



Massachusetts Municipal Wholesale Electric Company

Quarterly Report
Unaudited Financial Statement

Second Quarter
For the months ended June 30, 2014

Massachusetts Municipal Wholesale Electric Company
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Statements of Net Position

June 30, 2014 and 2013
(Unaudited, Dollars In Thousands)

	June 30,	
	<u>2014</u>	<u>2013</u>
ASSETS		
CURRENT ASSETS		
Cash and temporary investments.....	\$ 13,887	\$ 66,147
Accounts receivable.....	29,585	30,811
Unbilled revenues.....	13,178	11,225
Inventories.....	18,931	17,208
Prepaid expenses.....	1,977	2,070
Total current assets.....	<u>77,558</u>	<u>127,461</u>
NON-CURRENT ASSETS		
Restricted assets		
Restricted special funds.....	270,195	215,897
Interest receivable.....	413	372
Deferred charges		
Unamortized debt discount and expenses.....	(4)	(6,859)
Nuclear decommissioning trusts.....	93,942	89,874
Other.....	29,434	28,511
Total non-current assets.....	<u>393,980</u>	<u>327,795</u>
Capital assets		
In service.....	1,391,459	1,378,453
Accumulated depreciation.....	(838,885)	(822,961)
Construction work in progress.....	17,127	16,140
Nuclear fuel - net of amortization.....	23,265	28,089
Total capital assets.....	<u>592,966</u>	<u>599,721</u>
TOTAL ASSETS.....	<u>\$ 1,064,504</u>	<u>\$ 1,054,977</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred gain on extinguishment of debt, net of amortization.....	283	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES.....	<u>\$ 1,064,787</u>	<u>\$ 1,054,977</u>
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable.....	\$ 7,699	\$ 18,130
Member and participant advances.....	128,677	150,841
Short-term debt.....	772	972
Accrued expenses.....	22,649	25,015
Current liabilities payable-restricted assets		
Current maturities of long-term debt.....	58,192	58,751
Total current liabilities.....	<u>217,989</u>	<u>253,709</u>
NON-CURRENT LIABILITIES		
Long-term debt, net of premiums.....	173,900	237,731
Asset retirement obligation.....	134,568	128,161
Amounts recoverable under terms of the		
power sales agreements.....	471,169	392,664
Other liabilities.....	65,218	42,712
Total non-current liabilities.....	<u>844,855</u>	<u>801,268</u>
DEFERRED INFLOWS OF RESOURCES		
Deferred gain on extinguishment of debt, net of amortization.....	1,943	-
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES.....	<u>\$ 1,064,787</u>	<u>\$ 1,054,977</u>
NET POSITION		
Net investment in capital assets	\$ -	\$ -
Restricted for:		
General bond resolution	-	-
Unrestricted	-	-
Total net position	<u>\$ -</u>	<u>\$ -</u>

Statements of Revenues, Expenses and Changes in Net Position

June 30, 2014 and 2013
(Unaudited, Dollars In Thousands)

	Three Months Ended	
	June 30,	
	<u>2014</u>	<u>2013</u>
OPERATING REVENUES		
Revenues.....	\$ 71,742	\$ 86,699
OPERATING EXPENSES		
Fuel used in electric generation.....	3,413	8,664
Purchased power.....	31,179	32,264
Other operating.....	13,553	16,255
Maintenance.....	4,472	4,283
Depreciation.....	4,063	4,141
Taxes other than income.....	1,283	1,941
Total operating expenses.....	<u>57,963</u>	<u>67,548</u>
Operating income.....	<u>13,779</u>	<u>19,151</u>
NON-OPERATING REVENUES (EXPENSES)		
Interest income and investment market adjustments.....	3,555	2,424
Interest expense on long-term debt.....	(2,316)	(3,238)
Amortization of premium on long-term debt.....	1,420	1,953
Amortization of debt discount and expenses.....	-	(6,187)
Amortization of gain on debt.....	142	-
Interest charged to projects during construction.....	-	71
Loss on retirement of debt.....	-	-
Increase in amounts recoverable under terms of the		
power sales agreements.....	(16,580)	(14,174)
Total non-operating revenues (expenses).....	<u>(13,779)</u>	<u>(19,151)</u>
NET REVENUES AND EXPENSES.....	<u>\$ -</u>	<u>\$ -</u>

These unaudited financial statements should be read in conjunction with the Massachusetts Municipal Wholesale Electric Company (MMWEC) 2013 Annual Financial Statements. Certain reclassifications of 2013 data have been made to conform with the 2013 Annual Financial Statements.