

Massachusetts Municipal Wholesale Electric Company

Statements of Net Position

September 30, 2017 and 2016

(Unaudited, Dollars In Thousands)

	September 30,	
	2017	2016
ASSETS		
CURRENT ASSETS		
Cash and temporary investments.....	\$ 51,619	\$ 21,898
Accounts receivable.....	44,050	47,257
Unbilled revenues.....	19,120	16,421
Inventories.....	38,944	39,284
Prepaid expenses.....	2,110	1,785
Total current assets.....	<u>155,843</u>	<u>126,645</u>
NON-CURRENT ASSETS		
Restricted assets		
Restricted special funds.....	152,000	209,873
Interest receivable.....	598	726
Deferred charges		
Nuclear decommissioning trusts.....	117,634	106,426
Other.....	16,039	12,832
Total non-current assets.....	<u>286,271</u>	<u>329,857</u>
Capital assets		
In service.....	1,420,259	1,412,979
Accumulated depreciation.....	(889,532)	(873,461)
Construction work in progress.....	18,692	16,331
Nuclear fuel - net of amortization.....	23,781	22,511
Total capital assets.....	<u>573,200</u>	<u>578,360</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>\$ 1,019,773</u>	<u>\$ 1,036,924</u>
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable.....	\$ 6,660	\$ 5,899
Member and participant advances.....	108,439	116,955
Short-term debt.....	5,426	21,447
Accrued expenses.....	23,840	19,188
Current liabilities payable-restricted assets		
Accrued interest payable.....	157	512
Current maturities of long-term debt.....	3,681	335
Total current liabilities.....	<u>148,203</u>	<u>164,336</u>
NON-CURRENT LIABILITIES		
Long-term debt, net of premiums.....	27,360	56,495
Asset retirement obligation.....	159,921	152,088
Other liabilities.....	98,334	90,080
Total non-current liabilities.....	<u>285,615</u>	<u>298,663</u>
DEFERRED INFLOWS OF RESOURCES		
Amounts recoverable under terms of the power sales agreements.....	580,700	566,655
Pension regulatory liability.....	4,893	5,254
Deferred gain on pension asset.....	60	1,370
Deferred gain on extinguishment of debt, net of amortization.....	302	646
Total deferred inflows of resources.....	<u>585,955</u>	<u>573,925</u>
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES.....	<u>\$ 1,019,773</u>	<u>\$ 1,036,924</u>

Massachusetts Municipal Wholesale Electric Company

Statements of Revenues, Expenses & Changes in Net Position

September 30, 2017 and 2016

(Unaudited, Dollars In Thousands)

	Nine Months Ended September 30,	
	2017	2016
OPERATING REVENUES		
Revenues.....	\$ 169,057	\$ 208,339
OPERATING EXPENSES		
Fuel used in electric generation.....	10,893	10,144
Purchased power.....	110,837	106,290
Other operating.....	34,659	37,774
Maintenance.....	8,979	8,237
Depreciation.....	13,240	13,126
Inventory market adjustment.....	(6,527)	(13,084)
Taxes other than income.....	3,248	3,887
Total operating expenses.....	<u>175,329</u>	<u>166,374</u>
Operating income (loss).....	<u>(6,272)</u>	<u>41,965</u>
NON-OPERATING REVENUES (EXPENSES)		
Interest income and investment market adjustments.....	10,630	8,105
Interest expense on long-term debt.....	(1,792)	(2,976)
Amortization of premium on long-term debt.....	679	976
Amortization of gain on debt.....	252	277
Interest charged to projects during construction.....	1	7
Increase in amounts recoverable under terms of the power sales agreements.....	(3,498)	(48,354)
Total non-operating revenues (expenses).....	<u>6,272</u>	<u>(41,965)</u>
CHANGE IN NET POSITION.....	<u>\$ -</u>	<u>\$ -</u>
<p>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.</p>		