

Affiliates of Gas and Electric Companies

THE COMMONWEALTH OF MASSACHUSETTS

ANNUAL RETURN

OF THE

HARBOR ELECTRIC ENERGY COMPANY

TO THE

DEPARTMENT OF PUBLIC UTILITIES

FOR THE YEAR ENDED DECEMBER 31, 2020

Annual Report of Harbor Electric Energy Company Year ended December 31, 2020

1. Full title of the Company..... Harbor Electric Energy Company
2. Location of principal business office, 800 Boylston Street
Boston, MA 02199
3. Date of organization, December 22, 1989 as a Massachusetts corporation under the laws
of the Commonwealth of Massachusetts
4. Date of annual meeting,..... Consent in lieu of meeting dated
September 30, 2020
5. Number of stockholders,..... 1
6. Number of stockholders in Massachusetts, 1
7. Amount of stock held in Massachusetts,... 1,000 shares of \$1.00 par value
common stock

Name of officer to whom correspondence should be addressed regarding this report,

<u>NAME</u>	<u>TITLE</u>	<u>ADDRESS</u>
Jay S. Buth	Vice President, Controller and Chief Accounting Officer	107 Selden Street Berlin, CT 06037

Annual Report of Harbor Electric Energy Company Year ended December 31, 2020

DIRECTORS AND PRINCIPAL OFFICERS

Directors or Trustees

<u>Name</u>	<u>Address</u>	<u>Date of Expiration of Term</u>
Gregory B. Butler	56 Prospect Street Hartford, CT 06103	Next Annual Meeting
Philip J. Lembo	800 Boylston Street Boston, MA 02199	Next Annual Meeting
Werner J. Schweiger	107 Selden Street Berlin, CT 06037	Next Annual Meeting

PRINCIPAL OFFICERS

<u>Title</u>	<u>Name</u>	<u>Official's Address</u>
President	Werner J. Schweiger	107 Selden Street Berlin, CT 06037
Executive Vice President and General Counsel	Gregory B. Butler	56 Prospect Street Hartford, CT 06103
Executive Vice President and Chief Financial Officer	Philip J. Lembo	800 Boylston Street Boston, MA 02199
Senior Vice President - Finance and Regulatory and Treasurer	John M. Moreira	247 Station Drive Westwood, MA 02090
Vice President, Controller and Chief Accounting Officer	Jay S. Buth	107 Selden Street Berlin, CT 06037
Secretary and Clerk	Richard J. Morrison	800 Boylston Street Boston, MA 02199
Assistant Treasurer - Corporate Finance and Cash Management	Emilie G. O'Neil	247 Station Drive Westwood, MA 02090
Independent Accountant	Deloitte & Touche LLP	City Place 185 Asylum Street 33 rd Floor Hartford, CT 06103

Annual Report of Harbor Electric Energy Company Year ended December 31, 2020

IF ANY OF THE DIRECTORS, TRUSTEES OR OFFICERS HOLD ANY OFFICE IN ANY OF THE COMPANIES OR ASSOCIATIONS RECEIVING SERVICES FROM THE REPORTING COMPANY, STATE THE TITLE AND THE COMPANY OR ASSOCIATION WITH WHICH SUCH DIRECTOR, TRUSTEE OR OFFICER IS ASSOCIATED.

Harbor Electric Energy Company does not provide any services to any affiliated company.

Annual Report of Harbor Electric Energy Company Year ended December 31, 2020

LIST ALL CONTRACTS ENTERED INTO FOR THE FURNISHING OF SERVICES, PURCHASE OF MATERIALS, SUPPLIES, EQUIPMENT, ETC. SUBMIT CONTRACT FORM.

<u>Date</u>	<u>For What Time</u>
2020	Year ended December 31, 2020

The Company was incorporated on December 22, 1989 pursuant to the laws of the Commonwealth of Massachusetts. The Company commenced operations in January 1990. A service agreement was entered into between Harbor Electric Energy Company and Eversource Energy Service Company (formerly known as Northeast Utilities Service Company), and such agreement was amended and restated on January 1, 2014. Substantially all organizational, general and administrative, and operation and maintenance services required, are provided by Eversource Energy Service Company.

Annual Report of Harbor Electric Energy Company Year ended December 31, 2020

INCOME ACCOUNT FOR THE YEAR

<u>INCOME</u>	<u>Amount</u>
Services Rendered	\$ 334,760
Other Electric Revenue (Page 8)	5,600,608
Interest Income	<u>-0-</u>
Total Income	<u>\$ 5,935,368</u>
 <u>EXPENSES</u>	
Insurance	\$ 549,755
Other Deductions	64,223
AFUDC	-0-
Regulatory Credit (Page 8)	-1,342,753
Depreciation and Amortization	1,487,738
Outside Services	61,448
Provision for Deferred Income Tax	4,085,097
Other Expenses (Page 9)	549,791
Taxes, Current	-2,930,512
Interest on Debt, Associated Companies	285,815
Interest, Commitment Fees	<u>36,479</u>
Total Expenses	<u>2,847,081</u>
 Net Income	 <u>\$ 3,088,287</u>

Annual Report of Harbor Electric Energy Company Year ended December 31, 2020

BALANCE SHEET

ASSETS

INVESTMENTS

Property, Plant & Equipment (Page 8)	\$61,742,046
Organization	285,274
Asset Retirement Obligation	<u>29,501,861</u>
Total Investments	<u>91,529,181</u>

CURRENT ASSETS

Cash & Equivalents	102,119
Accounts Receivable, Associated Companies	-0-
Accounts Receivable	-0-
Deposits with Trustee	-0-
Total Current Assets	<u>102,119</u>

DEFERRED CHARGES

Prepayments	363,685
Other Regulatory Assets	2,670,336
Other Deferred Charges (primarily Income Taxes)	<u>19,750,165</u>
Total Deferred Charges	<u>22,784,186</u>

TOTAL ASSETS \$114,415,486

LIABILITIES

Capital Stock	\$ 2,101,000
Other Paid in Capital (Page 8)	<u>48,600,000</u>
Total Capital Stock and Paid in Capital	<u>50,701,000</u>

CURRENT LIABILITIES

Accounts Payable, Associated Companies (Page 9)	976,840
Accounts Payable	408,330
Deferred Revenues	-0-
Accrued Taxes	<u>952,226</u>
Total Current Liabilities	<u>2,337,396</u>

Asset Retirement Obligation	30,551,730
Notes Payable to Eversource Parent	21,300,000
Reserve for Depreciation	15,580,564
Earned Deficit	<u>-6,055,204</u>

TOTAL LIABILITIES \$114,415,486

Annual Report of Harbor Electric Energy Company Year ended December 31, 2020

OTHER ELECTRIC REVENUE*

Other Electric Revenue \$5,600,608

Other electric revenue is the return on rate base, or the equity component of the revenue requirement. MWRA will be billed these amounts once approved by the MA DPU.

REGULATORY CREDIT*

Regulatory Credit \$-1,342,753

Regulatory credit is the deferred depreciation expense expected to be in new distribution rates once approved by the MA DPU.

PROPERTY PLANT & EQUIPMENT*

Property Plant & Equipment \$61,742,046

Property Plant & Equipment decreased \$22.9M in 2020 due to the retirement of the distribution cable across Boston Harbor to Deer Island.

OTHER PAID IN CAPITAL*

Total Other Paid In Capital \$48,600,000

Capital contributions of \$10.8M were made in 2020 from NSTAR Electric Company.

Annual Report of Harbor Electric Energy Company Year ended December 31, 2020

ACCOUNTS PAYABLE*

Accounts Payable Associated Companies

NSTAR Electric Company	\$880,103
Eversource Parent	10,832
Eversource Energy Service Company	<u>85,905</u>
Total Accounts Payable	<u>\$976,840</u>

ANALYSIS OF CHARGES FOR SERVICES*

<u>COMPANY OR CUSTOMER</u>	<u>TOTAL AMOUNT BILLED</u>
Included in Other expenses are General and administrative services provided by Eversource Energy Service Company.	\$63,782

Annual Report of Harbor Electric Energy Company Year ended December 31, 2020

SIGNATURES AND OATH TO RETURN

NOT USED

UNDER THE PENALTIES OF PERJURY

We hereby certify that the statements contained in the foregoing Return are full,
just and true.

SIGNATURES OF ABOVE PARTIES AFFIXED OUTSIDE THE COMMONWEALTH OF MASSACHUSETTS MUST BE
PROPERLY SWORN TO

_____ SS. _____ 2020

Then personally appeared

and severally made oath that the foregoing statement by them subscribed is,
to the best of their knowledge and belief, true.

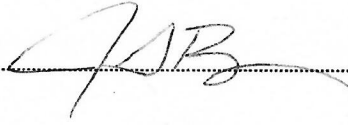
*Notary Public or
Justice of the Peace*

Annual Report of

Harbor Electric Energy Company

Year Ended December 31, 2020

THIS RETURN IS SIGNED UNDER THE PENALTIES OF PERJURY



Jay S. Buth

Vice President, Controller and
Chief Accounting Officer

.....

John M. Moreira

Senior Vice President- Finance
and Regulatory and TreasurerDirectors:

.....

Gregory B. Butler

Director

.....

Philip J. Lembo

Director

.....

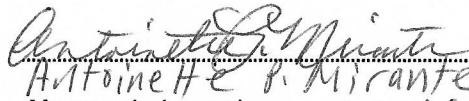
Werner J. Schweiger

Director

SIGNATURE OF ABOVE PARTIES MUST BE PROPERLY SWORN TO

State of: ConnecticutCounty of: HartfordCity of: Berlin

April 15, 2021

Then personally appeared Jay S. Buth and made oath to the truth of the
foregoing statement by him subscribed according to his best knowledge and belief.**ANTOINETTE P. MIRANTE**
NOTARY PUBLIC
State of Connecticut
My Commission Expires
April 30, 2025
Antoinette P. Mirante Notary Public
My commission expires: April 30, 2025

THIS RETURN IS SIGNED UNDER THE PENALTIES OF PERJURY

_____ Jay S. Buth Vice President, Controller and
 Chief Accounting Officer
John M. Moreira John M. Moreira Senior Vice President- Finance
 and Regulatory and Treasurer

Directors:

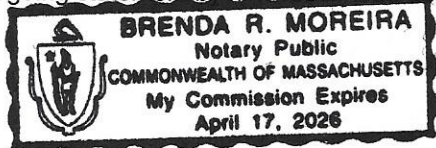
_____ Gregory B. Butler Director
 _____ Philip J. Lembo Director
 _____ Werner J. Schweiger Director

SIGNATURE OF ABOVE PARTIES MUST BE PROPERLY SWORN TO

State of: *Massachusetts*
 County of: *Bristol*
 City of: *South Dartmouth*

 April 15, 2021

Then personally appeared *John M. Moreira* and made oath to the truth of the foregoing statement by him subscribed according to his best knowledge and belief.



Brenda R. Moreira Notary Public
 My commission expires: *April 17, 2026*

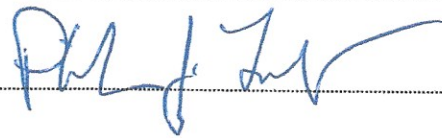
THIS RETURN IS SIGNED UNDER THE PENALTIES OF PERJURY

..... Jay S. Buth Vice President, Controller and
Chief Accounting Officer

..... John M. Moreira Senior Vice President- Finance
and Regulatory and Treasurer

Directors:

..... Gregory B. Butler Director

 Philip J. Lembo Director

..... Werner J. Schweiger Director

SIGNATURE OF ABOVE PARTIES MUST BE PROPERLY SWORN TO

State of: Massachusetts

County of: Norfolk

City of: Needham

April 15, 2021

Then personally appeared Philip J. Lembo and made oath to the truth of the
foregoing statement by him subscribed according to his best knowledge and belief.

Dana M. Fennelly Notary Public

My commission expires: December 14, 2023



THIS RETURN IS SIGNED UNDER THE PENALTIES OF PERJURY

..... Jay S. Buth Vice President, Controller and
Chief Accounting Officer

..... John M. Moreira Senior Vice President- Finance
and Regulatory and Treasurer

Directors:

..... Gregory B. Butler Director

..... Philip J. Lembo Director

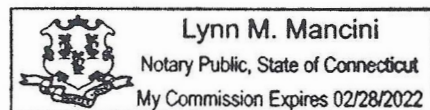
[Signature]
..... Werner J. Schweiger Director

SIGNATURE OF ABOVE PARTIES MUST BE PROPERLY SWORN TO

State of: ConnecticutCounty of: HartfordCity of: BerlinApril 15, 2021

Then personally appeared Werner Schweiger and made oath to the truth of the
foregoing statement by him subscribed according to his best knowledge and belief.

[Signature] Notary Public

My commission expires: 2/28/2022

Annual Report of

Harbor Electric Energy Company

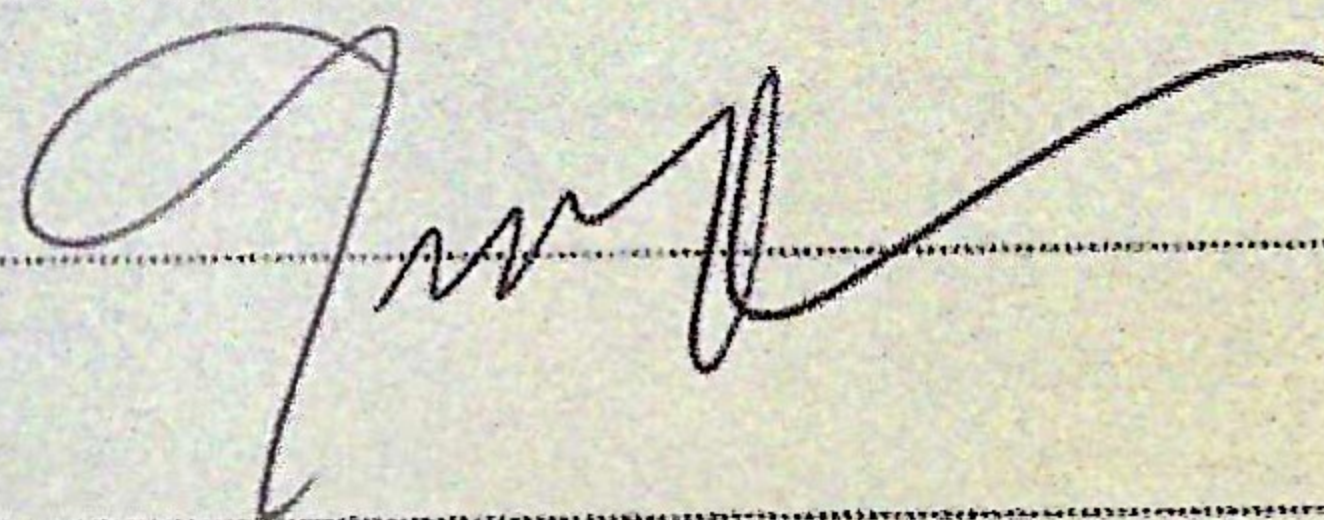
Year Ended December 31, 2020

THIS RETURN IS SIGNED UNDER THE PENALTIES OF PERJURY

Jay S. Buth

Vice President, Controller and
Chief Accounting Officer

John M. Moreira

Senior Vice President- Finance
and Regulatory and TreasurerDirectors:

Gregory B. Butler

Director

Philip J. Lembo

Director

Werner J. Schweiger

Director

SIGNATURE OF ABOVE PARTIES MUST BE PROPERLY SWORN TO

State of:

Connecticut

County of:

Hartford

City of:

Hartford

April 15, 2021

Then personally appeared *Gregory B. Butler* and made oath to the truth of the
foregoing statement by him subscribed according to his best knowledge and belief.

Kathy L. Selmitt

Notary Public

My commission expires: *11-30-2024*