



2017 Sustainability Report

*Focusing on 2017 sustainability initiatives
and strategic priorities*



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CEO'S MESSAGE

Eversource experienced an outstanding year in 2017 providing our customers with top-tier service and progressing towards our goal of being the best energy company in the nation.

We achieved excellent financial performance, arranged for the sale of our New Hampshire generation facilities, and, with the addition of the Aquarion Water Company, entered a new business line with many growth opportunities, becoming the only U.S. electric utility to also own a water utility. The accomplishment we are most proud of is achieving our best year ever for employee safety. In a year of extreme weather events and mutual aid deployments from Florida to Maine, Eversource employees reduced safety-related incidents by 37 percent compared to 2016, which was previously the best year ever. It is a remarkable achievement.

Our work on behalf of our communities also involves our efforts to become the catalyst for clean energy development in New England. We began construction of 62 megawatts of solar generation in Massachusetts, which we expect to complete in 2018. We've initiated two new clean energy initiatives for our customers: the build-out of infrastructure for electric vehicle charging stations and the installation of large-scale battery storage on Cape Cod and Martha's Vineyard. With our partner Ørsted, we boldly look to the future of offshore wind in New England and beyond.

Eversource has been nationally recognized as a top provider of energy efficiency programs. Partly due to those programs, Eversource was nationally recognized for its leadership in corporate sustainability and environmental performance, placing 20th among 500 U.S. companies in Newsweek magazine's annual Green Rankings list. We invested a record \$2.5 billion in our electric and natural gas delivery systems and customer service infrastructure in 2017. We continued to support the reliability of the regional electric system with enhanced vegetation management and resiliency work, and we continued to grow our natural gas network, installing nearly 43 miles of new pipeline in Connecticut and Massachusetts and adding more than 10,000 new heating customers for the fifth year in a row.

We continue to execute a strategic plan to advance diversity and inclusion, from our expanded workforce across all our operations, to our Board of Trustees. A diverse, engaged workforce and inclusive culture contributes to our success and sustainability. We remain committed partners in our communities, with about \$5 million in financial donations and grants in 2017. This includes our support of low-income housing development in Connecticut and the sponsorship of prominent signature events in all three states.

I want to thank the 8,000 women and men of Eversource for everything they do to help us serve our customers and our communities. In a time of rapid change and opportunity, we continue to work tirelessly to become the nation's best energy company.

James J. Judge
Chairman, President and Chief Executive Officer



SUSTAINABILITY AT EVERSOURCE

Environmental, social and governance initiatives are integrated into the policies and principles that govern our Company and reflect our commitment to sustainable growth. We are committed to reliability, effective corporate governance, expanding energy options for our region, and promoting environmental stewardship. Our goal is to be the best energy company in the nation, which includes being the leading clean energy utility and providing transparency and clarity about our position on these topics.

Our 2017 Sustainability Report highlights our 2017 progress on sustainability initiatives focused on issues most important to our business. Sustainability at Eversource is managed by a sustainability team, which is overseen by executive level management. Our team meets regularly throughout the year to evaluate our current performance, provide updates to external sustainability reporting agencies, and refine our sustainability strategy to reflect our environmental commitment, operational initiatives and standards. All operational and business disciplines are engaged in our sustainability reporting process.

In 2017, we released our [Commitment to Environmental Sustainability](#), a statement that underscores our environmental priorities and highlights our role as a key catalyst for clean energy. This statement is an important component of our vision for how we conduct our business today and for future generations.

Eversource has been a leader within our industry trade group, the Edison Electric Institute, in standardizing environmental, social and governance (ESG) disclosures. This standardization was completed in 2017 following significant consultation with institutional investors. In December 2017, the nation's electric companies became the first industry in the country to adopt a common set of ESG disclosures, and Eversource Energy was one of the first electric companies to post such disclosures related to 2016 performance on its website. We expect to post our 2017 ESG performance in 2018.

This report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards' Core option. Details of our materiality assessment are available [here](#). Please also see our [GRI Index](#).

Please click to view our [2014 sustainability report](#), [2015 sustainability report](#), and [2016 sustainability report](#).

Report Assurance

The Eversource Energy Internal Audit Department performed a review of the 2017 Eversource Energy Sustainability Report and submitted the following statement:

"Based upon our review, we found the information in the Report is fairly presented. We selected and reviewed a sample of non-financial processes and data used in the preparation of this Report. A comparison of the information was made to the Global Reporting Initiative Standards and interviews were held with selected key management and staff responsible for the preparation of the information presented in the Report. In addition, separate from this review the Eversource Internal Audit Department performs periodic audits of departments responsible for controls over business processes that are responsible for producing data used in this report. Based on these audits, we are not aware of process or control issues that would impact the data integrity of the Eversource Sustainability Report."

EXECUTIVE SUMMARY

Our 2017 sustainability report highlights our progress on sustainability efforts and our ambitious plans for the future. The report focuses on four key aspects of these efforts—our business, our environment, serving our customers and our employees.

Each of these areas offers challenges and opportunities for the future, and in this summary we touch upon some highlights in our efforts to promote sustainability in these areas.

Our Environment

- Release of our *Commitment to Environmental Sustainability* outlining our priorities in the areas of climate leadership, clean energy, accountability and stewardship.
- Addressing the region's energy challenges through clean energy initiatives such as Northern Pass and Bay State Wind are a continued focus, with electric vehicles, battery storage, and other state clean energy initiatives also meriting investment.
- Fugitive emissions from the Eversource gas distribution system have steadily decreased over time and are anticipated to continue to decrease thanks to our aggressive goal to replace steel and cast iron mains and our robust leak mitigation plans.
- In 2017, Eversource and the National Fish and Wildlife Foundation (NFWF) were recognized by the Environmental Business Council of New England for Leadership for dedication to the restoration and sustainability of healthy forests and rivers in New Hampshire. Over the past three years, our partnership with NFWF on our Partners for New Hampshire's Fish and Wildlife program has awarded grants to projects that will open more than 550 miles of fish habitat, and restore more than 2,500 acres of forest.
- In 2017, the American Council for an Energy-Efficient Economy (ACEEE) 2017 Utility Energy Efficiency Scorecard ranked Eversource in Massachusetts #1 and Eversource in Connecticut #4 among the 51 largest U.S. electric utilities.
- Newsweek ranked Eversource in the top 20 out of 500 U.S. companies in 2017 Green Rankings list.

Our Business

- Total return to shareholders in 2017 was 18.0 percent, the eighth time in nine years that we have provided shareholders with a double-digit return.
- No other electric utility peer matches our financial profile. In 2017, Standard & Poor's upgraded Eversource and its subsidiaries' corporate credit rating to A+ and changed the outlook to stable. Our A+ credit rating puts us atop our industry by two notches. Thus far in 2018, Moody's Investors Service raised the corporate credit rating on Aquarion Water Company of CT and Connecticut Light and Power Company to A3 from Baa1, and changed the outlook for NSTAR Electric Company to "Positive."
- Our customers continue to count on us for reliable power, thanks in part to nearly \$2.5 billion in capital investments in our distribution and transmission systems in 2017 - an increase of about 14 percent over 2016.

Serving Our Customers

- We introduced new billing and payment options, streamlined navigation, and more to make Eversource.com faster and easier to use for the approximately 1.5 million customers who use our website each month as a primary source of information and to complete self-service transactions.
- Building on our popular Outage Alerts, we've added more options for receiving proactive account notifications by text, email and phone, including billing and payment alerts and service disconnection alerts.
- It's easier than ever for our customers to [report an electric outage by text](#) and receive on-demand updates on the status of their restoration.
- With the customer at the center of all we do, we've implemented a multi-year plan and investment to transform our customer experience. To develop this plan, we've leveraged Journey Mapping, a best-practice, outside-in technique that looks at a process from the customer's lens, and uses data to identify and prioritize the best opportunities to enhance



the customer's experience. To date, we've completed Journey Mapping in three areas: Start, Stop, and Transfer Service; Planned and Unplanned Outages; and Gas Services.

- Hearing firsthand from our customers about ways we can serve them better is a key driver of our customer experience transformation. Our new, online customer community, The Eversource Advisory Group, enables our customers to communicate with us directly and provide feedback on how we can strengthen their interactions with us.
- In 2017, through our foundations and corporation giving, Eversource provided more than \$5 million in grants to local and regional organizations to support economic and community development, the environment and initiatives that address local, high-priority concerns and needs. We target our giving to ensure the greatest community benefit.

Our People

- Eversource continues to work toward a diverse workforce with a focus on women and minorities in leadership. We exceeded our diversity & inclusion goals including:
 - Diversity Slate: External Female/Minority Candidates Sourced to Total External Candidate Slate Quality of Hire
 - Diversity of Leadership Promotions & Hires
 - Diversity of Talent Pipeline
 - Workforce Representation of Females and Minorities
 - Diversity & Inclusion Category of the Employee Engagement Survey – over 5000 participants, increased favorability by 7% over previous survey results
- In 2017, we achieved our best safety performance ever by achieving first quartile Days Away Restricted or Transferred (DART) incident rate performance and approaching first decile Lost Time Incident (LTI) case incident rate performance.
- Safety performance was achieved by increasing active engagement of all levels of management to improve the safety culture of the entire Eversource community. We are cultivating an environment of improved transparency, trust, accountability and shared responsibility for safety for electric and gas operations in all three states and includes the union leadership. This strategy has enabled safety leadership and key safety initiatives to strengthen our safety culture of continuous improvement resulting in outstanding safety performance across Eversource.

OUR ENVIRONMENT

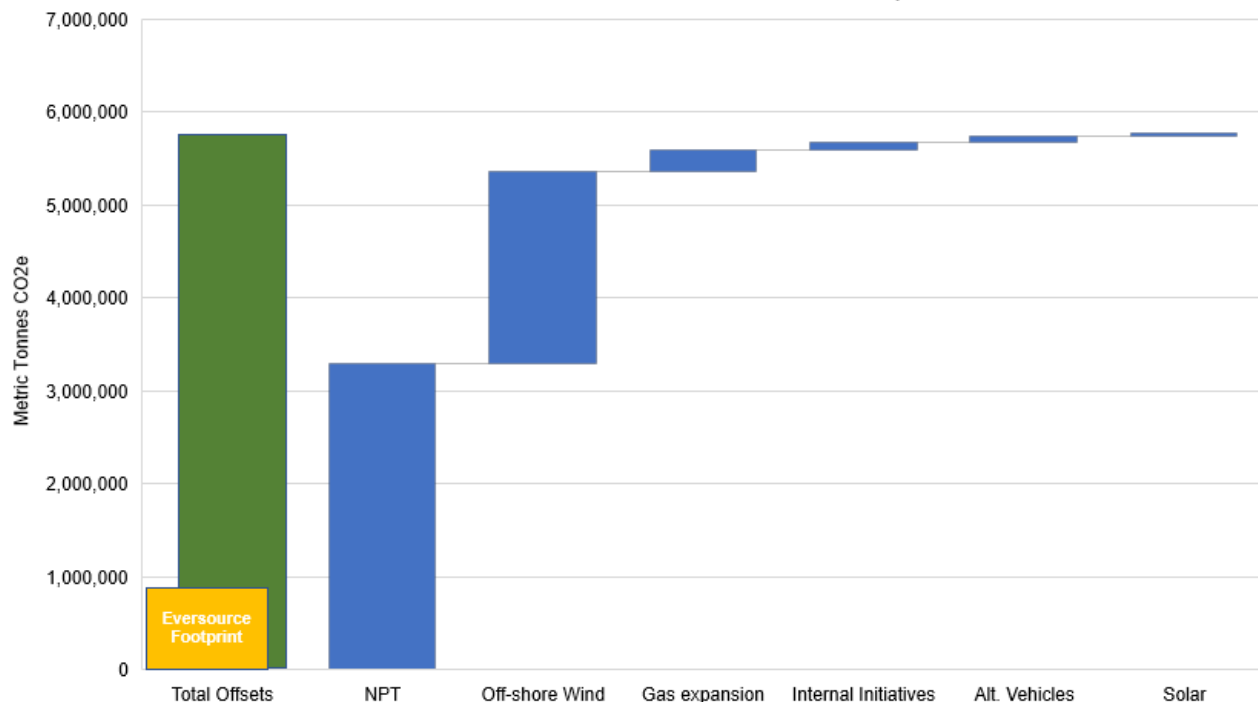
At Eversource, we are proud to be recognized as one of the greenest energy companies in the nation. Our commitment to environmental sustainability is an important component of our vision for how we conduct our business today and for future generations. As a key catalyst for clean energy, we partner with like-minded companies and stakeholders to conduct our business in a responsible and sustainable way, providing the best solutions for our customers and the communities we serve.

Eversource's [Commitment to Environmental Sustainability Statement](#) outlines our environmental priorities, including:

- **Climate Leadership** - We are developing meaningful strategies to reduce our carbon footprint.
- **Clean Energy** - As New England's largest utility and dedicated steward for the environment, we are committed to bringing more clean, affordable and sustainable energy to the region.
- **Accountability** - We hold ourselves accountable for the impact our business might have on the environment, meeting, and in many cases exceeding, all environmental laws and regulatory commitments and requirements.
- **Stewardship** - At Eversource, we value our native resources and take great care to promote conservation and manage natural and cultural resources.

Building on our environmental commitment, Eversource has proposed projects to bring renewable energy to our region, implemented programs that help our customers lower emissions, and set goals to reduce our own footprint. These combined actions have the potential to offset more than six times our own footprint.

Emissions Avoided From Proposed Eversource Programs
Would Offset More Than Six Times Our Footprint



CLIMATE LEADERSHIP

We have developed meaningful strategies to reduce our carbon footprint.

Implementing Strategies to Reduce Regional Carbon Emissions

The carbon intensity of the New England electrical grid is among the lowest in the country and is continuously supported by state reduction goals in Connecticut, Massachusetts and New Hampshire. Each state has its own carbon goal or action plan to reduce greenhouse gas (GHG) emissions, and we work with stakeholders in each agency to contribute to targeted reductions. In 2017, the Massachusetts Department of Environmental Protection passed additional regulations aimed at SF₆ use and methane loss from distribution systems that will support the achievement of its targeted reductions in 2020. In 2018, Connecticut also passed an interim goal of 45% reduction by 2030.

State	Targeted Reduction by 2020 (CT, MA) Targeted Reduction by 2025 (NH)	Targeted Reduction by 2050
Connecticut	10% below 1990 level	80% below 2001 level
Massachusetts	25% below 1990 level	80% below 1990 level
New Hampshire*	20% below 1990 level	80% below 1990 level

*Recommendation of the New Hampshire Climate Change Policy Taskforce

Regional Greenhouse Gas Initiative

Connecticut, New Hampshire and Massachusetts are all members of the Regional Greenhouse Gas Initiative (RGGI), a cooperative effort by northeastern and mid-Atlantic states to develop a regional program for stabilizing and reducing carbon dioxide (CO₂) emissions from fossil fuel-fired electric generating plants. RGGI uses a market based cap and trade approach that allocates carbon allowances through regional auctions. Proceeds of the auctions are invested by the states in consumer benefit programs to improve energy efficiency and accelerate the deployment of renewable energy technologies.

Greenhouse Gas Reduction Strategies

Our strategies to support our region and facilitate achievement of state GHG reduction targets focus on four broad areas:

(1) Reducing customer energy use

This includes expanding energy efficiency opportunities, appropriate deployment of smart grid and related infrastructure; and providing customers with information, management tools and pricing options to promote the use of lower carbon energy.

(2) Adding renewables to the energy mix both through generation or transmission expansion

This includes expanding renewable and low-carbon generation through direct investment as well as developing infrastructure to bring renewable and low-carbon resources to market and offering clean energy options to our electricity customers.

(3) Using electricity or natural gas for emerging end uses, such as transportation

Emerging uses for electricity and natural gas include transportation alternatives and deployment of associated infrastructure to support electric vehicle charging and natural gas vehicle fueling. Other programs include promoting conversion from fuel oil to natural gas, geothermal heat pumps and solar thermal for home heating.

(4) Expanding distribution of natural gas

Expansion of natural gas distribution systems provides more residents and businesses with the opportunity to switch to cleaner-burning, affordable natural gas.

Please see the [Energy Efficiency](#) and [Clean Energy](#) sections for details of national leading initiatives being undertaken by Eversource in these areas.

Our Footprint

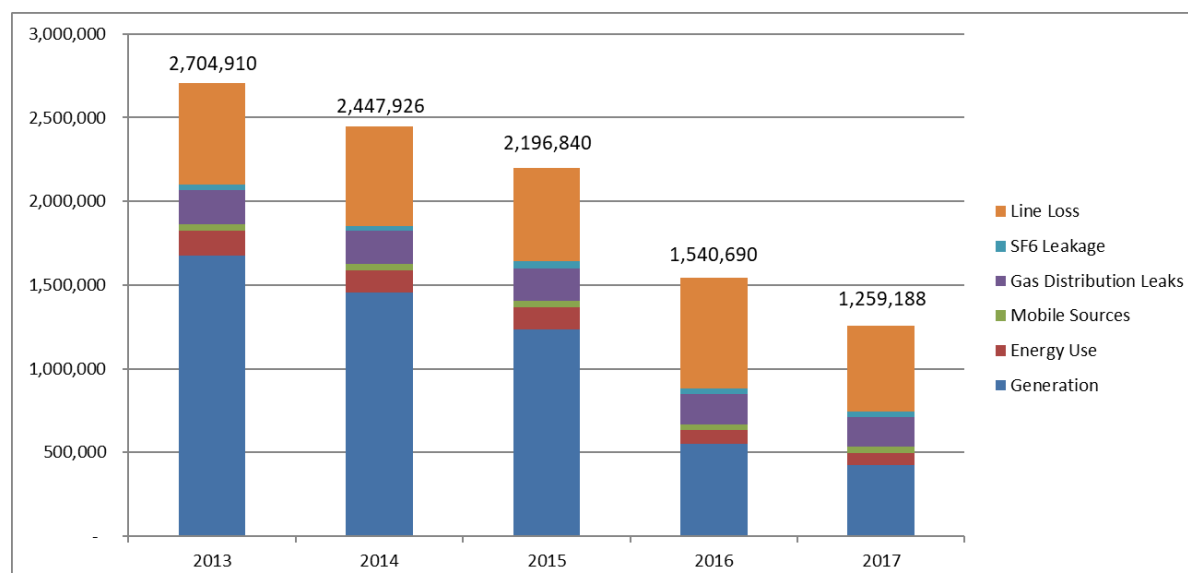
Eversource's GHG emission inventory accounts for and reports all direct carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O) and sulfur hexafluoride (SF₆) emissions from our businesses. The emission source categories included in our GHG inventory are stationary combustion sources; mobile combustion sources; indirect emissions from purchased electricity, transmission and distribution losses; fugitive CH₄ emissions from process equipment, including pipelines for natural gas distribution; and fugitive SF₆ emissions from electrical equipment. We report GHG emissions to the [Carbon Disclosure Project \(CDP\)](#). Our most recent filing can be found [here](#).

Detailed Emissions Summary (metric tonnes CO ₂ e)					
	2013	2014	2015	2016	2017
Generation	1,676,660	1,453,156	1,236,618	553,647	421,429
Energy Use	147,933	134,801	130,922	79,643	73,661
Mobile Sources	40,520	40,269	40,121	32,996	38,934
Gas Distribution Leaks	203,076	197,469	191,636	183,868	175,159
SF₆ Leakage	30,700	27,916	44,768	31,092	32,870
Line Loss	606,021	594,315	552,775	659,444	517,135
Total with Generation	2,704,910	2,447,926	2,196,840	1,540,690	1,259,188
Total without Generation	1,028,250	994,770	960,222	987,043	837,759

GHG Emissions Trends:

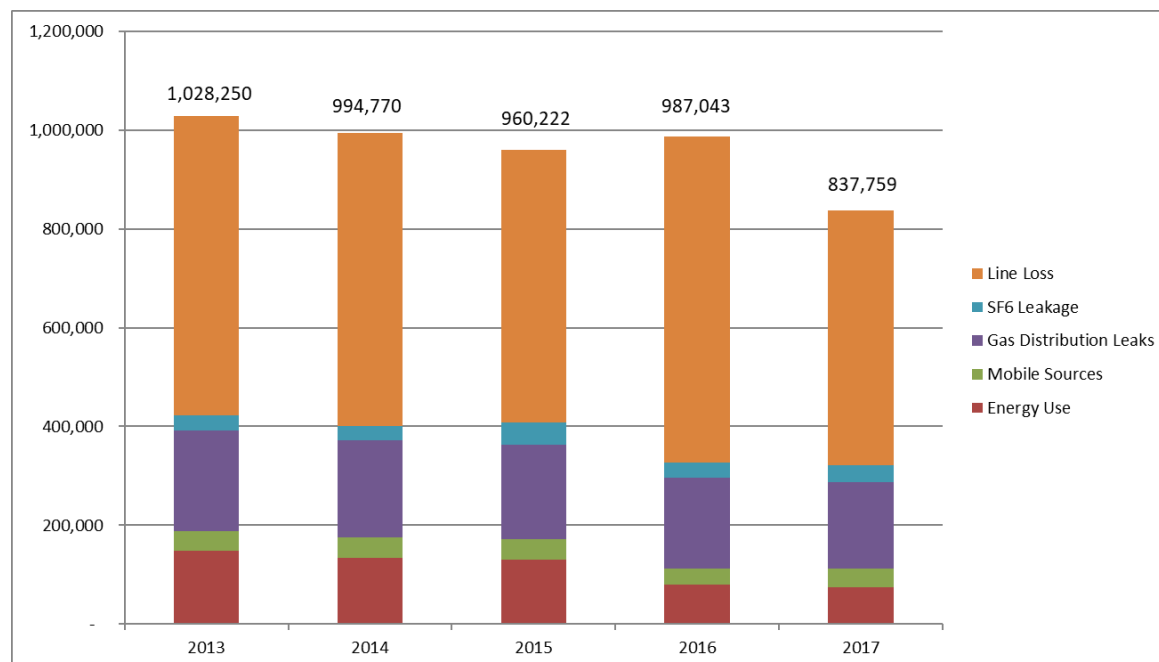
Eversource Emissions Continue to Decline

GHG emissions including generation (metric tonnes CO₂e):



Overall emissions for Eversource declined in 2017 primarily due to reduced operation of our generation facilities. A combination of market forces, fuel supply, and customer demand influenced our generation output, resulting in lower emissions. The very mild winter of 2016-2017 featured above-average temperatures, with the warmest winter on record resulting in very low seasonal demand and adequate fuel supply for the natural gas generators. With adequate natural gas, the demand for energy produced from coal also decreased. Please note, generation will not be included in future emissions inventories as the sale of our fossil fuel powered generation facilities was completed in January 2018.

GHG emissions excluding generation (metric tonnes CO₂e):



Line loss is the difference between the power we obtain from the grid and what is sold to our customers and is attributable to a variety of sources, including equipment operations, theft, unpaid bills, and electricity used internally. Line loss continues to be reduced by system improvements, infrastructure hardening and equipment replacement programs. Our historical data is available in our FERC Form 1 filings.

Thanks to our proactive steel and cast iron main replacement program and robust leak mitigation plans, fugitive emissions from the Eversource gas distribution system have steadily decreased over time and are anticipated to continue to decrease. Emissions from mobile sources include fleet vehicles and line trucks, as well as employee business travel in cars and planes. Mobile emissions have remained steady over time.

Consolidation of facilities and more efficient use of space decreased energy use and associated emissions. Increased use of Leadership in Energy and Environmental Design (LEED) inspired renovations at existing facilities will further decrease energy needs. However, the combination of an unusually warm summer in 2017 and extreme cold in late 2017 combined to create only a small drop in our energy usage in 2017.

Reducing Our Carbon Footprint

Eversource strives to reduce our own carbon footprint by optimizing operations, advancing new procedures, and supporting the use of renewable energy within our own facilities. The energy we purchase for our own use is at a minimum of 22.5% renewable for Connecticut and 13% renewable for Massachusetts. This reduces our impact on both the regional footprint, as well as our Scope 2 emissions (emissions from purchased energy).

Eversource continues to be an industry leader in SF₆ emissions reductions; our SF₆ emission rate is estimated to be less than one percent (almost 50 percent below the industry average of 1.9 percent) due to effective operational controls, including the careful management, handling and recordkeeping of SF₆ and SF₆ containing equipment. This allows us to

focus on potential areas of SF₆ loss to further reduce emissions risks. Additionally, the Commonwealth of Massachusetts has a decreasing emissions rate for SF₆ equipment (2.5% in 2017 and going to 1.0% in 2020.)

SF₆ Reduction Goal: Achieve 2018 collective SF₆ leakage rate of less than 2% of system SF₆ capacity

Eversource prides itself on a low SF₆ emissions rate. In 2018, we set a voluntary goal of emitting less than 2% of nameplate capacity annually across all three states we operate in. We are confident we will achieve that goal.

- **Project Details:** Equipment is continuously monitored for leaks and alarms are triggered if SF₆ gas is lost from equipment. In responding to an alarm, the Company will locate the leak, and repair it once it is found. All records are reviewed by Environmental Affairs in conjunction with Operations and Engineering to ensure complete and accurate records of use and loss are consistently kept.
- **Potential Benefits:** In addition to SF₆ emission reductions across our service territory, our goal will help Massachusetts reach its Global Warming Solutions Act goals by reducing emissions as mandated by the regulations.

Methane Reduction Through Gas Main Replacement Programs

Eversource's Distribution Integrity Management Programs mitigate potential risks, identify and prioritize operational and infrastructure enhancements, and improve service for our customers. Replacement of aging bare steel and cast iron gas infrastructure is an example of a top priority to minimize the potential for gas leaks, and the release of greenhouse gases into the atmosphere. Since 2011, Eversource has replaced 240 miles of its leak prone gas main resulting in reductions of 370 metric tonnes of methane annually (9,246 mt CO₂e) and has plans to replace the remainder of these leak prone facilities within 15-20 years.

In March 2016, Eversource, along with almost 40 American Gas Association members, became a founding member of the U.S. Environmental Protection Agency's Natural Gas STAR [Methane Challenge Program](#), whereby natural gas utilities are working to reduce greenhouse gas emissions. The companies, which represent 66 percent of the natural gas customers served in the United States, are making and tracking commitments to reduce emissions, showcase their efforts to improve air quality, and reduce bare steel and cast iron mains at least 3% each year until 2021. Based on Eversource's 3% commitment, total annual methane emissions would be expected to be reduced by at least 35,000 mt CO₂e by 2021, equal to taking nearly 7,400 passenger vehicles off the road for one year. Additionally, beginning in 2018, Eversource must meet an emissions offset goal established by Massachusetts Department of Environmental Protection by replacing both mains and services in the state.

Gas Main Replacement Goal: Reduce 4.5% of miles of bare steel and cast iron main in 2018, and achieve 14.5% reduction from 2017 baseline by 2020.

In 2018, Eversource set a goal beyond our Methane Challenge program commitment. Eversource is proud of our ongoing, rigorous efforts to ensure the safe and reliable delivery of natural gas in Connecticut and Massachusetts.

- **Project Details:** Eversource has agreed to voluntary accelerated main and service replacement programs in both Connecticut and Massachusetts. In October 2014, local distribution companies in Massachusetts filed plans with the Department of Public Utilities (DPU) to replace all aged non-cathodically protected steel, cast-iron, and wrought-iron natural gas distribution infrastructure in their service territories within a 20-to-25-year timeframe. The Connecticut PURA requires Eversource to invest a minimum of \$40 million/year for gas main replacement. In 2018, Eversource has plans to invest \$50 million. This equates to approximately 25 miles of main replacement. In addition to continual investment to replace leak-prone infrastructure, our efforts to provide a safe and reliable system include:
 - a rigorous system of gas leak detection and maintenance programs that meet or exceed federal and state regulations
 - aggressive leak response time goals that we consistently meet
 - public awareness campaigns that promote leak identification and natural gas safety
 - engagement with first responders to increase awareness and conduct training
- **Potential Benefits:** In 2018, these replacements will account for a reduction of 4.5% of miles of bare steel and cast iron main, exceeding our Methane Challenge program goal by 50%.

Operations Optimization

Effective Materials Management

We manage our field and office operations with a commitment to environmental stewardship, including our material logistics activities, which span the storage, tracking and movement of inventory throughout three states. Inventory is managed at storeroom facilities strategically located throughout our service territory to ensure the timely delivery of inventory necessary to meet our commitment to customers.

Reel-Less Cable Program

In 2016, we piloted a reel-less cable solution as an environmentally preferable option to wood reels in our operations. In the program, cable is delivered without a wooden reel, and then loaded onto a reusable plastic reel in our area work center. This solution conserves natural resources, reduces waste in packaging, and reduces cost. Based on the success of the pilot, in 2017 we began expanding our program and are investing in reusable plastic reels at work centers across our service territory.

Part Standardization

Eversource continually seeks opportunities to optimize the efficiency of our operations. In 2017, we concluded the first part of our distribution electric part standardization, which focused on standardizing our inventory for certain commodities. The initiative optimized our inventory to expedite regular business and storm restoration activities. Benefits of this portion of part standardization included:

- 19 equipment commodities were successfully consolidated with positive results
- Effective phase in – phase out process used for item numbers no longer required or consolidated, resulting in the following benefits:
 - \$1.5M sustained inventory reduction across the Eversource Distribution Electric Business
 - Reduction of 500+ item numbers, improving inventory management and operational efficiency

The second part of our distribution electric part standardization effort began in 2018 with a focus on additional commodities and substation major equipment. In an effort to reduce inventory, reduce spare parts, and optimize efficiency from an operations and maintenance perspective, our team identified 22 distinct categories of substation equipment to standardize across our service territory. The goal of this project is to identify more than one approved manufacturer for each equipment type, which would allow procurement to competitively bid and award long-term contracts to the suppliers with the lowest total ownership cost.

A third initiative began in April 2018 with the kickoff of gas business part standardization in preparation for the upcoming installation of the Work and Asset Management system. This work will continue through early 2019.

Facilities Improvements

Eversource has many facilities throughout our territory to ensure that we are strategically located to best serve our customers. As our operations have been consolidated for maximum efficiency, many underutilized facilities have been sold and/or leased to other entities.

As buildings and spaces are renovated, we seek opportunities to reduce our energy use through energy efficient lighting and equipment, control system upgrades and optimum use of space.

Progress on facilities goals set in 2017 include:

- Complete cost/benefit analysis for retro-commissioning project at Eversource facilities to identify potential energy use reduction goals
 - Project Details: Assess lighting controls, HVAC and other systems to maximize building efficiency
 - Potential Benefits: Maximize building efficiency, decreased energy use resulting in lower CO₂e emissions, lower O&M costs

- Progress on Target: Completed analysis of two facilities and pursuing proposals to implement retro-commissioning plan at two of our primary facilities.
- Transition 25 percent of our facility square footage to LED or energy-efficient lighting by 2020
 - Project Details: Goal would accelerate our transition to LED or other energy-efficient lighting by committing to replace existing lighting in more than one million square feet of facilities by 2020
 - Potential Benefits: Long-term cost savings; reduced maintenance through longer life cycle, decreased cooling load as LED generates less heat
 - Progress on Target: On target with 9% of facility square footage converted to LED lighting by the end of 2017

Examples of past successful projects include:

- In 2015, we completed a retro-commissioning project (upgrading equipment and control systems) at five of our facilities in Berlin, Connecticut to improve our energy consumption and operating performance, resulting in 865,689 annual kWh savings or 730 metric tons CO₂e reduction. Project details are available [here](#).
- Renovations to facilities, including our Hartford, Connecticut, Area Work Center, which created a model in energy efficiency and environmental design, and exceeded the LEED silver certification standards. The building features a daylight harvesting system, chilled beam HVAC technology and an energy management control system, which continues to reduce overall energy consumption by 60 percent, and 20 percent of the entire building's materials are made of recycled content.
- Installation of a green roof with a 10.92-kW solar array on the roof of our Community Building in Berlin, Connecticut. The solar array consists of 60 panels that produce 182 watts each, which \ works in conjunction with a reflective roof membrane, or "cool roof", to further enhance the energy output of the panels. In addition, the roof also includes a section of vegetative roof, which acts to absorb and filter rain water as well as provide additional insulating qualities to the existing roof structure.
- A 51-kilowatt solar photovoltaic system installed on the roof of our Energy Park headquarters building in Manchester, New Hampshire produces enough power to satisfy about five percent of the facility's energy needs. This offsets more than 100,000 pounds of CO₂ emissions annually.

Fleet Emissions Reductions

Eversource is committed to reducing emissions coming from the transportation sector by evaluating and implementing strategic changes to our fleet. Our fleet consists of approximately 5,200 vehicles, including light duty trucks for meter readers and bucket trucks for line workers. We have switched portions of our diesel equipment to operate on B5 and B20 biodiesel, an alternative fuel created by mixing diesel fuel and soybean oil and ethanol. In 2017, we burned more than 825,000 gallons of biodiesel fuel, displacing approximately 124,000 gallons of diesel fuel with a 1,269 metric tonne reduction in greenhouse gas emissions.

Eversource also has 21 bucket trucks that use a passive hybrid system to run the hydraulics operating the booms on the bucket trucks, eliminating the need to idle the engine to run the equipment, resulting in reduced emissions and quieter operation. We have also installed global position systems (GPS) in all of our fleet vehicles, which is reducing fuel consumption by optimizing the dispatch of vehicles already deployed in the field and by helping drivers to find the most direct route to the customer location or job site.

We are further reducing our carbon footprint by installing 39 electric vehicle (EV) charging stations at our facilities and operating plug-in hybrid electric vehicles. Along with other utility members of the Edison Electric Institute, we have pledged to commit five percent of our annual fleet spend on plug-in electric technologies, which we began in 2015. In 2017 we exceeded our goal with 5.15% of fleet spend going to plug-in electric technologies, and we are on track to meet our goal in 2018.

We have 106 compressed natural gas (CNG) powered vehicles across our service territory that in 2017 consumed 19,508 gallon equivalent of natural gas, thus avoiding 36 metric tonnes of CO₂e emissions. As of 2017, there are seven total Natural Gas Vehicle refueling compressor stations owned by Eversource that are used by our corporate fleet.

Since 2009, our Eco-Miles program has tracked employee mileage savings through a variety of commuting options to capture driven miles avoided through carpooling, public transportation, telecommuting, or other mileage-savings options. Eversource employees have collectively logged over 3.3 million Eco-Miles since the program started, the equivalent of saving 155,063 gallons of gasoline and 1,364 metric tonnes of CO₂e.

Fleet Goal: Replace 45 percent of fleet diesel use system-wide with biofuel blend.

- Project Details: Anticipate replacing one million gallons of diesel with biofuel in 2018
- Potential Benefits: Environmental benefit – estimated 1,430 mt CO₂e avoided (equal to taking 203 passenger vehicles off the road for one year) and onsite fueling process efficiencies resulting in overall cost savings
- 2017 Results: 44 percent of fleet diesel use replaced with biofuel blend resulting in 1,269 mt CO₂e avoided

Energy Efficiency Programs

Eversource is consistently recognized as a leader in energy efficiency by national industry organizations. We take great pride in helping our states and communities remain vibrant and successful by designing and delivering programs that are emulated by others across the country. The Eversource energy efficiency portfolio reflects and responds to the way our customers live and use energy today, and takes a multiyear approach that enables us to help customers plan for the future.

The American Council for an Energy-Efficient Economy (ACEEE) Utility 2017 Energy Efficiency Scorecard ranked Eversource in Massachusetts first and Eversource in Connecticut fourth among the 51 largest U.S. electric utilities, and in [Ceres'](#) 2016 report, *Benchmarking Utility Clean Energy Deployment*, they ranked Eversource number one in energy efficiency among investor-owned utilities.

Energy efficiency is the lowest-cost fuel, substituting for generation at approximately four cents per kilowatt-hour. Energy efficiency is one of the most cost-effective ways to save money, create jobs, reduce greenhouse gas emissions, and enhance energy security. The savings decrease overall energy use and reduce peak demand. Peak demand describes a period of simultaneous, strong consumer demand, resulting in a strain on power generation plants. Therefore, reducing peak demand results in avoided capacity costs and can diminish the need for additional construction of generation plants. In 2017, customer participation in Eversource energy efficiency solutions was the equivalent to a 150 megawatt (MW) power plant.

Additionally, in 2017, Eversource energy efficiency programs generated approximately \$194.0 million savings annually for our customers.

Eversource Electric Customers:

2017 Annual Savings: More than 1.1 billion kilowatt hours (kWh) saved could provide power for all 3.1 million Eversource electric customers for eight days.

Lifetime Savings of Installed Measures: More than 12.0 billion kWh, which could power all 3.1 million Eversource electric customers for 84 days.

Lifetime CO₂ Reductions: 3.5 million metric tons reduced, which is equivalent to over 750,000 cars driven for one year.

Eversource Natural Gas Customers:

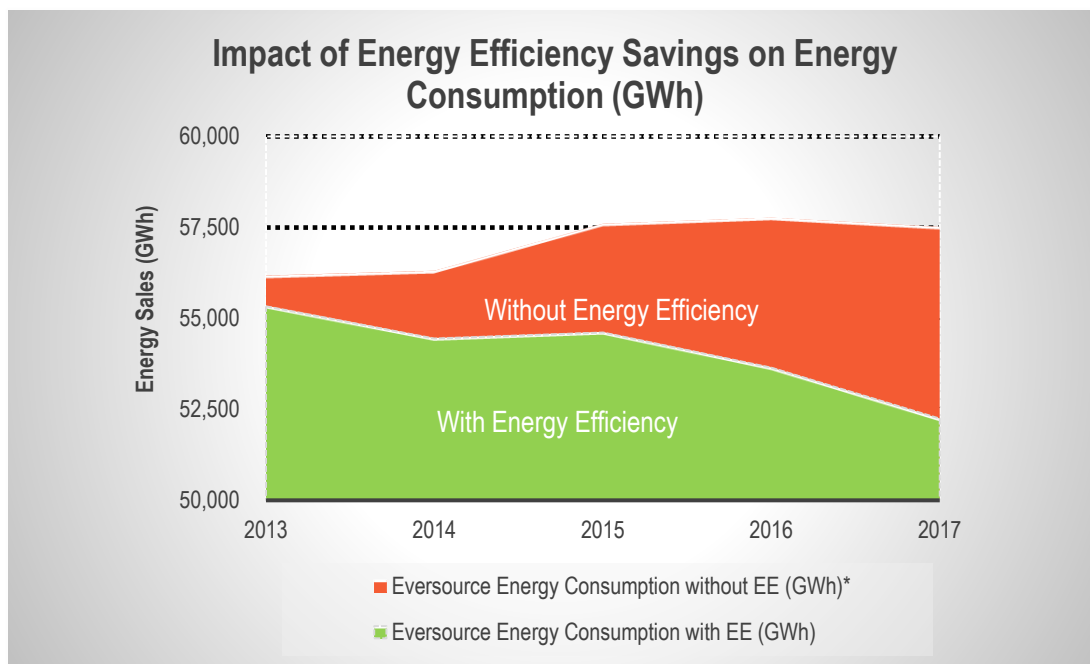
2017 Annual Savings: More than 10.3 million therms (1 therm equals 100,000 British Thermal Units) saved could provide energy for 524,000 Eversource natural gas customers for three days.

Lifetime Savings of Installed Measures: More than 134.9 million lifetime therms saved, which could provide energy for 524,000 Eversource natural gas customers for 47 days.

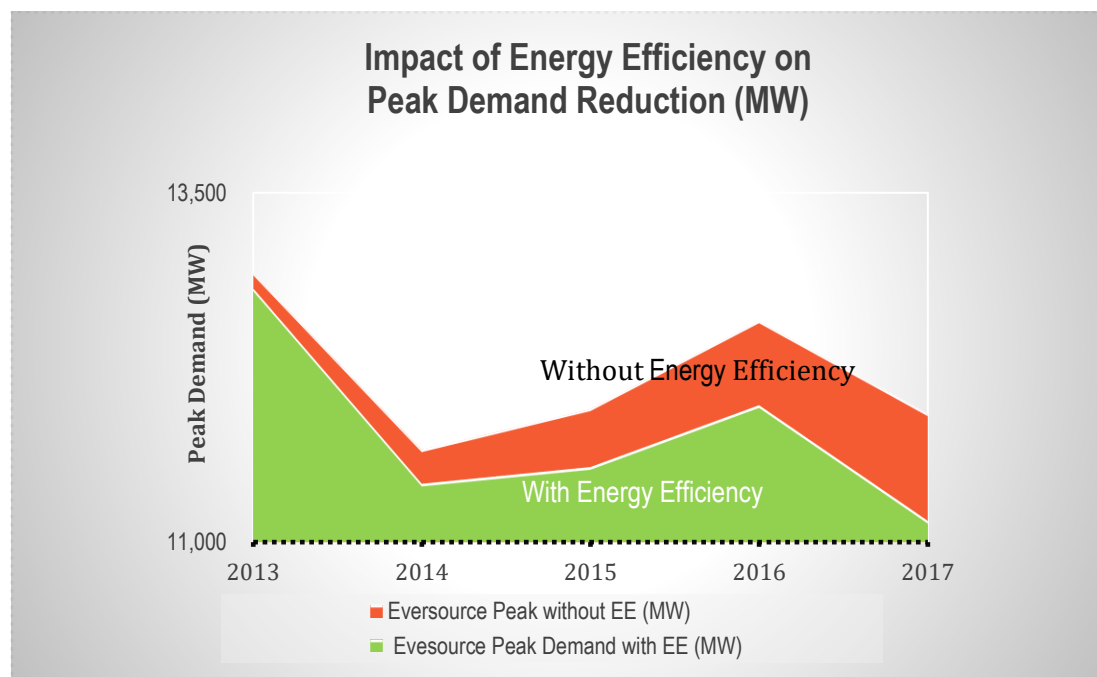
Lifetime CO₂ Reductions: 722,000 metric tons reduced, which is equivalent to over 150,000 cars driven for one year.

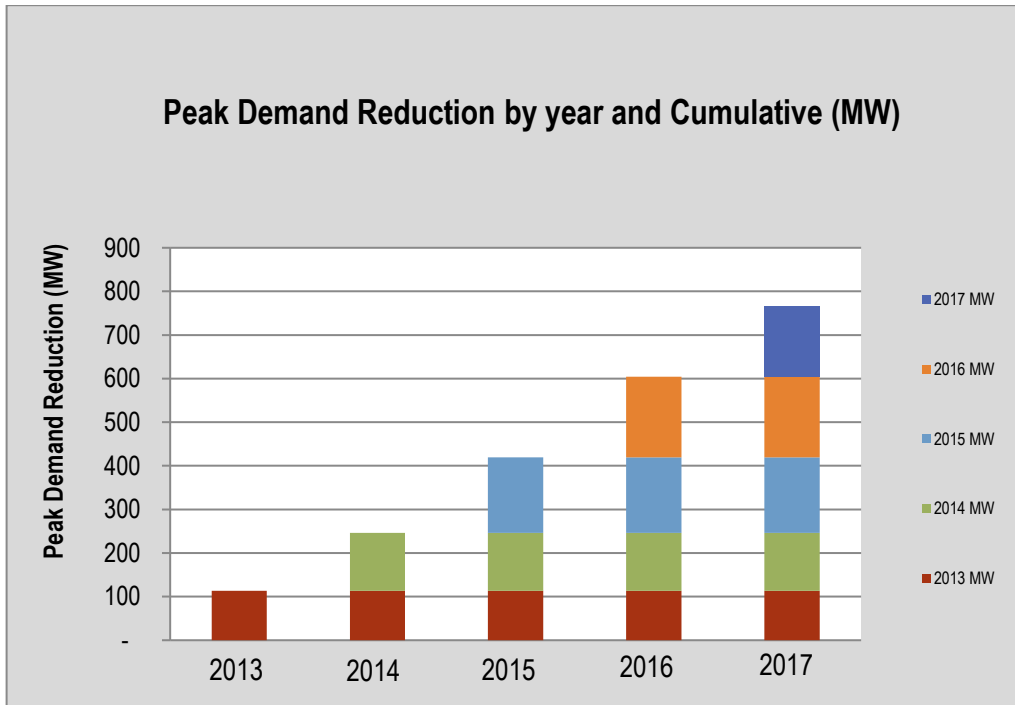
Customer participation in Eversource energy efficiency services from 2013 through 2017 resulted in cumulative peak demand MW reductions and annual MWh savings as shown in the following graphs:

Figure 1, 2 and 3: Offsetting Demand



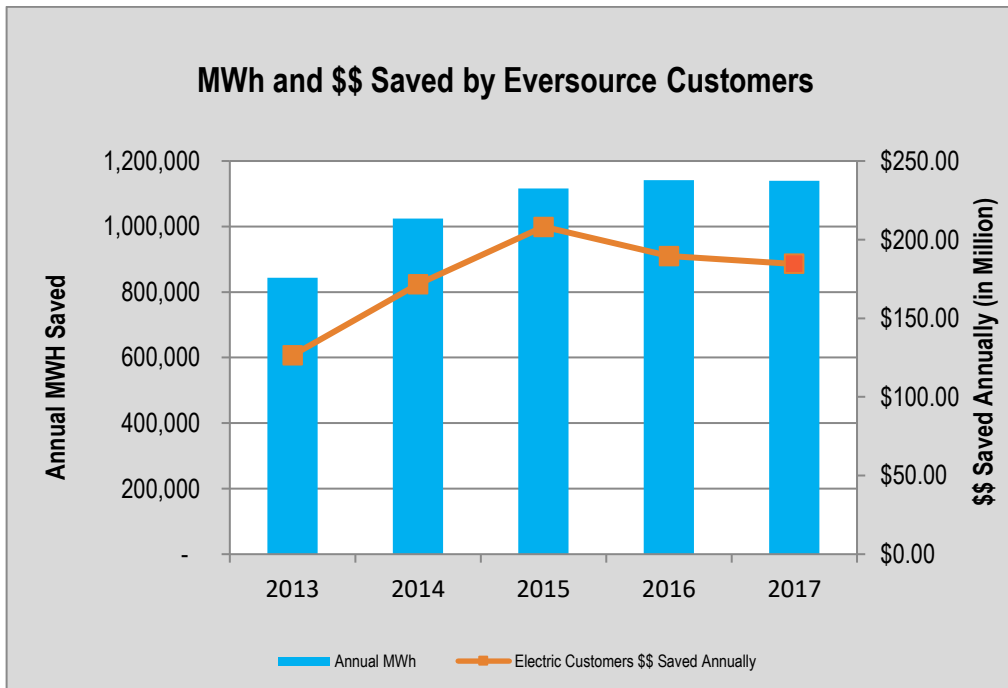
* Source for GWh sales are Eversource's Annual Reports





By installing energy efficiency measures, Eversource customers reduced MWh consumption and cumulatively saved more than \$880 Million in five years

Figure 4: Annual MWh and Monetary Savings by Eversource Customers



By installing energy efficiency measures, Eversource customers reduced peak demand by more than 766 MW cumulatively since 2013

Eversource – Energy Efficiency Electric Data


	2017
Participating Customers*	2,978,797
Spend (US\$)	\$379,191,872
Annual kWh Saved	1,140,027,169
Lifetime kWh Saved	12,028,074,468
Summer Peak Annual kW Saved	161,635
Winter Peak Annual kW Saved	167,702
Annual CO ₂ reduced in Metric Tons**	304,223
Lifetime CO ₂ reduced in Metric Tons**	3,498,221
Customer \$\$ Saved Annually	\$184,587,374
Customer \$\$ Saved Lifetime	\$1,940,673,184

*Includes customers who purchased energy efficient light bulbs

Eversource – Energy Efficiency Natural Gas Data

	2017
Participating Customers	231,539
Spend (US\$)	\$59,762,584
Annual Therms Saved	10,279,692
Lifetime Therms Saved	134,852,787
Annual CO ₂ reduced in Metric Tons**	54,905
Lifetime CO ₂ reduced in Metric Tons**	722,690
Customer \$\$ Saved Annually	\$9,387,496
Customer \$\$ Saved Lifetime	\$131,763,536

**The calculations for Annual and Lifetime reductions for electric customers for 2017 are based on the [eGrid Regional Factors for NPCC New England](#) for electricity and are CO₂e. This is a new source used in 2017 to be consistent across all EDCs. Fossil fuel reductions are based on [EIA emissions coefficients](#) and are CO₂.



Eversource helps to shape new, forward-looking energy efficiency policies, legislation and regulations in each of the states in which we operate. Because programs vary by state, we invite you to visit our Save Money and Energy pages at Eversource.com for Connecticut, Massachusetts, and New Hampshire program details. We are proud to partner with our regulators and stakeholders to offer statewide energy efficiency initiatives, which are marketed under the brands Energize Connecticut, Mass Save and NHSaves.

In 2016, Eversource fully launched and began promoting an online tool empowering customers in Connecticut, Massachusetts and New Hampshire to make smart energy decisions and improvements at home and at their businesses. The [Energy Savings Plan](#), located on Eversource.com, enables customers to examine how they are currently using energy, how they compare to efficient customers, and how they can reduce their energy costs by creating an energy savings plan. More than 130,000 customers to date have used the tool.

Energy Efficiency in Our Communities

Through key partnerships and our memberships in the New England Clean Energy Council, Massachusetts Energy Efficiency Advisory Council, Fraunhofer Sustainability Center, Massachusetts Institute of Technology, Connecticut Energy Efficiency Board and the New Hampshire Energy Efficiency and Sustainable Energy Board, Eversource works closely with community leaders, residents, schools and businesses to reduce energy consumption, increase the use of renewable resources, and encourage participation in smart energy programs. We engage with the communities we serve in numerous ways, including offering educational training workshops and informational booths at industry, community and regional events.

Eversource works with businesses small and large to identify and implement energy improvement opportunities, reduce operational costs, and increase productivity and competitiveness. We retain teams of highly skilled technical staff dedicated to connecting customers to those solutions and to the attractive financial incentives that help facilitate implementation. Additionally, we establish long-term strategic partnerships with high energy users. These multi-year agreements provide a roadmap for energy-efficient construction and upgrades and feature aggressive energy and carbon reduction goals. These partnerships enable larger customers to better plan and forecast their investments, ensure that they have the engineering support needed, and leverage the benefits resulting from a comprehensive approach to energy efficiency.

In 2018, Eversource received the ENERGY STAR® Partner of the Year – Sustained Excellence Award from the U.S. Environmental Protection Agency (EPA) and the U.S. Department of Energy (DOE). The EPA and DOE recognized Eversource in Connecticut, Massachusetts and New Hampshire for continued leadership in energy efficiency and commitment to programs for customers including ENERGY STAR lighting and appliances, in-home services and new home construction.

Customer Highlights

New Hampshire

In 2017, Eversource and the three other New Hampshire utilities that constitute the NHSaves initiative, filed and received regulatory approval on a new 2018-2020 energy efficiency plan that expands existing programs, provides new options, and is positioned to achieve significant costs and environmental savings for Eversource customers. Over the lifetime of the installed measures supported by the plan, Eversource customers are expected to save more than 34 billion kilowatt-hours, the equivalent of nearly 417,000 homes' electricity use for a year.

In 2017, Eversource and Lindt Chocolate developed a three-year landmark energy efficiency partnership that was signed in early 2018. This first-of-its-kind energy-savings strategy in New Hampshire is expected to save Lindt Chocolate USA nearly 3.5 million kilowatt hours of electricity annually and cut their greenhouse gas emissions by more than 1,600 tons of CO₂ a year.

Connecticut

Pratt & Whitney, a United Technology Company (UTC), partnered with Eversource to complete a comprehensive energy usage assessment that revealed nearly 300 energy efficiency improvement opportunities. These measures support the aggressive energy and emissions reduction targets set by UTC and Eversource as part of the current three-year strategic partnership. These measures, now underway, will result in nearly \$1.8 million and 6.4 million metric tons of CO₂ saved annually.

Oakridge Dairy in Ellington, Connecticut, now one of the largest dairies in the region, completed the construction of a state-of-the-art barn with a “milking parlor” and a dedicated medical wing. With more than 400 interior and exterior LEDs, 205 high-efficiency barn fans and efficient process equipment, Oakridge Dairy will save approximately \$182,000 in annual energy costs and avoid nearly 555 tons of CO₂ emissions. [View the video case study.](#)

Massachusetts

As residents of the American Council for an Energy-Efficient Economy (ACEEE) number one city in the U.S. for energy efficiency, Eversource’s customers in Boston are robust participants in energy efficiency solutions, and Boston Properties (BXP) is an excellent example. A strategic partnership with BXP has enabled significant recent energy upgrades at both the Prudential Tower and 200 Clarendon Street (formerly known as the John Hancock Tower), resulting in annual savings of approximately 4.8 million kilowatt-hours and lifetime CO₂ reductions of more than 3 million tons, the equivalent of taking nearly 7,000 cars off the road for a year. [View the video case study.](#)

In 2017, The University of Massachusetts at Amherst renewed their multiyear energy efficiency strategic partnership with Eversource which includes campus-wide LED upgrades, enhancements to HVAC systems, and targets research labs on campus for efficiency improvements – resulting in approximately 14 million kilowatt-hours saved annually.

Industry Engagement

Eversource continues to work closely with the energy efficiency industry by collaborating with market-leading organizations to advance energy efficiency policy, program expansion, and recognition throughout the industry. Eversource works with the American Society of Heating, Refrigeration & Air Conditioning Engineers, the Association of Energy Engineers, the American Institute of Architects, the U.S. Green Building Council and many others within the design community to further the joint mission of market transformation through access to energy-efficient technology, products and services.

2018 Energy Efficiency Plans

Eversource has set aggressive goals for 2018 that support our customers’ current and longer-term needs and reflect the energy efficiency and environmental regulations and goals of the states in which Eversource operates.

Energy Efficiency Data	Eversource CT Electric 2018 Goals	Eversource MA Electric 2018 Goals	Eversource NH Electric 2018 Goals	Eversource MA Gas 2018 Goals	Eversource CT Gas 2018 Goals
Spend (US\$)	\$97,594,408	\$297,957,747	\$27,125,106	\$50,516,827	\$14,670,674
Annual kWh Savings	258,114,526	660,365,568	66,225,236	-	-
Summer Peak KW Savings	34,643	84,423	7,732	-	-
Winter Peak KW Savings	43,872	89,055	10,046	-	-
Annual ccf/therm Savings (1)	-	-	-	6,632,247	2,035,074

(1) Massachusetts Annual Savings are reported in therms and Connecticut Annual Savings are reported in ccf consistent with each state’s regulatory reporting requirements.

DISCLAIMER: Please note that the above table is for planning purposes only.

Energy efficiency plans filed with regulatory bodies in the Eversource service territory are available at the following links:

[Connecticut 2016-2018 Plan](#)

[Connecticut 2018 Plan Update](#)

[Massachusetts 2016-2018 Plan](#)

[Massachusetts Annual Reports](#)

[New Hampshire Statewide Energy Efficiency Plan 2018-2020](#)

View previous year’s [energy efficiency information](#).

CLEAN ENERGY

As New England's largest utility and dedicated stewards for the environment, Eversource is committed to bringing more clean, affordable and sustainable energy to the region.

Eversource has established itself as a regional and national leader delivering innovative, forward-looking energy solutions, and assisting Connecticut, Massachusetts, and New Hampshire in meeting their environmental and clean energy goals, while also improving reliability and energy affordability.

Renewable Portfolio Standards

Eversource is committed to help the states that we operate in meet Renewable Portfolio Standards (RPS), which require a certain percentage of the states' electricity supply to come from renewable sources.

Renewable Portfolio Standards In Place

	2017	2020	2025
CT	22.5%	29%	38%
*MA	22.34%	23.5%	29.75%
NH	17.6%	20.7%	25.2%

*MA 2020 and 2025 targets do not include Class II renewables because the percentage has not yet been released by the MA Department of Energy Resources

Addressing the Region's Energy Challenges


As part of its leadership in New England's transition to clean energy, Eversource partners with like-minded companies and stakeholders to conduct our business in a responsible and sustainable way, providing the best solutions for our customers and the communities we serve. Our proposed Northern Pass transmission project, a partnership with Hydro-Québec, will provide New England customers with significant relief by importing clean hydropower that will reduce carbon emissions and create long-term cost savings for customers. This project will provide economic and environmental benefits to New England, lowering our dependence on older, higher emitting oil and coal-fired generation. We are also working on a project to bring incremental natural gas supplies into the region. In addition to these projects, we are investing in utility-scale solar power in Massachusetts and participating in a major offshore wind partnership, Bay State Wind.

Eversource Strategic Goal: Reduce regional GHG emissions by advancing clean energy projects that have the potential to bring 3,000 MW of renewable power to the region by 2030.

Goal Details: Eversource-proposed projects will help our region offset greenhouse gas emissions by facilitating the increased regional use of hydro, wind and solar power. We have proposed bringing more hydropower from Quebec into the Northeast, off-shore wind in Massachusetts and Connecticut, expanding natural gas distribution lines to more homes and businesses to allow the burning of cleaner fuels, expanding the electric vehicle recharging station network, and installing solar projects to the maximum extent allowed by state governments.

Northern Pass

Eversource is committed to clean energy initiatives like Northern Pass, which is a high-voltage transmission line that will bring 1,090 MW of low-carbon, primarily hydroelectric power from Canada to New England. The project is particularly important now, given New England's critical need for new sources of clean energy to meet customers' electricity demands, particularly during winter months. Northern Pass will save New England customers more than \$600 million per year, and



lower carbon emissions in the region by approximately 3.2 million metric tons annually—the equivalent of taking about 670,000 cars off the road.

As the most advanced clean energy project in New England, Northern Pass has received nearly all major permits from the U.S. and Canadian federal governments necessary to support construction at the U.S./Canadian border. All state permitting agency approvals have been granted, with the exception of the approval of the New Hampshire Site Evaluation Committee (NHSEC), which voted to deny Northern Pass a construction permit in February 2018. Currently, Eversource is pursuing every available option to secure NHSEC approval.

Bay State Wind

In December 2016, Eversource announced a partnership to make large-scale offshore wind a reality in the United States. Eversource has teamed up with Denmark-based Ørsted (formerly DONG Energy) on a joint venture to develop Bay State Wind, a proposed offshore wind farm that will be located off the coast of Martha's Vineyard, in an area that has the potential to develop at least 2,000 MW—enough electricity to power one million homes.

Eversource and Ørsted will seek to jointly develop, construct and operate this utility-scale offshore wind project in a 50-50 partnership. Ørsted is the global leader in offshore wind, and will use its market leading expertise in the sector to lead the development and construction of the project's offshore generation and transmission assets. As the premier transmission builder in New England, Eversource will leverage its strong transmission expertise to develop and construct the onshore transmission system. Bay State Wind jointly owns a lease to develop a 300-square-mile ocean area located 15-25 miles south of the coast of Martha's Vineyard.

The development of offshore wind in the Northeast is in its beginning phase and Bay State Wind will play an active role in its development. New England states and New York are expected to procure approximately 7,000 MW of offshore wind over the next decade.

Other State Clean Energy Initiatives

Connecticut Natural Gas Distribution Expansion

Connecticut's 2013 Comprehensive Energy Strategy (CES) includes recommendations in the areas of energy efficiency; industrial energy needs; and electricity supply, including renewable power, natural gas, and transportation. Within the 2013 CES, Connecticut's leaders endorsed natural gas as the "fuel of choice" for the state. The 2013 CES recognized the emerging opportunity provided by shale gas for a lower-cost, cleaner, and domestically available fuel choice for Connecticut residents and businesses. Since 2013, the price differential between natural gas and oil has decreased, reducing demand for residential natural gas conversion; however, the updated 2018 CES reaffirms that natural gas remains a cost-effective, cleaner fuel choice, and further states that increased commercial and industrial demand is making up for most of the decreased residential demand. To learn more about natural gas expansion in Connecticut please visit our [website](#).

Eversource growth goals include bringing the choice of natural gas to more than 82,000 customers within its franchise areas in Connecticut. In addition, the plan will help reduce emissions by 820,000 tons, for a seven percent reduction of total emissions in Connecticut.

In 2017, we added 10,108 new natural gas heating customers system-wide with 4,169 customers in Connecticut. The Company also added approximately 43 miles of pipe in 2017.

Connecticut Renewable Power

State-specific agreements facilitate development of clean and renewable projects. In Connecticut, there are several long-term contract opportunities, including the low emission/zero emission renewable credit program (LREC/ZREC), which to date has resulted in more than 1,700 behind-the-meter renewable energy projects. These 15-year REC contracts are expected to add 293 MW of new renewables in the state.

Massachusetts Solar Power

Eversource has constructed large-scale [solar generation in Massachusetts](#), which directly contributes to Massachusetts' goal to have 15% renewable energy installed by 2020. Our solar program focuses on developing large-scale solar facilities on sites that offer economies of scale and cost-effective energy production.

In December 2016, the Massachusetts Department of Public Utilities (DPU) approved a proposal for Eversource to own, construct and operate up to 70 MW of solar generation facilities. Along with the significant environmental benefits, there are substantial cost-saving benefits for Eversource customers in the Bay State. The company estimates it will produce solar power for about 18 cents per kilowatt-hour, compared to upwards of 50 cents per kilowatt-hour for some private projects currently operating within the Commonwealth.

Eversource currently owns and operates 8 MW and expects to complete construction of an additional 62 MW of additional solar capacity in Massachusetts, which is estimated to save nearly 32,000 metric tons of carbon per year. One of the sites under development by the Eversource Solar Program are landfill and environmentally challenged sites, which have few, or very restricted, alternative uses.

By the end of 2018, Eversource will own and operate 22 solar generation facilities across the Commonwealth of Massachusetts. Eversource will sell the solar energy it produces directly into the regional energy market managed by ISO New England and customers will benefit from the proceeds. Additionally, the company will receive Renewable Energy Credits for the power it produces and will pass the savings along to customers through electricity rates.

Once its new plants are operational, the total amount of solar electricity Eversource will be capable of generating will be enough to power more than 11,000 homes. The company's new facilities will also represent a significant reduction in greenhouse emissions, equivalent to taking over 7,000 cars off the road per year.

New Hampshire Generation

Fall 2017 started the end of an era, when New Hampshire state regulators approved the sale of Eversource's power generation assets in New Hampshire. Culminating an agreement forged in 2015 with members of the New Hampshire Senate, several state agencies, the International Brotherhood of Electrical Workers, and other key environmental and renewable energy interests, the sale will complete the process of restructuring New Hampshire's electric utilities.

In January 2018, Eversource completed the sale of its five New Hampshire fossil fuel and biomass powered generation facilities. The sale of Eversource's nine hydroelectric stations -- facilities that provided clean energy to customers for more than a century -- is expected to close in the third quarter of 2018. Pursuant to New Hampshire law, the new owners of these facilities must continue to meet all environmental and license requirements; must comply with the current union collective bargaining agreement; and must continue operation of the facilities for at least 18 months after closing.


Electric Vehicles

Nearly half of New England's carbon emissions come from the transportation sector. With a goal of reducing the region's carbon footprint, we are creating alternative fuel vehicle opportunities for our customers, and are working to reduce emissions in our fleet as well, as highlighted in [Our Footprint](#).

Customers are increasingly considering electric vehicles (EVs) as a viable transportation alternative, offering a clean, lower-cost fuel option. We invest in research and programs to help make this technology an option for our customers' use and offer multiple sources of information for our customers. We are also actively engaged with policy leaders, automakers, neighboring utilities and technical experts to prepare our infrastructure to support EVs.

Electric Vehicle Outreach

Since 2012, we have partnered with volunteer municipalities and businesses on research to understand charging station installation requirements, EV driver charging habits and potential future electric system requirements. We are using this research to address identified challenges and develop mitigation strategies to better serve our customers.



We have hosted and participated in several EV Ride & Drive events, giving customers a chance to experience electric vehicles on the road, as well as sponsoring electric vehicle dealer training. We also offer an electric vehicle resource page on [Eversource.com](https://eversource.com), with fast access to EV information and resources.

Eversource Electric Vehicle Commitments

All of the states that we serve are pursuing comprehensive plans that include the advancement of electric vehicles. Connecticut and Massachusetts are two of eight states that signed the [State Zero-Emission Vehicle Program Memorandum of Understanding](#) in 2013, with a combined two-state target of having 450,000 zero-emission vehicles on the road by 2025, along with the supporting infrastructure.

In Connecticut, we are working with the Department of Energy and Environmental Protection (DEEP) on programs to support EV adoption and development of EV charging infrastructure. Details on these programs can be found at [EV Connecticut](#). Eversource funding for DEEP programs has included:

- EV rebates for about 2,400 vehicles through the CHEAPR program;
- The installation of publicly accessible DC Fast Chargers; and
- Grants for EV charging stations to increase the number of publicly available charging stations

In Massachusetts, Eversource serves as a commissioner on the Commonwealth's [Zero Emission Vehicle Commission](#), which serves to study the economic and environmental benefits and costs of increased use of zero emission vehicles. We are working with the Department of Energy Resources on programs to advance the EV market through a combination of studies, outreach and education, and the rate pilot program, PlugMyRide@HOME, which is designed to encourage off-peak charging.

Electric Vehicle Infrastructure Goal: Drive adoption of electric vehicles, enabling the installation of up to 3,500 charging ports in our Massachusetts service territory by 2022 through approved program

- **Project Details:** In November 2017, the Massachusetts Department of Public Utilities approved Eversource's plan to invest \$45 million in EV charging infrastructure throughout our service territory in the state. The five-year program, starting in 2018, will enable approximately 3,500 Level 2 and DC Fast Charger ports at publicly accessible locations, increasing the number of EV chargers in Massachusetts by 255%, enabling more than 31,500 EVs at its completion.
- **Potential Benefits:** Drive adoption of electric vehicles at publicly accessible locations by helping to alleviate EV driver range anxiety, one of the barriers to EV adoption. It will also provide a platform for third party innovation in ownership and business models for EV charging stations, as Eversource will build and own the infrastructure to support the chargers, and the chargers themselves will be owned by third parties.

Eversource is committed to explore solutions that support EV owners in our service territory, while ensuring system reliability for our customers. In 2014, along with the Electric Power Research Institute, 15 utilities and eight automakers, we supported the development and demonstration of an open Vehicle-Grid Integration Platform software system that integrates plug-in EVs with smart grid technologies, allowing customers the option to charge off-peak.

Eversource is a signatory to the [Guiding Principles to Promote Electric Vehicles and Charging Infrastructure](#), a collaboration with the U.S. government and nearly 50 industry members to accelerate the deployment of electric vehicle charging infrastructure and increase the number of electric vehicles on the road today. Part of the 2016 announcement included the Energy Department unlocking up to \$4.5 billion in loan guarantees to support innovative electric vehicle (EV) charging facilities.

ACCOUNTABILITY

Eversource holds itself accountable for the impact our business might have on the environment, meeting, and in many cases exceeding, all environmental laws and regulatory commitments and requirements.

Protecting Water Resources

Eversource develops and implements innovative and responsible solutions to assure the protection of water resources necessary to our operations and our communities' well-being.

In 2017, our New Hampshire fossil and biomass power generation facilities, which have since been sold, used municipal water, groundwater and river water for steam production and cooling. Circulating water used for cooling water in our generation plants (as shown in the table below) is returned to the source water body and is not consumed. Additional details on our generation water use are available at the [New Hampshire Department of Environmental Services website](#).

Estimated Water Use (Thousands of Gallons)	2013	2014	2015	2016	2017
Fossil Generation Cooling Water					
River Water	38,559,000	36,005,330	24,060,910	15,181,480	12,944,450
Saltwater (brackish)	33,731,140	38,328,960	35,390,600	27,411,800	25,355,100
Ground Water	50,171	67,000	73,532	53,874	52,922
Municipal Water	49,372	55,550	52,032	49,192	47,871
Facilities Municipal Water Use	34,990	29,037	26,905	26,401	24,053

The World Resources Institute (WRI) uses global indicators and categories of risk (quantity, quality and regulatory/reputational) to determine an overall water risk score by industry. Eversource conducts an annual review of the [WRI Water Risk Atlas](#) (Aqueduct Atlas). While drought is not a significant risk in New England, flooding and physical risks to water quality have been identified by WRI as high risks in our service territory. Where flooding is a concern, we employ industry best practices to ensure system resiliency, such as installation of flood walls at facilities with critical infrastructure.

Protection of water quality is also of primary concern to Eversource, and our first effort in any project is to avoid impact to waterways. Projects that intersect water resources are permitted when required. Best management practices are employed to mitigate potential impacts to water quality.

Waste Management and Pollution Prevention

Eversource is working to manage and reduce its waste streams through a number of initiatives. Preventing waste is our first choice.

Investment Recovery

Our Investment Recovery program is committed to disposing of our unused assets in an economical and environmentally responsible manner. Our goal is to reuse, return, recondition, resell, reclaim, or recycle our surplus assets to avoid landfills or other potentially wasteful disposal options. In 2017, we kept nearly 9,000 tons of metal, wood, equipment and other materials out of the waste stream through this pollution prevention program, thus reducing our waste by more than 15 percent.

Eversource has recently re-designed our procedures for handling surplus materials and processing scrap metal, to ensure tighter accountability to the individuals responsible for the generation of the surplus or scrap. As part of this new process, all transactions will be recorded in an Investment Recovery software system that will track the material from collection to final

processing. All new electric transmission and substation projects will require potential scrap or surplus to be identified at the onset of each new project, and those same materials will need to be accounted for as part of the project close-out process. We are working with our key suppliers to identify opportunities to return excess materials to the originating vendors, to control materials that could potentially become inactive or slow-moving inventory.

Recycling

Eversource has a robust recycling program, featuring single-stream collection throughout our service territory. We provide ongoing communication and training to employees on the importance of recycling, including engagement with field crews. We also conduct monthly inspections to identify areas where opportunities exist to enhance recycling performance, and track our performance and rate of recycling on a monthly basis.

Demonstration Pilots

From 2013 to 2017 we conducted a solid waste demonstration project in Connecticut to recycle porcelain insulators that have been removed from our system. The project successfully confirmed that porcelain insulators are an acceptable form of aggregate in concrete mixes with no relevant adverse findings or issues. Based on the success of this pilot, in June 2017 DEEP approved the continuation of this program. As of the end of 2017, our practices diverted approximately three thousand tons of material from landfills.

Waste Streams

Our largest waste streams include water and solids removed from manholes that contain electrical equipment, spill debris, fly ash and bottom ash.

Estimated weight of waste by type and disposal method (Tons) – 2017					
	Recycled	Energy Recovery/ Incineration	Landfill	Other	Total
Municipal	3,427	2,835	1,980		8,242
Universal	38				38
Non-Hazardous	21,100	8	8,206	8,156	37,469
TSCA (PCB)	188		500	846	1,533
RCRA (Hazardous)	19	87	1,148	1,404	2,658
Total Waste Disposal	24,771	2,930	11,834	10,406	49,940
Waste Avoided (Investment Recovery)	8,943				

View previous years' [waste management information](#).

Environmental Compliance

We are committed to conducting our operations in accordance with all applicable environmental laws and regulations, and maintain operational controls, policies, and procedures to meet, and often go beyond, compliance requirements. If an issue is identified, root cause investigations are expeditiously conducted to prevent recurrence.

U.S. Dollars	2013	2014	2015	2016	2017
-----------------	------	------	------	------	------

Citations	2	4	8	4	1
Penalties	\$7,251	\$0	\$15,000	\$47,000	0

Our environmental policy is available [here](#). Environmental awareness training is provided to all new employees.


STEWARDSHIP

Eversource is committed to Environmental Stewardship. We value our native resources and take great care to promote conservation and manage natural and cultural resources.

Preserving Biodiversity

Our construction and maintenance work is planned and executed with utmost care to prevent, whenever possible, or minimize impacts to wetlands, threatened and endangered species and cultural resources. Wetlands are a vital link to the health of waterways and downstream biotic communities, as they improve water quality, trap floodwaters, recharge groundwater, provide fish and wildlife habitat and support recreation activities such as boating and fishing. We manage our lands to preserve – and in many cases to create – wildlife habitats. Our rights-of-way (ROW) maintenance practices promote critical diverse habitats beneficial to numerous species of reptiles, amphibians, birds, insects and plants.

- **Ospreys:** Eversource partners with state regulatory agencies and the United States Fish and Wildlife Service to protect migratory birds and their nests. With wingspans up to six-feet wide, ospreys and other large birds of prey can come into contact with power lines, creating a hazard for the birds and the potential for power outages. Eversource installs deterrents to discourage nesting on electric equipment, and may also provide nesting platforms in safer locations. Work around active nests that contain eggs or chicks is minimized until the young have fledged.
- **Peregrine Falcons:** We were recently able to assist the National Heritage Foundation as they tagged four peregrine falcon chicks living on one of our 400-foot-high transmission structures in Weymouth, Massachusetts. Our Eversource team helped the wildlife experts safely climb our structure, provided safety gear and had crews on the scene standing by. Unlike osprey, nesting peregrine falcons don't add nesting material, so they don't impact our equipment. The falcons live in a little storage area that was used by our crews. For the wildlife experts, this was an exciting opportunity, because they don't often get the chance to tag chicks.
- The **Connecticut Bird Atlas Project** is a significant three-year undertaking for the purpose of mapping all bird species within the State. Over the course of this comprehensive study, data will be collected on breeding, migrating and wintering birds throughout the state. The accumulated data will be used to understand current population numbers as well as provide a comparison to a similar project in the early 1980's, ultimately providing information on the current state of populations and inhabitants. Early successional habitat is declining in Connecticut and certain species of birds are found only within this unique environment. Power line corridors (ROW's) provide some of the best early successional habitat in the state, and in some areas the last significant types of this specific critical environment. Eversource is committed to working with the Connecticut Bird Atlas Project and obtaining meaningful results, sharing access and information for the success of the project, and helping wildlife biologists understand current conditions in Connecticut.
- **Eastern box turtles** are a state-listed species in our region, and are sometimes found in the early successional habitat of our ROW. The Massachusetts Natural Heritage & Endangered Species Program (NHESP) requires that staff responsible for vegetation management activities within state-listed turtle Priority Habitat complete turtle protection training. Eversource partners with NHESP to offer an annual turtle training event open to utilities and vegetation management companies. Our Transmission team has also used a turtle tracking dog and locating equipment to clear an access path for vehicles entering priority habitat.
- **Kanar blue butterflies** are federally listed endangered species and protected in New Hampshire. Eversource partnered with New Hampshire Fish and Game to promote Kanar blue butterfly habitat within our ROW on Fish and Game lands around Nashua. Using Integrated Vegetation Management techniques, habitat for the butterfly is preserved and enhanced. The ROW habitat area is part of a larger study area for promotion of the butterfly by New Hampshire Fish and Game.



In 2017, Eversource and the National Fish and Wildlife Foundation (NFWF) New England Forests and Rivers Fund were recognized by the Environmental Business Council of New England for Leadership by a Non-Profit Organization for dedication to the restoration and sustainability of healthy forests and rivers in New Hampshire. In 2015, Eversource and NFWF launched the [Partners for New Hampshire's Fish and Wildlife](#) program to restore and sustain healthy forests and rivers, and enhance habitat for native bird and freshwater fish populations in New England. Over the past three years, through our continued partnership, the program has awarded grants to many projects that will open more than 550 miles of fish habitat, and restore more than 2,500 acres of forest.

In 2017, Eversource funded [grants](#) to the following organizations:

- *University of New Hampshire* – Demonstrating Efficacy of Young Forest Restoration for New England Cottontail and Birds (CT, ME, NH)
- *University of New Hampshire* – Using Science-Based Forestry Practices to Target and Recruit Landowners in Key Watersheds (NH)
- *Belknap County Conservation District* – Restoring Two Miles of Instream Woody Habitat Structure to Benefit Eastern Brook Trout (NH)
- *Vermont Center for Ecostudies* – Documenting Bicknell's Thrush Use of Commercial Young Forest for Lower Elevation Breeding (ME, NH)

To learn more about the partnership and details on grants, please visit the [NFWF website](#).

Responsible Land Management

Eversource owns and manages approximately 43,000 acres of land in Connecticut, Massachusetts and New Hampshire. The majority of these properties are associated with electric or natural gas operations, including transmission line corridors, substations and office buildings, while others are held for future utility uses or inherent conservation value. We value our role as a responsible land steward and dedicate professional resources to maintain the integrity and long-term viability of the land we manage.

We have established formal plans for ensuring the careful management of the land's natural and cultural resources. Our focus is on:


- Forest health improvement, wildlife habitat protection, enhancement and diversification
- Soil and water resource preservation and agricultural stewardship
- Cultural resource protection
- Public recreational and educational uses
- Developing relationships with federal, state, municipal and private land-use agencies and not-for-profit land, wildlife and conservation groups to collectively coordinate management objectives
- Increasing asset value through natural resource improvement, revenue generation and improved access

For additional information and to join us in discovering our great outdoors, please visit the Eversource [Land Management website](#).

In 2012, the Eversource Land Trust was formed to administer permanent protection of key open spaces owned and operated by the company. Four properties in Connecticut were initially placed in the trust, and this gift to the people of Connecticut and the region ensures that important open spaces currently owned and operated by Eversource will be preserved in perpetuity.

Vegetation Management on our Rights-of-Way

The goal of our vegetation management activities is to maintain stable, low-growing grass, shrub and wildflower communities in the power line rights-of-way we manage. This type of vegetation provides the ideal environment for the safe and reliable operation of our electric system, and offers the greatest potential for wildlife habitat to flourish.



Our management of distribution and transmission rights-of-way produces a positive benefit to the ecosystem, promoting biodiversity by controlling selected invasive species and preserving native plant species beneficial to a wide range of wildlife. Eversource employs an integrated vegetation management (IVM) approach to control targeted plant species through a combination of manual, mechanical, chemical and biological methods. These integrated methods allow for the development of low-growing, early successional plant communities while also ensuring the safe and reliable operation of the electric system. Early successional habitats are beneficial to numerous species of plants and animals of special concern, such as the Eastern Hog Nose Snake, New England Cottontail and Eastern Towhee. Please see our [Reliability & Resiliency Initiative](#) section for more information.

Eversource continues to work and partner with the [New England Wildflower Society](#) to conduct surveys of threatened and rare flora. Many of their targeted species can be found within the limits of the rights-of-way. The goal is to collect seeds for banking in the event that the species continue to decline as the preferred habitats become scarce.

Forest Management

We manage approximately 11,800 acres of forest land (about 120 properties) in Connecticut, New Hampshire and Massachusetts, which contain wetlands, vernal pools, water courses, diverse habitats and scenic resources. Eversource promotes sound forest management under the direction of licensed professionals resulting in the sustainable production of timber, species diversity and forest health.

Wildlife Management

Species and habitats known to be rare or of special concern are accommodated in both our operational activities and in our land management planning. A conservation easement of 25 acres in Massachusetts was established for the preservation of Eastern Box Turtle and Eastern Wormsnake habitat under the purview of the Massachusetts Natural Heritage & Endangered Species Program and Audubon Massachusetts. We work closely with state biologists and resource conservation professionals, and under their guidance, the [Eversource Energy Land Trust](#) completed the enhancement of 26 acres during the winter of 2017. The goal of this endeavor; to create vibrant early successional habitat within a large block of core forest, supports species that rely on this critical and declining specific type of habitat throughout New England.

We work closely with the Connecticut DEEP Wildlife Division to make 2,500 acres available to the public for regulated hunting activities. We also administer a private land hunting program on another 2,500 acres of land in Connecticut.


Cultural Resource Protection

Archaeological deposits such as pre-contact Native American village sites and early post-contact European settlement sites are just two examples of the amazing treasures found in New England. We recognize the importance of cultural resources and incorporate their protection into our property management activities. New construction projects as well as maintenance work within lands managed by the utility often require formal consultation and cultural resources investigations. We employ a cultural resources specialist and proactively work with the relevant State Historic Preservation Offices, Tribal Historic Preservation Offices, and other key stakeholders to identify and protect resources of significance to the maximum extent possible.

Recreation Opportunities

Eversource Foundation is supporting The Discover the Power of Park Program, a collaboration with the New Hampshire Department of Natural & Cultural Resources and The National Student Conservation Association (SCA) that places interpreters throughout the New Hampshire state park system with a focus on the natural resources of the state and conservation. Along with funding and providing resources for the interpretive program, Eversource actively participates by organizing employee volunteer events working side by side with SCA interns to provide stewardship and conservation work in local parks. Trail maintenance, bridge building, and wetland protection have been completed through these Eversource volunteer efforts. Later this summer, Eversource volunteers will work with the SCA interns and state park staff to help remediate invasive plant species on the summit of Mt. Washington.

Many of our company lands are open to the public for passive recreational uses, including hiking, nature study, fishing and cross-country skiing. In response to public interests, Eversource Land Management is formalizing agreements for both a



mountain bike trail and rustic camp sites for the Connecticut River Paddler's Trail. The mountain biking trail will partner with [New England Mountain Biker's Association](#) (NEMBA) while the camp sites are located on [King's Island](#) (Eversource Energy Land Trust property) and will partner with the [Connecticut River Conservancy](#). Please visit our [Land Management website](#) to learn more about recreational activities on our lands.

Supporting Local Agriculture

Our land holdings also include nearly 480 acres, which are actively managed for agricultural purposes. Our objectives for these lands are to protect soil and water quality while maintaining long-term agricultural productivity.

We encourage local farm initiatives and currently license property to members of [The Farmer's Cow](#) in Brooklyn, Connecticut, and to Graystone Farm, an organic farm in New Milford, Connecticut. We license these properties to interested farmers and work with the farmer, in addition to state and federal agricultural agencies, to identify best management practices that include crop selection and [soil conservation](#). Other considerations include erosion control, buffers and pest and weed control methods.

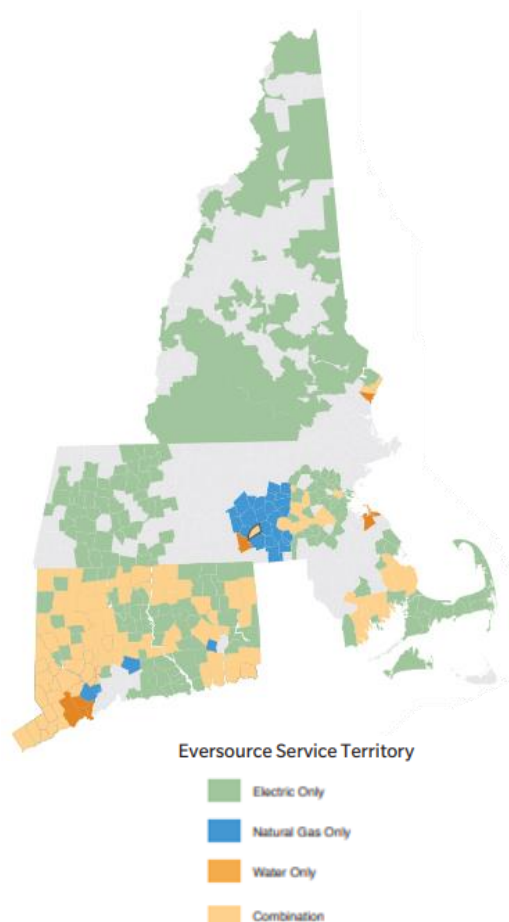
OUR BUSINESS

About Our Company

[Eversource](#), a Fortune 500 and Standard & Poor's 500 energy company based in Connecticut, Massachusetts and New Hampshire, operates New England's largest energy delivery system. We are committed to safety, reliability, environmental leadership and stewardship, and expanding energy options for our four million electricity, natural gas and water customers.

Company Profile	As of 2017 Year End
Employees ¹	8,084
Customers (Electric)	3,187,126
Customers (Gas)	524,628
Customers (Water)	227,098
Communities Served (Electric)	499
Communities Served (Gas)	123
Communities Served (Water)	59
Service Territory (Electric)	13,230 sq. miles
Service Territory (Gas)	3,254 sq. miles
Miles of Natural Gas Pipeline	6,654 miles
Transmission Lines	4,352 cable miles
Distribution Lines	57,970 circuit miles
Transmission and Distribution Water Mains	3,614 miles
Liquefied Natural Gas Plants	3 facilities

Generation Facts as of 2017 Year End		
Type of Plant	Number of Units	Claimed Capability (KW)
Steam*	5	934,940
Hydro*	20	58,951
Internal Combustion*	5	101,535
Biomass*	1	42,594
Solar**	3	8,000




¹Includes 7,773 Eversource employees and 311 Aquarion employees

* On January 10, 2018, Eversource and PSNH completed the sale of PSNH's thermal generation assets, including the steam, internal combustion and biomass units, above. Pursuant to New Hampshire regulatory settlement, hydro generation will be divested in 2018. Claimed capability represents winter ratings as of December 31, 2017. Combined nameplate capacity is approximately 1,200 MW.

**Solar claimed capability represents the direct current nameplate capacity of the plants. We are in the process of constructing up to 62 MW of additional solar capacity in Massachusetts. See "Massachusetts Solar Power" under "Addressing the Region's Energy Challenges" for more details about progress on this important initiative.

On December 4, 2017, Eversource acquired Macquarie Utilities Inc., subsequently renamed Eversource Aquarion Holdings, Inc., and its Aquarion Water Company subsidiaries. Collectively, these water utility companies serve residential, commercial, industrial and fire protection customers in parts of Connecticut, Massachusetts and New Hampshire.



Aquarion is New England's largest private water company. Eversource believes the acquisition will grow its financial and operational portfolio, while moving forward its vision to become the best energy company in the nation. Acquiring Aquarion creates a new, highly complementary business line. Aquarion is well-respected in the industry, serving nearly 230,000 customers in Connecticut, Massachusetts and New Hampshire. Like Eversource, they have a diverse and engaged workforce committed to safely delivering high quality customer service. Ultimately, this transaction has brought together two companies that are operationally compatible, financially strong, customer-centric, and known leaders in sustainable business practices.

2017 Awards and Recognition

Eversource has been recognized by many organizations for our operating efforts, including:

- The Edison Electric Institute (EEI) presented Eversource with the EEI "Emergency Recovery Award" for its outstanding power restoration efforts after three consecutive nor'easters hit Connecticut, Massachusetts, and New Hampshire in March 2018. The Emergency Recovery Award is given to select EEI member companies to recognize their extraordinary efforts to restore power to customers after service disruptions caused by severe weather conditions or other natural events.
- [Newsweek Green Rankings](#) placed Eversource 20th among the 500 largest publicly traded companies in the U.S. in 2017
- [Ceres](#) number one ranking in energy efficiency among investor-owned utilities in their 2016 report Benchmarking Clean Energy Deployment
- [Forbes Magazine](#): One of the best employers in America for the second consecutive year
- *Corporate Responsibility Magazine* named Eversource as one of the 100 Best Corporate Citizens in the United States in 2018, which recognizes standout environmental, social and governance performance
- American Council for an Energy-Efficient Economy (ACEEE): 2017 Utility Energy Efficiency Scorecard ranked Eversource in Massachusetts first and Eversource in Connecticut fourth among the 51 largest U.S. electric utilities
- American Gas Association: Safety Achievement Award for having one of the lowest motor vehicle accident rates for companies of our type
- Institutional Investor: Best Investor Relations Professional and Best Investor Relations Program for the electric utility sector
- National Arbor Day Foundation and Massachusetts Department of Conservation and Recreation: Eversource Vegetation Management in Massachusetts presented with a Tree Line USA award for investments in tree care, education, professional staff, tree planting, and community involvement
- Environmental Business Council of New England: Eversource and its partner, the National Fish & Wildlife Foundation, recognized for Leadership by a Non-Profit Organization for dedication to the restoration and sustainability of healthy forests and rivers in New Hampshire


ENERGY STAR Partner of the Year Awards:

- Energy Efficiency
- Residential New Construction
- Home Performance
- Certified Products
- Commercial and Industrial
- Sustained Excellence

Corporate Governance

Ensuring that we operate and act each day with transparency, accountability to all stakeholders, and responsibly, is something that starts at the top with our Board of Trustees.

Our Board ensures that the company has a clear and acceptable purpose, strategic and operational direction, and that the business of the company is managed effectively, taking into consideration economic circumstances along with regulatory



and legal requirements. The Corporate Governance section of our website contains the many policies, charters, guidelines and information regarding our Board of Trustees, including our [Corporate Governance Guidelines](#), the [Charters of each of the Board of Trustees' Committees](#), and biographical information on our [Board Members](#). These documents, together with those described in the following section on Compliance, provide the framework for the governance and compliance culture of our company, with the goal of enhancing long-term value for shareholders while also fulfilling customer, commercial, community and public service obligations.

We maintain effective corporate governance standards through our Corporate Governance Guidelines and other programs and policies:

- All trustees are elected annually and by a majority vote of the common shares issued and outstanding,
- Ten of our 11 Trustees are independent, as are all Committee members,
- We have adopted a proxy access provision,
- We maintain an effective enterprise risk oversight function, with substantial focus on cyber and system security, through our Audit and Finance Committees,
- We require that Trustees retire at age 75,
- We have a Lead Trustee and hold at least three independent trustee meetings every year, and
- We have an ongoing shareholder engagement program.

We also have a strong commitment to diversity at both the Board and employee level, which we feel contributes greatly to the success of our Company. Of our 11 Trustees, three are women, three are African-American, and one is Asian-American. This puts us in the top decile of the Boards of the companies that comprise the Edison Electric Institute, the electric industry's most prominent industry trade group.

Further information can be found in our [Proxy Statement](#).

Ensuring Compliance

Doing what's right – ethically, fairly and honestly – is the cornerstone of our corporate governance and corporate compliance culture. In that respect, all of Eversource's trustees, officers, and employees must abide by the principals of Eversource's [Code of Business Conduct](#). The Board of Trustees (the "Board") has adopted a [Code of Ethics for Senior Financial Officers](#), a [Related Party Transactions Policy](#) and a [Political Activity Policy](#). The Company also has a Conflict of Interest Policy, Insider Trading Policy and [Financial Disclosure Policy](#) in place, to which all trustees, officers, and employees must adhere. These policies collectively address day-to-day activities and reflect our commitment to conduct ourselves ethically, respectfully and honestly.

All officers and employees receive communication on the Code of Business Conduct and corporate policies, such as Conflict of Interest, Fraud Prevention and Detection, Prevention of Discriminatory Harassment, and Fitness for Work, which together outline the need to demonstrate inclusive, respectful, honest and ethical behavior as they perform job-related tasks and interact with each other, customers and the public. Throughout employees' careers, training is provided to ensure ongoing awareness and understanding of the Code of Business Conduct and company policies and procedures.

Eversource also maintains a Corporate Compliance Hotline that is available to anyone as a simple way to report known or suspected compliance and/or ethics violations on an anonymous or identified basis. The hotline, which can be accessed by phone or via a secure website, is operated and administered by an outside vendor (NAVEX Global) and available 24 hours a day, 7 days a week. Eversource's hotline is intended to complement in person, phone or email reporting to managers, supervisors, the Corporate Compliance Officer or Human Resources.

Eversource's Compliance and Ethics Committee, which is chaired by the Chief Compliance Officer, provides guidance and assistance to management to ensure adherence to applicable laws, regulations, industry standards, and the Code of Business Conduct by the company and its employees. The Committee provides oversight for the development and implementation of the Eversource Corporate Compliance Program, reviews key compliance topics and issues that could materially impact Eversource Energy, interfaces with the Legal, Internal Audit, Human Resources and Enterprise Risk Management Departments and Enterprise-level compliance committees to thoroughly monitor and assess, and ensures the effective mitigation of compliance risks, and periodically reports to the Audit Committee of the Eversource Board of Trustees to assist it in fulfilling its compliance oversight responsibilities.

Ethics and Risk Management

The Board of Trustees, both as a whole and through its committees, is responsible for the oversight of the company's risk management processes and programs. Our Enterprise Risk Management (ERM) program applies a well-defined enterprise-wide methodology to allow our Risk Committee, comprised of senior officers, to identify, categorize, prioritize, and mitigate the principal risks to the company. The ERM program is integrated with other assurance functions throughout the company, including Compliance, Auditing, and Insurance.

In addition to known risks, ERM identifies emerging risks to the company through participation in industry groups, discussions with management and in consultation with outside advisers. Our management then analyzes risks to determine materiality, likelihood and impact, and develops mitigation strategies. Management broadly considers our business model, the utility industry, the global economy and the current environment to identify risks. Risks identified during the ERM process are periodically discussed with the Board Committees or the full Board of Trustees, as appropriate, including reporting on how these issues are being measured and managed. Additionally, a comprehensive annual report on ERM is made to the Finance Committee, which is also provided to and reported on to the full Board.

Financial Performance

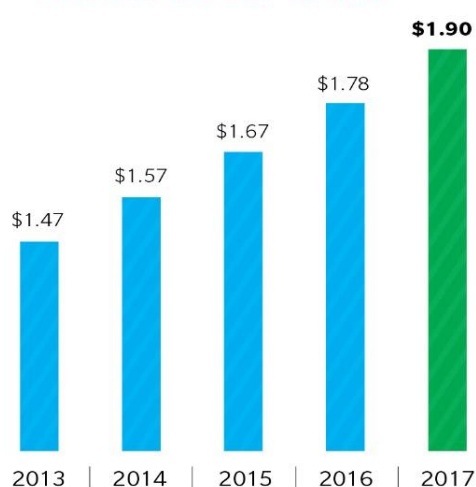
2017 was another year of delivering solid performance to our shareholders. We reported earnings of \$3.11 per share, compared to \$2.96 in 2016, an increase of 15 cents, or 5.1 percent. This earnings growth supports our dividend growth, and in 2017, we raised our annualized common dividend by 12 cents, or 6.7 percent, to \$1.90 per share. This action was followed in February 2018 with the announcement of another 12-cent increase to an annualized rate of \$2.02.

Earnings Per Share ⁽¹⁾



⁽¹⁾ Represents diluted earnings per share.

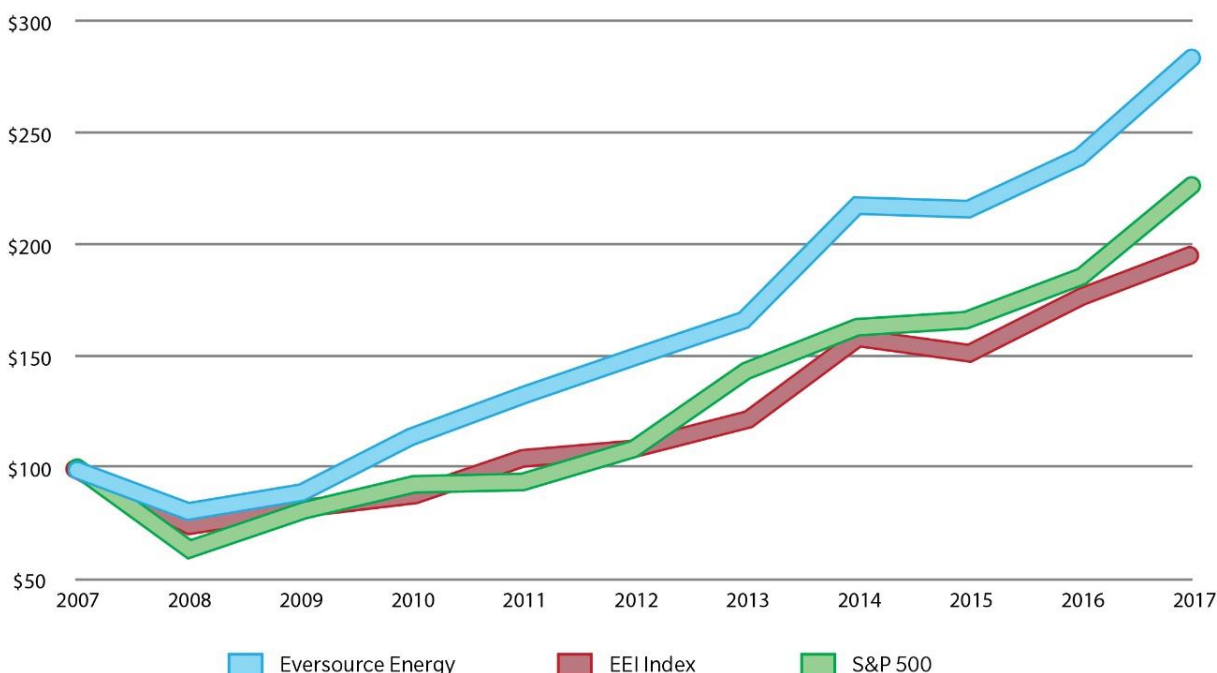
Dividends Per Share



Our total return to shareholders – the combination of dividends paid and share price appreciation – was 18 percent for 2017, far exceeding the 11.7 percent return for the industry, as represented by the EEI Index of 43 companies. 2017 was the eighth time in the last nine years that we have achieved a “double-digit” total return for our shareholders. Only two other companies within our sector can match this consistent level of achievement.

Total Shareholder Return

(Assumes \$100 invested on December 31, 2012 with all dividends reinvested)



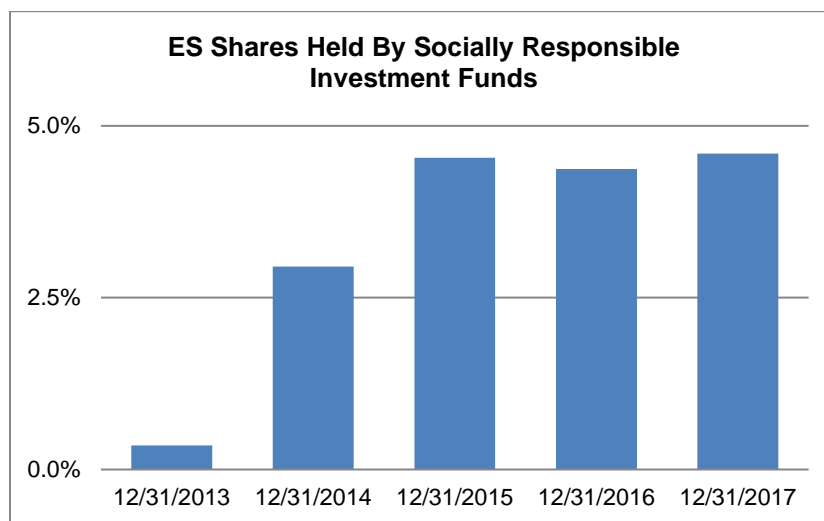
And we have accomplished this performance without taking on excessive risk. In 2017, Standard and Poor's raised our corporate credit rating to "A+" with a stable outlook, two notches above any of our electric utility peers. Strong credit ratings enable better access to capital markets and lower interest costs, benefitting our customers in the form of lower prices.

We invested a record \$2.5 billion in our electric and natural gas delivery systems and customer service infrastructure in 2017. We continued to support the reliability of the regional electric system with enhanced vegetation management and resiliency work, and with the completion of regional transmission projects, such as the Merrimack Valley project in New Hampshire.

We continued to grow our natural gas network installing nearly 43 miles of new pipeline in Connecticut and Massachusetts and adding more than 10,000 new heating customers for the fifth year in a row. Consistent with our sustainability strategy, we accelerated pipeline replacement in both states to reduce methane emissions, investing \$107 million in 2017 to replace 61 miles of cast iron and steel pipe with safer, more durable plastic better able to handle fluctuations in temperatures and resist corrosion. Our pipeline replacements have more than doubled in scope over the past five years, improving system safety and the environment, and lowering operating costs.

Our addition of the Aquarion Water Company represents a unique convergence of three industries. Aquarion serves nearly 230,000 water customers in Connecticut, Massachusetts and New Hampshire, many of whom are already Eversource Energy customers. Similar to the electric and natural gas business, water utilities face the challenge of making significant investments to replace aging infrastructure and meet changing environmental standards.

Eversource meets regularly with socially responsible investors. The percentage of Eversource shares held in these portfolios is highlighted below.



We are also a leader within our trade group, Edison Electric Institute, in standardizing ESG disclosures. This standardization was completed in 2017 following significant discussion with institutional investors. This information can be found on our website at [EEI ESG Initiative](#).

Historical and detailed financial information is available in Eversource's [Annual Reports](#).

Sustainable Supply Chain

Eversource is committed to sustainability in its supply chain and recognizes the importance of ethical behavior in business relationships and in the workplace. To clearly set out our expectations for suppliers, Eversource requires all vendors to adhere to our [Supplier Code of Conduct](#).

We actively support industry-wide expansion of supply chain sustainability through participation in the [Electric Utility Industry Sustainable Supply Chain Alliance](#) (the "Alliance"). The Alliance is an organization of utilities working together to advance sustainability best practices in utility supply chain activities and supplier networks. Focusing on non-fuel suppliers, the Alliance's goal is to work with industry suppliers and other interested parties to improve environmental performance and advance sustainable business. Eversource once again maintained active membership in the 2017 Alliance and our Vice President of Supply Chain, Environmental Affairs, and Property Management serves on their Executive Committee.

Supplier Sustainability Program

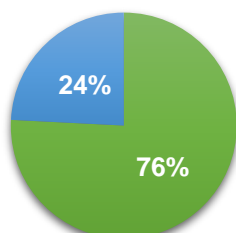
Eversource Procurement fosters supply chain sustainability and communicates our commitment to sustainability to all suppliers. In 2018, we enhanced our program to obtain information from all bid participants on their environmental, social and governance efforts in our request for proposals (RFP). This information is scored as part of bid evaluations.

Scores for all awarded vendors will be tracked on an ongoing basis to monitor progress and ensure compliance with laws and regulations. Questions asked of all bid participants are designed to:

- Understand supplier sustainability efforts
- Communicate our commitment to sustainability
- Screen to differentiate supplier choice if all else is equal
- Establish a baseline of supplier sustainability performance
- Enable future trending
- Start conversations on sustainability opportunities in our supply chain

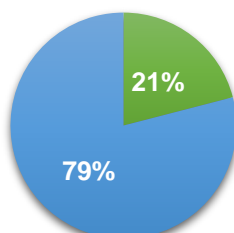
Questions and baseline performance from key suppliers are as follows:

Does your company offer customers environmental improvement opportunities?



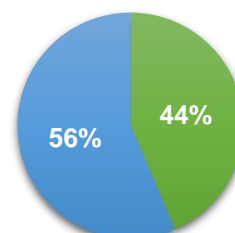
■ Yes ■ No

Has your company been cited for non-compliance of an environmental and/or labor issue in the last 5 years?



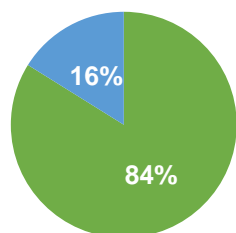
■ Yes ■ No

Has your company received any sustainability awards and/or recognition?



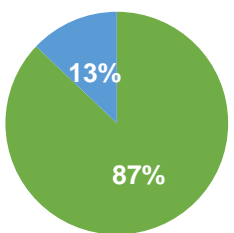
■ Yes ■ No

Does your company have any community engagement programs?



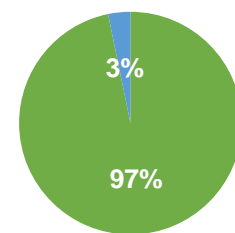
■ Yes ■ No

Does your company Have any workforce development programs?



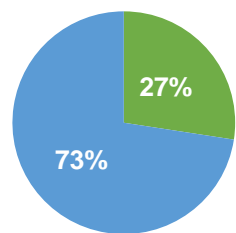
■ Yes ■ No

Are you compliant with the Diversity & Inclusion Language in the Supplier Code of Business Conduct 2017?



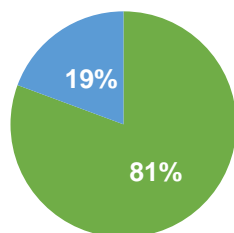
■ Yes ■ No

Do you publicly report greenhouse gas emissions?



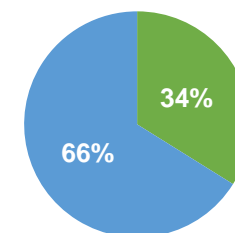
■ Yes ■ No

Do you have a current statement or policy related to sustainability and/or reducing environmental impact?



■ Yes ■ No

Do you publicly report voluntary goals to reduce energy consumption, emissions, waste or water in your operations?



■ Yes ■ No



Environmental Management of Suppliers

Eversource Energy is committed to environmental compliance, leadership, accountability and stewardship. We expect all of our suppliers to comply with all applicable environmental laws and regulations, and to conduct their operations in an environmentally responsible manner that respects both the natural and human environment.

In the field, we engage environmental permitting vendors who are qualified to identify the least impactful manner in which to build projects. Construction trade vendors are required to comply with environmental best management practices and receive project-specific environmental training such as protection of wetlands, endangered species and cultural resources.

We also utilize pollution vendors who are responsible to pick up, transport and dispose of waste regulated as hazardous from company facilities, and also provide 24/7 emergency response support to clean up oil and hazardous materials (OHM) releases from company owned/operated equipment. Through internal audits we ensure that pollution vendors are in compliance with federal & state hazardous waste management rules applicable to cleanups, waste transport and waste disposal. Our professional services vendors are selected on a "most qualified" approach, and include licensed professional engineers, geologists, hydrologists, chemists, toxicologists, environmental scientists and licensed site professionals.

Once an environmental project initiates, Eversource vendors are monitored by highly trained and experienced Environmental Coordinators (EC) in the field to ensure the project is completed within scope and in compliance with state and federal regulations. The EC also provides post-project feedback to vendors on performance, maintains all associated compliance records, and interfaces with regulators who may observe company vendor activities. As part of the EC responsibilities, they also provide monthly updates to company management on vendor performance and spending.

Commitment to Supplier Diversity

Eversource provides all suppliers with equal access to procurement opportunities, promoting supplier participation reflective of the diverse business community. Together with our diverse suppliers, we are expanding business opportunities, advancing suppliers' visibility and growth goals, and creating valued business relationships.

We are committed to the active inclusion of diverse businesses in our supply base, including:

Small Disadvantaged Business, Woman Owned Small Business, Veteran Owned Small Business, Service Disabled Veteran Owned Small Business, Hub Zone Certified Small Business, Minority Owned Business Enterprise, Woman Owned Business Enterprise, Veteran Owned Business Enterprise, Disadvantaged Business Enterprise, Disabled Owned Business Enterprise, and LGBTQ Owned Business Enterprise.

In 2017, Eversource spent \$470.9 million with Small and Diverse Businesses, exceeding six of our seven socioeconomic and Diversity category spending goals.

Eversource actively participates in the direction of Supplier Diversity in the New England region by supporting the Greater New England Minority Supplier Development council as a Gold Sponsor, and as a member of the Board of Directors.

Eversource's innovative Supplier Diversity Program was honored with an award from the Connecticut Business Leadership Network (CBLN), honoring leaders for their service and commitment to diversity and inclusion. Connecticut Governor Dannel Malloy was one of the other five Supplier Diversity Award winners and provided the keynote address at the awards luncheon in Eversource's Berlin auditorium.

Supplier Relationship Management Program

Eversource Energy is committed to working collaboratively with our strategic suppliers to drive value, reduce risk, and strengthen our competitive position through regular performance management meetings with our top vendors. We have formalized our Supplier Relationship Management (SRM) activities into a formal SRM Program with a critical subset of our top spend suppliers.



Eversource's SRM Program includes:

- Templated scorecards, including standardized KPI scoring methodology and consistent Safety, Diversity, and Sustainability KPIs across all supplier scorecards
- Quarterly Performance & Development Review Meetings facilitated by Procurement Agent with Business Partners and Supplier
- Annual Review & Strategic Planning Meetings facilitated by Procurement Agent with Eversource and Supplier senior level management
- Vendor Risk Profile comprised of IT Security, Physical Security, and Safety incorporated into Vendor Review Calendar

As our SRM Program develops, we will continue to improve and expand the program to partner with additional suppliers and further incorporate Vendor Risk into our Supplier Scorecards.

Supply Chain Management Project

The Eversource Supply Chain Management Project (SCMP) is one of our key business transformation initiatives to consolidate and standardize all supply chain processes and practices across our company. Implemented in July of 2017, this project introduced state-of-the-art technology to our sourcing, contracting and materials management-related activities.

Leveraging industry-best practices, Eversource has just begun to see the additional benefits of eliminating redundancy and streamlining the supply chain process including:

- Improved vendor management and inventory accuracy
- Enabled electronic invoicing and payments
- Increased transaction and workflow automation
- Improved analytics for cost management and reporting

In addition to project-related cost savings, our Ariba Supplier Enablement effort, which launched in 2016 and is continuing in 2018, requires suppliers to transact electronically with Eversource. This will provide emission reductions from reduced paper use and printing, postage, and transportation costs.

SERVING OUR CUSTOMERS

Customer Experience

At Eversource, we're always working to serve our customers better, delivering new customer service solutions and enhancing the ways our customers interact with us to make doing business quick and easy.

2017 Customer-Focused Highlights:

- We introduced new billing and payment options, streamlined navigation, and more to make Eversource.com faster and easier to use for the approximately 1.5 million customers who use our website each month as a primary source of information and to complete self-service transactions.
- Building on our popular Outage Alerts, we've added more options for receiving proactive account notifications by text, email and phone, including billing and payment alerts and service disconnection alerts.
- It's easier than ever for our customers to [report an electric outage by text](#) and receive on-demand updates on the status of their restoration.
- We continue our proactive communications regarding [scams](#) and [aggressive energy suppliers](#) to ensure customers understand their energy supply options and can identify and avoid scams and dishonest marketing tactics. Working with Utilities United Against Scams and retailers of reloadable debit cards, a commonly used scam tactic, we posted [eye-catching signs](#) in retail stores throughout our service territory to warn customers at the point-of-sale.
- Our Social Customer Care Team is dedicated to responding to customer inquiries via popular social media platforms like Twitter and Facebook 24 hours a day, 365 days a year. Our presence in this ever-growing customer care channel has enabled us to promptly respond to customer concerns and deliver support in their medium of choice.

New Opportunities

- With the customer at the center of all we do, we've implemented a multi-year plan and investment to transform our customer experience. To develop this plan, we've leveraged Journey Mapping, a best-practice, outside-in technique that looks at a process from the customer's lens, and uses data to identify and prioritize the best opportunities to enhance the customer's experience. To date, we've completed Journey Mapping in three areas: Start, Stop, and Transfer Service, Planned and Unplanned Outages, and Gas Services.
- Hearing firsthand from our customers about ways we can serve them better is a key driver of our customer experience transformation. Our new, online customer community, The Eversource Advisory Group, enables our customers to communicate with us directly and provide feedback on how we can strengthen their interactions with us.
- We continue to build on our self-service tools and information available for customers 24/7 at Eversource.com. New capabilities including enhanced search functionality and the new, 'Ask Eversource' virtual assistant chatbot. These new features make it easier for customers to find information and complete transactions in the digital channels they prefer.

For more information on the many ways in which we are investing in energy efficiency tools and programs for our customers, please visit the [Energy Efficiency section](#) of this report.

Protection of Customer Information

Eversource understands the importance of protecting our customer's personal information. We maintain a comprehensive program to help ensure delivery of services and to protect against the loss, misuse and alteration of customer data. Safeguards used to protect this data include:

- Comprehensive information security policies and procedures
- Risk assessments to identify and address new and changing risks to protect systems and sensitive data
- Implementation of encryption technologies to prevent unauthorized access
- Reviewing all safeguards on a regular basis
- Training employees in the proper handling of personal information

Further information on data we collect, how we safeguard customer information, and how customers can protect their information can be found in our [Privacy Policy](#) published at Eversource.com.

Customer Assistance Programs

At Eversource, we understand there are times when customers may have difficulty paying their bill. That's why we offer payment assistance programs, services and partnerships to help our customers stay warm when the temperature dips – and beat the heat during the summer. These comprehensive assistance programs ensure that we're there when our customers need us the most.

Visit the Help Pay My Bill section under My Account at Eversource.com for information specific to [Connecticut](#), [Massachusetts](#) and [New Hampshire](#). Households with incomes at or below 60 percent of a state's median income are eligible for many of these programs.

Eversource programs to help customers manage their energy costs include:

Financial Assistance

- We offer "New Start", an arrearage forgiveness program, to eligible Connecticut and Massachusetts residential limited income customers who need help in paying down their past due balance. With every on-time monthly utility bill payment, one-twelfth of the customer's past due balance is forgiven. New Start helps participants develop financial management skills by reinforcing and rewarding consistent bill payment habits. In 2017, almost 49,000 customers were enrolled in the program and approximately \$25.5 million dollars in customer debt was forgiven. Approximately 85% of New Start participants made at least one budget payment during the program.
- For qualifying limited-income customers in New Hampshire and Massachusetts, rate discounts are available to reduce the customer's cost per kWh for electricity.

Payment Plan

We will work with customers who are struggling to pay their bill by creating a payment plan that is tailored to their needs.

Shut-off Protection

- The Winter Protection Plan protects eligible customers from utility service disconnection for nonpayment from November 1 to April 15 in Connecticut, and from November 15 to March 15 in Massachusetts. Eligible New Hampshire customers are protected from utility service disconnection from November 1 to March 31 if at least 10 percent of the balance is paid.
- The Medical Protection Plan provides qualified customers with service protection during a serious illness.

Assistance for Customers with a Medical Condition or Disability

- Eversource will notify customers who depend on electricity for life-support equipment prior to planned power outages, and when there is a potential for weather-related outages due to large storms.
- Eversource offers a specialized TTY teletype and contact number for hearing-impaired and deaf customers.

Customer Outreach

- We're committed to helping our customers manage their energy costs. As part of those efforts, we keep them informed about our programs through monthly bill inserts, other print media, and digital media. We've also partnered with local, state, and federal agencies to provide customers with the help and energy they need for every moment of their life.
- Eversource has longstanding partnerships with Operation Fuel in Connecticut, Good Neighbor Energy Fund in Massachusetts and Neighbor Helping Neighbor in New Hampshire. In 2017, Eversource donated more than \$265,000 to these programs, with an additional \$738,000 donated from customers through our Add-A-Dollar program and other contributions.

Reliability & Resiliency Initiatives

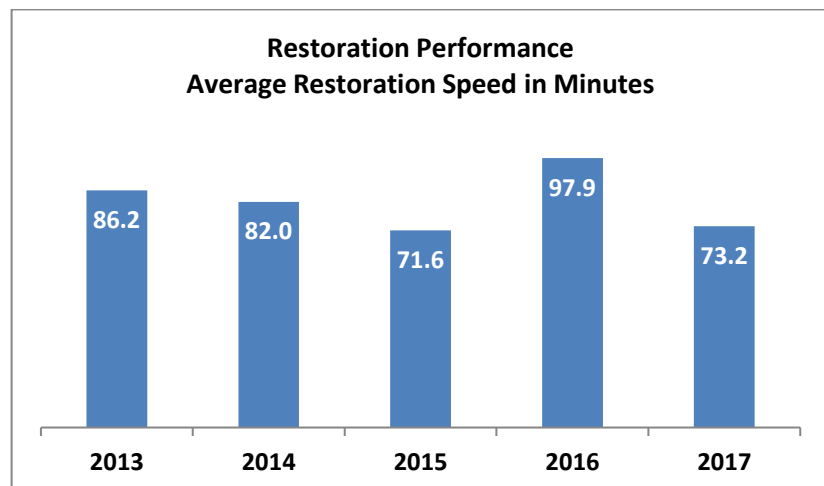
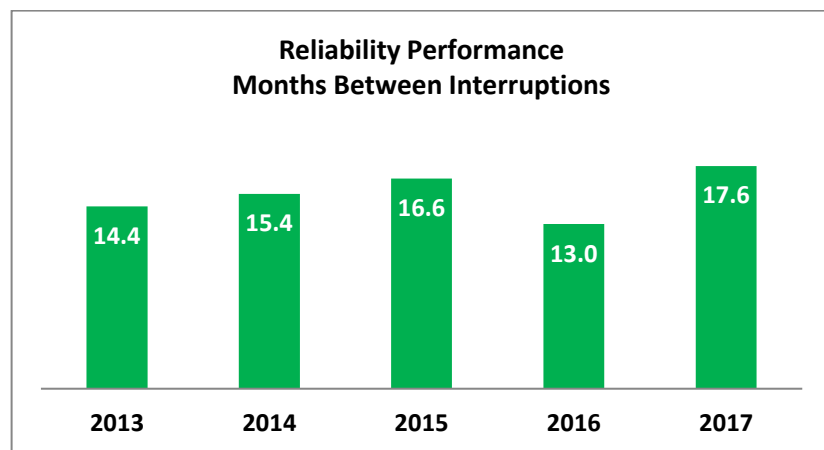
Over the past year, our employees responded when we asked them to further improve reliability for our customers. The result was that our electric customers experienced service interruptions on average only about once every year-and-a-half, placing Eversource in the top quartile for electric reliability among our peers. On the gas side, pipeline replacements have more than doubled over the past five years, improving system safety and the environment.

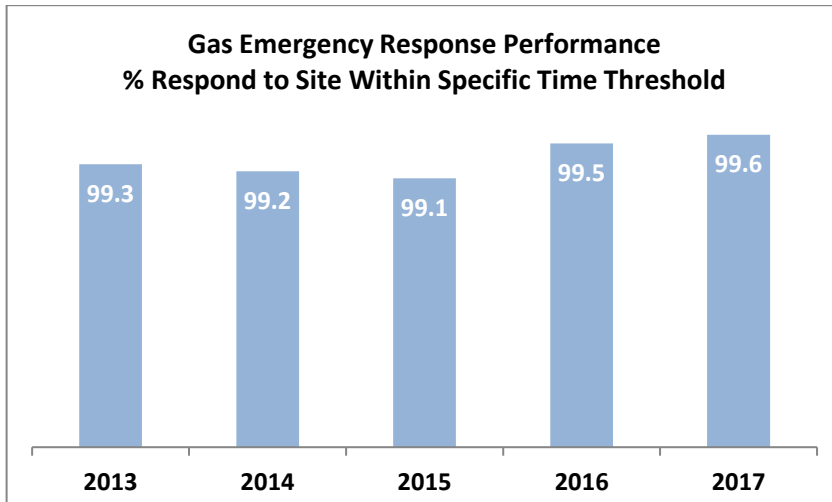
We invested a record \$2.5 billion in electric and natural gas system delivery systems and customer service infrastructure in 2017. We continued to support the reliability of the regional electric system with enhanced vegetation management and resiliency work, and with the completion of regional transmission projects, such as the Merrimack Valley project in New Hampshire.

As many customers noted during punishing storms in March and May of 2018, which created historic damage, our investments in automating our system are paying off. Many customers were highly complimentary of restorations that took place in hours or minutes. In the most severe circumstances, when restorations took several days, they marveled not only at the work of our crews, but at our communications infrastructure, which provided accurate updates of our progress that allowed them to plan and prepare. We continue to focus on projects designed to increase the capability and dependability of our system.

Reliability Performance

To ensure that we are responding proactively to our customers' needs for reliable energy, we establish challenging targets at the start of each year, and track specific monthly operating performance measures. Each month, operating performance results are communicated to employees.





Our historical targets and performance results are available [here](#).

Examples of some of our key initiatives follow, and further information about planned projects to improve reliability are available on our [website](#).

Eversource Energy Center

The Eversource Energy Center at the University of Connecticut (UConn) is an innovative energy company and university partnership. Our state-of-the-art research, technology and software are solving real-world challenges for our customers where weather, climate and energy intersect. We are collaborating with utilities and industry partners as front runners in mitigating storm hazards, delivering improved reliability and increasing the resiliency of the electric grid.

Through [Storm Outage Forecasting](#) we are predicting a storm's impact in advance of its arrival to foresee the number and location of outages and proactively dispatch crews. Working with town officials, land managers and private land owners, we continue to investigate options for maintaining ecological functions and benefits of trees while reducing risk to infrastructure from trees during storms. Opportunities include forest management techniques in forested areas, and tree-planting or trimming protocols in more urbanized communities. This important research guides our close collaboration with towns on [roadside forest management](#), and informs utility vegetation management best practices.

With 90 percent of power outages during storms caused by trees, our [Stormwise](#) program links forest management and community outreach with electric utility vegetation management to foster storm resistant trees and forests.

Our Center's breakthroughs in science and technology, combined with our field operations and engineering expertise, are delivering significant benefits for our customers and region with greater reliability and superior customer service. We invite you to see our activities in action by visiting the [Eversource Energy Center website](#).

In 2017, Eversource and the Eversource Energy Center at the University of Connecticut launched a new research partnership with Plymouth State University (PSU) in Plymouth, New Hampshire that will develop an outage prediction model for New Hampshire, particularly during winter storm conditions. Research conducted through PSU's meteorological degree program will focus on storm model and system damage forecasting based on analysis of historic weather data in New Hampshire. The partnership with Plymouth State will help produce critical data that will enhance reliability for Eversource customers, and help the company plan the grid of the future, especially in areas deemed most susceptible to extreme winter weather conditions.

Science-based solutions—including high-resolution weather and outage forecasting and 3-D aerial and ground imagery—are improving the delivery of reliable power and enhanced risk management in extreme weather. This next-generation research is mitigating storm hazards, delivering improved reliability, shortening and preventing outages, and further increasing the resiliency of the electric grid.

Vegetation Management

Eversource's Vegetation Management program is a thoughtful plan to balance the needs of our customers and communities, with the goal of providing safe, reliable electric service for our customers while monitoring growth of trees around power lines. Tree trimming and removal activities reduce both the number and duration of outages, and are the most effective means of improving service reliability. Tree trimming also benefits the communities we serve by removing dead or diseased branches and trees that not only threaten power lines and rights-of-way, but also public roads. Tree trimming is done in accordance with the standards of the International Society of Arboriculture (ISA), and the American National Standard Institute (ANSI). To find out more about our program, please visit our [Eversource](#) website.

Vegetation Management Education and Outreach

In 2017, Eversource arborists, in partnership with University of Massachusetts (UMass) staff, forestry students and local tree wardens, completed a utility arboretum at the Agricultural Learning Center at the UMass Amherst campus. The arboretum is an educational landscape demonstration of proper vegetation to plant underneath, near, and further away from power lines to help prevent tree-related power outages. Using recycled poles and electrical equipment, various species of trees have been planted near de-energized utility lines to provide educational opportunities on working safely around utility lines, proper planting and maintaining trees around utility poles. Highlights of the project include:

- Educational resource for forestry and arboriculture classes
- Research opportunity through monitoring trees for growth and adaptability
- Public resource for tree wardens, municipal officials, landscape architects and other interested parties

We have also installed a utility arboretum at our Legends Drive facility in Hooksett, which is adjacent to Hooksett's Safety Center and easily accessible to the public. It is designed to help customers better understand what species of tree to plant, and where to do so safely. The arboretum features more than 40 different species of trees that are hardy to New Hampshire and will grow to heights no taller than 30 feet so as not to encroach upon overhead electric lines.

Eversource recently collaborated with Michael a. Dirr, Ph.D. of the University of Georgia to develop "[30 Trees Under 30 Feet](#)" recommendations for low-growing trees that are compatible for planting near overhead utility lines. In addition to being included in a social media campaign, posters were distributed to municipal Town Halls and more than 1,200 garden centers and nurseries across the Eversource service area.

Automation Programs


Eversource employs a large amount of distribution automation on its overhead and underground circuits. When a fault occurs, this equipment automatically isolates the faulted portion of the circuit and restores service to customers in the unaffected portion. Our distribution automation effectively reduces the impact of outage events by over 25 percent on average. To build on this success, Eversource is continually seeking new and more cost-effective options to further automate our system. We are piloting new technologies to provide even more benefits to customers and the electric system.

We are continuing to build out a large amount of distribution automation on our overhead system. Eversource is piloting overhead reclosers that can enhance distribution outage mitigation with single pole switching, which can significantly reduce the impact of objects such as tree limbs that come into contact with utility lines. This faster automatic service restoration will improve reliability and minimize the number of customers impacted from a fault.

We are continually improving and benchmarking our ability to integrate renewable energy on to our distribution system. One such initiative is a pilot program that uses cellular technology to seamlessly integrate renewable energy, such as solar farms and fuel cell projects, onto the Eversource distribution system. Due to the demand for renewable energy, Eversource is leveraging distribution automation to help make access to renewable power easier.

Distribution System Hardening

Eversource regularly reviews the performance of our system and performs upgrades to bring new construction or retrofit construction to our enhanced design criteria, meeting or exceeding requirements of the National Electrical Safety Code.



Investments typically target upgrades that will improve the ability of the system to withstand the impacts of wind, lightning, snow, ice and animals.

Approved Regulatory Programs

In addition to infrastructure improvements to strengthen the reliability of our system, we are continually working with our regulators to identify and approve new programs that will help to improve our system resiliency.

In Connecticut, Eversource's "[System Resiliency Plan](#)," a five-year, \$300 million infrastructure hardening plan, was approved by the Connecticut Public Utilities Regulatory Authority (PURA) in 2013. In June of 2015, PURA approved an additional \$137 million of spending on the plan, which is designed to improve the system's ability to withstand damage when extreme weather strikes, reducing frequency and duration of power outages from severe weather and improving day-to-day system reliability. Since 2013 and through 2017, the plan focuses on: [tree trimming](#), making our wires more weather- and tree-resistant; strengthening poles, cross-arms and other vital hardware; and equipment automation.

In New Hampshire, Eversource has a Reliability Enhancement Program (REP), developed in conjunction with the New Hampshire Public Utilities Commission (NHPUC). The program was initiated in 2007 and has had several iterations, with the current version expiring at the end of December 2018. The 2018 program has a revenue stream which supports \$2.3 million in specific operations and maintenance (O&M) programs and \$9 million in specific capital programs for the year. A filing may be made to extend the program through 2019, depending on the timing of a planned Rate Case filing in 2019. The program has produced measurable improvements in customer reliability.

Transmission Reliability Initiatives

Eversource continually assesses the transmission system to assure that its operation meets regional and national reliability standards. Working in conjunction with ISO-NE, Eversource conducts periodic 10-year look-ahead transmission system studies so that system concerns are anticipated and resolved prior to being experienced in real-time operations.

The most recent ISO-NE solutions study that has been approved addresses reliability needs in the Southeastern Massachusetts/ Rhode Island area of the regional transmission grid. ISO-NE identified a suite of 27 individual projects totaling \$305.8 million, of which Eversource has 14. In addition, over the next five years, Eversource will continue to implement a series of new transmission initiatives as part of the Greater Boston Reliability ("Greater Boston"), Greater Hartford Central Connecticut (GHCC), Southwest Connecticut (SWCT) and New Hampshire (NH) major project initiatives. These initiatives are the result of continued analysis of the transmission needs to enhance system reliability and improve capacity and reliability in Eversource's operating territory. In addition to these major projects, there are several smaller line and substation projects that collectively are designed to address the reliability and capacity needs identified in these geographic areas.


Major transmission projects are highlighted on our website under "[Major Projects & Infrastructure](#)".

Gas Business Reliability Initiatives

Reliability, safety and the sustainability of our natural resources are key components in the daily operation of our natural gas systems in Connecticut and Massachusetts. In 2017, we invested close to \$320 million in our gas delivery infrastructure. This investment involves a combination of upgrading existing distribution mains and LNG storage facilities as we continue to meet the increasing demand for natural gas in our communities.

Our natural gas business plans directly align with federal regulations, which require all U.S. natural gas companies to identify and address the greatest risks affecting the reliability of their distribution systems.

In 2018, Eversource will continue a class 3 leak repair program to reduce methane emissions in Connecticut. The program will systematically reduce the number of leaks over the next several years, reducing the total number of class 3 leaks on state-of-the-art facilities by more than 60 percent. These repairs, well above any Federal code, will be prioritized based on facility type. In Massachusetts, Eversource began a program to eliminate High Emitter leaks (leaks that are considered to be Environmentally Significant). High Emitter leaks currently on the system will be repaired within two years unless the leak is on a facility scheduled to be replaced as part of the Gas Safety Enhancement Program (GSEP) program in the next five years. All future High Emitter leaks will be repaired within two years from the date of discovery.



In Connecticut, Eversource was first in the state to implement an accelerated replacement and reliability program. In Massachusetts, the company developed its GSEP to plan, prioritize and accelerate the replacement of leak-prone pipe with new state-of-the-art plastic pipe. This program is approved annually by the Massachusetts DPU. As a result, Eversource is helping the environment, improving system reliability, and creating the springboard to drive natural gas expansion within its service territories.

Grid Modernization

On May 10, 2018, the Massachusetts DPU authorized a three-year \$133 million grid modernization plan (GMP). The three-year preauthorization includes a suite of investments that will modernize the Company's electric distribution infrastructure to improve reliability and facilitate integration of distributed energy resources. The three-year GMP includes investment in tools to better manage the grid; increase the automation and flexibility of the system; improve the Company's communications and advanced sensing capabilities across the distribution system.

On October 4, 2017, Connecticut PURA approved Eversource's proposal for investments designed to improve the process to interconnect distributed generation. The approved investments included an online portal to improve the application and tracking process for interconnecting customers and developers. The portal was completed and has been in service as of May 2, 2018. The approved investments also included hosting capacity analysis and mapping tools for developers of solar or other DER facilities to gain more visibility into the relative challenges of interconnecting in specific locations in the Company's Connecticut service territory. These tools are planned to be completed on or before March 29, 2019.

Battery Storage

Eversource has commenced development of two battery storage projects in Massachusetts—the Outer Cape and Martha's Vineyard Community Battery Projects—after receiving a \$55 million pre-authorization in the 2018 rate case.

The Outer Cape Community Battery Project

This project will provide an innovative battery storage solution for one of the most vulnerable areas of our service territory from a storm perspective: the Towns of Wellfleet, Truro, and Provincetown. These Towns have experienced more than 15 major outage events over the last five years, representing over 45,000 customer outage hours. To address the system reliability needs of the area, we are preparing to construct a 25 MW / 38 MWH lithium ion battery storage facility at the tip of the Outer Cape in Provincetown. The battery will improve reliability by more than 50% for customers in Wellfleet, Truro, and Provincetown, based on historic data. The battery will be capable of providing 1.5 to 3 hours of backup power in summer "peak" conditions and up to 10 hours in the winter, spring and fall (when most of the major outages have historically occurred). Pending all necessary approvals, we expect to commission the project in 2021.

The Martha's Vineyard Community Battery Project

Martha's Vineyard is served by four underground cables from Falmouth, Massachusetts. Due to continued development on the Island, the cables come under heavy use in summer peak conditions. Currently, when one of these cable fails or becomes heavily loaded, the Island relies on five diesel fired peakers that date back to the 1950s. The Martha's Vineyard Community Battery Project will enable retirement of two of the five diesel peakers. The project consisting of a 5 MW / 20 MWh lithium ion battery will shave peak to relieve loading on the underground cables and reduce transmission and power costs for customers. Additionally, it will contribute to power quality on the Island and support increased solar PV hosting capacity.

Emergency Preparedness

Eversource is committed to emergency preparedness and business continuity, and strategically coordinates preparation and response efforts for storms and other major emergencies across our service territory. Our executive-led program is reviewed regularly to ensure it is being implemented effectively and maintained at the highest level of excellence.

Eversource takes a comprehensive "All Hazards" view to address business risks, including preparing for and responding to threats to continuity of services.

- We train consistent with the Federal Emergency Management Agency (FEMA) training standards, modules, classroom instruction, drills and exercises, and e-learning modules within a formal ongoing training and exercise program.
- Major events and preparedness exercises are fully debriefed, after-action reports compiled, and follow-up actions tracked to completion, consistent with continuous improvement and the path to excellence.
- Partnering with our communities, we have pre-identified critical facilities such as hospitals, nursing homes, police and fire departments, in order to prioritize initial life and safety emergency response actions. Residents with life-sustaining medical equipment in their homes receive proactive outbound calls from us with storm readiness and awareness tips.
- Following the successful 2015 deployment of a common Outage Management System for managing electric emergency response and restoration across all three states, in 2016 we deployed technology for our customers to receive outage and restoration updates for their electric service by text, email or phone. Updates include time of restoration, outage cause, status updates, and restoration completion. To improve the timeliness and accuracy of restoration data we have deployed mobile technology to our Electric First Responder Field Personnel in 2017. Plans are in place to provide mobile technology to all gas and electric personnel during 2018 and 2019.
- In 2017, our training and exercise program included training scenarios involving all operational and support organizations and focused on response and recovery mission capabilities associated with decision-making and communication processes and integration and coordination within and between organizational units.
- The Company participated in the National Exercise GRIDEX IV. GRIDEX is an unclassified, large-scale, electricity and gas security and crisis response exercise conducted by the North American Electric Reliability Corporation (NERC) every two years. GRIDEX IV provided the utility industry the voluntary opportunity to exercise their response to a simulated severe cyber and physical security attacks. The exercise provided opportunities to coordinate response with other entities including law enforcement, government, suppliers, and interdependent critical infrastructure sectors such as telecommunications and natural gas.
- Our business response plans provide a standardized approach to emergency response, with integrated plans that are scalable to respond to an isolated incident, a regional or state-level event, or to address an incident affecting our entire three-state service area simultaneously.

All of our preparedness and response plans emphasize our partnerships and timely communications with key stakeholders in each state. Working with communities, states, and federal agencies, we have established protocols to ensure a coordinated and integrated emergency response. For each state in our service area, we have an extensive communications and liaison team responsible for two-way communication with key stakeholders prior to and throughout an event to ensure up-to-date information is shared.

Our [website](#) provides customers with key information during severe events, such as outage reporting, a detailed outage map, real-time updates of crew and restoration status and the ability to stay connected through social media.

Distributed Generation

Distributed Generation (DG) involves the production of electricity from many small energy sources, including solar, wind, fuel cells, and micro turbines. DG can lower customer costs, reduce emissions, and expand energy options for our customers. As of December 31, 2017, Eversource has more than 1.9 million kilowatts (kW) of DG interconnected with our facilities as shown in the following table.

kW of Interconnected DG (As of Dec. 2017)	Solar	Wind	Hydro	Other	Combined Heat & Power	Total
CT	304,616	5,094	114,294	33,270 ¹	171,129	628,403
MA Eastern Electric	444,333	52,885	0	2,826	43,228	543,272
NH	51,712	38,549	77,904	89,684 ² 19,865 ³	15,056	292,770
MA Western Electric	131,482	15,621	38,741	115,426 ⁴	N/A ⁵	301,270
Total	932,143	112,149	230,939	261,071	229,413	1,765,715

¹ Fuel Cell, ² Biomass, ³ Landfill Gas, ⁴ Bio Gas/Digester Gas, Trash Burner, Other, ⁵ CHP is not separately tracked at MA Western Electric

Generating facilities using renewable forms of energy may be eligible to receive incentives and grants. To learn more about these incentives and how customers can safely interconnect with our system, please refer to the generator interconnection guidelines available on our [website](#).

In the Community

Eversource is committed to the health and economic well-being of the residents, businesses and institutions of Connecticut, New Hampshire and Massachusetts, and values its role as a responsible corporate citizen.

Charitable Giving

In 2017, through our foundations and corporation giving, Eversource provided more than \$16 million in financial donations and grants to local and regional organizations to support economic and community development, the environment, and initiatives that address local, high-priority concerns and needs. We target our giving to ensure the greatest community benefit.

2017 Highlights

- \$5 million in charitable investments across New England
- More than 156 volunteer days and charitable events
- More than 5,000 employees and their family members participating
- 29,000 hours making a meaningful difference
- More than \$544,343 donated in support of employee personal giving and commitment through matching grants and Dollars for Doers grants that support community involvement

In addition to grants to local nonprofit groups, our signature sponsorships include:

- [Special Olympics Connecticut Winter Games](#), hosted at our facility in Windsor, Connecticut, was a highly successful event. Eversource has been hosting the Games for more than thirty years. In 2018, that involved 639 athletes, 156 partners, 208 coaches, and 519 volunteers.
- [Eversource Walk for Boston Children's Hospital](#), which has raised over \$17 million for patient programs over the past 12 years of sponsoring.
- [Eversource Walk & 5K Run for Easterseals](#) in New Hampshire, continued with our third year of sponsorship and raised a total of \$227,000 with more than 2,500 participants and volunteers supporting the event in 2017.

- [Eversource Hartford Marathon and Half Marathon](#), which promotes health, fitness, and enjoyment for athletes of varying ages, experience levels and abilities, and generates more than \$14 million of economic value annually to the region with 75,000 spectators, participants and volunteers - including more than 200 Eversource runners and more than 100 Eversource volunteers. The Eversource Hartford Marathon has received *Gold Certification* from [Council for Responsible Sport](#) for its social and environmental sustainability initiatives and was the first marathon to receive the distinction as an *Inspire Gold* event.
- [PGA Tour Experience for Junior Golfers](#) at Travelers Championship. Last year, Travelers Championship raised \$1.7 million for charity, supporting multiple nonprofit organizations throughout New England.

Additional information about our community involvement, including environmental stewardship, school programs and the signature sponsorships noted above can be found by visiting Eversource's [Community](#) page.

Volunteer Programs and Employee Giving

Eversource is proud to offer corporate volunteer programs, which give our employees the opportunity to support nonprofit programs with their time and service. Meet some of our employees who are "[Part of Our Community](#)" [here](#) and see the many ways Eversource encourages employees to "[Build Healthier, Stronger Communities](#)" [here](#). Each year through our United Way Campaign, Eversource and our employees together donate more than \$2 million to make a significant difference in the lives of our customers, neighbors and friends served by United Way agencies in New England.

Community Outreach

Communications and open dialogue with customers and key stakeholders is a vital component of the work we perform every day. Eversource regularly works with community leaders, public officials, health and human service administrators and educators on critical issues facing the community.

For transmission construction, natural gas expansion and certain electric distribution reliability projects that impact our communities, Eversource supplements these efforts by keeping our customers, communities, and state and local leaders informed through a variety of mechanisms. These supplemental communication measures include meetings with local and other elected officials, mailings, door-to-door outreach, project web pages, dedicated toll-free numbers and email addresses and public open houses.

Through our Community Relations group, Eversource now provides community impact grants to smaller organizations that have a particular importance and impact in the communities we serve.

Eversource also provides school outreach programs in our service territory, offering third through sixth grade teachers the option to receive free activity books and lesson plans around electric and gas safety and energy efficiency.

Positive Economic Impact

Eversource contributes to the success of our region and actively partners with local New England leaders to recruit new businesses and boost our area economies. In 2017, we were an active participant in multiple economic development initiatives in Connecticut, Massachusetts and New Hampshire. These initiatives included extensive construction projects that allowed major companies to expand, sponsorships of organizations that support economic development, and the purchase of tax credits, all benefiting the communities we serve.

We support dozens of Chambers of Commerce throughout New England and provide nearly \$1.4 million in funding to various economic development groups who share a goal of helping to boost the economies of New England.

Eversource's Community Relations team participates in Municipal Economic Development Training sessions lead by the Connecticut Economic Resource Center. Community Relations also contributes material to the Connecticut Economic Resource Center's "Economic Review" publication and Hartford Business Journal's "Doing Business in Connecticut Publication". We are actively involved in organizations such as the Connecticut Economic Resource Center, Connecticut Main Street Center Inc., Connecticut Business and Industry Association.

We presently participate in three different tax credit programs in Connecticut, offering an incentive for businesses to support community programs. Over the past 18 years, we have contributed close to \$158 million to affordable housing in Connecticut by utilizing these tax credits. In 2017 alone, Eversource invested nearly \$40 million dollars in tax credits for affordable and historic preservation. The State of Connecticut Housing Trust Fund estimates that a \$10 million investment would create 1,290 jobs, 750 housing units, \$120 million in additional housing development, and nearly \$42 million in wages paid on an annual basis.

In New Hampshire, Eversource supports over 25 Chambers of Commerce Associations, along with business groups such as the New Hampshire Business and Industry Association, New Hampshire Travel Council, New Hampshire Grocers Association, New Hampshire High Tech Council, Small Business Development Corporation, and the New Hampshire Economic Development Association. We partner with organizations such as Jobs for America's Graduates and "Stay, Work, Play" to support workforce development and retention. Community Relations also works closely with state agencies such as the New Hampshire Department of Business and Economic Affairs and the Department of Natural and Cultural Resources to support economic initiatives.

In Massachusetts, Eversource is a member of, and has strong partnerships with over 25 Chambers of Commerce, Rotary Clubs and other business and economic development organizations such as the Massachusetts Alliance for Economic Development, Economic Development Council of Western Massachusetts, Massachusetts Taxpayers Foundation, 495 MetroWest Partnership and the Associated Industries of Massachusetts.

Eversource Economic Benefit

	2013	2014	2015	2016	2017
Donations	\$5.2 Million	\$4.8 Million	\$4.7 Million	5.1 Million	5.3 Million
Employees*	8,697	8,248	7,943	7,762	8,084
Taxes Paid	\$559 Million	\$616 Million	\$643 Million	\$646 Million	\$698 Million

**Employee numbers are approximate as of end of year, excluding temporary employees, and reflect organizational synergies achieved over time.*

OUR PEOPLE

Safety

At Eversource, our shared commitment to “Safety First and Always” is a principle and a mindset we weave into the fabric of every job and every task—whether in the field or in the office. We are a successful organization only if our employees go home safely every day, which is why we are proud of our safety and health record at Eversource.

In 2017, we achieved our best safety performance ever by achieving first quartile Days Away Restricted or Transferred (DART) incident rate performance and approaching first decile Lost Time Incident (LTI) case incident rate performance.

This performance was achieved by increasing active engagement of all levels of management to improve the safety culture of the entire Eversource community. We are cultivating an environment of improved transparency, trust, accountability and shared responsibility for safety for electric and gas operations in all three states and includes the union leadership. This strategy has enabled safety leadership and key safety initiatives to strengthen our safety culture of continuous improvement resulting in outstanding safety performance across Eversource.

The specific 2017 results are as follows:

- 32% reduction of DARTs from 2016
- 46% reduction in LTIs from 2016
- 13% reduction in Preventable Motor Vehicle Accidents (PMVA) from 2016
- 40% reduction in Human Performance errors from Switching & Tagging and Relay Testing
- Zero employee fatalities

DART Rate - The Days Away, Restricted or Transferred Rate includes injuries involving days away, restricted work activity and transfers to other jobs and represents the number of DART injuries per 100 full time employees.

LTCIR Rate - The Lost Time Case Incident Rate includes injuries involving days away from work (i.e., lost time) and represents the number of lost time injuries per 100 full time employees.

PMVA Rate - The Preventable Motor Vehicle Accident Rate represents the number of PMVA incidents per 1,000,000 Miles Driven.

Our success was built upon the enhanced safety field presence and communications; implementation of the Executive Labor Safety Summits; focus on the prevention of significant injuries and human performance errors; and a visible leadership commitment across operations.


Key 2017 Safety Initiatives:

Executive Labor Safety Summits - Engaged Union Leadership in safety to build trust and mutual respect

- We established and sustained an Executive Labor Safety Summit of our union leaders and Operations executives to increase union-management trust and engagement in the safety initiatives in 2017.

Leveraging Injury Management Process – Leveraged Injury Management process to enhance our Mobility program to reduce chronic and acute soft tissue injuries

- We expanded our Mobility program, Physical Therapy interventions and case management process which averted potential DART cases due to early intervention of sprains and strains.
- We expanded our Human Performance (HP) Error Reduction strategies to create more transparency into the actual field conditions and work practices that need to be addressed including training on HP tools (Team Resource Management)



to reduce the likelihood of HP errors. We initiated educational sessions for supervisors and workers and provided tools and processes to reduce human error events.

Significant Injury and Fatality (SIF) Prevention – Established a program focused on the prevention of SIF events including enhanced job briefings, field safety observations, perfect switching and other precursors of high risk activities

- We introduced the concept of Significant Injury and Fatality (SIF) prevention across Eversource, starting with our leadership and management teams. We then expanded to our union leadership and to employees, as well as our external contractors to focus on the prevention of the precursors of high risk activities. This focus promoted an emphasis on field safety observations and coaching on job briefings, perfect switching, safe driving, insulate & isolate practices, drop zone safety and watching out for each other and every employee.

Contractor and Public Safety - Improved the contractor assessment process and implemented external safety awareness campaign for private contractors and public safety officials

- Safety improved contractor and public safety by formalizing the Eversource contractor safety program and process to improve selection, drive performance accountability and ensure regulatory compliance. We also updated our public safety communication for private contractors and public safety officials working around our infrastructure via new awareness communications and media sent to almost 40,000 private contractors across our three-state territory.

New Safety Management Information System

Late in 2017, we began the implementation of a new comprehensive safety information management system which will allow for enhanced reporting, tracking and trending of all our safety related information.

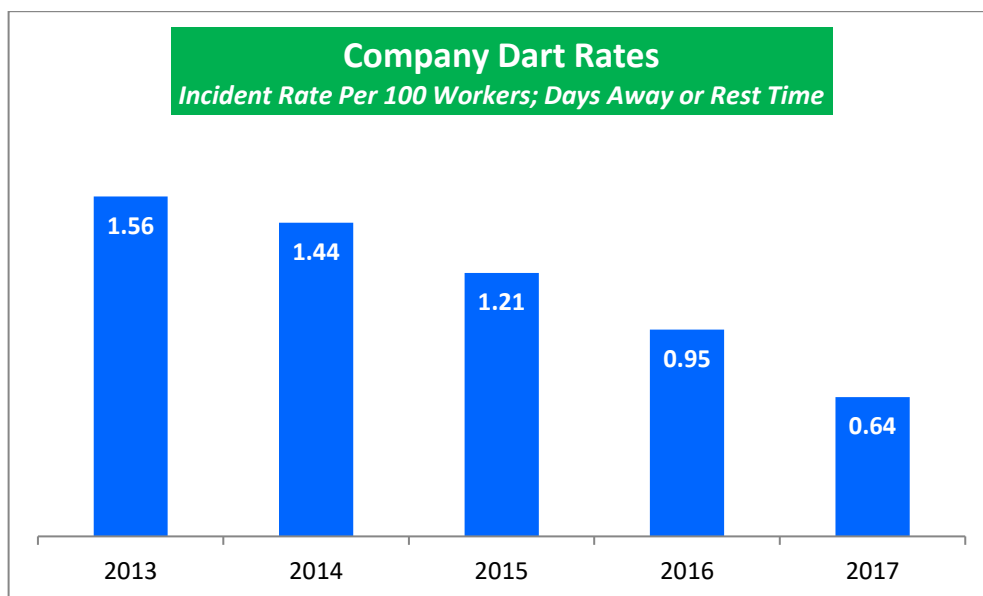
Our work practices protect our employees, contractors and the general public from safety hazards, particularly those hazards inherent in the electric and gas utility industries. Suppliers performing work for Eversource must maintain and adhere to both the letter and spirit of safety laws, and industry-appropriate safety and occupational health standards and practices in the performance of their work. Please [visit our website](#) to learn more about our residential safety programs and to view important safety [videos](#).

Contractor Safety

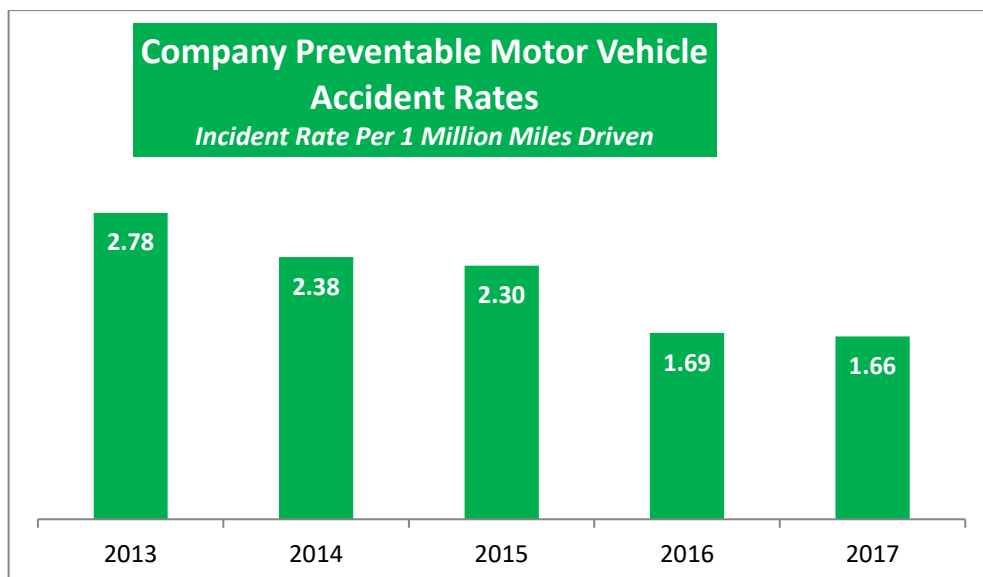
- Eversource continues to provide a leadership role within the Edison Electric Institute (EEI) to improve contractor safety performance, and includes membership on the executive board of the ETD OSHA partnership and semi-annual Contractor Safety Summits with electrical contractors from around the country. We utilize EEI's Contractor Management process to provide a consistent method for evaluating and selecting prospective contractors.
- Throughout the year, we conduct regular Safety Summits with our key electrical, gas, tree and civil contractors where we reinforce our safety expectations, review system and industry events, discuss lessons learned, and allow for contractors to exchange safety information and best practices amongst their peers.

Community Safety

- We conduct numerous electrical safety presentations for first responders and emergency management personnel throughout our service territory. A highlight is the "Live Line Demo" trailer, which allows participants to see first-hand demonstrations of the risks inherent in working on or near electrical equipment. Eversource provides a best-practice school outreach program in all three states, offering third through sixth grade teachers the option to receive free activity books and lesson plans around electric and gas safety. The program includes a children's e-learning web site with videos and activities.
- In accordance with recommendations of various regulatory bodies and public health organizations, we reduce electric and magnetic fields associated with new transmission lines by the use of designs that can be implemented at a modest cost.



Good
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Good
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Current and historical DART & PMVA performance data are available [here](#).


Workforce Investment

Employee Engagement

Eversource recognizes that an engaged workforce is critical to our mission of delivering reliable energy and a superior customer experience. Leaders at all levels strive to create a workplace where our employees advocate for the customer, work collaboratively, raise ideas for improvement and focus on delivering a superior customer experience.

We build employee engagement through continuous communication, developing talent, fostering teamwork and creating a diverse, inclusive workplace.

To support these efforts, we conduct a bi-annual Employee Engagement Survey. The survey identifies areas of high performance and areas of opportunity about our organization, employees and work. Our 2018 survey showed significant positive momentum in our overall favorability including the largest increase in employee's confidence in the future of



Eversource. Employees continued to tell us they like their work, believe we take “safety first and always” seriously and that there is a high level of awareness and behavior concerning our Code of Business Conduct. They also told us they have a clear understanding of our customer needs and what they can do to improve the customer experience.

Our survey also provided insight to how we can continue to build engagement and a performance culture. Key employee engagement action items include efforts to improve collaboration, providing improved tools and resources for employees to do their work, and to improve communication, especially by increasing senior management visibility. We will be introducing pulse employee surveys, a new employee on-line community, and a new intranet to make further improvements to our employee experience. This includes a new customer service training program, and expanding our employee recognition program. We will continue opportunities for two-way communication with leaders, including town hall and skip level meetings, our “Walk in My Shoes” program for employees to learn about other departments, and updating our onboarding process for new hires and their managers.

We are proud to recognize employees who provide great customer experience through our Customer Excellence Award, which recognizes employees who demonstrate a commitment to go “above and beyond” their job requirements for our customers. In 2017, there were 16 Customer Excellence Award ceremonies for 24 recipients across all three states. As part of the award, winners may designate a charity to receive a company donation on their behalf.

In 2017, we continued our supervisor effectiveness programs, which are designed to develop new and existing supervisors so that they can lead and deliver the performance necessary to achieve our organizational goals. These programs include:

- SuperVISION - An education program open to newly hired supervisors consisting of three modules: Business and Leadership, Craft/Field, and Systems training. One hundred sixteen attendees participated in 2017
- Supervisor and Manager Forums – Open to all Eversource supervisors and managers, quarterly forums provide opportunities to stay updated on company-wide initiatives and learn about topics important to employees. In 2017, 522 supervisors and 278 managers participated.
- Electric & Gas Supervisor Cohort Programs – This two-year comprehensive development program is designed to attract, develop and retain future leaders to ensure a pipeline of qualified supervisors to meet our future talent requirements. This program consists of three primary modules: business and leadership development, technical training, field observations, rotational assignments and final apprenticeship. Over the last few years, 26 supervisors have participated in this program.

Based on survey results, we are continuing the “Our Business, Our Future” training program, which provides business-specific knowledge and information to our entire organization. More than 70 percent of employees have participated in this program.

Workforce Planning

Strategic workforce plans are developed every year as part of the annual business planning process to identify long-range needs to ensure that we acquire, develop and retain diverse, capable talent. This includes leveraging educational partnerships in critical craft and technical areas and developing proactive sourcing strategies to attract experienced professionals in highly technical roles in engineering, electric and gas operations, and energy efficiency. As part of this process, we identify critical roles and develop succession plans to ensure we have a capable supply of talent for the future.

Professional Development

Eversource provides employees with a variety of field and classroom training opportunities throughout their career to support their ongoing success on the job, including:

- Talent management process to identify high potential and emerging talent and ensure their development. We have retained close to 100% of our key talent over the past two years.
- A rotational associate engineering program was reintroduced in 2017. We hired 18 engineers in 2017 and 12 more in June 2018. The engineers rotate through various departments in Engineering, giving them a foundation before selecting a discipline of engineering to continue their career in.
- GOLD (Growth Opportunity Leadership Development) Program. We have 80 participants in this program, which provides educational and professional development opportunities for employees who are recent college graduates.

- Through our tuition assistance program, Eversource shares the costs of continuing education for professional development and career growth.
- We offer paid internships and co-ops, partnering with local educational institutions to provide on-the-job learning opportunities. In 2017, the company received an Employer Appreciation Award from the Center for Cooperative Education and Career Development at Wentworth Institute of Technology in Boston.
- A new offering in 2018 is LEAD (Leadership Excellence and Development) where we are offering 4 new courses focusing on communicating effectively, employee engagement, fostering an inclusive and respectful workplace and coaching for success.

To learn more, please visit the [Careers](#) section of our website.

Military and Veteran Support

As a long-time supporter of military and veteran employees, we are committed to hiring veterans who can make an important contribution to the success of our organization.

We support “[Troops To Energy Jobs](#),” through our membership with the Center for Energy Workforce Development, and are also partners with Recruit Military/Bradley Morris. A long-time supporter of military and veteran employees, we have programs devoted specifically to veterans transitioning into the civilian workforce. We continuously focus on enhancing the experience for veterans joining our organization. To find out more, please visit our [website](#).

Eversource is committed to attracting, developing and retaining a diverse workforce that can meet the changing needs of the customers we serve. An engaged, empowered, and diverse workforce is the foundation for our success and a critical part of our vision.

Diversity and Inclusion

Creating a diverse, inclusive and respectful workplace brings us together to leverage different thoughts and perspectives to meet our customers’ expectations and achieve business goals. A diverse workforce and inclusive culture contributes to our success and sustainability by driving innovation and creating trusted relationships with employees, customers, suppliers and community partners.

Diversity and inclusion (D&I) at Eversource is directly aligned with our corporate mission and business objectives:

- Attract, develop and retain a diverse workforce that enables us to work together to meet the changing needs of the customers we serve, and deliver reliable energy and superior customer service;
- Create one inclusive workplace where all employees, customers and stakeholders are respected and valued; and
- Leverage the talent, unique perspectives, cultural and life experiences of every employee to ensure our continued success.

Enhanced Strategic Alignment Toward a Diverse and Inclusive Culture

Eversource enhanced its D&I strategic plan, direction and goals to further facilitate an inclusive culture and implement additional D&I initiatives in support of business priorities.

Eversource’s executive leadership team, led by the CEO, promotes and supports D&I by building diverse, inclusive work teams with high engagement—growing a pipeline of diverse talent, leveraging multiple perspectives to improve customer service, using diverse suppliers, engaging with multi-cultural organizations in our communities and supporting the work of the D&I state teams. Human Resources works closely with Eversource’s executive leadership team to develop and implement D&I goals and drive accountability for D&I progress throughout the company. Eversource’s Board of Trustees is committed to diversity and inclusion, and receives regular monthly progress updates.

Eversource’s diversity and inclusion strategy is focused on four business areas:

- **Leadership Commitment**

Jim Judge joined more than 350 other CEOs and signed the CEO Action for Diversity and Inclusion pledge. The CEO Action for Diversity and Inclusion is the largest CEO driven business commitment to advance D&I in the workplace.

- **Edison Electric Institute (EEI) D&I Commitment**

Eversource in collaboration with EEI is working to build the next-generation energy workforce - one with diverse, highly skilled, and qualified employees capable of delivering on the responsibility to meet customers' evolving energy needs. Eversource supports the EEI Diversity and Inclusion Commitment and has developed a 3-year diversity and inclusion plan, which incorporates initiatives and metrics to improve our overall D&I results, and by pledging to take on specific D&I actions.

- **Executive Compensation Tied to D&I**

Eversource links executive compensation to meeting its D&I goals and has made progress over the years. For example, the company links its executives' annual incentive program to meeting its goal: women and people of color will comprise 37 percent of total leadership promotions and hires.

- **Board Composition**

In the past year Eversource has transformed the composition of its Board of Trustees and has moved from the third quartile to the first decile in the percentage of diverse (women and minorities) Trustees of the companies that comprise the Edison Electric Institute, the industry's preeminent trade association.

- **Diverse Workforce**

Eversource continues to work toward a diverse workforce with a focus on women and minorities in leadership. We exceeded our diversity & inclusion goals including:

- Diversity Slate: External Female/Minority Candidates Sourced to Total External Candidate Slate Quality of Hire
- Diversity of Leadership Promotions & Hires
- Diversity of Talent Pipeline
- Workforce Representation of Minorities
- Diversity & Inclusion Category of the Employee Engagement Survey – over 5000 participants, increased favorability by 7% over previous survey results

- **Diverse and Inclusive Workplace**

Our D&I Councils and Executive Sponsors have been actively engaged and leading the direction toward a diverse and inclusive workplace. Our Executive Sponsors are Kathy Kountze, Senior Vice President and Chief Information Officer; Bob Coates, Vice President, Safety and Joe Purington, Vice President, Electric Operations.

- **Community**

We know that a workforce that more closely mirrors our customer base gives us insight to understanding our customer preferences and expectations so that we can better serve them. Equally important is being a leading partner in the communities we serve. It allows us to reach a broad segment of our customer and employee population. Please visit the In the Community section to learn about our efforts.




Eversource will continue to focus on hiring diverse talent and doing business with local, small and diverse-owned businesses from the communities where we live and serve our customers.

Corporate Council, State Teams and Business Resource Groups

Eversource's D&I Corporate Council, state teams, and Business Resource Groups (BRGs) are comprised of employees based in Connecticut, Massachusetts and New Hampshire who serve as change agents and champions of D&I.

The State D&I Teams are cross-level, cross-functional teams of employees representing the operating companies, business units, departments and key functional areas. Team members help to identify and prioritize initiatives and promote events to support the company mission and vision with the goal of building an engaged, inclusive workplace and improving customer



service. The teams seek employee feedback, bring forward key diversity and inclusion issues and recommend solutions. Our team members are dedicated, involved, passionate, proactive and responsive employees who act as champions of diversity and inclusion. These diverse groups play an important role in supporting Eversource's mission as they represent the unique needs and perspectives of our customers and stakeholders across the geographic areas we serve.

Members of the Council, teams and BRGs help to identify and recommend strategies and actions to build an inclusive workplace, diversify the workforce, improve customer service, increase supplier diversity and provide support to our diverse communities. Members of these groups reflect and represent the diverse needs and perspectives of our customers and stakeholders across the geographic areas we serve. Our membership has grown by 15 percent from 2016 to 2017 and continues to grow as new BRGs launch across all three states.

Eversource's Business Resource Groups span across Connecticut, Massachusetts and New Hampshire:

- Multicultural BRG
- Women's BRG
- New Hire BRG
- Veteran's BRG

Plans are also in place to launch three new BRGs in 2018: a Young Professionals BRG, an LGBTQ BRG and a Differently Abled BRG. Currently, nearly 1,000 employees across all three states are involved in our state councils and BRGs and we continue to evolve and expand these groups.

To learn more about our diverse supplier efforts, please visit our [Sustainable Supply Chain](#) section.

Employee Wellness

Eversource Wellness & Fitness Services is a comprehensive initiative to encourage employees and their families to adopt and maintain healthy lifestyle habits. Services available to all Eversource employees include:

- Resources to learn about making and maintaining positive changes through a health risk assessment, fitness activities, on-site programs, events and screenings, disease management programs, self-guided activities and the use of an online wellness portal.
- An online wellness portal to track personal health and wellness data, cheer on and even compete with friends.
- Incentives to help keep participants motivated. Cash and non-cash incentives such as gift cards, fitness and wellness gadgets, are awarded to participants throughout the year.
- Support to help make changes and maintain a healthy lifestyle in an encouraging environment.
- Fitness Centers located onsite at three Eversource locations open 24 hours a day, seven days a week. All members enjoy free personalized workout programs and classes delivered by highly qualified personal trainers.

In 2017, participation in the company-wide online wellness portal increased 33% over 2016 participation and incentive program completion increased 35%. The Wellness Team delivered 232 health education programs and events at Eversource locations throughout Connecticut, Massachusetts and New Hampshire with just over 6,300 participants. They also held 32 flu shot clinics with just over 1,300 participants and performed 143 workstation ergonomic assessments.



AQUARION WATER COMPANY

In December 2017 Aquarion Water Company (Aquarion) became a wholly owned subsidiary of Eversource. Aquarion is focused on ensuring the continued delivery of high quality drinking water to customers through water conservation, energy efficiency, water system acquisitions, and sustainably managing lands and natural resources to protect and enhance water quality.

Water Availability

Aquarion obtains our water supply from owned surface water sources (reservoirs) and groundwater supplies (wells) as well as water purchased from other water suppliers. Approximately 98 percent of our annual production is self-supplied and processed at 10 surface water treatment plants and numerous well stations, which are all located in Connecticut, Massachusetts, and New Hampshire. The capacities of Aquarion's sources of supply, and water treatment, pumping and distribution facilities, are considered sufficient to meet the present requirements of Aquarion's customers under normal conditions.

Environmental and water conservation efforts help enhance performance and demonstrate our commitment to environmental stewardship. We work with stakeholders and the communities we serve to ensure that regulations do not threaten water supply levels and that conservation programs are implemented as needed to ensure that local supplies remain sufficient for critical needs such as human consumption and fire protection.

Recent actions include:

- Completion of a Water Data Analysis Study; have initiated the implementation of findings that encourage customers to reduce water usage as part of the Water Supply Plan effort;
- Surveying all watermains in our service territory to reduce unaccounted for water;
- Reducing energy usage by identifying and addressing energy efficiency opportunities at the large water treatment plants to reduce energy usage and lower Aquarion's carbon footprint;
- Utilizing EPA software tools to identify infrastructure vulnerabilities for Connecticut coastal water systems due to environmental risks.


Water Quality

Aquarion actively manages our sources of supply, treatment processes, and distribution systems to maximize water quality and customer satisfaction. We also employ extensive testing of the water from our sources to the customer's tap. Results are reviewed by our health agency regulators monthly, and customers are informed through our annual water quality reports. These reports explain how Aquarion continues to deliver high quality water to our customers. Please see the [Aquarion website](#) for more details about how we provide water quality excellence to all the communities we serve.

Land Management

Sustainably managing the land and natural resources is critical to protecting and enhancing water quality. Environmental review of proposed developer projects, property inspections, and investigation activities are utilized for the protection of our numerous sources of supply for recently acquired water supply systems and increased land development pressures, construction proposals, and active construction projects within Aquarion source water areas. Also, long-range initiatives are utilized to preserve and protect our sources of supply into the future.

Aquarion's reservoirs are surrounded by more than 15,000 acres of forest which serve as both a critical safeguard and an invaluable resource. By retaining moisture, filtering runoff and keeping streams pristine, the forest protects water supplies for hundreds of thousands of people. Its millions of trees help to clean the air and moderate the climate. It also provides intact ecosystems where a diverse range of plants and wildlife can survive and flourish, and it provides the public with places to find peace, beauty and recreation.



Managing this highly sensitive land requires a keen eye on its critical functions. Aquarion has always managed this land with the utmost care, often times being recognized as a great caretaker of nature. Today this property is managed by a partnership among the Connecticut Department of Environmental Protection, The Nature Conservancy and Aquarion.

As a member of the partnership, Aquarion works to protect the forest's many functions and resources. Our stewardship activities range from helping our partners route and maintain recreational trails in order to prevent erosion and shield critical habitat, to enforcing usage regulations and State laws, to helping the State act as a good neighbor to adjacent landowners.

Safety

Aquarion is committed to ensuring the safety of our employees, contractors and our communities. Aquarion retains ownership of the sensitive land around our reservoirs. Though we allow public access in certain, carefully selected areas, we have also established stringent regulations designed to ensure public health and safety by minimizing if not eliminating any impact on our reservoirs and the surrounding lands. Efforts to enhance safety include:

- Weekly employee safety tailgate talks and internal communication and engagement to support established initiatives;
- Employee training to reinforce the importance of safe work habits, including distracted driver safety training;
- Onsite contractor safety meetings and safety reporting for all contractors;
- Ongoing extensive water testing

Customer Experience

Improving customer experience is accomplished by focusing on strategic areas including the following:

- First call resolution and reducing call handling time
- Customer assistance programs
- Extensive resources to help customers conserve water

In The Community

Aquarion is an integral part of the communities we serve and a responsible corporate citizen. Aquarion engagement includes:

- Community outreach, including our community public speaker program;
- Sponsorship and coordination of special events encouraging wellness and environmental stewardship;
- Aquarion Environmental Champions Awards which recognizes adults, students, small and large businesses, and non-profits whose volunteer efforts have protected or improved Connecticut's natural resources-its air, water, soils or plant and wildlife communities.

MATERIAL ISSUES

In 2018, Eversource completed a comprehensive review of material topics identified through existing processes that have potential environmental, social or economic impact related to our business practices. Additionally, we validated who our key stakeholders are, how we engage with them and consider their expectations in our strategic planning processes. We also compared material topics identified in 2018 to our assessment completed in 2016 to verify that topic scopes and boundaries are still accurate.

The only change in our 2018 Material Topics is the addition of Water. With the December 2017 acquisition of Aquarion Water Company, water quality and availability entails risks and opportunities that Eversource is addressing in our strategic planning.

We have robust processes in place to regularly assess risks and opportunities, emerging issues and stakeholder concerns. These include topics that our Disclosure Committee determines are material to investors for inclusion in our financial reports, significant issues identified through our Enterprise Risk Management process, as well as our senior team priorities and key performance indicators. Our sustainability team reviewed all of these sources to define our material topics and their scope through a sustainability lens to facilitate reporting.

Continuous engagement with external stakeholders is vital to the success of our business. These important relationships inform internal discussions and guide our planning and anticipation for stakeholder expectations. From shareholder meetings, community outreach, and customer satisfaction surveys to social media, project partnerships and regulatory proceedings, we hear the voice of our stakeholders and incorporate their concerns into our planning and decision processes.

Following is a list of our material sustainability topics, their scope and boundary. We determined that ranking of these topics is not pertinent, as their relative importance can change based on current events, and all are addressed in our business processes and in our sustainability report.

The use of the term "materiality" in this report differs from financial materiality, which is a term that describes matters or facts that could be deemed important to a reasonable investor making an investment decision.

Material Topics	Topic Description and Scope (Including, but not limited to)	Topic Boundary
Community Engagement	Activities benefitting the communities we serve <ul style="list-style-type: none"> Corporate giving Volunteerism Economic benefit Community outreach 	<ul style="list-style-type: none"> Entire company focus Service territory communities Select external stakeholder groups
Customer Satisfaction	Meeting customer expectations for delivering reliable energy and superior customer service <ul style="list-style-type: none"> Customer communications Problem resolution mechanisms Outage restoration Billing options Energy affordability 	<ul style="list-style-type: none"> Entire company focus Customers, regulators
Cyber Security & Data Protection	Ensuring the security of customer and employee data, computer systems, grid infrastructure, and physical assets. Includes protection against: <ul style="list-style-type: none"> Disclosure of confidential information Cyber breaches Grid disturbances Acts of war or terrorism 	<ul style="list-style-type: none"> Entire company focus Customers, service territory communities, investors, regulators, legislators

Emergency Preparedness	<p>Ensuring comprehensive emergency preparedness and response</p> <ul style="list-style-type: none"> • Preparation for all hazards • Storm response • Outage management • Stakeholder communications/partnerships 	<ul style="list-style-type: none"> • Entire company focus • Customers, service territory communities, regulators, legislators
Energy Efficiency	<p>Providing energy efficient solutions for our customers and maximizing energy efficiency in our own operations</p> <ul style="list-style-type: none"> • Electric and gas programs offered to residential and business customers and communities • State partnerships • Facility improvements 	<ul style="list-style-type: none"> • Entire company focus • Customers, service territory communities, regulators, legislators
Environmental Accountability	<p>Conducting business in a manner that protects and enhances the environment and fosters environmental stewardship</p> <ul style="list-style-type: none"> • Environmental compliance • Air quality • Waste management • Remediation programs 	<ul style="list-style-type: none"> • Entire company focus • Regulators • Service territory communities • Select external stakeholder groups
Ethics	<p>Demonstrating inclusive, respectful, honest and ethical behavior</p> <ul style="list-style-type: none"> • Principles that govern our business • Corporate compliance • Diversity and Inclusion 	<ul style="list-style-type: none"> • Entire company focus • Investors, regulators
Finance	<p>Meeting and exceeding performance targets while driving efficiency and managing costs</p> <ul style="list-style-type: none"> • Shareholder return • Business growth • Rate structure • Financial reporting requirements • Operational and capital expenditures 	<ul style="list-style-type: none"> • Entire company focus • Investors
Fuel Diversity	<p>Integrating diverse power supply into our delivery system</p> <ul style="list-style-type: none"> • Integration of renewable power • Lower carbon solutions • Fuel availability • Infrastructure development 	<ul style="list-style-type: none"> • Entire company focus • Customers, service territory communities, regulators, legislators, investors
Greenhouse Gas Emissions	<p>Supporting regional initiatives to reduce greenhouse gas emissions</p> <ul style="list-style-type: none"> • Facilitating integration of renewable and low carbon energy in the region • Expanding natural gas capacity • Actions to reduce GHG emissions in our operations 	<ul style="list-style-type: none"> • Entire company focus • Customers, service territory communities, investors, regulators, legislators

Innovation & Technology	<p>Transforming to the Utility of the Future by implementing emerging technologies</p> <ul style="list-style-type: none"> • Grid modernization • Alternative fuel vehicles • Reliability • Process management systems • Customer engagement and energy management 	<ul style="list-style-type: none"> • Entire company focus • Customers, service territory communities, regulators, legislators
Regulatory Policy	<p>Adhering to regulatory requirements and driving energy policy</p> <ul style="list-style-type: none"> • Regulatory compliance • Utility of the Future • Project development and approval • Cost recovery 	<ul style="list-style-type: none"> • Entire company focus • Customers, service territory communities, regulators, legislators
Reliability	<p>Delivering reliable energy</p> <ul style="list-style-type: none"> • System hardening • Reliability and resiliency initiatives • Vegetation management 	<ul style="list-style-type: none"> • Entire company focus • Customers, service territory communities, regulators, legislators
Renewables	<p>Supporting renewable energy investments</p> <ul style="list-style-type: none"> • Renewable power procurement • Transmission projects to bring cleaner energy to the region • System improvements to enable integration of renewable power 	<ul style="list-style-type: none"> • Entire company focus • Customers, service territory communities, regulators, legislators
Safety	<p>Safety first and always</p> <ul style="list-style-type: none"> • Employee, contractor and public safety • Electric and magnetic fields 	<ul style="list-style-type: none"> • Entire company focus • Customers, service territory communities, regulators
Supply Chain	<p>Managing our supply chain</p> <ul style="list-style-type: none"> • Supplier diversity • Supplier management systems • Material management processes 	<ul style="list-style-type: none"> • Entire company focus • Service territory communities • Select external stakeholder groups
Water	<p>Maintaining water quality and availability</p> <ul style="list-style-type: none"> • Water conservation • Maintaining water quality 	<ul style="list-style-type: none"> • Aquarion focus • Customers, service territory communities, regulators, legislators
Workforce Development & Employee Engagement	<p>Maintaining an engaged and skilled workforce</p> <ul style="list-style-type: none"> • Attract and retain high quality employees • Employee training and development programs • Succession planning • Labor relations 	<ul style="list-style-type: none"> • Entire company focus • Service territory communities • Select external stakeholder groups

APPENDIX

Energy Efficiency Historical Information

Electric Energy Efficiency Data	2013 Actual	2014 Actual	2015 Actual	2016 Actual
Participating	1,457,120	2,687,960	3,219,086	2,597,504
Spend (US\$)	316,445,090	385,588,510	\$406,696,422	\$415,575,696
Annual kWh Saved	843,561,871	1,024,653,044	1,115,926,628	1,141,801,634
Lifetime kWh Saved	9,873,010,807	11,069,251,098	13,611,899,491	11,813,245,632
Summer Peak Annual kW Saved	113,415	133,084	172,573	185,575
Winter Peak Annual kW Saved	129,285	157,564	173,613	176,776
Annual CO₂ reduced in Tons*	343,485	439,998	465,735	450,649
Lifetime CO₂ reduced in Tons*	4,049,040	4,883,948	5,474,796	4,964,856
Customer \$\$ Saved Annually	\$126,463,157	\$171,746,386	\$208,216,211	\$189,623,209
Customer \$\$ Saved Lifetime	\$1,424,407,164	\$1,874,948,790	\$2,492,803,967	\$1,974,725,141

*The historical electric emission factors for Connecticut and New Hampshire were based on ISO New England Marginal Emissions, <https://www.iso-ne.com/system-planning/system-plans-studies/emissions>. Massachusetts historical electric emissions factors were based on Massachusetts Department of Environmental Protection, <http://www.masssavedata.com/Public/GHGReductions>. The use of a common emissions factor in 2017 (see footnote on page 18) results in relatively lower emissions in 2017 compared to 2013-2016.

Gas Energy Efficiency Data	2013 Actual	2014 Actual	2015 Actual	2016 Actual
Participating Customers	117,567	124,960	135,599	129,658
Spend (US\$)	\$38,654,023	\$51,334,824	\$52,530,182	\$58,503,718
Annual Therms Saved	7,527,976	9,264,038	9,328,143	9,552,587
Lifetime Therms Saved	108,636,858	131,731,516	141,734,701	122,782,996
Annual CO₂ reduced in Tons	44,554	55,150	55,467	60,477
Lifetime CO₂ reduced in Tons	646,593	788,237	847,203	774,356
Customer \$\$ Saved Annually	\$6,986,488	\$9,043,024	\$9,222,935	\$8,054,362
Customer \$\$ Saved Lifetime	\$102,476,970	\$131,766,772	\$143,879,594	\$107,394,450

Safety Statistics

Company DART Rates

(DART Rates are the number of employee injuries requiring restricted duty or days away from work per 100 employees)

	2013 ACTUAL	2014 ACTUAL	2015 ACTUAL	2016 ACTUAL	2017 ACTUAL
CT/MA Electric²					0.94
CT Electric	2.62	2.66	2.15	2.75	
NH Electric	1.73	0.62	0.52	0.45	0.74
MA Electric¹				0.89	
MA Eastern Electric	1.79	1.57	2.12		
MA Western Electric	0.73	2.19	1.14		
MA Gas	4.09	3.33	2.71	2.67	2.58
CT Gas	5.27	3.79	1.83	1.90	1.41
Transmission¹	0.45	0.69	0.24		
Eversource TOTALS	1.56	1.44	1.21	0.95	0.64

¹ In 2016 MA, Eastern and MA Western Electric were combined into MA Electric and Transmission is incorporated into Electric targets
² In 2017 CT Electric and MA Electric were combined into CT/MA Electric

Company Preventable Motor Vehicle Accidents Rates

(PMVA Rates are based on the number of accidents per 1 million miles driven)

	2013 ACTUAL	2014 ACTUAL	2015 ACTUAL	2016 ACTUAL	2017 ACTUAL
CT/MA Electric²					1.63
CT Electric	2.77	2.24	2.28	1.07	
NH Electric	3.78	0.90	0.74	1.42	0.56
MA Electric¹				1.62	
MA Eastern Electric	3.41	3.63	3.38		
MA Western Electric	2.13	0.52	2.94		
MA Gas	3.70	3.14	2.98	1.59	2.27
CT Gas	2.41	2.29	2.03	2.39	1.64
Transmission¹	0.35	0.72	1.19		
Eversource TOTALS	2.78	2.38	2.30	1.69	1.66

¹ In 2016 MA Eastern Electric and MA Western Electric were combined into MA Electric and Transmission is incorporated into Electric targets
² In 2017 CT Electric and MA Electric were combined into CT/MA Electric

Reliability Performance Historical Targets and Results

Performance Measure	2013 Actual	2013 Target	2014 Actual	2014 Target	2015 Actual	2015 Target	2016 Actual	2016 Target	2017 Actual	2017 Target
Electric Reliability (1)	14.4	12.5	15.4	13.1	16.6	14.4	13.0	15.4	17.6	15.4
Electric Restoration (2)	86.2	108.3	82.0	96.1	71.6	85.2	97.9	76.6	73.2	76.1
Gas Emergency Response (3)	99.0%	99.1%	99.2%	99.1%	99.1%	99.1%	99.5%	99.1%	99.6%	99.1%

1. Average Number of Months Between Interruptions ($12 \div \text{SAIFI}$)
2. System Average Time in Minutes to Restore Service to Customers (SAIDI)
3. Respond to Site Within Specific Time Threshold (set by state regulators)

*IEEE-1366 2.5 Beta Method, Excluding Planned Outages is used for electric reliability calculations.

Waste Management and Pollution Prevention Historical Information

Estimated weight of waste by type and disposal method (Tons) – 2016

	Recycled	Energy Recovery/ Incineration	Landfill	Other	Total
Municipal	2,753	3,787	3,733		10,273
Universal	35	1			36
Non-Hazardous	14,043	531	6,719	12,448	33,741
TSCA (PCB)	76	97	677		850
RCRA (Hazardous)	117	44	870	1,309	2,340
Total Waste Disposal	17,024	4,460	11,999	13,757	47,240
Waste Avoided (Investment Recovery)	8,943				

Estimated weight of waste by type and disposal method (Tons) – 2015

	Reuse	Recycled	Energy Recovery/ Incineration	Landfill	Other	Total
Prevented	8,553	-	-	-	-	0
Municipal	-	3,162	4,869	1,194	-	9,225
Universal	-	21	-	-	-	21
Non-Hazardous	-	9,474	226	2,683	11,208	23,591
TSCA (PCB)	-	43	183	670	-	896
RCRA (Hazardous)	-	1	56	1,382	894	2,333
Total	8,553	12,701	5,334	5,929	12,102	36,066 ¹

*This total does not include waste prevented

Estimated weight of waste by type and disposal method (Tons) – 2014

	Reuse	Recycled	Energy Recovery/ Incineration	Landfill	Other	Total
Prevented	42,360	0	0	0	0	0
Municipal	0	2,249	3,485	1,487	0	7,221
Universal	0	24	1	0	0	25
Non-Hazardous	0	606	48	28,333	1,137	30,124
TSCA (PCB)	0	0	216	652	109	977
RCRA (Hazardous)	0	1	15	2,764	11	2,791
Total	42,360	2,880	3,765	33,236	1,257	41,138*

*This total does not include waste prevented

Estimated weight of waste by type and disposal method (Tons) – 2013

	Reuse	Incinerated	Landfilled	Recycled	Other	Total
Prevented	30,847	0	0	0	0	0
Hazardous	0	31	1,824	2	27	1,884
PCB Waste	0	609	532	57	6	1,204
Non-Hazardous	0	76	16,292	659	30	17,057
Universal	0	0	0	28	0	28
Municipal (Est.)	0	4,767	1,285	2,821	0	8,873
Total	30,847	5,483	19,933	3,567	63	29,046*

*This total does not include waste prevented

GLOBAL REPORTING INITIATIVE INDEX

Eversource utilizes the Global Reporting Initiative (GRI) Standards in our sustainability reporting. This index provides a brief narrative for aspects where feasible, and also includes links to sources of additional information. This report has been prepared in accordance with the GRI Standards' Core option for our material aspects. In some instances, we also include non-material information that may be of interest to our stakeholders. Electric Utility Sector Supplement aspects are prefaced with "EU".

General Standard Disclosures

GRI Standard	Description	Response - Links to Information
Organizational Profile		
102-1	Name of organization	Eversource Energy
102-2	Activities, brands, products, and services	Eversource is primarily engaged in the energy delivery business, serving residential, business and industrial customers through our regulated electric and natural gas utilities in Connecticut and Massachusetts. In New Hampshire, we operate a regulated electric utility, that in 2017 included generation assets that are being divested in 2018. Additionally, in December 2017, Eversource acquired Aquarion Water Company. About Our Company Also see page 2 of our Form 10-K within our Annual Report
102-3	Location of organization's headquarters	Eversource is headquartered in Hartford, Connecticut and Boston, Massachusetts with significant offices in Berlin, Connecticut, Westwood, Massachusetts and Manchester, New Hampshire. Aquarion has a corporate office in Bridgeport, Connecticut.
102-4	Location of operations	All operations are in the United States
102-5	Ownership and legal form	Eversource Energy is an investor-owned corporation operating on the New York Stock Exchange under the trading symbol ES
102-6	Markets served, including geographic locations, sectors served, types of customers	About Our Company Service Territory Communities We Serve
102-7	Scale of organization, including # of employees, # of operations, sales/revenues, capitalization, quantity of products/services	About Our Company Financial Performance Also see our Annual Report
102-8	Information on employees and other workers, including by contract, gender, region	At the end of 2017, Eversource had 7,773 employees, excluding temporary employees, of which 26.2% were female and 16.1% were minority. An additional 311 full-time Aquarion employees who joined our workforce in December 2017, are not included in our 2017 diversity statistics. Also see page 15 of our Form 10-K within our Annual Report
102-9	Describe organization's supply chain	Sustainable Supply Chain Doing Business With Us
102-10	Significant changes to the organization and its supply chain	On October 11, 2017, PSNH entered into a Purchase and Sale Agreement for the sale of its thermal generation facilities and a separate Purchase and Sale Agreement for the sale of its hydroelectric generation facilities. On January 10, 2018, PSNH completed the sale of its thermal generation facilities. The sale of the hydroelectric generation facilities is expected to close in the third quarter of 2018. On December 4, 2017, Eversource acquired Macquarie Utilities Inc., subsequently renamed Eversource Aquarion Holdings, Inc., and its Aquarion Water Company subsidiaries. Collectively, these water utility companies serve residential, commercial, industrial and fire protection customers in parts of Connecticut, Massachusetts and New Hampshire. On December 31, 2017, Western Massachusetts Electric Company, a former subsidiary of Eversource Energy, merged with and into NSTAR Electric, with NSTAR Electric as the surviving entity. As a result, NSTAR Electric serves all of Eversource Energy's electric customers in Massachusetts. Also see our Annual Report
102-11	Precautionary Principle or approach	Ethics and Risk Management Also see pages 18-19 of our Proxy Statement

102-12	Externally developed charters and principles or initiatives subscribed/ endorsed	These are referenced throughout our 2017 Sustainability Report. Also see our CDP Climate Change Response (C12.3)
102-13	Membership in associations (consider indicating which organizations we have a leadership/board level role in)	Trade Association Participation Eversource proudly participates in a wide variety of associations including: <ul style="list-style-type: none"> • American Gas Association • Associated Industries of Massachusetts • Business and Industry Association of New Hampshire • Call Before You Dig Inc. (CBYD) • Connecticut Business and Industry Association • Connecticut Council of Philanthropy • Dig Safe System Inc. • Edison Electric Institute (EEI) • Electric Power Research Institute (EPRI) • Electric Utility Industry Sustainable Supply Chain Alliance • Environmental Business Council of New England • Equal Employment Advisory Council • Greater New England Minority Supplier Development Council • New England Clean Energy Council • New England Council • New Hampshire Economic Development Association • New Hampshire Manufacturing Extension Partnership • New Hampshire Small Business Development Center • Northeast Energy Efficiency Partnership • Northeast Gas Association • Regional Electric Vehicle Initiative (REVI) • Stay-Work-Play New Hampshire • Utility Solid Waste Activities Group • Utility Water Act Group
EU1	Installed capacity, broken down by primary energy source and by regulatory regime	About Our Company Also see page 21 of our Form 10-K within our Annual Report
EU2	Net energy output broken down by primary energy source and by regulatory regime	Energy Labels are provided for our customers in Massachusetts and New Hampshire and are available in Customer Communications EEI ESG Initiative Quantitative Report
EU3	Number of residential, industrial and institutional and commercial accounts	About Our Company Also see pages 3-10 of our Form 10-K within our Annual Report
EU4	Length of above and underground transmission and distribution lines by regulatory regime	About Our Company Also see page 20 of our Form 10-K within our Annual Report
EU5	Allocation of CO ₂ e emissions allowance or equivalent, broken down by carbon trading framework	Clean Energy
Strategy		
102-14	Statement from senior decision maker	CEO Message Also see our Shareholder Letter on pages 2-4 of our Annual Report
102-15	Key impacts, risks and opportunities	Ethics and Risk Management Also see pages 16-19 of our Form 10-K within our Annual Report

Ethics and Integrity

102-16	Values, principles, standards and norms of behavior	CEO Message Corporate Governance Ethics and Risk Management Code of Business Conduct Ensuring Compliance <p>In addition to the Code of Business Conduct, our corporate policies outline the workplace behaviors that all employees are expected to follow. Throughout employees' careers, training is provided to ensure ongoing awareness and understanding of our company's policies and procedures. Employees are encouraged to speak with their managers if they have any questions. Corporate Policies cover the following topics:</p> <ul style="list-style-type: none"> • Citizenship & Charitable Giving • Compensation • Conflict of Interest • Critical Infrastructure Protection • Delegation of Authority • Environmental • Fitness for Work • Fleet Use • Fraud Prevention and Detection • Hiring • Intellectual Property • Internal Controls and the Safeguard of Company Assets • Major Emergency Event • Procurement • Reimbursable Expenses • Record and Information Management • Safety • Discriminatory Harassment Prevention • Termination of Employment • Workplace Behavior
102-17	Internal and external mechanisms for seeking advice and reporting concerns on ethical and lawful behavior, and matters related to organizational integrity, such as helplines or advice lines.	Code of Business Conduct Ensuring Compliance

Governance

102-18	Governance structure of organization, including committees of highest governance body	Corporate Governance Corporate Governance Guidelines Eversource Proxy Statement Pages 12-18
102-21	Processes for consultation between stakeholders and the highest governance body on economic, environmental and social topics	Pages 23-26 of our Proxy Statement
102-22	Composition of the highest governance body and its committees	Board of Trustee Information Corporate Governance Eversource Proxy Statement Pages 12-18
102-23	Whether the Chair of the highest governance body is also an executive officer	<p>Eversource's Board of Trustees consists of 11 Trustees, only one of whom, James J. Judge, our Chairman, President and Chief Executive Officer, is a member of management.</p> Eversource Proxy Statement Pages 12-18
102-24	Nomination and selection processes for the highest governance body and its committees, and the criteria used for nominating and selecting highest governance body members	Corporate Governance Guidelines Eversource Proxy Statement Pages 12-18

102-25	Processes for the highest governance body to ensure conflicts of interest are avoided and managed.	Code of Business Conduct Corporate Governance Guidelines
102-26	Highest governance body's and senior executives' roles in the development, approval, and updating of the organization's purpose, value or mission statements, strategies, policies, and goals related to economic, environmental and social impacts.	Corporate Governance Pages 18-23 of our Proxy Statement
102-30	Highest governance body's role in reviewing the effectiveness of the organization's risk management processes for economic, environmental and social topics.	Ethics and Risk Management Pages 18-23 of our Proxy Statement
102-32	Highest committee or position that formally reviews and approves the organization's sustainability report and ensures that all material aspects are covered.	Our entire report is reviewed by our Senior Vice President Regulatory Affairs & Chief Communications Officer, our Vice President, Supply Chain, Environmental Affairs & Property Management, and our Vice President, Investor Relations. Additional senior level executives review and approve sustainability report sections as appropriate.
102-33	Process for communicating critical concerns to the highest governance body.	Page 26 of our Proxy Statement
102-35	Remuneration policies for the highest governance body and senior executives.	Pages 30-49 of our Proxy Statement Compensation Committee
102-36	Process for determining remuneration.	Pages 30-49 of our Proxy Statement
Stakeholder Engagement		
102-40	List of stakeholder groups engaged by organization	Material Issues Eversource engages with a variety of stakeholder groups, including customers, community groups, shareholders, potential investors, regulators, environmental stakeholders, employees, retirees, labor unions, contractors and others in our supply chain, as well as various professionals in academia, industry and government. Details on our engagement related to climate change is also available on our CDP response
102-41	% of employees covered by collective bargaining agreements	As of the end of 2017, approximately 50% of our employees are members of the International Brotherhood of Electrical Workers, the Utility Workers Union of America or The United Steelworkers, and are covered by 11 collective bargaining agreements
102-42	Basis for identification and selection of stakeholders	Material Issues Most Eversource stakeholder groups are the result of longstanding relationships. New relationships are built on mutual interests and common goals.
102-43	Approach to stakeholder engagement, including frequency by type and group	Eversource actively seeks opportunities to engage with our internal and external stakeholders. In 2017, we released our Commitment to Environmental Sustainability accompanied by significant outreach to employees and environmental stakeholders to communicate our efforts. We also offer extensive resources on our website, as well as contact options for our sustainability report, investor relations, customer feedback, operating companies and key departments. Monthly customer communications are offered to customers in bill inserts and on our website and each operating company has a community relations team that manages local stakeholder relationships. Approaches to engage with different stakeholder groups are also addressed in our sustainability report and on our website at the links below. Details on our engagement related to climate change are available in our CDP response Customer Experience Emergency Preparedness Material Issues Workforce Investment Safety In the Community

		Energy Efficiency Programs Monthly Customer Communications Page 23 of our Proxy Statement Contact Us Investor Relations Sustainability Presentation Edison Electric Institute (EEI) ESG Initiative
102-44	Key topics raised through stakeholder engagement (by group), and how the organization responded	Material Issues Customer Experience Leadership in Transmission Eversource Energy Rates Also see our Shareholder Letter on pages 2-4 of our Annual Report Details on our engagement related to climate change is also available on our 2018 CDP response
Reporting Practice		
102-47	List all material aspects	Material Issues
102-48	Effect of any restatements and reason	The calculations for Annual and Lifetime reductions for electric customers for 2017 are based on the eGrid Regional Factors for NPCC New England for electricity and are CO ₂ e. This is a new source used in 2017 to be consistent across all EDCs. Fossil fuel reductions are based on EIA emissions coefficients and are CO ₂ .
102-49	Significant changes in material topics and boundaries from previous reporting periods	The only change in our 2018 Material Aspects is the addition of Water. With the December 2017 acquisition of Aquarion Water Company, water quality and availability entails risks and opportunities that Eversource is addressing in our strategic planning.
102-50	Reporting period	Calendar year 2017
102-51	Date of previous report	July 2017, focused on calendar year 2016
102-52	Reporting cycle	Annual
102-53	Contact point for questions	Contact Us
102-54	Claims for reporting in accordance with GRI Standards	This report has been prepared in accordance with the GRI Standards' Core Option
102-55	GRI Content Index	GRI Index
102-56	Current practice for external assurance for the report	Eversource has not sought external assurance for our sustainability report. Please see Assurance Statement on the review of our current report by our Internal Audit team.
103-1	Explanation of material topics and their boundaries	Material Issues
103-2	Management approach	Material Issues , Sustainability at Eversource, Corporate Governance Also see references under material topics
103-2	Management approach – Grievance Mechanisms	Investor Relations - Eversource Website Billing Rights Ensuring Compliance
103-3	Evaluation of management approach	Evaluations of our management approach are highlighted throughout our sustainability report, including goals and our progress against them.

G4 Specific Standard Disclosures

GRI Standard	Topic	Description	Response - Links to Information
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Economic Standard Disclosures

103-2	Economic Performance	Management Approach GRI 201: Economic Performance	Workforce Investment In the Community Financial Performance
201-1		Direct economic value generated and distributed	Annual Report - Shareholder Letter and Form 10-K beginning on page 26
201-2		Financial implications and other risks and opportunities for the organization's activities due to climate change.	CDP 2018 Climate Change Response Section C2
201-3		Defined benefit plan obligations and other retirement plans	See pages 68 and 81-91 of our Form 10-K within our Annual Report
103-2	Indirect Economic Impacts	Management Approach GRI 203: Indirect Economic Impacts	In the Community Customer Assistance Programs Emergency Preparedness Reliability & Resiliency Initiatives Major Projects & Infrastructure Clean Energy New Hampshire Energy Jobs Partnership
203-1		Development and impact of infrastructure investments and services supported.	
203-2		Significant indirect economic impacts, including the extent of impacts.	
103.2	Procurement Practices	Management Approach GRI 204: Procurement Practices	Sustainable Supply Chain About Procurement Services
204-1		Proportion of spending on local suppliers at significant locations of operation.	Eversource does not report spending on local suppliers.
103-2	Availability and Reliability	Management Approach GRI EU Sector: Availability and Reliability	Reliability & Resiliency Initiatives Distributed Generation Clean Energy Major Projects & Infrastructure Leadership in Transmission
EU10		Planned capacity against projected electricity demand over the long term, broken down by energy source and regulatory regime	Clean Energy Annual Report - Shareholder Letter and Form 10-K
103.2	Demand-Side Management	Management Approach GRI EU Sector: Demand-Side Management	Energy Efficiency Programs Energy SmartPrep
103.2 EU Sector	Research and Development	Management Approach GRI EU Sector: Research and Development	Reliability & Resiliency Initiatives Electric Vehicles CDP 2018 Climate Change Response Sections C2 and C9
103.2	System Efficiency	Management Approach GRI EU Sector: System Efficiency	Our Footprint
EU11		Average generation efficiency of thermal plants by energy source and by regulatory regime	Our Footprint
EU12		Transmission and distribution losses as a percentage of total energy	2017 transmission and distribution losses equal 3.6% of total energy

GRI Standard	Topic	Description	Response - Links to Information
103-2	Anti-corruption	Management Approach GRI 205: Anti-corruption	Ethics and Risk Management Corporate Governance Code of Business Conduct Code of Ethics for Senior Financial Officers
205-2		Communication and training on anti-corruption policies and procedures	
103-2	Anti-competitive Behavior	Management Approach GRI 206: Anti-competitive Behavior	<p>Eversource is subject to and in full compliance with all laws and regulations that ensure the non-utility subsidiaries receive no unfair competitive advantage as a result of being affiliated with our electric and gas utilities. See Affiliates</p> <p>Anti-competitive behavior prohibited as stated in our Code of Business Conduct</p>
206-1		Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes.	

Environmental Standard Disclosures

103-2	Energy	Management Approach GRI 302: Energy	Our Footprint Electric Vehicles Operations Optimization CDP 2018 Climate Change Response Section C8 Energy Efficiency Programs Clean Energy Distributed Generation
302-1		Energy consumption within the organization.	
302-2		Energy consumption outside of the organization.	
302-4		Reduction of energy consumption.	
302-5		Reductions in energy requirements of products and services.	
103-2	Water	Management Approach GRI 303: Water	Water Resources Aquarion Water <p>Eversource conducts an annual review of the WRI Water Risk Atlas (Aqueduct Atlas). While drought is not a significant risk in New England, flooding and physical risks to water quality have been identified as high risks in our service territory. Where flooding is a concern, we employ industry best practices to ensure system resiliency, such as installation of flood walls at facilities with critical infrastructure.</p> <p>With the December 2017 acquisition of Aquarion Water and the 2018 divestiture of our hydroelectric and fossil fuel generation, our initiatives related to water will be shifting and will be further reflected in our next sustainability report.</p>
303-1		Total water withdrawal by source	
303-3		Percentage of water recycled and reused.	
103.2	Biodiversity	Management Approach GRI 304: Biodiversity	Land Management Biodiversity Aquarion Water Why Eversource Trims Trees Eversource Rights Of Way Guidelines
304-1		Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	
304-2		Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	
304-3		Biodiversity of offset habitats compared to biodiversity of the affected areas.	

GRI Standard	Topic	Description	Response - Links to Information
103-2	Emissions	Management Approach GRI 305: Emissions	Our Footprint Clean Energy CDP 2018 Climate Change Response
305-1		Direct GHG emissions (Scope 1)	CDP 2018 Climate Change Response
305-2		Energy indirect GHG emissions (Scope 2)	
305-3		Other indirect GHG emissions (Scope 3)	
305-4		GHG emissions intensity	
305-5		Reduction of GHG emissions	
103.2	Effluents and Waste	Management Approach GRI 306: Effluents and Waste	Waste Management and Pollution Prevention
306.2		Total weight of waste by type and disposal method.	
103-2	Environmental Compliance	Management Approach GRI 307: Environmental Compliance	<p>Eversource's Environmental Management System (based on ISO-14001) is dedicated to ensuring we meet our commitment to preserve and respect the environment and communities in which we conduct business every day through compliance with environmental laws, continual evaluation of work practices that improve environmental performance and implementation of environmentally beneficial strategies whenever practicable. We utilize a robust cloud-based environmental data management system and standards library for document control and records retention, and have formalized procedures in place to minimize risks. Communication of environmental performance, goals, and completion of objectives and targets is conducted at monthly and quarterly organizational work plan meetings. Progress toward completion of environmental goals is tracked by Eversource's Corporate Performance Management team on a monthly basis and reported to management. Key environmental performance indicators are also communicated monthly to all employees.</p> <p>We perform formal project assessments to determine air, water, waste, chemical and natural resource management options, ensuring environmental compliance and best practices. The Legal and Environmental groups meet quarterly to review and address compliance issues. Our project management and community relations teams proactively meet with local and other stakeholders to review planned work and communicate our commitment to environmental stewardship.</p> <p>Our Enterprise Risk Management program has effectively identified potential risks, which we mitigate with operational controls. We further ensure environmental best practices by rigorously auditing our facilities and corporate processes (e.g., inspections, chemical management). An environmental auditor certified by the Institute of Internal Auditors regularly audits Eversource-owned facilities, vendors, and processes.. Corrective actions are tracked to ensure continual improvement.</p> <p>Sustainable Supply Chain</p>

GRI Standard	Topic	Description	Response - Links to Information
307-1	Environmental Compliance	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	Environmental Compliance
103-2	Supplier Environmental Assessment	Management Approach GRI 308: Supplier Environmental Assessment	Sustainable Supply Chain
308-1		Percentage of new suppliers that were screened using environmental criteria.	All Requests for Proposals require potential Suppliers to provide information regarding the environmental impact of their products or services. We expect all of our Suppliers to be familiar with and to adhere to Eversource Energy's Environmental Policy, to comply with all applicable environmental laws and regulations, and to conduct operations in an environmentally responsible manner that respects both the natural and human environment. Sustainable Supply Chain

Social Standard Disclosures

103-2	Employment	Management Approach GRI 401: Employment	Workforce Investment Eversource Careers
401-1		Total number and rate of new employee hires and employee turnover by age group, gender, and region.	At the end of 2017, Eversource had 7,773 employees, excluding temporary employees; 26.2% female; 16.1% minority, 50.7% represented by trade unions. Eversource has a very stable workforce; staff turnover for most areas of the company was 6.8% in 2017. An additional 311 full-time Aquarion employees who joined our workforce in December 2017, are not included in our 2017 employee statistics.
401-2		Benefits which are standard for full-time employees but are not provided to temporary or part-time employees, by significant locations of operations.	All full time Eversource employees at all locations of operations are entitled to comprehensive benefits as outlined on our Careers website . Part time employees who work over 20 hours per week are also eligible for these benefits with some proration based on work schedule.
EU15		Percentage of employees eligible to retire in the next 5 and 10 years broken down by job category and by region	Eversource does not publicly report these statistics. We have developed strategic workforce plans to identify key functions and proactively implement plans to assure a ready and qualified workforce, utilizing trainee programs in electric and gas operations as well as engineering. Cohorts who successfully complete the program are placed in supervisory job roles in operations where the company is losing qualified supervisors due to workforce retirements, skill shortages and lack of qualified candidates in the market.
EU17		Days worked by contractor and subcontractor employees involved in construction, operation & maintenance activities	Eversource does not publicly report these statistics
103-2	Occupational Health and Safety	Management Approach GRI 403: Occupational Health and Safety	Safety Safety section of our website Builders & Contractors section of our website

403-2		Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender.	Safety As specified in our Supplier Code of Business Conduct , all suppliers must adhere to Eversource's Safety Policy and procedures, safety laws and maintain industry-appropriate safety and occupational health standards and practices in the performance of their work.
EU18		Percentage of contractor and subcontractor employees that have undergone relevant health and safety training	Specific safety information for builders and contractors doing business with Eversource is available on our website . To ensure the safety of businesses and contractors in our community that may work on or around our electric and gas distribution systems, we conduct comprehensive outreach and provide safety communications directing contractors to Eversource resources and information including direct mail, social media, and web-based videos.
103.2	Training and Education Training and Education	DMA Training and Education	Workforce Investment The company offers training opportunities for all of its employees with programs tailored to the individual's responsibilities, organizational and personal development needs. There is an emphasis on training for new supervisors throughout the initial first two years in their positions. For other members of our leadership team, including supervisors, managers and above, we offer approximately 3-5 days of annual training. Supervisor and Manager Forums are offered quarterly to all supervisors and managers with business updates from senior leadership and discussions of company business, community and customer priorities. Training is provided to all employees through e-learning, face-to-face, job-aids, and videos. We ensure all employees receive environmental training in accordance with all federal and state environmental regulatory requirements.
404-1		Average hours of training per year per employee by gender, and by employee category.	
404-2		Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	Workforce Investment Student Programs Learning opportunities are provided to key talent each quarter based upon individual development plans prepared as part of the performance assessment process, with other focused opportunities for individuals offered throughout the year. Our company has a strong commitment to continue to develop our talent, including planning for broader or promotional opportunities as part of succession planning. Talent development is documented via corporate metrics and presented to the senior team each month as part of the company's "scorecard review."
103-2	Diversity and Equal Opportunity	Management Approach GRI 405: Diversity and Equal Opportunity	Board of Trustee Information Diversity & Inclusion

405-1		Composition of governance bodies and breakdown of employees per employee category according to gender, age group, and other indicators of diversity.	The current Board consists of 11 Trustees of which three are women, three are African-American, and one is Asian-American. This puts us in the top decile of the Boards of the companies that comprise the Edison Electric Institute, the electric industry's most prominent industry trade group. At the end of 2017, Eversource had 7,773 employees, excluding temporary employees; 26.15% female; 16.07% minority, 50.7% represented by trade unions, 7.58% under age 30, 42.18% age 30-50, and 50.24% over the age of 50. An additional 311 full-time Aquarion employees who joined our workforce in December 2017, are not included in our 2017 diversity statistics.
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Human Rights

GRI Standard	Topic	Description	Response - Links to Information
103-2	Non-discrimination	Management Approach GRI 406: Non-discrimination	Eversource is committed to providing equal employment opportunities for all of our employees and to maintaining a workplace that is free from harassment and discrimination. All employees are expected to uphold the legal requirements of our Equal Employment Opportunity Policy and we require our vendors, partners and independent contractors to comply with company policy and the federal law. Equal Opportunity Employer Supplier Code of Business Conduct
	Human Rights Topics	Management Approach: Human Rights Topics GRI 406-412 do not meet Eversource's threshold for materiality as our company operates exclusively in the United States..	Eversource respects human rights and as a company operating in the United States adheres to all laws and regulations that protect our employees and people in the communities that we serve. Please see the following links to learn about relevant policies, procedures, and initiatives. Corporate Governance Ethics and Risk Management Workforce Investment Supplier Code of Business Conduct

Society

103-2	Local Communities	Management Approach GRI 413: Local Communities	Eversource Community Major Projects & Infrastructure Diversity & Inclusion Customer Experience In the Community Emergency Preparedness New Hampshire Energy Jobs Partnership Reliability & Resiliency Initiatives
413-1		Percentage of operations with implemented local community engagement, impact assessments, and development programs.	
413-2		Operations with significant actual or potential negative impacts on local communities.	
103-2	Supplier Social Assessment	Management Approach GRI 414: Supplier Social Assessment	Sustainable Supply Chain Supplier Code of Business Conduct
414-1		Percentage of new suppliers that were screened using social criteria	
103-2	Public Policy	Management Approach GRI 415: Public Policy	Political Activity Policy
415-1		Total value of political contributions by country and recipient/ beneficiary.	
103-2	Disaster / Emergency Planning and Response	Management Approach GRI EU Sector: Disaster / Emergency Planning and Response	Emergency Preparedness Ethics and Risk Management Outages

Product Responsibility

GRI Standard	Topic	Description	Response - Links to Information
103-2	Customer Health and Safety	Management Approach GRI 416: Customer Health and Safety	Safety Eversource Safety Transmission Safety Emergency Preparedness In accordance with recommendations of various regulatory bodies and public health organizations, we reduce EMF associated with new transmission lines by the use of designs that can be implemented without additional cost or at a modest cost. We do not believe that other capital expenditures are appropriate to minimize unsubstantiated risks.
416-1		Percentage of significant product and service categories for which health and safety impacts are assessed for improvement.	
EU25		Number of injuries and fatalities to the public involving company assets, including legal judgements, settlements and pending legal cases of diseases	Eversource does not publicly report this information
103-2	Customer Privacy	Management Approach GRI 418: Customer Privacy	Privacy Statement
418-1		Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	Eversource does not publicly report this information
103-2	Access	Management Approach GRI EU Sector: Access	Customer Assistance Programs Eversource Billing Rights Reliability & Resiliency Initiatives
EU28		Power outage frequency	
EU29		Average power outage duration	
103-2	Provision of Information	Practices to address language, cultural, low literacy	Customer Assistance Programs Eversource Billing Rights