

Massachusetts Municipal Wholesale Electric Company

Quarterly Report Unaudited Financial Statement

Second Quarter
For the months ended June 30, 2016

Massachusetts Municipal Wholesale Electric Company 327 Moody Street, P.O. Box 426, Ludlow, MA 01056 (413) 308-1392 www.mmwec.org

Massachusetts Municipal Wholesale Electric Company

Balance Sheets

June 30, 2016 and 2015

(Unaudited, Dollars In Thousands)

Cash and temporary investments. \$ 26,127 \$ 22,71 Accounts receivable. 45,447 \$ 57,01 Unbilled revenues. 13,106 15,66 Inventories. 39,886 29,48 Prepaid expenses. 126,370 127,02 NON-CURRENT ASSETS 250,856 255,06 Restricted assets 492 3,80 Enterest receivable. 492 3,80 Deferred charges 103,826 295,00 Other. 142,82 29,00 Ofber. 142,82 29,00 Ofber. 141,82 29,00 Ofber. 141,82 29,00 Ofber. 141,82 29,00 Ofber. 141,82 29,00 Total non-current assets. 369,456 379,22 Capital assets 1,411,753 1,396,97 In service. 1,411,753 1,396,97 Accumulated depreciation. (869,124) (855,11 Construction work in progress. 15,474 19,77 Nuclear fu		Jui	June 30,	
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Total current assets. 126,370 127.0 NON-CURRENT ASSETS Restricted assets 250,856 255,00 Interest receivable 492 3,80 Deferred charges 103,826 99,30 Other. 14,282 20,90 Total non-current assets. 103,826 379,22 Capital assets 1,411,753 1,396,97 Accumulated depreciation. (869,124) (855,11) Construction work in progress. 15,474 19,77 Nuclear fuel - net of amortization. 23,810 26,50 Total capital assets. 581,913 588,14 DEFERRED OUTFLOWS OF RESOURCES Deferred loss on pension asset. 2,062 TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES 51,079,801 \$1,094,42 LIABILITIES CURRENT LIABILITIES Accounts payable. \$ 6,483 \$ 5,20 Member and participant advances 117,823 131,25 Accrued expenses. 18,258 23,83 Current liabilities payable-restricted assets Accrued expenses. 2,074 2,074 Accrued expenses. 2,074 2,074 Accrued interest payable. 2,074 2,074 Accrued interest payable. 2,074 2,074 Current maturities of long-term debt. 56,716 54,66 Total current liabilities. 2,074 2,074 Current maturities of long-term debt. 56,716 54,66 Total current liabilities. 2,074 2,074 Current maturities of long-term debt. 56,716 54,66 Total current liabilities. 57,021 115,55 Asset retirement obligation. 150,342 141,25 DEFERRED INFLOWS OF RESOURCES Amounts recoverable under terms of the power sales agreements. 559,861 526,32 DEFERRED INFLOWS OF RESOURCES Amounts recoverable under terms of the power sales agreements. 559,861 526,32 Deferred gain on extinguishinent of debt, net of amortization. 739 1,94 Total deferred inflows of resources. 567,224 528,27 Deferred gain on extinguishinent of debt, net of amortization. 739 1,94 Total deferred inflows of resources. 567,224 528,27			29,498	
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Restricted assets 250,856 255,00 Interest receivable 492 3,80 Deferred charges 103,826 99,36 Nuclear decommissioning trusts 103,826 399,36 Other 14,282 20,99 Total non-current assets 369,456 379,22 Capital assets 1 1411,753 1,396,97 In service 1,411,753 1,396,97 (855,11 Construction work in progress 15,474 19,77 Nuclear fuel - net of amortization 23,810 26,55 Total capital assets 581,913 588,12 DEFERRED OUTFLOWS OF RESOURCES Deferred loss on pension asset 2,062 Total deferred outflows of resources \$1,079,801 \$1,094,42 LIABILITIES CURENT LIABILITIES Accounts payable \$6,483 \$5,2 Member and participant advances 117,823 131,2 Short-term debt 56,716 \$4,6 Accrued expenses 18,258 23,8 <t< td=""><td>Total current assets</td><td>126,370</td><td>127,043</td></t<>	Total current assets	126,370	127,043	
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Deferred charges 103,826 99,30 Nuclear decommissioning trusts. 103,826 39,30 Other 14,282 20,90 Total non-current assets. 369,456 379,22 Capital assets In service. 1,411,753 1,396,97 Accumulated depreciation. (869,124) (855,11 Construction work in progress 15,474 19,17 Nuclear fuel - net of amortization 23,810 26,50 Total capital assets. 581,913 588,14 DEFERRED OUTFLOWS OF RESOURCES Deferred loss on pension asset. 2,062 TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES \$ 1,079,801 \$ 1,094,42 LIABILITIES CURRENT LIABILITIES Accounts payable. \$ 6,483 \$ 5,22 Member and participant advances. 117,823 131,26 Current liabilities payable-restricted assets 2,074 2,074 Accrued expenses. 2,074 2,074 Current maturities of long-term debt. 56,716 54,66 Total curren	•			
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Other. 14,282 20,98 Total non-current assets. 369,456 379,23 Capital assets In service. 1,411,753 1,396,97 Accumulated depreciation. (869,124) (855,11 Construction work in progress. 15,474 19,77 Nuclear fuel - net of amortization. 23,810 26,50 Total capital assets. 581,913 588,14 DEFERRED OUTFLOWS OF RESOURCES 2,062 1 Deferred loss on pension asset. 2,062 2 TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES. \$1,079,801 \$1,094,42 CURRENT LIABILITIES Accounts payable. \$6,483 \$5,20 Member and participant advances. 117,823 131,2 Short-term debt. 16,700 24,92 Accrued expenses. 18,258 23,81 Current liabilities payable-restricted assets 2,074 2,074 Accrued interest payable. 2,074 2,074 Current maturities of long-term debt. 56,716 54,60 Total current liabilities.			00.00	
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Capital assets In service				
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Accumulated depreciation (869,124) (855,11 Construction work in progress 15,474 19,77 Nuclear fuel - net of amortization 23,810 26,50 Total capital assets 581,913 588,14 DEFERRED OUTFLOWS OF RESOURCES Deferred loss on pension asset 2,062 TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES \$ 1,079,801 \$ 1,094,42 TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES \$ 1,079,801 \$ 1,094,42 CURRENT LIABILITIES Accounts payable \$ 6,483 \$ 5,22 Member and participant advances 117,823 131,20 Accrued expenses 18,258 23,83 Current debt 16,700 24,92 Accrued expenses 18,258 23,83 Current liabilities payable-restricted assets 2,074 2 Accrued interest payable 2,074 2 Current maturities of long-term debt 56,716 54,60 Total current liabilities 218,054 239,82 NON-CURRENT LIABILITIES <t< td=""><td>Capital assets</td><td></td><td></td></t<>	Capital assets			
Construction work in progress	In service	1,411,753	1,396,97	
Nuclear fuel - net of amortization	Accumulated depreciation	(869,124)	(855,11)	
Total capital assets	Construction work in progress	. 15,474	19,77	
DEFERRED OUTFLOWS OF RESOURCES 2,062 Total deferred outflows of resources. 2,062	Nuclear fuel - net of amortization	23,810	26,50	
Deferred loss on pension asset	Total capital assets	581,913	588,14	
Deferred loss on pension asset	DEFERRED OUTFLOWS OF RESOURCES			
Total deferred outflows of resources. 2,062		2.062		
LIABILITIES			. ———	
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Accounts payable \$ 6,483 \$ 5,26 Member and participant advances 117,823 131,20 Short-term debt 16,700 24,92 Accrued expenses 18,258 23,83 Current liabilities payable-restricted assets 2,074 Accrued interest payable 2,074 Current maturities of long-term debt 56,716 54,60 Total current liabilities 218,054 239,82 NON-CURRENT LIABILITIES 57,021 115,55 Asset retirement obligation 150,342 141,29 Other liabilities 87,160 69,46 Total non-current liabilities 294,523 326,32 DEFERRED INFLOWS OF RESOURCES Amounts recoverable under terms of the power sales agreements 559,861 526,32 Pension regulatory liability 5,254 52,254 Deferred gain on pension asset 1,370 Deferred gain on extingushiment of debt, net of amortization 739 1,94 Total deferred inflows of resources 567,224 528,27	CURRENT LIABILITIES			
Member and participant advances 117,823 131,20 Short-term debt 16,700 24,92 Accrued expenses 18,258 23,83 Current liabilities payable-restricted assets 2,074 Accrued interest payable 2,074 Current maturities of long-term debt 56,716 54,60 Total current liabilities 218,054 239,82 NON-CURRENT LIABILITIES 57,021 115,55 Asset retirement obligation 150,342 141,29 Other liabilities 87,160 69,46 Total non-current liabilities 294,523 326,32 DEFERRED INFLOWS OF RESOURCES Amounts recoverable under terms of the power sales agreements 559,861 526,32 Pension regulatory liability 5,254 52,254 Deferred gain on pension asset 1,370 Deferred gain on extingushiment of debt, net of amortization 739 1,94 Total deferred inflows of resources 567,224 528,27		\$ 6,483	\$ 5.26	
Short-term debt. 16,700 24,92 Accrued expenses. 18,258 23,83 Current liabilities payable-restricted assets 2,074 Current maturities of long-term debt. 56,716 54,60 Total current liabilities. 218,054 239,82 NON-CURRENT LIABILITIES 57,021 115,55 Asset retirement obligation. 150,342 141,25 Other liabilities. 87,160 69,46 Total non-current liabilities. 294,523 326,32 DEFERRED INFLOWS OF RESOURCES Amounts recoverable under terms of the power sales agreements. 559,861 526,32 Pension regulatory liability. 5,254 526,42 Deferred gain on pension asset. 1,370 1,370 Deferred gain on extingushiment of debt, net of amortization. 739 1,94 Total deferred inflows of resources. 567,224 528,27	• •		131,20	
Accrued expenses	1 1		24,92	
Current liabilities payable-restricted assets 2,074 Accrued interest payable. 56,716 54,60 Total current liabilities. 218,054 239,82 NON-CURRENT LIABILITIES 57,021 115,55 Asset retirement obligation. 150,342 141,29 Other liabilities. 87,160 69,44 Total non-current liabilities. 294,523 326,32 DEFERRED INFLOWS OF RESOURCES Amounts recoverable under terms of the power sales agreements. 559,861 526,32 Pension regulatory liability. 5,254 526,32 Deferred gain on pension asset. 1,370 1,370 Deferred gain on extingushiment of debt, net of amortization. 739 1,94 Total deferred inflows of resources. 567,224 528,27			23,83	
Accrued interest payable	•		,,,,,,	
Total current liabilities. 218,054 239,82 NON-CURRENT LIABILITIES 57,021 115,55 Long-term debt, net of premiuims. 57,021 115,55 Asset retirement obligation. 150,342 141,29 Other liabilities. 87,160 69,46 Total non-current liabilities. 294,523 326,32 DEFERRED INFLOWS OF RESOURCES Amounts recoverable under terms of the power sales agreements. 559,861 526,32 Pension regulatory liability. 5,254 526,42 Deferred gain on pension asset. 1,370 1,94 Deferred gain on extingushiment of debt, net of amortization. 739 1,94 Total deferred inflows of resources. 567,224 528,27		2,074		
Total current liabilities 218,054 239,82 NON-CURRENT LIABILITIES 57,021 115,55 Long-term debt, net of premiuims 57,021 115,53 Asset retirement obligation 150,342 141,29 Other liabilities 87,160 69,46 Total non-current liabilities 294,523 326,32 DEFERRED INFLOWS OF RESOURCES Amounts recoverable under terms of the power sales agreements 559,861 526,32 Pension regulatory liability 5,254 526,42 526,42 Deferred gain on pension asset 1,370 1,94 Deferred gain on extingushiment of debt, net of amortization 739 1,94 Total deferred inflows of resources 567,224 528,27	Current maturities of long-term debt	56,716	54,60	
Long-term debt, net of premiuims 57,021 115,55 Asset retirement obligation 150,342 141,25 Other liabilities 87,160 69,46 Total non-current liabilities 294,523 326,32 DEFERRED INFLOWS OF RESOURCES Amounts recoverable under terms of the power sales agreements 559,861 526,32 Pension regulatory liability 5,254 526,32 Deferred gain on pension asset 1,370 Deferred gain on extingushiment of debt, net of amortization 739 1,94 Total deferred inflows of resources 567,224 528,27	Total current liabilities	218,054	239,82	
Asset retirement obligation. 150,342 141,29 Other liabilities. 87,160 69,46 Total non-current liabilities. 294,523 326,32 DEFERRED INFLOWS OF RESOURCES Amounts recoverable under terms of the power sales agreements. 559,861 526,32 Pension regulatory liability. 5,254 52,254 Deferred gain on pension asset. 1,370 Deferred gain on extingushiment of debt, net of amortization. 739 1,94 Total deferred inflows of resources. 567,224 528,27	NON-CURRENT LIABILITIES			
Asset retirement obligation. 150,342 141,29 Other liabilities. 87,160 69,46 Total non-current liabilities. 294,523 326,32 DEFERRED INFLOWS OF RESOURCES Amounts recoverable under terms of the power sales agreements. 559,861 526,32 Pension regulatory liability. 5,254 52,254 Deferred gain on pension asset. 1,370 Deferred gain on extingushiment of debt, net of amortization. 739 1,94 Total deferred inflows of resources. 567,224 528,27	Long-term debt, net of premiuims	57,021	115,55	
Other liabilities. 87,160 69,46 Total non-current liabilities. 294,523 326,32 DEFERRED INFLOWS OF RESOURCES Amounts recoverable under terms of the power sales agreements. 559,861 526,32 Pension regulatory liability. 5,254 526,42 Deferred gain on pension asset. 1,370 1,370 Deferred gain on extingushiment of debt, net of amortization. 739 1,94 Total deferred inflows of resources. 567,224 528,27			141,29	
Total non-current liabilities 294,523 326,32 DEFERRED INFLOWS OF RESOURCES Amounts recoverable under terms of the power sales agreements 559,861 526,32 Pension regulatory liability 5,254 526,32 Deferred gain on pension asset 1,370 1,370 Deferred gain on extingushiment of debt, net of amortization 739 1,94 Total deferred inflows of resources 567,224 528,27			69,46	
Amounts recoverable under terms of the power sales agreements 559,861 526,32 Pension regulatory liability 5,254 Deferred gain on pension asset 1,370 Deferred gain on extingushiment of debt, net of amortization. 739 1,94 Total deferred inflows of resources. 567,224 528,27	Total non-current liabilities		326,32	
power sales agreements 559,861 526,32 Pension regulatory liability 5,254 Deferred gain on pension asset 1,370 Deferred gain on extingushiment of debt, net of amortization 739 1,94 Total deferred inflows of resources 567,224 528,27				
Pension regulatory liability 5,254 Deferred gain on pension asset 1,370 Deferred gain on extingushiment of debt, net of amortization 739 1,94 Total deferred inflows of resources 567,224 528,27		559.861	526 32	
Deferred gain on pension asset			320,32	
Deferred gain on extingushiment of debt, net of amortization				
Total deferred inflows of resources			1,943	
			528.27	
	Total deterred into the following of the state of the sta	. 301,224	320,27	
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES\$ 1,079,801 \$ 1,094,42	TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	\$ 1,079,801	\$ 1,094,42	

Massachusetts Municipal Wholesale Electric Company

Statements of Revenues and Expenses

June 30, 2016 and 2015

(Unaudited, Dollars In Thousands)

		hs Ended
	Jun 2016	e 30, 2015
	2010	2013
PERATING REVENUES		
Revenues	\$ 134,186	\$ 157,455
PERATING EXPENSES		
Fuel used in electric generation	4,110	17,378
Purchased power	66,328	77,798
Other operating	25,392	26,212
Maintenance	5,938	3,115
Depreciation	8,721	8,439
Inventory market adjustment	(13,084)	-
Taxes other than income	2,594	2,635
Total operating expenses	99,999	135,577
Operating income	34,187	21,878
ON-OPERATING REVENUES (EXPENSES)		
Interest income and investment market adjustments	5,578	1,999
Interest expense on long-term debt	(2,357)	(3,458)
Amortization of premium on long-term debt	784	1,890
Amortization of gain on debt	185	239
Increase in amounts recoverable under terms of the		
power sales agreements	(38,377)	(22,548)
Total non-operating revenues (expenses)	(34,187)	(21,878)

These unaudited financial statements should be read in conjunction with the Massachusetts Municipal Wholesale Electric Company (MMWEC) 2015 Annual Financial Statements. Certain reclassifications of data have been made to conform with the 2015 Annual Financial Statements.