

DEPARTMENT OF PUBLIC UTILITIES

This statement is filed in accordance with Chapter 164, section 84A

CONDENSED FINANCIAL RETURN

For the year ended December 31, 1997

FULL NAME OF COMPANY

Boston Edison Company

LOCATION OF PRINCIPAL BUSINESS OFFICE

800 Boylston Street, Boston, MA 02199

STATEMENT OF INCOME FOR THE YEAR

Item	Current Year	Increase or (Decrease) from Preceding Year
OPERATING INCOME		
Operating Revenues	\$1,768,711,508	\$110,188,775
Operating Expenses:		
Operation Expense	1,022,822,559	78,949,345
Maintenance Expense	84,987,366	7,748,677
Depreciation Expense	165,908,135	(73,541)
Amortization of Utility Plant	36,036,265	3,368,050
Amortization of Property Losses	0	0
Amortization of Conversion Expenses	0	0
Taxes Other Than Income Taxes	106,594,114	972,700
Income Taxes and ITC	112,060,752	24,281,991
Provisions for Deferred Federal/State Income Taxes	(17,329,105)	(17,782,170)
Federal Income Taxes Deferred in Prior Years-Cr	(200,411)	(11,206)
Total Operating Expenses	1,510,879,675	97,453,846
Net Operating Revenues	257,831,833	12,734,929
Income from Utility Plant Leased to Others	0	0
Other Utility Operating Income	668	668
Total Utility Operating Income	257,832,501	12,735,597
OTHER INCOME		
Income from Mdse. Jobbing & Contract Work	0	0
Income from Nonutility Operations	(12,041)	21,709
Nonoperating Rental Income	0	0
Interest and Dividend Income	5,397,274	7,829,615
Miscellaneous Nonoperating Income	(5,971,017)	(16,286,696)
Total Other Income	(585,784)	(8,435,372)
Total Income	257,246,717	4,300,225
MISCELLANEOUS INCOME DEDUCTIONS		
Miscellaneous Amortization	0	0
Other Income Deductions	9,454,525	5,772,817
Total Income Deductions	9,454,525	5,772,817
Income Before Interest Charges	247,792,192	(1,472,592)
INTEREST CHARGES		
Interest on Long-Term Debt	84,867,008	(325,214)
Amortization of Debt Discount and Expense	5,069,064	(1,894,271)
Amortization of Premium on Debt - Credit	0	0
Interest on Debt to Associated Companies	0	0
Other Interest Expense	14,403,071	(135,533)
Interest Charged to Construction - Credit	(1,188,952)	(2,213,852)
Total Interest Charges	103,150,191	(4,568,870)
Net Income	\$144,642,001	\$3,096,278

STATEMENT OF EARNED SURPLUS

Unappropriated Earned Surplus (at beginning of period)	\$291,785,826	\$34,441,666
Balance Transferred from Income	144,642,001	3,096,278
Preferred Stock Issuance Expense and Redemption Premium Amortization	(3,674,137)	(2,769,267)
Miscellaneous Debits to Surplus	0	0
Appropriations of Surplus	0	0
Net Additions to Earned Surplus	140,967,864	327,011
Dividends Declared - Preferred Stock	13,149,133	(2,215,800)
Dividends Declared - Common Stock	91,208,149	373,895
Unappropriated Earned Surplus (at end of period)	\$328,396,408	\$36,610,582

ELECTRIC OPERATING REVENUES

Account	Operating Revenues	
	Amount for Year	Increase or (Decrease) from Preceding Year
Residential Sales	\$471,435,437	\$20,342,399
Commercial and Industrial Sales		
Small (or Commercial)	878,306,660	52,665,568
Large (or Industrial)	148,246,195	(194,911)
Public Street and Highway Lighting	24,810,646	379,632
Other Sales to Public Authorities	0	0
Sales to Railroad and Railways	0	0
Interdepartmental Sales	0	0
Miscellaneous Electric Sales	0	0
Total Sales to Ultimate Consumers	1,522,798,938	73,192,688
Sales for Resale	206,063,467	14,062,085
Total Sales of Electricity	1,728,862,405	87,254,773
OTHER OPERATING REVENUES		
Forfeited Discounts	3,503,537	(466,524)
Miscellaneous Service Revenues	54,790	(189,675)
Sales of Water and Water Power	0	0
Rent from Electric Property	7,898,076	(983,992)
Interdepartmental Rents	0	0
Other Electric Revenues and Provision for Rate Refunds	28,392,700	24,574,193
Total Other Operating Revenues	39,849,103	22,934,002
Total Electric Operating Revenues	\$1,768,711,508	\$110,188,775

SUMMARY OF ELECTRIC OPERATION AND MAINTENANCE EXPENSES

Functional Classification	Operation	Maintenance	Total
Power Production Expenses			
Electric Generation:			
Steam Power	\$282,266,174	\$20,323,144	\$302,589,318
Nuclear Power	99,101,820	35,009,177	134,110,997
Hydraulic Power	0	0	0
Other Power	2,551,868	326,672	2,878,540
Other Power Supply Expenses	371,292,822	0	371,292,822
Total Power Production Expenses	755,212,684	55,658,993	810,871,677
Transmission Expenses	24,235,318	2,770,781	27,006,099
Distribution Expenses	51,675,399	26,557,592	78,232,991
Customer Accounts Expenses	37,294,259	0	37,294,259
Customer Service and Informational Expenses	20,251,197	0	20,251,197
Sales Expenses	8,496,131	0	8,496,131
Administrative and General Expenses	125,657,571	0	125,657,571
Total Electric Operation and Maintenance Expenses	\$1,022,822,559	\$84,987,366	\$1,107,809,925

BALANCE SHEET

Title of Account	Balance End of Year	Title of Account	Balance End of Year
UTILITY PLANT		PROPRIETARY CAPITAL	
Utility Plant	\$4,799,713,822	CAPITAL STOCK	
OTHER PROPERTY AND INVESTMENTS		Common Stock Issued	\$48,514,973
Nonutility Property	2,115,494	Preferred Stock Issued	169,000,000
Investment in Associated Companies	44,017,545	Capital Stock Subscribed	0
Other Investments	4,566,983	Premium on Capital Stock	702,471,949
Special Funds	158,832,130	Total	919,986,922
Total Other Property and Investments	209,532,152	SURPLUS	
CURRENT AND ACCRUED ASSETS		Other Paid-In Capital	(5,906,836)
Cash	1,857,974	Earned Surplus	328,396,408
Special Deposits	0	Surplus Invested in Plant	405,485
Working Funds	96,800	Total	322,895,057
Temporary Cash Investments		Total Proprietary Capital	1,242,881,979
Notes and Accounts Receivable	183,821,558	LONG-TERM DEBT	
Receivables from Associated Companies	5,142,338	Bonds	15,000,000
Materials and Supplies	58,911,339	Advances from Associated Companies	0
Prepayments	24,811,700	Other Long-Term Debt	1,115,000,000
Interest and Dividends Receivable	0	Total Long-Term Debt	1,130,000,000
Rents Receivable	(31,191)	CURRENT AND ACCRUED LIABILITIES	
Accrued Utility Revenues	30,048,000	Notes Payable	129,500,000
Misc. Current and Accrued Assets	6,402,529	Accounts Payable	77,590,947
Total Current and Accrued Assets	311,061,047	Payables to Associated Companies	929,987
DEFERRED DEBITS		Customer Deposits	1,994,496
Unamortized Debt Discount and Expense	7,906,635	Taxes Accrued	(630,132)
Extraordinary Property Losses	0	Interest Accrued	24,210,973
Preliminary Survey and Investigation		Dividends Declared	24,748,287
Charges	0	Matured Long-Term Debt	0
Clearing Accounts	0	Matured Interest	0
Temporary Facilities	535,302	Tax Collections payable	1,831,177
Miscellaneous Deferred Debits	302,353,854	Misc. Current and Accrued Liabilities	94,742,149
Total Deferred Debits	310,795,791	Total Current and Accrued Liabilities	354,917,884
CAPITAL STOCK DISCOUNT AND EXPENSE		DEFERRED CREDITS	
Discount on Capital Stock	0	Unamortized Premium on Debt	0
Capital Stock Expense	7,778,490	Customer Advances for Construction	1,132,230
Total Capital Stock Discount and Expense	7,778,490	Other Deferred Credits	231,079,907
REACQUIRED SECURITIES		Total Deferred Credits	232,212,137
Reacquired Capital Stock	0	RESERVES	
Reacquired Bonds	0	Reserves for Depreciation	1,703,280,681
Total Reacquired Securities	0	Reserves for Amortization	283,787,119
Total Assets and Other Debits	\$5,638,881,302	Reserve for Uncollectible Accounts	2,000,000
		Operating Reserves	38,442,765
		Reserve for Nuclear Decommissioning	155,181,892
		Reserves for Deferred Federal Income Taxes and ITC, net	496,176,845
		Total Reserves	2,678,869,302
		CONTRIBUTIONS IN AID OF CONSTRUCTION	
		Contributions in Aid of Construction	0
		Total Liabilities and Other Credits	\$5,638,881,302

NOTES:

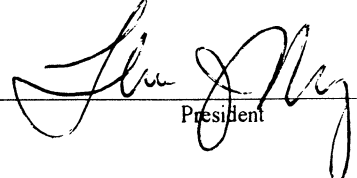
GAS OPERATING REVENUES

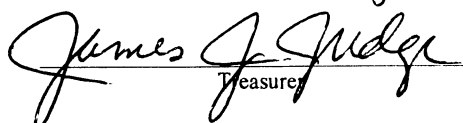
Account	Operating Revenues	
	Amount for Year	Increase or (Decrease) from Preceding Year
SALES OF GAS	\$	\$
Residential Sales		
Commercial and Industrial Sales		
Small (or Commercial)		
Large (or Industrial)		
Other Sales to Public Authorities		
Interdepartmental Sales		
Miscellaneous Gas Sales		
Total Sales to Ultimate Consumers		
Sales for Resale		
Total Sales of Gas		
OTHER OPERATING REVENUES		
Forfeited Discounts		
Miscellaneous Service Revenues		
Revenues from Transportation of Gas of Others		
Sales of Products Extracted from Natural Gas		
Revenues from Natural Gas Processed by Others		
Rent from Gas Property		
Interdepartmental Rents		
Other Gas Revenues		
Total Other Operating Revenues		
Total Gas Operating Revenues	0	0

SUMMARY OF GAS OPERATION AND MAINTENANCE EXPENSES

Functional Classification	Operation	Maintenance	Total
Steam Production	\$	\$	\$
Manufactured Gas Production			
Other Gas Supply Expenses			
Total Production Expenses			
Local Storage Expenses			
Transmission and Distribution Expenses			
Customer Accounts Expenses			
Sales Expenses			
Administrative and General Expenses			
Total Gas Operation and Maintenance Expenses	0	0	0

March 31, 1998, I hereby certify that the foregoing statements are full, just and true to the best of my knowledge and belief. This statement is signed under the penalties of perjury.


President


Treasurer


BOSTON EDISON
800 Boylston Street
Boston, Massachusetts 02199

RECEIVED BY
98 APR -1 AM 10 21
CAMBRIDGE MA.

March 31, 1998

Dear Town or City Clerk,

In accordance with Massachusetts General Law, Chapter 164, section 84A, enclosed is a copy of the Condensed Financial Return of the Boston Edison Company for the year ended December 31, 1997.

Sincerely,



Carla J. Dacey
Accounting Manager

Enclosure

Consent Communication #9

F-37

A communication was received from
Carla J. Dacey, Accounting Manager,
Boston Edison, transmitting a
copy of the Condensed Financial
Return of the Boston Edison Company
for the year ended December 31, 1997.

In City Council April 13, 1998

Referred to the City Manager