S&P Global Ratings

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Research Update:

Eversource Energy Issuer Credit Rating Lowered To 'BBB+' From 'A-'; Subsidiaries Ratings Also Lowered; Outlooks Stable

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Rating Action Overview

- On Nov. 18, 2024, the Connecticut Public Utilities Regulatory Authority (PURA) issued final rate-case orders for Connecticut Natural Gas Corp. and Southern Connecticut Gas Co., which included material base-rate decreases for both utilities. These rate orders follow a recent pattern of adverse regulatory developments for investor-owned utilities operating in Connecticut, which we believe has increased business risk for Eversource Energy and its Connecticut-based subsidiaries.
- Additionally, Eversource's financial measures have remained weak for the current rating, including funds from operations (FFO) to debt of 11.1% for the 12 months ended September 2024. Given these developments and, even after incorporating the potential sale of Aquarion Co. and its use of proceeds in a credit-supportive manner, we do not expect Eversource's consolidated FFO to debt will consistently be greater than 14%.
- Therefore, S&P Global Ratings lowered the long-term issuer credit rating (ICR) on Eversource to 'BBB+' from 'A-' and lowered the senior unsecured debt rating to 'BBB' from 'BBB+'. We also affirmed the 'A-2' rating on the company's commercial paper (CP) program. We also lowered our ICRs on **Eversource Gas Co. of Massachusetts** (EGMA) and **NSTAR Gas Co.** to 'BBB+' from 'A-'. In addition, we affirmed the ratings on NSTAR Gas' first-mortgage bonds.
- At the same time, we lowered our ICRs on **NSTAR Electric Co.**, **Public Service Co. of New Hampshire** (PSNH), and **Connecticut Light and Power Co.** (CL&P) by one-notch to 'A-'. We also lowered our issue-level rating on NSTAR Electric's senior unsecured debt to 'A-' from 'A' and NSTAR Electric's short-term and CP program ratings to 'A-2' from 'A-1'. Additionally, we lowered the ratings on PSNH and CL&P's first-mortgage bonds to 'A' from 'A+'.
- We lowered our ICR on **Yankee Gas Services Co.** to 'BBB' from 'A-' and lowered our ICR on **Aquarion Co.** to 'BBB-' from 'BBB+'. Subsequently, we withdrew the ratings on Aquarion per the issuer's request. The outlook on Aquarion prior to withdrawal was developing.

- The stable outlook on Eversource and its rated subsidiaries reflects our expectation that Eversource will maintain FFO to debt of 13%-14%. The outlook also reflects our expectation that the company's management of regulatory risk will not deteriorate further in Connecticut and that it will finance potential increased utility capital spending and costs related to Revolution Wind in a manner that supports its current credit quality.

Rating Action Rationale

We revised downward our assessment of Connecticut's regulatory construct for Eversource's Connecticut utilities. The assets of CL&P and Yankee Gas that are regulated by Connecticut's Public Utilities Regulatory Authority (PURA) account for about 25% of Eversource's consolidated EBITDA. In recent rate orders for Avangrid subsidiaries Connecticut Natural Gas and Southern Connecticut Gas, the PURA ordered material base rate decreases reflecting reduced depreciation expense, below-average authorized returns on equity (ROE) of 9.15%, and significant reductions in proforma rate base. Additionally, we have assessed PURA's rate orders over the past two years, which were materially lower than we assumed under our base-case forecasts, as not credit supportive. In general, we expect utilities to operate in a regulatory jurisdiction that is supportive of their credit quality by allowing for the full recovery of their operating and capital costs in a timely manner. We also expect the regulatory jurisdiction to provide a consistent and predictable regulatory framework that results in cash flow stability. Given, the current trend in Connecticut, we now expect that the PURA will continue to order less-than-credit supportive rate case orders over the longer-term.

Additionally, we assessed the 2023 signing of Connecticut Senate Bill 7 into law as negative for the credit quality of utilities because it discontinued the use of the electric system improvement charge in future rate proceedings. The bill also provided PURA with discretion regarding the consistent implementation of decoupling, which we expect will decrease the cash flow predictability of the utilities it regulates. Accordingly, we believe business risk has increased for Eversource Energy and its Connecticut-based subsidiaries and expect they will be increasingly subject to below-average ROEs, regulatory lag, and an inconsistent ability to earn their authorized ROEs and achieve credit-supportive regulatory outcomes. We believe these developments will also increase the companies' cash flow volatility, decrease the stability of their financial performances, and weaken their ability to consistently manage regulatory risk over our forecast period.

Our downgrade of Eversource also incorporates the company's weak historical financial performance and our view that financial performance will not sufficiently improve within the next three years. Eversource's 2023 FFO to debt was just 8.9% and still remains weak for the 12 months ended September 2024 at 11.1%. The modest improvement since year-end 2023 incorporates the issuance of about $1 billion of equity this year as well as the beginning of the recovery of about $1.2 billion of 2023 regulatory deferrals. Under our forward-looking base case scenario, we do not expect the company's FFO to debt will be consistently greater than 14%. Our base case incorporates ongoing recovery of deferrals, continued use of existing regulatory mechanisms, the sale of Aquarion, future Revolution Wind Construction costs being generally consistent with the company's current budget, and the timely recovery of future power costs. To account for our expectation of a weakening financial performance, we revised downward our assessment of Eversource's comparable ratings analysis modifier to negative from stable, reflecting our view that its financial measures will more consistently reflect the lower-end of the

range of its financial risk profile category, which leads to us lowering the company's ICR to 'BBB+'.

We lowered the ICR on Yankee Gas by two notches, reflecting our downward assessment of Connecticut's regulatory construct for Yankee Gas and the degree of group support we expect that Yankee Gas will receive from parent Eversource. We revised Yankee Gas' business risk profile assessment downward to strong from excellent because all of its operations are subject to PURA regulation. This resulted in a weakening of our view of Yankee Gas' stand-alone credit profile to 'bbb-' from 'bbb+'. In addition, we revised downward our group status of Eversource's Connecticut-based utilities Yankee Gas and CL&P to highly strategic from core. This reflects Eversource's public announcement that it is decreasing its capital spending for PURA regulated operations because of Connecticut's challenging regulatory construct. As such, we believe the extent of expected extraordinary support that Yankee Gas will receive from Eversource has somewhat weakened.

We lowered the ratings on Aquarion Co. by two notches to 'BBB-', incorporating our weakened view of Connecticut's regulatory construct for Aquarion, and then withdrew the ratings on Aquarion as per the issuer's request. The outlook prior to withdrawal was developing, which reflected the company's ongoing sales process.

We lowered the issuer credit ratings on NSTAR Electric, PSNH, CL&P, NSTAR Gas, and EGMA by one notch, reflecting the downgrade of Eversource. We assess EGMA and NSTAR Gas as core subsidiaries of parent Eversource with insufficient insulating measures in place, therefore, we rate them the same as Eversource. As such, we lowered the ratings on EGMA and NSTAR Gas in line with Eversource's 'bbb+' group credit profile. We assess the cumulative values of the regulatory and insulating measures in place as well as our view of the stand-alone credit profiles for NSTAR Electric, PSNH, and CL&P as sufficient to rate these subsidiaries up to one-notch above parent Eversource. As such, consistent with the one-notch downgrade of Eversource, we lowered the issuer credit ratings on NSTAR Electric, PSNH, and CL&P to 'A-' from 'A'.

Outlook

The stable outlook on Eversource and its rated subsidiaries reflects our expectation that Eversource will maintain FFO to debt of 13%-14%. The outlook also reflects our expectation that the company's management of regulatory risk will not deteriorate further in Connecticut and that it will finance potential increased utility capital spending and costs related to Revolution Wind in a manner that supports its current credit quality.

Downside scenario

We could downgrade Eversource and its subsidiaries within the next 24 months if Eversource's financial measures deteriorate, such that FFO to debt remains below 12%.

Upside scenario

We could upgrade Eversource and its subsidiaries within the next 24 months if the company maintains FFO to debt above 15% without experiencing an increase to its business risk.

Company Description

Eversource is a holding company that primarily engages in the energy delivery business through its wholly owned, regulated utility subsidiaries. Eversource's subsidiaries include the electric utilities Connecticut Light & Power Co., NSTAR Electric Co., and Public Service Co. of New Hampshire; the natural gas utilities Yankee Gas Services Co., Eversource Gas Co. of Massachusetts, and NSTAR Gas Co.; and the water utility company Aquarion Co. Eversource provides energy delivery and water service to approximately 4.4 million total customers in Connecticut, Massachusetts, and New Hampshire.

Liquidity

We assess Eversource's liquidity as adequate, with sources covering uses by 1.1x over the coming 12 months. Furthermore, we project its sources will cover uses even if forecast consolidated EBITDA declines by 10%. We believe the predictable regulatory framework for Eversource provides a manageable level of cash flow stability for the company even in times of economic stress, supporting our use of slightly lower thresholds to assess liquidity. In addition, Eversource has the ability to absorb high-impact, low-probability events, reflecting that the company maintains about $2.65 billion in committed credit facilities through 2029, and our belief the company can lower its high capital spending (averaging about $4 billion-$4.5 billion annually) during stressful periods, indicative of a limited need for refinancing under such conditions. Furthermore, our assessment reflects the company's generally prudent risk management, sound relationships with its banking group (which includes over 10 well-established banks), and a satisfactory standing in the credit markets (credit default swap spreads are in line with investment-grade peer utilities). Overall, we believe the company should be able to withstand adverse market circumstances over the next 12 months with sufficient liquidity to meet its obligations. The company has its next large long-term debt maturities in 2025, with about $1.4 billion coming due, and we expect it to proactively address these well in advance of the scheduled due dates.

Principal liquidity sources

- Credit facility availability of about $2.65 billion,
- Cash FFO of about $4.1 billion,
- Working capital inflows of about $200 million; and
- Cash of about $100 million.

Principal liquidity uses

- Debt maturities, including outstanding commercial paper, of about $2.2 billion;
- Assumed maintenance and minimal growth capital spending of about $2.6 billion; and
- Dividends of about $1.1 billion.

Issue Ratings--Subordination Risk Analysis

Capital structure

Eversource has about $28.7 billion of debt outstanding, about $16.7 billion of which was issued by the company's operating subsidiaries while the remainder reflects unsecured debt at the holding company.

Analytical conclusions

- We rate Eversource's senior unsecured debt one notch below the long-term issuer credit rating on the company at 'BBB' because it is subordinated to a significant amount of priority debt (more than 50% of total debt) in the company's capital structure.
- We rate Eversource's CP program 'A-2' based on our ICR on the company.
- We rate NSTAR Electric's senior unsecured debt in line with our ICR on the company at 'A-' because it is the senior unsecured debt of a qualifying utility under our criteria.
- We rate NSTAR Electric's CP program 'A-2' based on our ICR on the company.
- We rate the preferred stock at CL&P and NSTAR Electric 'BBB', two notches below the respective ICRs, given these instruments' subordination as well as the deferability of their dividends.

Issue Ratings--Recovery Analysis

Key analytical factors

CL&P and PSNH's first-mortgage bonds benefit from a first-priority lien on substantially all of the utilities' real property owned or subsequently acquired. Collateral coverage of more than 1.5x supports a recovery rating of '1+' and an issue-level rating one notch above our ICR on these companies because these ICRs are in the ‘A’ category.

NSTAR Gas’ first-mortgage bonds benefit from a first-priority lien on substantially all of the utility’s real property owned or subsequently acquired. Collateral coverage of more than 1.5x supports a recovery rating of '1+' and an issue-level rating two notches above our issuer credit rating on NSTAR Gas because the ICR is in the ‘BBB’ category.

Rating Component Scores

Eversource Energy Issuer Credit Rating Lowered To 'BBB+' From 'A-'; Subsidiaries Ratings Also Lowered; Outlooks Stable

Rating Component Scores – Eversource Energy

Component	
Foreign currency issuer credit rating	BBB+/STABLE/A-2
Local currency issuer credit rating	BBB+/STABLE/A-2
Business risk	Excellent
Country risk	Very Low Risk
Industry risk	Very Low Risk
Competitive position	Strong
Financial risk	Significant
Cash flow/leverage	Significant
Anchor	a-
Diversification/portfolio effect	Neutral/Undiversified
Capital structure	Neutral
Financial policy	Neutral
Liquidity	Adequate
Management and governance	Neutral
Comparable rating analysis	Negative
Stand-alone credit profile	bbb+

Rating Component Scores – Connecticut Light & Power Co.

Component	
Foreign currency issuer credit rating	A-/STABLE/--
Local currency issuer credit rating	A-/STABLE/--
Business risk	Excellent
Country risk	Very Low Risk
Industry risk	Very Low Risk
Competitive position	Strong
Financial risk	Significant
Cash flow/leverage	Significant
Anchor	a-
Diversification/portfolio effect	Neutral/Undiversified
Capital structure	Neutral
Financial policy	Neutral
Liquidity	Adequate
Management and governance	Neutral
Comparable rating analysis	Positive
Stand-alone credit profile	a
Group credit profile	bbb+
Entity status within group	Insulated (-1 notch from SACP)

Eversource Energy Issuer Credit Rating Lowered To 'BBB+' From 'A-'; Subsidiaries Ratings Also Lowered; Outlooks Stable

Rating Component Scores – NSTAR Electric Co.

Component	
Foreign currency issuer credit rating	A-/STABLE/A-2
Local currency issuer credit rating	A-/STABLE/A-2
Business risk	Excellent
Country risk	Very Low Risk
Industry risk	Very Low Risk
Competitive position	Excellent
Financial risk	Intermediate
Cash flow/leverage	Intermediate
Anchor	a+
Diversification/portfolio effect	Neutral/Undiversified
Capital structure	Neutral
Financial policy	Neutral
Liquidity	Adequate
Management and governance	Neutral
Comparable rating analysis	Neutral
Stand-alone credit profile	a+
Group credit profile	bbb+
Entity status within group	Insulated (-2 notches from SACP)

Eversource Energy Issuer Credit Rating Lowered To 'BBB+' From 'A-'; Subsidiaries Ratings Also Lowered; Outlooks Stable

Rating Component Scores – Public Service Co. of New Hampshire

Component	
Foreign currency issuer credit rating	A-/STABLE/--
Local currency issuer credit rating	A-/STABLE/--
Business risk	Excellent
Country risk	Very Low Risk
Industry risk	Very Low Risk
Competitive position	Strong
Financial risk	Intermediate
Cash flow/leverage	Intermediate
Anchor	a
Diversification/portfolio effect	Neutral/Undiversified
Capital structure	Neutral
Financial policy	Neutral
Liquidity	Adequate
Management and governance	Neutral
Comparable rating analysis	Neutral
Stand-alone credit profile	a
Group credit profile	bbb+
Entity status within group	Insulated (-1 notch from SACP)

Rating Component Scores – Aquarion Co. (Prior To Withdrawal)

Component	
Foreign currency issuer credit rating	BBB-/DEVELOPING/--
Local currency issuer credit rating	BBB-/DEVELOPING/--
Business risk	Strong
Country risk	Very Low Risk
Industry risk	Very Low Risk
Competitive position	Satisfactory
Financial risk	Aggressive
Cash flow/leverage	Aggressive
Anchor	bb+
Diversification/portfolio effect	Neutral/Undiversified
Capital structure	Neutral
Financial policy	Neutral
Liquidity	Adequate
Management and governance	Neutral
Comparable rating analysis	Neutral
Stand-alone credit profile	bb+
Group credit profile	bbb+
Entity status within group	Moderately strategic (+1 notch from SACP)

Eversource Energy Issuer Credit Rating Lowered To 'BBB+' From 'A-'; Subsidiaries Ratings Also Lowered; Outlooks Stable

Rating Component Scores – Eversource Gas Company of Massachusetts

Component	
Foreign currency issuer credit rating	BBB+/STABLE/--
Local currency issuer credit rating	BBB+/STABLE/--
Business risk	Strong
Country risk	Very Low Risk
Industry risk	Very Low Risk
Competitive position	Satisfactory
Financial risk	Significant
Cash flow/leverage	Significant
Anchor	bbb
Diversification/portfolio effect	Neutral/Undiversified
Capital structure	Neutral
Financial policy	Neutral
Liquidity	Adequate
Management and governance	Neutral
Comparable rating analysis	Neutral
Stand-alone credit profile	bbb
Group credit profile	bbb+
Entity status within group	Core (+1 notch from SACP)

Rating Component Scores – NSTAR Gas Co.

Component	
Foreign currency issuer credit rating	BBB+/STABLE/--
Local currency issuer credit rating	BBB+/STABLE/--
Business risk	Excellent
Country risk	Very Low Risk
Industry risk	Very Low Risk
Competitive position	Strong
Financial risk	Significant
Cash flow/leverage	Significant
Anchor	a-
Diversification/portfolio effect	Neutral/Undiversified
Capital structure	Neutral
Financial policy	Neutral
Liquidity	Adequate
Management and governance	Neutral
Comparable rating analysis	Neutral
Stand-alone credit profile	a-
Group credit profile	bbb+
Entity status within group	Core (-1 notch from SACP)

Rating Component Scores – Yankee Gas Services Co.

Component	
Foreign currency issuer credit rating	BBB/STABLE/--
Local currency issuer credit rating	BBB/STABLE/--
Business risk	Strong
Country risk	Very Low Risk
Industry risk	Very Low Risk
Competitive position	Satisfactory
Financial risk	Significant
Cash flow/leverage	Significant
Anchor	bbb
Diversification/portfolio effect	Neutral/Undiversified
Capital structure	Neutral
Financial policy	Neutral
Liquidity	Adequate
Management and governance	Neutral
Comparable rating analysis	Negative
Stand-alone credit profile	bbb-
Group credit profile	bbb+
Entity status within group	Highly strategic (+1 notch from SACP)

Related Criteria

- Criteria | Corporates | General: Sector-Specific Corporate Methodology, April 4, 2024
- Criteria | Corporates | General: Corporate Methodology, Jan. 7, 2024
- Criteria | Corporates | General: Methodology: Management And Governance Credit Factors For Corporate Entities, Jan. 7, 2024
- General Criteria: Hybrid Capital: Methodology And Assumptions, March 2, 2022
- General Criteria: Environmental, Social, And Governance Principles In Credit Ratings, Oct. 10, 2021
- General Criteria: Group Rating Methodology, July 1, 2019
- Criteria | Corporates | General: Corporate Methodology: Ratios And Adjustments, April 1, 2019
- Criteria | Corporates | General: Reflecting Subordination Risk In Corporate Issue Ratings, March 28, 2018
- General Criteria: Methodology For Linking Long-Term And Short-Term Ratings, April 7, 2017
- Criteria | Corporates | General: Recovery Rating Criteria For Speculative-Grade Corporate Issuers, Dec. 7, 2016
- Criteria | Corporates | General: Methodology And Assumptions: Liquidity Descriptors For Global Corporate Issuers, Dec. 16, 2014

- General Criteria: Methodology: Industry Risk, Nov. 19, 2013
- General Criteria: Country Risk Assessment Methodology And Assumptions, Nov. 19, 2013
- General Criteria: Principles Of Credit Ratings, Feb. 16, 2011

Ratings List

Ratings list		
Downgraded; Outlook Action		
	To	**From**
Eversource Energy		
Issuer Credit Rating	BBB+/Stable/A-2	A-/Negative/A-2
Connecticut Light & Power Co.		
Public Service Co. of New Hampshire		
Issuer Credit Rating	A-/Stable/--	A/Negative/--
Eversource Gas Co. of Massachusetts		
NSTAR Gas Co.		
Issuer Credit Rating	BBB+/Stable/--	A-/Negative/--
NSTAR Electric Co.		
Issuer Credit Rating	A-/Stable/A-2	A/Negative/A-1
Yankee Gas Services Co.		
Issuer Credit Rating	BBB/Stable/--	A-/Negative/--
Downgraded		
	To	**From**
Aquarion Co.		
Issuer Credit Rating	BBB-/Developing/--	BBB+/Developing/--
Eversource Energy		
Senior Unsecured	BBB	BBB+
Connecticut Light & Power Co.		
NSTAR Electric Co.		
Preferred Stock	BBB	BBB+
NSTAR Electric Co.		
Senior Unsecured	A-	A
Commercial Paper	A-2	A-1
Downgraded; Recovery Ratings Unchanged		
	To	**From**
Connecticut Light & Power Co.		
Public Service Co. of New Hampshire		
Senior Secured	A	A+
Recovery Rating	1+	1+
Ratings Affirmed		
Eversource Energy		

Eversource Energy Issuer Credit Rating Lowered To 'BBB+' From 'A-'; Subsidiaries Ratings Also Lowered; Outlooks Stable

Ratings list		
Commercial Paper	A-2	
Ratings Affirmed; Recovery Ratings Unchanged		
NSTAR Gas Co.		
Senior Secured	A	
Recovery Rating	1+	
Ratings Withdrawn		
	To	**From**
Aquarion Co.		
Issuer Credit Rating	NR/NM/--	BBB-/Developing/--

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Eversource Energy Issuer Credit Rating Lowered To 'BBB+' From 'A-'; Subsidiaries Ratings Also Lowered; Outlooks Stable

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MOODY'S RATINGS

Infrastructure And Project Finance

CREDIT OPINION
24 June 2024

Update

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RATINGS

Connecticut Light and Power Company (The)

Domicile	Berlin, Connecticut, United States
Long Term Rating	A3
Type	LT Issuer Rating
Outlook	Negative

Please see the ratings section at the end of this report for more information. The ratings and outlook shown reflect information as of the publication date.

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Connecticut Light and Power Company (The)

Update following outlook change to negative

Summary

CL&P's credit profile reflects its low-risk business profile as an electric transmission and distribution (T&D) company, which includes a transmission business that accounts for a substantial portion of its rate base and operates within the highly credit supportive Federal Energy Regulatory Commission (FERC) regulatory framework. CL&P's electric distribution business operates under the purview of the Connecticut Public Utilities Regulatory Authority (PURA), a regulatory framework that has become increasingly difficult due to higher political scrutiny and inconsistent regulatory decisions and rate case outcomes. With that said, the Connecticut regulatory framework does include some credit supportive rate provisions like multiyear rate plans, revenue decoupling and purchased power cost recovery mechanisms. However, due to CL&P's 2021 settlement agreement that was largely in response to the PURA's investigation of the utility's 2020 storm responsiveness, CL&P had been in a distribution rate freeze through 1 January 2024.

CL&P has historically exhibited a relatively stable financial profile excluding the sizable storm costs that it has incurred in some years. However, in 2023, the company's financial performance deteriorated primarily driven by under recoveries of certain regulatory items such as power costs. For the 12-months ended 31 March 2024, CL&P's ratio of cash flow from operations before changes in working capital (CFO pre-W/C) to debt was a weak 12.0%, well below its average of roughly 22% over the prior two years.

Going forward, we expect CL&P's ratio of CFO pre-W/C to debt to improve as the utility collects prior under recovered costs in rates throughout 2024 and 2025. However, it is uncertain whether CL&P will be able to maintain a financial profile that is commensurate with its A3 rating including a ratio of CFO pre-W/C to debt sustained above 18%, given the inconsistent and unpredictable regulatory environment, a key rationale for the negative outlook. The company's ability to sustain an improved financial profile will primarily depend on CL&P's ability to recover the majority of its deferred storm costs, which are in the early stages of a regulatory prudence review, and the supportiveness of PURA decisions on the utility's rate case proceedings in the future.

Recent developments

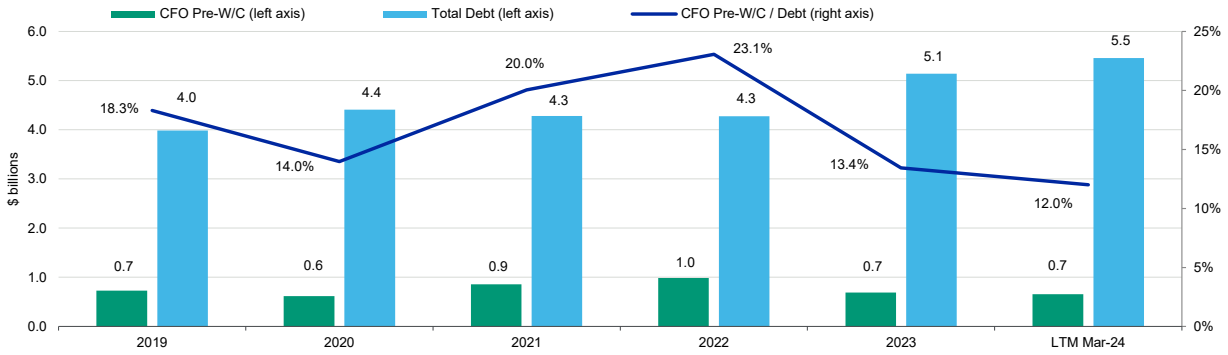
On 11 March, CL&P filed a request for prudency review of approximately $634 million of catastrophic storm costs for 24 weather events occurring between 2018 through 2021. On 28 March, PURA established a proceeding for the purpose of receiving and reviewing evidence of the costs reported by CL&P in response to the catastrophic storms and pre-

staging events. PURA established a partial procedural schedule with hearings scheduled in the third quarter of 2025.

PURA will determine the amount of these costs that are deemed prudent and that will ultimately be recovered by CL&P, but the timing of this recovery will not be established until a formal rate case proceeding which may not occur until after the storm cost prudency review is completed. As of 31 December 2023, CL&P had a total of $975 million of deferred storm costs as a regulatory asset balance. The remaining storm cost balance in excess of the $634 million included in the prudency review will be addressed in future rate case proceedings.

Exhibit 1

Historical CFO pre-W/C, Total Debt and ratio of CFO pre-W/C to Debt



All figures and ratios are based on adjusted financial data and incorporate Moody's Global Standard Adjustments for Non-Financial Corporation.
Periods are fiscal year-end unless indicated. LTM = Last 12 months.
Source: Moody's Financial Metrics™

Credit strengths

» Low-risk business profile as a regulated electric T&D utility

» Some timely cost recovery and revenue decoupling mechanisms included in the Connecticut and FERC regulatory frameworks

» Highly credit supportive FERC regulated transmission assets account for a substantial portion of rate base

Credit challenges

» Challenging and at times unsupportive Connecticut regulatory environment

» Weak financial profile,although expected to improve

» Distribution rate freeze through 2023 has delayed recovery of substantial storm costs

» Ongoing FERC ROE complaint proceedings continue to pose potential uncertainty on returns

Rating outlook

The negative outlook on CL&P reflects the challenging Connecticut regulatory environment for its electric distribution business, and a weak financial profile that includes a ratio of CFO pre-W/C to debt that is currently well below the historical levels in the 20-22% range.

Factors that could lead to upgrade

Given the negative outlook, it is unlikely that CL&P will be upgraded in the near term. However, CL&P's outlook could be changed to stable if the credit supportiveness of the Connecticut regulatory environment improves with future regulatory decisions that improve

This publication does not announce a credit rating action. For any credit ratings referenced in this publication, please see the issuer/deal page on https://ratings.moodys.com for the most updated credit rating action information and rating history.

the timeliness of the recovery of costs and investments, including deferred storm costs, while providing sufficient allowed returns. In addition, a stable outlook could be considered if CL&P's financial profile shows further improvement such that its ratio of CFO pre-W/C to debt is sustained above 18%.

Factors that could lead to downgrade

CL&P could be downgraded if Connecticut regulatory decisions continue to be contentious or unsupportive of credit quality and there is no improvement in the regulatory environment or if CL&P's weak financial performance is sustained such that its ratio of CFO pre-W/C to debt falls remains below 18%.

Key indicators

Exhibit 2

Connecticut Light and Power Company (The)

	2019	2020	2021	2022	2023	LTM Mar-24
CFO Pre-W/C + Interest / Interest	5.7x	4.7x	5.9x	6.7x	4.5x	4.2x
CFO Pre-W/C / Debt	18.3%	14.0%	20.0%	23.1%	13.4%	12.0%
CFO Pre-W/C – Dividends / Debt	9.7%	12.3%	12.0%	16.2%	7.0%	5.9%
Debt / Capitalization	41.2%	40.4%	38.2%	36.4%	39.1%	39.8%

All figures and ratios are based on adjusted financial data and incorporate Moody's Global Standard Adjustments for Non-Financial Corporations.
Periods are fiscal year-end unless indicated. LTM = Last 12 months.
Source: Moody's Financial Metrics™

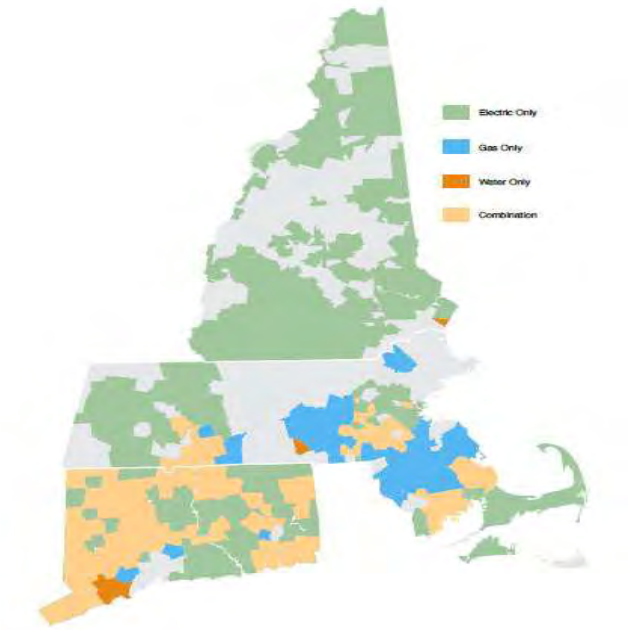
Profile

Headquartered in Berlin, CT, The Connecticut Light and Power Company is the state's largest regulated electric transmission and distribution utility and serves about 1.28 million customers. CL&P is the largest operating subsidiary of Eversource Energy (Baa2 negative) with total assets of about $16.4 billion as of 31 March 2024. CL&P's operations are regulated by the Connecticut Public Utilities Regulatory Authority (PURA) and the Federal Energy Regulatory Commission (FERC).

Eversource is a public utility holding company of regulated electric and gas T&D and water utilities in the New England region serving approximately 4.4 million electric, natural gas and water customers. With headquarters in Hartford, CT, and Boston, MA, Eversource has a total rate base of almost $30 billion.

CL&P's other affiliated companies include regulated electric utilities; NSTAR Electric Company (A2 negative), Public Service Company of New Hampshire (PSNH, A3 stable); natural gas distribution companies, Yankee Gas Services Company (YGS, Baa1 stable), Eversource Gas of MA (EGMA) and NSTAR Gas; as well as water companies, Aquarion Company (Baa2 stable), which operates regulated water utilities Aquarion Water Company of Connecticut (AWC-CT, Baa1 stable), Aquarion Water Company of Massachusetts and Aquarion Water Company of New Hampshire.

Exhibit 3
Eversource Energy's service territories



Source: Company Fillings

Detailed credit considerations

Distribution assets operate in a challenging and at times unsupportive Connecticut regulatory environment

CL&P is in the process of rebuilding its relationship with key stakeholders including state regulators and customers. The Connecticut regulatory regime has become more challenging over the last few years, which has been evidenced by several PURA decisions including affiliate AWC-CT's rate case order last year. On 15 March 2023, the PURA approved a final order rejecting AWC-CT's August 2022 rate application for a multiyear distribution rate increase. The rejection resulted in an approximately $4 million decrease in AWC-CT's total authorized annual revenues compared with the utility's request to increase revenue by nearly $50 million over the 2023-25 period. See "Connecticut regulator rejects Aquarion Water's requested rate increase, a credit negative. "

This rate order followed a challenging period in the relationship between CL&P and PURA during 2020 and 2021 in the aftermath of tropical storm Isaias in the summer of 2020. It culminated in the PURA approving CL&P's settlement agreement in October 2021 by a 2-1 vote. The settlement agreement included key interested parties including the Department of Energy and Environmental Protection, Office of Consumer Counsel, Office of the Attorney General and the Connecticut Industrial Energy Consumers. Connecticut's Governor Ned Lamont also supported the agreement.

In the settlement agreement, CL&P agreed to provide $65 million of customer credits distributed over December 2021 and January 2022. CL&P also agreed to provide $10 million to various customer assistance programs as directed by PURA prior to 30 April 2022, including providing credits to existing hardship and non-hardship customers carrying arrearages and for other purposes. The approved settlement also provided for a distribution rate case stay out with no new rates in place until 1 January 2024 at the earliest.

Among other things, the settlement stipulated that neither the 90 bps return on equity (ROE) penalty from the tropical storm Isaias preparedness and restoration proceeding nor the 45 bps ROE adjustment as proposed in PURA's follow-on draft decision would be implemented. The proposed ROE reduction came after PURA's investigation into the state's electric distribution companies and their preparation for and response to tropical storm Isaias in August 2020.

CL&P's currently authorized 9.25% ROE and earnings sharing mechanism, or ESM, adopted as per a 2018 decision, remain in place until the company's next general distribution rate proceeding, which is expected to be filed in 2025. Under the ESM, earnings above a 9.25% ROE are to be shared equally with ratepayers. Any amounts due to customers under the terms of the ESM are first to be used to reduce various regulatory assets associated with certain unamortized environmental remediation costs. The remaining amounts due to customers are then used to offset the cost of catastrophic storms.

In October 2020, Connecticut passed new legislation, Public Act 20-5 (House Bill 7006). Among other things, the new law required PURA to open a proceeding to evaluate and eventually implement performance based rate regulation (PBR) for the state's utilities. HB 7006 added a degree of uncertainty to the Connecticut regulatory environment since a PBR framework could affect the consistency and predictability of the state's regulatory environment, the timeliness of cost recovery and the utilities' financial profiles. Furthermore, the law extended the PURA's deadlines for rate case decisions to about a year, from about six months, which is a credit negative with regard to the timeliness of cost recovery. The law will also likely mean higher penalties for noncompliance with various service standards.

PURA is conducting the PBR proceeding in two phases. On 26 April 2023, PURA issued a final decision on the first phase and identified various objectives to guide the development of a PBR framework and adoption. The decision commenced Phase 2 by initiating three dockets focused on revenue adjustment mechanisms, performance metrics and integrated distribution system planning with final decisions expected in 2025.

On 29 June 2023, Connecticut enacted Public Act No. 23-102 (Substitute Senate Bill No. 7), which increased the regulatory authority of the PURA and could have credit negative implications for the state's utilities such as increasing regulatory lag for cost recovery. The new legislation is not retroactive and did not result in immediate changes in rates but may impact future rate case proceedings. Some of the final provisions include the selection of the PURA chair by the Governor; four-year rate case filing requirements; additional requirements needed to file rate case settlements; and the elimination of CL&P's capital tracker for new plant additions for rate case proceedings filed after July 2023.

Weak financial profile expected to improve but sustaining that will depend on regulatory support

CL&P has historically exhibited a relatively stable financial profile excluding sizable storm costs incurred in some years. However, in 2023, the company's financial performance deteriorated primarily driven by under recoveries of certain regulatory items such as power costs. For the 12-months ended 31 March 2024, CL&P's ratio of cash flow from operations before changes in working capital (CFO pre-W/C) to debt was 12.0%, which is well below its average of roughly 22%% over the prior two years. Going forward, we expect CL&P's ratio of CFO pre-W/C to debt to improve as the utility collects prior under recovered costs throughout 2024 and 2025 in rates. However, it is uncertain whether CL&P will be able to maintain a financial profile that is commensurate with its A3 rating including a ratio of CFO pre-W/C to debt sustained above 18%. The company's ability to sustain an improved financial profile going forward will primarily depend on CL&P's ability to recover the majority of deferred storm costs, which the utility is in the early stages of a regulatory prudence review, and the supportiveness of PURA decisions on Connecticut rate case proceedings in the future.

CL&P's capital expenditure program currently remains elevated. During the period from 2018 - 2023, CL&P's average annual capital expenditures have been about $900 million, which is considerably higher than the annual average of about $550 million from 2013-2017. However, management has indicated that Eversource will reduce its investment levels in Connecticut prospectively, roughly $500 million over the next five years, owing to the unpredictability of cost recovery in the regulatory framework.

In 2023, CL&P invested roughly $1,093 million in capital expenditures. Of this amount, about half was related to FERC regulated transmission investments which gets immediate recovery in rates. Of the remaining amount related to CL&P's distribution business, which included upgrades of aging infrastructure, reliability investments as well as new business and capacity additions, a substantial amount was allowed immediate recovery in rates due to capital trackers.

The majority, but not all, of CL&P's planned investment gets timely recovery in rates either through distribution capital trackers or FERC's forward-looking formulaic ratemaking. At times, CL&P will require new debt issuances and capital contributions from its parent to supplement internally generated cash flow to finance capital investments. We expect CL&P to finance its capital investments with a balanced mix of equity and debt in a manner that maintains the company's targeted capital structure authorized by regulators. As an

example, Eversource made capital contributions of $224 million to CL&P in last twelve months ended 31 March 2024 to help the utility finance its investments, which also helped offset the $330 million of dividends distributed to the parent.

CL&P continues to go through the regulatory process for its proposed Advanced Metering Infrastructure (AMI) investments in the state. On 31 July 2020, CL&P filed a proposed $512 million AMI investment and implementation plan with PURA. On 17 August 2021, PURA issued a notice of request for an amended AMI proposal and in response, CL&P submitted an amended proposal on 8 November 2021 with an updated schedule for investments from 2022 through 2028. On 3 January 2024, PURA issued a final decision on CL&P's AMI plan, which is now estimated at approximately $766 million. However, CL&P indicated that the final decision delayed implementation and did not provide a reasonable path for cost recovery. After CL&P's motion for reconsideration, PURA issued a procedural order with testimony occurring in May and a final decision expected in the fourth quarter of this year.

CL&P's last rate case was a settlement agreement in 2018 that included an ROE of 9.25% and an equity ratio of 53%. The ROE and equity ratio were higher than the 9.17% and 50.38%, respectively, authorized in CL&P's previous 2014 rate case decision. The utility must share 50% of any earnings above the 9.25% ROE with its customers.

The settlement allowed CL&P to continue to use a revenue decoupling mechanism that was adopted in its previous rate case. Revenue decoupling is credit positive because it adds to the predictability and stability of revenue and cash flow generation. CL&P's decoupling mechanism reconciles the amounts recovered from customers, on an annual basis, with the distribution revenue requirement set by the PURA. The settlement also included a core capital tracker that allows for timely recovery of the utility's capital investments for core capital projects of up to $300 million for each year after 2020 until its next rate case proceeding.

Substantial transmission rate base under the purview of highly credit supportive FERC regulatory framework

A sizable portion of CL&P's rate base relates to transmission assets under the purview of FERC, which we view as highly credit supportive given its rate construct and above average authorized returns. FERC regulated rates are set based on a formulaic forward-looking cost of service model with annual true-up mechanisms that adjust for changes in network load that impacts demand. This ensures the utility's ability to earn its authorized ROE and enhances the stability and predictability of cash flow, a significant credit positive. Transmission projects generally enter rate base after they are placed into commercial operation, although certain FERC approved projects can recover construction work in progress (CWIP) costs in rates, another credit positive.

In addition, FERC regulated returns are generally higher than returns in most states. CL&P is currently allowed a FERC regulated return of a base ROE of 10.57% plus incentive adders for a total of 11.3%. It is unclear whether the base ROE allowed by FERC for transmission owners in the Independent System Operator-New England (ISO-NE) region will be reduced further since the base ROE may be changed as FERC's ROE methodology continues to evolve. More discussion on this matter below.

FERC Section 206 complaint remains an overhang, but further downward reduction in ROE is likely limited

As a result of FERC's decisions to date, authorized ROEs for New England transmission owners, including NSTAR Electric, have been reduced compared to returns, pre-complaints. While the complaint proceedings are still pending final resolution from FERC, we expect any further changes in authorized ROEs to be limited. As a result, total ROEs, including incentive adders, should still remain above the average authorized ROEs allowed in most states. In addition, we do not expect any changes to the formulaic, forward-looking, credit supportive ratemaking framework allowed by the FERC.

Four separate complaints were filed at FERC by groups of New England state attorneys general, state regulatory commissions, consumer advocates, consumer groups, municipal parties and other parties challenging the historical authorized base ROE of 11.14% that had been utilized by New England transmission owners since 2005. Each complaint covered a refund period of 15 months. FERC ruled on the first ISO-NE Section 206 complaint in June 2014 and cut the authorized ROE to 10.57% from 11.14%. FERC's order also limited the total authorized ROE, including incentive adders, to 11.74%, which is the high end of the zone of reasonableness.

Over the last few years, FERC has developed multiple versions of a methodology to determine base ROEs for transmission owners in the Midcontinent Independent System Operator (MISO) Regional Transmission Organization as well as for New England transmission owners, including CL&P. Further changes to the methodology are possible as a result of the ongoing hearings in both the MISO and ISO-NE proceedings.

CL&P has refunded $22.4 million associated with the first complaint, reflecting both the base ROE and the incentive cap, for the refund period from October 2011 to December 2012. Additionally, CL&P has reserved $21.4 million for the difference in rates during the refund period of December 2012 through March 2014 for the second complaint. No reserves were recorded for the third and fourth complaints because tariff rates are set based on the current 10.57% base authorized ROE established by FERC in response to the first complaint. While we continue to expect the final authorized ROEs to be set lower than the historical base rate of 11.14%, we do not expect the authorized ROE to be much lower than the 10.57% base ROE that FERC originally ruled on in the first complaint in June 2014.

In April 2021, the FERC issued a Supplemental Notice of Proposed Rulemaking (SNOPR), which proposes to modify the NOPR's incentive for participation in an RTO by limiting the incentive for utilities participating in an RTO to 50 bps and only permitting them to earn the incentive for three years. If this proposal ends up being included in a final rule, CL&P would no longer be eligible for the 50 bps RTO incentive adder. However, a time frame has not been established for FERC to issue a final rule, and any impacts would be prospective. The elimination of the adder would be credit negative but it is not expected to materially impact the company's financial profile.

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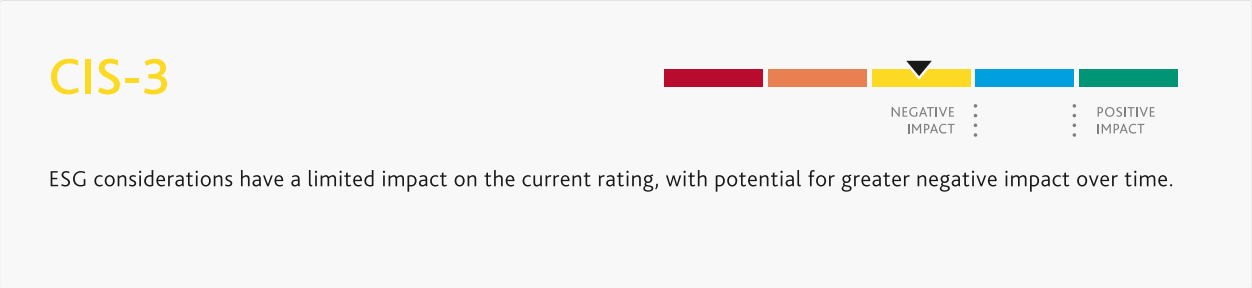
ESG considerations

Connecticut Light and Power Company (The)'s ESG credit impact score is CIS-3

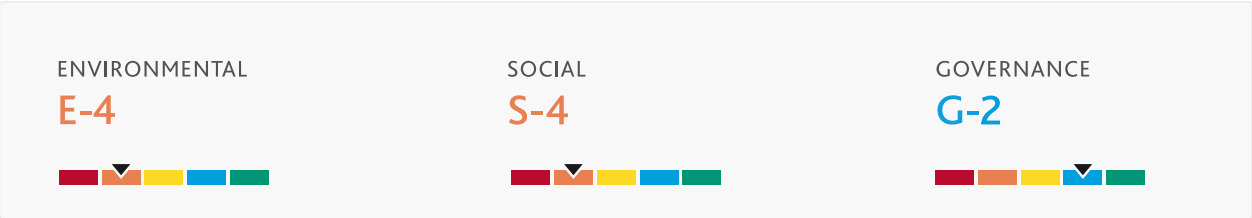
Exhibit 4
ESG credit impact score



Source: Moody's Ratings

CL&P's **CIS-3** indicates that ESG considerations have a limited impact on the current credit rating with potential for greater negative impact over time. Physical climate risks and increased exposure to demographic and social trends, such as a less supportive regulatory environment and customer affordability concerns, could weaken credit quality over the long-term

Exhibit 5
ESG issuer profile scores



Source: Moody's Ratings

Environmental

CL&P's **E-4** issuer profile score reflects its elevated exposure to physical climate driven by its service territory in the Northeast US, which exposes the company to material and extreme weather events such as storms. This creates risks of physical damage to

infrastructure assets and associated costs which is somewhat mitigated by a supportive regulatory framework, although there can be lag in cost recovery for these events. As an electric T&D, the company has low carbon transition risk.

Social

CL&P's **S-4** issuer profile score reflects higher exposure to demographic and societal trends that could lead to adverse regulatory or political decisions. This reflects recent legislative initiatives and regulatory orders that have made the Connecticut regulatory environment more unpredictable and cost recovery for CL&P less timely. Social pressures or public concern over affordability, utility reputation or environmental issues could continue to lead to adverse regulatory or political intervention into utility operations or regulatory changes, which could have a prolonged negative financial impact on CL&P's electric distribution business.

Governance

CL&P's **G-2** issuer profile score reflects the company's financial policy to maintain the capital structure authorized by regulators with any dividends distributed to its parent, Eversource, offset by sufficient equity injections to maintain the target capital structure.

ESG Issuer Profile Scores and Credit Impact Scores for the rated entity/transaction are available on Moodys.com. In order to view the latest scores, please click here to go to the landing page for the entity/transaction on MDC and view the ESG Scores section.

Additional ESG considerations

As a regulated electric T&D utility, CL&P has low carbon transition risk within the sector, particularly compared to vertically integrated electric utilities, mainly due to its lack of generation asset ownership. All commodity costs, including carbon, associated with power procurement for customers are fully passed through to customers with effective cost recovery mechanisms. CL&P continues to invest in hardening, modernizing, and making its electric distribution network more resilient and reliable particularly as the company faces extreme weather events due to climate change.

Social risks are primarily related to health and safety, demographic and societal trends, as well as customer relations as the company works to provide reliable and affordable service to customers and safe working conditions for employees. Regarding affordability, we see the potential for rising social risks associated with an inflationary environment, rising energy bills stemming from potential spikes in natural gas prices and the effect of high interest rates longer term. A high inflationary environment could make customers less able to absorb rate increases. Should this influence state regulators' decisions on rate increases or cost recovery, the company's financial profile and cash flow ratios could weaken.

From a governance perspective, financial and risk management policies including a strong financial profile are important characteristics for managing environmental and social risks.

Liquidity analysis

CL&P's liquidity profile is sufficient based on relatively stable and predictable cash flow generation and access to its parent's joint revolving credit facility. At 31 March 2024, CL&P had a cash balance of $29 million.

For the 12-months ended 31 March 2024, CL&P generated cash flow from operations of $497 million, which was substantially lower than its capital expenditures of $1,123 million and dividend distributions to its parent of $330 million. The shortfall in meeting its outflows using internally generated cash flow was largely funded through the issuance of $650 million of long-term debt, short-term borrowings and capital contributions from its parent. For the LTM period, Eversource made capital contributions of $224 million to CL&P to help the utility meet its financing needs. Going forward, we expect that CL&P will continue to fund its capital needs in a balanced manner and that its dividend policy, parent equity contributions and any long-term debt issuances will be managed in a manner that maintains the utility's regulated capital structure, including an equity ratio of about 53%.

CL&P, along with affiliated entities, NSTAR Gas, PSNH, Yankee Gas, EGMA and AWC-CT have access to Eversource's $2 billion revolving joint credit facility that expires on 13 October 2028. Under the revolving credit facility, CL&P has a borrowing sub limit of $600 million. Borrowings under this facility are not subject to a material adverse change clause, but there is one financial maintenance covenant that sets a limit of total debt to total capitalization of 70% for Eversource and 65% for the Eversource subsidiaries. Eversource and its subsidiaries were in compliance with the financial maintenance covenant as of 31 March 2024.

Eversource uses the $2 billion facility to backstop its same-sized commercial paper program. Eversource has typically used its short-term financings to help fund its subsidiaries' capex programs, pension contributions, working capital requirements (including any storm related costs) and debt repayments until longer term financing is arranged. At 31 March 2024, approximately $65.1 million was available on the credit facility with approximately $1.9 billion of commercial paper outstanding. At 31 March 2024, there were intercompany loans of $426 million from Eversource to CL&P.

CL&P's next debt maturity is $139.8 million of first mortgage bonds due October 2024.

Rating methodology and scorecard factors

We use our global Regulated Electric and Gas Utilities rating methodology as the primary methodology for analyzing Connecticut Light and Power Company (The).

Exhibit 6

Methodology scorecard factors

Connecticut Light and Power Company (The)

Regulated Electric and Gas Utilities Industry [1][2]	Current LTM 3/31/2024		Moody's 12-18 Month Forward View	
Factor 1 : Regulatory Framework (25%)	**Measure**	**Score**	**Measure**	**Score**
a) Legislative and Judicial Underpinnings of the Regulatory Framework	A	A	A	A
b) Consistency and Predictability of Regulation	A	A	Baa	Baa
Factor 2 : Ability to Recover Costs and Earn Returns (25%)				
a) Timeliness of Recovery of Operating and Capital Costs	A	A	A	A
b) Sufficiency of Rates and Returns	A	A	Baa	Baa
Factor 3 : Diversification (10%)				
a) Market Position	Baa	Baa	Baa	Baa
b) Generation and Fuel Diversity	N/A	N/A	N/A	N/A
Factor 4 : Financial Strength (40%)				
a) CFO pre-WC + Interest / Interest (3 Year Avg)	5.3x	A	5x - 5.5x	A
b) CFO pre-WC / Debt (3 Year Avg)	16.5%	Baa	16% - 20%	Baa
c) CFO pre-WC – Dividends / Debt (3 Year Avg)	9.7%	Baa	10% - 14%	Baa
d) Debt / Capitalization (3 Year Avg)	38.5%	Aa	37% - 40%	Aa
Rating:				
Scorecard-Indicated Outcome Before Notching Adjustment		A3		Baa1
HoldCo Structural Subordination Notching		0		0
a) Scorecard-Indicated Outcome		A3		Baa1
b) Actual Rating Assigned		A3		A3

All figures and ratios are based on adjusted financial data and incorporate Moody's Global Standard Adjustments for Non-Financial Corporations. LTM = Last 12 months.
Moody's forecasts are Moody's opinion and do not represent the views of the issuer.
Source: Moody's Financial Metrics™ and Moody's Ratings forecasts

Appendix

Exhibit 7

Peer comparison

Connecticut Light and Power Company (The)

	Connecticut Light and Power Company (The) A3 Negative			Southern Connecticut Gas Company A3 Stable			United Illuminating Company (The) Baa1 Stable			Yankee Gas Services Company Baa1 Stable		
(in $ millions)	FY Dec-22	FY Dec-23	LTM Mar-24	FY Dec-22	FY Dec-23	LTM Mar-24	FY Dec-22	FY Dec-23	LTM Mar-24	FY Dec-21	FY Dec-22	FY Dec-23
Revenue	4,818	4,579	4,361	516	426	388	1,156	1,356	1,320	609	707	706
CFO Pre-W/C	986	691	655	73	74	66	292	48	72	145	163	220
Total Debt	4,277	5,143	5,459	394	432	419	1,115	1,250	1,319	902	962	1,112
CFO Pre-W/C + Interest / Interest	6.7x	4.5x	4.2x	4.7x	4.6x	4.0x	6.6x	1.9x	2.3x	6.5x	6.7x	7.0x
CFO Pre-W/C / Debt	23.1%	13.4%	12.0%	18.5%	17.0%	15.7%	26.2%	3.8%	5.5%	16.0%	16.9%	19.8%
CFO Pre-W/C – Dividends / Debt	16.2%	7.0%	5.9%	9.4%	12.4%	9.5%	21.7%	-4.6%	-2.5%	11.5%	11.6%	9.7%
Debt / Capitalization	36.4%	39.1%	39.8%	36.5%	37.7%	36.6%	39.0%	39.8%	40.7%	38.0%	36.5%	39.8%

All figures and ratios are based on adjusted financial data and incorporate Moody's Global Standard Adjustments for Non-Financial Corporations.
LTM = Last 12 months.
Source: Moody's Financial Metrics™

Exhibit 8

Moody's-adjusted cash flow metrics

Connecticut Light and Power Company (The)

(in $ millions)	2019	2020	2021	2022	2023	LTM Mar-24
FFO	**729.9**	**911.1**	**1,014.4**	**1,139.9**	**542.6**	**562.4**
+/- Other	0.0	(294.6)	(156.2)	(153.5)	148.3	93.1
CFO Pre-WC	**729.9**	**616.5**	**858.2**	**986.4**	**690.9**	**655.5**
+/- ΔWC	0.3	(162.9)	(76.1)	(47.7)	(163.1)	(62.9)
CFO	**730.1**	**453.6**	**782.1**	**938.7**	**527.9**	**592.5**
- Div	344.6	72.3	344.2	295.2	333.2	333.1
- Capex	919.4	893.5	887.6	948.6	1,174.2	1,221.8
FCF	**(533.8)**	**(512.2)**	**(449.7)**	**(305.1)**	**(979.5)**	**(962.4)**
(CFO Pre-W/C) / Debt	18.3%	14.0%	20.0%	23.1%	13.4%	12.0%
(CFO Pre-W/C - Dividends) / Debt	9.7%	12.3%	12.0%	16.2%	7.0%	5.9%
FFO / Debt	18.3%	20.7%	23.7%	26.7%	10.6%	10.3%
RCF / Debt	9.7%	19.0%	15.7%	19.8%	4.1%	4.2%
Revenue	3,232.6	3,547.5	3,637.4	4,817.7	4,578.8	4,361.2
Interest Expense	156.9	165.4	175.8	172.5	196.3	205.9
Net Income	405.6	446.3	383.2	485.4	483.4	474.6
Total Assets	12,185.2	13,456.0	13,949.7	14,758.8	15,849.6	16,441.2
Total Liabilities	7,736.5	8,353.1	8,592.1	8,916.3	9,700.9	10,137.9
Total Equity	4,448.7	5,102.9	5,357.6	5,842.5	6,148.8	6,303.2

All figures and ratios are based on adjusted financial data and incorporate Moody's Global Standard Adjustments for Non-Financial Corporations.
Periods are fiscal year-end unless indicated. LTM = Last 12 months
Source: Moody's Financial Metrics™

Ratings

Exhibit 9

Category	Moody's Rating
CONNECTICUT LIGHT AND POWER COMPANY (THE)	
Outlook	Negative
Issuer Rating	A3
First Mortgage Bonds	A1
Senior Secured Shelf	(P)A1
Pref. Stock	Baa2
PARENT: EVERSOURCE ENERGY	
Outlook	Negative
Issuer Rating	Baa2
Senior Unsecured	Baa2
Pref. Shelf	(P)Ba1
Commercial Paper	P-2

Source: Moody's Ratings

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