

Balance SheetsMarch 31, 2017 and 2016
(Unaudited, Dollars In Thousands)

	March 31,	
	<u>2017</u>	<u>2016</u>
ASSETS		
CURRENT ASSETS		
Cash and temporary investments.....	\$ 27,224	\$ 30,564
Accounts receivable.....	43,266	40,744
Unbilled revenues.....	14,751	12,821
Inventories.....	39,670	36,735
Prepaid expenses.....	3,095	2,654
Total current assets.....	<u>128,006</u>	<u>123,518</u>
NON-CURRENT ASSETS		
Restricted assets		
Restricted special funds.....	232,348	235,135
Interest receivable.....	720	646
Deferred charges		
Nuclear decommissioning trusts.....	111,257	101,511
Other.....	13,859	14,589
Total non-current assets.....	<u>358,184</u>	<u>351,881</u>
Capital assets		
In service.....	1,415,469	1,413,473
Accumulated depreciation.....	(881,636)	(866,839)
Construction work in progress.....	18,544	14,281
Nuclear fuel - net of amortization.....	21,750	24,036
Total capital assets.....	<u>574,127</u>	<u>584,951</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred loss on pension asset.....	3,716	2,062
Deferred loss on derivatives.....	743	-
Total deferred outflows of resources.....	<u>4,459</u>	<u>2,062</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES.....	<u>\$ 1,064,776</u>	<u>\$ 1,062,412</u>
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable.....	\$ 6,671	\$ 9,688
Member and participant advances.....	116,186	113,398
Short-term debt.....	410	16,937
Accrued expenses.....	18,715	21,038
Current liabilities payable-restricted assets		
Accrued interest payable.....	499	1,056
Current maturities of long-term debt.....	168	56,919
Total current liabilities.....	<u>142,649</u>	<u>219,036</u>
NON-CURRENT LIABILITIES		
Long-term debt, net of premiums.....	76,474	57,210
Asset retirement obligation.....	156,082	148,596
Other liabilities.....	91,463	84,450
Total non-current liabilities.....	<u>324,019</u>	<u>290,256</u>
DEFERRED INFLOWS OF RESOURCES		
Amounts recoverable under terms of the		
power sales agreements.....	592,697	545,665
Pension regulatory liability.....	4,893	5,254
Deferred gain on pension asset.....	60	1,370
Deferred gain on extinguishment of debt, net of amortization.....	458	831
Total deferred inflows of resources.....	<u>598,108</u>	<u>553,120</u>
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES.....	<u>\$ 1,064,776</u>	<u>\$ 1,062,412</u>

Statements of Revenues and ExpensesMarch 31, 2017 and 2016
(Unaudited, Dollars In Thousands)

	Three Months Ended	
	March 31,	
	<u>2017</u>	<u>2016</u>
OPERATING REVENUES		
Revenues.....	\$ 67,269	\$ 70,635
OPERATING EXPENSES		
Fuel used in electric generation.....	3,141	840
Purchased power.....	36,014	38,656
Other operating.....	12,866	12,739
Maintenance.....	2,132	2,125
Depreciation.....	4,399	4,359
Inventory market adjustment.....	(6,527)	(13,084)
Taxes other than income.....	1,141	1,313
Total operating expenses.....	<u>53,166</u>	<u>46,948</u>
Operating income.....	<u>14,103</u>	<u>23,687</u>
NON-OPERATING REVENUES (EXPENSES)		
Interest income and investment market adjustments.....	4,073	2,773
Interest expense on long-term debt.....	(642)	(1,177)
Amortization of premium on long-term debt.....	194	392
Amortization of gain on debt.....	96	92
Increase in amounts recoverable under terms of the		
power sales agreements.....	(17,824)	(25,767)
Total non-operating revenues (expenses).....	<u>(14,103)</u>	<u>(23,687)</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) 2016 Annual Financial Statements. Certain reclassifications of data have been made to conform with the 2016 Annual Financial Statements.