

**NORTHERN UTILITIES, INC.**  
**BALANCE SHEETS**  
(Millions)

	(UNAUDITED)		(AUDITED)
	June 30,		December 31,
	2019	2018	2018
<b>ASSETS</b>			
<b>Current Assets:</b>			
Cash	\$ 0.2	\$ 0.2	\$ 0.7
Accounts Receivable -- Less Allowance for Doubtful Accounts of \$1.0, \$0.7 and \$0.8	14.6	13.1	27.7
Due from Affiliates	0.2	2.1	-
Accrued Revenue	3.5	5.7	20.6
Exchange Gas Receivable	4.9	5.2	7.5
Materials and Supplies	4.7	4.8	4.4
Prepayments and Other	3.0	3.3	2.0
Total Current Assets	<u>31.1</u>	<u>34.4</u>	<u>62.9</u>
<b>Utility Plant:</b>			
Gas	574.4	517.8	559.6
Construction Work in Progress	21.7	18.4	11.1
Total Utility Plant	596.1	536.2	570.7
Less: Accumulated Depreciation	107.0	96.4	100.4
Net Utility Plant	<u>489.1</u>	<u>439.8</u>	<u>470.3</u>
<b>Noncurrent Assets:</b>			
Regulatory Assets	19.8	24.8	19.6
Operating Lease Right of Use Assets	1.1	-	-
Other Assets	6.0	5.2	2.0
Total Other Noncurrent Assets	<u>26.9</u>	<u>30.0</u>	<u>21.6</u>
<b>TOTAL ASSETS</b>	<u>\$ 547.1</u>	<u>\$ 504.2</u>	<u>\$ 554.8</u>

**NORTHERN UTILITIES, INC.**  
**BALANCE SHEETS**  
(Millions, Except Common Shares Data)

	(UNAUDITED)		(AUDITED)
	June 30,		December 31,
	2019	2018	2018
<b>LIABILITIES AND CAPITALIZATION</b>			
<b>Current Liabilities:</b>			
Accounts Payable	\$ 4.4	\$ 4.5	\$ 15.9
Short-Term Debt	26.8	5.0	58.2
Long-Term Debt, Current Portion	8.1	18.3	8.3
Energy Supply Contract Obligations	4.9	5.2	7.5
Dividends Payable	3.8	3.1	1.2
Regulatory Liabilities	5.1	1.6	0.4
Other Current Liabilities	4.8	4.8	4.5
Total Current Liabilities	57.9	42.5	96.0
<b>Noncurrent Liabilities:</b>			
Deferred Income Taxes	38.2	27.3	30.9
Cost of Removal Obligations	31.1	30.8	31.4
Retirement Benefit Obligations	25.3	34.0	24.7
Regulatory Liabilities	15.9	15.0	15.3
Environmental Obligations	1.4	1.5	1.4
Operating Leases, Less Current Portion	0.7	-	-
Other Noncurrent Liabilities	-	0.8	0.7
Total Noncurrent Liabilities	112.6	109.4	104.4
<b>Capitalization:</b>			
Long-term Debt	149.0	157.2	157.2
Common Stock Equity:			
Common Stock, \$10 Par Value (Authorized - 200 shares; Issued and Outstanding - 100 shares)	200.7	175.2	175.2
Retained Earnings	26.9	19.9	22.0
Total Common Stock Equity	227.6	195.1	197.2
Total Capitalization	376.6	352.3	354.4
<b>Commitments and Contingencies</b>			
<b>TOTAL LIABILITIES AND CAPITALIZATION</b>	<b>\$ 547.1</b>	<b>\$ 504.2</b>	<b>\$ 554.8</b>

**NORTHERN UTILITIES, INC.**  
**STATEMENTS OF CASH FLOWS**  
(Millions)

	(UNAUDITED)	
	Six Months Ended	
	June 30,	
	2019	2018
<b>Operating Activities:</b>		
Net Income	\$ 11.5	\$ 10.1
Adjustments to Reconcile Net Income to Cash Provided by Operating Activities:		
Depreciation and Amortization	10.1	8.1
Deferred Tax Provision	7.5	3.8
Changes in Current Assets and Liabilities:		
Accounts Receivable	13.1	12.7
Accrued Revenue	17.1	12.9
Exchange Gas Receivable	2.6	0.2
Accounts Payable	(11.5)	(12.2)
Regulatory Liabilities	4.7	(0.9)
Other Changes in Working Capital Items	1.0	0.3
Deferred Regulatory and Other Charges	(4.3)	(2.1)
Other, Net	(2.6)	(4.0)
Cash Provided by Operating Activities	49.2	28.9
<b>Investing Activities:</b>		
Property, Plant and Equipment Additions	(28.7)	(16.2)
Cash (Used in) Investing Activities	(28.7)	(16.2)
<b>Financing Activities:</b>		
(Repayment of) Proceeds from Short-Term Debt, net	(31.4)	2.0
Repayment of Long-Term Debt	(8.4)	(8.3)
Net Decrease in Exchange Gas Financing	(2.6)	(0.2)
Dividends Paid	(4.1)	(6.4)
Equity Contribution	25.5	-
Cash (Used in) Financing Activities	(21.0)	(12.9)
Net Decrease in Cash	(0.5)	(0.2)
Cash at Beginning of Year	0.7	0.4
Cash at End of Period	\$ 0.2	\$ 0.2
<b>Supplemental Cash Flow Information:</b>		
Interest Paid	\$ 5.3	\$ 5.1
Income Taxes Paid	\$ -	\$ -
Non-cash Investing Activity:		
Capital Expenditures Included in Accounts Payable	\$ 0.2	\$ 0.2
Right-of-Use Assets Obtained in Exchange for Lease Obligations	\$ 1.1	\$ -

**NORTHERN UTILITIES, INC.**  
**STATEMENTS OF CHANGES IN SHAREHOLDERS EQUITY**  
(Millions, Except Per Share Data)  
**(UNAUDITED)**

	<u>Common Equity</u>	<u>Retained Earnings</u>	<u>Total</u>
<b>Three Months Ended June 30, 2019</b>			
<b>Balance at Beginning of Period</b>	\$ 175.2	\$ 29.7	\$ 204.9
Net Income		1.0	1.0
Dividends (\$38.39 Per Common Share (000's))		(3.8)	(3.8)
Equity Contribution	25.5	-	25.5
<b>Balance at End of Period</b>	<u>\$ 200.7</u>	<u>\$ 26.9</u>	<u>\$ 227.6</u>
<b>Three Months Ended June 30, 2018</b>			
<b>Balance at Beginning of Period</b>	\$ 175.2	\$ 22.8	\$ 198.0
Net Income		0.3	0.3
Dividends (\$31.33 Per Common Share (000's))		(3.2)	(3.2)
<b>Balance at End of Period</b>	<u>\$ 175.2</u>	<u>\$ 19.9</u>	<u>\$ 195.1</u>

**NORTHERN UTILITIES, INC.**  
**STATEMENTS OF CHANGES IN SHAREHOLDERS EQUITY**  
(Millions, Except Per Share Data)  
**(UNAUDITED)**

	<u>Common Equity</u>	<u>Retained Earnings</u>	<u>Total</u>
<b>Six Months Ended June 30, 2019</b>			
<b>Balance at Beginning of Period</b>	\$ 175.2	\$ 22.0	\$ 197.2
Net Income		11.5	11.5
Dividends (\$67.08 Per Common Share (000's))		(6.6)	(6.6)
Equity Contribution	25.5	-	25.5
<b>Balance at End of Period</b>	<u>\$ 200.7</u>	<u>\$ 26.9</u>	<u>\$ 227.6</u>
<b>Six Months Ended June 30, 2018</b>			
<b>Balance at Beginning of Period</b>	\$ 175.2	\$ 16.1	\$ 191.3
Net Income		10.1	10.1
Dividends (\$62.67 Per Common Share (000's))		(6.3)	(6.3)
<b>Balance at End of Period</b>	<u>\$ 175.2</u>	<u>\$ 19.9</u>	<u>\$ 195.1</u>

**NORTHERN UTILITIES, INC.**  
**STATEMENTS OF EARNINGS**  
(Millions, Except Common Shares and Per Share Data)

	(UNAUDITED)	
	Twelve Months Ended	
	June 30,	
	2019	2018
<b>Operating Revenues</b>	<b>\$ 176.2</b>	<b>\$ 173.4</b>
<b>Operating Expenses:</b>		
Cost of Gas Sales	84.1	87.9
Operation and Maintenance	28.8	28.1
Depreciation and Amortization	18.9	15.3
Taxes Other Than Income Taxes	9.3	8.3
Total Operating Expenses	141.1	139.6
<b>Operating Income</b>	35.1	33.8
Interest Expense	10.7	10.2
Other Expense (Income), net	0.7	0.9
<b>Income Before Income Taxes</b>	23.7	22.7
Income Taxes	6.5	7.3
<b>Net Income</b>	<b>\$ 17.2</b>	<b>\$ 15.4</b>
<b>Net Income Per Common Share (000's)</b>	<b>\$ 172.85</b>	<b>\$ 153.12</b>
<b>Average Common Shares Outstanding</b>	<b>100</b>	<b>100</b>

**NORTHERN UTILITIES, INC.**  
**STATEMENTS OF CHANGES IN SHAREHOLDERS EQUITY**  
(Millions, Except Per Share Data)  
**(UNAUDITED)**

	<u>Common Equity</u>	<u>Retained Earnings</u>	<u>Total</u>
<b>Balance at July 1, 2017</b>	\$ 143.2	\$ 15.9	\$ 159.1
Net Income		15.4	15.4
Dividends (\$112.68 Per Common Share (000's))		(11.4)	(11.4)
Equity Contribution	32.0		32.0
<b>Balance at June 30, 2018</b>	<u>175.2</u>	<u>19.9</u>	<u>195.1</u>
Net Income		17.2	17.2
Dividends (\$103.29 Per Common Share (000's))		(10.2)	(10.2)
Equity Contribution	25.5		25.5
<b>Balance at June 30, 2019</b>	<u>\$ 200.7</u>	<u>\$ 26.9</u>	<u>\$ 227.6</u>