

DEPARTMENT OF TELECOMMUNICATIONS & ENERGY

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

CONDENSED FINANCIAL RETURN

FOR YEAR ENDED DECEMBER 31, 2000

NSTAR GAS COMPANY

FULL NAME OF COMPANY

800 BOYLSTON STREET

LOCATION OF PRINCIPAL BUSINESS OFFICE

BOSTON, MA 02199

STATEMENT OF INCOME FOR THE YEAR

Item	Current Year	Increase or (Decrease) from Preceding Year
OPERATING INCOME		
Operating Revenues	\$372,325,955	\$82,093,201
Operating Expenses		
Operation Expense	288,612,105	61,233,410
Maintenance Expense	8,239,735	(2,850,517)
Depreciation Expense	11,627,860	137,754
Amortization of Utility Plant	699,918	369,984
Amortization of Property Losses	3,303,900	2,209,720
Amortization of Investment Tax Credit	(194,825)	2,114
Taxes other than Income Taxes	10,897,075	(282,041)
Income Taxes	12,980,493	5,954,800
Provisions for Deferred Federal Income Taxes	1,243,711	421,316
Federal Income Taxes Deferred In Prior Years..(Credit)	(293,151)	1,257,473
Total Operating Expenses	337,116,821	68,454,013
Net Operating Revenues	35,209,134	13,639,188
Income from Utility Plant Leased to Others		
Other Utility Operating Income		
Total Utility Operating Income	35,209,134	13,639,188
OTHER INCOME		
Income from Mdse. Jobbing & Contract Work	16,233	(1,040,392)
Income from Nonutility Operations		
Nonoperating Rental Income	98,343	7,687
Interest and Dividend Income	43,513	(311,321)
Miscellaneous Nonoperating Income	(113,763)	(210,628)
Total Other Income	44,326	(1,554,654)
Total Income	35,253,460	12,084,534
MISCELLANEOUS INCOME DEDUCTIONS		
Miscellaneous Amortization	205,510	(318,337)
Other Income Deductions		
Total Income Deductions	205,510	(318,337)
Income Before Interest Charges	35,047,950	12,402,871
INTEREST CHARGES		
Interest on Long-Term Debt	8,005,440	(328,136)
Amortization of Debt Discount and Expense	53,683	(2,713)
Amortization of Premium on Debt-Credit		
Interest on Debt to Associated Companies	662,276	331,576
Other Interest Expense	2,338,961	(568,995)
Interest Charged to Construction-Credit	(278,372)	(189,703)
Total Interest Charges	10,781,988	(757,971)
Net Income	\$24,265,962	\$13,160,842

BALANCE SHEET

Title of Account	Balance End of Year	Title of Account	Balance End of Year
UTILITY PLANT		PROPRIETARY CAPITAL	
Utility Plant.....	\$429,029,151	CAPITAL STOCK	
		Common Stock Issued.....	\$71,425,000
OTHER PROPERTY AND INVESTMENTS		Preferred Stock Issued.....	0
Nonutility Property.....	2,095,522	Capital Stock Subscribed.....	0
Investment in Associated Companies.....	0	Premium on Capital Stock.....	108,369,993
Other Investments.....	1,164,892	Total.....	179,794,993
Special Funds.....	20,675		
Total Other Property and Investments	3,281,089	SURPLUS	
CURRENT AND ACCRUED ASSETS		Other Paid-In Capital.....	0
Cash.....	2,212,212	Earned Surplus.....	19,902,852
Special Deposits.....	0	Surplus Invested in Plant.....	0
Working Funds.....	(11,200)	Total.....	19,902,852
Temporary Cash Investments.....	0	Total Propriety Capital.....	199,697,845
Notes and Accounts Receivable.....	63,025,974		
Receivables from Associated Companies.....	5,742,152	LONG-TERM DEBT	
Materials and Supplies.....	38,827,500	Bonds.....	93,571,429
Prepayments.....	14,111,672	Advances from Associated Companies.....	0
Interest and Dividends Receivable.....	0	Other Long-Term Debt.....	4,928,571
Rents Receivable.....	0	Total Long-Term Debt.....	98,500,000
Accrued Utility Revenues.....	26,742,318		
Misc. Current and Accrued Assets.....	0	CURRENT AND ACCRUED LIABILITIES	
Total Current and Accrued Assets.....	150,650,628	Notes Payable.....	36,900,000
DEFERRED DEBITS		Accounts Payable.....	44,769,129
Unamortized Debt Discount and Expense.....	825,664	Payables to Associated Companies.....	58,848,255
Extraordinary Property Losses.....	0	Customer Deposits.....	1,599,542
Preliminary Survey and Investigation Charges.....	163,139	Taxes Accrued.....	13,478,887
Clearing Accounts.....	0	Interest Accrued.....	1,423,166
Temporary Facilities.....	0	Dividends Declared.....	0
Miscellaneous Deferred Debits.....	123,578,235	Matured Long-Term Debt.....	0
Total Deferred Debits.....	124,567,038	Matured Interest.....	0
		Tax Collections Payable.....	261,166
CAPITAL STOCK DISCOUNT AND EXPENSE		Misc. Current and Accrued Liabilities.....	34,230,515
Discount on Capital Stock.....	0	Total Current and Accrued Liabilities.....	191,510,660
Capital Stock Expense.....	0	DEFERRED CREDITS	
Total Capital Stock Discount and Expense.....	0	Unamortized Premium on Debt.....	0
		Customer Advances for Construction.....	1,450,000
REACQUIRED SECURITIES		Other Deferred Credits.....	26,590,270
Reacquired Capital Stock.....	0	Total Deferred Credits.....	28,040,270
Reacquired Bonds.....	0		
Total Reacquired Securities.....	0	RESERVES	
Total Assets and Other Debits.....	\$707,527,906	Reserves for Depreciation.....	137,666,435
		Reserves for Amortization.....	4,280,685
		Reserves for Uncollectible Accounts.....	3,100,793
		Operating Reserves.....	7,398,702
		Reserve for Depreciation and Amortization of Nonutility Property.....	370
		Reserves for Deferred Income Taxes.....	37,332,146
		Total Reserves.....	189,779,131
		CONTRIBUTIONS IN AID OF CONSTRUCTION	
		Contributions in Aid of Construction.....	0
		Total Liabilities and Other Credits.....	\$707,527,906

STATEMENT OF EARNED SURPLUS

Account	Amount for Year	Inc/(Dec) from Preceding Year
Unappropriated Earned Surplus (at beginning of period).....	5,236,890	(12,760,751)
Balance Transferred from Income.....	24,265,962	13,160,842
Miscellaneous Credits to Surplus.....	0	0
Miscellaneous Debits to Surplus.....	0	0
Appropriations of Surplus.....	0	0
Net Additions to Earned Surplus.....	24,265,962	13,160,842
Dividends Declared-Preferred Stock.....	0	0
Dividends Declared-Common Stock.....	9,600,000	(4,685,000)
Unappropriated Earned Surplus (at end of period).....	19,902,852	5,085,091

ELECTRIC OPERATING REVENUES

Account	Operating Revenues	
	Amount for Year	Inc/(Dec) from Preceding Year
SALES OF ELECTRICITY	\$	
Residential Sales.....		
Commercial and Industrial Sales.....		
Small (or Commercial).....		
Large (or Industrial).....		
Public Street and Highway Lighting.....		
Other Sales to Public Authorities.....		
Sales to Railroad and Railways.....		
Interdepartmental Sales.....		
Miscellaneous Electric Sales.....		
Total Sales to Ultimate Consumers.....		
Sales for Resale.....		
Less: Provision for Rate Refunds.....		
Total Sales of Electricity.....		
OTHER OPERATING REVENUES		
Forfeited Discounts.....		
Miscellaneous Service Revenues.....		
Sales of Water and Water Power.....		
Rent from Electric Property.....		
Interdepartmental Rents.....		
Other Electric Revenues.....		
Total Other Operating Revenues.....		
Total Electric Operating Revenues.....	None	None

SUMMARY OF ELECTRIC OPERATION AND MAINTENANCE EXPENSES

Functional Classification	Operation	Maintenance	Total
Power Production Expenses.....		\$	\$
Electric Generation.....			
Steam Power.....			
Nuclear Power.....			
Hydraulic Power.....			
Other Power.....			
Other Power Supply Expenses.....			
Total Power Production Expenses.....			
Transmission Expenses.....			
Distribution Expenses.....			
Customer Accounts Expenses.....			
Sales Expenses.....			
Administrative and General Expenses.....			
Total Electric Operation and Maintenance Expenses.....	None	None	None

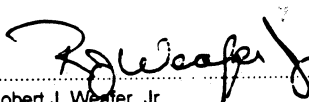
GAS OPERATING REVENUES

Account	Operating Revenues	
	Amount for Year	Increase or (Decrease) from Preceding Year
SALES OF GAS		
Residential Sales.....	\$ 215,799,717	\$ 335,503,810
Commercial and Industrial Sales		
Small (or Commercial).....	82,895,643	15,126,151
Large (or Industrial).....	9,617,709	734,491
Other Sales to Public Authorities.....	10,201,834	742,968
Interdepartmental Sales.....	0	0
Miscellaneous Gas Sales.....	19,613,042	18,732,334
Total Sales to Ultimate Consumers.....	338,127,945	70,839,754
Sales for Resale.....	12,243,607	5,286,385
Total Sales of Gas.....	350,371,552	76,126,139
OTHER OPERATING REVENUES		
Forfeited Discounts-Late Payment Charges.....	376,831	77,350
Miscellaneous Service Revenues.....	2,091,832	253,856
Revenues from Transportation of Gas to Others.....	18,917,289	5,664,669
Sales of Products Extracted from Natural Gas.....	0	0
Revenues from Natural Gas Processed by Others.....	0	0
Rent from Gas Property.....	160,264	9,377
Interdepartmental Rents.....	0	0
Other Gas Revenues.....	408,137	(38,190)
Total Other Operating Revenues.....	21,954,403	5,967,062
Total Gas Operating Revenues.....	372,325,955	82,093,201

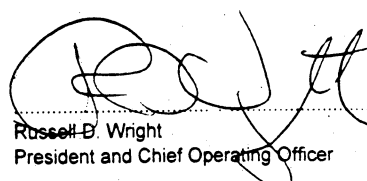
SUMMARY OF GAS OPERATION AND MAINTENANCE EXPENSES

Functional Classification	Operation	Maintenance	Total
Steam Production.....	0	0	0
Manufactured Gas Production.....	0	0	0
Other Gas Supply Expenses.....	223,645,329	0	223,645,329
Total Production Expenses.....	223,645,329	0	223,645,329
Local Storage Expenses.....	325,321	233,374	558,695
Transmission and Distribution Expense.....	22,019,065	7,993,473	30,012,538
Customer Accounts Expense.....	12,416,310	0	12,416,310
Sales Expense.....	3,365,516	0	3,365,516
Administrative and General Expenses.....	26,840,564	12,888	26,853,452
Total Gas Operation and Maintenance Expenses.....	288,612,105	8,239,735	296,851,840

April 24, 2001, 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.


Robert J. Weaver, Jr.

Vice President, Controller and Chief Accounting Officer


Russell D. Wright

President and Chief Operating Officer

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Consent Communication #3

A communication was received from the Department of Telecommunications and Energy, transmitting a copy of Nstar Gas Company's condensed financial return for the year ending December 31, 2000.

In City Council May 14, 2001

PLACED ON FILE