



800 Boylston Street Boston, Massachusetts 02199

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April 30, 2002

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, 2001.

Sincerely,

A handwritten signature in cursive script, appearing to read "Carla J. Dacey", with a long, sweeping flourish extending from the end of the signature.

Carla J. Dacey
Accounting Manager

Enclosure

CJD/kel

2002 MAY -2 P 1:15
OFFICE OF THE CITY CLERK
CAMBRIDGE, MASSACHUSETTS

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, 2001

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	1,977,521,984	311,062,094
Operating Expenses:		
Operation Expense	1,390,471,908	318,084,276
Maintenance Expense	23,090,432	-8,030,965
Depreciation Expense	69,129,903	3,531,532
Amortization of Utility Plant	93,511,290	-4,689,465
Amortization of Property Losses	0	0
Amortization of Conversion Expenses	0	0
Taxes Other Than Income Taxes	69,771,576	13,872,029
Income Taxes and ITC	142,997,530	134,882,067
Provisions for Deferred Federal/State Income Taxes	-50,145,054	-137,307,881
Federal Income Taxes Deferred in Prior Years-Cr	0	0
Total Operating Expenses	1,738,827,585	320,341,593
Net Operating Revenues	238,694,399	-9,279,499
Income from Utility Plant Leased to Others	0	0
Other Utility Operating Income	0	0
Total Utility Operating Income	238,694,399	-9,279,499
OTHER INCOME		
Income from Mdse. Jobing & Contract Work	0	0
Income from Nonutility Operations	1,876,952	182,167
Nonoperating Rental Income	0	0
Interest and Dividend Income	3,106,179	-1,744,248
Miscellaneous Nonoperating Income	8,516,491	3,047,227
Total Other Income	13,499,622	1,485,146
Total Income	252,194,021	-7,794,353
MISCELLANEOUS INCOME DEDUCTIONS		
Miscellaneous Amortization	0	0
Other Income Deductions	6,778,278	1,510,447
Total Income Deductions	6,778,278	1,510,447
Income Before Interest Charges	245,415,743	-9,304,800
INTEREST CHARGES		
Interest on Long-Term Debt	41,253,497	-6,397,876
Amortization of Debt Discount and Expense	1,880,943	-64,195
Amortization of Premium on Debt - Credit	0	0
Interest on Debt to Associated Companies	0	0
Other Interest Expense	52,899,745	-8,265,377
Interest Charged to Construction - Credit	-971,671	1,097,638
Total Interest Charges	95,062,514	-13,629,810
Net Income	150,353,229	4,325,010

STATEMENT OF EARNED SURPLUS

Unappropriated Earned Surplus (at beginning of period)	352,725,890	351,669,978
Balance Transferred from Income	150,353,229	4,325,010
Preferred Stock Issuance Expense and Redemption Premium Amortization	117,297	-226,723,778
Miscellaneous Debits to Surplus	-481,242	-241,926
Appropriations of Surplus (Transfer of BETG to BEC Energy)		0
Net Additions to Earned Surplus	149,989,284	-222,640,694
Dividends Declared - Preferred Stock	5,626,667	-333,333
Dividends Declared - Common Stock	69,344,204	54,344,204
Unappropriated Earned Surplus (at end of period)	427,744,303	75,018,413

ELECTRIC OPERATING REVENUES

	Operating Revenues	
	Amount for Year	Increase or (Decrease) from Preceding Year
Residential Sales	570,415,374	111,269,392
Commercial and Industrial Sales		
Small (or Commercial)	1,039,756,679	232,716,540
Large (or Industrial)	162,358,116	23,825,552
Public Street and Highway Lighting	24,188,181	3,522,034
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	1,796,718,350	371,333,518
Sales for Resale	73,617,531	2,177,207
Total Sales of Electricity	1,870,335,881	373,510,725
OTHER OPERATING REVENUES		
Forfeited Discounts	5,027,233	1,236,505
Miscellaneous Service Revenues	28,610	-10,440
Sales of Water and Water Power	0	0
Rent from Electric Property	10,979,932	1,587,896
Interdepartmental Rents	0	0
Other Electric Revenues and Provision for Rate Refunds	91,150,328	-65,262,592
Total Other Operating Revenues	107,186,103	-62,448,631
Total Electric Operating Revenues	1,977,521,984	311,062,094

SUMMARY OF ELECTRIC OPERATION AND MAINTENANCE EXPENSES

Functional Classification	Operation	Maintenance	Total
Power Production Expenses			
Electric Generation:			
Steam Power	0	0	0
Nuclear Power	303,393	0	303,393
Hydraulic Power	0	0	0
Other Power	0	0	0
Other Power Supply Expenses	1,090,172,940	0	1,090,172,940
Total Power Production Expenses	1,090,476,333	0	1,090,476,333
Transmission Expenses	71,077,664	2,574,819	73,652,483
Distribution Expenses	56,633,879	20,518,726	77,152,605
Customer Accounts Expenses	35,493,948	0	35,493,948
Customer Service and Informational Expenses	53,075,151	0	53,075,151
Sales Expenses	4,983,250	0	4,983,250
Administrative and General Expenses	78,731,683	(3,113)	78,728,570
Total Electric Operation and Maintenance Expenses	1,390,471,908	23,090,432	1,413,562,340

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Balance Sheet

Balance		Balance	
Title of Account	End of Year	Title of Account	End of Year
UTILITY PLANT		PROPRIETARY CAPITAL	
Utility Plant	2,637,446,765	CAPITAL STOCK	
OTHER PROPERTY AND INVESTMENTS		Common Stock Issued	100
Nonutility Property	2,115,494	Preferred Stock Issued	43,000,000
Investment in Associated Companies	22,089,535	Capital Stock Subscribed	0
Other Investments	5,591,157	Premium on Capital Stock	854,178,253
Special Funds	0	Total	897,178,353
Total Other Property and Investments	29,796,186	SURPLUS	
CURRENT AND ACCRUED ASSETS		Other Paid-In Capital	0
Cash	12,230,069	Earned Surplus	427,744,303
Special Deposits	0	Surplus Invested in Plant	405,485
Working Funds	90,584	Total	428,149,788
Temporary Cash Investments	0	Total Proprietary Capital	1,325,328,141
Notes and Accounts Receivable	295,015,401	LONG-TERM DEBT	
Receivables from Associated Companies	3,941,811	Bonds	15,000,000
Materials and Supplies	15,460,854	Advances from Associated Companies	0
Prepayments	240,433,313	Other Long-Term Debt	516,000,000
Interest and Dividends Receivable	0	Total Long-Term Debt	531,000,000
Rents Receivable	-161,389	CURRENT AND ACCRUED LIABILITIES	
Accrued Utility Revenues	29,081,000	Notes Payable	707,130,278
Misc. Current and Accrued Assets	434,000	Accounts Payable	89,498,132
Total Current and Accrued Assets	596,525,643	Payables to Associated Companies	96,432,292
DEFERRED DEBITS		Customer Deposits	1,021,064
Unamortized Debt Discount and Expense	3,224,343	Taxes Accrued	2,632,467
Extraordinary Property Losses	0	Interest Accrued	10,498,271
Preliminary Survey and Investigation		Dividends Declared	326,666
Charges	0	Matured Long-Term Debt	0
Clearing Accounts	0	Matured Interest	0
Temporary Facilities	1,227,220	Tax Collections payable	1,653,628
Miscellaneous Deferred Debits	1,101,573,542	Misc. Current and Accrued Liabilities	53,510,902
Total Deferred Debits	1,106,025,105	Total Current and Accrued Liabilities	962,703,700
CAPITAL STOCK DISCOUNT AND EXPENSE		DEFERRED CREDITS	
Discount on Capital Stock	0	Unamortized Premium on Debt	0
Capital Stock Expense	6,335,078	Customer Advances for Construction	1,968,504
Total Capital Stock Discount and Expense	6,335,078	Other Deferred Credits	139,747,143
REACQUIRED SECURITIES		Total Deferred Credits	141,715,647
Reacquired Capital Stock	0	RESERVES	
Reacquired Bonds	0	Reserves for Depreciation	858,260,087
Total Reacquired Securities	0	Reserves for Amortization	0
Total Assets and Other Debits		Reserve for Uncollectible Accounts	24,685,882
	4,376,128,777	Operating Reserves	16,716,616
		Reserve for Nuclear Decommissioning	0
		Reserves for Deferred Federal Income Taxes and ITC, net	515,718,704
		Total Reserves	1,415,381,289
		CONTRIBUTIONS IN AID OF CONSTRUCTION	
		Contributions in Aid of Construction	0
		Total Liabilities and Other Credits	
			4,376,128,777

NOTES:

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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

April 30, 2002, 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

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Communication #5

A communication was received from NSTAR Electric and Gas Corporation, transmitting Boston Edison Company's Condensed Financial Return for year ended December 31, 2001.

In City Council May 6, 2002

**REFERRED TO THE CITY
MANAGER AND PUBLIC
SAFETY COMMITTEE.**