

**Statements of Net Position**

March 31, 2018 and 2017

(Unaudited, Dollars In Thousands)

	March 31,	
	2018	2017
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and temporary investments.....	\$ 73,222	\$ 27,224
Accounts receivable.....	51,398	43,266
Unbilled revenues.....	17,319	14,751
Inventories.....	28,215	39,670
Prepaid expenses.....	2,338	3,095
Total current assets.....	<u>172,492</u>	<u>128,006</u>
<b>NON-CURRENT ASSETS</b>		
Restricted assets		
Restricted special funds.....	153,736	232,348
Interest receivable.....	591	720
Deferred charges		
Nuclear decommissioning trusts.....	121,152	111,257
Other.....	20,279	13,859
Total non-current assets.....	<u>295,758</u>	<u>358,184</u>
Capital assets		
In service.....	1,424,097	1,415,469
Accumulated depreciation.....	(897,971)	(881,636)
Construction work in progress.....	17,486	18,544
Nuclear fuel - net of amortization.....	20,978	21,750
Total capital assets.....	<u>564,590</u>	<u>574,127</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred loss on pension asset.....	2,988	3,716
Deferred loss on derivatives.....	-	743
Total deferred outflows of resources.....	<u>2,988</u>	<u>4,459</u>
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES.....</b>	<b>\$ 1,035,828</b>	<b>\$ 1,064,776</b>
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable.....	\$ 6,737	\$ 6,671
Member and participant advances.....	108,171	116,186
Short-term debt.....	20,752	410
Accrued expenses.....	23,102	18,715
Current liabilities payable-restricted assets		
Accrued interest payable.....	192	499
Current maturities of long-term debt.....	5,207	168
Total current liabilities.....	<u>164,161</u>	<u>142,649</u>
<b>NON-CURRENT LIABILITIES</b>		
Long-term debt, net of premiums.....	24,231	76,474
Asset retirement obligation.....	163,855	156,082
Other liabilities.....	95,022	91,463
Total non-current liabilities.....	<u>283,108</u>	<u>324,019</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Amounts recoverable under terms of the power sales agreements.....		
.....	581,112	592,697
Pension regulatory liability.....	4,478	4,893
Deferred gain on pension asset.....	2,791	60
Deferred gain on extinguishment of debt, net of amortization.....	178	458
Total deferred inflows of resources.....	<u>588,559</u>	<u>598,108</u>
<b>TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES.....</b>	<b>\$ 1,035,828</b>	<b>\$ 1,064,776</b>

**Statements of Revenues, Expenses & Changes in Net Position**

March 31, 2018 and 2017

(Unaudited, Dollars In Thousands)

	Three Months Ended March 31,	
	2018	2017
<b>OPERATING REVENUES</b>		
Revenues.....	\$ 69,217	\$ 67,269
<b>OPERATING EXPENSES</b>		
Fuel used in electric generation.....	11,481	3,141
Purchased power.....	44,717	36,014
Other operating.....	11,785	12,866
Maintenance.....	1,053	2,132
Depreciation.....	4,376	4,399
Inventory market adjustment.....	(1,768)	(6,527)
Taxes other than income.....	1,056	1,141
Total operating expenses.....	<u>72,700</u>	<u>53,166</u>
Operating income (loss).....	<u>(3,483)</u>	<u>14,103</u>
<b>NON-OPERATING REVENUES (EXPENSES)</b>		
Interest income (loss) and investment market adjustments.....	(1,098)	4,073
Interest expense on long-term debt.....	(406)	(642)
Amortization of premium on long-term debt.....	28	194
Amortization of gain on debt.....	64	96
Decrease (Increase) in amounts recoverable under terms of the power sales agreements.....	4,895	(17,824)
Total non-operating revenues (expenses).....	<u>3,483</u>	<u>(14,103)</u>
<b>CHANGE IN NET POSITION.....</b>	<b>\$ -</b>	<b>\$ -</b>

These unaudited financial statements should be read in conjunction with the Massachusetts Municipal Wholesale Electric Company (MMWEC) 2017 Annual Financial Statements. Certain reclassifications of data have been made to conform with the 2017 Annual Financial Statements.