

Attachment G

NEP Pro Forma Statement of Assets and Liabilities



NEW ENGLAND POWER COMPANY
 UNAUDITED PRO FORMA BALANCE SHEET
 AS OF MARCH 31, 2014

The Unaudited Pro Forma Balance Sheet has been derived from the NEP financial statements, "New England Power Balance Sheets March 31, 2013 through March 31, 2014" provided herein. The Unaudited Pro Forma Balance Sheet as of March 31, 2014 gives effect to the Project as if it were completed in its entirety on March 31, 2014. The historical NEP balance sheet has been adjusted in the Unaudited Pro Forma Balance Sheet to recognize the additional assets associated with NEP's portion of the Project, as well the debt and equity financing obtained to fund the construction of

(in thousands of dollars)	<u>Actual</u>	<u>Pro Forma Adjustments</u>	<u>Pro Forma Total</u>
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 715		\$ 715
Accounts receivable	60,431	-	60,431
Accounts receivable from affiliates	11,724		11,724
Intercompany money pool	264,079	(16,560)	247,519
Inventory	3,122		3,122
Current portion of deferred income tax assets	18,855		18,855
Prepaid taxes	3,333	-	3,333
Other	104	-	104
Total current assets	<u>420,214</u>	<u>(16,560)</u>	<u>403,654</u>
Equity investments and other	1,856		1,856
Property, plant, and equipment, net	<u>1,811,878</u>	<u>46,000</u>	<u>1,857,878</u>
Other non-current assets:			
Regulatory assets	129,247		129,247
Goodwill	337,614		337,614
Postretirement benefits asset	7,386		7,386
Other	12,259		12,259
Total other non-current assets	<u>486,506</u>	<u>-</u>	<u>486,506</u>
Total assets	<u>\$ 2,720,454</u>	<u>\$ 29,440</u>	<u>\$ 2,749,894</u>

LIABILITIES AND CAPITALIZATION

Current liabilities:

Accounts payable	\$ 33,302		33,302
Accounts payable to affiliates	37,085		37,085
Advance from affiliate	375,000		375,000
Taxes accrued	57,199		57,199
Regulatory liabilities	57,851		57,851

Intercompany money pool	-	-	-
Other	16,590		16,590
Total current liabilities	577,027	-	577,027
Other non-current liabilities:			
Regulatory liabilities	57,362		57,362
Accrued Yankee nuclear plant costs	31,323		31,323
Purchased power obligations	-		-
Deferred income tax liabilities	433,764		433,764
Postretirement benefits	-		-
Environmental remediation costs	8,377		8,377
Other	10,434		10,434
Total other non-current liabilities	541,260	-	541,260
Commitments and contingencies (Note 12)			
Capitalization:			
Shareholders' equity	1,191,817	29,440	1,221,257
Long-term debt	410,350		410,350
Total capitalization	1,602,167	29,440	1,631,607
Total liabilities and capitalization	\$ 2,720,454	\$ 29,440	\$ 2,749,894

Pro Forma Note: The estimated overall cost of the Project will be approximately \$82 million. Of that \$82 million, approximately \$46 million is associated with NEP's portion of the Project. The Unaudited Pro Forma Balance Sheet reflects a pro forma increase of \$46 million for NEP's portion of the property, plant and equipment related to the Project. The Unaudited Pro Forma Balance Sheet assumes the debt portion of the financing will be done through the intercompany money pool. The Unaudited Pro Forma Balance Sheet reflects increases common stockholder's equity to fund the Project's capital cost. The pro forma information assumes 36% financing of the Project's capital expenditures through the Intercompany Money Pool debt and 64% financing through equity infusion. No other pro forma assumptions were made.

NEW ENGLAND POWER COMPANY
 UNAUDITED PRO FORMA BALANCE SHEET
 AS OF MARCH 31, 2015

The Unaudited Pro Forma Balance Sheet has been derived from the NEP financial statement, "New England Power Balance Sheets March 31, 2013 through March 31, 2014" provided herein. The Unaudited Pro Forma Balance Sheet as of March 31, 2015 gives effect to the Project as if it were completed in its entirety on March 31, 2015. The historical NEP balance sheet has been adjusted in the Unaudited Pro Forma Balance Sheet to recognize the additional assets associated with NEP's portion of the Project, as well the debt and equity financing obtained to fund the construction

(in thousands of dollars)	<u>Actual</u>	<u>Pro Forma Adjustments</u>	<u>Pro Forma Total</u>
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 1,541		\$ 1,541
Accounts receivable	67,660		67,660
Other receivable	-		-
Accounts receivable from affiliates	19,147		19,147
Intercompany money pool	-		-
Inventory	2,531		2,531
Current portion of deferred income tax assets, net	-		-
Other	15		15
Total current assets	<u>91,016</u>	<u>-</u>	<u>91,016</u>
Property, plant, and equipment, net	<u>1,964,026</u>	<u>46,000</u>	<u>2,010,026</u>
Other non-current assets:			
Regulatory assets	139,573		139,573
Goodwill	337,614		337,614
Postretirement benefits asset	-		-
Other	12,722		12,722
Total other non-current assets	<u>489,909</u>	<u>-</u>	<u>489,909</u>
Total assets	<u>\$ 2,546,947</u>	<u>\$ 46,000</u>	<u>\$ 2,592,947</u>
LIABILITIES AND CAPITALIZATION			
Current liabilities:			
Accounts payable	\$ 36,156		\$ 36,156
Accounts payable to affiliates	29,978		29,978
Advance from affiliate	-		-
Current portion of long-term debt	38,500		38,500
Taxes accrued	42,170		42,170
Regulatory liabilities	-		-
Intercompany money pool	288,855	16,560	305,415
Current portion of deferred income tax liabilities, n	2,267		2,267
Other	4,638		4,638
Total current liabilities	<u>442,564</u>	<u>16,560</u>	<u>459,124</u>
Other non-current liabilities:			
Regulatory liabilities	107,028		107,028
Accrued Yankee nuclear plant costs	26,835		26,835
Deferred income tax liabilities, net	462,100		462,100
Postretirement benefits	17,705		17,705
Environmental remediation costs	9,043		9,043
Other	12,502		12,502
Total other non-current liabilities	<u>635,213</u>	<u>-</u>	<u>635,213</u>

Capitalization:

Shareholders' equity	1,097,320	29,440	1,126,760
Long-term debt	371,850		371,850
Total capitalization	1,469,170	29,440	1,498,610
Total liabilities and capitalization	\$ 2,546,947	\$ 46,000	\$ 2,592,947

Pro Forma Note: The estimated overall cost of the Project will be approximately \$82 million. Of that \$82 million, approximately \$46 million is associated with NEP's portion of the Project. The Unaudited Pro Forma Balance Sheet reflects a pro forma increase of \$46 million for NEP's portion of the property, plant and equipment related to the Project. The Unaudited Pro Forma Balance Sheet reflects increases to intercompany money pool borrowing and common stockholder's equity to fund the Project's capital cost. The pro forma information assumes 36% financing of the Project's capital expenditures through the issuance of new intercompany money pool debt and 64% financing through equity infusion. No other pro forma assumptions were made.

NEW ENGLAND POWER COMPANY
BALANCE SHEETS
(in thousands of dollars)

	March 31,	
	2014	2013
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 715	\$ 2,746
Accounts receivable	60,431	49,406
Other receivable	57,851	-
Accounts receivable from affiliates	11,724	25,542
Intercompany money pool	264,079	-
Inventory	3,122	4,364
Current portion of deferred income tax assets	18,855	1,103
Prepaid taxes	3,333	248
Other	104	100
Total current assets	420,214	83,509
Equity investments and other	1,856	1,870
Property, plant, and equipment, net	1,811,878	1,685,132
Other non-current assets:		
Regulatory assets	129,247	172,163
Goodwill	337,614	337,614
Postretirement benefits asset	7,386	-
Other	12,259	11,368
Total other non-current assets	486,506	521,145
Total assets	\$ 2,720,454	\$ 2,291,656

The accompanying notes are an integral part of these financial statements.