UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

PURSUANT TO SECTION 13 or 15(d)

OF THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): August 28, 2015

UIL HOLDINGS CORPORATION

(Exact name of registrant as specified in its charter)

Connecticut (State or other jurisdiction of Incorporation)	1-15052 (Commission File Number)	06-1541045 (IRS Employer Identification No.)
157 Church Street, New Haven, Connecticut (Address of principal executive offices)		06506 (Zip Code)
Registrant's Telephone Number, Including Area Code		(203) 499-2000

Not Applicable

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 7.01 Regulation FD Disclosure.

On August 28, 2015, UIL Holdings Corporation (the "Registrant") disclosed the information, contained in the exhibits attached hereto, relating to its wholly owned utility subsidiaries, The United Illuminating Company, Connecticut Natural Gas Corporation, The Southern Connecticut Gas Company and The Berkshire Gas Company.

The information in this Form 8-K shall not be deemed to be "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of such section, nor shall such information be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits – The following exhibits are furnished as part of this report:

99.1 Financial Statements of The United Illuminating Company as of June 30, 2015 and December 31, 2014 and for the three and six months ended June 30, 2015 and 2014 (Unaudited).

99.2 Financial Statements of Connecticut Natural Gas Corporation as of June 30, 2015 and December 31, 2014 and for the three and six months ended June 30, 2015 and 2014 (Unaudited).

99.3 Financial Statements of The Southern Connecticut Gas Company as of June 30, 2015 and December 31, 2014 and for the three and six months ended June 30, 2015 and 2014 (Unaudited).

99.4 Financial Statements of The Berkshire Gas Company as of June 30, 2015 and December 31, 2014 and for the three and six months ended June 30, 2015 and 2014 (Unaudited).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

UIL HOLDINGS CORPORATION
Registrant

Date: 8/28/15

By /s/ Richard J. Nicholas
Richard J. Nicholas
Executive Vice President
and Chief Financial Officer

Exhibit Index

Exhibit	Description
99.1	Financial Statements of The United Illuminating Company as of June 30, 2015 and December 31, 2014 and for the three and six months ended June 30, 2015 and 2014 (Unaudited).
99.2	Financial Statements of Connecticut Natural Gas Corporation as of June 30, 2015 and December 31, 2014 and for the three and six months ended June 30, 2015 and 2014 (Unaudited).
99.3	Financial Statements of The Southern Connecticut Gas Company as of June 30, 2015 and December 31, 2014 and for the three and six months ended June 30, 2015 and 2014 (Unaudited).
99.4	Financial Statements of The Berkshire Gas Company as of June 30, 2015 and December 31, 2014 and for the three and six months ended June 30, 2015 and 2014 (Unaudited).

EXHIBIT 99.1

FINANCIAL STATEMENTS

OF

THE UNITED ILLUMINATING COMPANY

AS OF AND JUNE 30, 2015 AND DECEMBER 31, 2014 AND

FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2015 AND 2014

(UNAUDITED)

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THE UNITED ILLUMINATING COMPANY
STATEMENT OF INCOME
(In Thousands)
(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2015	**2014**	**2015**	**2014**
Operating Revenues	$ 190,434	$ 179,907	$ 440,404	$ 383,884
Operating Expenses				
Operation				
Purchased power	36,715	32,679	133,817	85,809
Operation and maintenance	64,136	60,658	124,929	117,056
Transmission wholesale	17,988	19,064	37,697	39,975
Depreciation and amortization	17,355	16,096	35,684	32,385
Taxes - other than income taxes	21,354	19,531	44,778	40,744
Total Operating Expenses	157,548	148,028	376,905	315,969
Operating Income	32,886	31,879	63,499	67,915
Other Income and (Deductions), net (Note H), (Note A)	3,032	4,369	6,459	8,538
Interest Charges, net				
Interest on long-term debt	10,556	10,557	21,121	21,116
Other interest, net	522	(434)	1,097	(333)
	11,078	10,123	22,218	20,783
Amortization of debt expense and redemption premiums	370	369	739	746
Total Interest Charges, net	11,448	10,492	22,957	21,529
Income from Equity Investments	3,940	3,520	6,876	6,906
Income Before Income Taxes	28,410	29,276	53,877	61,830
Income Taxes (Note E)	10,088	9,102	17,802	19,056
Net Income	$ 18,322	$ 20,174	$ 36,075	$ 42,774

The accompanying Notes to Financial Statements are an integral part of the financial statements.

THE UNITED ILLUMINATING COMPANY
BALANCE SHEET

ASSETS
(In Thousands)
(Unaudited)

	June 30, 2015	December 31, 2014
Current Assets		
Unrestricted cash and temporary cash investments	$ 97,357	$ 96,363
Restricted cash	1,161	1,051
Utility accounts receivable less allowance of $3,200 and $2,800, respectively	110,215	103,812
Unbilled revenues	49,152	46,588
Current regulatory assets (Note A)	66,888	52,419
Materials and supplies, at average cost	5,692	5,263
Refundable taxes	3,910	3,345
Prepayments	4,554	3,751
Current portion of derivative assets (Note A), (Note K)	9,934	6,849
Intercompany receivable	-	15,000
Other current assets	95	70
Total Current Assets	348,958	334,511
Other Investments		
Equity investment in GenConn (Note A)	112,910	114,195
Other	8,836	8,650
Total Other Investments	121,746	122,845
Net Property, Plant and Equipment (Note A)	2,003,240	1,943,054
Regulatory Assets (Note A)	435,351	430,263
Deferred Charges and Other Assets		
Unamortized debt issuance expenses	5,702	5,844
Other long-term receivable	1,487	1,490
Derivative assets (Note A), (Note K)	22,887	20,421
Other	343	18,792
Total Deferred Charges and Other Assets	30,419	46,547
Total Assets	$ 2,939,714	$ 2,877,220

The accompanying Notes to Financial Statements are an integral part of the financial statements.

THE UNITED ILLUMINATING COMPANY
BALANCE SHEET

LIABILITIES AND CAPITALIZATION
(In Thousands)
(Unaudited)

	June 30, 2015	December 31, 2014
Current Liabilities		
Accounts payable	$ 90,412	$ 117,886
Accrued liabilities	25,019	26,768
Current regulatory liabilities (Note A)	5,267	5,039
Deferred income taxes (Note E)	32,448	24,903
Interest accrued	11,471	11,485
Taxes accrued	11,917	13,799
Current portion of derivative liabilities (Note A), (Note K)	27,513	23,308
Total Current Liabilities	204,047	223,188
Deferred Income Taxes (Note E)	532,859	534,205
Regulatory Liabilities	139,486	131,325
Other Noncurrent Liabilities		
Pension accrued	157,227	152,456
Other post-retirement benefits accrued	57,303	55,644
Derivative liabilities (Note A), (Note K)	79,643	61,766
Other	6,434	6,296
Total Other Noncurrent Liabilities	300,607	276,162
Commitments and Contingencies (Note J)		
Capitalization (Note B)		
Long-term debt, net of unamortized discount and premium	895,460	845,460
Common Stock Equity		
Common stock	1	1
Paid-in capital	704,730	704,730
Retained earnings	162,524	162,149
Net Common Stock Equity	867,255	866,880
Total Capitalization	1,762,715	1,712,340
Total Liabilities and Capitalization	$ 2,939,714	$ 2,877,220

The accompanying Notes to Financial Statements are an integral part of the financial statements.

THE UNITED ILLUMINATING COMPANY
STATEMENT OF CASH FLOWS
(Thousands of Dollars)
(Unaudited)

	Six Months Ended June 30, 2015	Six Months Ended June 30, 2014
Cash Flows From Operating Activities		
Net income	$ 36,075	$ 42,774
Adjustments to reconcile net income		
to net cash provided by operating activities:		
Depreciation and amortization	36,423	33,131
Deferred income taxes	7,683	23,048
Pension expense	11,490	8,466
Allowance for funds used during construction (AFUDC) - equity	(2,970)	(3,971)
Undistributed (earnings) losses in equity investments	(6,877)	(6,907)
Other regulatory activity, net	(923)	(9,727)
Other non-cash items, net	217	(2,966)
Changes in:		
Accounts receivable, net	(6,803)	(1,963)
Unbilled revenues	(2,564)	6,594
Accounts payable	(17,519)	2,329
Cash distribution received from GenConn	5,578	6,662
Taxes accrued and refundable	(2,204)	8,929
Accrued liabilities	(2,040)	2,827
Accrued pension	(4,787)	(12,182)
Accrued post-employment benefits	(273)	(324)
Other assets	(1,734)	(1,328)
Other liabilities	343	1,404
Total Adjustments	13,040	54,022
Net Cash provided by Operating Activities	49,115	96,796
Cash Flows from Investing Activities		
Plant expenditures including AFUDC debt	(78,211)	(60,077)
Cash distribution from GenConn	2,581	2,134
Deposits in New England West Solution (NEEWS) (Note C)	(1,451)	(1,749)
Changes in restricted cash	(110)	(8)
Intercompany receivable	15,000	4,000
Net Cash (used in) Investing Activities	(62,191)	(55,700)
Cash Flows from Financing Activities		
Issuance of long-term debt	50,000	-
Payment of common stock dividend	(35,700)	(38,199)
Other	(230)	-
Net Cash (used in) Financing Activities	14,070	(38,199)
Unrestricted Cash and Temporary Cash Investments:		
Net change for the period	994	2,897
Balance at beginning of period	96,363	16,874
Balance at end of period	$ 97,357	$ 19,771
Non-cash investing activity:		
Plant expenditures included in ending accounts payable	$ 11,857	$ 9,517

The accompanying Notes to Financial
Statements are an integral part of the financial statements.

THE UNITED ILLUMINATING COMPANY
STATEMENT OF CHANGES IN SHAREHOLDER'S EQUITY
June 30, 2015
(Thousands of Dollars)
(Unaudited)

	Common Stock		Paid-in	Retained	
	Shares	Amount	Capital	Earnings	Total
Balance as of December 31, 2014	100	$ 1	$ 704,730	$ 162,149	$ 866,880
Net income				36,075	36,075
Cash dividends				(35,700)	(35,700)
Balance as of June 30, 2015	100	$ 1	$ 704,730	$ 162,524	$ 867,255

The accompanying Notes to Financial
Statements are an integral part of the financial statements.

NOTES TO FINANCIAL STATEMENTS – (UNAUDITED)

(A) BUSINESS ORGANIZATION AND STATEMENT OF ACCOUNTING

The United Illuminating Company (UI), a wholly owned subsidiary of UIL Holdings Corporation (UIL Holdings), is a regulated operating electric public utility established in 1899. It is engaged principally in the purchase, transmission, distribution and sale of electricity for residential, commercial and industrial purposes.

UI is also a party to a joint venture with certain affiliates of NRG Energy, Inc. (NRG affiliates) pursuant to which UI holds 50% of the membership interests in GCE Holding LLC, whose wholly owned subsidiary, GenConn Energy LLC (collectively with GCE Holding LLC, GenConn) operates peaking generation plants in Devon, Connecticut (GenConn Devon) and Middletown, Connecticut (GenConn Middletown).

Accounting Records

The accounting records of UI are maintained in conformity with accounting principles generally accepted in the United States of America (GAAP) and in accordance with the uniform systems of accounts prescribed by the FERC and the PURA.

Basis of Presentation

The preparation of financial statements in conformity with GAAP requires management to use estimates and assumptions that affect (1) the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the financial statements and (2) the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Certain immaterial amounts that were reported in the Financial Statements in previous periods have been reclassified to conform to the current presentation.

UI has evaluated subsequent events through the date its financial statements were available to be issued, August 21, 2015.

Derivatives

Pursuant to Connecticut's 2005 Energy Independence Act, PURA solicited bids to create new or incremental capacity resources in order to reduce federally mandated congestion charges, and selected four new capacity resources. To facilitate the transactions between the selected capacity resources and Connecticut electric customers, and provide the commitment necessary for owners of these resources to obtain necessary financing, PURA required that UI and The Connecticut Light and Power Company (CL&P) execute long-term contracts with the selected resources. In August 2007, PURA approved four CfDs, each of which specifies a capacity quantity and a monthly settlement that reflects the difference between a forward market price and the contract price. UI executed two of the contracts and CL&P executed the other two contracts. The costs or benefits of each contract will be paid by or allocated to customers and will be subject to a cost-sharing agreement between UI and CL&P pursuant to which approximately 20% of the cost or benefit is borne by or allocated to UI customers and approximately 80% is borne by or allocated to CL&P customers.

PURA has determined that costs associated with these CfDs will be fully recoverable by UI and CL&P through electric rates, and in accordance with ASC 980 "Regulated Operations," UI has deferred recognition of costs (a regulatory asset) or obligations (a regulatory liability). The CfDs are marked-to-market in accordance with ASC 815 "Derivatives and Hedging." For those CfDs signed by CL&P, UI records its approximate 20% portion pursuant to the cost-sharing agreement noted above. As of June 30, 2015, UI has recorded a gross derivative asset of $32.8 million ($1.5 million of which is related to UI's portion of the CfD signed by CL&P), a regulatory asset of $75.2 million, a gross derivative liability of $107.2 million ($68.0 million of which is related to UI's portion of the CfD signed by CL&P) and a regulatory liability of $0.9 million. See Note (K) "Fair Value of Financial Instruments" for additional CfD information.

The gross derivative assets and liabilities as of June 30, 2015 and December 31, 2014 were as follows:

	June 30, 2015		December 31, 2014	
	(In Thousands)			
Gross derivative assets:				
Current Assets	$	9,934	$	6,849
Deferred Charges and Other Assets	$	22,887	$	20,421
Gross derivative liabilities:				
Current Liabilities	$	27,513	$	23,308
Noncurrent Liabilities	$	79,643	$	61,766

The unrealized gains and losses from fair value adjustments to these derivatives, which are recorded in regulatory assets or regulatory liabilities, for the three- and six-month periods ended June 30, 2015 and 2014 were as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2015	2014	2015	2014
	(In Thousands)		(In Thousands)	
Regulatory Assets - Derivative liabilities	$ (2,812)	$ (10,397)	$ 10,957	$ (82,017)
Regulatory Liabilities - Derivative assets	$ 6,173	$ (8,751)	$ 7,371	$ (11,693)

The fluctuations in the balances of the derivatives as well as the related unrealized gains in the three- and six-month periods ended June 30, 2015 compared to the three- and six-month periods ended June 30, 2014 are primarily due to fluctuations in forward prices for capacity and reserves.

Equity Investments

UI is party to a 50-50 joint venture with the NRG affiliates in GenConn, which operates two peaking generation plants in Connecticut. UI's investment in GenConn is being accounted for as an equity investment, the carrying value of which was $112.9 million and $114.2 million as of June 30, 2015 and December 31, 2014, respectively. As of June 30, 2015, there was $1.3 million of undistributed earnings from UI's equity investment in GenConn.

UI's pre-tax income from its equity investment in GenConn was $3.9 million and $3.5 million for the three-month periods ending June 30, 2015 and 2014, respectively. UI's pre-tax income from its equity investment in GenConn for each of the six-month periods ending June 30, 2015 and 2014 was $6.9 million.

Cash distributions from GenConn are reflected as either distributions of earnings or as returns of capital in the operating and investing sections of the Consolidated Statement of Cash Flows, respectively. UI received cash distributions from GenConn of $2.7 million and $3.4 million in the three-month periods ending June 30, 2015 and 2014, respectively. UI received cash distributions from GenConn of $8.1 million and $8.8 million in the six-month periods ending June 30, 2015, respectively and 2014.

Regulatory Accounting

Unless otherwise stated below, all of our regulatory assets earn a return. Our regulatory assets and liabilities as of June 30, 2015 and December 31, 2014 included the following:

	Remaining Period	June 30, 2015	December 31, 2014
		(In Thousands)	
Regulatory Assets:			
Unamortized redemption costs	7 to 19 years	$ 10,098	$ 10,499
Pension and other post-retirement benefit plans	(a)	201,346	201,345
Income taxes due principally to book-tax differences	(b)	165,726	164,466
Contracts for differences	(c)	75,233	64,276
Deferred transmission expense	(d)	23,914	17,387
Other	(e)	25,922	24,709
Total regulatory assets		502,239	482,682
Less current portion of regulatory assets		66,888	52,419
Regulatory Assets, Net		$ 435,351	$ 430,263
Regulatory Liabilities:			
Accumulated deferred investment tax credits	29 years	$ 7,282	$ 4,319
Excess generation service charge	(f)	39,350	28,692
Middletown/Norwalk local transmission network service collections	35 years	20,542	20,828
Asset removal costs	(g)	68,281	68,789
Contracts for differences	(c)	899	6,472
Other	(e)	8,399	7,264
Total regulatory liabilities		144,753	136,364
Less current portion of regulatory liabilities		5,267	5,039
Regulatory Liabilities, Net		$ 139,486	$ 131,325

(a) Life is dependent upon timing of final pension plan distribution; balance, which is fully offset by a corresponding asset/liability, is recalculated each year in accordance with ASC 715 "Compensation-Retirement Benefits." See Note (G) “Pension and Other Benefits” for additional information.
(b) Amortization period and/or balance vary depending on the nature and/or remaining life of the underlying assets/liabilities.
(c) Asset life is equal to delivery term of related contracts (which vary from approximately 5 - 12 years); balance fluctuates based upon quarterly market analysis performed on the related derivatives (Note K); amount, which does not earn a return, is fully offset by corresponding derivative asset/liability. See “-Contracts for Differences” discussion above for additional information.
(d) Regulatory asset or liability which defers transmission income or expense and fluctuates based upon actual revenues and revenue requirements.
(e) Amortization period and/or balance vary depending on the nature, cost of removal and/or remaining life of the underlying assets/liabilities; asset amount includes decoupling ($2.6 million) and certain other amounts that are not currently earning a return.
(f) Regulatory asset or liability which defers generation-related and nonbypassable federally mandated congestion costs or revenues for future recovery from or return to customers. Amount fluctuates based upon timing differences between revenues collected from rates and actual costs incurred.
(g) The liability will be extinguished simultaneous with the retirement of the assets and settlement of the corresponding asset retirement obligation.

Variable Interest Entities

We have identified GenConn as a variable interest entity (VIE), which is accounted for under the equity method. UIL Holdings is not the primary beneficiary of GenConn, as defined in ASC 810 “Consolidation,” because it shares control of all significant activities of GenConn with its joint venturer, NRG affiliates. As such, GenConn is not subject to consolidation. GenConn recovers its costs through CfDs, which are cost of service-based and have been approved by PURA. As a result, with the achievement of commercial operation by GenConn Devon and GenConn

Middletown, our exposure to loss is primarily related to the potential for unrecovered GenConn operating or capital costs in a regulatory proceeding, the effect of which would be reflected in the carrying value of our 50% ownership position in GenConn and through "Income from Equity Investments" in UIL Holdings' Consolidated Financial Statements. Such exposure to loss cannot be determined at this time. For further discussion of GenConn, see "–Equity Investments" as well as Note (C) "Regulatory Proceedings – Electric Distribution and Transmission – Equity Investment in Peaking Generation."

We have identified the selected capacity resources with which UI has CfDs as VIEs and have concluded that UI is not the primary beneficiary as UI does not have the power to direct any of the significant activities of these capacity resources. As such, we have not consolidated the selected capacity resources. UI's maximum exposure to loss through these agreements is limited to the settlement amount under the CfDs as described in "–Derivatives – Contracts for Differences (CfDs)" above; however any such losses are fully recoverable through electric rates. UI has no requirement to absorb additional losses nor has UI provided any financial or other support during the periods presented that were not previously contractually required.

We have identified the entities for which UI is required to enter into long-term contracts to purchase Renewable Energy Credits (RECs) as VIEs. In assessing these contracts for VIE identification and reporting purposes, we have aggregated the contracts based on similar risk characteristics and significance to UI. UI is not the primary beneficiary as UI does not have the power to direct any of the significant activities of these entities. UI's exposure to loss is primarily related to the purchase and resale of the RECs, but, any losses incurred are recoverable through electric rates. For further discussion of RECs, see Note (C) "Regulatory Proceedings – Electric Distribution and Transmission – New Renewable Source Generation."

New Accounting Pronouncements

In July 2015, the FASB issued Accounting Standards Update (ASU) 2015-11, "Inventory – Simplifying the Measurement of Inventory" which requires inventory that is measured using first-in, first-out or average cost methods to be measured using the lower of cost and net realizable value. ASU 2015-11 is effective for interim and annual reporting periods beginning after December 15, 2016 and is to be applied prospectively with earlier application permitted as of the beginning of an interim or annual reporting period. This is not expected to be material to UI's financial statements.

In July 2015, the FASB voted to defer by one year the effective date of ASU 2014-09 which requires entities to recognize revenue in a way that depicts the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled to in exchange for those goods or services. A final Accounting Standards Update will be issued that reflects the revised effective date. We are currently evaluating the effect that adopting this new accounting guidance will have on our financial statements.

In April 2015, the FASB issued Accounting Standards Update (ASU) 2015-03, "Interest—Imputation of Interest: Simplifying the Presentation of Debt Issuance Costs" which requires that debt issuance costs related to a recognized debt liability be presented in the balance sheet as a direct deduction from the carrying amount of that debt liability. ASU 2015-03 is effective for interim and annual reporting periods beginning after December 15, 2015 and is to be applied retrospectively. The effect that adopting this new accounting guidance will have on our financial statements will be reductions in both Deferred Charges and Other Assets and Long-term debt on the balance sheet. This effect is not expected to be material to UI's financial statements.

(B) CAPITALIZATION

Common Stock

UI had 100 shares of common stock; no par value, outstanding as of June 30, 2015 and December 31, 2014.

Long-term Debt

On June 29, 2015 (the "execution date"), UI entered into a Note Purchase Agreement with a group of institutional accredited investors providing for the sale to such investors of UI's 4.61% Senior Notes, Series G, due June 29, 2045, in the principal amount of $50 million which was issued on the execution date. UI used the net proceeds from this long-term debt issuance to re-pay $27.5 million of pollution control refunding revenue bonds which were subject to mandatory purchase on July 1, 2015 and plans on using the remaining funds for general corporate purposes or other purposes described in its application to PURA for approval of the issuance of debt and as approved by PURA.

(C) REGULATORY PROCEEDINGS

Rates

Utilities are entitled by Connecticut statutes to charge rates that are sufficient to allow them an opportunity to cover their reasonable operating and capital costs, to attract needed capital and to maintain their financial integrity, while also protecting relevant public interests.

UI's allowed distribution return on equity established by PURA is 9.15%. UI is required to return to customers 50% of any distribution earnings over the allowed ROE in a calendar year by means of an earnings sharing mechanism.

Power Supply Arrangements

UI has wholesale power supply agreements in place for its entire standard service load for all of 2015 and for 50% of its standard service load for the first half of 2016. Supplier of last resort service is procured on a quarterly basis, however, from time to time there are no bidders in the procurement process for supplier of last resort service and in such cases UI manages the load directly. UI determined that its contracts for standard service and supplier of last resort service are derivatives under ASC 815 "Derivatives and Hedging" and elected the "normal purchase, normal sale" exception under ASC 815 "Derivatives and Hedging." UI regularly assesses the accounting treatment for its power supply contracts. These wholesale power supply agreements contain default provisions that include required performance assurance, including certain collateral obligations, in the event that UI's credit rating on senior debt were to fall below investment grade. If UI's credit rating were to decline one rating at Standard & Poor's or two ratings at Moody's and UI were to be placed on negative credit watch, monthly amounts due and payable to the power suppliers would be accelerated to semi-monthly payments. UI's credit rating would have to decline two ratings at Standard & Poor's and three ratings at Moody's to fall below investment grade. If this were to occur, UI would have to deliver collateral security in an amount equal to the receivables due to the sellers for the thirty-day period immediately preceding the default notice. If such an event had occurred as of June 30, 2015, UI would have had to post an aggregate of approximately $10.9 million in collateral. UI would have been and remains able to provide that collateral.

New Renewable Source Generation

Pursuant to Connecticut law (PA 13-303), on September 19, 2013, at the direction of the Connecticut Department of Energy and Environmental Protection, (DEEP), UI entered into two contracts for energy and/or RECs from Class I renewable resources, totaling approximately 3.5% of UI's distribution load, which were subsequently approved by PURA. Costs of each of these agreements will be fully recoverable through electric rates. On December 18, 2013, Allco Finance Limited, an unsuccessful bidder for such contracts, filed a complaint against DEEP in the United States District Court in Connecticut alleging that DEEP's direction to UI and CL&P to enter into the contracts violated the Supremacy Clause of the U.S. Constitution and the Federal Power Act by setting wholesale electricity rates. This complaint was dismissed in December 2014. On January 2, 2015 Allco filed an appeal with the United States Court of Appeals for the Second Circuit.

Transmission

PURA decisions do not affect the revenue requirements determination for UI's transmission business, including the applicable return on equity (ROE), which is within the jurisdiction of the FERC. For 2015, UI is estimating an overall allowed weighted-average ROE for its transmission business in the range of 11.3% to 11.4%. This includes the impact of the FERC orders issued in 2014 and 2015, and excludes any impacts of the reserve adjustment, both of which are discussed below.

Beginning in 2011, several New England governmental entities, including PURA, the Connecticut Attorney General and the Connecticut Office of Consumer Council (OCC), jointly filed three separate complaints with the FERC against ISO-NE and several New England transmission owners, including UI. In the first complaint, filed in September 2011, the complainants claimed that the then current approved base ROE of 11.14% used in calculating formula rates for transmission service under the ISO-NE Open Access Transmission Tariff by the New England transmission owners was not just and reasonable and sought a reduction of the base ROE and a refund to customers for a refund period of October 1, 2011 through December 31, 2012. In 2012 and 2014, respectively, the complainants filed claims with the FERC similarly challenging the base ROE and seeking refunds for the 15-month periods beginning December 27, 2012 and July 31, 2014, respectively. The complainants in the third complaint also asked for a determination that the top of the zone of reasonableness caps the ROE for each individual project. The FERC issued an order consolidating the second and third complaints and establishing hearing procedures. The New England transmission owners petitioned FERC for a rehearing, which was denied in May 2015. Hearings were held in June 2015 on the second and third complaints before a FERC Administrative Law Judge, relating to the refund periods and going forward. On July 29, 2015, post-hearing briefs were filed by parties. An initial decision by the Administrative Law Judge is expected by December 31, 2015. On July 13, 2015, the New England transmission owners filed a petition for review of FERC's orders establishing hearing and consolidation procedures for the second and third complaints with the U.S. Court of Appeals.

In 2014, the FERC determined that the base ROE should be set at 10.57% for the first complaint refund period and that a utility's total or maximum ROE should not exceed 11.74%. The FERC ordered the New England transmission owners to provide refunds to customers for the first complaint refund period and set the new base ROE of 10.57% prospectively from October 16, 2014.

On March 3, 2015, the FERC issued an Order on Rehearing in the first complaint (the March Order) denying all rehearing requests from the complainants and the New England transmission owners. On April 30, 2015, the New England transmission owners filed a petition for review of the FERC's decisions on the first complaint with the U.S. Court of Appeals for the D.C. Circuit. On May 1, 2015, two additional petitions for review of those FERC decisions were also filed at the D.C. Circuit by the complainants and by several customers. The appeals of the FERC's decisions on the first complaint have been consolidated and are currently pending before the D.C. Circuit. UI recorded additional pre-tax reserves of $3.2 million in the first six months of 2015 relating to the third complaint and the March Order. As of June 30, 2015, net pre-tax reserves relating to refunds and potential refunds to customers under all three claims were approximately $7 million and cumulative pre-tax reserves were approximately $11.4 million, of which $4.4 million has already been refunded to customers.

<u>New England East-West Solution</u>

Pursuant to an agreement with CL&P (the Agreement), UI has the right to invest in, and own transmission assets associated with, the Connecticut portion of CL&P's New England East West Solution (NEEWS) projects to improve regional energy reliability. NEEWS consists of four inter-related transmission projects being developed by subsidiaries of Northeast Utilities (doing business as Eversource Energy), the parent company of CL&P, in collaboration with National Grid USA. Three of the projects have portions located in Connecticut: (1) the Greater Springfield Reliability Project (GSRP), which was fully energized in November 2013, (2) the Interstate Reliability Project (IRP), which is expected to be placed in service in the fourth quarter 2015 and (3) the Central Connecticut Reliability Project, which was reassessed as part of the Greater Hartford Central Connecticut Study (GHCC). As CL&P places assets in service, it will transfer title to certain NEEWS transmission assets to UI in proportion to UI's investments, but CL&P will continue to maintain these portions of the transmission system pursuant to an operating and maintenance agreement with UI. Any termination of the Agreement pursuant to its terms would have no effect on the assets previously transferred to UI.

Under the terms of the Agreement, UI has the option to make quarterly deposits to CL&P in exchange for ownership of specific NEEWS transmission assets as they are placed in service. UI has the right to invest up to the greater of $60 million or an amount equal to 8.4% of CL&P's costs for the originally proposed Connecticut portions of the NEEWS projects. Based upon the current projected costs, UI's investment rights in GSRP and IRP is approximately $45 million. In February 2015, ISO-NE issued its final GHCC transmission solutions report and, in March 2015, approved the proposed plan applications. UI and Eversource continue to evaluate the approved projects to determine the impact on UI's aggregate investment in NEEWS.

Deposits associated with NEEWS are recorded as assets at the time the deposit is made and they are reported in the 'Other' line item within the Deferred Charges and Other Assets section of the consolidated balance sheet. When title to the assets is transferred to UI, the amount of the corresponding deposit is reclassified from other assets to plant-in-service on the balance sheet and shown as a non-cash investing activity in the consolidated statement of cash flows.

As of June 30, 2015, UI had made aggregate deposits of $45 million under the Agreement since its inception, with assets associated with the GSRP valued at approximately $24.6 million and assets associated with the IRP valued at approximately $20 million having been transferred to UI. UI earned pre-tax income on deposits, net of transferred assets, of approximately $0.5 million and $0.4 million in the three-month periods ended June 30, 2015 and 2014, respectively. UI earned pre-tax income on deposits, net of transferred assets, of approximately $1.1 million and $0.7 million in the six-month periods ended June 30, 2015 and 2014, respectively.

Other Proceedings

On November 12, 2014, PURA issued a decision in a docket addressing UI's semi-annual Generation Services Charge (GSC), bypassable federally mandated congestion charge and the non-bypassable federally mandated congestion charge (NBFMCC) reconciliations. PURA's decision allowed for recovery of $7.7 million of the $11.3 million request included in UI's filing for the reconciliation of certain revenues and expenses relating to the period from 2004 through 2013. This resulted in UI recording a pre-tax write-off of approximately $3.8 million during the fourth quarter of 2014, which amount included the disallowed portion of UI's request as well as additional 2014 carrying charges.

Also on November 12, 2014, PURA issued a final decision in UI's final Competitive Transition Assessment (CTA) reconciliation proceeding which extinguished all remaining CTA balances. In addition, the final decision allowed for the application of an approximate $8.2 million remaining CTA regulatory liability, as well as an approximate $12.0 million regulatory liability related to the Connecticut Yankee Atomic Power Company litigation against the U.S. Department of Energy (DOE), against UI's storm regulatory asset balance. The final decision required that remaining regulatory liability balance be applied to the GSC "working capital allowance" and be returned to customers through the NBFMCC.

Because the two decisions noted above, among other things, fail to apply rate making principles on a consistent basis, UI filed appeals with the State of Connecticut Superior Court in December 2014 for both the GSC/NBFMCC and the CTA final decisions. On February 3, 2015, PURA filed a motion to dismiss UI's appeal of the CTA final decision. On June 17, 2015, the Superior Court denied PURA's motion to dismiss the CTA appeal.

(D) SHORT-TERM CREDIT ARRANGEMENTS

As of June 30, 2015, UI did not have any borrowings outstanding under the revolving credit agreement, which will expire on November 30, 2016, entered into by and among UIL Holdings and its regulated subsidiaries including UI (the Credit Facility). Available credit under the Credit Facility at June 30, 2015 totaled $250 million for UI. UI records borrowings under the Credit Facility as short-term debt, but the Credit Facility provides for longer term commitments from banks allowing UI to borrow and reborrow funds, at its option, until its expiration, thus affording UI flexibility in managing its working capital requirements.

(E) INCOME TAXES

The significant portion of UI's income tax expense, including deferred taxes, is recovered through its utility rates. UI's annual income tax expense and associated effective tax rate is impacted by differences in the treatment of certain transactions for book and tax purposes and by differences between the timing of deferred tax temporary difference activity and deferred tax recovery. In accordance with ASC 740, UI uses an estimated annual effective tax rate approach to calculate interim period income tax expense for ordinary income. UI also records separate income tax effects for significant unusual or infrequent items. The annualized effective income tax rates for the three-month periods ended June 30, 2015 and 2014 were 31.6% and 30.8%, respectively. The annualized effective income tax rates for the six-month periods ended June 30, 2015 and 2014 were 31.0% and 30.8%, respectively. Income tax expense for the six months of 2015 decreased $1.3 million from the six months of 2014 due primarily lower pre-tax book income.

(G) PENSION AND OTHER BENEFITS

During the six months ended June 30, 2015, UI made pension contributions of $4.6 million. Additional contributions during the remainder of 2015 are expected to be $2.3 million.

The following table represents the components of net periodic benefit cost for pension and other postretirement benefits (OPEB) as well as the actuarial weighted-average assumptions used in calculating net periodic benefit cost for the three- and six-month periods ended June 30, 2015 and 2014:

	Three Months Ended June 30,			
	Pension Benefits		Other Post-Retirement	
	2015	2014	2015	2014
	(In Thousands)			
Components of net periodic benefit cost:				
Service cost	$ 1,955	$ 1,467	$ 290	$ 251
Interest cost	5,542	5,791	859	895
Expected return on plan assets	(7,190)	(6,968)	(462)	(454)
Amortization of:				
Prior service costs	(1)	66	13	9
Actuarial (gain) loss	4,472	3,146	266	32
Net periodic benefit cost	$ 4,778	$ 3,502	$ 966	$ 733

	Six Months Ended June 30,			
	Pension Benefits		Other Post-Retirement	
	2015	2014	2015	2014
	(In Thousands)			
Components of net periodic benefit cost:				
Service cost	$ 3,910	$ 2,934	$ 580	$ 502
Interest cost	11,084	11,582	1,718	1,790
Expected return on plan assets	(14,380)	(13,936)	(924)	(908)
Amortization of:				
Prior service costs	(2)	132	26	18
Actuarial (gain) loss	8,944	6,292	532	64
Net periodic benefit cost	$ 9,556	$ 7,004	$ 1,932	$ 1,466

	Three and Six Months Ended June 30,			
	Pension Benefits		Other Post-Retirement	
	2015	2014	2015	2014
Discount rate	4.20%-4.30%	4.90%-5.20%	4.30%	4.25%
Average wage increase	3.80%	3.80%	N/A	N/A
Return on plan assets	8.00%	8.00%	8.00%	8.00%
Composite health care trend rate (current year)	N/A	N/A	7.00%	7.50%
Composite health care trend rate (2018 forward)	N/A	N/A	5.00%	5.00%

N/A – not applicable

(H) RELATED PARTY TRANSACTIONS

UI received cash distributions from GenConn of $2.7 million and $3.4 million in the three-month periods ending June 30, 2015 and 2014, respectively. UI received cash distributions from GenConn of $8.1 million and $8.8 million in the six-month periods ending June 30, 2015 and 2014, respectively.

Inter-company Transactions

UI receives various administrative and management services from and enters into certain inter-company transactions with UIL Holdings and its subsidiaries. Costs of the services that are allocated amongst UI and other of UIL Holdings' regulated subsidiaries are settled periodically by way of inter-company billings and wire transfers. As of June 30, 2015 and December 31, 2014, the Balance Sheet reflects inter-company receivables of $3.6 million and $3.3 million, respectively, and inter-company payables of $10.7 million and $15.4 million, respectively.

Dividends/Capital Contributions

If necessary, UI pays dividends via wire transfers to UIL Holdings on a quarterly basis in order to maintain its capitalization structure as allowed per PURA. For the six months ended June 30, 2015 and 2014, UI accrued and paid dividends to UIL Holdings of $35.7 million and $38.2 million, respectively.

(J) COMMITMENTS AND CONTINGENCIES

In the ordinary course of business, we are involved in various proceedings, including legal, tax, regulatory and environmental matters, which require management's assessment to determine the probability of whether a loss will occur and, if probable, an estimate of probable loss. When assessments indicate that it is probable that a liability has been incurred and an amount can be reasonably estimated, we accrue a reserve and disclose the reserve and related matter. We disclose material matters when losses are probable but for which an estimate cannot be reasonably estimated or when losses are not probable but are reasonably possible. Subsequent analysis is performed on a periodic basis to assess the impact of any changes in events or circumstances and any resulting need to adjust existing reserves or record additional reserves. However, given the inherent unpredictability of these legal and regulatory proceedings, we cannot assure you that our assessment of such proceedings will reflect the ultimate outcome, and an adverse outcome in certain matters could have a material adverse effect on our results of operations or cash flows.

Connecticut Yankee Atomic Power Company

UI has a 9.5% stock ownership share in the Connecticut Yankee Atomic Power Company, an inactive nuclear generating company (Connecticut Yankee), the carrying value of which was $0.2 million as of June 30, 2015. Connecticut Yankee has completed the physical decommissioning of its generation facilities and is now engaged primarily in the long-term storage of its spent nuclear fuel. Connecticut Yankee collects its costs through wholesale FERC-approved rates from UI and several other New England utilities. UI recovers these costs from its customers through electric rates.

DOE Spent Fuel Litigation

In 1998, Connecticut Yankee filed claims in the United States Court of Federal Claims seeking damages resulting from the breach of the 1983 spent fuel and high level waste disposal contract between Connecticut Yankee and the DOE. In September 2010, the court issued its decision and awarded Connecticut Yankee damages of $39.7 million for its spent fuel-related costs through 2001, which was affirmed in May 2012. Connecticut Yankee received payment of the damage award and, in light of its ownership share, in July 2013 UI received approximately $3.8 million of such award which was credited back to customers through the CTA.

In December 2007, Connecticut Yankee filed a second set of complaints with the United States Court of Federal Claims against the DOE seeking damages incurred since January 1, 2002 for the DOE's failure to remove Connecticut Yankee's spent fuel. In November 2013, the court issued a final judgment, which was not appealed, awarding Connecticut Yankee damages of $126.3 million. In light of its ownership share, in June 2014, UI received approximately $12.0 million of such award which was applied, in part, against the remaining storm regulatory asset balance. The remaining regulatory liability balance was applied to the GSC "working capital allowance" and will be returned to customers through the nonbypassable federally mandated congestion charge. See Note (C) "Regulatory Proceedings – Electric Distribution and Transmission – Other Proceedings" for additional information.

In August 2013, Connecticut Yankee filed a third set of complaints with the United States Court of Federal Claims against the DOE seeking an unspecified amount of damages incurred since January 1, 2009 for the DOE's failure to remove Connecticut Yankee's spent fuel. In April 2015, Connecticut Yankee provided the DOE with a third set of damage claims totaling approximately $32.9 million for damages incurred from January 1, 2009 through December 31, 2012. UI's 9.5% ownership share would result in a receipt of approximately $3.1 million which, if awarded, would be refunded to customers.

Environmental Matters

In complying with existing environmental statutes and regulations and further developments in areas of environmental concern, including legislation and studies in the fields of water quality, hazardous waste handling and disposal, toxic substances, climate change and electric and magnetic fields, we may incur substantial capital expenditures for equipment modifications and additions, monitoring equipment and recording devices, as well as additional operating expenses. The total amount of these expenditures is not now determinable. Environmental damage claims may also arise from the operations of our subsidiaries. Significant environmental issues known to us at this time are described below.

Site Decontamination, Demolition and Remediation Costs

In January 2012, Evergreen Power, LLC (Evergreen Power) and Asnat Realty LLC (Asnat), then and current owners of a former generation site on the Mill River in New Haven (the "English Station site") that UI sold to Quinnipiac Energy in 2000, filed a lawsuit in federal district court in Connecticut against UI seeking, among other things: (i) an order directing UI to reimburse the plaintiffs for costs they have incurred and will incur for the testing, investigation and remediation of hazardous substances at the English Station site and (ii) an order directing UI to investigate and remediate the site. In December 2013, Evergreen and Asnat filed a subsequent lawsuit in Connecticut state court seeking among other things: (i) remediation of the property; (ii) reimbursement of remediation costs; (iii) termination of UI's easement rights; (iv) reimbursement for costs associated with securing the property; and (v) punitive damages. UI believes the claims are without merit. Management cannot presently assess the potential financial impact, if any, of the pending lawsuits. UI has not recorded a liability related to it.

On April 8, 2013, DEEP issued an administrative order addressed to UI, Evergreen Power, Asnat and others, ordering the parties to take certain actions related to investigating and remediating the English Station site. Mediation of the matter began in the fourth quarter of 2013 and concluded unsuccessfully in April of 2015. Hearings on the administrative order are expected to take place in late February and early March 2016. UI has requested access to the English Station site from Evergreen Power and Asnat, the current property owners, for purposes of performing additional investigation; this access has not yet been granted.

As discussed in its' joint application with PURA for approval of a change in control of UIL Holdings to Iberdrola USA, UIL Holdings is negotiating a consent order with DEEP that would, upon closing of the merger, provide for UI to begin to investigate and remediate the English Station site. DEEP has informed UIL Holdings that it has estimated the approximate cost of the remediation of the English Station site to be $30 million. Management has not assessed the accuracy of or any support for this DEEP estimate. Until UIL Holdings has successfully negotiated and agreed to a consent order and have sufficient access to the English Station site to permit the undertaking of a reliable investigation, the expected cost of the remediation or the extent of any potential liability will not be known.

UI's knowledge of the current conditions at the English Station site is insufficient for it to make a reliable investigation and remediation estimate at this time. Therefore, management cannot predict the financial impact on UI of DEEP's administrative order, the agreements regarding the consent order or other matters relating to the English Station site, and no range of loss can be reasonably estimated at this time. UI has not recorded a liability related to it.

With respect to transmission-related property adjacent to the New Haven Harbor Generating Station, UI performed an environmental analysis that indicated remediation expenses would be approximately $3.2 million. UI has accrued these estimated expenses, which were recovered in transmission rates.

Middletown/Norwalk Transmission Project

The general contractor responsible for civil construction work in connection with the installation of UI's portion of the Middletown/Norwalk Transmission Project's underground electric cable system filed a lawsuit in Connecticut state court on September 22, 2009. On September 3, 2013, the court found for UI on all claims but one related to certain change orders, and ordered UI to pay the general contractor approximately $1.3 million, which has since been paid. On October 22, 2013, the general contractor filed an appeal of the trial court's decision and on June 23, 2015, the appellate court affirmed the trial court's judgment. The period to file a petition for review by the Connecticut Supreme Court has passed and the case is now concluded.

In April 2013, an affiliate of the general contractor for the Middletown/Norwalk Transmission Project, purporting to act as a shareholder on behalf of UIL Holdings, filed a complaint against the UIL Holdings Board of Directors alleging that the directors breached a fiduciary duty by failing to undertake an independent investigation in response to a letter from the affiliate asking for an investigation regarding alleged improper practices by UI in connection with the Middletown/Norwalk Transmission Project. In October 2013, the court granted the defendants' motion to dismiss the complaint, which dismissal was affirmed by the Connecticut Appellate Court in March 2015. The period to file a petition for review by the Connecticut Supreme Court has passed and the case is now concluded.

(K) FAIR VALUE MEASUREMENTS

As required by ASC 820 "Fair Value Measurements and Disclosures," financial assets and liabilities are classified in their entirety, based on the lowest level of input that is significant to the fair value measurement. Our assessment of the significance of a particular input to the fair value measurement requires judgment, and may affect the valuation of the fair value of assets and liabilities and their placement within the fair value hierarchy levels.

The following tables set forth the fair value of our financial assets and liabilities, other than pension benefits and other postretirement benefits, as of June 30, 2015 and December 31, 2014.

	Fair Value Measurements Using			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
June 30, 2015		(In Thousands)		
Assets:				
Derivative assets	$ -	$ -	32,822	$ 32,822
Supplemental retirement benefit trust life insurance policies	-	7,938	-	7,938
	$ -	$ 7,938	$ 32,822	$ 40,760
Liabilities:				
Derivative liabilities	$ -	$ -	$ 107,156	$ 107,156
Long-term debt	-	997,940	-	997,940
	$ -	$ 997,940	$ 107,156	$ 1,105,096
Net fair value assets/(liabilities), June 30, 2015	$ -	$ (990,002)	$ (74,334)	$ (1,064,336)
December 31, 2014				
Assets:				
Derivative assets	$ -	$ -	$ 27,270	$ 27,270
Supplemental retirement benefit trust life insurance policies	-	8,498	-	8,498
	$ -	$ 8,498	$ 27,270	$ 35,768
Liabilities:				
Derivative liabilities	$ -	$ -	$ 85,074	$ 85,074
Long-term debt	-	958,296	-	958,296
	$ -	$ 958,296	$ 85,074	$ 1,043,370
Net fair value assets/(liabilities), December 31, 2014	$ -	$ (949,798)	$ (57,804)	$ (1,007,602)

Fair value measurements categorized in Level 3 of the fair value hierarchy are prepared by individuals with expertise in valuation techniques, pricing of energy and energy-related products, and accounting requirements. The derivative assets consist primarily of CfDs. The determination of fair value of the CfDs was based on a probability-based expected cash flow analysis that was discounted at the June 30, 2015 or December 31, 2014 risk-free interest rates, as applicable, and an adjustment for non-performance risk using credit default swap rates. Certain management assumptions were required, including development of pricing that extended over the term of the contracts. We believe this methodology provides the most reasonable estimates of the amount of future discounted cash flows associated with the CfDs. Additionally, on a quarterly basis, we perform analytics to ensure that the fair value of the derivatives is consistent with changes, if any, in the various fair value model inputs. Additional quantitative information about Level 3 fair value measurements is as follows:

	Unobservable Input	Range at June 30, 2015	Range at December 31, 2014
Contracts for differences	Risk of non-performance	0.00% - 0.70%	0.00% - 0.66%
	Discount rate	1.63% - 2.35%	1.65% - 2.25%
	Forward pricing ($ per MW)	$3.15 - $11.19	$3.15 - $14.59

Significant singular changes in the risk of non-performance, the discount rate or the contract term pricing would result in an inverse change in the fair value of the CfDs.

The fair value of the noncurrent investments is determined using quoted market prices in active markets for identical assets. The investments primarily consist of money market funds.

The determination of the fair value of the supplemental retirement benefit trust life insurance policies was based on quoted prices as of June 30, 2015 and December 31, 2014 in the active markets for the various funds within which the assets are held.

Long-term debt is carried at cost on the consolidated balance sheet. The fair value of long-term debt as displayed in the table above is based on evaluated prices that reflect significant observable market information such as reported trades, actual trade information of similar securities, benchmark yields, broker/dealer quotes of new issue prices and relevant credit information.

The following tables set forth a reconciliation of changes in the fair value of the assets and liabilities above that are classified as Level 3 in the fair value hierarchy for the six-month period ended June 30, 2015.

	Six Months Ended June 30, 2015 (In Thousands)	
Net derivative assets/(liabilities), December 31, 2014	$	(57,804)
Unrealized gains and (losses), net		(16,530)
Net derivative assets/(liabilities), June 30, 2015	$	(74,334)
Change in unrealized gains (losses), net relating to net derivative assets/(liabilities), still held as of June 30, 2015	$	(16,530)

The following table sets forth a reconciliation of changes in the net regulatory asset/(liability) balances that were established to recover any unrealized gains/(losses) associated with the CfDs for the six-month period ended June 30, 2015. The amounts offset the net CfDs liabilities included in the derivative liabilities detailed above.

	Six Months Ended June 30, 2015 (In Thousands)	
Net regulatory assets/(liabilities), December 31, 2014	$	57,804
Unrealized (gains) and losses, net		16,530
Net regulatory assets/(liabilities), June 30, 2015	$	74,334

EXHIBIT 99.2

FINANCIAL STATEMENTS

OF

CONNECTICUT NATURAL GAS CORPORATION

AS OF JUNE 30, 2015 AND DECEMBER 31, 2014 AND
FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2015 AND 2014

(UNAUDITED)

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CONNECTICUT NATURAL GAS CORPORATION
STATEMENT OF INCOME
(In Thousands)
(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2015	**2014**	**2015**	**2014**
Operating Revenues	$ 51,757	$ 67,976	$ 201,265	$ 230,891
Operating Expenses				
Operation				
Natural gas purchased	18,296	37,026	102,737	135,347
Operation and maintenance	18,219	19,475	39,152	34,701
Depreciation and amortization	7,798	7,325	15,655	14,973
Taxes - other than income taxes	4,497	4,630	12,677	12,996
Total Operating Expenses	48,810	68,456	170,221	198,017
Operating Income (Loss)	2,947	(480)	31,044	32,874
Other Income and (Deductions), net	338	47	638	252
Interest Charges, net				
Interest on long-term debt	2,186	2,393	4,371	4,786
Other interest, net	307	407	432	437
	2,493	2,800	4,803	5,223
Amortization of debt expense and redemption premiums	23	24	46	45
Total Interest Charges, net	2,516	2,824	4,849	5,268
Income (Loss) Before Income Taxes	769	(3,257)	26,833	27,858
Income Taxes	196	(1,251)	9,477	10,884
Net Income (Loss)	573	(2,006)	17,356	16,974
Less:				
Preferred Stock Dividends of				
Subsidiary, Noncontrolling Interests	7	(40)	14	(27)
Net Income (Loss) attributable to Connecticut Natural Gas Corporation	$ 566	$ (1,966)	$ 17,342	$ 17,001

CONNECTICUT NATURAL GAS CORPORATION
STATEMENT OF COMPREHENSIVE INCOME
(In Thousands)
(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2015	**2014**	**2015**	**2014**
Net Income (Loss)	$ 573	$ (2,006)	$ 17,356	$ 16,974
Other Comprehensive Income (Loss), net of income taxes				
Changes in unrealized gains(losses) related to pension and other post-retirement benefit plans	-	-	128	-
Total Other Comprehensive Income (Loss), net of income taxes	573	(2,006)	17,484	16,974
Comprehensive Income				
Less:				
Preferred Stock Dividends of Subsidiary, Noncontrolling Interests	7	(40)	14	(27)
Comprehensive Income (Loss)	$ 566	$ (1,966)	$ 17,342	$ 17,001

CONNECTICUT NATURAL GAS CORPORATION
BALANCE SHEET

ASSETS
(In Thousands)
(Unaudited)

	June 30, 2015	December 31, 2014
Current Assets		
Unrestricted cash and temporary cash investments	$ 45,708	$ 7,074
Accounts receivable less allowance of $2,500 and $3,300, respectively	50,199	64,266
Unbilled revenues	7,393	21,402
Current regulatory assets	13,629	13,761
Deferred income taxes	9,160	2,267
Natural gas in storage, at average cost	20,026	39,627
Materials and supplies, at average cost	1,491	1,252
Refundable taxes	105	1,510
Prepayments	252	1,021
Other	175	175
Total Current Assets	148,138	152,355
Other investments	1,800	556
Net Property, Plant and Equipment	516,283	501,297
Regulatory Assets	111,386	115,930
Deferred Charges and Other Assets		
Unamortized debt issuance expenses	679	725
Goodwill	79,341	79,341
Other	988	-
Total Deferred Charges and Other Assets	81,008	80,066
Total Assets	$ 858,615	$850,204

CONNECTICUT NATURAL GAS CORPORATION
BALANCE SHEET
LIABILITIES AND CAPITALIZATION
(In Thousands)
(Unaudited)

	June 30, 2015	December 31, 2014
Current Liabilities		
Current portion of long-term debt	$ 1,618	$1,616
Accounts payable	30,755	59,515
Accrued liabilities	8,965	11,621
Current regulatory liabilities	26,715	4,346
Interest accrued	2,068	2,098
Taxes accrued	6,484	3,615
Total Current Liabilities	76,605	82,811
Deferred Income Taxes	23,804	18,589
Regulatory Liabilities	177,240	171,596
Other Noncurrent Liabilities		
Pension accrued	59,262	61,024
Other post-retirement benefits accrued	13,249	13,390
Other	7,339	7,338
Total Other Noncurrent Liabilities	79,850	81,752
Commitments and Contingencies		
Capitalization		
Long-term debt, net of unamortized premium	140,963	141,773
Preferred Stock, not subject to mandatory redemption	340	340
Common Stock Equity		
Common stock	33,233	33,233
Paid-in capital	315,304	315,304
Retained earnings (Accumulated deficit)	11,175	4,833
Accumulated other comprehensive income	101	(27)
Net Common Stock Equity	359,813	353,343
Total Capitalization	501,116	495,456
Total Liabilities and Capitalization	$ 858,615	$850,204

CONNECTICUT NATURAL GAS CORPORATION
STATEMENT OF CASH FLOWS
(In Thousands)
(Unaudited)

	Six Months Ended June 30, 2015	Six Months Ended June 30, 2014
Cash Flows From Operating Activities		
Net Income	$ 17,356	$ 16,974
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	15,701	15,018
Deferred income taxes	820	(2,748)
Pension expense	3,684	3,300
Regulatory activity, net	22,456	38,852
Other non-cash items, net	(2,156)	802
Changes in:		
Accounts receivable, net	14,867	5,546
Unbilled revenues	14,009	14,247
Natural gas in storage	19,601	10,788
Prepayments	769	2,251
Accounts payable	(29,945)	(16,275)
Taxes accrued/refundable, net	4,274	7,283
Accrued pension	(5,116)	(4,778)
Accrued other post-employment benefits	(471)	1,783
Accrued liabilities	(2,656)	1,507
Other assets	(1,227)	497
Other liabilities	26	578
Total Adjustments	54,636	78,651
Net Cash provided by Operating Activities	71,992	95,625
Cash Flows from Investing Activities		
Plant expenditures including AFUDC debt	(22,344)	(19,755)
Intercompany receivable	-	4,000
Net Cash used in Investing Activities	(22,344)	(15,755)
Cash Flows from Financing Activities		
Distribution of capital	-	(12,400)
Payment of common stock dividend	(11,000)	(774)
Other	(14)	27
Net Cash used in Financing Activities	(11,014)	(13,147)
Unrestricted Cash and Temporary Cash Investments:		
Net change for the period	38,634	66,723
Balance at beginning of period	7,074	8,620
Balance at end of period	$ 45,708	$ 75,343
Non-cash investing activity:		
Plant expenditures included in ending accounts payable	$ 5,765	$ 4,150

CONNECTICUT NATURAL GAS CORPORATION
STATEMENT OF CHANGES IN SHAREHOLDER'S EQUITY
June 30, 2015
(Thousands of Dollars)
(Unaudited)

	Common Stock Shares	Common Stock Amount	Paid-in Capital	Retained Earnings (Accumulated Deficit)	Accumulated Other Comprehensive Income	Total
Balance as of December 31, 2014	10,634,436	$ 33,233	$ 315,304	$ 4,833	$ (27)	$ 353,343
Net income				17,356		17,356
Other comprehensive income, net of income taxes					128	128
Payment of commom stock dividend				(11,000)		(11,000)
Payment of preferred stock dividend				(14)		(14)
Balance as of June 30, 2015	10,634,436	$ 33,233	$ 315,304	$ 11,175	$ 101	$ 359,813

EXHIBIT 99.3

CONSOLIDATED FINANCIAL STATEMENTS

OF

THE SOUTHERN CONNECTICUT GAS COMPANY

AS OF JUNE 30, 2015 AND DECEMBER 31, 2014 AND FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2015 AND 2014

(UNAUDITED)

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THE SOUTHERN CONNECTICUT GAS COMPANY
CONSOLIDATED STATEMENT OF INCOME
(In Thousands)
(Unaudited)

	Three Months Ended June 30, 2015	Three Months Ended June 30, 2014	Six Months Ended June 30, 2015	Six Months Ended June 30, 2014
Operating Revenues	$ 58,719	$ 72,622	$ 202,195	$ 233,784
Operating Expenses				
Operation				
Natural gas purchased	18,162	33,816	90,105	126,915
Operation and maintenance	20,534	21,258	38,496	38,860
Depreciation and amortization	8,932	8,411	20,224	20,059
Taxes - other than income taxes	4,922	4,953	13,467	13,485
Total Operating Expenses	52,550	68,438	162,292	199,319
Operating Income	6,169	4,184	39,903	34,465
Other Income and (Deductions), net	51	(560)	(44)	(1,694)
Interest Charges, net				
Interest on long-term debt	3,343	3,343	6,687	6,687
Other interest, net	170	297	249	293
	3,513	3,640	6,936	6,980
Amortization of debt expense and redemption premiums	77	76	154	153
Total Interest Charges, net	3,590	3,716	7,090	7,133
Income (Loss) Before Income Taxes	2,630	(92)	32,769	25,638
Income Taxes	485	(39)	12,372	10,844
Net Income (Loss)	$ 2,145	$ (53)	$ 20,397	$ 14,794

THE SOUTHERN CONNECTICUT GAS COMPANY
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
(In Thousands)
(Unaudited)

	Three Months Ended June 30, 2015	Three Months Ended June 30, 2014	Six Months Ended June 30, 2015	Six Months Ended June 30, 2014
Net Income (Loss)	$ 2,145	$ (53)	$ 20,397	$ 14,794
Other Comprehensive Income (Loss), net of income taxes				
Changes in unrealized gains(losses) related to pension and other post-retirement benefit plans	57	169	88	231
Comprehensive Income	$ 2,202	$ 116	$ 20,485	$ 15,025

Connecticut Energy Corporation, a wholly owned subsidiary of UIL Holdings Corporation, is a holding company whose sole business is ownership of the Southern Connecticut Gas Company (SCG). The Consolidated Financial Statements of SCG include the accounts of all variable interest entities where SCG has been determined to be the primary beneficiary including the Milford LNG facility owned by United Resources, Inc., a wholly owned subsidiary of UIL Holdings Corporation.

THE SOUTHERN CONNECTICUT GAS COMPANY
CONSOLIDATED BALANCE SHEET
ASSETS
(In Thousands)
(Unaudited)

	June 30, 2015	December 31, 2014
Current Assets		
Unrestricted cash and temporary cash investments	$ 11,728	$ 428
Accounts receivable less allowance of $1,900 and $1,400, respectively	59,679	61,093
Unbilled revenues	6,450	22,310
Current regulatory assets	18,174	21,642
Natural gas in storage, at average cost	25,678	42,866
Materials and supplies, at average cost	2,342	2,060
Refundable taxes	1,432	5,172
Prepayments	397	782
Other	-	278
Total Current Assets	125,880	156,631
Other investments	11,073	10,832
Net Property, Plant and Equipment	609,638	592,484
Regulatory Assets	91,965	101,178
Deferred Charges and Other Assets		
Unamortized debt issuance expenses	3,585	3,739
Goodwill	134,931	134,931
Other	812	-
Total Deferred Charges and Other Assets	139,328	138,670
Total Assets	$ 977,884	$ 999,795

Connecticut Energy Corporation, a wholly owned subsidiary of UIL Holdings Corporation, is a holding company whose sole business is ownership of the Southern Connecticut Gas Company (SCG). The Consolidated Financial Statements of SCG include the accounts of all variable interest entities where SCG has been determined to be the primary beneficiary including the Milford LNG facility owned by United Resources, Inc., a wholly owned subsidiary of UIL Holdings Corporation.

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THE SOUTHERN CONNECTICUT GAS COMPANY
CONSOLIDATED BALANCE SHEET
LIABILITIES AND CAPITALIZATION
(In Thousands)
(Unaudited)

	June 30, 2015	December 31, 2014
Current Liabilities		
Current portion of long-term debt	$ 2,517	$ 2,517
Accounts payable	29,208	46,352
Accrued liabilities	15,524	14,927
Current regulatory liabilities	8,734	5,360
Deferred income taxes	7,168	8,458
Interest accrued	1,701	2,437
Taxes accrued	3,432	4,333
Intercompany payable	-	15,000
Total Current Liabilities	68,284	99,384
Deferred Income Taxes	21,059	17,398
Regulatory Liabilities	163,066	157,720
Other Noncurrent Liabilities		
Pension accrued	38,969	42,496
Other post-retirement benefits accrued	16,389	16,743
Other	13,865	14,029
Total Other Noncurrent Liabilities	69,223	73,268
Commitments and Contingencies		
Capitalization		
Long-term debt, net of unamortized premium	229,423	230,681
Noncontrolling interest (Note A)	20,369	20,369
Common Stock Equity		
Common stock	18,761	18,761
Paid-in capital	369,737	369,737
Retained earnings	18,115	12,718
Accumulated other comprehensive income	(153)	(241)
Net Common Stock Equity	406,460	400,975
Total Capitalization	635,883	652,025
Total Liabilities and Capitalization	$ 977,884	$ 999,795

Connecticut Energy Corporation, a wholly owned subsidiary of UIL Holdings Corporation, is a holding company whose sole business is ownership of the Southern Connecticut Gas Company (SCG). The Consolidated Financial Statements of SCG include the accounts of all variable interest entities where SCG has been determined to be the primary beneficiary including the Milford LNG facility owned by United Resources, Inc., a wholly owned subsidiary of UIL Holdings Corporation.

THE SOUTHERN CONNECTICUT GAS COMPANY
CONSOLIDATED STATEMENT OF CASH FLOWS
(In Thousands)
(Unaudited)

	Six Months Ended June 30, 2015	Six Months Ended June 30, 2014
Cash Flows From Operating Activities		
Net income	$ 20,397	$ 14,794
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	20,378	20,212
Deferred income taxes	2,588	(7,105)
Pension expense	2,688	3,354
Regulatory activity, net	9,749	31,804
Other non-cash items, net	(708)	990
Changes in:		
Accounts receivable, net	1,914	1,703
Unbilled revenues	15,860	15,004
Natural gas in storage	17,188	9,615
Prepayments	454	1,827
Accounts payable	(17,488)	(12,925)
Interest accrued	(736)	-
Taxes accrued/refundable, net	3,059	12,399
Accrued liabilities	597	(2,825)
Accrued pension	(5,621)	(4,451)
Accrued other post-employment benefits	(948)	3,274
Other assets	(885)	1,683
Other liabilities	(83)	1,663
Total Adjustments	48,006	76,222
Net Cash provided by Operating Activities	68,403	91,016
Cash Flows from Investing Activities		
Plant expenditures including AFUDC debt	(27,103)	(21,787)
Net Cash used in Investing Activities	(27,103)	(21,787)
Cash Flows from Financing Activities		
Payment of common stock dividend	(15,000)	(11,200)
Intercompany payable	(15,000)	(16,000)
Net Cash used in provided by Financing Activities	(30,000)	(27,200)
Unrestricted Cash and Temporary Cash Investments:		
Net change for the period	11,300	42,029
Balance at beginning of period	428	7,701
Balance at end of period	$ 11,728	$ 49,730
Non-cash investing activity:		
Plant expenditures included in ending accounts payable	$ 4,712	$ 1,095

Connecticut Energy Corporation, a wholly owned subsidiary of UIL Holdings Corporation, is a holding company whose sole business is ownership of the Southern Connecticut Gas Company (SCG). The Consolidated Financial Statements of SCG include the accounts of all variable interest entities where SCG has been determined to be the primary beneficiary including the Milford LNG facility owned by United Resources, Inc., a wholly owned subsidiary of UIL Holdings Corporation.

THE SOUTHERN CONNECTICUT GAS COMPANY
CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDER'S EQUITY
June 30, 2015
(Thousands of Dollars)

	Common Stock				Paid-in		Retained Earnings (Accumulated		Accumulated Other Comprehensive		
	Shares		Amount		Capital		Deficit)		Income (Loss)		Total
Balance as of December 31, 2014	1,407,072	$	18,761	$	369,737	$	12,718	$	(241)	$	400,975
Net income							20,397				20,397
Other comprehensive loss, net of income taxes									88		88
Payment of common stock dividend							(15,000)				(15,000)
Balance as of June 30, 2015	1,407,072	$	18,761	$	369,737	$	18,115	$	(153)	$	406,460

Connecticut Energy Corporation, a wholly owned subsidiary of UIL Holdings Corporation, is a holding company whose sole business is ownership of the Southern Connecticut Gas Company (SCG). The Consolidated Financial Statements of SCG include the accounts of all variable interest entities where SCG has been determined to be the primary beneficiary including the Milford LNG facility owned by United Resources, Inc., a wholly owned subsidiary of UIL Holdings Corporation.

EXHIBIT 99.4

FINANCIAL STATEMENTS

OF

THE BERKSHIRE GAS COMPANY

AS OF JUNE 30, 2015 AND DECEMBER 31, 2014 AND FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2015 AND 2014

(UNAUDITED)

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THE BERKSHIRE GAS COMPANY
STATEMENT OF INCOME
(In Thousands)
(Unaudited)

	Three Months Ended June 30, 2015	Three Months Ended June 30, 2014	Six Months Ended June 30, 2015	Six Months Ended June 30, 2014
Operating Revenues	$ 11,097	$ 14,289	$ 52,196	$ 57,397
Operating Expenses				
Operation				
Natural gas purchased	2,425	5,715	21,779	29,219
Operation and maintenance	6,250	5,422	13,202	12,250
Depreciation and amortization	2,264	2,033	4,892	4,485
Taxes - other than income taxes	832	775	1,669	1,517
Total Operating Expenses	11,771	13,945	41,542	47,471
Operating Income (loss)	(674)	344	10,654	9,926
Other Income and (Deductions), net	175	206	429	153
Interest Charges, net				
Interest on long-term debt	842	869	1,684	1,740
Other interest, net	(2)	(1)	(2)	1
	840	868	1,682	1,741
Amortization of debt expense and redemption premiums	32	34	62	63
Total Interest Charges, net	872	902	1,744	1,804
Income (Loss) Before Income Taxes	(1,371)	(352)	9,339	8,275
Income Taxes	(831)	(149)	3,665	3,250
Net Income (Loss)	$ (540)	$ (203)	$ 5,674	$ 5,025

THE BERKSHIRE GAS COMPANY
STATEMENT OF COMPREHENSIVE INCOME
(In Thousands)
(Unaudited)

	Three Months Ended June 30, 2015	Three Months Ended June 30, 2014	Six Months Ended June 30, 2015	Six Months Ended June 30, 2014
Net Income (Loss)	$ (540)	$ (203)	$ 5,674	$ 5,025
Other Comprehensive Income (Loss)	(8)	4	-	8
Comprehensive Income (Loss)	$ (548)	$ (199)	$ 5,674	$ 5,033

THE BERKSHIRE GAS COMPANY
BALANCE SHEET

ASSETS
(In Thousands)
(Unaudited)

	June 30, 2015	December 31, 2014
Current Assets		
Unrestricted cash and temporary cash investments	$ 16,936	$ 6,734
Accounts receivable less allowance of $1,658 and $1,381, respectively	8,822	12,217
Unbilled revenues	459	5,516
Current regulatory assets	4,295	6,496
Natural gas in storage, at average cost	1,625	3,935
Materials and supplies, at average cost	933	968
Other	2,421	1,720
Total Current Assets	35,491	37,586
Other Investments	947	1,027
Net Property, Plant and Equipment	134,075	131,321
Regulatory Assets	36,281	37,823
Deferred Charges and Other Assets		
Unamortized debt issuance expenses	795	857
Goodwill	51,933	51,933
Other	606	54
Total Deferred Charges and Other Assets	53,334	52,844
Total Assets	$ 260,128	$260,601

LIABILITIES AND CAPITALIZATION
(In Thousands)
(Unaudited)

	June 30, 2015	December 31, 2014
Current Liabilities		
Current portion of long-term debt	$ 2,393	$2,393
Accounts payable	2,271	10,466
Accrued liabilities	2,287	3,509
Current regulatory liabilities	3,526	-
Deferred income taxes	-	1,439
Interest accrued	862	862
Taxes accrued	11,147	8,898
Total Current Liabilities	22,486	27,567
Deferred Income Taxes	25,948	25,942
Regulatory Liabilities	29,966	28,910
Other Noncurrent Liabilities		
Pension accrued	9,081	9,036
Environmental remediation costs	4,105	4,105
Other	7,057	7,062
Total Other Noncurrent Liabilities	20,243	20,203
Commitments and Contingencies		
Capitalization		
Long-term debt	45,230	45,698
Common Stock Equity		
Paid-in capital	106,095	106,095
Retained earnings	10,170	6,196
Accumulated other comprehensive loss	(10)	(10)
Net Common Stock Equity	116,255	112,281
Total Capitalization	161,485	157,979
Total Liabilities and Capitalization	$ 260,128	$260,601

THE BERKSHIRE GAS COMPANY
STATEMENT OF CASH FLOWS
(In Thousands)
(Unaudited)

	Six Months Ended June 30, 2015	Six Months Ended June 30, 2014
Cash Flows From Operating Activities		
Net income	$ 5,674	$ 5,025
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	4,954	4,548
Deferred income taxes	(2,805)	(3,192)
Pension expense	654	552
Regulatory activity, net	6,455	3,371
Other non-cash items, net	278	499
Changes in:		
Accounts receivable, net	3,174	(2,354)
Unbilled revenues	5,057	5,190
Prepayments	16	1,912
Natural gas in storage	2,310	1,119
Accounts payable	(8,450)	(425)
Interest accrued	-	(38)
Taxes accrued/refundable, net	2,212	5,835
Accrued liabilities	(1,222)	(4,026)
Accrued pension	(609)	1,749
Other assets	(518)	(2,032)
Other liabilities	(2)	1,432
Total Adjustments	11,504	14,140
Net Cash provided by Operating Activities	17,178	19,165
Cash Flows from Investing Activities		
Plant expenditures including AFUDC debt	(5,276)	(3,810)
Net Cash used in Investing Activities	(5,276)	(3,810)
Cash Flows from Financing Activities		
Payment of common stock dividend	(1,700)	(2,600)
Net Cash used in Financing Activities	(1,700)	(2,600)
Unrestricted Cash and Temporary Cash Investments:		
Net change for the period	10,202	12,755
Balance at beginning of period	6,734	6,890
Balance at end of period	$ 16,936	$ 19,645
Non-cash investing activity:		
Plant expenditures included in ending accounts payable	$ 428	$ 59

THE BERKSHIRE GAS COMPANY
STATEMENT OF CHANGES IN SHAREHOLDER'S EQUITY
June 30, 2014
(Thousands of Dollars)
(Unaudited)

	Common Stock Shares	Common Stock Amount	Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Total
Balance as of December 31, 2014	100	$ -	$ 106,095	$ 6,196	$ (10)	$ 112,281
Net income				5,674		5,674
Payment of common stock dividend				(1,700)		(1,700)
Balance as of June 30, 2015	100	$ -	$ 106,095	$ 10,170	$ (10)	$ 116,255