S&P Global
Ratings

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Connecticut Light & Power Co.

July 23, 2026

This report does not constitute a rating action.

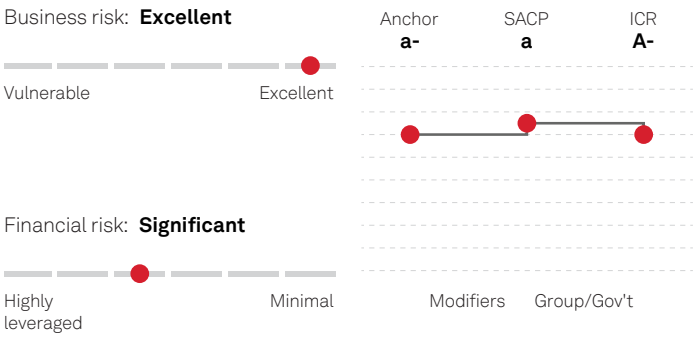
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Ratings Score Snapshot



Issuer credit rating
A-/Stable/NR

ICR--Issuer credit rating. SACP--Stand-alone credit profile.

Credit Highlights

Overview

Key strengths	Key risks
Monopolistic electric transmission and distribution (T&D) utility operations.	Lack of operating diversity makes the company largely dependent on Connecticut regulators to sustain its credit quality.
About 40% of the company's rate base consisting of low-risk electric transmission operations.	Negative discretionary cash flow (DCF) forecast, indicating future external funding needs.
Our view of Connecticut Light & Power Co. (CL&P) as an insulated subsidiary of its parent Eversource Energy allows us to rate CL&P one notch above Eversource.	Service territory prone to localized storms and severe weather events.
Large customer base that supports stable cash flow.	

Connecticut Light & Power (CL&P) filed for a base rate case increase, proposing for new rates to go into effect on July 1, 2027. On July 14, 2026, CL&P filed for a rate case increase with Public Utilities Regulatory Authority (PURA) and is requesting to implement a new four-year performance-based multiyear rate plan. The rate request is for an approximate $727 million increase (inclusive of cumulative storm costs) or $451 million (exclusive of cumulative storm

costs). Storm costs relate to storms that occurred from 2018 through March 2025. In addition, the rate increase request is based on a 10.25% return on equity, premised upon a 53.86% equity capitalization ratio. CL&P received its last base rate increase order in April 2018. We will continue to monitor related developments.

We view the PURA's proposed storm cost recovery decision as supportive of credit quality. PURA's proposed final decision determined that CL&P prudently incurred about $944 million in storm costs. As such, PURA will consider about $742 million of such costs for recovery through securitization. We expect that the balance will be recovered through other existing regulatory mechanisms, including the competitive transition assessment charge and CL&P's storm reserve accrual. Based on PURA's proposed decision, the company will not be able to recover around $300 million of historical carrying charges associated with these costs, which we assess as modestly negative. However, we overall view this development as supportive of credit quality, as the securitization will bolster CL&P's financial measures because we assess such securities with non-bypassable customer charges as off-balance-sheet. Furthermore, PURA's decision signals potential improvement in the state's regulatory compact, which we will continue to closely monitor.

We do not expect the FERC's ROE order will materially impact CL&P's financial metrics. In April 2026, the U.S. Federal Energy Regulatory Commission (FERC) ordered a reduction in the prospective base return on equity (ROE) for all New England transmission owners including Eversource subsidiary CL&P to 9.57% from 10.57%. The FERC also determined that the regional transmission owners' equity returns dating back to 2011 were unjust and unreasonable, leading it to impose one-time rate refunds of about $932 million in total for parent Eversource, a portion of which affects CL&P. Following a joint motion from New England transmission owners, FERC has since extended the deadline for completing refunds to May 20, 2027, from the original 30-day timeframe.

While we view the one-time refunds as a negative development, we do not expect this will permanently weaken CL&P's credit quality. Furthermore, FERC has issued its initial order on the April 30th Section 205 filing, proposing to increase the base ROE for New England transmission owners to 11.39% from 9.57% and the incentive cap to 12.89% from 12.09%, which we view as favorable for the company. The ROE is suspended for five months until the end of November and is subject to further discussion. Overall, our base-case scenario assumes CL&P's funds from operations (FFO) to debt temporary weakens in 2026 to about 19-20%, before improving to 22-23% in 2027 and onwards.

We apply a positive comparable ratings analysis modifier in arriving at our stand-alone credit profile (SACP) for CL&P. This reflects our view that CL&P's financial measures will be consistently toward the higher end of the range for its financial risk profile category compared to peers. Specifically, we expect CL&P's stand-alone FFO to debt will average 20%-22% over the forecast period.

CL&P--Net property plant and equipment by segment

As of Dec. 31, 2025



FERC--Federal Energy Regulatory Commission. PURA--Connecticut Public Utilities Regulatory Authority. Source: S&P Global Ratings.

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Outlook

The stable outlook on CL&P reflects the stable outlook on parent Eversource. The stable outlook on Eversource reflects our expectation that Eversource will consistently maintain FFO to debt of 12%-15% through 2028 without increasing its business risk. The outlook also incorporates our belief that management will maintain its financial policy stance toward protecting credit quality.

Downside scenario

We could downgrade CL&P over the next 24 months if we downgrade parent, Eversource. This could occur if Eversource's consolidated financial measures deteriorate, such that FFO to debt remains below 12%.

Upside scenario

We could upgrade CL&P over a similar period if we do the same for parent Eversource. This could occur if Eversource maintains FFO to debt above 15% without experiencing an increase to its business risk.

Our Base-Case Scenario

Assumptions

- Formulaic rates for the company's transmission operations;
- Constructive regulatory outcome in pending base rate case filing;
- Timely recovery of costs recovered through the company's Rate Adjustment Mechanism for distribution rates;
- Capital spending that averages about $930 million annually;
- Dividends that average about $645 million annually;

- Negative discretionary cash flow;
- Cash tax payments throughout the forecast; and
- The refinancing of all debt maturities.

Key metrics

c

Connecticut Light & Power Co.--Forecast summary

Mil. $	2024a	2025a	2026e	2027f	2028f
Debt/EBITDA (x)	4.0	2.6	3-4	3-4	3-4
FFO/debt (%)	21.9	31.3	19-20	22-23	22-23
FFO cash interest coverage (x)	6.3	8.1	4-5	5-6	5-6

All figures are adjusted by S&P Global Ratings. a--Actual. e--Estimate. f--Forecast. FFO--Funds from operations.

Company Description

CL&P is a regulated electric transmission and distribution utility engaged in the purchase, delivery, and sale of electricity to about 1.3 million customers in Connecticut. CL&P is a wholly owned subsidiary of Eversource Energy. Overall, we expect CL&P to contribute about approximately 30% of Eversource's consolidated EBITDA.

Peer Comparison

Connecticut Light & Power Co.--Peer Comparisons

	Connecticut Light & Power Co.	Consolidated Edison Co. of New York Inc.	NSTAR Electric Co.	Rhode Island Energy	United Illuminating Co. (The)
Foreign currency issuer credit rating	A-/Stable/NR	A-/Stable/A-2	A-/Stable/A-2	A-/Stable/A-2	A-/Stable/--
Local currency issuer credit rating	A-/Stable/NR	A-/Stable/A-2	A-/Stable/A-2	A-/Stable/A-2	A-/Stable/--
Period	Annual	Annual	Annual	Annual	Annual
Period ending	2025-12-31	2025-12-31	2025-12-31	2025-12-31	2024-12-31
Mil.	$	$	$	$	$
Revenue	5,241	15,651	3,987	2,168	1,341
EBITDA	1,969	5,141	1,459	351	283
Funds from operations (FFO)	1,608	4,143	1,031	291	209
Interest	232	1,253	292	117	59
Cash interest paid	226	1,167	263	93	54
Operating cash flow (OCF)	1,660	4,507	954	349	158
Capital expenditure	853	4,275	1,532	607	224
Free operating cash flow (FOCF)	807	232	(578)	(258)	(65)
Discretionary cash flow (DCF)	374	(902)	(1,015)	(363)	(65)
Cash and short-term investments	88	1,581	8	0	1

Connecticut Light & Power Co.--Peer Comparisons

Gross available cash	88	1,581	8	0	1
Debt	5,138	25,385	6,326	2,350	1,222
Equity	6,738	22,037	7,580	3,519	1,552
EBITDA margin (%)	37.6	32.8	36.6	16.2	21.1
Return on capital (%)	7.5	6.3	7.7	3.2	6.8
EBITDA interest coverage (x)	8.5	4.1	5.0	3.0	4.8
FFO cash interest coverage (x)	8.1	4.5	4.9	4.1	4.9
Debt/EBITDA (x)	2.6	4.9	4.3	6.7	4.3
FFO/debt (%)	31.3	16.3	16.3	12.4	17.1
OCF/debt (%)	32.3	17.8	15.1	14.9	13.0
FOCF/debt (%)	15.7	0.9	(9.1)	(11.0)	(5.4)
DCF/debt (%)	7.3	(3.6)	(16.0)	(15.4)	(5.4)

Business Risk

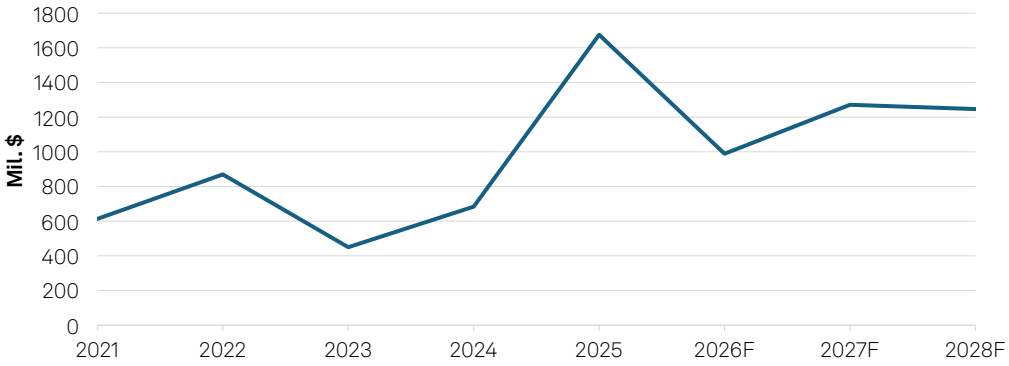
We assess CL&P's business risk profile as excellent, reflecting the company's lower risk regulated utility transmission and distribution (T&D) electric business, large size, and overall regulatory risk management that is generally in line with its peers. CL&P's business includes very low risk transmission operations (about 42% of EBITDA) that are regulated by what we consider a most credit supportive regulatory construct through FERC, reflecting the use of formula rates that support timely recovery of costs with limited regulatory lag.

While CL&P has historically experienced a challenging regulatory environment in Connecticut, the PURA's recent proposed decision to consider about $742 million of CL&P's prior period storm costs for recovery through securitization signals potential improvement in the state's regulatory compact, which we will continue to closely monitor. Furthermore, our assessment of CL&P's business risk incorporates the company's service territory that is susceptible to severe weather such as localized storms and floods.

Financial Risk

We assess CL&P's financial measures using our medial-volatility table, reflecting its low-risk electric transmission and distribution operations and regulatory risk management. Under our base case, we expect the company's FFO to debt will average 20%-22% over the forecast period. Our base case assumes formulaic rates for the company's transmission operations, timely recovery of costs recovered through the company's Rate Adjustment Mechanism for distribution rates, capital spending that averages about $930 million annually, dividends that average about $645 million annually, negative discretionary cash flows, cash tax payments throughout the forecast, and the refinancing of all debt maturities.

CL&P--Operating cash flows

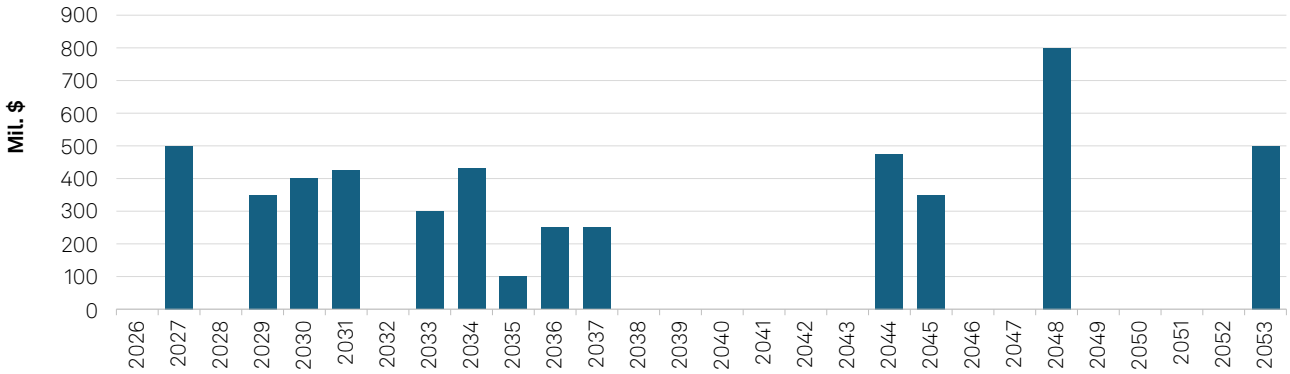


F - Forecast. Source: S&P Global Ratings.

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Debt maturities

CL&P--Debt maturities



Source: Company filings.

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Connecticut Light & Power Co.--Financial summary

Period ending	Dec-31-2020	Dec-31-2021	Dec-31-2022	Dec-31-2023	Dec-31-2024	Dec-31-2025
Reporting period	2020a	2021a	2022a	2023a	2024a	2025a
Display currency (mil.)	$	$	$	$	$	$
Revenues	3,548	3,637	4,818	4,579	4,615	5,241
EBITDA	1,133	1,118	1,494	710	1,386	1,969
Funds from operations (FFO)	964	913	1,202	567	1,205	1,608
Interest expense	165	174	179	206	245	232
Cash interest paid	158	167	175	187	228	226
Operating cash flow (OCF)	388	607	862	440	675	1,660

Connecticut Light & Power Co.--Financial summary

Capital expenditure	827	787	872	1,085	970	853
Free operating cash flow (FOCF)	(439)	(180)	(10)	(646)	(296)	807
Discretionary cash flow (DCF)	(511)	(524)	(305)	(979)	(632)	374
Cash and short-term investments	91	56	11	10	1	88
Gross available cash	91	56	11	10	1	88
Debt	4,288	4,267	4,295	5,164	5,506	5,138
Common equity	5,103	5,358	5,842	6,149	6,622	6,738
Adjusted ratios						
EBITDA margin (%)	31.9	30.7	31.0	15.5	30.0	37.6
Return on capital (%)	8.5	7.2	8.2	7.9	7.8	7.5
EBITDA interest coverage (x)	6.9	6.4	8.3	3.4	5.7	8.5
FFO cash interest coverage (x)	7.1	6.5	7.9	4.0	6.3	8.1
Debt/EBITDA (x)	3.8	3.8	2.9	7.3	4.0	2.6
FFO/debt (%)	22.5	21.4	28.0	11.0	21.9	31.3
OCF/debt (%)	9.1	14.2	20.1	8.5	12.3	32.3
FOCF/debt (%)	(10.2)	(4.2)	(0.2)	(12.5)	(5.4)	15.7
DCF/debt (%)	(11.9)	(12.3)	(7.1)	(19.0)	(11.5)	7.3

Reconciliation Of Connecticut Light & Power Co. Reported Amounts With S&P Global Adjusted Amounts (Mil. $)

	Debt	Shareholder Equity	Revenue	EBITDA	Operating income	Interest expense	S&PGR adjusted EBITDA	Operating cash flow	Dividends	Capital expenditure
Financial year	Dec-31-2025									
Company reported amounts	5,110	6,796	5,241	1,953	871	212	1,969	1,675	436	868
Cash taxes paid	-	-	-	-	-	-	(136)	-	-	-
Cash interest paid	-	-	-	-	-	-	(208)	-	-	-
Lease liabilities	22	-	-	-	-	-	-	-	-	-
Operating leases	-	-	-	3	0	0	(0)	2	-	-
Intermediate hybrids (equity)	58	(58)	-	-	-	3	(3)	(3)	(3)	-
Accessible cash and liquid investments	(88)	-	-	-	-	-	-	-	-	-
Capitalized interest	-	-	-	-	-	15	(15)	(15)	-	(15)
Share-based compensation expense	-	-	-	11	-	-	-	-	-	-
Asset-retirement obligations	36	-	-	3	3	3	-	-	-	-

Reconciliation Of Connecticut Light & Power Co. Reported Amounts With S&P Global Adjusted Amounts (Mil. $)

	Debt	Shareholder Equity	Revenue	EBITDA	Operating income	Interest expense	S&PGR adjusted EBITDA	Operating cash flow	Dividends	Capital expenditure
Nonoperating income (expense)	-	-	-	-	24	-	-	-	-	-
Total adjustments	28	(58)	-	16	27	21	(362)	(15)	(3)	(15)
S&P Global Ratings adjusted	**Debt**	**Equity**	**Revenue**	**EBITDA**	**EBIT**	**Interest expense**	**Funds from Operations**	**Operating cash flow**	**Dividends**	**Capital expenditure**
	5,138	6,738	5,241	1,969	897	232	1,608	1,660	433	853

Liquidity

We assess CL&P's liquidity as adequate, with sources covering uses by 1.1x over the coming 12 months, and we expect its sources will cover uses even if consolidated EBITDA declines 10%. We believe the predictable regulatory framework for CL&P provides manageable cash flow stability even in economic stress, supporting our use of slightly lower thresholds to assess liquidity. In addition, CL&P can absorb high-impact, low-probability events. We believe CL&P can reduce its capital spending (averaging about $930 million over the next five years) during periods of stress. This indicates a limited need for refinancing under such conditions. Furthermore, our assessment reflects generally prudent risk management, sound relationships with its banks, and a generally satisfactory standing in the credit markets. Overall, we believe CL&P can withstand adverse market circumstances over the next 12 months with sufficient liquidity to meet its obligations. Its next long-term debt maturity of about $500 million is in 2027, and we expect CL&P to proactively address debt maturities well in advance of their due dates.

Principal liquidity sources	Principal liquidity uses
• Cash of about $15 million; • Cash FFO of about $1.2 billion; and • Available credit facility of $600 million.	• Debt maturities over the next 12 months of about $540 million; • Working capital outflows of about $90 million; • Assumed maintenance capital spending of about $600 million; and • Dividends of about $300 million.

Covenant Analysis

Requirements

In Eversource's joint revolving credit agreement, there is a covenant for CL&P to maintain debt to capitalization below 65%.

Compliance expectations

As of March 31, 2026, CL&P was in compliance with this covenant, and we expect it to remain in compliance throughout our forecast.

Environmental, Social, And Governance

ESG factors have no material influence on our credit rating analysis of CL&P. However, we note that there has been some concern over affordability of the company's rates by regulators, which we continue to monitor.

Group Influence

We assess CL&P as a highly strategic subsidiary of Eversource because it is highly unlikely to be sold, operates in a line of business that is very closely aligned to the group's mainstream business, has a long term commitment from the group, is integral to the overall group strategy, is reasonably successful at what it does, is a significant contributor to the group, operates as a profit center of the group, and is closely linked to the parent's name and reputation. CL&P contributes approximately 30% of Eversource's EBITDA.

We rate CL&P one notch higher than Eversource's 'bbb+' group credit profile because of the strength of CL&P's stand-alone credit profile and the cumulative value of structural and regulatory protections in place that insulate it from Eversource.

Key insulating measures include:

- CL&P's businesses are independently regulated in the state in which it operates and by FERC.
- CL&P holds itself out as a separate entity from Eversource.
- CL&P has its own funding arrangements that are independent from the rest of the group.
- CL&P has no significant operational dependence on other group entities.
- CL&P maintains its own records.
- CL&P does not commingle funds, assets, or cash flows with the rest of the Eversource group.
- CL&P's financial performance is independent of Eversource.
- We believe there is a strong economic basis for Eversource to preserve CL&P's credit strength due to CL&P's low-risk, profitable, and regulated operations that make up a large portion of Eversource's operations.
- CL&P is a regulated utility with a regulatory capital structure.
- There are no cross-default provisions between CL&P and Eversource that imply that a default at Eversource would lead to a default at CL&P, which supports our opinion that a default at Eversource would not directly lead to a default at the company.

Issue Ratings--Subordination Risk Analysis

Capital structure

CL&P has $116.2 million of preferred stock outstanding on its balance sheet.

Analytical conclusions

We rate CL&P's preferred stock 'BBB', two notches below our issuer credit rating on the company because the dividends on these instruments are deferrable and because the instruments are subordinate to other debt in the utility's capital structure.

Issue Ratings--Recovery Analysis

Key analytical factors

CL&P's 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 one notch above our issuer credit rating.

Rating Component Scores	
Foreign currency issuer credit rating	**A-/Stable/NR**
Local currency issuer credit rating	**A-/Stable/NR**
Business risk	**Excellent**
Country risk	Very Low
Industry risk	Very Low
Competitive position	Strong
Financial risk	**Significant**
Cash flow/leverage	Significant
Anchor	**a-**
Modifiers	
Diversification/portfolio effect	Neutral (no impact)
Capital structure	Neutral (no impact)
Financial policy	Neutral (no impact)
Liquidity	Adequate (no impact)
Management and governance	Neutral (no impact)
Comparable rating analysis	Positive (+1 notch)
Stand-alone credit profile	**a**
Group credit profile	bbb+
Entity status within group	**Highly strategic and insulated (-1 notch from SACP)**

Related Criteria

- Criteria | Corporates | General: Recovery Rating Criteria For Corporate Issuers, March 31, 2026
- General Criteria: Hybrid Capital: Methodology And Assumptions, Oct. 13, 2025
- Criteria | Corporates | General: Sector-Specific Corporate Methodology, July 7, 2025
- Criteria | Corporates | General: Methodology: Management And Governance Credit Factors For Corporate Entities, Jan. 7, 2024
- Criteria | Corporates | General: Corporate Methodology, Jan. 7, 2024
- 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: 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 Detail (as of July 23, 2026)*

Connecticut Light & Power Co.	
Issuer Credit Rating	A-/Stable/NR
Preferred Stock	BBB
Senior Secured	A
Issuer Credit Ratings History	
09-Dec-2024	A-/Stable/NR
05-Mar-2024	A/Negative/NR
11-Jan-2024	A/Watch Neg/NR
14-Sep-2023	A/Negative/NR
22-May-2023	A/Stable/NR
09-May-2022	A/Positive/NR
29-Oct-2021	A/Stable/NR
Related Entities	
Eversource Energy	
Issuer Credit Rating	BBB+/Stable/A-2
Commercial Paper	
Local Currency	A-2
Junior Subordinated	BBB-
Senior Unsecured	BBB
Eversource Gas Co. of Massachusetts	
Issuer Credit Rating	BBB+/Stable/--
NSTAR Electric Co.	
Issuer Credit Rating	A-/Stable/A-2
Commercial Paper	
Local Currency	A-2
Preferred Stock	BBB
Senior Unsecured	A-
NSTAR Gas Co.	
Issuer Credit Rating	BBB+/Stable/--
Senior Secured	A
Public Service Co. of New Hampshire	
Issuer Credit Rating	A-/Stable/--
Senior Secured	A
Yankee Gas Services Co.	
Issuer Credit Rating	BBB/Stable/--

Ratings Detail (as of July 23, 2026)*

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MOODY'S RATINGS

CREDIT OPINION
30 June 2026

Update

Send Your Feedback

RATINGS

Connecticut Light and Power Company (The)

Domicile	Berlin, Connecticut, United States
Long Term Rating	Baa1
Type	LT Issuer Rating
Outlook	Stable

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 to credit analysis

Summary

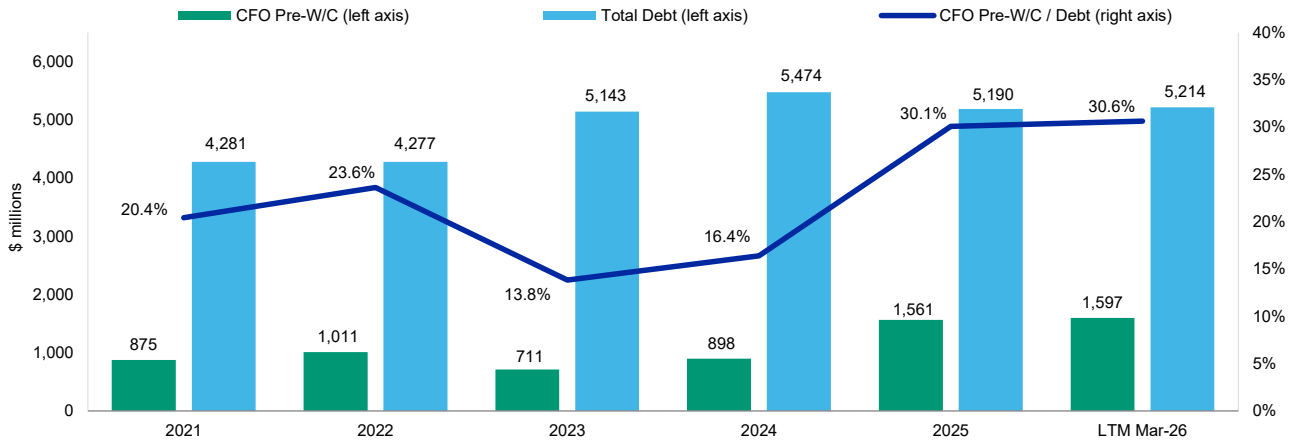
Connecticut Light & Power Company's (CL&P, Baa1 stable) credit profile reflects its low-risk business profile as an electric transmission and distribution (T&D) company, with roughly 60% of its rate base under the purview of the Connecticut Public Utilities Regulatory Authority (PURA), a challenging regulatory framework that operates with higher political scrutiny as well as inconsistent regulatory decisions and rate case outcomes. The rest of CL&P's rate base, interstate transmission, is regulated by the Federal Energy Regulatory Commission (FERC), which has some of the most timely and supportive cost recovery provisions in the US.

Over the last several years, CL&P's financial profile has exhibited significant volatility primarily due to swings in regulatory adjustment mechanisms as well as delayed recovery of storm costs. In 2024, the utility began collecting on some of its regulatory under recoveries, which has led to a material improvement in its financial profile. However, given the challenging Connecticut regulatory environment, it is uncertain whether CL&P will be able to consistently maintain this level of regulatory asset recovery year-over-year.

There are several critical state regulatory and legislative actions that could impact CL&P's credit profile over the next 12 months, including the filing of its first general rate case in Connecticut since 2018, PURA's pudency determination for roughly $1.5 billion of storm and carrying costs incurred since 2018 and the magnitude and timing of FERC related customer refunds (i.e., potentially over $380 million). PURA's storm cost pudency decision is expected in mid-2026 and will determine the amount of costs that are deemed prudent and ultimately be recovered by CL&P. Virtually all other state regulatory jurisdictions provide their utilities with much more expedited and timely recovery of costs incurred during storms.

Exhibit 1

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



All data based on adjusted financial data, which follow our Financial Statement Adjustments in the Analysis of Nonfinancial Corporations methodology. LTM = Last 12 months.
Source: Moody's Financial Metrics™

Recent Events

On 29 June 2026 the PURA issued a draft decision that CL&P prudently incurred around $944 million (including pre-staging recovery) in its response to catastrophic storms from the 2018-2023 period. Nearly $91 million of this amount is recovered through customer contributions to the company's storm reserve already funded by ratepayers, $100 million is being recovered through the company's Competitive Transition Assessment mechanism and the remaining $742 million is under consideration for securitization through rate reduction bonds.

The primary disallowances relate to nearly $400 million of retrospective carrying charges proposed by CL&P, eligibility classifications of certain costs and some imprudent expenditures for labor, vehicle charges and excessive food and lodging costs. CL&P is, however, will be allowed to accrue carrying charges on roughly $842 million, once the final prudence decision is rendered.

We view the draft decision as a net positive, since it addresses long-dated lag on a significant amount of costs and brings resolution to an 8-year regulatory overhang; the conclusion of which will improve the company's cash position and reduce outstanding recourse debt.

Further background on these costs and filing can be found in the *Storm cost recovery* section, below.

Credit strengths

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

» Highly credit supportive FERC regulated transmission assets account for around 40% of rate base

» Some timely cost recovery and revenue decoupling mechanisms in place

Credit challenges

» Challenging Connecticut regulation with high political scrutiny and inconsistent regulatory outcomes

» First rate case since 2018 is expected to be filed in July

» Substantial regulatory lag and uncertainty with regard to storm cost recovery

» Significant financial metric volatility could continue

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.

Rating outlook

CL&P's stable outlook reflects our expectation that the utility will maintain a ratio of CFO pre-WC to debt of at least 17% over the next 12-18 months. At the same time, the stable outlook reflects the company's ongoing effort to rebuild its relationship with key stakeholders including regulators, state leaders and customers and the potential that storm costs could be recovered through pending regulatory proceedings or securitization.

Factors that could lead to upgrade

CL&P could be upgraded if the credit supportiveness of the Connecticut regulatory environment substantially improves with future regulatory decisions that are more predictable and enhance the timeliness of the recovery of costs and investments. In addition, an upgrade could be considered if we expect CL&P will be able to sustain a stronger financial profile on a consistent basis, including a ratio of CFO pre-WC to debt of 20% or higher.

Factors that could lead to downgrade

CL&P could be downgraded if Connecticut regulatory decisions continue to be contentious or unsupportive of credit quality or if CL&P's financial performance deteriorates such that its ratio of CFO pre-WC to debt falls below 17% on a sustained basis.

Key indicators

Exhibit 2

Connecticut Light and Power Company (The)

	2021	2022	2023	2024	2025	LTM Mar-26
CFO Pre-W/C + Interest / Interest	6.0x	6.9x	4.6x	4.8x	7.8x	7.3x
CFO Pre-W/C / Debt	20.4%	23.6%	13.8%	16.4%	30.1%	30.6%
CFO Pre-W/C – Dividends / Debt	12.4%	16.7%	7.4%	10.3%	21.7%	25.4%
Debt / Capitalization	38.2%	36.4%	39.1%	38.7%	37.3%	37.3%

All data based on adjusted financial data, which follow our Financial Statement Adjustments in the Analysis of Nonfinancial Corporations methodology. LTM = Last 12 months.
Source: Moody's Financial Metrics™

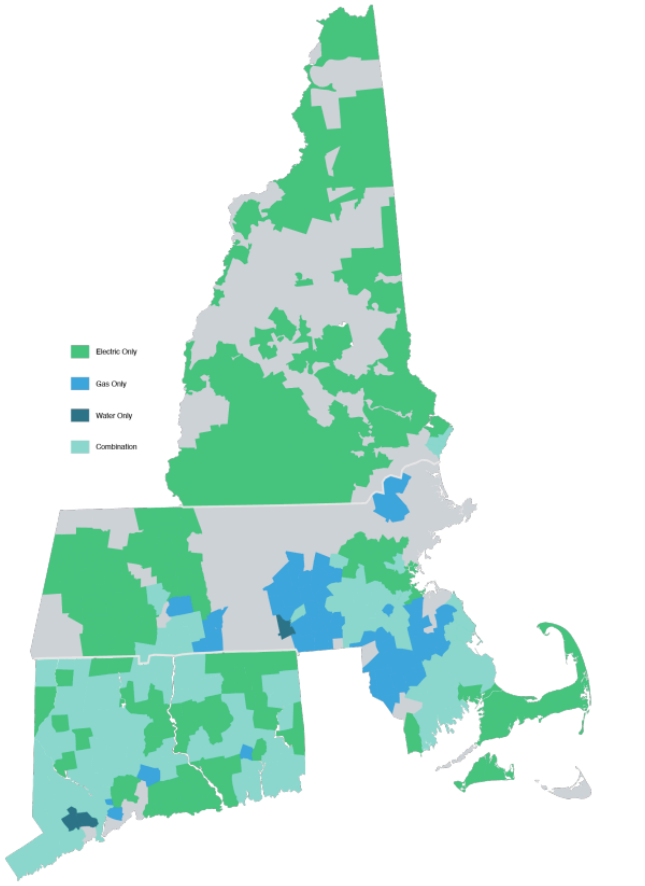
Profile

Headquartered in Berlin, CT, The Connecticut Light and Power Company is the state's largest regulated electric transmission and distribution utility and serves about 1.3 million customers. CL&P is the largest operating subsidiary of Eversource Energy (Baa2 negative) with total assets of about $17.3 billion as of 31 March 2026. 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 4.6 million electric, natural gas and water customers. With headquarters in Hartford, CT, and Boston, MA, Eversource has a total rate base of about $35 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, 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 filings

Detailed credit considerations

Challenging Connecticut regulatory environment, but FERC framework offers a supportive ballast

Connecticut

The Connecticut regulatory regime, which regulates around $7.0 billion of assets (60% of CL&P's total rate base) has become more challenging over the last few years, and has been characterized by high political scrutiny as well as inconsistent regulatory decisions and rate case outcomes. CL&P has been under-earning its authorized ROE for several years largely driven by a distribution rate freeze that has been in place since the company's settlement agreement with PURA in the aftermath of the public and political backlash that occurred as far back as Tropical Storm Isaias in 2020. Furthermore, the company has been deferring recovery of storm costs since 2018 - a significant credit negative. Virtually all other state regulatory jurisdictions provide their utilities with much more expedited and timely recovery of costs incurred during storms.

Although there are a few supportive state regulatory provisions in place, including multiyear rate plans, revenue decoupling and purchased power cost recovery mechanisms, the rate freeze has negated many of these provisions. CL&P is in the process of rebuilding its relationship with key stakeholders including state regulators and customers. A pending prudency review of storm costs and forthcoming general rate filing (see below for more details) will be important barometers for the progress made in regard to regulatory support.

CL&P operates under an earnings sharing mechanism, or ESM, that is in place until the company's next general distribution rate proceeding. 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.

FERC

A large portion of CL&P's rate base ($4.6 billion as of 31 December 2025) 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 impact 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 11.74%. 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.

2027 will be a watershed year for future financial performance

Three material events are likely to occur in 2027, all of which will determine the company's future financial profile:

Storm cost recovery

On 13 December 2025, PURA opened a new proceeding for prudency determination of CL&P's 2018 to 2023 storm-related costs of approximately $980 million.

PURA, along with Staff, continues to review evidence provided for the costs reported by CL&P and procedural hearings are ongoing with an expected decision from PURA in mid-2026. PURA will determine the amount of these costs that are deemed prudent which 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 March 2026, CL&P had a total of $1.03 billion of deferred storm costs as a regulatory asset balance. The remaining storm cost balance in excess of the $980 million already included in the prudency review will be addressed in future rate case proceedings. We expect the proceeds from storm cost securitization to be completed in 2027, which will provide the company a significant cash inflow, while also removing the associated securitized debt balance from our credit considerations and analyst-adjusted financial ratios.

CL&P's ability to recover the majority of its deferred storm costs and utilize securitization would be credit supportive because it would improve the utility's balance sheet and financial profile while also mitigating some of the social risk around affordability particularly large increases in customer rates.

General rate filing

On 20 May 2026, CL&P filed a Notice of Intent with the PURA explaining a forthcoming request to increase annual revenue by about $503 million. In the filing, the company cited rationale such as the duration of time since its last rate increase (i.e., May 2018), the amount of its unrecovered investment since the last rate case and higher operating costs.

Following the company's notice, both the governor and attorney general issued critical commentary about CL&P's request, providing additional political pressure due to customer affordability concerns. As such, the rate outcome will be an important barometer of the degree of regulatory support in the state, for CL&P's overall cost recovery.

FERC-related customer refunds

On 19 March 2026, the FERC issued Opinion No. 594 regarding long-standing ROE challenges against New England Transmission Operators (NETO), including CL&P. The order reduced the base allowed ROE for transmission investments to 9.57%, from 10.57% and directed the NETOs to issue refunds with interest for the applicable period, which dates back to 2011.

Eversource has challenged the decision in multiple ways, but has also determined that a loss is probable and reasonably estimable, citing a pre-tax loss range of roughly $60-$932 million. The low end of the estimated range of loss reflects estimated refunds associated with a 15-month period (cited in the first complaint filed with the FERC in 2011), including interest. The high end of the estimated range of loss includes the refunds associated with the first complaint period, as well as estimated refunds for the retroactive refund period from October 16, 2014 through March 19, 2026, including interest, in the pre-tax amount of approximately $871 million.

Eversource recorded a $60 million current regulatory liability as of 31 March 2026, of which $28.7 million ($13.7 related to interest) is attributable to CL&P. Applying the same pro rata percentage to the high-end loss, would result in a CL&P loss of about $413 million. Eversource continues to challenge the March 19, 2026 FERC decision, but cannot predict the ultimate outcome of these proceedings.

Significant financial metric volatility could continue

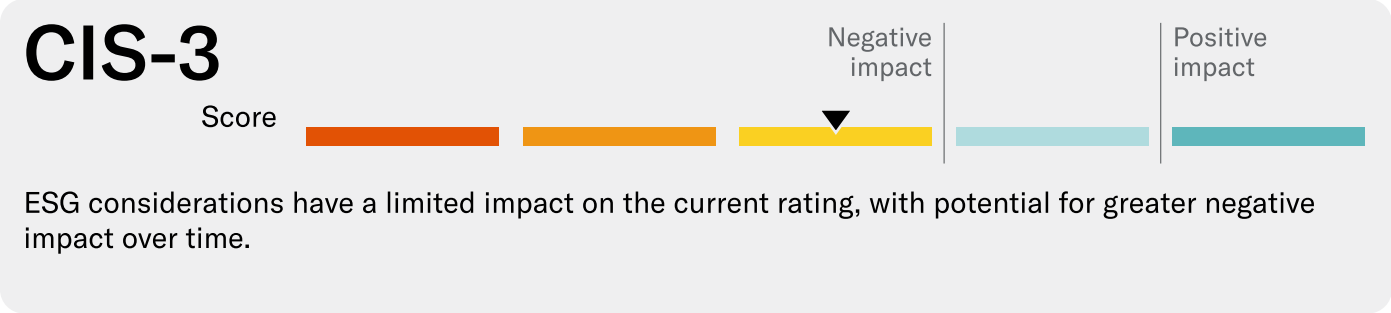
Over the last several years, CL&P's financial profile has exhibited significant volatility primarily due to swings in regulatory adjustment mechanisms as well as delayed recovery of storm costs. Although CL&P's financial metrics have begun to recover this year, including a ratio of cash flow from operations before changes in working capital (CFO pre-WC) to debt of nearly 31% for the 12-months ended 31 March 2026, some of this improvement is due to the catch-up of under-recoveries from the 2023/24 timeframe (e.g., the company's CFO pre-WC to debt ratio was just below 14% in 2023). As such, we expect the run-rate financial profile to be generally around 19%, but very dependent on regulatory recovery provisions and the results of its to-be filed rate case.

Given the challenging Connecticut regulatory environment, it is uncertain whether CL&P will be able to consistently maintain regulatory asset recoveries year-over-year, which is a constraint on the rating.

ESG considerations

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

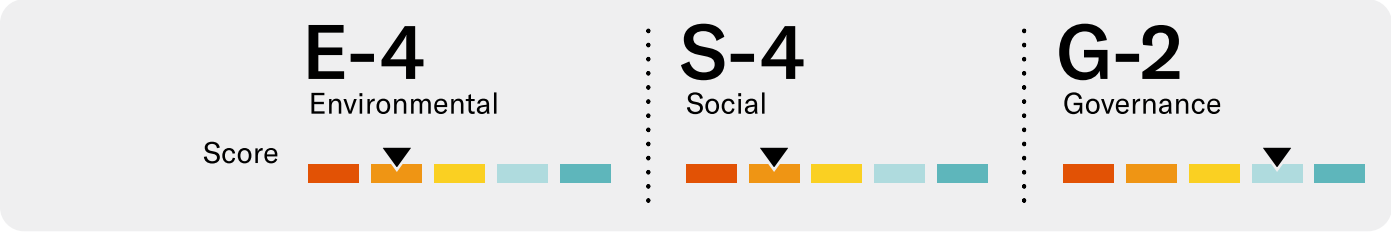
Exhibit 4
ESG credit impact score



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.

Liquidity analysis

CL&P's liquidity profile is sufficient based on its access to its parent's joint revolving credit facility.

On a normalized basis, we expect the company to generate $1.0-$1.5 billion of cash flow from operations over the next 12 months, compared to around $1.1 billion of capital expenditures. We also expect the company to maintain upstream dividends to Eversource (e.g., averaged $365 million 2023-25), resulting in negative free cash flow. This cash deficit will be exacerbated by the FERC-related customer refunds starting in 2027, requiring incremental equity support from Eversource. The utility has consistently managed cash needs in a manner that maintains its PURA authorized capital structure.

CL&P, along with affiliated entities, PSNH, NSTAR Gas, Yankee Gas, EGMA and AWC-CT have access to Eversource's $2 billion revolving joint credit facility that expires in October 2030. 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 2026.

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 2026, approximately $1.5 billion was available on the credit facility with approximately $533 million of commercial paper outstanding. At 31 March 2026, there were intercompany loans of $39 million from Eversource to CL&P.

CL&P's next debt maturity is $500 million of first mortgage bonds due March 2027.

Methodology and scorecard

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	Current LTM Mar-26		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	Baa	Baa	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	Baa	Baa	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)	6.2x	Aa	6x - 6.5x	Aa
b) CFO pre-WC / Debt (3 Year Avg)	22.1%	A	20% - 22%	A
c) CFO pre-WC – Dividends / Debt (3 Year Avg)	15.3%	A	12% - 14%	Baa
d) Debt / Capitalization (3 Year Avg)	38.9%	Aa	38% - 40%	Aa
Rating:				
Scorecard-Indicated Outcome Before Notching Adjustment		A3		A3
HoldCo Structural Subordination Notching		0		0
a) Scorecard-Indicated Outcome		A3		A3
b) Actual Rating Assigned		Baa1		Baa1

All data based on adjusted financial data, which follow our Financial Statement Adjustments in the Analysis of Nonfinancial Corporations methodology. LTM = Last 12 months.
Moody's forecasts are Moody's opinion and do not represent the views of the issuer.
Sources: 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) Baa1 Stable			NSTAR Electric Company A2 Negative			United Illuminating Company (The) Baa1 Stable			Yankee Gas Services Company Baa1 Stable		
(in $ millions)	FY Dec-24	FY Dec-25	LTM Mar-26	FY Dec-24	FY Dec-25	LTM Mar-26	FY Dec-23	FY Dec-24	FY Dec-25	FY Dec-24	FY Dec-25	LTM Mar-26
Revenue	4,615	5,241	5,268	3,721	3,987	4,103	1,356	1,341	1,399	609	721	824
CFO Pre-W/C	898	1,561	1,597	962	1,195	1,235	48	160	406	143	148	193
Total Debt	5,474	5,190	5,214	5,658	6,246	5,997	1,250	1,308	1,269	1,170	1,330	1,316
CFO Pre-W/C + Interest / Interest	4.8x	7.8x	7.3x	4.8x	5.2x	5.0x	1.9x	3.5x	7.7x	3.9x	3.7x	4.4x
CFO Pre-W/C / Debt	16.4%	30.1%	30.6%	17.0%	19.1%	20.6%	3.8%	12.3%	32.0%	12.2%	11.1%	14.7%
CFO Pre-W/C – Dividends / Debt	10.3%	21.7%	25.4%	5.6%	12.1%	20.6%	-4.6%	12.3%	32.0%	8.6%	7.4%	10.1%
Debt / Capitalization	38.7%	37.3%	37.3%	38.8%	39.3%	37.3%	39.8%	39.4%	36.8%	38.1%	39.1%	37.8%

All data based on adjusted financial data, which follow our Financial Statement Adjustments in the Analysis of Nonfinancial Corporations methodology. LTM = Last 12 months.
Source: Moody's Financial Metrics™

Exhibit 8

Moody's–adjusted cash flow reconciliation

Connecticut Light and Power Company (The)

(in $ millions)	2021	2022	2023	2024	2025	LTM Mar-26
FFO	**1,014.4**	**1,139.9**	**542.6**	**1,138.7**	**1,556.5**	**1,508.3**
+/- Other	(139.3)	(129.2)	168.9	(240.4)	4.8	89.1
CFO Pre-WC	**875.1**	**1,010.7**	**711.5**	**898.4**	**1,561.3**	**1,597.5**
+/- ΔWC	(93.1)	(72.1)	(183.6)	(155.0)	159.0	(74.8)
CFO	**782.1**	**938.7**	**527.9**	**743.4**	**1,720.3**	**1,522.7**
- Div	344.2	295.2	333.2	336.6	432.8	274.2
- Capex	887.6	948.6	1,174.2	1,042.5	917.2	942.0
FCF	**(449.7)**	**(305.1)**	**(979.5)**	**(635.7)**	**370.3**	**306.5**
(CFO Pre-W/C) / Debt	20.4%	23.6%	13.8%	16.4%	30.1%	30.6%
(CFO Pre-W/C - Dividends) / Debt	12.4%	16.7%	7.4%	10.3%	21.7%	25.4%
FFO / Debt	23.7%	26.7%	10.6%	20.8%	30.0%	28.9%
RCF / Debt	15.7%	19.8%	4.1%	14.7%	21.7%	23.7%
Revenue	3,637.4	4,817.7	4,578.8	4,615.0	5,241.0	5,267.9
Interest Expense	175.8	172.5	196.3	234.2	229.5	253.7
Net Income	383.2	485.4	483.4	485.2	509.3	491.0
Total Assets	13,949.7	14,758.8	15,849.6	16,839.8	17,164.2	17,311.3
Total Liabilities	8,592.1	8,916.3	9,700.9	10,217.9	10,438.0	10,535.5
Total Equity	5,357.6	5,842.5	6,148.8	6,622.0	6,726.3	6,775.8

All data based on adjusted financial data, which follow our Financial Statement Adjustments in the Analysis of Nonfinancial Corporations methodology. LTM = Last 12 months.
Source: Moody's Financial Metrics™

Ratings

Exhibit 9

Category	Moody's Rating
CONNECTICUT LIGHT AND POWER COMPANY (THE)	
Outlook	Stable
Issuer Rating	Baa1
First Mortgage Bonds	A2
Pref. Stock	Baa3
PARENT: EVERSOURCE ENERGY	
Outlook	Negative
Issuer Rating	Baa2
Senior Unsecured	Baa2
Jr Subordinate	Baa3
Pref. Shelf	(P)Ba1
Commercial Paper	P-2

Source: Moody's Ratings

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REPORT NUMBER 1487187

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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

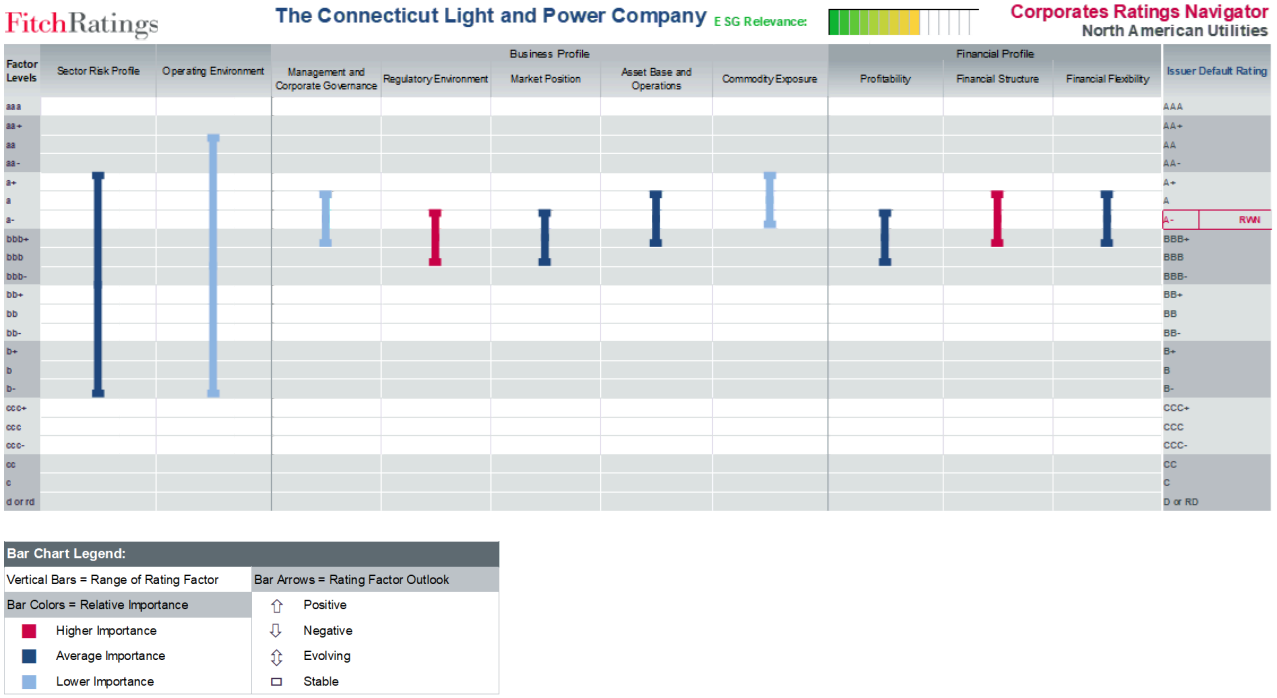
(USD Mil.)	2021	2022	2023	2024
Summary income statement				
Gross revenue	3,637	4,818	4,579	4,615
Revenue growth (%)	2.5	32.5	-5.0	0.8
EBITDA before income from associates	1,007	1,146	1,198	1,267
EBITDA margin (%)	27.7	23.8	26.2	27.5
EBITDA after associates and minorities	1,007	1,146	1,198	1,267
EBIT	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

The Connecticut Light and Power Company

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	a	Revenues fully insulated from variability in consumption.
bbb-	Mechanisms Supportive of Creditworthiness	bbb	Effective regulatory ring-fencing or minimum creditworthiness requirements.

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	bbb	Good quality and/or reasonable scale diversified assets.
a	Operations Reliability and Cost Competitiveness	a	Track record of reliable, low-cost operations.
a-	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.
a-	Volatility of Profitability	bbb	Stability and predictability of profits in line with utility peers.
bbb+			
bbb			
bbb-			

Financial Structure

a+	EBITDA Leverage	bbb	3.75x
a	FFO Leverage	a	3.5x
a-			
bbb+			
bbb			

Financial Flexibility

a+	Financial Discipline	a	Clear commitment to maintain a conservative policy with only modest deviations allowed.
a	Liquidity	bb	Liquidity ratio around 1.0x. Less smooth debt maturity or concentrated funding.
a-	FFO Interest Coverage	a	5.5x
bbb+			
bbb			

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

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

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

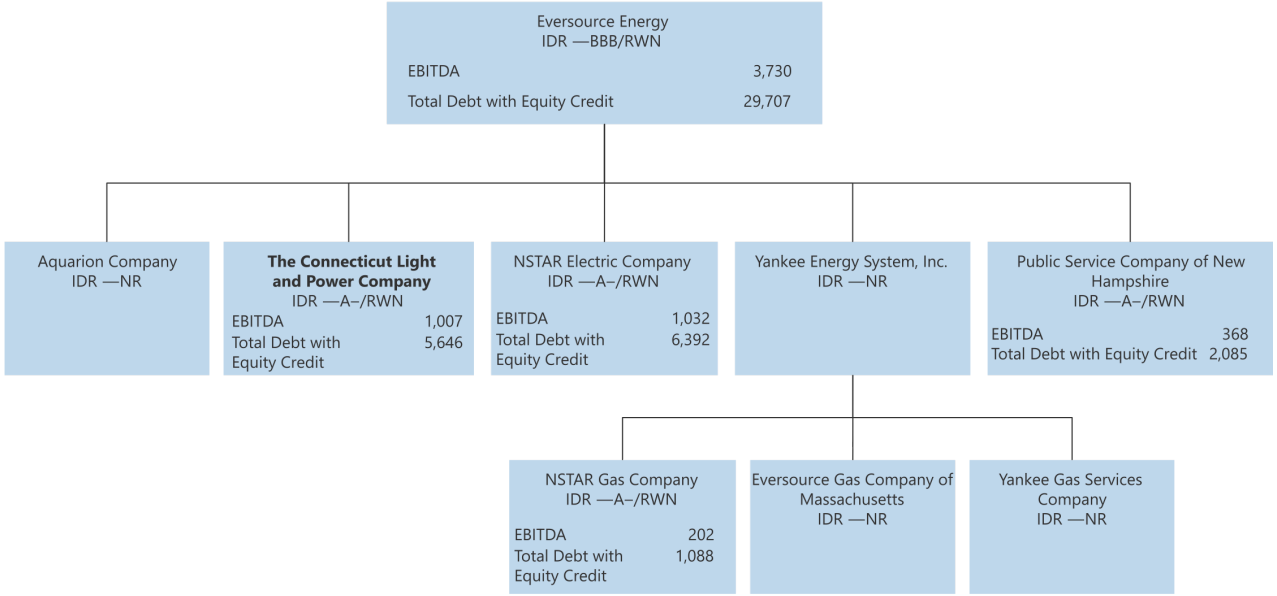
Showing top 6 issues

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

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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CL&P Financing Application
Docket No. 26-09-xx
Attachment N
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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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CL&P Financing Application
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Attachment N
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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

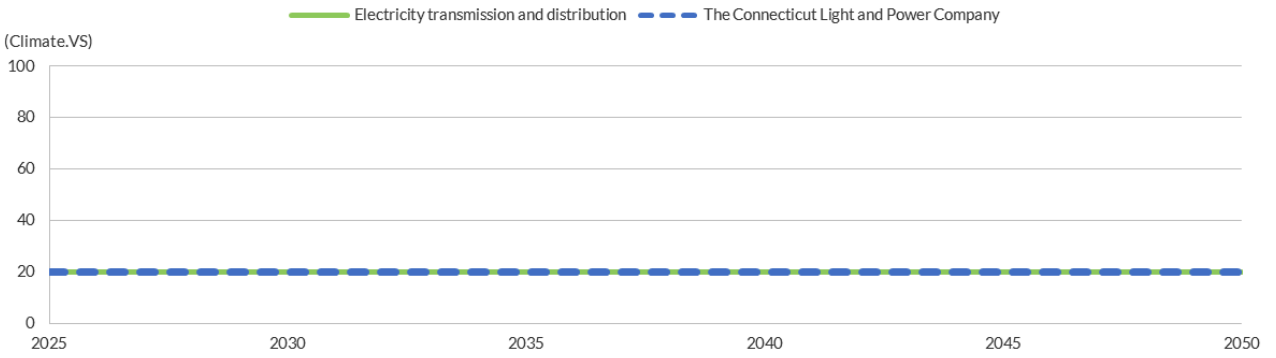
Climate Vulnerability Considerations

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)

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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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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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The complete span of best- and worst-case scenario credit ratings for all rating categories ranges from 'AAA' to 'D'. Fitch also provides information on best-case rating upgrade scenarios and worst-case rating downgrade scenarios (defined as the 99th percentile of rating transitions, measured in each direction) for international credit ratings, based on historical performance. A simple average across asset classes presents best-case upgrades of 4 notches and worst-case downgrades of 8 notches at the 99th percentile. For more details on sector-specific best- and worst-case scenario credit ratings, please see Best- and Worst-Case Measures under the Rating Performance page on Fitch’s website.

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