

Department of Telecommunications and Energy

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

CONDENSED FINANCIAL RETURN

For the year ended December 31, 2002

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	1,980,016,280	2,494,296
Operating Expenses:		
Operation Expense	1,405,144,058	14,672,150
Maintenance Expense	26,099,476	3,009,044
Depreciation Expense	74,005,760	4,875,857
Amortization of Utility Plant	91,933,073	-1,578,217
Amortization of Property Losses	0	0
Amortization of Conversion Expenses	0	0
Taxes Other Than Income Taxes	70,071,395	299,819
Income Taxes and ITC	59,476,273	-83,521,257
Provisions for Deferred Federal/State Income Taxes	30,596,127	80,741,181
Federal Income Taxes Deferred in Prior Years-Cr	0	0
Total Operating Expenses	1,757,326,162	18,498,577
Net Operating Revenues	222,690,118	-16,004,281
Income from Utility Plant Leased to Others	0	0
Other Utility Operating Income	0	0
Total Utility Operating Income	222,690,118	-16,004,281
OTHER INCOME		
Income from Mdse. Jobing & Contract Work	0	0
Income from Nonutility Operations	1,694,916	-182,036
Nonoperating Rental Income	0	0
Interest and Dividend Income	833,913	-2,272,266
Miscellaneous Nonoperating Income	3,382,955	-5,133,536
Total Other Income	5,911,784	-7,587,838
Total Income	228,601,902	-23,592,119
MISCELLANEOUS INCOME DEDUCTIONS		
Miscellaneous Amortization	0	0
Other Income Deductions	2,985,892	-3,792,386
Total Income Deductions	2,985,892	-3,792,386
Income Before Interest Charges	225,616,010	-19,799,733
INTEREST CHARGES		
Interest on Long-Term Debt	43,092,709	1,839,212
Amortization of Debt Discount and Expense	2,153,206	272,263
Amortization of Premium on Debt - Credit	0	0
Interest on Debt to Associated Companies	0	0
Other Interest Expense	47,897,054	-5,002,691
Interest Charged to Construction - Credit	-1,630,021	-658,350
Total Interest Charges	91,512,948	-3,549,566
Net Income	134,103,062	-16,250,167

STATEMENT OF EARNED SURPLUS			
Unappropriated Earned Surplus (at beginning of period)	427,744,303	75,018,413	
Balance Transferred from Income	134,103,062	-16,250,167	
Preferred Stock Issuance Expense and Redemption Premium Amortization	0	-117,297	
Miscellaneous Debits to Surplus	0	481,242	
Appropriations of Surplus (Transfer of BETG to BEC Energy)		0	
Net Additions to Earned Surplus	134,103,062	-15,886,222	
Dividends Declared - Preferred Stock	1,960,000	-3,666,667	
Dividends Declared - Common Stock	84,300,000	14,955,796	
Unappropriated Earned Surplus (at end of period)	475,587,365	47,843,062	
ELECTRIC OPERATING REVENUES			
	Operating Revenues		
	Amount for Year	Increase or (Decrease) from Preceding Year	
Residential Sales	522,349,670	-48,065,704	
Commercial and Industrial Sales			
Small (or Commercial)	856,717,430	-183,039,249	
Large (or Industrial)	112,865,519	-49,492,597	
Public Street and Highway Lighting	18,505,085	-5,683,096	
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	1,510,437,704	-286,280,646	
Sales for Resale	370,786,451	297,168,920	
Total Sales of Electricity	1,881,224,155	10,888,274	
OTHER OPERATING REVENUES			
Forfeited Discounts	3,568,656	-1,458,577	
Miscellaneous Service Revenues	57,120	28,510	
Sales of Water and Water Power	0	0	
Rent from Electric Property	11,020,129	40,197	
Interdepartmental Rents	0	0	
Other Electric Revenues and Provision for Rate Refunds	84,146,220	-7,004,108	
Total Other Operating Revenues	98,792,125	-8,393,978	
Total Electric Operating Revenues	1,980,016,280	2,494,296	
SUMMARY OF ELECTRIC OPERATION AND MAINTENANCE EXPENSES			
Functional Classification	Operation	Maintenance	Total
Power Production Expenses			
Electric Generation:			
Steam Power	0	0	0
Nuclear Power	0	0	0
Hydraulic Power	0	0	0
Other Power	0	0	0
Other Power Supply Expenses	1,066,234,057	0	1,066,234,057
Total Power Production Expenses	1,066,234,057	0	1,066,234,057
Transmission Expenses	87,066,268	3,084,424	90,150,692
Distribution Expenses	60,020,099	23,015,052	83,035,151
Customer Accounts Expenses	41,053,580	0	41,053,580
Customer Service and Informational Expenses	52,585,557	0	52,585,557
Sales Expenses	3,274,098	0	3,274,098
Administrative and General Expenses	94,910,399	0	94,910,399
Total Electric Operation and Maintenance Expenses	1,405,144,058	26,099,476	1,431,243,534

Balance Sheet

Title of Account		Title of Account	
Balance End of Year		Balance End of Year	
UTILITY PLANT		PROPRIETARY CAPITAL	
Utility Plant		CAPITAL STOCK	
		Common Stock Issued	
		Preferred Stock Issued	
		Capital Stock Subscribed	
		Premium on Capital Stock	
		Total	
		SURPLUS	
		Other Paid-In Capital	
		Earned Surplus	
		Surplus Invested in Plant	
		Total	
		Total Proprietary Capital	
		LONG-TERM DEBT	
		Bonds	
		Advances from Associated Companies	
		Other Long-Term Debt	
		Total Long-Term Debt	
		CURRENT AND ACCRUED LIABILITIES	
		Notes Payable	
		Accounts Payable	
		Payables to Associated Companies	
		Customer Deposits	
		Taxes Accrued	
		Interest Accrued	
		Dividends Declared	
		Matured Long-Term Debt	
		Matured Interest	
		Tax Collections payable	
		Misc. Current and Accrued Liabilities	
		Total Current and Accrued Liabilities	
		DEFERRED CREDITS	
		Unamortized Premium on Debt	
		Customer Advances for Construction	
		Other Deferred Credits	
		Total Deferred Credits	
		RESERVES	
		Reserves for Depreciation	
		Reserves for Amortization	
		Reserve for Uncollectible Accounts	
		Operating Reserves	
		Reserve for Nuclear Decommissioning	
		Reserves for Deferred Federal Income Taxes and ITC, net	
		Total Reserves	
		CONTRIBUTIONS IN AID OF CONSTRUCTION	
		Contributions in Aid of Construction	
		Total Liabilities and Other Credits	

NOTES:

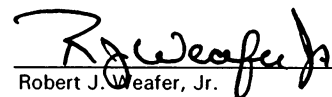
GAS OPERATING REVENUES

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 28, 2003, 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. Weafer, Jr.
 Vice President, Controller
 and Chief Accounting Officer



One NSTAR Way
Westwood, Massachusetts 02090

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March 28, 2003

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CLERK
MASSACHUSETTS

Dear Town or Clerk,

In accordance with Massachusetts General Law, Chapter 164, section 84A, enclosed is a copy of the condensed financial return of Boston Edison Company for the year ended December 31, 2002.

Sincerely,

A handwritten signature in black ink that reads "Carla J. Dacey". The signature is fluid and cursive, with a long horizontal flourish extending from the end.

Carla J. Dacey
Accounting Manager

Enclosure

S-133

Communication #3

A communication was received from NSTAR, transmitting a copy of the condensed financial return of Boston Edison Company for the year ended December 31, 2002.

In City Council April 7, 2003

**REFERRED TO CITY
MANAGER.**