

BOSTON EDISON COMPANY
GENERAL OFFICES 800 BOYLSTON STREET
BOSTON, MASSACHUSETTS 02199

ROBERT M. BUTLER
MANAGER
NUCLEAR PROJECTS DEPARTMENT

January 29, 1979

Mr. Olan D. Parr, Chief
Light Water Reactors Branch #3
Division of Project Management
Office of Nuclear Reactor Regulation
U.S. Nuclear Regulatory Commission
Washington, D.C. 20555

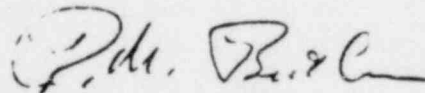
Review of Financial Qualifications:
Submission of Additional Information

Dear Sir:

Pursuant to the recent request of Mr. Karlowicz, we hereby submit the following information:

1. Monthly income statements for the months of October, November and December, 1978.
2. The Form 10-K for the 1978 year is not available at this time. We will forward a copy when it is available in March.
3. No Form S-7 was published for the recent \$95 million issuance, because this was a private offering, not a public offering. However, we have enclosed portions of an offering circular which describes this issuance.

Very truly yours,



Attachments
WRG/cac
cc: Mr. M. Karlowicz w/a

7902020262

	ACTUAL CURRENT MONTH			ACTUAL YEAR TO DATE		
	THIS YEAR	LAST YEAR	INC	THIS YEAR	LAST YEAR	INC
OPERATING REVENUES						
ELECTRIC	47,197,777.85	49,749,614.22	(5.1)	476,394,511.43	447,180,479.31	6.5
STEAM	1,679,341.92	1,895,836.67	(11.4)	29,618,224.78	32,456,920.72	(8.7)
OTHER	946,987.46	1,020,233.87	(7.2)	9,666,702.13	10,382,804.07	(6.9)
TOTAL	49,824,607.23 *	52,665,684.76 *	(5.4)	515,679,438.34 *	490,020,203.10 *	5.2
OPERATING EXPENSES						
OPERATION	21,629,640.74	24,304,727.70	(11.0)	265,860,219.14	258,597,670.43	2.8
MAINTENANCE	2,779,799.83	2,515,973.09	10.5	27,467,409.89	27,900,555.72	(1.6)
SUBTOTAL	24,409,440.57	26,820,700.79	(9.0)	293,327,629.03	286,498,226.15	2.4
DEPRECIATION	3,823,479.00	3,728,000.00	2.6	38,234,787.00	37,280,000.00	2.6
TAXES	12,398,127.53	12,353,181.82	.0	105,629,636.77	95,525,887.58	10.6
TOTAL	40,631,047.10 *	42,941,882.61 *	(5.4)	437,192,052.80 *	419,304,113.73 *	4.3
NET OPERATING INCOME	9,193,560.13 *	9,723,802.15 *	(5.5)	78,487,385.54 *	70,716,089.37 *	11.0
OTHER INCOME						
NONUTILITY OPERATIONS	(289.30)	(2,390.22)		980.27	(23,740.34)	
NON-OPER RENTAL INCOME	(2,800.00)	(16,549.65)		(166,298.96)	(48,824.72)	
INTEREST & DIV INCOME	(.00)	(.00)		1,936.55	1,827.20	6.0
ALLOW FUNDS DUR. CONST	425,971.00	60,046.06	609.4	3,884,321.00	495,217.30	684.4
EQU. IN EARN. OF SUB.C	53,288.12	45,526.23	17.0	376,449.15	378,235.83	(.5)
MISC OTHER	(112,753.93)	7,083.19		(82,402.31)	78,781.06	
GAIN ON SALE	(.00)	(.00)		7,497.49	142,975.40	(94.8)
TOTAL	363,415.89 *	93,715.61 *	287.8	4,022,483.19 *	1,024,471.73 *	292.6
TOTAL INCOME	9,556,976.02 *	9,817,517.76 *	(2.7)	82,509,868.73 *	71,740,561.10 *	15.0
MISC INCOME DEDUCTIONS						
MISC AMORTIZATION	12,834.05	12,567.83	2.1	127,562.08	120,145.38	6.2
OTHER INCOME DEDUCTS	2,652.32	3,010.17	(11.9)	110,087.83	58,203.10	89.1
TAXES APPL. OTHER INC.	5,000.00	32,400.00	(84.6)	171,610.31	324,000.00	(47.0)
MISC LOSS ON SALE	.00	.00		.00	20,115.88	(100.0)
TOTAL	20,486.37 *	47,978.00 *	(57.3)	409,260.22 *	522,464.36 *	(21.7)
INC BEFORE INT CHRGS	9,536,489.65 *	9,769,539.76 *	(2.4)	82,100,608.51 *	71,218,096.74 *	15.3
INTEREST CHARGES						
INT ON LONG TERM DEBT	4,330,766.94	3,993,649.59	8.4	40,849,252.42	39,568,385.17	3.2
OTHER INTEREST	678,633.06	547,093.71	24.0	8,156,961.51	5,817,284.99	40.9
AFUDC BORROWED FUNDS	(1993,931.00)	(740,568.72)		(9,063,414.00)	(6,107,667.64)	
AMORT OF NET PREMIUM	2,804.31	2,765.43	1.4	27,896.56	32,194.89	(13.4)
TOTAL	4,018,273.31 *	3,802,940.01 *	5.7	40,010,696.49 *	39,310,197.41 *	1.8
NET INCOME	5,518,216.34 *	5,966,599.75 *	(7.5)	42,089,912.02 *	31,907,899.33 *	31.9
PREFERRED DIVIDENDS	460,200.00	460,200.00	.0	4,594,466.67	4,594,466.67	.0
PREFERENCE DIVIDENDS	808,791.66	808,791.66	.0	8,162,916.66	8,162,916.66	.0
BAL. AVAILABLE COMMON	4,249,224.68 *	4,697,608.09 *	(9.5)	29,332,528.69 *	19,150,516.00 *	53.2
COMMON DIVIDENDS	2,345,348.33	2,345,348.33	.0	23,453,483.33	22,233,483.33	5.5
BALANCE AFTER DIVS	1,903,876.35 *	2,352,259.76 *	(19.1)	5,879,045.36 *	(3,082,967.33) *	
EARNINGS PER SHARE	\$0.37	\$0.41		\$2.54	\$1.79	
NUMBER OF SHARES	11,534,500	11,534,500		11,534,500	(a)10,715,145	
(a) Weighted Average						1.

BOSTON EDISON COMPANY STATEMENT OF INCOME-CONTINUED

MONTH OF OCTOBER 1978

ACTUAL CURRENT MONTH
THIS YEAR LAST YEAR

ACTUAL YEAR TO DATE
THIS YEAR LAST YEAR

INC

INC

OPERATIONS
FEDERAL

INCOME

INCOME TAX	1,310,632.00	.00		4,309,542.53	.00	
DEFERRED INCOME TAXES						
ACCELERATED AMORT.	.00	.00		.00	.00	
LIBERALIZED DEPREC	2,269,099.00	5,220,643.00	(56.5)	25,302,613.52	26,206,797.00	(3.5)
OTHER	.00	.00		.00	.00	
INVEST. TAX CR ADJS	797,468.00	(134,000.00)		1,541,437.00	(1,340,000.00)	
TOTAL INCOME	4,377,199.00	5,086,643.00	(13.9)	31,153,593.05	24,866,797.00	25.3
INS. CONTRIB ACT	141,258.66	159,023.54	(11.2)	2,702,811.56	2,508,034.04	7.8
UNEMPLOYMENT TAX ACT	407.63	110.16	270.0	117,096.46	87,336.18	34.1
HIGHWAY USE	2,500.00	1,231.25	103.0	25,000.00	148,952.75	(83.2)
TOTAL FEDERAL	4,521,365.29	5,247,007.95	(13.8)	33,998,501.07	27,611,119.97	23.1

STATE

CORPORATE FRANCHISE	330,210.00	490,237.00	(32.6)	2,384,736.70	2,456,762.00	(2.9)
MOTOR EXCISE	9,500.00	9,500.00	.0	95,000.00	73,550.00	29.2
EMPLOYMENT SECURITY	1,873.60	1,122.87	66.9	425,807.64	492,009.54	(13.5)
SALES AND USE	.00	.00		.00	.00	
DEFERRED CORP. FRAN.	330,209.00	268,314.00	23.1	2,384,735.70	1,361,021.00	75.2
TOTAL STATE	671,792.60	769,173.87	(12.7)	5,290,280.04	4,383,342.54	20.7

LOCAL

MUNICIPAL PROPERTY	7,204,969.64	6,377,000.00	13.0	66,340,855.66	63,531,425.07	4.4
TOTAL	12,398,127.53	12,393,181.82	.0	105,629,636.77	95,525,887.58	10.6

OTHER INCOME

FEDERAL						
INCOME TAXES	.00	.00		.00	.00	
EXTRAORDINARY ITEM	.00	.00		.00	.00	
DEFERRED	.00	.00		.00	.00	
STATE	.00	.00		.00	.00	
CORP FRANCHISE	.00	.00		.00	.00	
DEFERRED CORP. FRAN.	.00	.00		.00	.00	
LOCAL	.00	.00		.00	.00	
MUNICIPAL PROPERTY	5,000.00	32,400.00	(84.6)	171,610.31	324,000.00	(47.0)
TOTAL	5,000.00	32,400.00	(84.6)	171,610.31	324,000.00	(47.0)
TOTAL TAXES	12,403,127.53	12,425,581.82	(.2)	105,801,247.08	95,849,887.58	10.4

	ACTUAL CURRENT MONTH			ACTUAL YEAR TO DATE		
	THIS YEAR	LAST YEAR	INC	THIS YEAR	LAST YEAR	INC
OPERATING REVENUES						
ELECTRIC	41,917,253.86	43,532,225.26	(3.7)	518,311,765.29	490,712,703.57	5.6
STEAM	2,541,879.72	2,256,762.09	12.6	32,160,104.50	34,713,682.81	(7.4)
OTHER	1,357,423.87	1,021,539.97	32.9	11,024,126.00	11,404,344.04	(3.3)
TOTAL	45,816,557.45 *	46,810,527.32 *	(2.1)	561,495,995.79 *	526,830,730.42 *	4.6
OPERATING EXPENSES						
OPERATION	21,093,802.53	24,685,651.22	(14.6)	286,954,021.67	283,293,321.65	1.3
MAINTENANCE	2,681,729.65	3,083,681.71	(13.0)	30,149,139.54	30,984,237.49	(2.7)
SUBTOTAL	23,775,532.18	27,769,332.99	(14.4)	317,103,161.21	314,267,559.14	.9
DEPRECIATION	3,823,479.00	3,728,000.00	2.6	42,058,266.00	41,008,000.00	2.6
TAXES	10,300,498.72	8,647,596.76	19.1	115,930,135.49	104,173,484.34	11.3
TOTAL	37,899,509.90 *	40,144,929.75 *	(5.6)	475,091,562.70 *	459,449,043.48 *	3.4
NET OPERATING INCOME	7,917,047.55 *	6,665,597.57 *	18.8	86,404,433.09 *	77,381,686.94 *	11.7
OTHER INCOME						
NONUTILITY OPERATIONS	(1,664.41)	(2,547.40)		(684.14)	(26,287.74)	
NON-OPER RENTAL INCOME	(.00)	(8,042.98)		(166,298.96)	(56,867.70)	
INTEREST & DIV INCOME	(.01)	(.00)		1,936.54	1,927.20	6.0
ALLOW FUNDS DUR. CONST	457,317.00	63,581.06	619.3	4,341,638.00	558,798.36	677.0
EQU. IN EARN. OF SUB.C	69,359.91	32,520.68	113.3	445,809.06	410,756.51	8.5
MISC OTHER	(5,798.03)	8,078.04		(88,200.34)	86,959.10	
GAIN ON SALE	(.00)	(.00)		7,497.49	142,975.40	(94.8)
TOTAL	519,214.46 *	93,589.40 *	454.8	4,541,697.65 *	1,118,061.13 *	206.2
TOTAL INCOME	8,436,262.01 *	6,759,186.97 *	24.8	90,946,130.74 *	78,499,748.07 *	15.9
MISC INCOME DEDUCTIONS						
MISC AMORTIZATION	12,834.05	13,929.10	(7.9)	140,396.13	134,074.48	4.7
OTHER INCOME DEDUCTS	675.04	2,671.58	(74.7)	110,762.87	60,874.68	82.0
TAXES APPL. OTHER INC.	5,000.00	32,400.00	(84.6)	176,610.31	356,400.00	(50.4)
MISC LOSS ON SALE	.00	.00		.00	20,115.88	(100.0)
TOTAL	18,509.09 *	49,000.68 *	(62.2)	427,769.31 *	571,465.04 *	(25.1)
INC BEFORE INT CHPGS	8,417,752.92 *	6,710,186.29 *	25.4	90,518,361.43 *	77,928,283.03 *	16.2
INTEREST CHARGES						
INT ON LONG TERM DEBT	4,348,103.17	3,994,599.60	8.8	45,197,355.59	43,562,984.77	3.8
OTHER INTEREST	973,868.60	751,659.28	29.6	9,170,830.11	6,568,944.27	39.6
AFUDC BORROWED FUNDS	(1,067,074.00)	(784,166.72)		(10,130,488.00)	(6,891,834.36)	
AMCRT OF NET PREMIUM	2,804.31	1,476.62	89.9	30,700.87	33,671.51	(8.8)
TOTAL	4,257,702.08 *	3,963,568.78 *	7.4	44,268,398.57 *	43,273,766.19 *	2.3
NET INCOME	4,160,050.84 *	2,746,617.51 *	51.5	46,249,962.86 *	34,654,516.84 *	33.5
PREFERRED DIVIDENDS	458,766.66	458,766.66	.0	5,053,233.33	5,053,233.33	.0
PREFERENCE DIVIDENDS	808,791.68	808,791.68	.0	8,971,708.34	8,971,708.34	.0
BAL. AVAILABLE COMMON	2,892,492.50 *	1,479,059.17 *	95.6	32,225,021.19 *	20,629,575.17 *	56.1
COMMON DIVIDENDS	2,345,348.33	2,345,348.33	.0	25,798,831.66	24,578,831.66	5.0
BALANCE AFTER DIVS	547,144.17 *	(866,289.16) *		6,426,189.53 *	(3,949,256.49) *	
Earnings Per Share	\$0.25	\$0.13		\$2.79	\$1.96	
Number of Shares	11,534,500	11,534,500		11,534,500	10,789,632	1.

BOSTON TRADING COMPANY STATEMENT OF INCOME-CONTINUED

MONTH OF NOVEMBER 1978

ACTUAL YEAR TO DATE

12-15-78

ACTUAL CURRENT MONTH

ACTUAL

LAST YEAR

INC

THIS YEAR

LAST YEAR

INC

THIS YEAR

OPERATIONS

FEDERAL

INCOME						
INCOME TAX	936,567.00	.00		5,246,109.53	.00	
DEFERRED INCOME TAXES						
ACCELERATED AMORT.	.00	.00		.00	.00	
LIBERALIZED DEPREC	1,621,481.00	2,205,587.00	(26.5)	26,924,094.52	28,412,384.00	(5.2)
OTHER	.00	.00		.00	.00	
INVEST. TAX CR ADJS	523,914.00	(134,000.00)		2,065,351.00	(1,474,000.00)	
TOTAL INCOME	3,081,962.00	2,071,587.00	48.8	34,235,555.05	26,938,384.00	27.1
INS. CONTRIB ACT	110,576.23	95,792.52	15.4	2,813,387.79	2,603,826.56	8.0
UNEMPLOYMENT TAX ACT	517.56	11.66	*	117,614.02	87,347.84	34.7
HIGHWAY USE	2,500.00	680.00	267.6	27,500.00	149,632.75	(81.6)
TOTAL FEDERAL	3,195,555.79	2,168,071.18	47.4	37,194,056.86	29,779,191.15	24.9

STATE

CORPORATE FRANCHISE	236,889.00	206,045.00	15.0	2,621,625.70	2,662,807.00	(1.5)
MOTOR EXCISE	9,500.00	20,844.31	(54.4)	104,500.00	94,394.31	10.7
EMPLOYMENT SECURITY	2,282.20	574.03	297.6	428,089.84	492,583.57	(13.1)
SALES AND USE	.00	.00		.00	.00	
DEFERRED CORP. FRAN.	236,889.00	115,078.00	105.9	2,621,624.70	1,476,099.00	77.6
TOTAL STATE	485,560.20	342,541.34	41.8	5,775,840.24	4,725,883.88	22.2

LOCAL

MUNICIPAL PROPERTY	6,619,382.73	6,136,984.24	7.9	72,960,238.39	69,668,409.31	4.7
TOTAL	10,300,498.72	8,647,596.76	19.1	115,930,135.49	104,173,484.34	11.3

OTHER INCOME

FEDERAL

INCOME TAXES	.00	.00		.00	.00	
EXTRAORDINARY ITEM	.00	.00		.00	.00	
DEFERRED	.00	.00		.00	.00	
STATE	.00	.00		.00	.00	
CORP FRANCHISE	.00	.00		.00	.00	
DEFERRED CORP. FRAN.	.00	.00		.00	.00	
LOCAL	.00	.00		.00	.00	

MUNICIPAL PROPERTY	5,000.00	32,400.00	(84.6)	176,610.31	356,400.00	(50.4)
TOTAL	5,000.00	32,400.00	(84.6)	176,610.31	356,400.00	(50.4)

TOTAL TAXES

	10,305,498.72	8,679,996.76	18.7	116,106,745.80	104,529,884.34	11.1
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* IN EXCESS OF 999.9 PERCENT

STATEMENT OF INCOME FOR MONTH OF DECEMBER 1978

	ACTUAL CURRENT MONTH			ACTUAL YEAR TO DATE		
	THIS YEAR	LAST YEAR	INC	THIS YEAR	LAST YEAR	INC
OPERATING REVENUES						
ELECTRIC	47,059,230.11	47,322,053.24	(.6)	565,370,995.40	538,034,756.81	5.1
STEAM	3,420,631.26	4,103,193.67	(16.6)	35,580,735.76	38,816,876.48	(8.3)
OTHER	1,461,741.20	1,120,650.04	30.4	12,485,867.20	12,524,994.08	(.3)
TOTAL	51,941,602.57 *	52,545,896.95 *	(1.2)	613,437,598.36 *	589,376,627.37 *	4.1
OPERATING EXPENSES						
OPERATION	28,963,782.56	29,116,164.04	(.5)	315,917,804.23	312,399,485.69	1.1
MAINTENANCE	2,662,509.52	2,674,960.73	(.5)	32,811,649.06	33,659,198.22	(2.5)
SUBTOTAL	31,626,292.08	31,791,124.77	(.5)	348,729,453.29	346,058,683.91	.8
DEPRECIATION	3,877,534.84	3,805,692.64	1.9	45,935,800.84	44,813,692.64	2.5
TAXES	10,264,537.56	9,544,612.18	7.5	126,194,673.05	113,718,096.52	11.0
TOTAL	45,768,364.48 *	45,141,429.59 *	1.4	520,859,927.18 *	504,590,473.07 *	3.2
NET OPERATING INCOME	6,173,238.09 *	7,404,467.36 *	(16.6)	92,577,671.18 *	84,786,154.30 *	9.2
OTHER INCOME						
NONUTILITY OPERATIONS	(4,459.34)	1,165.64		(5,143.48)	(25,122.10)	
NON-OPER RENTAL INCOME	(5,500.00)	(1,276,341.38)		(171,798.96)	(1,333,209.08)	
INTEREST & DIV INCOME	(.00)	(.00)		1,936.54	1,827.20	6.0
ALLOW FUNDS DUR. CONST	(75,673.00)	(323,045.20)		4,265,965.00	235,753.16	*
EQU. IN EARN. OF SUB.C	53,358.94	96,158.64	(44.5)	499,168.00	506,915.15	(1.5)
MISC OTHER	(69,923.37)	(30,257.18)		(158,123.71)	56,601.92	
GAIN ON SALE	(.00)	(.00)		7,497.49	142,975.40	(94.8)
TOTAL	(102,196.77)*	(1,532,319.48)*		4,439,500.88 *	(414,258.35)*	
TOTAL INCOME	6,071,041.32 *	5,872,147.88 *	3.4	97,017,172.06 *	84,371,895.95 *	15.0
MISC INCOME DEDUCTIONS						
MISC AMORTIZATION	12,834.05	12,639.50	1.5	153,230.18	146,713.98	4.4
OTHER INCOME DEDUCTS	9,660.72	9,841.30	(1.8)	120,423.59	70,715.98	70.3
TAXES APPL. OTHER INC.	2,872.02	33,848.76	(91.5)	179,482.33	390,248.76	(54.0)
MISC LOSS ON SALE	.00	.00		.00	20,115.88	(100.0)
TOTAL	25,366.79 *	56,329.56 *	(55.0)	453,136.10 *	627,794.60 *	(27.8)
INC BEFORE INT CHRGS	6,045,674.53 *	5,815,818.32 *	4.0	96,564,035.96 *	83,744,101.35 *	15.3
INTEREST CHARGES						
INT ON LONG TERM DEBT	4,588,891.44	3,994,274.60	14.9	49,786,247.03	47,557,259.37	4.7
OTHER INTEREST	939,132.62	812,399.00	15.6	10,109,962.73	7,381,343.27	37.0
AFUDC BORROWED FUNDS	(2,667,405.00)	(1,939,837.55)		(12,797,893.00)	(8,831,671.91)	
AMORT OF NET PREMIUM	3,471.01	4,054.27	(14.4)	34,171.88	37,725.78	(9.4)
TOTAL	2,864,090.07 *	2,870,890.32 *	(.2)	47,132,488.64 *	46,144,656.51 *	2.1
NET INCOME	3,181,584.46 *	2,944,928.00 *	8.0	49,431,547.32 *	37,599,444.84 *	31.5
PREFERRED DIVIDENDS	458,766.67	458,766.67	.0	5,512,000.00	5,512,000.00	.0
PREFERENCE DIVIDENDS	808,791.66	808,791.66	.0	9,780,500.00	9,780,500.00	.0
BAL. AVAILABLE COMMON	1,914,026.13 *	1,677,369.67 *	14.1	34,139,047.32 *	22,306,944.84 *	53.0
COMMON DIVIDENDS	2,345,348.34	2,345,348.34	.0	28,144,180.00	26,924,100.00	4.5
BALANCE AFTER DIVS	(431,322.21)*	(667,978.67)*		5,994,867.32 *	(4,617,235.16)*	
EARNINGS PER SHARE	\$0.17	\$0.10		\$2.96	\$2.06	
NUMBER OF SHARES	11,534,500	11,534,500		11,534,500	10,851,704	

BOSTON BRIDGE COMPANY STATEMENT OF INCOME-CONTINUED
 ACTUAL CURRENT MONTH
 THIS YEAR LAST YEAR

MONTH OF DECEMBER 1978
 ACTUAL YEAR TO DATE
 THIS YEAR LAST YEAR

	THIS YEAR	LAST YEAR	INC	THIS YEAR	LAST YEAR	
OPERATIONS						
FEDERAL						
INCOME						
INCOME TAX	16,859,653.47	971,441.00	*	22,105,763.00	971,441.00	*
DEFERRED INCOME TAXES						
ACCELERATED AMORT.	.00	.00		.00	.00	
LIBERALIZED DEPREC	(22,676,396.52)	(22,670,049.00)		4,247,698.00	5,742,335.00	(26.0)
OTHER	3,703,955.00	10,702,908.00	(65.4)	3,703,955.00	10,702,908.00	(65.4)
INVEST. TAX CR ADJS	5,404,516.00	13,478,256.00	(59.9)	7,469,867.00	12,004,256.00	(37.8)
TOTAL INCOME	3,291,727.95	2,482,556.00	32.6	37,527,283.00	29,420,940.00	27.6
INS. CONTRIB ACT	142,629.31	125,599.72	13.6	2,956,017.10	2,729,426.28	8.3
UNEMPLOYMENT TAX ACT	7,635.32	6,583.10	16.0	125,249.34	93,930.94	33.3
HIGHWAY USE	1,806.00	(8,160.00)		29,306.00	141,472.75	(79.3)
TOTAL FEDERAL	3,443,798.58	2,606,578.82	32.1	40,637,855.44	32,385,769.97	25.5
STATE						
CORPORATE FRANCHISE	1,963,549.30	(527,954.00)		4,585,175.00	2,134,853.00	114.8
MOTOR EXCISE	(2,106.95)	24,668.03		102,393.05	119,062.34	(14.0)
EMPLOYMENT SECURITY	28,734.95	37,186.31	(22.7)	456,824.79	529,769.88	(13.8)
SALES AND USE	.00	.00		.00	.00	
DEFERRED CORP. FRAN.	(1,469,581.70)	905,675.00		1,151,643.00	2,381,774.00	(51.6)
TOTAL STATE	520,195.60	439,575.34	18.3	6,296,035.84	5,165,459.22	21.9
LOCAL						
MUNICIPAL PROPERTY	6,300,543.38	6,498,458.02	(3.0)	79,260,781.77	76,166,867.33	4.1
WYMAN UNIT = 4						
STATE INCOME TAXES	.00	.00		.00	.00	
DEFERRED STATE	.00	.00		.00	.00	
PROPERTY TAXES	.00	.00		.00	.00	
TOTAL WYMAN = 4	.00	.00		.00	.00	
TOTAL OPERATING	10,264,537.56	9,544,612.18	7.5	126,194,673.05	113,718,096.52	11.0
OTHER INCOME						
FEDERAL						
INCOME TAXES	.00	.00		.00	.00	
EXTRAORDINARY ITEM	.00	.00		.00	.00	
DEFERRED	.00	.00		.00	.00	
STATE						
CORP FRANCHISE	.00	.00		.00	.00	
DEFERRED CORP. FRAN.	.00	.00		.00	.00	
LOCAL						
MUNICIPAL PROPERTY	2,872.02	33,848.76	(91.5)	179,482.33	390,248.76	(54.0)
TOTAL	2,872.02	33,848.76	(91.5)	179,482.33	390,248.76	(54.0)
TOTAL TAXES	10,267,409.58	9,578,460.94	7.2	126,374,155.38	114,108,345.28	10.7

* IN EXCESS OF 999.9 PERCENT

\$100,000,000

BOSTON EDISON COMPANY

First Mortgage Bonds
Series Q, 9.75% Due 2003

This memorandum has been prepared from information obtained from the issuer and from trade and statistical services and other sources which we deem reliable. We make no representation or warranty as to the accuracy or completeness of such information. This memorandum is submitted in connection with the private placement of these securities and may not be reproduced or used for any other purpose.

Prepared by

BLYTH EASTMAN DILLON & Co.
INCORPORATED

October 1978

BOSTON EDISON COMPANY

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Exhibits:

- I. Summary of Principal Terms.
- II. Form 10-K for The Year Ended December 31, 1977.
- III. Form 10-Q for The Quarter Ended March 31, 1978.
- IV. Form 10-Q for The Quarter Ended June 30, 1978.
- V. Financial Statements as at September 30, 1978.
- VI. Computation of Ratio of Earnings to Fixed Charges.

INTRODUCTION

Blyth Eastman Dillon & Co. Incorporated has been authorized by Boston Edison Company (the "Company") to arrange the private placement of \$100,000,000 of First Mortgage Bonds, Series Q, 9 3/4% due 2003 (the "Series Q Bonds") subject to the required approval of the Company's Board of Directors at its meeting on October 26, 1978 and the Massachusetts Department of Public Utilities.

The Company proposes to issue \$60,000,000 of the Series Q Bonds on or about December 19, 1978 and to issue the remaining \$40,000,000 on August 15, 1979 pursuant to purchase and sale agreements which are to be executed for the entire \$100,000,000 of Series Q Bonds prior to the December closing. The Series Q Bonds will be non-refundable through indebtedness having a lower interest cost prior to December 15, 1988 and will be entitled to a cash sinking fund designed to provide an average life of 17.2 years. The remaining terms will follow the provisions of the Company's existing Indenture of Trust and First Mortgage dated as of December 1, 1940, as amended ("Indenture"), a summary of which is included in Exhibit I hereafter.

This memorandum has been prepared to describe the Series Q Bonds, the application of proceeds from their sale, the Company's current construction program and financing plans and the Company's capitalization as at September 30, 1978 and as adjusted. Exhibits include: (i) the proposed summary of terms relating to the Series Q Bonds; (ii) Form 10-K for the year ended December 31, 1977, together with the Company's 1977 annual report; (iii) Form 10-Q Reports for the two quarters ended March 31 and June 30, 1978; (iv) the Company's unaudited financial statements for the period ended September 30, 1978; and (v) a computation of the ratio of earnings to fixed charges. Each of the reports referred to above in (ii), (iii) and (iv) contains a detailed balance sheet, income statements and management's discussion and analysis of earnings for the periods covered therein.

Additional information may be obtained by contacting the below-listed personnel at Blyth Eastman Dillon & Co. Incorporated:

Cornelius B. Prior, Jr.	(212) 730-8773
Samuel A. Plum	(212) 730-8757
Scott Ketner	(212) 730-8823
Robert B. Lindstrom	(212) 730-8716

APPLICATION OF PROCEEDS

The proceeds received by the Company at the initial closing of the sale of the Series Q Bonds will be applied to the reduction of short-term borrowings incurred in connection with extensions, additions and improvements to the Company's plant and properties. The Company's short-term borrowings are expected to aggregate approximately \$110,000,000 at the time of the initial closing. The proceeds received at the second closing on August 15, 1979 will be applied to the payment at maturity on that date of a portion of the Company's outstanding First Mortgage Bonds, Series O, 12 1/2% due 1979 (the "Series O Bonds").

CONSTRUCTION PROGRAM AND FINANCING

The Company is engaged in a continuous construction program to accommodate existing and estimated future loads of the electric and steam systems. Construction expenditures for new plant facilities totaled approximately \$86,500,000 in 1976 and \$110,000,000 in 1977, not including an allowance for funds used during construction ("AFUDC") of \$7,168,000 in 1976 and \$8,814,000 in 1977. Construction expenditures have been estimated to amount to about \$124,000,000 in 1978, not including AFUDC of \$16,000,000. As of September 30, 1978 the Company's 1978 construction expenditures amounted to approximately \$86,000,000 not including AFUDC of \$11,259,000.

During the five years 1973 through 1977 construction expenditures were approximately \$517,276,000, not including AFUDC of \$49,864,000 and retirements were approximately \$80,223,000. In addition, construction expenditures of approximately \$40,374,000, not including AFUDC of about \$2,750,000 were made in respect of nuclear fuel during this period.

The Company's construction program for the period 1978 through 1982 is subject to continuing review and adjustment and is currently estimated to be approximately \$800,000,000, exclusive of AFUDC of \$180,000,000 (based upon assumed rates ranging from 9.7% to 10.0%) and exclusive of any allowance for nuclear fuel or modifications which may be required by regulatory authorities but including allowances of \$113,000,000 for escalation of costs.

In addition, during the period 1978 through 1982, funds aggregating \$171,888,000 must be provided for sinking fund requirements of \$8,208,000, maturities of bonds of \$88,680,000 and maturities of term notes of \$75,000,000. See Note C of Notes to Financial Statements included in the Company's Form 10-K for the year ended December 31, 1977.

The largest project in the Company's construction program is a second nuclear generating facility, Unit No. 2, at Pilgrim Station. The following table sets forth certain estimates with respect to construction of the Unit, assuming issuance of various Federal, state and local permits necessary to begin construction in July, 1979:

Pilgrim Unit No. 2

<u>Completion Date</u>	<u>Capacity (MW)</u>	<u>Estimated Cost of Unit</u>	<u>Company Share of Capacity and Estimated Cost</u>	<u>Estimated Cost per kW</u>
December 1985	1150	\$853,000,000 ⁽¹⁾	59.026%	\$742 ⁽¹⁾

- (1) These estimated costs do not include allowances of approximately \$219,000,000 for cost escalation through 1985, \$134,000,000 for contingencies (including certain modifications which may be required by regulatory authorities), \$685,000,000 for funds used during construction (of which \$435,000,000 applies to the Company), or any allowance for nuclear fuel.

Actual construction expenditures could vary from the estimates stated above because of changes in the Company's plans and load forecast, cost fluctuations, licensing delays, and other factors. The Company is continuing to experience increases in costs for construction of new facilities as a result of escalating labor, material and equipment costs and environmental considerations. Also, substantial additional expenditures may be required for environmental purposes at the Company's plants.

The complexity of present-day electric utility technology and the time required for the construction of generating facilities and for the completion of the licensing and other regulatory proceedings relating thereto have compelled the Company, as well as other electric utilities, to make substantial investments in the construction of such facilities prior to the completion of licensing and regulatory proceedings. For example, the Company estimates that through the end of August, 1978 its share of the accumulated expenditures related to Pilgrim Unit No. 2 and estimated cancellation penalty costs if construction of the Unit were terminated would aggregate approximately \$141,000,000, including reimbursement to the joint owners of the Unit for common facilities to be repurchased by the Company.

Hearings before the Nuclear Regulatory Commission ("NRC") commenced during 1975 on the application for a construction permit for the Unit. Under the NRC's present procedures an operating license for Pilgrim Unit No. 2 can be obtained only when the construction of the Unit has been completed. There is no assurance that the necessary permits, licenses and authorizations will be issued.

The continuation of the Company's construction program at its present and projected levels depends upon the continued availability of substantial amounts of outside capital from the issuance of debt and equity securities and other financing arrangements. The Company presently anticipates issuing additional permanent securities during 1979; however, the ability of the Company to issue such securities and the type and amount of securities to be so issued are dependent upon a number of factors, including particularly conditions in the securities market.

The Massachusetts Department of Public Utilities has commenced a proceeding to enquire into the capacity needs of the Company and the construction program required to meet such needs. The Company is unable at this time to predict the outcome of this proceeding.

BOSTON EDISON COMPANY

Revised Capitalization Table

The following table sets forth the capitalization, short-term notes payable, current maturities of long-term debt and nuclear fuel lease obligations of Boston Edison Company as of September 30, 1978 and as adjusted for the sale of the Series Q Bonds. It is important to note that the capitalization table below incorporates certain revisions to the long and short-term debt sections as originally presented on page 5 of the October 1978 private placement memorandum and should consequently be substituted in its entirety for the capitalization table included in the placement memorandum.

The revisions that are reflected below consist of:

(i) the correction of the first mortgage bond debt and total long-term debt outstanding at September 30, 1978 from \$385,040,000 to \$446,680,000 and from \$481,400,000 to \$541,680,000, respectively;

(ii) the adjustment of the as adjusted capitalization to reflect the aforementioned corrections, the change in the size of the Series Q Bond principal amount from \$100,000,000 to \$95,000,000, and the revision in the size of the initial takedown and delayed delivery amounts from \$60,000,000 to \$50,000,000 and from \$40,000,000 to \$45,000,000, respectively.

	<u>Actual</u>		<u>As Adjusted</u>	
	<u>(000)</u>	<u>%</u>	<u>(000)</u>	<u>%</u>
Long-Term Debt:				
First Mortgage Bonds	\$446,680		\$541,680	
Notes Payable to Banks	75,000		75,000	
Secured Notes	<u>21,360</u>		<u>21,360</u>	
Total Long-Term Debt	543,040	50.9%	638,040	54.9%
Preferred Stock	82,969	7.8	82,969	7.2
Preference Stock	84,631	7.9	84,631	7.3
Common Equity	<u>355,572</u>	<u>33.4</u>	<u>355,572</u>	<u>30.6</u>
Total Capitalization	<u>\$1,066,212</u>	<u>100.0%</u>	<u>\$1,161,212</u>	<u>100.0%</u>
Nuclear Fuel Lease	\$39,506		\$39,506	
Notes Payable - Short-Term	79,180		29,180	
Current Maturities of Long-Term Debt	61,640		16,640	

Revised Summary of Principal Terms

BOSTON EDISON COMPANY
First Mortgage Bonds
Series Q, 9.75% due 2003

Issue: First Mortgage Bonds, Series Q, 9.75% due December 15, 2003 (the "Series Q Bonds"). The Series Q Bonds will be issued under and secured by the Indenture of Trust and First Mortgage dated as of December 1, 1940, as amended (the "Indenture").

Amount: \$95,000,000

Use of Proceeds: Repayment of outstanding short-term bank borrowings and the partial repayment of \$60,000,000 of Series O Bonds due August 15, 1979.

Delivery: Initial takedown of \$49,500,000 in December, 1978 with delayed takedown in August, 1979, of \$45,500,000.

Final Maturity: December 15, 2003 (25 years)

Interest: 9.75% per annum, payable semi-annually on December 15 and June 15. Initial interest payment June 15, 1979 or December 15, 1979, accrued from date of issue.

Price: 100%

Sale: Private placement to selected institutional investors without registration under the Securities Act of 1933.

Trustee: State Street Bank and Trust Company, Boston, Massachusetts.

Mandatory Sinking Fund: Annual payments of \$2,375,000 commencing December 15, 1983, \$3,800,000 commencing December 15, 1990, \$6,935,000 commencing December 15, 1996 and \$7,030,000 at maturity.

Optional Sinking Fund:

The Company shall have the right in any year to redeem at par an additional amount of the Series Q Bonds not to exceed the amount of the annual mandatory sinking fund redemption payment. If not exercised in any year, the right is not cumulative to any future year. The maximum principal amount of Series Q Bonds redeemable hereunder shall be limited to \$23,750,000.

Average Life:

Operation of the mandatory sinking fund will result in an average life of approximately 17.2 years. If full use is made in each year of the optional sinking fund payment, the average life of the issue would be reduced to approximately 13.9 years and the final maturity would be 2000.

Redemption:

Except as set forth in the following paragraph, the Series Q Bonds will be redeemable in whole or in part for purposes other than the Sinking Fund, at the option of the Company during the twelve month period beginning December 15, 1978 on at least 30 days' notice at the initial price of 109.75% of the principal amount of the Series Q Bonds, plus accrued interest, and declining ratably per year to 100% in the final year. The Series Q Bonds will be redeemable at par plus accrued interest at any time through the application of certain insurance, eminent domain, release, maintenance or other moneys from time to time held by the Trustee.

Call Protection:

No Series Q Bonds may be redeemed prior to December 15, 1988, directly or indirectly, from the proceeds of or in anticipation of any refunding operation involving the incurring of debt which has an interest rate or interest cost to the Company, computed in accordance with generally accepted financial practices, of less than 9.75% per annum.

Security and Priority:

The Series Q Bonds will be secured by the Indenture equally with the bonds now outstanding under the Indenture and any additional bonds which may be issued thereunder. The

Series Q Bonds will have priority as to security over any funded debt, other than such outstanding bonds and any such additional bonds and except as hereinafter stated with respect to after-acquired property. The Indenture will create, as security for such outstanding bonds and for any such additional bonds, a first mortgage (except for current and future taxes or assessments, undetermined liens and charges incidental to construction, easements and restrictions of record and encumbrances stated in the granting clauses of the Indenture) on all franchises and property now owned by the Company (subject to the specific exceptions hereinafter referred to) and on all the rents, earnings, incomes, issues and profits thereof, but prior to default the Company may retain possession of the mortgaged property and take the rents, earnings, incomes, issues and profits thereof. The Indenture contains after-acquired property clauses which will be effective as to the tangible personal property covered thereby when acquired by the Company. Insofar as such clauses apply to after-acquired property other than tangible personal property, they may be effective only upon compliance with the provisions of the Indenture which require the Company, upon request of the Trustee, to subject to the lien of the Indenture any and all property intended to be included in the mortgaged property under the provisions of said after-acquired property clauses. Certain property is specifically excepted in the granting clauses of the Indenture consisting principally of the following: the last day of the term of any leasehold estate; cash receivables and securities; and materials, merchandise and supplies held for sale in the ordinary course of business. The Company may acquire and own properties subject to mortgage or other lien, whether or not contemporaneously created to secure a part of the purchase price thereof, including property disposed of in accordance with the release provisions of the Indenture and subsequently reacquired. Certain turbine generators and related facilities and equipment were disposed of in accordance with such release provisions and were subsequently

reacquired by the Company subject to a mortgage and security interest therein which secures the Company 11-1/4% Secured Notes described in note B of Notes to Financial Statements included in the Company's Form 10K for the year ended December 31, 1977.

Any purchaser of the mortgaged property at foreclosure sale would under the present law have to qualify to own and operate the property of the Company as an electric utility. Licenses granted by the Nuclear Regulatory Commission may not be transferred without its consent and, as a result, in the event of default under the Indenture, neither the Trustee nor any other transferee of the Pilgrim Station may operate that Station unless an appropriate Nuclear Regulatory Commission license is either issued or transferred to such transferee. No such permit or license may be granted unless the Nuclear Regulatory Commission is satisfied that, among other things, there is reasonable assurance that the health and safety of the public will not be in danger.

Issue of Additional Bonds:

In addition to the bonds presently outstanding under the Indenture and the Series Q Bonds, additional bonds of different series may be issued under the Indenture to an amount which is not limited, except that additional bonds may be issued only:

(1) in an aggregate principal amount not exceeding the following percentages of the excess of cost or the fair value (whichever be less) of certain kinds of additional property, as defined in the Indenture, constructed or acquired by the Company subsequent to December 1, 1940, and subjected to the lien of the Indenture as a first mortgage thereon, over the original cost of retired property, namely: 66-2/3% in the case of electric or steam property and 50% in the case of certain specially classified property to be used in the distribution of cold or gas (as limited in the Indenture) or in the telephone or wired radio public utility

businesses -- the amount of outstanding bonds issued and money withdrawn on the basis of specially classified property not to exceed 15% of the amount of outstanding bonds issued and money withdrawn otherwise than on the basis of specially classified property;

(2) in an aggregate principal amount equal to money deposited with the Trustee for that purpose; or

(3) in an aggregate principal amount equal to the aggregate principal amount of other bonds of any series issued under the Indenture and retired;

and only while the Company is not in default. Such additional bonds issued on the basis of additional property or deposited money or, in certain circumstances, in substitution for other bonds bearing a lower rate of interest may be issued only if the net earnings of the Company before depreciation, but after taxes of all kinds, such net earnings being defined in the Indenture, for any 12 consecutive calendar months within the 15 calendar months next preceding the application have been equal to not less than twice the amount of the annual interest charges on bonds of all series issued under the Indenture, and on all obligations secured by the lien thereof or by any lien prior thereto, outstanding at the time of the application and on the additional bonds applied for. The Company's earnings coverage so computed for the twelve months ended September 30, 1978, and after giving effect to the sale of the Series Q Bonds, would be 3.29.

The Company while not in default may withdraw money deposited with the Trustee (except sinking fund money) on the basis of certain kinds of additional property constructed or acquired by the Company subsequent to December 1, 1940, to an amount equal to the amount of additional bonds which might have been issued against such additional property, computed in substantially the same manner as between electric or steam and specially classified property, but only if net earnings

meet the requirements stated above. The Company may also withdraw such money to an amount equal to the aggregate principal amount of bonds then being retired for that purpose. The Series Q Bonds will be issued on the basis of additional property. As of December 31, 1977, the net amount of additional property available for the issuance of bonds was approximately \$481,000,000. Since December 31, 1977 property additions have exceeded retirements.

Maintenance Covenant:

The Indenture contains a general covenant and further provides that the Company will in every third calendar year cause an examination of its property to be made and to be evidenced by an Independent Engineer's Certificate, stating whether or not its property has been maintained in accordance with such covenant, and, if not, the amount of the deficiency. The Company will, within 30 days from the date of the receipt by the Trustee of each such certificate, deposit with the Trustee a sum of money equal to the amount of such deficiency, if any, which money shall be paid over to the Company from time to time to the extent of the amounts actually expended by the Company for repairs, renewals or replacements to make good such deficiency. Unless so paid to the Company within five years, such money shall be subject to application in the manner provided in the Indenture, which includes the purchase and/or redemption of outstanding bonds; provided, however, that the principal amount of Series Q Bonds redeemed at any one time shall not exceed an amount which bears the same ratio to the total principal amount of all bonds redeemed at such time as the principal amount of Series Q Bonds outstanding immediately before such redemption bears to the total principal amount of all bonds then outstanding.

Modification or Amendment of the Indenture:

The Indenture may be modified or amended, without the consent of the bondholders, to add restrictions on the issue of additional bonds or additional covenants by the Company; to convey additional property to the Trustee or correct or amplify the description of the mortgaged property; or to correct ambiguities, defects

or inconsistencies in the Indenture or any supplemental indenture. The Indenture may be modified or amended in any respect upon 30 days' published notice and notice by registered mail to registered owners of bonds of all series and with the written approval of holders of 85% in principal amount of the bonds of all series at the time outstanding; except that, among other things, no such modification or amendment shall permit any change in the principal amount or premium, any extension of the maturity, the reduction of the rate or extension of the time of payment of interest or in any way affect or impair the obligations of the Company in respect of principal or interest on any bond without the written consent of the holder thereof, or affect the rights of one or more series of bonds differently from that in which the rights of other series are affected except with the written consent of holders of 85% in principal amount of the bonds of each series so affected then outstanding, or permit the creation, except as expressly authorized in the Indenture, of any mortgage or other lien prior to or on a parity with the lien of the Indenture or impair the lien or security thereof, or change any of the percentages of holders of bonds required for any action or consent under the Indenture.

Defaults:

The Indenture defines the following as "events of default":

(a) default in the payment of any installment of interest on any of the bonds or in the payment of any sinking fund installment in respect of any of the bonds, if such default shall continue for 60 days;

(b) default in the payment of the principal or premium on any of the bonds;

(c) default by the Company in the performance or observance of any covenant, agreement or condition, if such default shall continue for 90 days after written notice to the Company by the

Trustee or to the Company and the Trustee by holders of not less than 25% in principal amount of the bonds then outstanding, or, if the Company shall waive the same, then forthwith upon such notice; or

(d) certain events such as bankruptcy, insolvency or reorganization.

If one or more events of default shall happen and be continuing, the Trustee shall, within 90 days after occurrence thereof (not including any periods of grace), give to the bondholders notice of all defaults known to the Trustee, unless such defaults shall have been cured before the giving of such notice, provided that, except in case of default in the payment of principal, premium or interest on any of the bonds, or in the payment of any sinking fund installment, the Trustee shall be protected in withholding such notice if and so long as the board of directors, the executive committee or a trust committee of directors and/or trust officers of the Trustee in good faith determine that the withholding of such notice is in the interest of the bondholders.

In case of default (1) the Trustee, or the holders of 25% in principal amount of the bonds of all series at the time outstanding, may accelerate the maturity thereof, and (2) the Trustee may, and upon the written request of the holders of a majority in principal amount of the bonds of all series then outstanding shall, enforce the lien of the Indenture. Prior to any sale of the mortgaged property pursuant to the Indenture, the Trustee may, and upon request of the holders of a majority in principal amount of the outstanding bonds shall, waive any default and its consequences and rescind any acceleration of the maturity of the bonds, but only if all defaults have been remedied and all payments due (other than by acceleration) have been made. Before exercising any of its rights or powers thereunder at the request or direction of the bondholders, the Trustee is entitled to require indemnity and security satisfactory to it against the costs, expenses and liabilities to be incurred thereby, subject, however, to

its obligation, in case of defaults, to exercise such of its rights and powers, and use the same degree of care and skill in their exercise, as a prudent man would exercise or use under the circumstances in the conduct of his own affairs. The holders of a majority in principal amount of the bonds of all series at the time outstanding may (a) direct the time, method and place of conducting any proceeding for any remedy available to the Trustee, or of exercising any trust or power conferred upon the Trustee, under the Indenture, or (b) on behalf of the holders of all said bonds, consent to the waiving of any past default (other than a default in the payment of principal or interest) and its consequences.

In the event that the Company fails to make payments of interest and/or principal on the Series Q Bonds, the Company will pay interest on such overdue amounts at the rate of 10.75% per annum.

Trustee:

State Street Bank and Trust Company, a Massachusetts corporation with its principal corporate trust office at Boston, Massachusetts, is Trustee under the Indenture. It has had a regular course of dealings with the Company as Trustee under the Indenture and is one of the Company's commercial banks, having extended to the Company a \$5,000,000 line of credit. The Company anticipates that a portion of the proceeds of the Series Q Bonds will be applied to repay loans under this line of credit. Edward B. Hanify, Esq., and Philip B. Hamilton, directors of the Company, are also directors of State Street Bank and Trust Company.

Expenses:

Fees for legal, printing and other services will be paid by the Company.

BOSTON EDISON COMPANY

Re: Series Q Bonds

Optional Redemption Prices

<u>12 Months Period Starting December 15</u>	<u>Optional Redemption Price</u>	<u>12 Months Period Starting December 15</u>	<u>Optional Redemption Price</u>
1978	109.75%	1990	104.87%
1979	109.34	1991	104.47
1980	108.93	1992	104.06
1981	108.53	1993	103.65
1982	108.12	1994	103.25
1983	107.72	1995	102.84
1984	107.31	1996	102.43
1985	106.90	1997	102.03
1986	106.50	1998	101.62
1987	106.09	1999	101.22
1988	105.68	2000	100.81
1989	105.28%	2001	100.40
		2002	100.00%

BOSTON EDISON COMPANY

Re: Series Q, 9-3/4% Bonds Due 2003
Sinking Fund Payments
 (000's)

<u>Payment Date</u>	<u>Mandatory Payment</u>	<u>Optional Payment*</u>	<u>Total</u>
Dec. 15, 1983	\$ 2,375	\$ 2,375	\$ 4,750
1984	2,375	2,375	4,750
1985	2,375	2,375	4,750
1986	2,375	2,375	4,750
1987	2,375	2,375	4,750
1988	2,375	2,375	4,750
1989	2,375	2,375	4,750
Dec. 15, 1990	3,800	3,800	7,600
1991	3,800	3,325	7,125
1992	3,800	-	3,800
1993	3,800	-	3,800
1994	3,800	-	3,800
1995	3,800	-	3,800
Dec. 15, 1996	6,935	-	6,935
1997	6,935	-	6,935
1998	6,935	-	6,935
1999	6,935	-	6,935
2000	6,935	-	4,085**
2001	6,935	-	-
2002	6,935	-	-
Dec. 15, 2003	<u>7,030</u>	<u>-</u>	<u>-</u>
Total	<u>\$95,000</u>	<u>\$23,750</u>	<u>\$95,000</u>

* The Company shall have the right in any year to redeem at par an additional amount of the Series Q Bonds not to exceed the amount of the annual mandatory sinking fund redemption payment. If not exercised in any year, the right is not cumulative to any future year. The maximum principal amount of Series Q Bonds redeemable hereunder shall be limited to \$23,750,000.

** Operation of the mandatory sinking fund will result in an average life of approximately 17.2 years. If full use is made in each year of the optional sinking fund payment, the average life of the issue would be reduced to approximately 13.9 years and the final maturity would be 2000.

EXHIBIT VI
BOSTON EDISON COMPANY

Computation of Ratio of Earnings to Fixed Charges

	Pro Forma 1978	12 Months Ended September 30, 1978	Year Ended December 31,				
			1977	1976*	1975*	1974*	1973*
(In Thousands)							
Earnings							
Net Income		\$48,230	\$37,599	\$40,025	\$33,376	\$29,640	\$29,711
Income Taxes		41,984	33,938	32,311	25,541	12,089	4,943
Interest on Long Term Debt		47,957	47,595	47,413	45,376	41,955	29,296
Interest on Nuclear Fuel Lease Obligation		577	-0-	-0-	-0-	-0-	-0-
Interest on Short-Term Notes Payable		8,724	6,632	6,741	8,593	12,556	10,182
Other Interest		906	749	720	1,067	1,477	485
Interest Portion of Rental Charges		2,000	2,000	2,100	1,600	2,000	1,900
Total Earnings	<u>\$150,378</u>	<u>\$150,378</u>	<u>\$128,513</u>	<u>\$129,310</u>	<u>\$115,553</u>	<u>\$ 99,717</u>	<u>\$ 76,517</u>
Fixed Charges							
Interest on Long-Term Debt	52,707 (a)	47,957	47,595	47,413	45,376	41,955	29,296
Interest on Nuclear Fuel Lease Obligation	577	577	-0-	-0-	-0-	-0-	-0-
Interest on Short-Term Notes Payable	3,762 (b)	8,724	6,632	6,741	8,593	12,556	10,182
Other Interest	906	906	749	720	1,067	1,477	485
Interest Portion of Rental Charges	2,000	2,000	2,000	2,100	1,600	2,000	1,900
Total Fixed Charges	<u>\$ 59,952</u>	<u>\$ 60,164</u>	<u>\$ 56,976</u>	<u>\$ 56,974</u>	<u>\$ 56,636</u>	<u>\$ 57,988</u>	<u>\$ 41,863</u>
Ratio of Earnings to Fixed Charges	<u>2.51</u>	<u>2.50</u>	<u>2.26</u>	<u>2.27</u>	<u>2.04</u>	<u>1.72</u>	<u>1.83</u>

(a) Reflect the following adjustments on a pro forma basis:

	(in Thousands)
Annual interest on \$100,000,000 aggregate principal amount of Series Q Bonds at 9 3/4%	\$ 9,750
Elimination of interest on \$40,000,000 Series O, 12 1/2%, First Mortgage Bonds due August 15, 1979	<u>(5,000)</u>
	<u>\$ 4,750</u>

(b) Reflects the elimination of interest on \$60,000,000 of short-term debt at the average short-term borrowing rate for the twelve months ended September 30, 1978 (8.27%).

* Restated for final settlement of rate S-2 booked in September, 1978.