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| DEPARTMENT OF PUBLIC UTILITIES                                      |                    |                                            |
|---------------------------------------------------------------------|--------------------|--------------------------------------------|
| This statement is filed in accordance with Chapter 164, Section 84A |                    |                                            |
| CONDENSED FINANCIAL RETURN                                          |                    |                                            |
| FOR YEAR ENDED DECEMBER 31, 2000                                    |                    |                                            |
| CAMBRIDGE ELECTRIC LIGHT 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 |
| <b>OPERATING INCOME</b>                                             |                    |                                            |
| Operating Revenues.....                                             | \$ 115,260,725     | \$ 3,514,410                               |
| Operating Expenses.....                                             |                    |                                            |
| Operation Expense.....                                              | 92,008,373         | (6,476,245)                                |
| Maintenance Expense.....                                            | 1,798,564          | (1,597,220)                                |
| Depreciation Expense.....                                           | 3,993,936          | 606,138                                    |
| Amortization of Utility Plant.....                                  | 263                | (99)                                       |
| Amortization of Property Losses.....                                |                    |                                            |
| Amortization of Investment Tax Credit.....                          | (59,439)           | 0                                          |
| Regulatory Debits.....                                              | 857,042            | 474,029                                    |
| Taxes other than Income Taxes.....                                  | 2,332,063          | (379,698)                                  |
| Income Taxes.....                                                   | (5,454,416)        | 8,866,617                                  |
| Provisions for Deferred Federal Income Taxes.....                   | 11,604,376         | (6,552,008)                                |
| Federal Income Taxes Deferred In Prior Years-CR.....                | 1,819,910          | (2,751,220)                                |
| <b>Total Operating Expenses.....</b>                                | <b>105,260,852</b> | <b>(2,307,266)</b>                         |
| <b>Net Operating Revenues.....</b>                                  | <b>9,999,873</b>   | <b>5,821,676</b>                           |
| Income from Utility Plant Leased to Others.....                     |                    |                                            |
| Other Utility Operating Income.....                                 |                    |                                            |
| <b>Total Utility Operating Income.....</b>                          | <b>9,999,873</b>   | <b>5,821,676</b>                           |
| <b>OTHER INCOME</b>                                                 |                    |                                            |
| Allowance for Funds Used During Construction.....                   | 0                  | 0                                          |
| Income from Mdse. Jobbing & Contract Work.....                      | 1,146              | (6,141)                                    |
| Equity in Earning of Subsidiary Companies, net.....                 | 1,271,804          | 1,011,260                                  |
| Income from Nonutility Operations.....                              | 304,054            | (265,333)                                  |
| Nonoperating Rental Income.....                                     | 44,959             | (2,146)                                    |
| Interest and Dividend Income.....                                   | 1,151,477          | 391,574                                    |
| Gain on Disposition of Property.....                                |                    | 0                                          |
| Miscellaneous Nonoperating income.....                              | 0                  | (51,302)                                   |
| <b>Total Other Income.....</b>                                      | <b>2,773,440</b>   | <b>1,077,312</b>                           |
| <b>Total Income.....</b>                                            | <b>12,773,313</b>  | <b>6,898,988</b>                           |
| <b>MISCELLANEOUS INCOME DEDUCTIONS</b>                              |                    |                                            |
| Miscellaneous Amortization.....                                     |                    |                                            |
| Other Income Deductions.....                                        | 51,013             | (173,091)                                  |
| <b>Total Income Deductions.....</b>                                 | <b>51,013</b>      | <b>(173,091)</b>                           |
| <b>Income Before Interest Charges.....</b>                          | <b>12,722,300</b>  | <b>7,072,079</b>                           |
| <b>INTEREST CHARGES</b>                                             |                    |                                            |
| Interest on Long-Term Debt.....                                     | 2,132,729          | 1,225,616                                  |
| Amortization of Debt Discount and Expense.....                      | 26,726             | 21,032                                     |
| Amortization of Premium on Debt-Credit.....                         | 0                  | (426)                                      |
| Interest on Debt to Associated Companies.....                       | 167,467            | 121,099                                    |
| Other Interest Expense.....                                         | 4,061,989          | (1,131,137)                                |
| Interest Charged to Construction-Credit.....                        | 163,971            | 106,951                                    |
| <b>Total Interest Charges.....</b>                                  | <b>6,224,940</b>   | <b>130,085</b>                             |
| <b>Net Income.....</b>                                              | <b>6,497,360</b>   | <b>6,941,994</b>                           |

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| BALANCE SHEET                                        |                        |                                                                          |                        |
|------------------------------------------------------|------------------------|--------------------------------------------------------------------------|------------------------|
| Title of Account                                     | Balance<br>End of Year | Title of Account                                                         | Balance<br>End of Year |
| <b>UTILITY PLANT</b>                                 |                        | <b>PROPRIETARY CAPITAL</b>                                               |                        |
| Utility Plant.....                                   | \$ 144,845,785         | <b>CAPITAL STOCK</b>                                                     |                        |
|                                                      |                        | Common Stock Issued.....                                                 | 8,665,000              |
| <b>OTHER PROPERTY<br/>AND INVESTMENTS</b>            |                        | Preferred Stock Issued.....                                              |                        |
| Nonutility Property.....                             | 7,078,595              | Capital Stock Subscribed.....                                            | 51,042,101             |
| Investment in Associated Companies.....              | 7,732,350              | Premium on Capital Stock.....                                            |                        |
| Other Investments.....                               | 696,385                | Total.....                                                               | 59,707,101             |
| Special Funds.....                                   |                        |                                                                          |                        |
| Total Other Property and Investments                 | 15,507,330             | <b>SURPLUS</b>                                                           |                        |
| <b>CURRENT AND ACCRUED ASSETS</b>                    |                        | Other Paid-In Capital.....                                               | 7,378,343              |
| Cash.....                                            | 371,479                | Earned Surplus.....                                                      |                        |
| Special Deposits.....                                | 3,550                  | Surplus Invested in Plant.....                                           |                        |
| Working Funds.....                                   | 0                      | Total.....                                                               | 7,378,343              |
| Temporary Cash Investments.....                      | 12,880,444             | Total Proprietary Capital.....                                           | 67,085,444             |
| Notes and Accounts Receivable.....                   | 26,139,644             | <b>LONG-TERM DEBT</b>                                                    |                        |
| Receivables from Associated Companies.....           | 428,772                | Bonds.....                                                               |                        |
| Materials and Supplies.....                          | 3,677,775              | Advances from Associated Companies.....                                  | 27,200,000             |
| Prepayments.....                                     | 0                      | Other Long-Term Debt.....                                                |                        |
| Interest and Dividends Receivable.....               | 11,243                 | Total Long-Term Debt.....                                                | 27,200,000             |
| Rents Receivable.....                                | 11,824,738             | <b>CURRENT AND ACCRUED<br/>LIABILITIES</b>                               |                        |
| Accrued Utility Revenues.....                        | 0                      | Notes Payable.....                                                       | 14,600,000             |
| Misc. Current and Accrued Assets.....                | 55,337,645             | Accounts Payable.....                                                    | 13,865,947             |
| Total Current and Accrued Assets...*                 |                        | Payables to Associated Companies.....                                    | 23,110,654             |
| <b>DEFERRED DEBITS</b>                               |                        | Customer Deposits.....                                                   | 1,065,986              |
| Unamortized Debt Discount and Expense.....           | 147,555                | Taxes Accrued.....                                                       | 163,544                |
| Extraordinary Property Losses.....                   |                        | Interest Accrued.....                                                    | 519,362                |
| Preliminary Survey and Investigation<br>Charges..... | 16,286                 | Dividends Declared.....                                                  | 0                      |
| Unamortized Loss on Required Debt.....               |                        | Matured Long-Term Debt.....                                              | 0                      |
| Regulatory Assets.....                               | 58,324,044             | Matured Interest.....                                                    | 0                      |
| Miscellaneous Deferred Debits.....                   | 28,266,828             | Tax Collections Payable.....                                             | 98,523                 |
| Total Deferred Debits.....                           | 86,754,713             | Misc. Current and Accrued Liabilities.....                               | 8,195,977              |
| <b>CAPITAL STOCK DISCOUNT<br/>AND EXPENSE</b>        |                        | Total Current and Accrued Liabilities.....                               | 61,619,993             |
| Discount on Capital Stock.....                       |                        | <b>DEFERRED CREDITS</b>                                                  |                        |
| Capital Stock Expense.....                           |                        | Accumulated Deferred Investment Tax Credit.....                          | 1,154,689              |
| Total Capital Stock Discount and<br>Expense.....     |                        | Unamortized Premium on Debt.....                                         | 503                    |
| <b>REACQUIRED SECURITIES</b>                         |                        | Customer Advances for Construction.....                                  | 435,622                |
| Reacquired Capital Stock.....                        |                        | Other Deferred Credits.....                                              | 64,933,808             |
| Reacquired Bonds.....                                |                        | Total Deferred Credits.....                                              | 66,524,622             |
| Total Reacquired Securities.....                     |                        | <b>RESERVES</b>                                                          |                        |
| Total Assets and Other Debits.....                   | 302,445,473            | Reserves for Depreciation.....                                           | 47,865,412             |
|                                                      |                        | Reserves for Rate Refund.....                                            | 3,686,254              |
|                                                      |                        | Reserves for Amortization.....                                           |                        |
|                                                      |                        | Reserves for Uncollectible Accounts.....                                 | 785,155                |
|                                                      |                        | Operating Reserves.....                                                  |                        |
|                                                      |                        | Reserve for Depreciation and Amortization<br>of Nonutility Property..... | 4,987,557              |
|                                                      |                        | Reserves for Deferred Income Taxes.....                                  | 22,691,036             |
|                                                      |                        | Total Reserves.....                                                      | 80,015,414             |
|                                                      |                        | <b>CONTRIBUTIONS IN AID OF CONSTRUCTION</b>                              |                        |
|                                                      |                        | Contributions in Aid of Construction.....                                |                        |
|                                                      |                        | Total Liabilities and Other Credits.....                                 | 302,445,473            |

## STATEMENT OF EARNED SURPLUS

| Account                                                     | Amount<br>for Year | Inc/(Dec) from<br>Preceding Year |
|-------------------------------------------------------------|--------------------|----------------------------------|
| Unappropriated Earned Surplus (at beginning of period)..... | 6,205,821          | (9,976,134)                      |
| Balance Transferred from Income.....                        | 1,172,522          | 1,617,156                        |
| Miscellaneous Credits to Surplus.....                       |                    |                                  |
| Miscellaneous Debits to Surplus.....                        |                    |                                  |
| Appropriations of Surplus.....                              |                    |                                  |
| Net Additions to Earned Surplus.....                        | 1,172,522          | 1,617,156                        |
| Dividends Declared-Preferred Stock.....                     | 0                  | (9,531,500)                      |
| Dividends Declared-Common Stock.....                        |                    |                                  |
| Unappropriated Earned Surplus (at end of period).....       | 7,378,343          | 1,172,522                        |

## ELECTRIC OPERATING REVENUES

| Account                                 | Operating Revenues |                                  |
|-----------------------------------------|--------------------|----------------------------------|
|                                         | Amount<br>for Year | Inc/(Dec) from<br>Preceding Year |
| <b>SALES OF ELECTRICITY</b>             |                    |                                  |
| Residential Sales.....                  | \$ 17,462,565      | (947,259)                        |
| Commercial and Industrial Sales.....    |                    |                                  |
| Small (or Commercial).....              | 74,068,415         | (6,858,676)                      |
| Large (or Industrial).....              | 3,586,109          | (617,071)                        |
| Public Street and Highway Lighting..... | 1,364,975          | (104,463)                        |
| Other Sales to Public Authorities.....  |                    |                                  |
| Sales to Railroad and Railways.....     |                    |                                  |
| Interdepartmental Sales.....            | 0                  | 0                                |
| Miscellaneous Electric Sales.....       |                    |                                  |
| Total Sales to Ultimate Consumers.....  | 96,482,064         | (8,527,469)                      |
| Sales for Resale.....                   | 6,853,472          | 781,772                          |
| Total Sales of Electricity.....         | 103,335,536        | (7,745,697)                      |
| <b>OTHER OPERATING REVENUES</b>         |                    |                                  |
| Forfeited Discounts.....                | 218,641            | 6,281                            |
| Miscellaneous Service Revenues.....     | 56,163             | 40,466                           |
| Sales of Water and Water Power.....     |                    |                                  |
| Rent from Electric Property.....        | 106,561            | 5,224                            |
| Interdepartmental Rents.....            |                    |                                  |
| Other Electric Revenues.....            | 11,543,824         | 11,208,136                       |
| Total Other Operating Revenues.....     | 11,925,189         | 11,260,107                       |
| Total Electric Operating Revenues.....  | 115,260,725        | 3,514,410                        |

## SUMMARY OF ELECTRIC OPERATION AND MAINTENANCE EXPENSES

| Functional Classification                              | Operation  | Maintenance | Total      |
|--------------------------------------------------------|------------|-------------|------------|
| Power Production Expenses.....                         |            | \$          | \$         |
| Electric Generation.....                               |            |             |            |
| Steam Power.....                                       | 133,279    | 80,453      | 213,732    |
| Nuclear Power.....                                     |            |             |            |
| Hydraulic Power.....                                   |            |             |            |
| Other Power.....                                       | 0          | 0           | 0          |
| Other Power Supply Expenses.....                       | 64,707,876 |             | 64,707,876 |
| Total Power Production Expenses.....                   | 64,841,155 | 80,453      | 64,921,608 |
| Transmission Expenses.....                             | 11,328,551 | 93,005      | 11,421,556 |
| Distribution Expenses.....                             | 4,439,744  | 1,633,529   | 6,073,273  |
| Customer Accounts Expenses.....                        | 6,188,755  |             | 6,188,755  |
| Sales Expenses.....                                    | 310,510    |             | 310,510    |
| Administrative and General Expenses.....               | 4,892,028  | (793)       | 4,891,235  |
| Total Electric Operation and Maintenance Expenses..... | 92,000,743 | 1,806,194   | 93,806,937 |

# GAS OPERATING REVENUES

| Account                                            | Operating Revenues |                                            |
|----------------------------------------------------|--------------------|--------------------------------------------|
|                                                    | Amount for Year    | Increase or (Decrease) from Preceding Year |
| <b>SALES OF GAS</b>                                | <b>NONE</b>        | <b>\$</b>                                  |
| 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.....             | 0                  | 0                                          |
| Sales for Resale.....                              |                    |                                            |
| Total Sales of Gas.....                            | 0                  | 0                                          |
| <b>OTHER OPERATING REVENUES</b>                    |                    |                                            |
| Forfeited Discounts.....                           |                    |                                            |
| Miscellaneous Service Revenues.....                |                    |                                            |
| Revenues from Transportation of Gas to 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.....                | 0                  | 0                                          |
| Total Gas Operating Revenues.....                  | 0                  | 0                                          |

## SUMMARY OF GAS OPERATION AND MAINTENANCE EXPENSES

| Functional Classification                         | Operation | Maintenance | Total |
|---------------------------------------------------|-----------|-------------|-------|
|                                                   | NONE      | NONE        | NONE  |
| Steam Production.....                             |           |             | 0     |
| Manufactured Gas Production.....                  |           |             | 0     |
| Other Gas Supply Expenses.....                    |           |             | 0     |
| Total Production Expenses.....                    | 0         | 0           | 0     |
| Local Storage Expenses.....                       |           |             | 0     |
| Transmission and Distribution Expense.....        |           |             | 0     |
| Customer Accounts Expense.....                    |           |             | 0     |
| Sales Expense.....                                |           |             | 0     |
| Administrative and General Expenses.....          |           |             | 0     |
| Total Gas Operation and Maintenance Expenses..... | 0         | 0           | 0     |

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

Russell D. Wright  
President and Chief Operating  
Officer

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**Consent Communication #5**

A communication was received from the Department of Public Utilities, transmitting a copy of Cambridge Electric Light Company's condensed financial return for the year ending December 31, 2000.

**In City Council May 14, 2001**

**PLACED ON FILE**