Asset Base and Operations; Commodity Exposure; Regulatory Environment; Profitability
Energy Management	3	Fuel use to generate energy and serve load	Asset Base and Operations; Commodity Exposure; Profitability
Water & Wastewater Management	2	Water used by hydro plants or by other generation plants, also effluent management	Asset Base and Operations; Regulatory Environment; Profitability
Waste & Hazardous Materials Management; Ecological Impacts	3	Impact of waste from operations	Asset Base and Operations; Regulatory Environment; Profitability
Exposure to Environmental Impacts	3	Plants' and networks' exposure to extreme weather	Asset Base and Operations; Regulatory Environment; Profitability

E Relevance: 5, 4, 3, 2, 1

Social (S) Relevance Scores

General Issues	S Score	Sector-Specific Issues	Reference
Human Rights, Community Relations, Access & Affordability	3	Product affordability and access	Asset Base and Operations; Regulatory Environment; Profitability; Financial Structure
Customer Welfare - Fair Messaging, Privacy & Data Security	3	Quality and safety of products and services; data security	Regulatory Environment; Profitability
Labor Relations & Practices	3	Impact of labor negotiations and employee (dis)satisfaction	Asset Base and Operations; Profitability
Employee Wellbeing	2	Worker safety and accident prevention	Profitability; Asset Base and Operations
Exposure to Social Impacts	3	Social resistance to major projects that leads to delays and cost increases	Asset Base and Operations; Profitability

S Relevance: 5, 4, 3, 2, 1

Governance (G) Relevance Scores

General Issues	G Score	Sector-Specific Issues	Reference
Management Strategy	3	Strategy development and implementation	Management and Corporate Governance
Governance Structure	3	Board independence and effectiveness; ownership concentration	Management and Corporate Governance
Group Structure	3	Complexity, transparency and related-party transactions	Management and Corporate Governance
Financial Transparency	3	Quality and timing of financial disclosure	Management and Corporate Governance

G Relevance: 5, 4, 3, 2, 1

How to Read This Page

ESG relevance scores range from 1 to 5 based on a 15-level color gradation. Red (5) is most relevant to the credit rating and green (1) is least relevant.

The **Environmental (E), Social (S)** and **Governance (G)** tables break out the ESG general issues and the sector-specific issues that are most relevant to each industry group. Relevance scores are assigned to each sector-specific issue, signaling the credit-relevance of the sector-specific issues to the issuer's overall credit rating. The Criteria Reference column highlights the factor(s) within which the corresponding ESG issues are captured in Fitch's credit analysis. The vertical color bars are visualizations of the frequency of occurrence of the highest constituent relevance scores. They do not represent an aggregate of the relevance scores or aggregate ESG credit relevance.

The **Credit-Relevant ESG Derivation** table's far right column is a visualization of the frequency of occurrence of the highest ESG relevance scores across the combined E, S and G categories. The three columns to the left of ESG Relevance to Credit Rating summarize rating relevance and impact to credit from ESG issues. The box on the far left identifies any ESG Relevance Sub-factor issues that are drivers or potential drivers of the issuer's credit rating (corresponding with scores of 3, 4 or 5) and provides a brief explanation for the relevance score. All scores of '4' and '5' are assumed to reflect a negative impact unless indicated with a '+' sign for positive impact.

Classification of ESG issues has been developed from Fitch's sector ratings criteria. The General Issues and Sector-Specific Issues draw on the classification standards published by the United Nations Principles for Responsible Investing (PRI), the Sustainability Accounting Standards Board (SASB), and the World Bank.

CREDIT-RELEVANT ESG SCALE

How relevant are E, S and G issues to the overall credit rating?

5	Highly relevant, a key rating driver that has a significant impact on the rating on an individual basis. Equivalent to "higher" relative importance within Navigator.
4	Relevant to rating, not a key rating driver but has an impact on the rating in combination with other factors. Equivalent to "moderate" relative importance within Navigator.
3	Minimally relevant to rating, either very low impact or actively managed in a way that results in no impact on the entity rating. Equivalent to "lower" relative importance within Navigator.
2	Irrelevant to the entity rating but relevant to the sector.
1	Irrelevant to the entity rating and irrelevant to the sector.

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Ratings

Long-Term IDR	A-
Senior Secured Debt - Long-Term Rating	A+
Long-Term Preferred Debt	BBB+
Outlook	
Long-Term Foreign-Currency IDR	Rating Watch Negative

Click here for the full list of ratings

ESG and Climate

Highest ESG Relevance Scores	
Environmental	3
Social	3
Governance	3

2035 Climate Vulnerability Signal: 26

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Applicable Criteria

Parent and Subsidiary Linkage Rating Criteria (June 2025)
Sector Navigators – Addendum to the Corporate Rating Criteria (June 2025)
Corporate Hybrids Treatment and Notching Criteria (April 2025)
Corporate Rating Criteria (June 2025)
Corporates Recovery Ratings and Instrument Ratings Criteria (August 2024)

Related Research

Global Corporates Sector Forecasts Monitor - September 2025 (September 2025)
North American Utilities Outlook 2025 (December 2024)
North American Utilities, Power & Gas Dashboard: 2Q25 (July 2025)
North American Utilities Monitor: 1Q25
(June 2025)

Analysts

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