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NORTHEAST UTILITIES SYSTEM  
Form U5S  
April 26, 2002

Commission File Number: 30-246

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549-1004

FORM U5S

ANNUAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2001

Filed pursuant to the Public Utility Holding Company Act of 1935 by

NORTHEAST UTILITIES

174 Brush Hill Avenue, West Springfield, Massachusetts 01090-0010

(Corporate Address)

Selden Street, Berlin, Connecticut 06037-1616

(Principal Headquarters)

NORTHEAST UTILITIES

FORM U5S ANNUAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2001

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ITEM 1. SYSTEM COMPANIES AND INVESTMENTS THEREIN AS OF DECEMBER 31, 2001

Name of Company -----	No. of Common Shares Owned -----	% of Voting Power -----
Name of Owner -----		
Northeast Utilities (NU) (1)		
Name of Issuer -----		
The Connecticut Light and Power Company (CL&P) (2) (3) *	7,584,884	100%
Public Service Company of New Hampshire (PSNH) (2) (3) *	388	100
Western Massachusetts Electric Company (WMECO) (2) (3) *	509,696	100
North Atlantic Energy Corporation (NAEC) (3)	224	100
Holyoke Water Power Company (HWP) (3) *	480,000	100
Northeast Utilities Service Company (NUSCO) (4)	1	100
Northeast Nuclear Energy Company (NNECO) (5)	1,500	100
North Atlantic Energy Service Corporation (NAESCO) (6)	1,000	100
The Quinnehtuk Company (7)	3,500	100
The Rocky River Realty Company (RRR) (7)	100	100
Yankee Energy System, Inc. (YES)	1,000	100
Charter Oak Energy, Inc. (COE) (9) *	100	100
NU Enterprises, Inc. (NUEI)	89	100

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ITEM 1. SYSTEM COMPANIES AND INVESTMENTS THEREIN AS OF DECEMBER 31, 2001  
(CONTINUED)

Name of Company	Issuer Book Value	Owner's Book Value
Name of Owner	(000's)	(000's)
Northeast Utilities (NU) (1)		
Name of Issuer		
-----		
The Connecticut Light and Power Company (CL&P) (2) (3) *	\$ 776,835	\$ 776,835
Public Service Company of New Hampshire (PSNH) (2) (3) *	341,825	341,825
Western Massachusetts Electric Company (WMECO) (2) (3) *	150,447	150,447
North Atlantic Energy Corporation (NAEC) (3)	34,993	34,993
Holyoke Water Power Company (HWP) (3) *	7,162	7,162
Northeast Utilities Service Company (NUSCO) (4)	1	1
Northeast Nuclear Energy Company (NNECO) (5)	16,095	16,095
North Atlantic Energy Service Corporation (NAESCO) (6)	14	14
The Quinnehtuk Company (7)	(2,587)	(2,587)
The Rocky River Realty Company (RRR) (7)	684	684
Yankee Energy System, Inc. (YES)	508,573	508,573
Charter Oak Energy, Inc. (COE) (9) *	11,797	11,797
NU Enterprises, Inc. (NUEI)	116,394	116,394

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ITEM 1. SYSTEM COMPANIES AND INVESTMENTS THEREIN AS OF DECEMBER 31, 2001

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(CONTINUED)

Name of Company ----- Name of Owner -----	No. of Common Shares Owned -----	% of Voting Power -----
The Connecticut Light and Power Company (2) (3)***		
Name of Issuer -----		
CL&P Receivables Corporation (CRC)	100	100
CL&P Capital, L.P.	--	100
CL&P Funding LLC (10)	--	100
Name of Owner -----		
Public Service Company of New Hampshire (2) (3)		
Name of Issuer -----		
Properties, Inc. (7)	200	100
PSNH Funding LLC (11)	--	100
PSNH Funding LLC 2 (12)	--	100
Name of Owner -----		
Western Massachusetts Electric Company (2) (3)		
Name of Issuer -----		
WMECO Funding LLC (13)	--	100

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ITEM 1. SYSTEM COMPANIES AND INVESTMENTS THEREIN AS OF DECEMBER 31, 2001  
(CONTINUED)

Name of Company ----- Name of Owner -----	Issuer Book Value ----- (000's)	Owner's Book Value ----- (000's)
The Connecticut Light and		

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Power Company (2) (3)\*\*\*

Name of Issuer  
-----

CL&P Receivables Corporation (CRC)	\$ 111,887	\$ 111,887
CL&P Capital, L.P.	--	--
CL&P Funding LLC (10)	7,193	7,193

Name of Owner  
-----

Public Service Company of New Hampshire (2) (3)

Name of Issuer  
-----

Properties, Inc. (7)	5,220	5,220
PSNH Funding LLC (11)	3,126	3,126
PSNH Funding LLC 2 (12)	1	1

Name of Owner  
-----

Western Massachusetts Electric Company (2) (3)

Name of Issuer  
-----

WMECO Funding LLC (13)	776	776
------------------------	-----	-----

ITEM 1. SYSTEM COMPANIES AND INVESTMENTS THEREIN AS OF DECEMBER 31, 2001  
(CONTINUED)

Name of Company  
-----

Name of Owner  
-----

No. of Common  
Shares Owned  
-----

% of  
Voting Power  
-----

Holyoke Water Power Company (3)

Name of Issuer  
-----

Holyoke Power and Electric Company (HP&E)	4,850	100
---	-------	-----

Name of Owner  
-----

Charter Oak Energy, Inc. (9)

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Name of Issuer  
-----

COE Development Corporation	100	100
COE Argentina II Corporation	100	100
COE Ave Fenix Corporation	100	100

Name of Owner  
-----

Select Energy Services, Inc.

Name of Issuer  
-----

Select Energy Contracting, Inc.	100	100
HEC Energy Consulting Canada, Inc. (17)	100	100
Reeds Ferry Supply Co., Inc.	100	100
HEC/Tobyhanna Energy Project, Inc.	100	100

Name of Owner  
-----

Northeast Generation Services Company

Name of Issuer  
-----

NGS Mechanical, Inc. (15)	100	100
E. S. Boulos Company (14)	100	100

ITEM 1. SYSTEM COMPANIES AND INVESTMENTS THEREIN AS OF DECEMBER 31, 2001  
(CONTINUED)

Name of Company  
-----

Name of Owner  
-----

Issuer Book Value ----- (000's)	Owner's Book Value ----- (000's)
--	---

Holyoke Water Power Company (3)

Name of Issuer  
-----

Holyoke Power and Electric Company (HP&E)	\$ 181	\$ 181
---	--------	--------

Name of Owner  
-----

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Charter Oak Energy, Inc. (9)

Name of Issuer  
-----

COE Development Corporation	1,087	1,087
COE Argentina II Corporation	29	29
COE Ave Fenix Corporation	12,003	12,003

Name of Owner  
-----

Select Energy Services, Inc.

Name of Issuer  
-----

Select Energy Contracting, Inc.	15,664	15,664
HEC Energy Consulting Canada, Inc. (17)	--	--
Reeds Ferry Supply Co., Inc.	(42)	(42)
HEC/Tobyhanna Energy Project, Inc.	226	226

Name of Owner  
-----

Northeast Generation Services Company

Name of Issuer  
-----

NGS Mechanical, Inc. (15)	9	9
E.S. Boulos Company (14)	10,945	10,945

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ITEM 1. SYSTEM COMPANIES AND INVESTMENTS THEREIN AS OF DECEMBER 31, 2001  
(CONTINUED)

Name of Company  
-----

Name of Owner  
-----

No. of Common  
Shares Owned  
-----

% of  
Voting Power  
-----

NU Enterprises, Inc.

Name of Issuer  
-----

Northeast Generation Company (NGC)	6	100
------------------------------------	---	-----

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Northeast Generation Services Company (NGS)	100	100
Select Energy Portland Pipeline, Inc. (SEPPPI)	100	100
Select Energy, Inc. (Select Energy)	100	100
Mode 1 Communications, Inc. (Mode 1)	100	100
Select Energy Services, Inc. (SES)*	1,700	100

Name of Company  
-----

Name of Owner  
-----

Yankee Energy System, Inc.

Name of Issuer  
-----

Yankee Gas Services Company (Yankee Gas)	1,000	100
NorConn Properties, Inc. (NorConn) (7) (8)	100	100
Housatonic Corporation (Housatonic)	100	100
Yankee Energy Financial Services (YESCO)	200	100
Yankee Energy Services Company (YESCO)	200	100
R.M. Services, Inc. (RMS) (8)	0	0

Name of Company

Name of Owner  
-----

Select Energy, Inc.

Name of Issuer  
-----

Select Energy New York, Inc. (SENY)	10,000	100
-------------------------------------	--------	-----

ITEM 1. SYSTEM COMPANIES AND INVESTMENTS THEREIN AS OF DECEMBER 31, 2001  
(CONTINUED)

Name of Company  
-----

Name of Owner  
-----

Issuer  
Book Value  
-----  
(000's)

Owner's  
Book Value  
-----  
(000's)

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NU Enterprises, Inc.

Name of Issuer  
-----

Northeast Generation Company (NGC)	\$ 12,951	\$ 12,951
Northeast Generation Services Company (NGS)	13,605	13,605
Select Energy Portland Pipeline, (SEPPPI) Inc.	447	447
Select Energy, Inc. (Select Energy)	22,067	22,067
Mode 1 Communications, Inc. (Mode 1)	24,720	24,720
Select Energy Services, Inc. (SES)*	27,831	27,831

Name of Company  
-----

Name of Owner  
-----

Yankee Energy System, Inc.

Name of Issuer  
-----

Yankee Gas Services Company (Yankee Gas)	491,793	491,793
NorConn Properties, Inc. (NorConn) (7)	327	327
Housatonic Corporation (Housatonic)	(626)	(626)
Yankee Energy Financial Services (YEFSCO)	1,431	1,431
Yankee Energy Services Company (YESCO)	6,231	6,231
R.M. Services, Inc. (RMS) (8)	13,333	13,333

Name of Company  
-----

Name of Owner  
-----

Select Energy, Inc. (Select Energy)

Name of Issuer  
-----

Select Energy New York, Inc. (SENY)	5,892	5,892
-------------------------------------	-------	-------

\* Consolidated.

\*\* Inactive.

\*\*\* Exempt holding company - see Commission Release Nos. 13048 and 14947.

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### ITEM 1. SYSTEM COMPANIES AND INVESTMENTS THEREIN AS OF DECEMBER 31, 2001 (CONTINUED)

- (1) For information regarding NU's investment in the hydro-transmission companies, see Note A to Item 1.
- (2) For information regarding CL&P's, PSNH's and WMECO's investment in regional nuclear generating companies, see Note A to Item 1.
- (3) Electric utility operating subsidiary.
- (4) Service company which provides support services for the NU system companies.
- (5) Prior to the sale of the Millstone nuclear plant to a subsidiary of Dominion Resources, Inc. on March 31, 2001, agent for the NU system companies and other New England utilities in operating Millstone. Now inactive.
- (6) Agent for the joint owners in operating the Seabrook nuclear facility.
- (7) Subsidiary which constructs, acquires or leases some of the property and facilities used by one or more of the system companies.
- (8) On June 30, 2001, R. M. Services was sold to a management group, and YES exchanged its 100 percent common stock ownership for preferred securities having a 10 percent common stock equivalent voting interest.
- (9) Directly and through its subsidiaries, COE formerly developed and invested in cogeneration, small power production and other forms of nonutility generation and in exempt wholesale generators and foreign utility companies, as permitted under the Energy Policy Act of 1992. Now inactive.
- (10) CL&P Funding LLC (CL&P Funding) is a special purpose limited liability company whose sole member is CL&P. CL&P Funding was formed on January 3, 2001, under the laws of the State of Delaware, to effect the issuance of rate reduction bonds (RRBs or notes) intended to finance certain of CL&P's stranded costs.
- (11) PSNH Funding LLC (PSNH Funding) is a special purpose limited liability company whose sole member is PSNH. PSNH Funding is a wholly owned subsidiary of PSNH, which is a wholly owned subsidiary of Northeast Utilities. PSNH Funding was formed on January 24, 2001, under the laws of the State of Delaware, to effect the issuance of rate reduction bonds (RRBs) intended to finance certain of PSNH's stranded costs.
- (12) PSNH Funding LLC 2 (PSNH Funding 2) is a special purpose limited liability company whose sole member is PSNH. PSNH Funding was formed on December 10, 2001, under the laws of the State of Delaware, to effect

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the issuance of additional RRBs intended to finance certain of PSNH's stranded costs.

- (13) WMECO Funding LLC (WMECO Funding) is a special purpose limited liability company whose sole member is WMECO. WMECO Funding is a wholly owned subsidiary of WMECO, which is a wholly owned subsidiary of Northeast Utilities. WMECO Funding was formed on March 28, 2001, under the laws of

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the State of Delaware, to effect the issuance of rate reduction bonds (RRBs or notes) intended to finance certain of WMECO's transition costs.

- (14) On January 19, 2001, NGS completed the acquisition of Boulos, an electrical construction company which specializes in high voltage electrical construction and maintenance in Maine, Massachusetts, New Hampshire, and Vermont. Boulos is wholly owned by NGS.
- (15) In January 2001, NGS formed a new subsidiary, NGS Mechanical, Inc., to provide mechanical services initially in certain New England states and New York. NGS Mechanical is wholly owned by NGS.
- (16) On November 30, 2001, Select Energy acquired NMEM for \$31.7 million. This business was subsequently renamed SENY. SENY is a wholly owned subsidiary of Select Energy and engages in the brokering, marketing, transportation, storage, and sale of energy commodities in the state of New York.
- (17) Dissolved December 31, 2001.

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### ITEM 1. SYSTEM COMPANIES AND INVESTMENTS THEREIN AS OF DECEMBER 31, 2001 (CONTINUED)

Note A: The following are CL&P's, PSNH's and WMECO's total investments in regional nuclear generating companies and NU's investments in New England Hydro-Transmission Electric Company, Inc. and New England Hydro-Transmission Corporation:

Name of Owner	Name of Issuer	No. of Common Shares Owned	% of Voting Power
 The Connecticut Light and Power Company:			
Connecticut Yankee Atomic Power Co. (b)		120,750	34.5%
Maine Yankee Atomic Power Co. (b)		50,976	12.0
Vermont Yankee Nuclear Power Corp. (c) (d)		37,242	10.1
Yankee Atomic Electric Co. (b)		1,879	24.5
 Public Service Company of New Hampshire:			
Connecticut Yankee Atomic Power Co. (b)		17,500	5.0
Maine Yankee Atomic Power Co. (b)		21,240	5.0
Vermont Yankee Nuclear Power Corp. (c) (d)		15,681	4.3
Yankee Atomic Electric Co. (b)		537	7.0
 Western Massachusetts Electric Company:			
Connecticut Yankee Atomic Power Co. (b)		33,250	9.5
Maine Yankee Atomic Power Co. (b)		12,744	3.0
Vermont Yankee Nuclear Power Corp. (c) (d)		9,800	2.6
Yankee Atomic Electric Co. (b)		537	7.0

Total System Investment:

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Connecticut Yankee Atomic Power Co. (b)	171,500	49.0
Maine Yankee Atomic Power Co. (b)	84,960	20.0
Vermont Yankee Nuclear Power Corp. (c) (d)	62,723	17.0
Yankee Atomic Electric Co. (b)	2,953	38.5

### Northeast Utilities:

New England Hydro-Transmission Electric Company, Inc.	906,324	22.66
New England Hydro-Transmission Corp.	4,871	22.66

- (b) Yankee Atomic Electric Co.'s, Connecticut Yankee Atomic Power Co.'s and Maine Yankee Atomic Power Co.'s nuclear power plants were shut down permanently on February 26, 1992, December 4, 1996, and August 6, 1997, respectively.
- (c) In August 2001, Vermont Yankee Nuclear Power Corporation announced it would sell the unit to an unaffiliated company for \$180 million,

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including \$145 million for the plant and materials and supplies and \$35 million for the nuclear fuel. The sale requires several regulatory approvals and is scheduled to close during the first half of 2002.

- (d) The ownership interests of CL&P, PSNH and WMECO in VYNPC increased slightly in early 2002 when VYNPC redeemed the stock owned by certain Vermont municipal electric systems which had previously owned about five percent of VYNPC's stock.

### ITEM 2. ACQUISITIONS OR SALES OF UTILITY ASSETS

On March 31, 2001, CL&P and WMECO consummated the sale of Millstone 1 and 2 to a subsidiary of Dominion Resources, Inc., Dominion Nuclear Connecticut, Inc. (DNCCI). CL&P, PSNH and WMECO sold their ownership interests in Millstone 3 to DNCCI. This sale included all of the respective joint ownership interests of CL&P, PSNH and WMECO in Millstone 3. The NU system received approximately \$1.2 billion of cash proceeds from the sale.

In April 2001, CL&P sold its South Meadow Generating Station for total consideration of \$10.4 million.

In April 2001, Properties Inc. sold its March Avenue building for total consideration of \$5.8 million.

In December 2001, Holyoke Water Power Company sold its hydro generating units and distribution facilities for total consideration of \$17.5 million.

In December 2001, CL&P sold its Simsbury Service Center building for total consideration of \$7.2 million.

### ITEM 3. ISSUE, SALE, PLEDGE, GUARANTEE OR ASSUMPTION OF SYSTEM SECURITIES

Descriptions of transactions involving the issue, sale, pledge, guarantee, or assumption of system securities, including short-term borrowings, have been filed pursuant to Rule 24, with the exception of certain NU guarantees incident to the procurement of surety bonds and the issue of certain securities, as described below.

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In the ordinary course of their businesses, the NU subsidiary companies are required to provide surety or performance bonds. From time to time, NU guarantees the payment of such a bond by its subsidiary through the indemnification of the surety company or agency which has agreed to provide the bond. NU's guarantee of these surety bonds is exempt from the provisions of Section 12(b) of the Public Utility Holding Company Act of 1935, pursuant to Rule 45(b)(6) thereunder. As of December 31, 2001, NU had \$9.3 million of such guarantees outstanding, which was the highest amount outstanding during 2001.

In addition, information relating to the following issuances has been filed on Form U-6B-2 in accordance with Rule 52:

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1. On February 6, 2001, HWP, the Massachusetts Industrial Finance Agency and Bay Bank as trustee, amended the 1992 Letter of Agreement between the parties, extending the expiration date to December 31, 2001. Form U-6B-2 for this transaction was filed on February 16, 2001.

2. On October 10, 2001, CL&P, The Bank of New York and certain participating banks therein amended the Standby Bond Purchase Agreement dated October 24, 2000 to extend its expiration date to October 22, 2002. Form U-6B-2 for this transaction was filed on October 22, 2001.

3. PSNH, The Business Finance Authority of the State of New Hampshire, and State Street Bank and Trust Company, as Trustee entered into a Series A Loan and Trust Agreement, a Series B Loan and Trust Agreement and a Series C Loan and Trust Agreement, each dated as of October 1, 2001. The proceeds of the 2001 Series A Bonds will be used to refund the outstanding balance of the Authority's \$66,000,000 7.65% Pollution Control Revenue Bonds (Public Service Company of New Hampshire Project - 1991 Tax Exempt Series A) and a portion of the outstanding balance of the Authority's \$112,500,000 7.65% Pollution Control Revenue Bonds (Public Service Company of New Hampshire Project - 1991 Tax Exempt Series C) (the "1991 Series C Bonds"). The proceeds of the 2001 Series B Bonds will be used to refund the remaining balance of the 1991 Series C Bonds. The proceeds of the 2001 Series C Bonds will be used to refund the outstanding balance of the Authority's \$108,985,000 7 1/2% Pollution Control Revenue Bonds (Public Service Company of New Hampshire Project - 1991 Tax Exempt Series B). Form U-6B-2 for this transaction was filed on December 27, 2001.

#### ITEM 4. ACQUISITION, REDEMPTION OR RETIREMENT OF SYSTEM SECURITIES (1)

Name of Issuer and Title of Issue	No. of Shares or Principal Amount	Amounts Acquired Consideration
Public Service Company of New Hampshire		
Pollution Control Bonds -		
1.55% Series A	\$ 89,250,000	\$ 89,250,000
1.55% Series B	89,250,000	89,250,000
5.45% Series C	108,985,000	108,985,000
	\$287,485,000	\$287,485,000
	=====	=====

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NU Enterprises, Inc. (Consolidated)

First Mortgage Bonds -		
4.998% Series A	\$120,000,000	\$120,000,000
8.812% Series B	320,000,000	320,000,000
	-----	-----
	\$440,000,000	\$440,000,000
	=====	=====

NU Parent

Other Notes/Agreements -		
Variable rate note	\$263,000,000	\$263,000,000
	=====	=====

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ITEM 4. ACQUISITION, REDEMPTION OR RETIREMENT OF SYSTEM SECURITIES (1)  
(CONTINUED)

Name of Issuer and Title of Issue -----	Amounts Retired/Debt Repayment -----	
	No. of Shares or Principal Amount -----	Consideration -----
The Connecticut Light and Power Company		
First Mortgage Bonds -		
7.8750% Series A	\$160,000,000	\$160,000,000
8.5000% Series C	56,000,000	56,000,000
7.8750% Series D	155,000	155,000
7.7500% Series C	200,000,000	200,000,000
	-----	-----
	\$416,155,000	\$416,155,000
	=====	=====
Western Massachusetts Electric Company		
First Mortgage Bonds -		
7.3750% Series B	\$ 60,000,000	\$ 60,000,000
7.7500% Series V	40,000,000	40,000,000
	-----	-----
	\$100,000,000	\$100,000,000
	=====	=====
Public Service Company of New Hampshire		
Other Notes/Agreements -		
7.65% Series A	\$ 66,000,000	\$ 66,000,000
7.50% Series B	108,985,000	108,985,000
7.65% Series C	112,500,000	112,500,000
	-----	-----
	\$287,485,000	\$287,485,000

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	=====	=====
NU Enterprises, Inc. (Consolidated)		
Other Notes/Agreements -		
7.6300% First Union Bank/John Hancock	\$ 498,000	\$ 498,000
	=====	=====

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ITEM 4. ACQUISITION, REDEMPTION OR RETIREMENT OF SYSTEM SECURITIES (1)  
(CONTINUED)

Name of Issuer and Title of Issue -----	Amounts Retired/Debt Repayment	
	No. of Shares or Principal Amount -----	Consideration -----
NU Parent		
8.58% Series A Note	\$ 15,000,000	\$ 15,000,000
8.38% Series B Note	6,000,000	6,000,000
	-----	-----
	\$ 21,000,000	\$ 21,000,000
	=====	=====
The Rocky River Realty Company		
Other Notes/Agreements -		
7.875% Installment Note (2)	\$ 1,060,000	\$ 1,060,000
6.620% Mortgage Note	84,977	84,977
8.810% Series A Note (3)	1,078,315	1,078,315
	-----	-----
	\$ 2,223,292	\$ 2,223,292
	=====	=====
North Atlantic Energy Corporation		
First Mortgage Bonds -		
9.05% Series A	\$135,000,000	\$135,000,000
	=====	=====
Yankee Energy Systems, Inc.		
First Mortgage Bonds -		
10.0700% Series AE	\$ 950,000	\$ 950,000
	=====	=====
Other Notes/Agreements		
6.2400% NorConn Properties, Inc. - Series A-B	\$ 100,000	\$ 100,000
	=====	=====
Holyoke Water Power Company		
Pollution Control Bonds -		

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Variable rate	\$ 8,000,000	\$ 8,000,000
Variable rate	15,300,000	15,300,000
Variable rate	15,000,000	15,000,000
	-----	-----
	\$ 38,300,000	\$ 38,300,000
	=====	=====

- (1) For acquisitions, redemptions or retirements of system securities, other than preferred stock, all transactions exempt pursuant to Rule 42(b)(2) or (4).
- (2) Unsecured.
- (3) Secured.

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ITEM 5. INVESTMENTS IN SECURITIES OF NONSYSTEM COMPANIES

Name of Owner -----	Name of Issuer -----	Security Owned (1) -----
Western Massachusetts Electric Company	Massachusetts Mutual Life Insurance	Note
Public Service Company of New Hampshire	Amoskeag Industries, Inc.	Stock
Northeast Utilities (Parent)	Connecticut Seed Ventures, Ltc.	Limited Partnership Interest
11 Subsidiaries (2)	Various	Stock, Debentures and Notes
Mode 1 Communications, Inc. (3)	NEON Communications, Inc.	Stock and Notes
NU Enterprises, Inc.	Acumentrics Corporation	Stock

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ITEM 5. INVESTMENTS IN SECURITIES OF NONSYSTEM COMPANIES (CONTINUED)

Name of Owner -----	Number of Shares -----	% of Voting Power	Carrying Value to Owners ----- (000's)
Western Massachusetts Electric Company	--	--	\$ 190 =====

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Public Service Company of New Hampshire	1,000	--	\$ 100 =====
Northeast Utilities (Parent)	--	--	\$ 14 =====
11 Subsidiaries (2)	--	--	\$ 28,291 =====
Mode 1 Communications, Inc. (3)	4,124,038 and \$15 million note	19.3%	\$ 11,176 =====
			\$ 15,000 =====
NU Enterprises, Inc.	500,000	5%	\$ 10,000 =====

- (1) Recorded at cost on owners' books. Partnership interests are accounted for under the equity method of accounting.
- (2) CL&P, WMECO, HWP, The Quinnehtuk Company, NUSCO, NU Parent, PSNH, Yankee Energy System, NUEI, HEC and RRR.
- (3) NEON's 18 percent subordinated convertible notes are convertible into 2,500,000 additional shares of NEON. On a fully diluted basis, Mode 1's common share interest and convertible interest in NEON represent 14.1 percent and 8.6 percent of NEON's common stock, respectively.

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ITEM 6. OFFICERS AND DIRECTORS

Part I. As of December 31, 2001

1. The following is a list of the names and principal business addresses of the individuals who are Trustees of Northeast Utilities (NU), but who are not officers or directors of any other NU system company. The names of the officers and directors of system companies appear in Section 2 below.

Mr. Richard H. Booth  
Hartford Steam Boiler Inspection  
& Insurance Company  
One State Street  
Hartford, CT 06102

Cotton Mather Cleveland  
Mather Associates  
123 Main Street  
P.O. Box 935  
New London, NH 03257

Sanford Cloud, Jr.  
The National Conference for  
Community and Justice  
475 Park Avenue South, 19th Floor  
New York, NY 10016

Mr. James F. Cordes  
c/o Northeast Utilities

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P. O. Box 270  
Hartford, CT 06141-0270

E. Gail de Planque, Ph.D  
c/o Northeast Utilities  
P.O. Box 270  
Hartford, CT 06141-0271

Raymond L. Golden  
c/o Northeast Utilities  
P.O. Box 270  
Hartford, CT 06141-0270

Elizabeth T. Kennan  
c/o Northeast Utilities  
P. O. Box 270  
Hartford, CT 06141-0270

Robert E. Patricelli  
Women's Health USA, Inc.  
22 Waterville Road  
Avon, CT 06001

John F. Swope  
c/o Northeast Utilities  
P. O. Box 270  
Hartford, CT 06141-0270

2. Following are the names of and positions held by the officers and directors of all system companies (excluding the Trustees of Northeast Utilities who are listed in Section 1 above).

19

NAMES OF SYSTEM COMPANIES WITH WHICH CONNECTED AS OF DECEMBER 31, 2001

	NU	NUSCO
Michael G. Morris	CHB, P, CEO, T	CH, P, CEO, D
Bruce D. Kenyon	PG	PG
John H. Forsgren	VC, EVP, CFO, T	EVP, CFO, D
Cheryl W. Grise	PU	PU, D
Gary D. Simon		SVP
Kerry J. Kuhlman (1)		
Gary A. Long (2)		
Leon J. Olivier		
Dennis E. Welch		
Christopher L. Beschler		
David H. Boguslawski		VP
Gregory B. Butler	VP, S, GC	VP, S, GC
John B. Keane		VP
Mary Jo Keating		VP
Robert J. Kost		
Jeffrey R. Kotkin		VP
Stephen P. Laden		VP

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Jean M. LaVecchia		VP
John M MacDonald (2)		
Keith R. Marvin		VP, CIO
David R. McHale	VP, TRS	VP, TRS
Margaret L. Morton		VP
William J. Nadeau (3)		
John W. Noyes		
Rodney O. Powell		
Paul E. Ramsey (2)		
John J. Roman	VP, C	VP, C
Lisa J. Thibdaue		VP
Richard L. Tower		
Roger C. Zaklukiewicz		
Robert A. Bersak (2)		
O. Kay Comendul		
Thomas V. Foley (4)		
Randy A. Shoop		
John P. Stack		
Patricia A. Wood (1)		
John C. Collins (5)		
Gerald Letendre (6)		
Jane E. Newman (7)		
James E. Byrne (8)		
Paul J. McDonald (9)		
Melinda M. Phelps (10)		
E. Edward Booker (11)		
Eileen S. Kraus (12)		
John J. Rando (13)		
Patricia M. Worthy (14)		
William J. Quinlan		
Christopher T. Burt (15)		
David O. Taylor (15)		
Murry K. Staples (16)		
Gregory C. Picklesimer (16)		

20

	HP&E	HWP
Michael G. Morris	P, D	P, D
Bruce D. Kenyon		
John H. Forsgren		
Cheryl W. Grise	D	D
Gary D. Simon		
Kerry J. Kuhlman	D	D
Gary A. Long		
Leon J. Olivier		
Dennis E. Welch		
Christopher L. Beschler		
David H. Boguslawski	D	D
Gregory B. Butler		
John B. Keane		
Mary Jo Keating		
Robert J. Kost		
Jeffrey R. Kotkin		
Steven P. Laden		
Jean M. LaVecchia		
Keith R. Marvin		

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John M. MacDonald		
David R. McHale	VP, TRS	VP, TRS
Margaret L. Morton		
William J. Nadeau	VP	VP
John W. Noyes		
Rodney O. Powell		
Paul E. Ramsey		
John J. Roman	VP, C	VP, C
Lisa J. Thibdaue		
Richard L. Tower		
Roger C. Zaklukiewicz	VP	VP
Robert A. Bersak		
O. Kay Comendul	S	S
Thomas V. Foley	CL	CL
Randy A. Shoop		
John P. Stack		
Patricia A. Wood		
John C. Collins		
Gerald Letendre		
Jane E. Newman		
James E. Byrne		
Paul J. McDonald		
Melinda M. Phelps		
E. Edward Booker		
Eileen S. Kraus		
John J. Rando		
Patricia M. Worthy		
William J. Quinlan		
Christopher T. Burt		
David O. Taylor		
Murry K. Staples		
Gregory C. Picklesimer		

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	WMECO	Mode 1	PI
Michael G. Morris	C, CEO, D	P, CEO, D	
Bruce D. Kenyon			
John H. Forsgren	D	D	
Cheryl W. Grise	D		
Gary D. Simon		D	
Kerry J. Kuhlman	P, COO, D		
Gary A. Long			P, D
Leon J. Olivier			
Dennis E. Welch			
Christopher L. Beschler			
David H. Boguslawski	VP, D		
Gregory B. Butler			
John B. Keane			
Mary Jo Keating			
Robert J. Kost			
Jeffrey R. Kotkin			
Steven P. Laden			
Jean M. LaVecchia			
Keith R. Marvin			
John M. MacDonald			

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David R. McHale	VP, TRS	VP, TRS	VP, TRS
Margaret L. Morton			
William J. Nadeau			
John W. Noyes		VP	
Rodney O. Powell			
Paul E. Ramsey			VP, D
John J. Roman	VP, C	VP, C	VP, C
Lisa J. Thibdaue			
Richard L. Tower			
Roger C. Zaklukiewicz	VP		
Robert A. Bersak			S, D
O. Kay Comendul		S	
Thomas V. Foley			
Randy A. Shoop			
John P. Stack			
Patricia A. Wood	CL		
John C. Collins			
Gerald Letendre			
Jane E. Newman			
James E. Byrne	D		
Paul J. McDonald	D		
Melinda M. Phelps	D		
E. Edward Booker			
Eileen S. Kraus			
John J. Rando			
Patricia M. Worthy			
William J. Quinlan			
Christopher T. Burt			
David O. Taylor			
Murry K. Staples			
Gregory C. Picklesimer			

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	Quinn.	RRR	
Michael G. Morris			
Bruce D. Kenyon			
John H. Forsgren			
Cheryl W. Grise	D	D	
Gary D. Simon			
Kerry J. Kuhlman	P, D		
Gary A. Long			
Leon J. Olivier		P, D	
Dennis E. Welch			
Christopher L. Beschler			
David H. Boguslawski	D	D	
Gregory B. Butler			
John B. Keane			
Mary Jo Keating			
Robert J. Kost			
Jeffrey R. Kotkin			
Steven P. Laden			
Jean M. LaVecchia			
Keith R. Marvin			
John M. MacDonald			
David R. McHale	VP, TRS	VP, TRS	

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Margaret L. Morton		
William J. Nadeau		
John W. Noyes		
Rodney O. Powell		D
Paul E. Ramsey		
John J. Roman	VP, C	VP, C
Lisa J. Thibdaue		
Richard L. Tower		
Roger C. Zaklukiewicz	VP	VP
Robert A. Bersak		
O. Kay Comendul		S
Thomas V. Foley		
Randy A. Shoop		
John P. Stack		
Patricia A. Wood	CL	
John C. Collins		
Gerald Letendre		
Jane E. Newman		
James E. Byrne		
Paul J. McDonald		
Melinda M. Phelps		
H. Edward Booker		
Eileen S. Kraus		
John J. Rando		
Patricia M. Worthy		
William J. Quinlan		
Christopher T. Burt		
David O. Taylor		
Murry K. Staples		
Gregory C. Picklesimer		

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	Conn Steam	Nutmeg Power
Michael G. Morris		
Bruce D. Kenyon		
John H. Forsgren		
Cheryl W. Grise	D	D
Gary D. Simon		
Kerry J. Kuhlman		
Gary A. Long		
Leon J. Olivier		
Dennis E. Welch		
Christopher L. Beschler		
David H. Boguslawski	P	P
Gregory B. Butler		
John B. Keane		
Mary Jo Keating		
Robert J. Kost		
Jeffrey R. Kotkin		
Steven P. Laden		
Jean M. LaVecchia		
Keith R. Marvin		
John M. MacDonald		
David R. McHale		
Margaret L. Morton		

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William J. Nadeau		
John W. Noyes		
Rodney O. Powell		
Paul E. Ramsey		
John J. Roman		
Lisa J. Thibdaue		
Richard L. Tower		
Roger C. Zaklukiewicz		
Robert A. Bersak		
O. Kay Comendul	S, D	S, D
Thomas V. Foley		
Randy A. Shoop	TRS	TRS
John P. Stack	C	C
Patricia A. Wood		
John C. Collins		
Gerald Letendre		
Jane E. Newman		
James E. Byrne		
Paul J. McDonald		
Melinda M. Phelps		
Eileen S. Kraus		
John J. Rando		
Patricia M. Worthy		
H. Edward Booker		
William J. Quinlan	D	D
Christopher T. Burt		
David O. Taylor		
Murry K. Staples		
Gregory C. Picklesimer		

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	CL&P Cap. (22)	YES
Michael G. Morris		C, CEO, D
Bruce D. Kenyon		
John H. Forsgren		EVP, CFO, D
Cheryl W. Grise		D
Gary D. Simon		
Kerry J. Kuhlman		
Gary A. Long		
Leon J. Olivier		
Dennis E. Welch		P, COO, D
Christopher L. Beschler		
David H. Boguslawski		
Gregory B. Butler		VP, S, GC
John B. Keane		
Mary Jo Keating		
Robert J. Kost		
Jeffery R. Kotkin		
Steven P. Laden		
Jean M. LaVecchia		
Keith R. Marvin		
John M. MacDonald		
David R. McHale		VP, TRS
Margaret L. Morton		
William J. Nadeau		

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John W. Noyes	
Rodney O. Powell	
Paul E. Ramsey	
John J. Roman	VP, C
Lisa J. Thibdaue	
Richard L. Tower	
Roger C. Zaklukiewicz	
Robert A. Bersak	
O. Kay Comendul	
Thomas V. Foley	
Randy A. Shoop	
John P. Stack	
Patricia A. Wood	
John C. Collins	
Gerald Letendre	
Jane E. Newman	
James E. Byrne	
Paul J. McDonald	
Melinda M. Phelps	
E. Edward Booker	
Eileen S. Kraus	D
John J. Rando	D
Patricia M. Worthy	D
William J. Quinlan	
Christopher T. Burt	
David O. Taylor	
Murry K. Staples	
Gregory C. Picklesimer	

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	YGSCO	YESCO
Michael G. Morris	C, CEO, D	C, CEO, D
Bruce D. Kenyon		
John H. Forsgren	EVP, CFO, D	EVP, CFO, D
Cheryl W. Grise		
Gary D. Simon		
Kerry J. Kuhlman		
Gary A. Long		
Leon J. Olivier		
Dennis E. Welch	P, COO, D	P, COO, D
Christopher L. Beschler	VP	
David H. Boguslawski		
Gregory B. Butler	VP, S, GC	VP, S, GC
John B. Keane		
Mary Jo Keating		
Robert J. Kost		
Jeffrey R. Kotkin		
Steven P. Laden		
Jean M. LaVecchia		
Keith R. Marvin		
John M. MacDonald		
David R. McHale	VP, TRS	VP, TRS
Margaret L. Morton		
William J. Nadeau		
John W. Noyes		

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Rodney O. Powell		
Paul E. Ramsey		
John J. Roman	VP, C	VP, C
Lisa J. Thibdaue		
Richard L. Tower		
Roger C. Zaklukiewicz		
Robert A. Bersak		
O. Kay Comendul		
Thomas V. Foley		
Randy A. Shoop		
John P. Stack		
Patricia A. Wood		
John C. Collins		
Gerald Letendre		
Jane E. Newman		
James E. Byrne		
Paul J. McDonald		
Melinda M. Phelps		
E. Edward Booker		
Eileen S. Kraus		
John J. Rando		
Patricia M. Worthy		
William J. Quinlan		
Christopher T. Burt		
David O. Taylor		
Murry K. Staples		
Gregory C. Picklesimer		

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	YEMCO	RMS
Michael G. Morris	C, CEO, D	
Bruce D. Kenyon		
John H. Forsgren	EVP, CFO, D	
Cheryl W. Grise		
Gary D. Simon		
Kerry J. Kuhlman		
Gary A. Long		
Leon J. Olivier		
Dennis E. Welch	P, COO, D	
Christopher L. Beschler		
David H. Boguslawski		
Gregory B. Butler	VP, S, GC	
John B. Keane		
Mary Jo Keating		
Robert J. Kost		
Jeffrey R. Kotkin		
Steven P. Laden		
Jean M. LaVecchia		
Keith R. Marvin		
John M. MacDonald		
David R. McHale	VP, TRS	
Margaret L. Morton		
William J. Nadeau		
John W. Noyes		
Rodney O. Powell		

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Paul E. Ramsey		
John J. Roman	VP, C	
Lisa J. Thibdaue		
Richard L. Tower		
Roger C. Zaklukiewicz		
Robert A. Bersak		
O. Kay Comendul		
Thomas V. Foley		
Randy A. Shoop		
John P. Stack		
Patricia A. Wood		
John C. Collins		
Gerald Letendre		
Jane E. Newman		
James E. Byrne		
Paul J. McDonald		
Melinda M. Phelps		
E. Edward Booker		
Eileen S. Kraus		
John J. Rando		
Patricia M. Worthy		
William J. Quinlan		
Christopher T. Burt		
David O. Taylor		
Murry K. Staples		P, CEO, D
Gregory C. Picklesimer		S, TRS

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	PSNH FUNDING (24)	PSNH FUNDING 2 (24)
Michael G. Morris		
Bruce D. Kenyon		
John H. Forsgren		
Cheryl W. Grise		
Gary D. Simon		
Kerry J. Kuhlman		
Gary A. Long	D, MC	D, MC
Leon J. Olivier		
Dennis E. Welch		
Christopher L. Beschler		
David H. Boguslawski		
Gregory B. Butler		
John B. Keane		
Mary Jo Keating		
Robert J. Kost		
Jeffrey R. Kotkin		
Steven P. Laden		
Jean M. LaVecchia		
Keith R. Marvin		
John M. MacDonald		
David R. McHale		
Margaret L. Morton		
William J. Nadeau		
John W. Noyes		
Rodney O. Powell		
Paul E. Ramsey	D, MC	D, MC

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John J. Roman		
Lisa J. Thibdaue		
Richard L. Tower		
Roger C. Zaklukiewicz		
Robert A. Bersak		
O. Kay Comendul	S	S
Thomas V. Foley		
Randy A. Shoop	P, D, MC	P, D, MC
John P. Stack	VP, TRS	VP, TRS
Patricia A. Wood		
John C. Collins		
Gerald Letendre		
Jane E. Newman		
James E. Byrne		
Paul J. McDonald		
Melinda M. Phelps		
E. Edward Booker		
Eileen S. Kraus		
John J. Rando		
Patricia M. Worthy		
William J. Quinlan		
Christopher T. Burt	D, MC	
David O. Taylor	D, MC	
Murry K. Staples		
Gregory C. Picklesimer		

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	COE	COE Argen II
Bruce D. Kenyon	P, D	P, D
Dennis G. Morrisette (17)		
William W. Schivley		
Ted C. Feigenbaum (18)		
James B. Redden (19)		
Armando J. Barone (17)		
Joseph F. Bellefeuille (17)		
Paul J. Bohonowicz (17)		
H. Donald Burbank (19)		
James J. Cifaratta		
Richard J. Cohen		
David S. Dayton (19)		
Annette M. Durnack		
Stephen J. Fabiani		
Linda A. Jensen (19)		
John B. Keane		
Stephen E. Mehennitt		
William J. Nadeau (3)	D	D
Marcus A. Overdyk		
John W. Noyes		
Frank P. Sabatino	VP, D	VP, D
Jeffrey M. Warren (17)		
Carol L. Carver (19)		
Christopher Fogarty (17)		
Michelle D. Gouin	S	S
Frederic Lee Klein		
Dennis R. Brown (3)		

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Thomas M. Driscoll  
 Gene F. St. Pierre  
 Richard H. Kacich  
 Michael A. Paoletta  
 A. John Stremlaw (20)  
 Neil Petchers (21)  
 Eileen Martinsky (21)  
 Britta MacIntosh (19)  
 Scott Silver (21)

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	COE Develop	SESI
Bruce D. Kenyon	P, D	
Dennis G. Morrissette		
William W. Schivley		CHB, D
Ted C. Feigenbaum		
James B. Redden		P, D
Armondo J. Barone		
Joseph F. Bellefeuille		
Paul J. Bohonowicz		
H. Donald Burbank		VP
James J. Cifaratta		
Richard J. Cohen		
David S. Dayton		VP, D
Annette M. Durnack		
Stephen J. Fabiani		
Linda A. Jensen		VP, TRS, CL
John B. Keane		
Stephen E. Mehennitt		
William J. Nadeau	D	
John W. Noyes		
Marcus A. Overdyk		
Frank P. Sabatino	VP, D	
Jeffrey M. Warren		
Carol L. Carver		
Christopher Fogarty		
Michelle D. Gouin	S	
Frederic Lee Klein		
Dennis R. Brown		
Thomas M. Driscoll		
Gene F. St. Pierre		
Richard H. Kacich		
Michael A. Paoletta		
A. John Stremlaw		
Neil Petchers		
Eileen Martinsky		
Britta MacIntosh		
Scott Silver		

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	ERI/HEC (26)	HTEP
Bruce D. Kenyon		
Dennis G. Morrisette		
William W. Schivley		
Ted C. Feigenbaum		
James B. Redden	VC, MC	P, D
Armando J. Barone		
Joseph F. Bellefeuille		
Paul J. Bohonowicz		
H. Donald Burbank		
James J. Cifaratta		
Richard J. Cohen		
David S. Dayton		D
Annette M. Durnack		
Stephen J. Fabiani		
Linda A. Jensen	TRS	VP, TRS, CL
John B. Keane		
Steven E. Mehennitt		
William J. Nadeau		
John W. Noyes		
Marcus A. Overdyk		
Frank P. Sabatino		
Jeffrey M. Warren		
Carol L. Carver		
Christopher Fogarty		
Michelle D. Gouin		
Frederic Lee Klein		
Dennis R. Brown		
Thomas M. Driscoll		
A. John Stremlaw		
Gene F. St. Pierre		
Michael A. Paoletta		
Richard H. Kacich		
Neil Petchers	CH, MC	
Eileen Martinsky	S	
Britta MacIntosh	MC	
Scott Silver	MC	

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	NEI	NGC
Bruce D. Kenyon	P, D	P, D
Dennis G. Morrisette		
William W. Schivley	VP, D	D
Ted C. Feigenbaum		
James B. Redden		
Armando J. Barone		
Joseph F. Bellefeuille		
Paul J. Bohonowicz		
H. Donald Burbank		
James J. Cifaratta		
Richard J. Cohen		
David S. Dayton		
Annette M. Durnack		

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Stephen J. Fabiani		
Linda A. Jensen		
John B. Keane		
Stephen E. Mehennitt		
William J. Nadeau		VP, D
John W. Noyes		
Marcus A. Overdyk		
Frank P. Sabatino	VP, D	VP, D
Jeffrey M. Warren		
Carol L. Carver		
Christopher Fogarty		
Michelle D. Gouin	S	S
Frederic Lee Klein		
Dennis R. Brown		
Thomas M. Driscoll		
Gene F. St. Pierre		
Richard H. Kacich		
Michael A. Paolella		
A. John Stremmlaw		
Neil Petchers		
Eileen Martinsky		
Britta MacIntosh		
Scott Silver		

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	NAEC	NAESCO
Bruce D. Kenyon	P, CEO, D	P, CEO, D
Dennis G. Morrissette		
William W. Schivley		
Ted C. Feigenbaum	EVP, CNO, D	EVP, CNO, D
James B. Redden		
Armando J. Barone		
Joseph F. Bellefeuille		
Paul J. Bohonowicz		
H. Donald Burbank		
James J. Cifaratta		
Richard J. Cohen		
David S. Dayton		
Annette M. Durnack		
Stephen J. Fabiani		
Linda A. Jensen		
John B. Keane		
Stephen E. Mehennitt		
William J. Nadeau		
John W. Noyes		
Marcus A. Overdyk		
Frank P. Sabatino		
Jeffrey M. Warren		
Carol L. Carver		
Christopher Fogarty		
Michelle D. Gouin	S	S
Frederic Lee Klein		
Dennis R. Brown		
Thomas M. Driscoll		
Gene F. St. Pierre	D	D

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Richard M. Kacich  
 Michael A. Paolella  
 A. John Stremlaw  
 Neil Petchers  
 Eileen Martinsky  
 Britta MacIntosh  
 Scott Silver

33

	Select	SEPPI
Bruce D. Kenyon		P, D
Dennis G. Morrisette		
William W. Schivley	P, D	D
Ted C. Feigenbaum		
James B. Redden		
Armando J. Barone		
Joseph F. Bellefeuille		
Paul J. Bohonowicz		
H. Donald Burbank		
James J. Cifaratta		
Richard J. Cohen		
David S. Dayton		
Annette M. Durnack		
Stephen J. Fabiani	VP, D	VP, D
Linda A. Jensen		
John B. Keane		
Stephen E. Mehennitt		
William J. Nadeau		VP, D
John W. Noyes		
Marcus A. Overdyk		
Frank P. Sabatino	SVP, D	
Jeffrey M. Warren		
Carol L. Carver		
Christopher Fogarty		
Michelle D. Gouin	S	S
Frederic Lee Klein		
Dennis R. Brown		
Thomas M. Driscoll		
Gene F. St. Pierre		
Richard M. Kacich		
Michael A. Paolella		
A. John Stremlaw		
Neil Petchers		
Eileen Martinsky		
Britta MacIntosh		
Scott Silver		

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ESB

NGSM

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Bruce D. Kenyon	P, CEO, D	P, CEO, D
Dennis G. Morrissette		
William W. Schivley		
Ted C. Feigenbaum		
James B. Redden		
Armando J. Barone		
Joseph F. Bellefeuille		
Paul J. Bohonowicz		
H. Donald Burbank		
James J. Cifaratta		
Richard J. Cohen		
David S. Dayton		
Annette M. Durnack		
Stephen J. Fabiani		
Linda A. Jensen		
John B. Keane		
Stephen E. Mehennitt		
William J. Nadeau	VP, COO, D	VP, COO, D
John W. Noyes		
Marcus A. Overdyk		
Frank P. Sabatino		
Jeffrey M. Warren		
Carol L. Carver		
Christopher Fogarty		
Michelle D. Gouin	S	S
Frederic Lee Klein		
Dennis R. Brown		
Thomas M. Driscoll	D	
Gene F. St. Pierre		
Richard M. Kacich		
Michael A. Paolella		D
A. John Stremmlaw		
Neil Petchers		
Eileen Martinsky		
Britta MacIntosh		
Scott Silver		

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The principal business address of the individuals listed above is 107 Selden Street, Berlin, Connecticut 06037, except as otherwise noted.

- (1) Principal business address is: Western Massachusetts Electric Company, 174 Brush Hill Avenue, West Springfield, Massachusetts 01089.
- (2) Principal business address is: Public Service Company of New Hampshire, 780 N. Commercial Street, Manchester, New Hampshire 03101.
- (3) Principal business address is: Northeast Generation Services Company, 273 Dividend Road, Rocky Hill, Connecticut 06067.
- (4) Principal business address is: Holyoke Water Power Company, 174 Brush Hill Avenue, West Springfield, Massachusetts 01089.
- (5) Mr. Collins' principal business address is: The Hitchcock Clinic, One Medical Center Drive, Lebanon, New Hampshire 03756.
- (6) Mr. Letendre's principal business address is: Diamond Casting & Machine

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Co., Inc., P.O. Box 420, Route 130, Hollis, New Hampshire 03049.

- (7) Ms. Newman's principal business address is: John F. Kennedy School of Government, Harvard University, 79 JFK Street, Cambridge, Massachusetts 02138.
  - (8) Mr. Byrne's principal business address is: Finneran, Byrne & Dreschler, L.L.P, Eastern Harbor Office Park, 50 Redfield Street, Boston, Massachusetts 02122.
  - (9) Mr. McDonald's principal business address is: 2205 Boston Road, N-128, Wilbraham, Massachusetts 01095.
  - (10) Ms. Phelps' principal business address is: Bulkley, Richardson and Gelinas, LLP, 1500 Main Street, Suite 2700, P. O. Box 15507, Springfield, Massachusetts 01115.
  - (11) Mr. Booker's principal business address is: AMACAR Group, 6525 Morrison Boulevard, Suite 318, Charlotte, North Carolina 28211
  - (12) Ms. Kraus' principal business address is: 209 Tunxis Road, West Hartford, Connecticut 06107.
  - (13) Mr. Rando's principal business address is: 165 Little Harbor Road, P. O. Box 2011, New Castle, New Hampshire 03854.
  - (14) Ms. Worthy's principal business address is: Howard University School of Law, 2900 Van Ness Street, N. W., Washington, D. C. 20008.
  - (15) Messrs. Burt and Taylor's principal business address is: Global Securitization Services, LLC, 114 West 47th Street, Suite 1715, New York, New York 10036.
  - (16) Principal business address is: R. M. Services, Inc., 222 Pitkin Street, East Hartford, Connecticut 06108.
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- (17) Principal business address is: Select Energy Contracting, Inc., 605 Front Street, Manchester, New Hampshire 03102.
  - (18) Principal business address is: North Atlantic Energy Service Corporation, 1 Lafayette Road, Route 1, Seabrook, New Hampshire 03874.
  - (19) Principal business address is: Select Energy Services, Inc., 24 Prime Parkway, Natick, Massachusetts 01760.
  - (20) Mr. Stremmlaw's principal business address is: 242 Simcoe Street, Niagra-on-the-Lake, Ontario Canada, L0S 1J0.
  - (21) Principal business address is: ERI Services, Inc., 350 Fairfield Avenue, Bridgeport, Connecticut 06604.
  - (22) CL&P Capital is a partnership in which CL&P serves as general partner.
  - (23) CLP Funding LLC is a Delaware limited liability company formed to issue rate reduction bonds. CL&P is the sole member.
  - (24) PSNH Funding LLC and PSNH Funding LLC2 are Delaware limited liability companies formed to issue rate reduction bonds. PSNH is the sole member of

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each.

- (25) WMECO Funding LLC is a Delaware limited liability company formed to issue rate reduction bonds. WMECO is the sole member.
- (26) ERI/HEC EFA-Med, LLC is a Delaware limited liability company formed to perform energy services work for the United States Navy. Select Energy Services, Inc. owns 50% membership interest and ERI Services, Inc., owns 50% membership ownership interest.

### KEY:

AT - Associate Trustee  
AVP - Assistant Vice President  
C - Controller  
CAO - Chief Administrative Officer  
CEO - Chief Executive Officer  
CFO - Chief Financial Officer  
CIO - Chief Information Officer  
CH - Chairman  
CHB - Chairman of the Board  
CH(E) - Chairman of the Executive Committee  
CL - Clerk  
COMP - Comptroller  
CNO - Chief Nuclear Officer  
D - Director  
DS - Director of Services  
EVP - Executive Vice President  
ED - Executive Director  
GC - General Counsel  
MC - Member of Management Committee  
P - President  
PG - President - Generation Group

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PN - President - Nuclear Group  
PU - President - Utility Group  
PCT - President - Connecticut Division  
PNH - President - New Hampshire Division  
S - Secretary  
SVP - Senior Vice President  
T - Trustee  
TRS - Treasurer  
VC - Vice Chairman  
VP - Vice President

NU - Northeast Utilities  
ESB - E. S. Boulos Company  
CL&P - The Connecticut Light and Power Company  
CL&P Cap. - CL&P Capital, L.L.C.  
CL&P Funding - CL&P Funding LLC  
COE - Charter Oak Energy, Inc.  
COE Argen II - COE Argentina II Corp.  
COE Ave Fenix - COE Ave Fenix Corporation  
COE Develop - COE Development Corporation  
Conn Steam - The Connecticut Steam Company  
CRC - CL&P Receivables Corporation  
EPI - Electric Power, Incorporated  
ERI/HEC - ERI/HEC EFA-Med, LLC

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HEC Canada	-	HEC Energy Consulting Canada Inc.
HWP	-	Holyoke Water Power Company
Mode 1	-	Mode 1 Communications, Inc.
NAEC	-	North Atlantic Energy Corporation
NAESCO	-	North Atlantic Energy Service Corporation
NGC	-	Northeast Generation Company
NGS	-	Northeast Generation Services Company
NGSM	-	NGS Mechanical, Inc.
NNECO	-	Northeast Nuclear Energy Company
NORCONN	-	NorConn Properties, Inc.
NUEI	-	NU Enterprises, Inc.
NUSCO	-	Northeast Utilities Service Company
Nutmeg Power	-	The Nutmeg Power Company
PI	-	Properties, Inc.
PSNH	-	Public Service Company of New Hampshire
PSNH Funding	-	PSNH Funding LLC
PSNH Funding 2	-	PSNH Funding LLC 2
Quinn.	-	The Quinnehtuk Company
RFS	-	Reeds Ferry Supply Co., Inc.
RMS	-	R. M. Services, Inc.
RRR	-	The Rocky River Realty Company
SECI	-	Select Energy Contracting, Inc.
Select	-	Select Energy, Inc.
SENY	-	Select Energy New York, Inc.
SEPPI	-	Select Energy Portland Pipeline, Inc.
SESI	-	Select Energy Services, Inc.
WMECO	-	Western Massachusetts Electric Company
WMECO Funding	-	WMECO Funding LLC
YES	-	Yankee Energy System, Inc.
YEFSCO	-	Yankee Energy Financial Services Company
YESCO	-	Yankee Energy Services Company
YGSCO	-	Yankee Gas Services Company

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Part II. The following is a list of the officers, Directors and Trustees who have financial connections within the provisions of Section 17(c) of the Act.

Name of Officer or Director (1)	Name and Location of Financial Institution (2)	Position Held in Financial Institution (3)	Applicable Exemption Rule* (4)
Michael G. Morris	Webster Financial Corporation Waterbury, CT	Director	A, E, F
John H. Forsgren	Circle Trust Company Connecticut	Director	A, E, F
Cotton Mather Cleveland	Ledyard National Bank Ledyard, New Hampshire	Director	A
James Cordes	Comerica Bank, Texas	Director	A
Thomas V. Foley	Hampden Savings Bank Springfield, MA	Trustee	F

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"A" designates Rule 70(b)(1), (2), (3) and (4);  
"B" designates Rule 70(c)(1) and (2);  
"C" designates Rule 70(d)(1), (2), (3) and (4);  
"D" designates Rule 70(e)(1) and (2); and  
"E" designates Rule 70(f)(1) and (2); and (2).

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### ITEM 6. OFFICERS AND DIRECTORS (Continued)

Part III. The information provided herein is applicable to all system companies, except as indicated otherwise.

#### a. Compensation of Trustees, Directors, and Executive Officers

During 2001, each Trustee who was not an employee of NU or its subsidiaries was compensated at an annual rate of \$20,000 cash plus 500 common shares of NU, and received \$1,000 for each meeting attended of the Board or its Committees. Effective January 1, 2002, the annual payment of 500 shares was increased to 1,000 shares. A non-employee Trustee who participates in a meeting of the Board or any of its Committees by conference telephone receives \$675 per meeting. Also, a non-employee Trustee who is asked by either the Board of Trustees or the Chairman of the Board to perform extra services in the interest of the NU system may receive additional compensation of \$1,000 per day plus necessary expenses. The Chairs of the Audit, the Compensation, the Corporate Affairs, the Corporate Governance, the Finance and the Nuclear Committees were compensated at an additional annual rate of \$3,500. In addition to the above compensation, Dr. Kennan is paid at the annual rate of \$30,000 for the extra services performed as Lead Trustee. The Chair of the Nuclear Committee receives an additional retainer at the rate of \$25,000 per year.

Under the terms of the Incentive Plan adopted by shareholders at the 1998 Annual Meeting, each non-employee Trustee is eligible for stock-based grants. During 2001 each such Trustee was granted nonqualified options to purchase 2,500 common shares of NU. Receipt of shares acquired on exercise of these options may be deferred pursuant to the terms of the Northeast Utilities Deferred Compensation Plan for Executives. In February 2002 each non-employee Trustee was granted non-qualified options to purchase 2,500 common shares.

Prior to the beginning of each calendar year, each non-employee Trustee may irrevocably elect to have all or any portion of the annual retainer fee paid in the form of common shares of NU. Pursuant to the Northeast Utilities Deferred Compensation Plan for Trustees, each Trustee may also irrevocably elect to defer receipt of some or all cash and/or share compensation.

During 2001 each non-employee Director of PSNH and WMECO was compensated at an annual rate of \$10,000 cash, and received \$500 for each meeting attended of the Board of Directors or, in the case of PSNH, its committees. A non-employee Director who participates in a meeting of the Board of Directors or any of its committees by conference telephone receives \$300 per meeting. Also, committee chairs were compensated at an additional annual rate of \$1,500.

#### Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Securities Exchange Act of 1934 requires Trustees and certain officers of NU and persons who beneficially own more than 10 percent of the outstanding common shares of NU to file reports of ownership and changes in ownership with the SEC and the New York Stock Exchange. Based on review of

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copies of such forms furnished to NU, or written representations that no Form 5 was required, NU believes that for the year ended December 31,

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2001, all such reporting requirements were complied with in a timely manner except that Mrs. Grise and Mr. Kenyon each reported the exercise of stock appreciation rights in September, 2001 on their Form 5 for 2001 rather than on a Form 4 for September 2001.

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### SUMMARY COMPENSATION TABLE

CL&P, PSNH, WMECO, NGC

The following tables present the cash and non-cash compensation received by the Chief Executive Officer and the next four highest paid executive officers of CL&P, PSNH, WMECO and NGC accordance with rules of the Securities and Exchange Commission (SEC):

Name and Principal Position	Year	Annual Compensation			Other Annual Compensa- tion (\$) (Note 1)	Restrict- ed Stock Award(s) (\$) (Note 2)	Long Term Awards  Sec Und Opt Sto App Rig
		Salary (\$)	Bonus (\$)				
Michael G. Morris Chairman of the Board, President and Chief Executive Officer of NU and Chairman and Chief Executive Officer of PSNH and WMECO	2001	900,000	869,805	--	--		
	2000	830,770	1,200,000	--	--		
	1999	783,173	1,253,300	92,243	348,611		
John H. Forsgren Vice Chairman, Executive Vice President and Chief Financial Officer of NU	2001	524,423	200,000	--	--		
	2000	444,615	450,000	--	--		
	1999	429,904	400,000	--	122,682		
Bruce D. Kenyon President - Generation Group of NU and President of NGC (in NGC table only)	2001	515,000	150,000	--	--		
	2000	504,616	475,000	--	--		
	1999	500,000	--	--	77,690		

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Cheryl W. Grise President - Utility Group of NU (in CL&P, PSNH and WMECO tables only)	2001	338,654	180,000	--	--
	2000	279,616	290,000	--	--
	1999	244,712	250,000	--	73,612
Gary D. Simon Senior Vice President - Enterprise Development and Analysis of NUSCO (in NGC table only)	2001	236,539	70,000	--	--
	2000	231,539	200,000	--	--
	1999	226,635	200,000	--	61,333
Gregory B. Butler Vice President, Secretary and General Counsel of NU and NUSCO	2001	189,269	70,000	--	--
	2000	174,462	105,000	--	--
	1999	168,635	94,000	--	31,892
Lisa J. Thibdaue Vice President - Rates, Regulatory Affairs and Compliance of NUSCO (in CL&P, PSNH and WMECO tables only)	2001	193,539	60,000	--	--
	2000	187,154	115,000	--	--
	1999	181,635	112,000	--	30,667

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OPTION/SAR GRANTS IN LAST FISCAL YEAR

Name	Individual Grants				Grant Date Value
	Number of Securities Underlying Options/SARs Granted (#)	% of Total Options/SARs Granted to Employees in Fiscal Year	Exercise or Base Price (\$/sh)	Expiration Date	Grant Date Present Value (\$)
Michael G. Morris	120,000	14.47	21.03	2/27/2011	1,006,800 (Not)
	100,000	12.06	20.06	6/28/2011	803,000 (Not)
John H. Forsgren	33,000	3.98	21.03	2/27/2011	276,870 (Not)
	65,000	7.84	20.06	6/28/2011	521,950 (Not)
Bruce D. Kenyon	34,000	4.10	21.03	2/27/2011	228,745 (Not)
Cheryl W. Grise	26,000	3.14	21.03	2/27/2011	218,140 (Not)
	50,000	6.03	20.06	6/28/2011	401,500 (Not)
Gary D. Simon	14,000	1.69	21.03	2/27/2011	117,460 (Not)

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Gregory B. Butler	7,600	0.92	21.03	2/27/2011	63,764 (Not
Lisa J. Thibdaue	8,500	1.03	21.03	2/27/2011	71,315 (Not

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AGGREGATED OPTIONS/SAR EXERCISES IN LAST FISCAL YEAR AND FY-END OPTION/SAR VALUES

Name	Shares With Respect to Which SARs Were Exercised (#)	Value Realized (\$)	Number of Securities Underlying Unexercised Options/SARs at Fiscal Year End (#)		Value of Unexercised In-the-Money Options/SARs at Fiscal Year End (\$)	
			Exercisable	Unexercisable	Exercisable	Unexercisable
Michael G. Morris	--	--	698,475	344,451	4,256,831	83,764
John H. Forsgren	50,471	326,800	107,085	132,950	155,390	29,415
Bruce D. Kenyon	38,253	260,312	41,772	54,268	65,323	18,615
Cheryl W. Grise	24,490	166,654	33,724	97,904	52,402	17,615
Gary D. Simon	--	--	73,198	50,226	170,384	61,764
Gregory B. Butler	--	--	15,868	16,448	24,783	7,615
Lisa J. Thibdaue	--	--	16,172	17,572	24,665	7,315

Notes to Summary Compensation and Option/SAR Grants Tables:

- Other annual compensation for Mr. Morris consists of 1999 relocation expense reimbursements.
- At December 31, 2001, the aggregate restricted stock holdings by the five individuals named in the table for CL&P, WMECO and PSNH were 13,556 shares with a value of \$238,992 and for NGC were 14,332 shares with a value of \$252,673. Awards shown for 1999 vested one-third on February 23, 2000, one-third on February 23, 2001, and one-third on February 23, 2002. No restricted stock was awarded in 2001. Dividends paid on restricted stock are either paid out or reinvested into additional shares.
- "All Other Compensation" for 2001 consists of employer matching contributions under the Northeast Utilities Service Company 401k Plan, generally available to all eligible employees (\$5,100 for each named officer), and matching contributions under the Deferred Compensation Plan for Executives (Mr. Morris - \$21,900, Mrs. Grise - \$5,019, Mr. Kenyon - \$10,350, Mr. Simon - \$1,996).
- These options were granted on February 27, 2001 under the Incentive

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Plan. All options granted vest one-third on February 27, 2002, one-third on February 27, 2003 and one-third on February 27, 2004. Valued using the Black-Scholes option pricing model, discounted by 5.71% to reflect the risk of forfeiture, with the following assumptions: Volatility: 25.96 percent (36 months of monthly data); Risk-free rate: 5.23 percent; Dividend yield: 0.94 percent; Exercise date: February 27, 2011.

5. These options were granted on June 28, 2001 under the Incentive Plan. All options granted vest one-third on June 28, 2002, one-third on June 28, 2003 and one-third on June 28, 2004. Valued using the Black-Scholes option pricing model, discounted by 5.71% to reflect the risk of forfeiture, with the following assumptions: Volatility: 26.38 percent (36 months of monthly data); Risk-free rate: 5.63 percent; Dividend yield: 1.12 percent; Exercise date: June 28, 2011.

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### PENSION BENEFITS

The tables on the following pages show the estimated annual retirement benefits payable to an executive officer of Northeast Utilities upon retirement, assuming that retirement occurs at age 65 and that the officer is at that time not only eligible for a pension benefit under the Northeast Utilities Service Company Retirement Plan (the Retirement Plan) but also eligible for either the make-whole benefit or the make-whole benefit plus the target benefit under the Supplemental Executive Retirement Plan for Officers of Northeast Utilities System Companies (the Supplemental Plan). The Supplemental Plan is a non-qualified pension plan providing supplemental retirement income to system officers. The make-whole benefit under the Supplemental Plan, available to all officers, makes up for benefits lost through application of certain tax code limitations on the benefits that may be provided under the Retirement Plan, and includes as "compensation" awards under the executive incentive plans and deferred compensation (as earned). The target benefit further supplements these benefits and is available to officers at the Senior Vice President level and higher who are selected by the Board of Trustees to participate in the target benefit and who remain in the employ of Northeast Utilities companies until at least age 60 (unless the Board of Trustees sets an earlier age).

Mr. Forsgren and Mrs. Grise are currently eligible for a make-whole plus a target benefit. Messrs. Kenyon, Simon, and Butler and Ms. Thibdaue are eligible for the make-whole benefit but not the target benefit.

Mr. Kenyon's Employment Agreement provides specially calculated retirement benefits, based on his previous arrangement with South Carolina Electric and Gas, which supplement his make-whole benefit under the Supplemental Plan. If Mr. Kenyon retires with at least three years of service with the Company, he will be deemed to have two extra years of service for purpose of his special retirement benefit. If after achieving three years of service he voluntarily terminates employment following a "substantial change in responsibilities resulting from a material change in the business of Northeast Utilities," he will be deemed to have an additional year of service for purpose of his special retirement benefit, and if he retires with at least three years of service with the Company, he will receive a lump sum payment of \$500,000. Mr. Kenyon has met these service-related milestones.

Mr. Morris's Employment Agreement provides that upon retirement after reaching the fifth anniversary of his employment date (or upon disability or termination without cause or following a change of control, as defined) he will be entitled to receive a special retirement benefit calculated by applying the

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benefit formula of the CMS Energy/Consumers Energy Company (CMS) Supplemental Executive Retirement Plan to all compensation earned from the Northeast Utilities system (the Company) and to all service rendered to the Company and CMS. If Mr. Morris retires after age 60, his special retirement benefit will be no less than that which he would have received had he been eligible for a make-whole benefit plus a target benefit under the Supplemental Plan.

Mr. Forsgren's Employment Agreement provides for supplemental pension benefits based on crediting up to ten years additional service and providing payments equal to 25 percent of salary for up to 15 years following

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retirement, reduced by four percentage points for each year that his age is less than 65 years at retirement. In addition, if Mr. Forsgren retires after age 58, he will be eligible for a make-whole plus a target benefit under the Supplemental Plan based on crediting three extra years of service, unreduced for early commencement.

### ANNUAL BENEFIT FOR OFFICERS ELIGIBLE FOR MAKE-WHOLE BENEFIT

Final Average Compensation	Years of Credited Service			
	15	20	25	30
\$ 200,000	\$ 43,605	\$ 58,139	\$ 72,674	\$ 87,209
250,000	54,855	73,139	91,424	109,709
300,000	66,105	88,139	110,174	132,209
350,000	77,355	103,139	128,924	154,709
400,000	88,605	118,139	147,674	177,209
450,000	99,855	133,139	166,424	199,709
500,000	111,105	148,139	185,174	222,209
600,000	133,605	178,139	222,674	267,209
700,000	156,105	208,139	260,174	312,209
800,000	178,605	238,139	297,674	357,209
900,000	201,105	268,139	335,174	402,209
1,000,000	223,605	298,139	372,674	447,209
1,100,000	246,105	328,139	410,174	492,209
1,200,000	268,605	358,139	447,674	537,209

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### ANNUAL BENEFIT FOR OFFICERS ELIGIBLE FOR MAKE-WHOLE PLUS TARGET BENEFIT

Final Average Compensation	Years of Credited Service			
	15	20	25	30
\$ 200,000	\$ 72,000	\$ 96,000	\$120,000	\$120,000
250,000	90,000	120,000	150,000	150,000

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300,000	108,000	144,000	180,000	180,000
350,000	126,000	168,000	210,000	210,000
400,000	144,000	192,000	240,000	240,000
450,000	162,000	216,000	270,000	270,000
500,000	180,000	240,000	300,000	300,000
600,000	216,000	288,000	360,000	360,000
700,000	252,000	336,000	420,000	420,000
800,000	288,000	384,000	480,000	480,000
900,000	324,000	432,000	540,000	540,000
1,000,000	360,000	480,000	600,000	600,000
1,100,000	396,000	528,000	660,000	660,000
1,200,000	432,000	576,000	720,000	720,000

The benefits presented in the tables above are based on a straight life annuity beginning at age 65 and do not take into account any reduction for joint and survivorship annuity payments. Final average compensation for purposes of calculating the target benefit is the highest average annual compensation of the participant during any 36 consecutive months compensation was earned. Final average compensation for purposes of calculating the make-whole benefit is the highest average annual compensation of the participant during any 60 consecutive months compensation was earned. Compensation for these benefits takes into account the annual compensation shown in the Summary Compensation Table and long term incentive compensation but does not include employer matching contributions under the 401k Plan. In the event that an officer's employment terminates because of disability, the retirement benefits shown above would be offset by the amount of any disability benefits payable to the recipient that are attributable to contributions made by Northeast Utilities and its subsidiaries under long term disability plans and policies.

As of December 31, 2001, the executive officers named in the Summary Compensation Table had the following years of credited service for purposes of the Supplemental Plan: Mr. Kenyon - 7, Mr. Forsgren - 5, Mrs. Grise - 21, Mr. Simon - 3, Mr. Butler - 5, and Ms. Thibdaue - 4. Mr. Morris had 23 years of service for purposes of his special retirement benefit. In addition, Mr. Forsgren had 10 years of service for purposes of his supplemental pension benefit and would have 25 years of service for such purpose if he were to retire at age 65.

EMPLOYMENT CONTRACTS AND TERMINATION OF EMPLOYMENT ARRANGEMENTS

Northeast Utilities has entered into an employment agreement with Mr. Morris and Northeast Utilities Service Company (NUSCO) has entered into employment agreements with each of the other named executive officers except Messrs. Simon and Butler and Ms. Thibdaue, who participate in the Special Severance Program for Officers of Northeast Utilities Companies. The agreements and the Special Severance Program are also binding on Northeast Utilities and on each majority-owned subsidiary of Northeast Utilities.

Each agreement obligates the officer to perform such duties as may be directed by the NUSCO Board of Directors or the Northeast Utilities Board of Trustees, protect the Company's confidential information, and refrain, while employed by the Company and for a period of time thereafter, from competing with the Company in a specified geographic area. Each agreement provides that the officer's base salary will not be reduced below certain levels without the consent of the officer, and that the officer will participate in specified benefits under the Supplemental Executive Retirement Plan or other supplemental retirement programs (see Pension Benefits, above) and/or in certain executive

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incentive programs at specified incentive opportunity levels.

Each agreement provides for a specified employment term and for automatic one-year extensions of the employment term unless at least six months' notice of non-renewal is given by either party. The employment term may also be ended by the Company for "cause", as defined, at any time (in which case no supplemental retirement benefit, if any, shall be due), or by the officer on thirty days' prior written notice for any reason. Absent "cause", the Company may remove the officer from his or her position on sixty days' prior written notice, but in the event the officer is so removed and signs a release of all claims against the Company, the officer will receive one or two years' base salary and annual incentive payments, specified employee welfare and pension benefits, and vesting of stock appreciation rights, options and restricted stock.

Under the terms of the agreements and the Special Severance Program, upon any termination of employment following a change of control, as defined, between (a) the earlier of the date shareholders approve a change of control transaction or a change of control transaction occurs and (b) the earlier of the date, if any, on which the Board of Trustees abandons the transaction or the date two years following the change of control, if the officer signs a release of all claims against the Company, the officer will be entitled to certain payments including a multiple (not to exceed three) of annual base salary, annual incentive payments, specified employee welfare and pension benefits, and vesting of stock appreciation rights, options and restricted stock. Certain of the change of control provisions may be modified by the Board of Trustees prior to a change of control, on at least two years' notice to the affected officer(s).

Besides the terms described above, the agreements of Messrs. Morris, Kenyon and Forsgren provide for a specified salary, cash, restricted stock and/or stock options upon employment, special incentive programs and/or special retirement benefits. See Pension Benefits, above, for further description of these provisions. The agreements of Mr. Forsgren and Mrs. Grise were supplemented during 2001 to provide for special deferred

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compensation of \$520,000 and \$500,000, respectively, vesting in even installments (adjusted to reflect investment performance) on June 28, 2002, 2003 and 2004, so long as such officer remains in the employ of Northeast Utilities Service Company, and vesting sooner in the event of a change of control of the Company or involuntary termination without cause.

Letter agreements reflecting the terms of employment of Messrs. Simon and Butler and Ms. Thibdaue provide for specified salary, cash, restricted stock or stock options upon employment.

The descriptions of the various agreements set forth above are for purpose of disclosure in accordance with the proxy and other disclosure rules of the SEC and shall not be controlling on any party; the actual terms of the agreements themselves determine the rights and obligations of the parties.

### b. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table provides information as of February 27, 2002, as to the beneficial ownership of the equity securities of NU by each Trustee, each of the five highest paid executive officers of NU and its subsidiaries, and Directors and executive officers of system companies. Unless otherwise noted, each Trustee, Director and executive officer has sole voting and investment power with respect to the listed shares. No equity securities of other system

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companies are owned by Trustees, Directors or executive officers.

Title of Class	Name	Amount and Nature of Beneficial Ownership	Percent of Class (1)
NU Common	David H. Boguslawski	30,349 (2)	
NU Common	Richard H. Booth	4,750 (3)	
NU Common	Gregory B. Butler	33,969 (4)	
NU Common	James E. Byrne	0	
NU Common	Cotton Mather Cleveland	15,982 (5)	
NU Common	Sanford Cloud, Jr.	15,487 (6)	
NU Common	John C. Collins	0	
NU Common	James F. Cordes	10,250 (3)	
NU Common	E. Gail de Planque	15,971 (5)	
NU Common	John H. Forsgren	149,132 (7)	
NU Common	Raymond L. Golden	16,710 (8)	
NU Common	Cheryl W. Grise	78,813 (9)	
NU Common	Elizabeth T. Kennan	17,100 (5)	
NU Common	Bruce D. Kenyon	133,710 (10)	
NU Common	Kerry J. Kuhlman	20,565 (11)	
NU Common	Gerald Letendre	0	
NU Common	Gary A. Long	18,784 (12)	
NU Common	Paul J. McDonald	500	
NU Common	Michael G. Morris	890,925 (13)	
NU Common	William J. Nadeau	17,709 (14)	
NU Common	Jane E. Newman	0	
NU Common	Leon J. Olivier	0	
NU Common	Robert E. Patricelli	22,451 (5)	
NU Common	Melinda M. Phelps	0	
NU Common	Frank P. Sabatino	56,734 (15)	
NU Common	William W. Schivley	44,357 (16)	
NU Common	Gary D. Simon	114,081 (17)	
NU Common	Lisa J. Thibdaue	30,713 (18)	
NU Common	John F. Swope	20,101 (5)	

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- (1) As of February 27, 2002, there were 133,748,279 common shares of NU outstanding. The percentage of such shares beneficially owned by any Director or Executive Officer, and by all Directors and Executive Officers of CL&P, PSNH, WMECO and NGC as a group, equals 1.31 percent.
- (2) Includes 24,016 shares that could be acquired by Mr. Boguslawski pursuant to currently exercisable options and 462 shares held under the Northeast Utilities Employee Share Purchase Plan II as to which Mr. Boguslawski has sole voting but no dispositive power.
- (3) Includes 3,750 shares that could be acquired by the beneficial owner pursuant to currently exercisable options.
- (4) Includes 24,249 shares that could be acquired by Mr. Butler pursuant to currently exercisable options and 796 shares held in an ESOP as to which Mr. Butler has sole voting power but no dispositive power.
- (5) Includes 11,250 shares that could be acquired by the beneficial owner pursuant to currently exercisable options.

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- (6) Includes 6,250 shares that could be acquired by Mr. Cloud pursuant to currently exercisable options.
- (7) Includes 141,035 shares that could be acquired by Mr. Forsgren pursuant to currently exercisable options and 5,382 restricted shares as to which Mr. Forsgren has sole voting and no dispositive power.
- (8) Includes 8,750 shares that could be acquired by Mr. Golden pursuant to currently exercisable options.
- (9) Includes 56,626 shares that could be acquired by Mrs. Grise pursuant to currently exercisable options, 4,844 restricted as to which Mrs. Grise has sole voting and no dispositive power, and 265 shares held by Mrs. Grise's husband as custodian for her children, with whom she shares voting and dispositive power.
- (10) Includes 66,705 shares that could be acquired by Mr. Kenyon pursuant to currently exercisable options, 501 shares held under the Northeast Utilities Employee Share Purchase Plan II as to which Mr. Kenyon has sole voting but no dispositive power, and 1,212 shares held in an ESOP as to which Mr. Kenyon has sole voting power but no dispositive power.
- (11) Includes 14,331 shares that could be acquired by Ms. Kuhlman pursuant to currently exercisable options.
- (12) Includes 13,183 shares that could be acquired by Mr. Long pursuant to currently exercisable options.

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- (13) Includes 816,258 shares that could be acquired by Mr. Morris pursuant to currently exercisable options, 1,262 shares held under the Northeast Utilities Employee Share Purchase Plan II as to which Mr. Morris has sole voting but no dispositive power, 23,407 restricted shares as to which Mr. Morris has sole voting and no dispositive power, and 922 shares held in an ESOP as to which Mr. Morris has sole voting power but no dispositive power.
- (14) Includes 13,183 shares that could be acquired by Mr. Nadeau pursuant to currently exercisable options.
- (15) Includes 34,280 shares that could be acquired by Mr. Sabatino pursuant to currently exercisable options and 670 shares held under the Northeast Utilities Employee Share Purchase Plan II as to which Mr. Sabatino has sole voting but no dispositive power.
- (16) Includes 30,916 shares that could be acquired by Mr. Schivley pursuant to currently exercisable options, 383 shares held in an ESOP as to which Mr. Schivley has sole voting power but no dispositive power.
- (17) Includes 108,090 shares that could be acquired by Mr. Simon pursuant to currently exercisable options, and 564 shares held in an ESOP as to which Mr. Simon has sole voting power but no dispositive power.
- (18) Includes 24,909 shares that could be acquired by Ms. Thibdaue pursuant to currently exercisable options and 575 shares held in an ESOP as to which Mr. Thibdaue has sole voting power but no dispositive power.

c. CONTRACTS AND TRANSACTIONS OF TRUSTEES, DIRECTORS AND EXECUTIVE

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### OFFICERS WITH SYSTEM COMPANIES

This disclosure was included in the discussion of employment contracts in Part III, Section (a) above.

#### d. INDEBTEDNESS OF TRUSTEES, DIRECTORS AND EXECUTIVE OFFICERS OF SYSTEM COMPANIES

No Trustee, Director or executive officer was indebted to a system company during 2001.

#### e. PARTICIPATION OF TRUSTEES, DIRECTORS AND EXECUTIVE OFFICERS IN BONUS AND PROFIT-SHARING ARRANGEMENTS

This disclosure was included in the discussion of compensation in Part III, Section (a) above.

#### f. RIGHTS TO INDEMNITY OF TRUSTEES, DIRECTORS AND EXECUTIVE OFFICERS

No disclosures were made in any system company's most recent proxy statement or annual report on Form 10-K with respect to the rights to indemnity of Trustees, Directors or executive officers.

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### ITEM 7. CONTRIBUTIONS AND PUBLIC RELATIONS

1. There were no expenditures, disbursements or payments made during 2001 in money, goods or services, directly or indirectly to or for the account of any political party, candidate for public office or holder of such office, or any committee or agent therefore; and
2. There were no expenditures, disbursements or payments made during 2001 to citizens groups or public relations counsel.

### ITEM 8. SERVICE, SALES AND CONSTRUCTION CONTRACTS

#### PART I:

The following energy management and/or demand-side management and other services to one or more system companies follows:

Transaction	Serving Company	Receiving Company	Compensation
			(Thousands of Dollars)
Worker Compensation Costs	PSNH	NAESCO	\$229
Electrical Maintenance Services	PSNH	NAESCO	\$ 51
Vehicle Lease Charges	PSNH	NAESCO	\$ 15
Human Resources Service	PSNH	NAESCO	\$ 6
Miscellaneous Services	PSNH	NAESCO	\$ 1
Newington Station building and outside storage	PSNH	NAESCO	\$137**
Real estate (plant auction) services	PSNH	NAESCO	\$ 11

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\*\* Includes operation and maintenance charges and property taxes associated with leased property.

Transaction	Serving Company	Receiving Company	Compensation
			(Thousands of Dollars)
Engineering and Construction Services	NGS	NGC	\$18,600
Engineering and Construction Services	NGS	HWP	\$14,900
Engineering and Construction Services	NGS	SESI	\$ 8,300

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Transaction	Serving Company	Receiving Company	Compensation
			(Thousands of Dollars)
Various Demand-Side Management	SES	Select Energy	\$150
Various Energy Management Services	SES	CL&P	\$ 18
Various Energy Management Services	SES	WMECO	\$ 20

PART II:

See Item 6, Part III(c).

PART III:

None to be reported.

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### ITEM 9. WHOLESALE GENERATORS AND FOREIGN UTILITY COMPANIES

PART I:

(a) Identification of Company

1. Northeast Generation Company (NGC)
2. Location:

107 Selden Street  
Berlin, CT 06037

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3. Business Address:

Same

4. Description:

NGC owns and operates a portfolio of 1,287.9 MW of generating assets in New England which was acquired in March 2000, as a result of the auctions by NGC's affiliates, The Connecticut Light and Power Company (CL&P) and Western Massachusetts Electric Company (WMECO) in their electric restructuring activities. The table below lists these generating assets:

Asset -----	Location -----	Type -----	Capacity (MW) -----
Northfield Mountain	Erving, MA	Pumped Storage	1,080.0
Cabot	Montague, MA	Conventional Hydro	52.8
Turners Falls	Montague, MA	Conventional Hydro	6.4
Falls Village	Falls Village, CT	Conventional Hydro	11.1
Bulls Bridge	New Milford, CT	Conventional Hydro	8.4
Rocky River	New Milford, CT	Conventional Hydro/ Pumped Storage	29.0
Shepaug	Southbury, CT	Conventional Hydro	43.0
Stevenson	Monroe, CT	Conventional Hydro	28.8
Robertsville	Colebrook, CT	Conventional Hydro	0.6
Bantam	Litchfield, CT	Conventional Hydro	0.5
Scotland	Windham, CT	Conventional Hydro	2.2
Tunnel	Preston, CT	Conventional Hydro	2.1
Taftville	Norwich, CT	Conventional Hydro	2.0
Tunnel ICU	Preston, CT	Internal Combustion Unit	21.0
			-----
Total			1,287.9 =====

5. System Company that Holds Interest:

Northeast Generation Company, a Connecticut corporation, is a wholly-owned subsidiary of NU Enterprises, Inc., the holding company for Northeast Utilities unregulated businesses.

6. EWG or FUCO:

EWG

(c) State the ratio of debt to common equity and earnings as of 12/31/01:

Ratio of debt to common equity as of 12/31/01: 33.974  
Ratio of debt to earnings/(loss) as of 12/31/01: 10.412

(d) Service, Sales or Construction Contracts:

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NGC has a Power Sales and Purchase Agreement, dated December 27, 1999, with Select Energy, Inc. (Select), an affiliate of NGC. The term of this agreement is six years (through December 31, 2005) with an option for renewal. The agreement sets forth the terms and conditions by which Select purchases the capacity, associated energy, and ancillary services from the NGC assets. During 2001, Select paid NGC \$124.9 million under this contract.

NGC has a Management and Operation Agreement, dated February 1, 2000, as amended March 1, 2000, with Northeast Generation Services Company (NGS), an affiliate of NGC, to manage and operate the NGC generating assets. This agreement is in effect until March 15, 2006. The scope of services that NGS renders to NGC under this agreement includes management, operations, maintenance, administration, labor, consumables, water, supervision, and other goods and services necessary for the safe, efficient and reliable management, operation and maintenance of the NGC assets on a daily basis. During 2001, NGC paid NGS \$18.6 million under this contract.

NGC has a Service Contract with Northeast Utilities Service Company (NUSCO), an affiliate of NGC, dated January 4, 1999. This agreement was extended through the year 2000 for a one-year period by a renewal agreement dated December 31, 1999. Under this contract, NUSCO agrees to provide NGC with services such as corporate and secretarial, financial planning, accounting, taxes, insurance, budgets, data processing, purchasing, and other administrative services. During 2001, NGC paid NUSCO \$1.3 million under this contract.

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### PART II.

An organizational chart showing the relationship of the foreign utility company to other NU system companies is provided as Exhibit H. Required financial data is provided as Exhibit I.

### PART III.

(a) NU's aggregate investment in EWGs and FUCOs, respectively, as of 12/31/01:

EWGs: \$448.2 million

FUCOS: \$0.0 million

(b) Ratio of aggregate investment to aggregate retained earnings of NU's public-utility subsidiary companies as of 12/31/01: .71

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## ITEM 10. FINANCIAL STATEMENTS AND EXHIBITS

Page

Financial Statements filed pursuant to the  
Public Utility Holding Company Act of 1935

Report of Independent Public Accountants

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Signature

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Financial Statements as of and for the year ended  
December 31, 2001

## Northeast Utilities and Subsidiaries:

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Consolidating Statement of Retained Earnings	F-9--F-10
Consolidating Statement of Capital Surplus, Paid In	F-9--F-10
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## The Connecticut Light and Power Company and Subsidiaries:

Consolidating Balance Sheet	F-13--F-14
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## Public Service Company of New Hampshire and Subsidiary:

Consolidating Balance Sheet	F-19--F-20
Consolidating Statement of Income	F-21
Consolidating Statement of Retained Earnings	F-22
Consolidating Statement of Capital Surplus, Paid In	F-22
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## Western Massachusetts Electric Company and Subsidiary:

Consolidating Balance Sheet	F-25--F-26
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## Holyoke Water Power Company and Subsidiary:

Consolidating Balance Sheet	F-31--F-32
Consolidating Statement of Income	F-33
Consolidating Statement of Retained Earnings	F-34
Consolidating Statement of Capital Surplus, Paid In	F-34
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## Yankee Energy System, Inc. and Subsidiaries:

Consolidating Balance Sheet	F-37--F-40
Consolidating Statement of Income	F-41--F-42
Consolidating Statement of Retained Earnings	F-43--F-44
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## Charter Oak Energy Incorporated and Subsidiaries:

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Consolidating Balance Sheet	F-47--F-48
Consolidating Statement of Income	F-49
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Select Energy Services, Inc.:	
Consolidating Balance Sheet	F-53--F-56
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Consolidating Statement of Retained Earnings	F-59--F-60
Consolidating Statement of Capital Surplus, Paid In	F-59--F-60
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NU Enterprises, Inc. and Subsidiaries:	
Consolidating Balance Sheet	F-63--F-66
Consolidating Statement of Income	F-67--F-68
Consolidating Statement of Retained Earnings	F-69--F-70
Consolidating Statement of Capital Surplus, Paid In	F-69--F-70
Consolidating Statement of Cash Flows	F-71--F-72
Select Energy, Inc. and Subsidiary:	
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Consolidating Statement of Capital Surplus, Paid In	F-76
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Northeast Generation Services Company and Subsidiaries:	
Consolidating Balance Sheet	F-79--F-80
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Consolidating Statement of Retained Earnings	F-82
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Notes to Financial Statements	F-84
Exhibits	E-1--E-28

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### REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS

To Northeast Utilities and Subsidiaries:

We have audited the consolidated balance sheets and consolidated statements of capitalization of Northeast Utilities (a Massachusetts trust) and subsidiaries as of December 31, 2001 and 2000, and the related consolidated statements of income, comprehensive income, shareholders' equity, cash flows, and income taxes

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for each of the three years in the period ended December 31, 2001, included in the 2001 annual report to shareholders, incorporated by reference in the Form 10-K and incorporated by reference in this Form U5S, and have issued our report thereon dated January 22, 2002. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Northeast Utilities and subsidiaries as of December 31, 2001 and 2000, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 2001, in conformity with accounting principles generally accepted in the United States.

/s/ Arthur Andersen LLP  
Arthur Andersen LLP

Hartford, Connecticut  
January 22, 2002

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SIGNATURE

Northeast Utilities, a registered holding company, has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized, pursuant to the requirements of the Public Utility Holding Company Act of 1935.

NORTHEAST UTILITIES

By: /s/ John P. Stack

-----  
John P. Stack  
Vice President - Accounting and Controller

April 26, 2002

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NORTHEAST UTILITIES AND SUBSIDIARIES  
Consolidating Balance Sheet (a)  
Assets  
December 31, 2001  
(Thousands of Dollars)

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	Northeast Utilities (parent)	The Connecticut Light and Power Company (consolidated) (b)	Public Service Company of New Hampshire (consolidated) (b)
	-----	-----	-----
Utility Plant, at cost:			
Electric	\$ --	\$3,127,548	\$1,447,955
Gas	--	--	--
Other	--	--	6,221
	-----	-----	-----
	--	3,127,548	1,454,176
Less: Accumulated provision for depreciation	--	1,236,638	689,397
	-----	-----	-----
	--	1,890,910	764,779
Construction work in progress	--	134,964	44,961
Nuclear fuel, net	--	3,299	--
	-----	-----	-----
Total net utility plant	--	2,029,173	809,740
	-----	-----	-----
Other Property and Investments:			
Nuclear decommissioning trusts, at market	--	6,231	--
Investments in regional nuclear generating companies, at equity	--	34,696	8,510
Investments in subsidiary companies, at equity	2,392,884	--	--
Investment in transmission company, at equity	13,596	--	--
Other, at cost	14	50,572	35,837
	-----	-----	-----
	2,406,494	91,499	44,347
	-----	-----	-----
Current Assets:			
Cash and cash equivalents	13,183	773	1,479
Special Deposits	--	--	--
Investments in securitizable assets	--	36,367	--
Notes receivable from affiliated companies	124,800	77,200	--
Receivables, net	555	247,801	70,540
Accounts receivable from affiliated companies	21,713	22,134	13,055
Taxes receivable from affiliated companies	--	--	--
Unbilled revenues	--	7,492	29,268
Fuel, materials and supplies, at average cost	--	33,085	42,047
Unrealized gains on mark-to-market	--	--	--
Prepayments and other	1,093	17,703	10,211
	-----	-----	-----
	161,344	442,555	166,600
	-----	-----	-----
Deferred Charges:			
Regulatory assets	--	1,877,191	1,046,760
Accumulated deferred income taxes	--	--	--
Unamortized debt expense	662	6,203	7,939
Goodwill and other purchased intangible assets, net	--	--	--
Prepaid pension	--	233,692	--

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Other	3,584	47,244	19,128
	-----	-----	-----
	4,246	2,164,330	1,073,827
	-----	-----	-----
Total Assets	\$2,572,084	\$4,727,557	\$2,094,514
	=====	=====	=====

Note: Individual columns may not add to Consolidated due to rounding. The accompanying notes are an integral part of these financial statements.

- (a) Not covered by auditors' report.  
(b) See supporting statements.

NORTHEAST UTILITIES AND SUBSIDIARIES  
Consolidating Balance Sheet (a)  
Assets  
December 31, 2001  
(Thousands of Dollars)

	Holyoke Water Power Company (consolidated) (b)	Northeast Utilities Service Company
	-----	-----
Utility Plant, at cost:		
Electric	\$ 36,699	\$ --
Gas	--	--
Other	--	98,371
	-----	-----
	36,699	98,371
Less: Accumulated provision for depreciation	32,860	81,174
	-----	-----
Construction work in progress	3,839	17,197
Nuclear fuel, net	1,118	14,955
	-----	-----
Total net utility plant	4,957	32,152
	-----	-----
Other Property and Investments:		
Nuclear decommissioning trusts, at market	--	--
Investments in regional nuclear generating companies, at equity	--	--
Investments in subsidiary companies, at equity	--	--
Investment in transmission company, at equity	--	--
Other, at cost	1,859	6,713
	-----	-----
	1,859	6,713
	-----	-----
Current Assets:		
Cash and cash equivalents	3,130	58,293

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Special Deposits	--	--
Investments in securitizable assets	--	--
Notes receivable from affiliated companies	3,300	218,800
Receivables, net	125	56,817
Accounts receivable from affiliated companies	4,124	1,040
Taxes receivable from affiliated companies	239	12,341
Unbilled revenues	--	--
Fuel, materials and supplies, at average cost	6,157	286
Unrealized gains on mark-to-market	--	--
Prepayments and other	998	2,287
	-----	-----
	18,073	349,864
	-----	-----
Deferred Charges:		
Regulatory assets	762	--
Accumulated deferred income taxes	--	6,037
Unamortized debt expense	--	--
Goodwill and other purchased intangible assets, net	--	--
Prepaid pension	2,514	18,366
Other	281	35,740
	-----	-----
	3,557	60,143
	-----	-----
Total Assets	\$ 28,446	\$ 448,872
	=====	=====

Note: Individual columns may not add to Consolidated due to rounding. The accompanying notes are an integral part of these financial statements.

- (a) Not covered by auditors' report.  
(b) See supporting statements.

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NORTHEAST UTILITIES AND SUBSIDIARIES  
Consolidating Balance Sheet (a)  
Assets  
December 31, 2001  
(Thousands of Dollars)

	Northeast Nuclear Energy Company	North Atlantic Energy Service Corporation	The Quinnehtuk Company	The Roc River Re Compan
	-----	-----	-----	-----
Utility Plant, at cost:				
Electric	\$ --	\$ --	\$ --	\$ --
Gas	--	--	--	--
Other	--	--	1,639	89,5
	-----	-----	-----	-----
	--	--	1,639	89,5
Less: Accumulated provision for				

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depreciation	--	--	1,265	37,2
	-----	-----	-----	-----
	--	--	374	52,3
Construction work in progress	--	--	1	5,3
Nuclear fuel, net	--	--	--	
	-----	-----	-----	-----
Total net utility plant	--	--	375	57,6
	-----	-----	-----	-----
Other Property and Investments:				
Nuclear decommissioning trusts, at market	--	--	--	
Investments in regional nuclear generating companies, at equity	--	--	--	
Investments in subsidiary companies, at equity	--	--	--	
Investment in transmission company, at equity	--	--	--	
Other, at cost	--	--	1,140	1,9
	-----	-----	-----	-----
	--	--	1,140	1,9
	-----	-----	-----	-----
Current Assets:				
Cash and cash equivalents	36	2,205	24	1
Special Deposits	--	--	--	
Investments in securitizable assets	--	--	--	
Notes receivable from affiliated companies	56,900	--	--	
Receivables, net	3,119	27,006	--	
Accounts receivable from affiliated companies	1,158	43	--	2
Taxes receivable from affiliated companies	2,547	239	--	9
Unbilled revenues	--	--	--	
Fuel, materials and supplies, at average cost	--	13	--	
Unrealized gains on mark-to-market	--	--	--	
Prepayments and other	--	1,081	1	5
	-----	-----	-----	-----
	63,760	30,587	25	1,9
	-----	-----	-----	-----
Deferred Charges:				
Regulatory assets	--	1	4	
Accumulated deferred income taxes	29,578	353	34	
Unamortized debt expense	--	--	--	
Goodwill and other purchased intangible assets, net	--	--	--	
Prepaid pension	--	--	--	
Other	1,062	38,369	--	
	-----	-----	-----	-----
	30,640	38,723	38	
	-----	-----	-----	-----
Total Assets	\$ 94,400	\$ 69,310	\$ 1,578	\$ 61,5
	=====	=====	=====	=====

Note: Individual columns may not add to Consolidated due to rounding. The accompanying notes are an integral part of these financial statements.

- (a) Not covered by auditors' report.
- (b) See supporting statements.

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NORTHEAST UTILITIES AND SUBSIDIARIES  
 Consolidating Balance Sheet (a)  
 Assets  
 December 31, 2001  
 (Thousands of Dollars)

	Yankee Energy Systems, Inc. (consolidated) (b)	Charter Oak Energy, Inc. (consolidated) (b)	NU Enterprises, Inc. (consolidated) (b)
	-----	-----	-----
Utility Plant, at cost:			
Electric	\$       --	\$       52	\$   266,215
Gas	634,884	--	--
Other	--	--	41,149
	-----	-----	-----
	634,884	52	307,364
Less: Accumulated provision for depreciation	266,655	52	165,665
	-----	-----	-----
Construction work in progress	368,229	--	141,699
Nuclear fuel, net	37,726	--	22,554
	-----	-----	-----
Total net utility plant	405,955	--	164,253
	-----	-----	-----
Other Property and Investments:			
Nuclear decommissioning trusts, at market	--	--	--
Investments in regional nuclear generating companies, at equity	--	--	--
Investments in subsidiary companies, at equity	--	--	--
Investment in transmission company, at equity	--	--	--
Other, at cost	17,334	--	36,207
	-----	-----	-----
	17,334	--	36,207
	-----	-----	-----
Current Assets:			
Cash and cash equivalents	393	279	16,077
Special Deposits	--	--	13,036
Investments in securitizable assets	--	--	--
Notes receivable from affiliated companies	--	--	16,300
Receivables, net	48,657	--	332,813
Accounts receivable from affiliated companies	534	23,825	107,833
Taxes receivable from affiliated companies	--	--	2,001
Unbilled revenues	42,494	--	34,397
Fuel, materials and supplies, at average cost	3,880	--	2,618
Unrealized gains on mark-to-market	--	--	72,865
Prepayments and other	20,241	--	21,172
	-----	-----	-----
	116,199	24,104	619,112
	-----	-----	-----
Deferred Charges:			
Regulatory assets	40,834	--	--

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Accumulated deferred income taxes	--	80	286,768
Unamortized debt expense	1,135	--	10,662
Goodwill and other purchased intangible assets, net	287,996	--	34,604
Prepaid pension	42,757	--	2,716
Other	717	--	91,395
	-----	-----	-----
	373,439	80	426,145
	-----	-----	-----
 Total Assets	 \$ 912,927	 \$ 24,184	 \$ 1,245,717
	=====	=====	=====

Note: Individual columns may not add to Consolidated due to rounding. The accompanying notes are an integral part of these financial statements.

- (a) Not covered by auditors' report.  
(b) See supporting statements.

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NORTHEAST UTILITIES AND SUBSIDIARIES

Consolidating Balance Sheet (a)  
Capitalization and Liabilities  
December 31, 2001  
(Thousands of Dollars)

	Northeast Utilities (parent)	The Connecticut Light and Power Company (consolidated) (b)	Public Service Company of New Hampshire (consolidated) (b)
	-----	-----	-----
Capitalization:			
Common shareholders' equity:			
Common shares	\$ 744,453	\$ 75,849	\$ --
Capital surplus, paid in	1,107,609	414,018	165,000
Deferred contribution plan - employee stock ownership plan	(101,809)	--	--
Retained earnings	678,460	286,901	176,419
Accumulated other comprehensive (loss)/ income	(32,470)	67	406
Treasury stock	(278,603)	--	--
	-----	-----	-----
Total common shareholders' equity	2,117,640	776,835	341,825
Preferred stock not subject to mandatory redemption	--	116,200	--
Advances from Northeast Utilities	--	--	--
Long-term debt	357,000	824,349	407,285
	-----	-----	-----
Total capitalization	2,474,640	1,717,384	749,110
	-----	-----	-----
Rate Reduction Bonds	--	1,358,653	507,381
	-----	-----	-----
Obligations Under Capital Leases	--	15,499	86,111

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Current Liabilities:			
Notes payable to banks	40,000	--	60,500
Notes payable to affiliated company	--	--	23,000
Long-term debt - current portion	23,000	--	--
Obligations under capital leases - current portion	--	541	24,164
Accounts payable	146	132,593	32,285
Accounts payable to affiliated companies	26,626	85,057	18,727
Accrued taxes	249	34,823	2,281
Accrued interest	2,492	10,369	9,428
Other	19	46,801	25,164
	-----	-----	-----
	92,532	310,184	195,549
	-----	-----	-----
Deferred Credits and Other Long-term Liabilities:			
Accumulated deferred income taxes	4,742	820,444	423,050
Accumulated deferred investment tax credits	--	95,996	12,015
Deferred contractual obligations	--	141,497	37,712
Deferred pension costs	--	--	37,326
Other	170	267,900	46,260
	-----	-----	-----
	4,912	1,325,837	556,363
	-----	-----	-----
Total Capitalization and Liabilities	\$ 2,572,084	\$4,727,557	\$2,094,514
	=====	=====	=====

Note: Individual columns may not add to Consolidated due to rounding. The accompanying notes are an integral part of these financial statements.

(a) Not covered by auditors' report.

(b) See supporting statements.

NORTHEAST UTILITIES AND SUBSIDIARIES

Consolidating Balance Sheet (a)  
Capitalization and Liabilities  
December 31, 2001  
(Thousands of Dollars)

	Holyoke Water Power Company (consolidated) (b)	Northeast Utilities Service Company
	-----	-----
Capitalization:		
Common shareholders' equity:		
Common shares	\$ 2,400	\$ --
Capital surplus, paid in	6,000	1
Deferred contribution plan - employee stock ownership plan	--	--
Retained earnings	(1,233)	--
Accumulated other comprehensive (loss)/ income	(5)	--

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Treasury stock	--	--
	-----	-----
Total common shareholders' equity	7,162	1
Preferred stock not subject to mandatory redemption	--	--
Advances from Northeast Utilities	9,600	--
Long-term debt	--	--
	-----	-----
Total capitalization	16,762	1
	-----	-----
Rate Reduction Bonds	--	--
	-----	-----
Obligations Under Capital Leases	--	25
	-----	-----
Current Liabilities:		
Notes payable to banks	--	--
Notes payable to affiliated company	--	274,100
Long-term debt - current portion	--	--
Obligations under capital leases - current portion	--	6
Accounts payable	4,755	44,564
Accounts payable to affiliated companies	1,785	21,058
Accrued taxes	--	--
Accrued interest	12	38
Other	38	16,395
	-----	-----
	6,590	356,161
	-----	-----
Deferred Credits and Other Long-term Liabilities:		
Accumulated deferred income taxes	969	--
Accumulated deferred investment tax credits	--	--
Deferred contractual obligations	--	--
Deferred pension costs	--	--
Other	4,125	92,685
	-----	-----
	5,094	92,685
	-----	-----
Total Capitalization and Liabilities	\$ 28,446	\$ 448,872
	=====	=====

Note: Individual columns may not add to Consolidated due to rounding. The accompanying notes are an integral part of these financial statements.

- (a) Not covered by auditors' report.
- (b) See supporting statements.

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NORTHEAST UTILITIES AND SUBSIDIARIES

Consolidating Balance Sheet (a)  
Capitalization and Liabilities  
December 31, 2001  
(Thousands of Dollars)

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	Northeast Nuclear Energy Company	North Atlantic Energy Service Corporation	The Quinnehtuk Company	The Rive Co
	-----	-----	-----	-----
Capitalization:				
Common shareholders' equity:				
Common shares	\$ 15	\$ 1	\$ 350	\$
Capital surplus, paid in	15,350	9	155	
Deferred contribution plan - employee stock ownership plan	--	--	--	
Retained earnings	851	4	(3,092)	
Accumulated other comprehensive (loss)/ income	(121)	--	--	
Treasury stock	--	--	--	
	-----	-----	-----	-----
Total common shareholders' equity	16,095	14	(2,587)	
Preferred stock not subject to mandatory redemption	--	--	--	
Advances from Northeast Utilities	--	--	--	
Long-term debt	--	--	--	
	-----	-----	-----	-----
Total capitalization	16,095	14	(2,587)	
	-----	-----	-----	-----
Rate Reduction Bonds	--	--	--	
	-----	-----	-----	-----
Obligations Under Capital Leases	--	--	--	
	-----	-----	-----	-----
Current Liabilities:				
Notes payable to banks	--	--	--	
Notes payable to affiliated company	--	--	3,700	
Long-term debt - current portion	--	--	--	
Obligations under capital leases - current portion	--	--	--	
Accounts payable	5,237	15,718	--	
Accounts payable to affiliated companies	5,575	6,103	9	
Accrued taxes	--	--	200	
Accrued interest	--	--	--	
Other	1,073	8,163	--	
	-----	-----	-----	-----
	11,885	29,984	3,909	
	-----	-----	-----	-----
Deferred Credits and Other Long-term Liabilities:				
Accumulated deferred income taxes	--	--	--	
Accumulated deferred investment tax credits	963	--	--	
Deferred contractual obligations	--	--	--	
Deferred pension costs	49,440	35,108	--	
Other	16,017	4,204	256	
	-----	-----	-----	-----
	66,420	39,312	256	
	-----	-----	-----	-----
Total Capitalization and Liabilities	\$ 94,400	\$ 69,310	\$ 1,578	\$
	=====	=====	=====	=====

Note: Individual columns may not add to Consolidated due to rounding. The

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accompanying notes are an integral part of these financial statements.

- (a) Not covered by auditors' report.  
 (b) See supporting statements.

### NORTHEAST UTILITIES AND SUBSIDIARIES

Consolidating Balance Sheet (a)  
 Capitalization and Liabilities  
 December 31, 2001  
 (Thousands of Dollars)

	Yankee Energy Systems, Inc. (consolidated) (b)	Charter Oak Energy, Inc. (consolidated) (b)	NU Enterprises, Inc. (consolidated) (b)
	-----	-----	-----
<b>Capitalization:</b>			
Common shareholders' equity:			
Common shares	\$ --	\$ --	\$ --
Capital surplus, paid in	484,888	75,944	212,735
Deferred contribution plan - employee stock ownership plan	--	--	--
Retained earnings	25,048	(64,147)	(64,925)
Accumulated other comprehensive (loss)/ income	(1,363)	--	(31,416)
Treasury stock	--	--	--
	-----	-----	-----
Total common shareholders' equity	508,573	11,797	116,394
Preferred stock not subject to mandatory redemption	--	--	--
Advances from Northeast Utilities	--	--	33,502
Long-term debt	152,908	--	441,979
	-----	-----	-----
Total capitalization	661,481	11,797	591,875
	-----	-----	-----
Rate Reduction Bonds	--	--	--
	-----	-----	-----
Obligations Under Capital Leases	--	--	--
	-----	-----	-----
<b>Current Liabilities:</b>			
Notes payable to banks	50,000	--	--
Notes payable to affiliated company	5,200	--	189,000
Long-term debt - current portion	1,050	--	24,000
Obligations under capital leases - current portion	--	--	--
Accounts payable	25,004	93	311,710
Accounts payable to affiliated companies	1,518	11,913	8,195
Accrued taxes	7,825	381	794
Accrued interest	3,514	--	7,801
Other	7,166	--	45,338
	-----	-----	-----
	101,277	12,387	586,838
	-----	-----	-----

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Deferred Credits and Other Long-term Liabilities:			
Accumulated deferred income taxes	67,336	--	--
Accumulated deferred investment tax credits	7,099	--	--
Deferred contractual obligations	--	--	--
Deferred pension costs	--	--	--
Other	75,734	--	67,003
	-----	-----	-----
	150,169	--	67,003
	-----	-----	-----
Total Capitalization and Liabilities	\$ 912,927	\$ 24,184	\$ 1,245,716
	=====	=====	=====

Note: Individual columns may not add to Consolidated due to rounding. The accompanying notes are an integral part of these financial statements.

- (a) Not covered by auditors' report.
- (b) See supporting statements.

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NORTHEAST UTILITIES AND SUBSIDIARIES  
Consolidating Statement of Income (a)  
Year Ended December 31, 2001  
(Thousands of Dollars)

	Northeast Utilities (parent)	The Connecticut Light and Power Company (consolidated) (b)	Public Service Company of New Hampshire (consolidated) (b)
	-----	-----	-----
Operating Revenues	\$ --	\$ 2,646,123	\$ 1,171,686
	-----	-----	-----
Operating Expenses:			
Operation-			
Fuel, purchased and net interchange power	--	1,514,418	713,668
Other	11,847	310,477	124,123
Maintenance	21	106,228	56,276
Depreciation	--	96,212	39,741
Amortization of regulatory assets, net	--	746,693	65,445
Federal and state income taxes	(10,997)	88,218	32,054
Taxes other than income taxes	49	130,656	38,375
Gain on sale of utility plant	--	(521,590)	(590)
	-----	-----	-----
Total operating expenses	920	2,471,312	1,069,092
	-----	-----	-----
Operating (Loss)/Income	(920)	174,811	102,594
	-----	-----	-----
Other Income/(Loss):			
Equity in earnings of subsidiaries	188,783	--	--
Equity in earnings of regional nuclear generating and transmission companies	2,079	1,128	473
Gain related to Millstone sale	147,935	29,461	25,924

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Loss on share repurchase contracts	(35,394)	--	--
Other, net	8,784	25,315	10,246
Minority interest in loss of subsidiary	--	(3,100)	--
Deferred nuclear plant return-other funds	--	--	--
Income taxes	(35,061)	3,317	(6,517)
	-----	-----	-----
Other income/(loss), net	277,126	56,121	30,126
	-----	-----	-----
Income before interest charges	276,206	230,932	132,720
	-----	-----	-----
Interest Charges:			
Interest on long-term debt	24,191	59,724	30,201
Interest on rate reduction bonds	--	60,644	20,721
Other interest	8,505	761	22
Deferred interest-nuclear plants	--	--	--
	-----	-----	-----
Interest charges, net	32,696	121,129	50,944
	-----	-----	-----
Income/(loss) before cumulative effect of accounting change, net of tax benefit	243,510	109,803	81,776
Cumulative effect of accounting change, net of tax benefit	--	--	--
	-----	-----	-----
Net Income/(Loss)	\$ 243,510	\$ 109,803	\$ 81,776
	=====	=====	=====

Note: Individual columns may not add to Consolidated due to rounding. The accompanying notes are an integral part of these financial statements.

- (a) Not covered by auditors' report.  
(b) See supporting statements.

NORTHEAST UTILITIES AND SUBSIDIARIES  
Consolidating Statement of Income (a)  
Year Ended December 31, 2001  
(Thousands of Dollars)

	Holyoke Water Power Company (consolidated) (b)
	-----
Operating Revenues	\$55,197
	-----
Operating Expenses:	
Operation-	
Fuel, purchased and net interchange power	27,988
Other	8,938
Maintenance	7,030
Depreciation	2,106
Amortization of regulatory assets, net	--
Federal and state income taxes	3,145

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Taxes other than income taxes	546
Gain on sale of utility plant	--
	-----
Total operating expenses	49,753
	-----
Operating (Loss)/Income	5,444
	-----
Other Income/(Loss):	
Equity in earnings of subsidiaries	--
Equity in earnings of regional nuclear generating and transmission companies	--
Gain related to Millstone sale	--
Loss on share repurchase contracts	--
Other, net	383
Minority interest in loss of subsidiary	--
Deferred nuclear plant return-other funds	--
Income taxes	545
	-----
Other income/(loss), net	928
	-----
Income before interest charges	6,372
	-----
Interest Charges:	
Interest on long-term debt	1,709
Interest on rate reduction bonds	--
Other interest	287
Deferred interest-nuclear plants	--
	-----
Interest charges, net	1,996
	-----
Income/(loss) before cumulative effect of accounting change, net of tax benefit	4,376
Cumulative effect of accounting change, net of tax benefit	--
	-----
Net Income/(Loss)	\$ 4,376
	=====

Note: Individual columns may not add to Consolidated due to rounding. The accompanying notes are an integral part of these financial statements.

- (a) Not covered by auditors' report.
- (b) See supporting statements.

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NORTHEAST UTILITIES AND SUBSIDIARIES  
Consolidating Statement of Income (a)  
Year Ended December 31, 2001  
(Thousands of Dollars)

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	Northeast Utilities Service Company	Northeast Nuclear Energy Company	North Atlantic Energy Service Corporation	Quin Co
Operating Revenues	\$ 304,802	\$ 126,749	\$ 155,436	\$
Operating Expenses:				
Operation-				
Fuel, purchased and net interchange power	--	--	8,243	
Other	263,152	70,306	103,885	
Maintenance	12,403	51,054	38,078	
Depreciation	10,831	206	--	
Amortization of regulatory assets, net	--	--	--	
Federal and state income taxes	(1,210)	(1,654)	(308)	
Taxes other than income taxes	11,342	5,588	4,821	
Gain on sale of utility plant	--	--	--	
Total operating expenses	296,518	125,500	154,719	
Operating (Loss)/Income	8,284	1,249	717	
Other Income/(Loss):				
Equity in earnings of subsidiaries	--	--	--	
Equity in earnings of regional nuclear generating and transmission companies	--	--	--	
Gain related to Millstone sale	--	--	--	
Loss on share repurchase contracts	--	--	--	
Other, net	(7,736)	(383)	(600)	
Minority interest in loss of subsidiary	--	--	--	
Deferred nuclear plant return-other funds	--	--	--	
Income taxes	--	--	--	
Other income/(loss), net	(7,736)	(383)	(600)	
Income before interest charges	548	866	117	
Interest Charges:				
Interest on long-term debt	--	98	--	
Interest on rate reduction bonds	--	--	--	
Other interest	548	355	116	
Deferred interest-nuclear plants	--	--	--	
Interest charges, net	548	453	116	
Income/(loss) before cumulative effect of accounting change, net of tax benefit	--	413	1	
Cumulative effect of accounting change, net of tax benefit	--	--	--	
Net Income/(Loss)	\$ --	\$ 413	\$ 1	\$

Note: Individual columns may not add to Consolidated due to rounding. The

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accompanying notes are an integral part of these financial statements.

- (a) Not covered by auditors' report.  
 (b) See supporting statements.

NORTHEAST UTILITIES AND SUBSIDIARIES  
 Consolidating Statement of Income (a)  
 Year Ended December 31, 2001  
 (Thousands of Dollars)

	Yankee Energy System, Inc. (consolidated) (b)	Charter Oak Energy, Inc. (consolidated) (b)	NU Enterprises, Inc. (consolidated) (b)
	-----	-----	-----
Operating Revenues	\$ 380,223	\$ --	\$ 2,975,996
	-----	-----	-----
Operating Expenses:			
Operation-			
Fuel, purchased and net interchange power	218,585	--	2,673,379
Other	57,277	(158)	187,394
Maintenance	7,969	--	55,783
Depreciation	26,578	--	6,917
Amortization of regulatory assets, net	7,761	--	1,267
Federal and state income taxes	11,191	(309)	(2,629)
Taxes other than income taxes	14,787	--	12,855
Gain on sale of utility plant	--	--	--
	-----	-----	-----
Total operating expenses	344,148	(467)	2,934,966
	-----	-----	-----
Operating (Loss)/Income	36,075	467	41,030
	-----	-----	-----
Other Income/(Loss):			
Equity in earnings of subsidiaries	--	--	--
Equity in earnings of regional nuclear generating and transmission companies	--	--	--
Gain related to Millstone sale	--	--	--
Loss on share repurchase contracts	--	--	--
Other, net	4,193	535	(2,877)
Minority interest in loss of subsidiary	--	--	--
Deferred nuclear plant return-other funds	--	--	--
Income taxes	(378)	(71)	(269)
	-----	-----	-----
Other income/(loss), net	3,815	464	(3,146)
	-----	-----	-----
Income before interest charges	39,890	931	37,884
	-----	-----	-----
Interest Charges:			
Interest on long-term debt	12,855	--	7,396
Interest on rate reduction bonds	--	--	--

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Other interest	760	--	33,111
Deferred interest-nuclear plants	--	--	--
	-----	-----	-----
Interest charges, net	13,615	--	40,507
	-----	-----	-----
Income/(loss) before cumulative effect of accounting change, net of tax benefit	26,275	931	(2,623)
Cumulative effect of accounting change, net of tax benefit	(447)	--	(21,985)
	-----	-----	-----
Net Income/(Loss)	\$ 25,828	\$ 931	\$ (24,608)
	=====	=====	=====

Note: Individual columns may not add to Consolidated due to rounding. The accompanying notes are an integral part of these financial statements.

- (a) Not covered by auditors' report.  
(b) See supporting statements.

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NORTHEAST UTILITIES AND SUBSIDIARIES  
Consolidating Statement of Retained Earnings (a)  
Year Ended December 31, 2001  
(Thousands of Dollars)

	Northeast Utilities (parent)	The Connecticut Light and Power Company (consolidated) (b)	Public Service Company of New Hampshire (consolidated) (b)
	-----	-----	-----
Balance at beginning of period	\$ 495,873	\$ 243,197	\$ 123,177
Additions:			
Net income/(loss)	243,510	109,803	81,776
Tax benefit for 1993-1999 from reduction of NU losses	--	--	--
	-----	-----	-----
	739,383	353,000	204,953
	-----	-----	-----
Deductions:			
Dividends declared:			
Preferred stock (at required annual rates):			
The Connecticut Light and Power Company	--	5,559	--
Western Massachusetts Electric Company	--	--	--
Public Service Company of New Hampshire	--	--	1,286
Common shares:			
\$7.92 per share	--	60,072	--
\$69,587.622 per share	--	--	27,000
\$42.3616 per share	--	--	--
\$.45 per share	60,923	--	--

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\$11,000.00 per share	--	--	--
Allocation of benefits-ESOP	--	468	248
	-----	-----	-----
Total deductions	60,923	66,099	28,534
	-----	-----	-----
Balance at end of period	\$ 678,460	\$ 286,901	\$ 176,419
	=====	=====	=====

NORTHEAST UTILITIES AND SUBSIDIARIES  
Consolidating Statement of Retained Earnings (a)  
Year Ended December 31, 2001  
(Thousands of Dollars)

	Holyoke Water Power Company (consolidated) (b)	Northeast Nuclear Energy Company
	-----	-----
Balance at beginning of period	\$ (5,607)	\$ 438
Additions:		
Net income/(loss)	4,376	413
Tax benefit for 1993-1999 from reduction of NU losses	--	--
	-----	-----
	(1,231)	851
	-----	-----
Deductions:		
Dividends declared:		
Preferred stock (at required annual rates):		
The Connecticut Light and Power Company	--	--
Western Massachusetts Electric Company	--	--
Public Service Company of New Hampshire	--	--
Common shares:		
\$7.92 per share	--	--
\$69,587.622 per share	--	--
\$42.3616 per share	--	--
\$.45 per share	--	--
\$11,000.00 per share	--	--
Allocation of benefits-ESOP	2	--
	-----	-----
Total deductions	2	--
	-----	-----
Balance at end of period	\$ (1,233)	\$ 851
	=====	=====

NORTHEAST UTILITIES AND SUBSIDIARIES  
Consolidating Statement of Capital Surplus, Paid In (a)

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Year Ended December 31, 2001  
(Thousands of Dollars)

	Northeast Utilities (parent) -----	The Connecticut Light and Power Company (consolidated) (b) -----	Public Service Company of New Hampshire (consolidated) (b) -----
Balance at beginning of period	\$ 942,144	\$ 413,192	\$ 424,909
Repurchase of common stock	--	--	(259,999)
Capital contribution from Northeast Utilities	--	--	--
Dividends declared on common shares			
at \$25,000.00 per share	--	--	--
at \$55,000.00 per share	--	--	--
Premium on Capital Stock - Issuance	1,207	--	--
Additional paid in capital - ESOP shares	(2,296)	--	--
Common share issuance & retirements expenses, net of amortization	2,118	826	90
Repurchase of common shares from share purchase arrangements	164,436	--	--
	-----	-----	-----
Balance at end of period	\$ 1,107,609 =====	\$ 414,018 =====	\$ 165,000 =====

Note: Individual columns may not add to Consolidated due to rounding.  
The accompanying notes are an integral part of these financial statements.

- (a) Not covered by auditors' report.
- (b) See supporting statements.

NORTHEAST UTILITIES AND SUBSIDIARIES  
Consolidating Statement of Capital Surplus, Paid In (a)  
Year Ended December 31, 2001  
(Thousands of Dollars)

	Holyoke Water Power Company (consolidated) (b) -----	Northeast Utilities Energy Company -----
Balance at beginning of period	\$ 6,000	\$ 1
Repurchase of common stock	--	--
Capital contribution from Northeast Utilities	--	--
Dividends declared on common shares		
at \$25,000.00 per share	--	--

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at \$55,000.00 per share	--	--
Premium on Capital Stock - Issuance	--	--
Additional paid in capital - ESOP shares	--	--
Common share issuance & retirements expenses, net of amortization	--	--
Repurchase of common shares from share purchase arrangements	--	--
	-----	-----
Balance at end of period	\$ 6,000	\$ 1
	=====	=====

Note: Individual columns may not add to Consolidated due to rounding.  
The accompanying notes are an integral part of these financial statements.

- (a) Not covered by auditors' report.  
(b) See supporting statements.

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NORTHEAST UTILITIES AND SUBSIDIARIES  
Consolidating Statement of Retained Earnings (a)  
Year Ended December 31, 2001  
(Thousands of Dollars)

	North Atlantic Energy Service Corporation	The Quinnehtuk Company	The Rocky River Realty Company
	-----	-----	-----
Balance at beginning of period	\$ 3	\$ (2,999)	\$ 674
Additions:			
Net income/(loss)	1	(93)	--
Tax benefit for 1993-1999 from reduction of NU losses	--	--	--
	-----	-----	-----
	4	(3,092)	674
	-----	-----	-----
Deductions:			
Dividends declared:			
Preferred stock (at required annual rates):			
The Connecticut Light and Power Company	--	--	--
Western Massachusetts Electric Company	--	--	--
Public Service Company of New Hampshire	--	--	--
Common shares:			
\$7.92 per share	--	--	--
\$69,587.622 per share	--	--	--
\$42.3616 per share	--	--	--
\$.45 per share	--	--	--
\$11,000.00 per share	--	--	--
Allocation of benefits-ESOP	--	--	--

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Total deductions	----- -- -----	----- -- -----	----- -- -----
Balance at end of period	\$ 4 =====	\$ (3,092) =====	\$ 674 =====

NORTHEAST UTILITIES AND SUBSIDIARIES  
Consolidating Statement of Retained Earnings (a)  
Year Ended December 31, 2001  
(Thousands of Dollars)

	Yankee Energy System, Inc. (consolidated) (b)	Charter Oak Energy, Inc. (consolidated) (b)	NU Enterprises, Inc. (consolidated) (b)
	-----	-----	-----
Balance at beginning of period	\$ (733)	\$ (65,078)	\$ (40,183)
Additions:			
Net income/(loss)	25,828	931	(24,608)
Tax benefit for 1993-1999 from reduction of NU losses	--	--	--
	----- 25,095 -----	----- (64,147) -----	----- (64,791) -----
Deductions:			
Dividends declared:			
Preferred stock (at required annual rates):			
The Connecticut Light and Power Company	--	--	--
Western Massachusetts Electric Company	--	--	--
Public Service Company of New Hampshire	--	--	--
Common shares:			
\$7.92 per share	--	--	--
\$69,587.622 per share	--	--	--
\$42.3616 per share	--	--	--
\$.45 per share	--	--	--
\$11,000.00 per share	--	--	--
Allocation of benefits-ESOP	47	--	134
Total deductions	----- 47 -----	----- -- -----	----- 134 -----
Balance at end of period	\$ 25,048 =====	\$ (64,147) =====	\$ (64,925) =====

NORTHEAST UTILITIES AND SUBSIDIARIES  
Consolidating Statement of Capital Surplus, Paid In (a)  
Year Ended December 31, 2001  
(Thousands of Dollars)

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	Northeast Nuclear Energy Company	North Atlantic Energy Service Corporation	The Quinnehtuk Company
	-----	-----	-----
Balance at beginning of period	\$ 15,350	\$ 9	\$ 155
Repurchase of common stock	--	--	--
Capital contribution from Northeast Utilities	--	--	--
Dividends declared on common shares			
at \$25,000.00 per share	--	--	--
at \$55,000.00 per share	--	--	--
Premium on Capital Stock - Issuance	--	--	--
Additional paid in captial - ESOP shares	--	--	--
Common share issuance & retirements expenses, net of amortization	--	--	--
Repurchase of common shares from share purchase arrangements	--	--	--
	-----	-----	-----
Balance at end of period	\$ 15,350 =====	\$ 9 =====	\$ 155 =====

Note: Individual columns may not add to Consolidated due to rounding.  
The accompanying notes are an integral part of these financial statements.

- (a) Not covered by auditors' report.
- (b) See supporting statements.

NORTHEAST UTILITIES AND SUBSIDIARIES  
Consolidating Statement of Capital Surplus, Paid In (a)  
Year Ended December 31, 2001  
(Thousands of Dollars)

	Yankee Energy System, Inc. (consolidated) (b)	Charter Oak Energy, Inc. (consolidated) (b)	NU Enterprises, Inc. (consolidated) (b)
	-----	-----	-----
Balance at beginning of period	\$ 484,888	\$ 83,944	\$ 155,510
Repurchase of common stock	--	--	(75,000)
Capital contribution from Northeast Utilities	--	--	103,425
Dividends declared on common shares			
at \$25,000.00 per share	--	(2,500)	--
at \$55,000.00 per share	--	(5,500)	--
Premium on Capital Stock - Issuance	--	--	--
Additional paid in captial - ESOP shares	--	--	--

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Common share issuance & retirements expenses, net of amortization	--	--	--
Repurchase of common shares from share purchase arrangements	--	--	--
	-----	-----	-----
Balance at end of period	\$ 484,888	\$ 75,944	\$ 183,935
	=====	=====	=====

Note: Individual columns may not add to Consolidated due to rounding. The accompanying notes are an integral part of these financial statements.

- (a) Not covered by auditors' report.  
(b) See supporting statements.

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NORTHEAST UTILITIES AND SUBSIDIARIES  
Consolidating Statement of Cash Flows (a)  
Year Ended December 31, 2001  
(Thousands of Dollars)

	Northeast Utilities (parent)	Connecticut Light and Power Company (consolidated)
	(b)	(b)
	-----	-----
Operating Activities:		
Income/(Loss) before extraordinary loss	\$ 243,510	\$ 109,803
Adjustments to reconcile to net cash provided by/(used in) operating activities:		
Depreciation	--	96,212
Deferred income taxes and investment tax credits, net	(233)	(144,559)
Amortization of recoverable energy costs	--	5,162
Amortization of regulatory assets, net	--	746,693
(Gain)/loss on sale of utility plant	--	(521,590)
Cumulative effect of accounting change	--	--
Allocation of ESOP benefits	--	(468)
Equity in earnings of subsidiary companies	(188,783)	--
Cash dividends received from subsidiary companies	120,072	--
Accumulated comprehensive income - hedging derivatives	--	--
Net other sources/(uses) of cash	3,169	(137,616)
Changes in working capital:		
Receivables and accrued utility revenues, net	(17,492)	(144,419)
Fuel, materials and supplies	--	3,247
Accounts payable	25,788	(58,400)
Accrued taxes	(886)	1,922
Investments in securitizable assets	--	61,779
Unrealized gains on mark-to-market transactions	--	--
Other working capital (excludes cash)	(2,705)	26,440
	-----	-----
Net cash flows provided by/(used in) operating activities	182,440	44,206
	-----	-----

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Investing Activities:

Investment in regulated plant:		
Electric and other utility plant	--	(237,423)
Nuclear fuel	--	(1,992)
	-----	-----
Net cash flows used for investments in regulated plant	--	(239,415)
Investment in NU system Money Pool	(30,400)	(39,200)
Investment in subsidiaries	363,631	--
Investment in nuclear decommissioning trusts	--	(74,866)
Investments in competitive energy assets	--	--
Net proceeds from the sale of utility plant	--	827,692
Other investment activities, net	1,415	(10,164)
Payment for the purchase of SENY, net of cash acquired	--	--
Buyout/buydown of IPP contracts	--	(1,029,008)
	-----	-----
Net cash flows provided by/(used in) by investing activities	334,646	(564,961)
	-----	-----

Financing Activities:

Issuance of rate reduction bonds	--	1,438,400
Retirement of rate reduction bonds	--	(79,747)
Repurchase of common shares	(291,789)	--
Issuance of common shares	1,751	--
Issuance of long-term debt	263,000	--
Net (decrease)/increase in short-term debt	(396,000)	(115,000)
Reacquisitions and retirements of long-term debt	(21,000)	(416,155)
Reacquisitions and retirements of preferred stock	--	--
Retirement of monthly income preferred securities	--	(100,000)
Retirement of capital lease obligation	--	(145,800)
Advance from parent	--	--
Cash dividends on preferred stock	--	(5,559)
Cash dividends on common shares	(60,923)	(60,072)
Buydown of capital lease obligation	--	--
Capital contributions from Northeast Utilities	--	--
	-----	-----
Net cash flows (used in)/provided financing activities	(504,961)	516,067
	-----	-----

Net increase/(decrease) in cash for the period	12,125	(4,688)
Cash and cash equivalents - beginning of period	1,058	5,461
	-----	-----
Cash and cash equivalents - end of period	\$ 13,183	\$ 773
	=====	=====

Supplemental Cash Flow Information:

Cash paid/(refunded) during the year for:		
Interest, net of amounts capitalized	\$ 35,453	\$ 120,645
	=====	=====
Income taxes	\$ 32,126	\$ 230,144
	=====	=====
Increase in obligations:		
Niantic Bay Fuel Trust and other capital leases	\$ --	\$ 1,754
	=====	=====
Seabrook Power Contracts	\$ --	\$ --
	=====	=====

Note: Individual columns may not add to Consolidated due to rounding.

The accompanying notes are an integral part of these financial statements.

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- (a) Not covered by auditors' report.  
 (b) See supporting statements.

NORTHEAST UTILITIES AND SUBSIDIARIES  
 Consolidating Statement of Cash Flows (a)  
 Year Ended December 31, 2001  
 (Thousands of Dollars)

	North Atlantic Energy Corporation	Holyoke Water Power Company (consolidated) (b)	Northeast Utilities Service Company
	-----	-----	-----
<b>Operating Activities:</b>			
Income/(Loss) before extraordinary loss	\$ 4,175	\$ 4,376	\$ --
Adjustments to reconcile to net cash provided by/(used in) operating activities:			
Depreciation	511,172	2,106	10,833
Deferred income taxes and investment tax credits, net	(185,549)	644	(7,633)
Amortization of recoverable energy costs	--	--	--
Amortization of regulatory assets, net	28,366	--	--
(Gain)/loss on sale of utility plant	--	--	--
Cumulative effect of accounting change	--	--	--
Allocation of ESOP benefits	--	(2)	--
Equity in earnings of subsidiary companies	--	--	--
Cash dividends received from subsidiary companies	--	--	--
Accumulated comprehensive income - hedging derivatives	--	--	--
Net other sources/(uses) of cash	17,291	(8,000)	27,663
Changes in working capital:			
Receivables and accrued utility revenues, net	41,291	1,678	82,633
Fuel, materials and supplies	(416)	(1,394)	(13,333)
Accounts payable	(925)	294	(85,683)
Accrued taxes	--	(785)	(2,133)
Investments in securitizable assets	--	--	--
Unrealized gains on mark-to-market transactions	--	--	--
Other working capital (excludes cash)	(5,541)	(469)	(16,563)
Net cash flows provided by/(used in) operating activities	409,864	(1,552)	8,973
	-----	-----	-----
<b>Investing Activities:</b>			
Investment in regulated plant:			
Electric and other utility plant	(5,356)	--	(10,693)
Nuclear fuel	(12,106)	--	--
Net cash flows used for investments in regulated plant	(17,462)	--	(10,693)
Investment in NU system Money Pool	(4,400)	12,900	(139,403)
Investment in subsidiaries	--	--	--
Investment in nuclear decommissioning trusts	(7,036)	--	--
Investments in competitive energy assets	--	(550)	--
Net proceeds from the sale of utility plant	--	17,550	--
Other investment activities, net	--	1,617	443
Payment for the purchase of SENY, net of cash acquired	--	--	--
Buyout/buydown of IPP contracts	--	--	--

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Net cash flows provided by/(used in) investing activities	(28,898)	31,517	(149,65)
Financing Activities:			
Issuance of rate reduction bonds	--	--	--
Retirement of rate reduction bonds	--	--	--
Repurchase of common shares	(125,000)	--	--
Issuance of common shares	--	--	--
Issuance of long-term debt	--	--	--
Net (decrease)/increase in short-term debt	(110,000)	--	153,60
Reacquisitions and retirements of long-term debt	(135,000)	(38,300)	--
Reacquisitions and retirements of preferred stock	--	--	--
Retirement of monthly income preferred securities	--	--	--
Retirement of capital lease obligation	--	--	--
Advance from parent	--	9,600	--
Cash dividends on preferred stock	--	--	--
Cash dividends on common shares	(11,000)	--	--
Buydown of capital lease obligation	--	--	--
Capital contributions from Northeast Utilities	--	--	--
Net cash flows (used in)/provided by financing activities	(381,000)	(28,700)	153,60
Net increase/(decrease) in cash for the period	(34)	1,265	12,91
Cash and cash equivalents - beginning of period	118	1,865	45,37
Cash and cash equivalents - end of period	\$ 84	\$ 3,130	\$ 58,29
Supplemental Cash Flow Information:			
Cash paid/(refunded) during the year for:			
Interest, net of amounts capitalized	\$ 15,409	\$ 2,546	\$ (3
Income taxes	\$ 212,100	\$ 2,776	\$ 16,59
Increase in obligations:			
Niantic Bay Fuel Trust and other capital leases	\$ 15,409	\$ --	\$ --
Seabrook Power Contracts	\$ 212,100	\$ --	\$ --

Note: Individual columns may not add to Consolidated due to rounding.

The accompanying notes are an integral part of these financial statements.

(a) Not covered by auditors' report.

(b) See supporting statements.

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NORTHEAST UTILITIES AND SUBSIDIARIES  
 Consolidating Statement of Cash Flows (a)  
 Year Ended December 31, 2001  
 (Thousands of Dollars)

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	Northeast Nuclear Energy Company	North Atlantic Energy Service Corporation
	-----	-----
Operating Activities:		
Income/(Loss) before extraordinary loss	\$ 413	\$ 1
Adjustments to reconcile to net cash provided by/(used in) operating activities:		
Depreciation	206	--
Deferred income taxes and investment tax credits, net	3,451	(588)
Amortization of recoverable energy costs	--	--
Amortization of regulatory assets, net	--	--
(Gain)/loss on sale of utility plant	--	--
Cumulative effect of accounting change	--	--
Allocation of ESOP benefits	--	--
Equity in earnings of subsidiary companies	--	--
Cash dividends received from subsidiary companies	--	--
Accumulated comprehensive income - hedging derivatives	--	--
Net other sources/(uses) of cash	27,569	(93)
Changes in working capital:		
Receivables and accrued utility revenues, net	40,134	(1,316)
Fuel, materials and supplies	71,358	22
Accounts payable	(41,772)	397
Accrued taxes	--	(481)
Investments in securitizable assets	--	--
Unrealized gains on mark-to-market transactions	--	--
Other working capital (excludes cash)	(53,723)	1,168
	-----	-----
Net cash flows provided by/(used in) operating activities	47,636	(890)
	-----	-----
Investing Activities:		
Investment in regulated plant:		
Electric and other utility plant	--	--
Nuclear fuel	--	--
	-----	-----
Net cash flows used for investments in regulated plant	--	--
Investment in NU system Money Pool	(47,600)	--
Investment in subsidiaries	--	--
Investment in nuclear decommissioning trusts	--	--
Investments in competitive energy assets	--	--
Net proceeds from the sale of utility plant	--	--
Other investment activities, net	--	--
Payment for the purchase of SENY, net of cash acquired	--	--
Buyout/buydown of IPP contracts	--	--
	-----	-----
Net cash flows provided by/(used in) investing activities	(47,600)	--
	-----	-----
Financing Activities:		
Issuance of rate reduction bonds	--	--
Retirement of rate reduction bonds	--	--
Repurchase of common shares	--	--
Issuance of common shares	--	--
Issuance of long-term debt	--	--
Net (decrease)/increase in short-term debt	--	--
Reacquisitions and retirements of long-term debt	--	--
Reacquisitions and retirements of preferred stock	--	--

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Retirement of monthly income preferred securities	--	--
Retirement of capital lease obligation	--	--
Advance from parent	--	--
Cash dividends on preferred stock	--	--
Cash dividends on common shares	--	--
Buydown of capital lease obligation	--	--
Capital contributions from Northeast Utilities	--	--
	-----	-----
Net cash flows (used in)/provided by financing activities	--	--
	-----	-----
Net increase/(decrease) in cash for the period	36	(890)
Cash and cash equivalents - beginning of period	--	3,095
	-----	-----
Cash and cash equivalents - end of period	\$ 36	\$ 2,205
	=====	=====
Supplemental Cash Flow Information:		
Cash paid/(refunded) during the year for:		
Interest, net of amounts capitalized	\$ 212	\$ --
	=====	=====
Income taxes	\$ (3,511)	\$ 1,493
	=====	=====
Increase in obligations:		
Niantic Bay Fuel Trust and other capital leases	\$ --	\$ --
	=====	=====
Seabrook Power Contracts	\$ --	\$ --
	=====	=====

Note: Individual columns may not add to Consolidated due to rounding.

The accompanying notes are an integral part of these financial statements.

(a) Not covered by auditors' report.

(b) See supporting statements.

NORTHEAST UTILITIES AND SUBSIDIARIES  
Consolidating Statement of Cash Flows (a)  
Year Ended December 31, 2001  
(Thousands of Dollars)

	The Quinnehtuk Company	The Rocky River Realty Company	Yank Syst (cons
	-----	-----	-----
Operating Activities:			
Income/(Loss) before extraordinary loss	\$ (93)	\$ --	\$
Adjustments to reconcile to net cash provided by/(used in) operating activities:			
Depreciation	54	2,445	
Deferred income taxes and investment tax credits, net	(2)	918	

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Amortization of recoverable energy costs	--	--
Amortization of regulatory assets, net	--	--
(Gain)/loss on sale of utility plant	--	--
Cumulative effect of accounting change	--	--
Allocation of ESOP benefits	--	--
Equity in earnings of subsidiary companies	--	--
Cash dividends received from subsidiary companies	--	--
Accumulated comprehensive income - hedging derivatives	--	--
Net other sources/(uses) of cash	(12)	(1,263)
Changes in working capital:		
Receivables and accrued utility revenues, net	--	20
Fuel, materials and supplies	--	--
Accounts payable	(34)	(6)
Accrued taxes	(32)	(32)
Investments in securitizable assets	--	--
Unrealized gains on mark-to-market transactions	--	--
Other working capital (excludes cash)	(1)	(913)
	-----	-----
Net cash flows provided by/(used in) operating activities	(120)	1,169
	-----	-----
Investing Activities:		
Investment in regulated plant:		
Electric and other utility plant	--	(4,045)
Nuclear fuel	--	--
	-----	-----
Net cash flows used for investments in regulated plant	--	(4,045)
Investment in NU system Money Pool	--	--
Investment in subsidiaries	--	--
Investment in nuclear decommissioning trusts	--	--
Investments in competitive energy assets	--	--
Net proceeds from the sale of utility plant	--	--
Other investment activities, net	--	4
Payment for the purchase of SENY, net of cash acquired	--	--
Buyout/buydown of IPP contracts	--	--
	-----	-----
Net cash flows provided by/(used in) investing activities	--	(4,041)
	-----	-----
Financing Activities:		
Issuance of rate reduction bonds	--	--
Retirement of rate reduction bonds	--	--
Repurchase of common shares	--	--
Issuance of common shares	--	--
Issuance of long-term debt	--	--
Net (decrease)/increase in short-term debt	100	5,200
Reacquisitions and retirements of long-term debt	--	(2,223)
Reacquisitions and retirements of preferred stock	--	--
Retirement of monthly income preferred securities	--	--
Retirement of capital lease obligation	--	--
Advance from parent	--	--
Cash dividends on preferred stock	--	--
Cash dividends on common shares	--	--
Buydown of capital lease obligation	--	--
Capital contributions from Northeast Utilities	--	--
	-----	-----
Net cash flows (used in)/provided by financing activities	100	2,977
	-----	-----
Net increase/(decrease) in cash for the period	(20)	105
Cash and cash equivalents - beginning of period	44	--
	-----	-----

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Cash and cash equivalents - end of period	\$ 24	\$ 105	\$
	=====	=====	=====
Supplemental Cash Flow Information:			
Cash paid/(refunded) during the year for:			
Interest, net of amounts capitalized	\$ 147	\$ 1,818	\$
	=====	=====	=====
Income taxes	\$ (50)	\$ 25	\$
	=====	=====	=====
Increase in obligations:			
Niantic Bay Fuel Trust and other capital leases	\$ --	\$ --	\$
	=====	=====	=====
Seabrook Power Contracts	\$ --	\$ --	\$
	=====	=====	=====

Note: Individual columns may not add to Consolidated due to rounding.

The accompanying notes are an integral part of these financial statements.

- (a) Not covered by auditors' report.
- (b) See supporting statements.

NORTHEAST UTILITIES AND SUBSIDIARIES  
Consolidating Statement of Cash Flows (a)  
Year Ended December 31, 2001  
(Thousands of Dollars)

	NU Enterprises, Inc. (consolidated) (b)	Eliminations	Con
	-----	-----	---
Operating Activities:			
Income/(Loss) before extraordinary loss	\$ (2,623)	\$ 210,320	\$
Adjustments to reconcile to net cash provided by/(used in) operating activities:			
Depreciation	6,917	509,067	
Deferred income taxes and investment tax credits, net	31,599	13,714	
Amortization of recoverable energy costs	--	(10,862)	
Amortization of regulatory assets, net	1,267	(1,629)	
(Gain)/loss on sale of utility plant	--	--	
Cumulative effect of accounting change	(21,985)	--	
Allocation of ESOP benefits	(134)	(994)	
Equity in earnings of subsidiary companies	--	(188,783)	
Cash dividends received from subsidiary companies	--	120,072	
Accumulated comprehensive income - hedging derivatives	(31,416)	(31,416)	
Net other sources/(uses) of cash	(48,308)	(92,328)	
Changes in working capital:			
Receivables and accrued utility revenues, net	(153,098)	205,848	
Fuel, materials and supplies	685	4,554	
Accounts payable	110,812	(233,179)	

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Accrued taxes	(2,894)	9,210	
Investments in securitizable assets	--	--	
Unrealized gains on mark-to-market transactions	(45,989)	(45,989)	
Other working capital (excludes cash)	8,908	80,542	
	-----	-----	
Net cash flows provided by/(used in) operating activities	(146,259)	548,147	
	-----	-----	
Investing Activities:			
Investment in regulated plant:			
Electric and other utility plant	(40)	(568)	
Nuclear fuel	--	--	
	-----	-----	
Net cash flows used for investments in regulated plant	(40)	(568)	
Investment in NU system Money Pool	(15,500)	(276,401)	
Investment in subsidiaries	--	363,631	
Investment in nuclear decommissioning trusts	--	--	
Investments in competitive energy assets	(14,818)	--	
Net proceeds from the sale of utility plant	--	(3,352)	1
Other investment activities, net	(9,990)	(1,008)	
Payment for the purchase of SENY, net of cash acquired	(25,823)	--	
Buyout/buydown of IPP contracts	--	19,700	(1
	-----	-----	
Net cash flows provided by/(used in) investing activities	(66,171)	102,002	
	-----	-----	
Financing Activities:			
Issuance of rate reduction bonds	--	--	2
Retirement of rate reduction bonds	--	--	
Repurchase of common shares	(75,000)	(475,000)	
Issuance of common shares	--	--	
Issuance of long-term debt	440,000	287,485	
Net (decrease)/increase in short-term debt	(316,477)	276,401	(1
Reacquisitions and retirements of long-term debt	(498)	(287,484)	
Reacquisitions and retirements of preferred stock	--	--	
Retirement of monthly income preferred securities	--	--	
Retirement of capital lease obligation	--	--	
Advance from parent	4,702	14,302	
Cash dividends on preferred stock	--	--	
Cash dividends on common shares	--	(128,072)	
Buydown of capital lease obligation	--	(497,508)	
Capital contributions from Northeast Utilities	132,225	132,225	
	-----	-----	
Net cash flows (used in)/provided by financing activities	184,952	(677,651)	
	-----	-----	
Net increase/(decrease) in cash for the period	(27,478)	(27,502)	
Cash and cash equivalents - beginning of period	43,555	27,502	
	-----	-----	
Cash and cash equivalents - end of period	\$ 16,077	\$ 0	\$
	=====	=====	=====
Supplemental Cash Flow Information:			
Cash paid/(refunded) during the year for:			
Interest, net of amounts capitalized	\$ 29,735	\$ 10,632	\$
	=====	=====	=====
Income taxes	\$ (30,960)	\$ 0	\$
	=====	=====	=====
Increase in obligations:			
Niantic Bay Fuel Trust and other capital leases	\$ --	\$ 15,408	\$
	=====	=====	=====
Seabrook Power Contracts	\$ --	\$ (305,898)	\$

Note: Individual columns may not add to Consolidated due to rounding.

The accompanying notes are an integral part of these financial statements.

(a) Not covered by auditors' report.

(b) See supporting statements.

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THE CONNECTICUT LIGHT AND POWER COMPANY  
AND SUBSIDIARIES (a)  
Consolidating Balance Sheet (b)  
Assets  
December 31, 2001  
(Thousands of Dollars)

	The Connecticut Light and Power Company	CL&P Receivables Corporation	CL&P Capital, L.P.	C
Utility Plant, at cost:				
Electric	\$ 3,127,548	\$ --	\$ --	\$
Less: Accumulated provision for depreciation	1,236,638	--	--	
	1,890,910	--	--	
Construction work in progress	134,964	--	--	
Nuclear fuel, net	3,299	--	--	
Total net utility plant	2,029,173	--	--	
Other Property and Investments:				
Nuclear decommissioning trusts, at market	6,231	--	--	
Investments in regional nuclear generating companies, at equity	34,696	--	--	
Investments in subsidiary companies, at equity	48,311	--	--	
Other, at cost	36,502	--	--	
	125,740	--	--	
Current Assets:				
Cash	610	163	--	
Investments in securitizable assets	(65,150)	36,367	--	
Notes receivable from affiliated companies	77,200	--	--	1,
Receivables, net	247,801	--	--	
Accounts receivable from affiliated companies	78,568	109,856	--	
Unbilled revenues	7,492	--	--	
Fuel, materials, and supplies, at average cost	33,085	--	--	
Prepayments and other	17,703	--	--	

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	397,309	146,386	--	1,
	-----	-----	-----	-----
Deferred Charges:				
Regulatory assets	1,877,191	--	--	
Unamortized debt expense	6,203	--	--	
Prepaid pension	233,692	--	--	
Other	47,244	--	--	
	-----	-----	-----	-----
	2,164,330	--	--	
	-----	-----	-----	-----
 Total Assets	 \$ 4,716,552	 \$ 146,386	 \$ --	 \$ 1,
	=====	=====	=====	=====

Note: Individual columns may not add to Consolidated due to rounding.  
The accompanying notes are an integral part of these financial statements.

- (a) Not included are the following inactive subsidiaries: Electric Power, Incorporated, The Nutmeg Power Company and the Connecticut Steam Company.
- (b) Not covered by auditors' report.

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THE CONNECTICUT LIGHT AND POWER COMPANY  
AND SUBSIDIARIES (a)  
Consolidating Balance Sheet (b)  
Capitalization and Liabilities  
December 31, 2001  
(Thousands of Dollars)

	The Connecticut Light and Power Company	CL&P Receivables Corporation	CL&P Capital, L.P.	C Fund
	-----	-----	-----	-----
Capitalization:				
Common stockholder's equity:				
Common stock	\$ 75,849	\$ --	\$ --	\$ --
Capital surplus, paid in	414,018	70,829	--	
Retained earnings	286,901	41,058	--	
Accumulated other comprehensive income	67	--	--	
	-----	-----	-----	-----
Total common stockholder's equity	776,835	111,887	--	
Preferred stock not subject to mandatory redemption	116,200	--	--	
Long-term debt	824,349	--	--	
	-----	-----	-----	-----
Total capitalization	1,717,384	111,887	--	
	-----	-----	-----	-----
 Rate Reduction Bonds	 --	 --	 --	 1,
	-----	-----	-----	-----

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Obligations under Capital Leases	15,499	--	--	
	-----	-----	-----	-----
Current Liabilities:				
Notes payable to affiliated companies	1,358,653	--	--	
Obligations under capital leases-current portion	541	--	--	
Accounts payable	132,593	--	--	
Accounts payable to affiliated companies	85,057	--	--	
Accrued taxes	30,696	4,127	--	
Accrued interest	10,369	30,372	--	
Other	39,923	--	--	
	-----	-----	-----	-----
	1,657,832	34,499	--	
	-----	-----	-----	-----
Deferred Credits and Other Long-term Liabilities:				
Accumulated deferred income taxes	820,444	--	--	
Accumulated deferred investment tax credit	95,996	--	--	
Deferred contractual obligations	141,497	--	--	
Other	267,900	--	--	
	-----	-----	-----	-----
	1,325,837	--	--	
	-----	-----	-----	-----
Total Capitalization and Liabilities	\$ 4,716,552	\$ 146,386	\$ --	\$ 1,-----
	=====	=====	=====	=====

Note: Individual columns may not add to Consolidated due to rounding.  
The accompanying notes are an integral part of these financial statements.

- (a) Not included are the following inactive subsidiaries: Electric Power, Incorporated, The Nutmeg Power Company and the Connecticut Steam Company.
- (b) Not covered by auditors' report.

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THE CONNECTICUT LIGHT AND POWER COMPANY  
AND SUBSIDIARIES (a)  
Consolidating Statement of Income (b)  
Year Ended December 31, 2001  
(Thousands of Dollars)

	The Connecticut Light and Power Company	CL&P Receivables Corporation	CL&P Capital, L.P.
	-----	-----	-----
Operating Revenues	\$ 2,646,123	\$ --	\$ --
	-----	-----	-----
Operating Expenses:			
Operation-			
Fuel, purchased and net interchange power	1,514,418	--	--
Other	309,998	479	--

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Maintenance	106,228	--	--
Depreciation	96,212	--	--
Amortization of regulatory assets	746,693	--	--
Federal and state income taxes	88,218	--	--
Taxes other than income taxes	130,656	--	--
Gain on sale of utility plant	(521,590)	--	--
	-----	-----	-----
Total operating expenses	2,470,833	479	--
	-----	-----	-----
Operating Income/(Loss)	175,290	(479)	--
	-----	-----	-----
Other Income/(loss):			
Equity in earnings of subsidiaries	13,187	--	--
Equity in earnings of regional nuclear generating companies	1,128	--	--
Gain related to Millstone sale	29,461	--	--
Other, net	6,163	25,108	3,196
Minority interest in loss of subsidiary	(3,100)	--	--
Income taxes	11,999	(8,682)	--
	-----	-----	-----
Other income/(loss), net	58,838	16,426	3,196
	-----	-----	-----
Income before interest charges	234,128	15,947	3,196
	-----	-----	-----
Interest Charges:			
Interest on long-term debt	59,724	--	--
Interest on rate reduction bonds	60,644	--	--
Other interest	3,957	2,857	--
	-----	-----	-----
Interest charges, net	124,325	2,857	--
	-----	-----	-----
Net Income	\$ 109,803	\$ 13,090	\$ 3,196
	=====	=====	=====

Note: Individual columns may not add to Consolidated due to rounding. The accompanying notes are an integral part of these financial statements.

(a) Not included are the following inactive subsidiaries: Electric Power, Incorporated, The Nutmeg Power Company and The Connecticut Steam Company.

(b) Not covered by auditors' report.

THE CONNECTICUT LIGHT AND POWER COMPANY  
AND SUBSIDIARIES (a)  
Consolidating Statement of Income (b)  
Year Ended December 31, 2001  
(Thousands of Dollars)

	Eliminations	Consolidated
	-----	-----
Operating Revenues	\$ 61,239	\$ 2,646,123

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Operating Expenses:		
Operation-		
Fuel, purchased and net interchange power	--	1,514,418
Other	595	310,477
Maintenance	--	106,228
Depreciation	--	96,212
Amortization of regulatory assets	--	746,693
Federal and state income taxes	--	88,218
Taxes other than income taxes	--	130,656
Gain on sale of utility plant	--	(521,590)
	-----	-----
Total operating expenses	595	2,471,312
	-----	-----
Operating Income/(Loss)	60,644	174,811
	-----	-----
Other Income/(loss):		
Equity in earnings of subsidiaries	13,187	--
Equity in earnings of regional nuclear generating companies	--	1,128
Gain related to Millstone sale	--	29,461
Other, net	9,706	25,315
Minority interest in loss of subsidiary	--	(3,100)
Income taxes	--	3,317
	-----	-----
Other income/(loss), net	22,893	56,121
	-----	-----
Income before interest charges	83,537	230,932
	-----	-----
Interest Charges:		
Interest on long-term debt	--	59,724
Interest on rate reduction bonds	61,198	60,644
Other interest	6,053	761
	-----	-----
Interest charges, net	67,251	121,129
	-----	-----
Net Income	\$ 16,286	\$ 109,803
	=====	=====

Note: Individual columns may not add to Consolidated due to rounding. The accompanying notes are an integral part of these financial statements.

- (a) Not included are the following inactive subsidiaries: Electric Power, Incorporated, The Nutmeg Power Company and The Connecticut Steam Company.
- (b) Not covered by auditors' report.

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THE CONNECTICUT LIGHT AND POWER COMPANY  
AND SUBSIDIARIES (a)  
Consolidating Statement of Retained Earnings (b)  
Year Ended December 31, 2001

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(Thousands of Dollars)

	The Connecticut Light and Power Company	CL&P Receivables Corporation	CL&P Capital, L.P.	CL&P Funding LLC
Balance at beginning of period	\$ 243,197	\$ 27,968	\$ --	\$ --
Additions:				
Net income	109,803	13,090	3,196	--
	353,000	41,058	3,196	--
Deductions:				
Dividends declared:				
Preferred stock (at required annual rates)	5,559	--	--	--
Common stock \$7.92 per share	60,072	--	--	--
MIPS Partnership distribution	--	--	3,100	--
Cash distribution to The Connecticut Light and Power Company	--	--	96	--
Close out of retained earnings due to dissolving of subsidiary	--	--	--	--
Allocation of benefits-ESOP	468	--	--	--
Total deductions	66,099	--	3,196	--
Balance at end of period	\$ 286,901	\$ 41,058	\$ --	\$ --

THE CONNECTICUT LIGHT AND POWER COMPANY  
AND SUBSIDIARIES (a)  
Consolidating Statement of Retained Earnings (b)  
Year Ended December 31, 2001  
(Thousands of Dollars)

	Eliminations	Consolidated
Balance at beginning of period	\$ 28,019	\$ 243,197
Additions:		
Net income	16,286	109,803
	44,305	353,000
Deductions:		
Dividends declared:		
Preferred stock (at required annual rates)	--	5,559
Common stock \$7.92 per share	--	60,072
MIPS Partnership distribution	3,100	--
Cash distribution to The Connecticut		

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Light and Power Company	96	--
Close out of retained earnings due to dissolving of subsidiary	51	--
Allocation of benefits-ESOP	--	468
	-----	-----
Total deductions	3,247	66,099
	-----	-----
Balance at end of period	\$ 41,058	\$ 286,901
	=====	=====

THE CONNECTICUT LIGHT AND POWER COMPANY  
AND SUBSIDIARIES (a)  
Consolidating Statement of Capital Surplus, Paid In (b)  
Year Ended December 31, 2001  
(Thousands of Dollars)

	The Connecticut Light and Power Company	CL&P Receivables Corporation	CL&P Capital, L.P.	C Fund
	-----	-----	-----	-----
Balance at beginning of period	\$ 413,192	\$ 70,829	\$ 3,100	\$
Close out of Capital Surplus, Paid In due to dissolving of subsidiary	--	--	(3,100)	
Capital contribution from The Connecticut Light and Power Company	--	--	--	
Capital stock expenses, net	826	--	--	
	-----	-----	-----	-----
Balance at end of period	\$ 414,018	\$ 70,829	\$ --	\$
	=====	=====	=====	=====

Note: Individual columns may not add to Consolidated due to rounding.  
The accompanying notes are an integral part of these financial statements.

(a) Not included are the following inactive subsidiaries: Electric Power, Incorporated, The Connecticut Steam Company and The Nutmeg Power Company.

(b) Not covered by auditors' report.

THE CONNECTICUT LIGHT AND POWER COMPANY  
AND SUBSIDIARIES (a)  
Consolidating Statement of Capital Surplus, Paid In (b)  
Year Ended December 31, 2001  
(Thousands of Dollars)

Eliminations	Consolidated
-----	-----

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Balance at beginning of period	\$	73,929	\$	413,192
Close out of Capital Surplus, Paid In due to dissolving of subsidiary		(3,100)		--
Capital contribution from The Connecticut Light and Power Company		7,193		--
Capital stock expenses, net		--		826
		-----		-----
Balance at end of period	\$	78,022	\$	414,018
		=====		=====

Note: Individual columns may not add to Consolidated due to rounding.  
The accompanying notes are an integral part of these financial statements.

- (a) Not included are the following inactive subsidiaries: Electric Power, Incorporated, The Connecticut Steam Company and The Nutmeg Power Company.
- (b) Not covered by auditors' report.

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THE CONNECTICUT LIGHT AND POWER COMPANY AND SUBSIDIARIES  
Consolidating Statement of Cash Flows (a) (b)  
Year Ended December 31, 2001  
(Thousands of Dollars)

	The Connecticut Light and Power Company	CL&P Receivables Corporation	C
	-----	-----	-----
Operating Activities:			
Income after interest charges	\$ 109,803	\$ 13,090	\$
Adjustments to reconcile to net cash provided by operating activities:			
Depreciation	96,212	--	
Deferred income taxes and investment tax credits, net	(144,559)	--	
Amortization of regulatory assets, net	746,693	--	
Gain on sale of utility plant	(521,590)	--	
Allocation of ESOP benefits	(468)	--	
Net other uses of cash	(132,443)	--	
Changes in working capital:			
Receivables	(154,720)	(79,136)	
Fuel, materials and supplies	3,247	--	
Accounts payable	(58,400)	--	
Accrued taxes	517	1,405	
Investment in securitizable assets	86,869	231,779	
Other working capital (excludes cash)	19,561	2,857	
	-----	-----	-----
Net cash flows provided by operating activities	50,722	169,995	
	-----	-----	-----

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### Investing Activities:

Investments in regulated plant:			
Electric utility plant	(237,423)	--	
Nuclear fuel	(1,992)	--	
	-----	-----	-----
Net cash flows used for investments in regulated plant	(239,415)	--	
Investment in NU system Money Pool	(39,200)	--	
Investments in nuclear decommissioning trusts	(74,866)	--	
Other investment activities, net	(13,219)	--	
Net proceeds from the sale of assets	827,681	--	
Buyout/buydown of IPP contracts	(1,029,008)	--	
	-----	-----	-----
Net cash flows used in investing activities	(568,027)	--	

### Financing Activities:

Dissolution of Research Park	--	--	
Issuance of rate reduction bonds	--	--	
Retirement of rate reduction bonds	--	--	
Net decrease in short-term debt	(115,000)	(170,000)	
Intercompany Notes Receivable/Notes Payable	1,358,653	--	
Reacquisitions and retirements of long-term debt	(419,255)	--	
Retirement of monthly income preferred securities	(100,000)	--	
MIPS partnership distribution	--	--	
Cash distribution to affiliated company	--	--	
Retirement of capital lease obligation	(145,800)	--	
Repayment of long-term loan receivable	--	--	
Capital contributions	--	--	
Cash dividends on preferred stock	(5,559)	--	
Cash dividends on common shares	(60,072)	--	
	-----	-----	-----
Net cash flows provided by/(used in) financing activities	512,967	(170,000)	
	-----	-----	-----
Net (decrease)/increase in cash for the period	(4,338)	(5)	
Cash - beginning of period	4,948	168	
	-----	-----	-----
Cash - end of period	\$ 610	\$ 163	\$
	=====	=====	=====

### Supplemental Cash Flow Information:

#### Cash paid during the year for:

Interest, net of amounts capitalized	\$ 123,841	\$ --	\$
	=====	=====	=====
Income taxes	\$ 222,867	\$ 7,277	\$
	=====	=====	=====
Increase in obligations:			
Niantic Bay Fuel Trust and other capital leases	\$ 1,754	\$ --	\$
	=====	=====	=====

Note: Individual columns may not add to Consolidated due to rounding.

The accompanying notes are an integral part of these financial statements.

(a) Not included are the following inactive subsidiaries:

Electric Power, Incorporated, The City and Suburban Electric and Gas Company, The Connecticut Transmission Corporation, The Connecticut Steam Company and The Nutmeg Power Company.

(b) Not covered by auditors' report.

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THE CONNECTICUT LIGHT AND POWER COMPANY AND SUBSIDIARIES  
 Consolidating Statement of Cash Flows (a) (b)  
 Year Ended December 31, 2001  
 (Thousands of Dollars)

	CL&P Funding LLC	Eliminations	Co
	-----	-----	-----
<b>Operating Activities:</b>			
Income after interest charges	\$ --	\$ 16,286	\$
Adjustments to reconcile to net cash provided by operating activities:			
Depreciation	--	--	
Deferred income taxes and investment tax credits, net	--	--	
Amortization of regulatory assets, net	--	--	
Gain on sale of utility plant	--	--	
Allocation of ESOP benefits	--	--	
Net other uses of cash	--	--	
Changes in working capital:			
Receivables	--	(89,439)	
Fuel, materials and supplies	--	--	
Accounts payable	--	(288)	
Accrued taxes	--	--	
Investment in securitizable assets	--	256,869	
Other working capital (excludes cash)	6,877	2,857	
	-----	-----	
Net cash flows provided by operating activities	6,877	186,285	
	-----	-----	
<b>Investing Activities:</b>			
Investments in regulated plant:			
Electric utility plant	--	--	
Nuclear fuel	--	--	
	-----	-----	
Net cash flows used for investments in regulated plant	--	--	
Investment in NU system Money Pool	--	--	
Investments in nuclear decommissioning trusts	--	--	
Other investment activities, net	(14,069)	(17,124)	
Net proceeds from the sale of assets	--	--	
Buyout/buydown of IPP contracts	--	--	
	-----	-----	
Net cash flows used in investing activities	(14,069)	(17,124)	
	-----	-----	
<b>Financing Activities:</b>			
Dissolution of Research Park	--	(56)	
Issuance of rate reduction bonds	1,438,400	--	
Retirement of rate reduction bonds	(79,747)	--	
Net decrease in short-term debt	--	(170,000)	
Intercompany Notes Receivable/Notes Payable	(1,358,653)	--	
Reacquisitions and retirements of long-term debt	--	(3,100)	
Retirement of monthly income preferred securities	--	(100,000)	
MIPS partnership distribution	--	(3,100)	
Cash distribution to affiliated company	--	(96)	
Retirement of capital lease obligation	--	--	
Repayment of long-term loan receivable	--	103,100	

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Capital contributions	7,193	4,093	
Cash dividends on preferred stock	--	--	
Cash dividends on common shares	--	--	
	-----	-----	-----
Net cash flows provided by/(used in) financing activities	7,193	(169,159)	
	-----	-----	-----
Net (decrease)/increase in cash for the period	1	--	
Cash - beginning of period	--	--	
	-----	-----	-----
Cash - end of period	\$ 1	\$ --	\$
	=====	=====	=====
Supplemental Cash Flow Information:			
Cash paid during the year for:			
Interest, net of amounts capitalized	\$ --	\$ 3,196	\$
	=====	=====	=====
Income taxes	\$ --	\$ --	\$
	=====	=====	=====
Increase in obligations:			
Niantic Bay Fuel Trust and other capital leases	\$ --	\$ --	\$
	=====	=====	=====

Note: Individual columns may not add to Consolidated due to rounding.

The accompanying notes are an integral part of these financial statements.

(a) Not included are the following inactive subsidiaries:

Electric Power, Incorporated, The City and Suburban Electric and Gas Company, The Connecticut Transmission Corporation, The Connecticut Steam Company and The Nutmeg Power Company.

(b) Not covered by auditors' report.

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PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE  
AND SUBSIDIARIES  
Consolidating Balance Sheet (a)  
Assets  
December 31, 2001  
(Thousands of Dollars)

	Public Service Company of New Hampshire -----	PSNH Funding LLC -----	PSN Funding -----
Utility Plant, at cost:			
Electric	\$ 1,447,754	\$ --	\$
Other	--	--	

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	-----	-----	-----
	1,447,754	--	
Less: Accumulated provision for depreciation	687,396	--	
	-----	-----	-----
	760,358	--	
Construction work in progress	44,961	--	
	-----	-----	-----
Total net utility plant	805,319	--	
	-----	-----	-----
Other Property and Investments:			
Investments in regional nuclear generating companies, at equity	8,510	--	
Investments in subsidiary companies, at equity	8,347	--	
Other, at cost	2,028	33,628	
	-----	-----	-----
	18,885	33,628	
	-----	-----	-----
Current Assets:			
Cash	943	1	
Notes receivable from affiliated companies	--	498,184	
Receivables, net	70,540	--	
Accounts receivable from affiliated companies	13,361	--	
Taxes receivable	--	--	
Unbilled revenues	29,268	--	
Fuel, materials, and supplies, at average cost	42,047	--	
Prepayments and other	10,166	--	
	-----	-----	-----
	166,325	498,185	
	-----	-----	-----
Deferred Charges:			
Regulatory assets	1,046,760	--	
Accumulated deferred income taxes	--	--	
Unamortized debt expense	7,939	--	
Other	19,128	--	
	-----	-----	-----
	1,073,827	--	
	-----	-----	-----
Total Assets	\$ 2,064,356	\$ 531,813	\$
	=====	=====	=====

Note: Individual columns may not add to Consolidated due to rounding.

The accompanying notes are an integral part of these financial statements.

(a) Not covered by auditors' report.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE  
AND SUBSIDIARIES  
Consolidating Balance Sheet (a)  
Assets  
December 31, 2001  
(Thousands of Dollars)

Eliminations	Consolidated
-----	-----

Utility Plant, at cost:

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Electric	\$	--	\$ 1,447,955
Other		--	6,221
			-----
		--	1,454,176
Less: Accumulated provision for depreciation		--	689,397
			-----
		--	764,779
Construction work in progress		--	44,961
			-----
Total net utility plant		--	809,740
			-----
Other Property and Investments:			
Investments in regional nuclear generating companies, at equity		--	8,510
Investments in subsidiary companies, at equity	8,347		--
Other, at cost		--	35,837
			-----
	8,347		44,347
			-----
Current Assets:			
Cash		--	1,479
Notes receivable from affiliated companies	498,184		--
Receivables, net		--	70,540
Accounts receivable from affiliated companies	398		13,055
Taxes receivable	204		--
Unbilled revenues		--	29,268
Fuel, materials, and supplies, at average cost		--	42,047
Prepayments and other		--	10,211
			-----
	498,786		166,600
			-----
Deferred Charges:			
Regulatory assets		--	1,046,760
Accumulated deferred income taxes	83		--
Unamortized debt expense		--	7,939
Other		--	19,128
			-----
	83		1,073,827
			-----
Total Assets	\$	507,216	\$ 2,094,514
		=====	=====

Note: Individual columns may not add to Consolidated due to rounding.

The accompanying notes are an integral part of these financial statements.

(a) Not covered by auditors' report.

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PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE  
AND SUBSIDIARIES  
Consolidating Balance Sheet (a)  
Capitalization and Liabilities  
December 31, 2001  
(Thousands of Dollars)

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	Public Service Company of New Hampshire	PSNH Funding LLC	PSN Funding
	-----	-----	-----
Capitalization:			
Common stockholder's equity:			
Common stock	\$ --	\$ --	\$
Capital surplus, paid in	165,000	3,126	
Retained earnings	176,419	--	
Accumulated other comprehensive income	406	--	
	-----	-----	-----
Total common stockholder's equity	341,825	3,126	
Long-term debt	407,285	--	
	-----	-----	-----
Total capitalization	749,110	3,126	
	-----	-----	-----
Rate Reduction Bonds	--	507,381	
	-----	-----	-----
Obligations under Seabrook Power Contracts and Other Capital Leases	86,111	--	
	-----	-----	-----
Current Liabilities:			
Notes payable to banks	60,500	--	
Notes payable to affiliated companies	521,184	--	
Obligations under Seabrook Power Contracts and other capital leases-current portion	24,164	--	
Accounts payable	32,285	235	
Accounts payable to affiliated companies	18,558	--	
Accrued taxes	2,477	--	
Accrued interest	840	8,588	
Other	12,685	12,479	
	-----	-----	-----
	672,693	21,302	
	-----	-----	-----
Deferred Credits and Other Long-term Liabilities:			
Accumulated deferred income taxes	423,133	--	
Accumulated deferred investment tax credits	12,015	--	
Deferred contractual obligations	37,712	--	
Deferred pension	37,326	--	
Other	46,256	4	
	-----	-----	-----
	556,442	4	
	-----	-----	-----
Total Capitalization and Liabilities	\$ 2,064,356	\$ 531,813	\$
	=====	=====	=====

Note: Individual columns may not add to Consolidated due to rounding.

The accompanying notes are an integral part of these financial statements.

(a) Not covered by auditors' report.

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AND SUBSIDIARIES  
 Consolidating Balance Sheet (a)  
 Capitalization and Liabilities  
 December 31, 2001  
 (Thousands of Dollars)

	Eliminations	Consolidated
Capitalization:		
Common stockholder's equity:		
Common stock	\$ 1	\$ --
Capital surplus, paid in	3,127	165,000
Retained earnings	5,219	176,419
Accumulated other comprehensive income	--	406
	8,347	341,825
Total common stockholder's equity		
Long-term debt	--	407,285
	8,347	749,110
	--	507,381
Rate Reduction Bonds		
	--	86,111
Obligations under Seabrook Power Contracts and Other Capital Leases		
	--	25,164
Current Liabilities:		
Notes payable to banks	--	60,500
Notes payable to affiliated companies	498,184	23,000
Obligations under Seabrook Power Contracts and other capital leases-current portion	--	32,285
Accounts payable	235	18,727
Accounts payable to affiliated companies	163	2,281
Accrued taxes	204	9,428
Accrued interest	--	25,164
Other	--	--
	498,786	195,549
	83	423,050
Deferred Credits and Other Long-term Liabilities:		
Accumulated deferred income taxes	83	12,015
Accumulated deferred investment tax credits	--	37,712
Deferred contractual obligations	--	37,326
Deferred pension	--	46,260
Other	--	--
	83	556,363
	\$ 507,216	\$ 2,094,514
Total Capitalization and Liabilities	\$ 507,216	\$ 2,094,514

Note: Individual columns may not add to Consolidated due to rounding. The accompanying notes are an integral part of these financial statements.

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(a) Not covered by auditors' report.

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PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE  
AND SUBSIDIARIES  
Consolidating Statement of Income (a)  
Year Ended December 31, 2001  
(Thousands of Dollars)

	Public Service Company of New Hampshire	PSNH Funding LLC	PS Fundin
	-----	-----	-----
Operating Revenues	\$ 1,171,620	\$ 21,974	\$
	-----	-----	-----
Operating Expenses:			
Operation-			
Fuel, purchased and net interchange power	713,668	--	
Other	124,919	1,253	
Maintenance	56,276	--	
Depreciation	39,741	--	
Amortization of regulatory assets	65,445	--	
Federal and state income taxes	30,105	--	
Taxes other than income taxes	38,224	--	
Gain on sale of utility plant	(590)	--	
	-----	-----	-----
Total operating expenses	1,067,788	1,253	
	-----	-----	-----
Operating Income/(Loss)	103,832	20,721	
	-----	-----	-----
Other Income/(loss):			
Equity in earnings of subsidiaries	2,537	--	
Equity in earnings of regional nuclear generating companies	473	--	
Gain related to Millstone sale	25,924	--	
Other, net	6,471	310	
Income taxes	(6,517)	--	
	-----	-----	-----
Other income, net	28,888	310	
	-----	-----	-----
Income before interest charges	132,720	21,031	
	-----	-----	-----
Interest Charges:			
Interest on long-term debt	30,201	--	
Interest on rate reduction bonds	20,721	21,031	
Other interest	22	--	
	-----	-----	-----
Interest charges, net	50,944	21,031	
	-----	-----	-----
Net Income	\$ 81,776	\$ --	\$

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Note: Individual columns may not add to Consolidated due to rounding.  
The accompanying notes are an integral part of these financial statements.

(a) Not covered by auditors' report.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE  
AND SUBSIDIARIES

Consolidating Statement of Income (a)

Year Ended December 31, 2001

(Thousands of Dollars)

	Eliminations -----	Consolidated -----
Operating Revenues	\$ 22,783	\$ 1,171,686
	-----	-----
Operating Expenses:		
Operation-		
Fuel, purchased and net interchange power	--	713,668
Other	2,062	124,123
Maintenance	--	56,276
Depreciation	--	39,741
Amortization of regulatory assets	--	65,445
Federal and state income taxes	--	32,054
Taxes other than income taxes	--	38,375
Gain on sale of utility plant	--	(590)
	-----	-----
Total operating expenses	2,062	1,069,092
	-----	-----
Operating Income/(Loss)	20,721	102,594
	-----	-----
Other Income/(loss):		
Equity in earnings of subsidiaries	2,537	--
Equity in earnings of regional nuclear generating companies	--	473
Gain related to Millstone sale	--	25,924
Other, net	416	10,246
Income taxes	--	(6,517)
	-----	-----
Other income, net	2,953	30,126
	-----	-----
Income before interest charges	23,674	132,720
	-----	-----
Interest Charges:		
Interest on long-term debt	--	30,201
Interest on rate reduction bonds	21,031	20,721
Other interest	106	22
	-----	-----
Interest charges, net	21,137	50,944
	-----	-----
Net Income	\$ 2,537	\$ 81,776
	=====	=====

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Note: Individual columns may not add to Consolidated due to rounding.  
The accompanying notes are an integral part of these financial statements.

(a) Not covered by auditors' report.

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PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE  
AND SUBSIDIARIES  
Consolidating Statement of Retained Earnings (a)  
Year Ended December 31, 2001  
(Thousands of Dollars)

	Public Service Company of New Hampshire	PSNH Funding LLC	PSNH Funding
	-----	-----	-----
Balance at beginning of period	\$ 123,177	\$ --	\$
Additions:			
Net income	81,776	--	
	-----	-----	-----
	204,953	--	
	-----	-----	-----
Deductions:			
Dividends declared:			
Common stock \$69,587.622 per share	27,000	--	
Common stock \$4,250.00 per share	--	--	
Preferred stock (at required annual rate)	1,286	--	
Allocation of benefits-ESOP	248	--	
	-----	-----	-----
Total deductions	28,534	--	
	-----	-----	-----
Balance at end of period	\$ 176,419	\$ --	\$
	=====	=====	=====

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE  
AND SUBSIDIARIES  
Consolidating Statement of Retained Earnings (a)  
Year Ended December 31, 2001  
(Thousands of Dollars)

	Eliminations	Consolidated
	-----	-----
Balance at beginning of period	\$ 3,532	\$ 123,177
Additions:		
Net income	2,537	81,776

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	----- 6,069 -----	----- 204,953 -----
Deductions:		
Dividends declared:		
Common stock \$69,587.622 per share	--	27,000
Common stock \$4,250.00 per share	850	--
Preferred stock (at required annual rate)	--	1,286
Allocation of benefits-ESOP	--	248
	-----	-----
Total deductions	850	28,534
	-----	-----
Balance at end of period	\$ 5,219 =====	\$ 176,419 =====

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE  
AND SUBSIDIARIES  
Consolidating Statement of Capital Surplus, Paid In (a)  
Year Ended December 31, 2001  
(Thousands of Dollars)

	Public Service Company of New Hampshire -----	PSNH Funding LLC -----	PSN Funding -----
Balance at beginning of period	\$ 424,909	\$ --	\$
Repurchase of common stock	(259,999)	--	
Capital contribution from Public Service Company of New Hampshire	--	3,126	
Capital stock expenses, net	90	--	
	-----	-----	-----
Balance at end of period	\$ 165,000 =====	\$ 3,126 =====	\$ =====

Note: Individual columns may not add to Consolidated due to rounding.

The accompanying notes are an integral part of these financial statements.

(a) Not covered by auditors' report.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE  
AND SUBSIDIARIES  
Consolidating Statement of Capital Surplus, Paid In (a)  
Year Ended December 31, 2001  
(Thousands of Dollars)

	Eliminations -----	Consolidated -----
Balance at beginning of period	\$ --	\$ 424,909

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Repurchase of common stock	--	(259,999)
Capital contribution from Public Service Company of New Hampshire	3,127	--
Capital stock expenses, net	--	90
	-----	-----
Balance at end of period	\$ 3,127	\$ 165,000
	=====	=====

Note: Individual columns may not add to Consolidated due to rounding.

The accompanying notes are an integral part of these financial statements.

(a) Not covered by auditors' report.

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PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE AND SUBSIDIARIES  
Consolidating Statement of Cash Flows (a) (b)  
Year Ended December 31, 2001  
(Thousands of Dollars)

	Public Service Company of New Hampshire	PSNH Funding LLC
	-----	-----
Operating Activities:		
Income before extraordinary loss	\$ 81,776	\$ --
Adjustments to reconcile to net cash provided by operating activities:		
Depreciation	39,741	--
Deferred income taxes and investment tax credits, net	195,710	--
Deferral of recoverable energy costs, net	(21,234)	--
Amortization of regulatory assets, net	65,445	--
Allocation of ESOP benefits	(248)	--
Net other sources of cash	(84,417)	4
Changes in working capital:		
Receivables and unbilled revenues	3,465	--
Fuel, materials and supplies	(13,287)	--
Accounts payable	(49,161)	235
Accrued taxes	1,821	--
Other working capital (excludes cash)	10,018	21,067
	-----	-----
Net cash flows provided by operating activities	229,629	21,306
	-----	-----
Investing Activities:		
Investment in regulated plant:		
Electric utility plant	(92,626)	--
Nuclear fuel	(37)	--
	-----	-----
Net cash flows used for investments in regulated plant	(92,663)	--
Investment in nuclear decommissioning trusts	(137)	--

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Other investment activities, net	633	(33,628)
Net proceeds from the sale of utility plant	24,888	--
Buyout of IPP contract	(48,164)	--
	-----	-----
Net cash flows (used in)/provided by investing activities	(115,443)	(33,628)
	-----	-----
Financing Activities:		
Repurchase of common stock	(260,000)	--
Issuance of long-term debt	287,485	--
Issuance of rate reduction bonds	--	525,000
Retirement of rate reduction bonds	--	(17,619)
Net increase in short-term debt	83,500	--
Intercompany Notes Receivable/Notes Payable	498,184	(498,184)
Reacquisitions and retirements of long-term debt	(287,485)	--
Reacquisitions and retirements of preferred stock	(24,268)	--
Buydown of capital lease obligation	(497,508)	--
Capital contributions from parent	--	3,126
Cash dividends on preferred stock	(1,286)	--
Cash dividends on common stock	(27,000)	--
	-----	-----
Net cash flows (used in)/provided by financing activities	(228,378)	12,323
	-----	-----
Net (decrease)/increase in cash for the period	(114,192)	1
Cash and cash equivalents - beginning of period	115,135	--
	-----	-----
Cash and cash equivalents - end of period	\$ 943	\$ 1
	=====	=====
Supplemental Cash Flow Information:		
Cash paid during the year for:		
Interest, net of amounts capitalized	\$ 55,957	\$ (8,588)
	=====	=====
Income taxes	\$ (170,442)	\$ --
	=====	=====
Increase in obligations:		
Seabrook Power Contracts and other capital leases	\$ (517,998)	\$ --
	=====	=====

Note: Individual columns may not add to Consolidated due to rounding.

The accompanying notes are an integral part of these financial statements.

(a) Not included is New Hampshire Electric Company which is an inactive subsidiary.

(b) Not covered by auditors' report.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE AND SUBSIDIARIES  
Consolidating Statement of Cash Flows (a) (b)  
Year Ended December 31, 2001  
(Thousands of Dollars)

	Eliminations	Consolidated
	-----	-----
Operating Activities:		
Income before extraordinary loss	\$ 2,537	\$ 81,776

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Adjustments to reconcile to net cash provided by operating activities:		
Depreciation	--	39,741
Deferred income taxes and investment tax credits, net	--	195,422
Deferral of recoverable energy costs, net	--	(21,234)
Amortization of regulatory assets, net	--	65,445
Allocation of ESOP benefits	--	(248)
Net other sources of cash	2	(83,498)
Changes in working capital:		
Receivables and unbilled revenues	314	3,212
Fuel, materials and supplies	--	(13,287)
Accounts payable	(314)	(48,888)
Accrued taxes	204	1,624
Other working capital (excludes cash)	(205)	31,095
	-----	-----
Net cash flows provided by operating activities	2,538	251,160
	-----	-----
Investing Activities:		
Investment in regulated plant:		
Electric utility plant	--	(92,626)
Nuclear fuel	--	(37)
	-----	-----
Net cash flows used for investments in regulated plant	--	(92,663)
Investment in nuclear decommissioning trusts	--	(137)
Other investment activities, net	(2,020)	(30,906)
Net proceeds from the sale of utility plant	--	24,888
Buyout of IPP contract	--	(48,164)
	-----	-----
Net cash flows (used in)/provided by investing activities	(2,020)	(146,982)
	-----	-----
Financing Activities:		
Repurchase of common stock	--	(260,000)
Issuance of long-term debt	--	287,485
Issuance of rate reduction bonds	--	525,000
Retirement of rate reduction bonds	--	(17,619)
Net increase in short-term debt	--	83,500
Intercompany Notes Receivable/Notes Payable	--	--
Reacquisitions and retirements of long-term debt	(2,795)	(287,485)
Reacquisitions and retirements of preferred stock	--	(24,268)
Buydown of capital lease obligation	--	(497,508)
Capital contributions from parent	3,127	--
Cash dividends on preferred stock	--	(1,286)
Cash dividends on common stock	(850)	(27,000)
	-----	-----
Net cash flows (used in)/provided by financing activities	(518)	(219,181)
	-----	-----
Net (decrease)/increase in cash for the period	--	(115,003)
Cash and cash equivalents - beginning of period	--	116,482
	-----	-----
Cash and cash equivalents - end of period	\$ --	\$ 1,479
	=====	=====
Supplemental Cash Flow Information:		
Cash paid during the year for:		
Interest, net of amounts capitalized	\$ 106	\$ 47,369
	=====	=====
Income taxes	\$ --	\$ (168,021)
	=====	=====
Increase in obligations:		

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Seabrook Power Contracts and other capital leases	\$	--	\$ (517,998)
	=====		=====

Note: Individual columns may not add to Consolidated due to rounding.

The accompanying notes are an integral part of these financial statements.

- (a) Not included is New Hampshire Electric Company which is an inactive subsidiary.
- (b) Not covered by auditors' report.

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WESTERN MASSACHUSETTS ELECTRIC COMPANY  
AND SUBSIDIARIES  
Consolidating Balance Sheet (a)  
Assets  
December 31, 2001  
(Thousands of Dollars)

	Western Massachusetts Electric Company	WMECO Funding LLC	WMECO Receivables Corporation
	-----	-----	-----
Utility Plant, at cost:			
Electric	\$564,857	\$ --	\$ --
Less: Accumulated provision for depreciation	186,784	--	--
	-----	-----	-----
	378,073	--	--
Construction work in progress	18,326	--	--
	-----	-----	-----
Total net utility plant	396,399	--	--
	-----	-----	-----
Other Property and Investments:			
Investments in regional nuclear generating companies, at equity	9,300	--	--
Investments in subsidiary companies, at equity	776	--	--
Other, at cost	4,057	3,191	--
	-----	-----	-----
	14,133	3,191	--
	-----	-----	-----
Current Assets:			
Cash	598	1	--
Notes receivable from affiliated companies	--	151,401	--
Receivables, net	43,761	--	--
Accounts receivable from affiliated companies	2,226	--	--
Unbilled revenues	12,746	--	--
Materials and supplies, at average cost	1,457	--	--

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Prepayments and other	1,544	--	--
	-----	-----	-----
	62,332	151,402	--
	-----	-----	-----
Deferred Charges:			
Regulatory assets	320,222	--	--
Unamortized debt expense	678	--	--
Prepaid pension	54,226	--	--
Other	2,274	--	--
	-----	-----	-----
	377,400	--	--
	-----	-----	-----
Total Assets	\$850,264	\$154,593	\$ --
	=====	=====	=====

Note: Individual columns may not add to Consolidated due to rounding. The accompanying notes are an integral part of these financial statements.

(a) Not covered by auditors' report.

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WESTERN MASSACHUSETTS ELECTRIC COMPANY  
AND SUBSIDIARIES  
Consolidating Balance Sheet (a)  
Capitalization and Liabilities  
December 31, 2001  
(Thousands of Dollars)

	Western Massachusetts Electric Company	WMECO Funding LLC	WMECO Receivables Corporation
	-----	-----	-----
Capitalization:			
Common stockholder's equity:			
Common stock	\$ 12,742	\$ --	\$ --
Capital surplus, paid in	82,224	776	--
Retained earnings	55,422	--	--
Accumulated other comprehensive income	59	--	--
	-----	-----	-----
Total common stockholder's equity	150,447	776	--
Long-term debt	101,170	--	--
	-----	-----	-----
Total capitalization	251,617	776	--
	-----	-----	-----
Rate Reduction Bonds	--	152,317	--
	-----	-----	-----
Obligations Under Capital Leases	87	--	--
	-----	-----	-----
Current Liabilities:			
Notes payable to banks	50,000	--	--

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Notes payable to affiliated companies	160,601	--	--
Obligations under capital leases-current portion	23	--	--
Accounts payable	34,970	--	--
Accounts payable to affiliated companies	2,982	18	--
Accrued taxes	3,691	--	--
Accrued interest	1,372	829	--
Other	9,454	651	--
	-----	-----	-----
	263,093	1,498	--
	-----	-----	-----
Deferred Credits and Other Long-term Liabilities:			
Accumulated deferred income taxes	229,893	--	--
Accumulated deferred investment tax credits	3,998	--	--
Deferred contractual obligations	37,357	--	--
Other	64,219	2	--
	-----	-----	-----
	335,467	2	--
	-----	-----	-----
 Total Capitalization and Liabilities	 \$ 850,264	 \$ 154,593	 \$ --
	=====	=====	=====

Note: Individual columns may not add to Consolidated due to rounding. The accompanying notes are an integral part of these financial statements.

(a) Not covered by auditors' report.

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WESTERN MASSACHUSETTS ELECTRIC COMPANY  
AND SUBSIDIARIES  
Consolidating Statement of Income (a)  
Year Ended December 31, 2001  
(Thousands of Dollars)

	Western Massachusetts Electric Company	WMECO Funding LLC	WMECO Receivables Corporation	El
	-----	-----	-----	-----
Operating Revenues	\$ 478,869	\$ 6,359	\$ --	
	-----	-----	-----	
Operating Expenses:				
Operation-				
Fuel, purchased and net interchange power	315,903	--	--	
Other	66,458	109	--	
Maintenance	19,635	--	--	
Depreciation	13,818	--	--	
Amortization of regulatory assets	131,876	--	--	
Federal and state income taxes	9,796	--	--	
Taxes other than income taxes	13,065	--	--	
Gain on sale of utility plant	(119,775)	--	--	
	-----	-----	-----	
Total operating expenses	450,776	109	--	
	-----	-----	-----	

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Operating Income	28,093	6,250	--
	-----	-----	-----
Other Income:			
Equity in earnings of regional nuclear generating companies	290	--	--
Gain related to Millstone sale	22	--	--
Other, net	(1,362)	33	--
Income taxes	3,236	--	--
	-----	-----	-----
Other income, net	2,186	33	--
	-----	-----	-----
Income before interest charges	30,279	6,283	--
	-----	-----	-----
Interest Charges:			
Interest on long-term debt	5,325	--	--
Interest on rate reduction bonds	6,251	6,283	--
Other interest	3,735	--	--
	-----	-----	-----
Interest charges, net	15,311	6,283	--
	-----	-----	-----
Net Income	\$ 14,968	\$ --	\$ --
	=====	=====	=====

Note: Individual columns may not add to Consolidated due to rounding. The accompanying notes are an integral part of these financial statements.

(a) Not covered by auditors' report.

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WESTERN MASSACHUSETTS ELECTRIC COMPANY  
AND SUBSIDIARIES  
Consolidating Statement of Retained Earnings (a)  
Year Ended December 31, 2001  
(Thousands of Dollars)

	Western Massachusetts Electric Company	WMECO Funding LLC	WMECO Receivables Corporation
	-----	-----	-----
Balance at beginning of period	\$ 62,952	\$ --	\$ (71)
Additions:			
Net income	14,968	--	--
	-----	-----	-----
	77,920	--	(71)
	-----	-----	-----
Deductions:			
Dividends declared:			

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Common stock \$42.3616 per share	22,000	--	--
Preferred stock (at required annual rates)	404	--	--
Close out of retained earnings due to dissolving of subsidiary	--	--	(71)
Allocation of benefits-ESOP	94	--	--
	-----	-----	-----
Total deductions	22,498	--	(71)
	-----	-----	-----
Balance at end of period	\$ 55,422	\$ --	\$ --
	=====	=====	=====

WESTERN MASSACHUSETTS ELECTRIC COMPANY  
AND SUBSIDIARIES  
Consolidating Statement of Capital Surplus, Paid In (a)  
Year Ended December 31, 2001  
(Thousands of Dollars)

	Western Massachusetts Electric Company	WMECO Funding LLC	WMECO Receivables Corporation
	-----	-----	-----
Balance at beginning of period	\$ 94,010	\$ --	\$ 60
Repurchase of common stock	(12,990)	--	--
Capital contribution from Western Massachusetts Electric Company	--	776	--
Close out of capital surplus, paid in due to dissolving of subsidiary	--	--	(60)
Capital stock expenses, net	1,204	--	--
	-----	-----	-----
Balance at end of period	\$ 82,224	\$ 776	\$ --
	=====	=====	=====

Note: Individual columns may not add to Consolidated due to rounding. The accompanying notes are an integral part of these financial statements.

(a) Not covered by auditors' report.

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WESTERN MASSACHUSETTS ELECTRIC COMPANY AND SUBSIDIARY  
Consolidating Statement of Cash Flows (a)  
Year Ended December 31, 2001  
(Thousands of Dollars)

Western  
Massachusetts      WMECO      WMECO

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	Electric Company	FUNDING LLC	Receiva Corpora
	-----	-----	-----
<b>Operating Activities:</b>			
Income after interest charges	\$ 14,968	\$ --	\$
Adjustments to reconcile to net cash provided by/(used in) operating activities:			
Depreciation	13,818	--	
Deferred income taxes and investment tax credits, net	5,281	--	
Amortization of recoverable energy costs, net	3,179	--	
Amortization of regulatory assets, net	131,876	--	
Gain on sale of utility plant	(119,775)	--	
Allocation of ESOP benefits	(94)	--	
Net other uses of cash	(1,961)	2	
Changes in working capital:			
Receivables and accrued utility revenues	15,105	--	
Fuel, materials and supplies	149	--	
Accounts payable	4,043	18	
Accrued taxes	(4,777)	--	
Other working capital (excludes cash)	1,725	1,480	
	-----	-----	-----
Net cash flows provided by/(used in) operating activities	63,537	1,500	
	-----	-----	-----
<b>Investing Activities:</b>			
Investments in regulated plant:			
Electric utility plant	(30,921)	--	
Nuclear fuel	(140)	--	
	-----	-----	-----
Net cash flows used for investments in regulated plant	(31,061)	--	
Investments in nuclear decommissioning trusts	(23,037)	--	
Other investment activities, net	3,221	(3,191)	
Net proceeds from the sale of utility plant	175,154	--	
Buyout of IPP contracts	(80,000)	--	
	-----	-----	-----
Net cash flows provided by/(used in) investing activities	44,277	(3,191)	
	-----	-----	-----
<b>Financing Activities:</b>			
Dissolution of WMECO Receivables Corporation	--	--	
Repurchase of common stock	(15,000)	--	
Issuance of rate reduction bonds	--	155,000	
Retirement of rate reduction bonds	--	(2,683)	
Net decrease in short-term debt	(51,400)	--	
Intercompany Notes Receivable/Notes Payable	151,401	(151,401)	
Reacquisitions and retirements of long-term debt	(100,000)	--	
Reacquisitions and retirements of preferred stock	(36,500)	--	
Retirement of capital lease obligation	(34,200)	--	
Capital contribution from parent	--	776	
Cash dividends on preferred stock	(404)	--	
Cash dividends on common shares	(22,000)	--	
	-----	-----	-----
Net cash flows (used in)/provided by financing activities	(108,103)	1,692	
	-----	-----	-----
Net (decrease)/increase in cash for the period	(289)	1	
Cash - beginning of period	887	--	
	-----	-----	-----
Cash - end of period	\$ 598	\$ 1	\$
	=====	=====	=====

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Supplemental Cash Flow Information:

Cash paid/(refunded) during the year for:

Interest, net of amounts capitalized	\$ 18,768	\$ (829)	\$
	=====	=====	=====
Income taxes	\$ 6,314	\$ --	\$
	=====	=====	=====
Increase in obligations:			
Niantic Bay Fuel Trust and other capital leases	\$ 411	\$ --	\$
	=====	=====	=====

Note: Individual columns may not add to Consolidated due to rounding.

The accompanying notes are an integral part of these financial statements.

(a) Not covered by auditors' report.

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HOLYOKE WATER POWER COMPANY  
 AND SUBSIDIARY  
 Consolidating Balance Sheet (a)  
 Assets  
 December 31, 2001  
 (Thousands of Dollars)

	Holyoke Water Power Company	Holyoke Power and Electric Company	Eliminations	Con
	-----	-----	-----	-----
Utility Plant, at cost:				
Electric	\$ 35,281	\$ 1,418	\$ --	\$
Less: Accumulated provision for depreciation	31,804	1,055	--	
	-----	-----	-----	-----
	3,477	363	--	
Construction work in progress	1,118	--	--	
	-----	-----	-----	-----
Total net utility plant	4,595	363	--	
	-----	-----	-----	-----
Other Property and Investments:				
Investments in subsidiary companies, at equity	750	--	750	
Other, at cost	1,859	--	--	
	-----	-----	-----	-----
	2,609	--	750	
	-----	-----	-----	-----
Current Assets:				
Cash	--	3,130	--	
Notes Receivable from affiliated companies	3,300	--	--	
Receivables, net	125	--	--	

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Accounts receivable from affiliated companies	3,766	4,032	3,675
Taxes receivable	292	--	53
Fuel, materials, and supplies, at average cost	6,157	--	--
Prepayments and other	925	85	12
	-----	-----	-----
	14,565	7,247	3,740
	-----	-----	-----
Deferred Charges:			
Regulatory assets	762	--	--
Accumulated deferred income taxes	--	36	36
Prepaid pension	2,514	--	--
Other	281	--	--
	-----	-----	-----
	3,557	36	36
	-----	-----	-----
Total Assets	\$ 25,326	\$ 7,646	\$ 4,526
	=====	=====	=====

Note: Individual columns may not add to Consolidated due to rounding. The accompanying notes are an integral part of these financial statements.

(a) Not covered by auditors' report.

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HOLYOKE WATER POWER COMPANY  
AND SUBSIDIARY  
Consolidating Balance Sheet (a)  
Capitalization and Liabilities  
December 31, 2001  
(Thousands of Dollars)

	Holyoke Water Power Company	Holyoke Power and Electric Company	Eliminations	Con
	-----	-----	-----	-----
Capitalization:				
Common stockholder's equity:				
Common stock	\$ 2,400	\$ 485	\$ 485	\$
Capital surplus, paid in	6,000	--	--	
Retained earnings	(1,233)	(304)	(304)	
Accumulated other comprehensive income	(5)	--	--	
	-----	-----	-----	
Total common stockholder's equity	7,162	181	181	
Long-term debt:				
Advances from parent companies	9,600	424	424	
	-----	-----	-----	
Total capitalization	16,762	605	605	
	-----	-----	-----	
Current Liabilities:				
Accounts payable	1,620	3,135	--	
Accounts payable to affiliated companies	1,777	3,683	3,675	

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Accrued taxes	--	65	65
Accrued interest	12	--	--
Other	25	13	--
	-----	-----	-----
	3,434	6,896	3,740
	-----	-----	-----
Deferred Credits and Other Long-term Liabilities:			
Accumulated deferred investment tax credits	1,005	--	36
Other	4,125	145	145
	-----	-----	-----
	5,130	145	181
	-----	-----	-----
Total Capitalization and Liabilities	\$ 25,326	\$ 7,646	\$ 4,526
	=====	=====	=====

Note: Individual columns may not add to Consolidated due to rounding. The accompanying notes are an integral part of these financial statements.

(a) Not covered by auditors' report.

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HOLYOKE WATER POWER COMPANY  
AND SUBSIDIARY  
Consolidating Statement of Income (a)  
Year Ended December 31, 2001  
(Thousands of Dollars)

	Holyoke Water Power Company	Holyoke Power and Electric Company	Eliminations	Con
	-----	-----	-----	-----
Operating Revenues	\$ 55,137	\$ 49,158	\$ 49,097	\$
	-----	-----	-----	-----
Operating Expenses:				
Operation-				
Fuel, purchased and net interchange power	27,894	49,188	49,094	
Other	8,789	152	3	
Maintenance	7,030	--	--	
Depreciation	2,083	24	--	
Federal and state income taxes	3,232	(87)	--	
Taxes other than income taxes	504	42	--	
	-----	-----	-----	-----
Total operating expenses	49,532	49,319	49,097	
	-----	-----	-----	-----
Operating Income/(Loss)	5,605	(161)	--	
	-----	-----	-----	-----
Other Income/(loss):				
Equity in losses of subsidiary	(209)	--	(209)	
Other, net	405	--	21	

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Income taxes	571	(27)	--
	-----	-----	-----
Other income/(loss), net	767	(27)	(188)
	-----	-----	-----
Income/(loss) before interest charges	6,372	(188)	(188)
	-----	-----	-----
Interest Charges:			
Interest on long-term debt	1,709	--	--
Other interest	287	21	21
	-----	-----	-----
Interest charges, net	1,996	21	21
	-----	-----	-----
Net Income/(Loss)	\$ 4,376	\$ (209)	\$ (209)
	=====	=====	=====

Note: Individual columns may not add to Consolidated due to rounding. The accompanying notes are an integral part of these financial statements.

(a) Not covered by auditors' report.

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HOLYOKE WATER POWER COMPANY  
AND SUBSIDIARY  
Consolidating Statement of Retained Earnings (a)  
Year Ended December 31, 2001  
(Thousands of Dollars)

	Holyoke Water Power Company	Holyoke Power and Electric Company	Eliminations	Consolidated
	-----	-----	-----	-----
Balance at beginning of period	\$ (5,607)	\$ (95)	\$ (95)	\$ (5,607)
Additions:				
Net Income/(Loss)	4,376	(209)	(209)	4,376
Deductions:				
Allocation of benefits-ESOP	2	--	--	2
	-----	-----	-----	-----
Balance at end of period	\$ (1,233)	\$ (304)	\$ (304)	\$ (1,233)
	=====	=====	=====	=====

HOLYOKE WATER POWER COMPANY  
AND SUBSIDIARY  
Consolidating Statement of Capital Surplus, Paid In (a)  
Year Ended December 31, 2001  
(Thousands of Dollars)

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	Holyoke Water Power Company -----	Holyoke Power and Electric Company -----	Eliminations -----	Consolidated -----
Balance at beginning of period	\$ 6,000 -----	\$ -- -----	\$ -- -----	\$ 6,000 -----
Balance at end of period	\$ 6,000 =====	\$ -- =====	\$ -- =====	\$ 6,000 =====

Note: Individual columns may not add to Consolidated due to rounding. The accompanying notes are an integral part of these financial statements.

(a) Not covered by auditors' report.

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HOLYOKE WATER POWER COMPANY AND SUBSIDIARY  
Consolidating Statement of Cash Flows (a)  
Year Ended December 31, 2001  
(Thousands of Dollars)

	Holyoke Water Power Company -----	Holyoke Power and Electric Company -----	Elimin -----
Operating Activities:			
Income/(loss) before extraordinary loss	\$ 4,376	\$ (209)	\$
Adjustments to reconcile to net cash (used in)/provided by operating activities:			
Depreciation	2,083	24	
Deferred income taxes, net	644	(1)	
Amortization of regulatory assets, net	--	--	
Loss on sale of assets	135	--	
Allocation of ESOP benefits	(2)	--	
Net other (uses)/sources of cash	(8,135)	19	
Changes in working capital:			
Receivables, net	1,679	133	
Fuel, materials and supplies	(1,394)	--	
Accounts payable	(1,190)	1,351	
Accrued taxes	(756)	36	
Other working capital (excludes cash)	(446)	(88)	
Net cash flows (used in)/provided by operating activities	(3,006) -----	1,265 -----	 -----
Investing Activities:			
Investments in competitive energy assets	(550)	--	
Investment in NU system Money Pool	12,900	--	
Other investment activities, net	1,806	--	
Net proceeds from the sale of utility plant	17,550	--	

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Net cash flows provided by investing activities	31,706	--	
Financing Activities:			
Reacquisitions and retirements of long-term debt	(38,300)	--	
Advances from/(repayment to) parent	9,600	--	
Net cash flows used in financing activities	(28,700)	--	
Net increase in cash for the period	--	1,265	
Cash - beginning of period	--	1,865	
Cash - end of period	\$ --	\$ 3,130	\$
Supplemental Cash Flow Information:			
Cash paid/(refunded) during the year for:			
Interest, net of amounts capitalized	\$ 2,546	\$ 21	\$
Income taxes	\$ 2,863	\$ (87)	\$

Note: Individual columns may not add to Consolidated due to rounding.

The accompanying notes are an integral part of these financial statements.

(a) Not covered by auditors' report.

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YANKEE ENERGY SYSTEM, INC.  
AND SUBSIDIARIES  
Consolidating Balance Sheet (a)  
Assets  
December 31, 2001  
(Thousands of Dollars)

	Yankee Energy System, Inc.	Yankee Gas Services Company	NorConn Properties Inc.
	-----	-----	-----
Utility Plant, at cost:			
Gas	\$ --	\$ 634,884	\$ --
Less: Accumulated provision for depreciation	--	266,655	--
	-----	-----	-----
Construction work in progress	--	368,229	--
	--	37,726	--

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Total net utility plant	----- -- -----	----- 405,955 -----	----- -- -----
Other Property and Investments:			
Investments in subsidiary companies, at equity	512,487	--	--
Other, at cost	--	1,794	1,877
	----- 512,487 -----	----- 1,794 -----	----- 1,877 -----
Current Assets:			
Cash	3	130	25
Notes receivable from affiliated companies	3,670	--	346
Receivables, net	--	39,495	--
Accounts receivable from affiliated companies	--	9,529	25
Taxes receivable	--	--	52
Unbilled revenues	--	42,494	--
Fuel, materials, and supplies, at average cost	--	3,880	--
Prepayments and other	189	20,046	--
	----- 3,862 -----	----- 115,574 -----	----- 448 -----
Deferred Charges:			
Regulatory assets	--	40,834	--
Accumulated deferred income taxes	3,482	--	--
Unamortized debt expense	--	1,134	1
Goodwill and other purchased intangible assets	--	287,591	--
Prepaid pension	--	42,757	--
Other	395	371	1
	----- 3,877 -----	----- 372,687 -----	----- 2 -----
Total Assets	\$ 520,226 =====	\$ 896,010 =====	\$ 2,327 =====

Note: Individual columns may not add to Consolidated due to rounding. The accompanying notes are an integral part of these financial statements.

(a) Not covered by auditors' report.

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YANKEE ENERGY SYSTEM, INC.  
AND SUBSIDIARIES  
Consolidating Balance Sheet (a)  
Assets  
December 31, 2001  
(Thousands of Dollars)

Yankee Energy Financial Services	Yankee Energy Services Company	R.M. Services Company
-----	-----	-----

Utility Plant, at cost:

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Gas	\$	--	\$	--	\$	--
Less: Accumulated provision for depreciation		--		--		--
		-----		-----		-----
		--		--		--
Construction work in progress		--		--		--
		-----		-----		-----
Total net utility plant		--		--		--
		-----		-----		-----
Other Property and Investments:						
Investments in subsidiary companies, at equity		--		--		--
Other, at cost		59		443		13,160
		-----		-----		-----
		59		443		13,160
		-----		-----		-----
Current Assets:						
Cash		83		151		--
Notes receivable from affiliated companies		--		--		--
Receivables, net		4,462		4,700		--
Accounts receivable from affiliated companies		1		2,280		173
Taxes receivable		--		402		--
Unbilled revenues		--		--		--
Fuel, materials, and supplies, at average cost		--		--		--
Prepayments and other		10		--		--
		-----		-----		-----
		4,556		7,533		173
		-----		-----		-----
Deferred Charges:						
Regulatory assets		--		--		--
Accumulated deferred income taxes		74		1,399		--
Unamortized debt expense		--		--		--
Goodwill and other purchased intangible assets		--		405		--
Prepaid pension		--		--		--
Other		44		--		--
		-----		-----		-----
		118		1,804		--
		-----		-----		-----
Total Assets	\$	4,733	\$	9,780	\$	13,333
		=====		=====		=====

Note: Individual columns may not add to Consolidated due to rounding. The accompanying notes are an integral part of these financial statements.

(a) Not covered by auditors' report.

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YANKEE ENERGY SYSTEM, INC.  
AND SUBSIDIARIES  
Consolidating Balance Sheet (a)  
Capitalization and Liabilities  
December 31, 2001  
(Thousands of Dollars)

Yankee  
Energy

Yankee Gas

NorConn

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	System, Inc.	Services Company	Properties Inc.
	-----	-----	-----
Capitalization:			
Common stockholder's equity:			
Common stock	\$ --	\$ 5	\$ 1
Capital surplus, paid in	484,888	466,048	9
Retained earnings	25,048	27,103	317
Accumulated other comprehensive loss	(1,363)	(1,363)	--
	-----	-----	-----
Total common stockholder's equity	508,573	491,793	327
Long-term debt	--	151,508	1,400
	-----	-----	-----
Total capitalization	508,573	643,301	1,727
	-----	-----	-----
Current Liabilities:			
Notes payable to banks	--	50,000	--
Notes payable to affiliated companies	--	2,500	--
Long-term debt - current portion	--	950	100
Accounts payable	--	24,958	--
Accounts payable to affiliated companies	11,338	747	152
Accrued taxes	315	8,038	--
Accrued interest	--	3,507	8
Other	--	7,132	--
	-----	-----	-----
	11,653	97,832	260
	-----	-----	-----
Deferred Credits and Other Long-term Liabilities:			
Accumulated deferred income taxes	--	71,950	340
Accumulated deferred investment tax credits	--	7,099	--
Other	--	75,828	--
	-----	-----	-----
	--	154,877	340
	-----	-----	-----
Total Capitalization and Liabilities	\$ 520,226	\$ 896,010	\$ 2,327
	=====	=====	=====

Note: Individual columns may not add to Consolidated due to rounding. The accompanying notes are an integral part of these financial statements.

(a) Not covered by auditors' report.

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YANKEE ENERGY SYSTEM, INC.  
AND SUBSIDIARIES  
Consolidating Balance Sheet (a)  
Capitalization and Liabilities  
December 31, 2001  
(Thousands of Dollars)

Yankee

Yankee

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	Energy Financial Services	Energy Services Company	R.M. Services Company
	-----	-----	-----
Capitalization:			
Common stockholder's equity:			
Common stock	\$ 1	\$ 1	\$ 1
Capital surplus, paid in	1,241	7,881	13,798
Retained earnings	189	(1,651)	(466)
Accumulated other comprehensive loss	--	--	--
	-----	-----	-----
Total common stockholder's equity	1,431	6,231	13,333
Long-term debt	--	--	--
	-----	-----	-----
Total capitalization	1,431	6,231	13,333
	-----	-----	-----
Current Liabilities:			
Notes payable to banks	--	--	--
Notes payable to affiliated companies	3,200	3,515	--
Long-term debt - current portion	--	--	--
Accounts payable	46	--	--
Accounts payable to affiliated companies	36	--	--
Accrued taxes	20	--	--
Accrued interest	--	--	--
Other	--	34	--
	-----	-----	-----
	3,302	3,549	--
	-----	-----	-----
Deferred Credits and Other Long-term Liabilities:			
Accumulated deferred income taxes	--	--	--
Accumulated deferred investment tax credits	--	--	--
Other	--	--	--
	-----	-----	-----
	--	--	--
	-----	-----	-----
Total Capitalization and Liabilities	\$ 4,733	\$ 9,780	\$ 13,333
	=====	=====	=====

Note: Individual columns may not add to Consolidated due to rounding. The accompanying notes are an integral part of these financial statements.

(a) Not covered by auditors' report.

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YANKEE ENERGY SYSTEM, INC. AND SUBSIDIARIES  
 Consolidating Statement of Income (a)  
 Year Ended December 31, 2001  
 (Thousands of Dollars)

Yankee  
Energy                      Yankee Gas                      NorConn

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	System, Inc.	Services Company	Properties Inc.
	-----	-----	-----
Operating Revenues	\$ 2	\$ 378,033	\$ 297
	-----	-----	-----
Operating Expenses:			
Operation-			
Fuel, purchased and net interchange power	--	218,585	--
Other	169	53,271	88
Maintenance	--	7,969	--
Depreciation	--	25,752	89
Amortization of regulatory assets	--	7,541	--
Federal and state income taxes	--	11,900	161
Taxes other than income taxes	5	14,748	--
	-----	-----	-----
Total operating expenses	174	339,766	338
	-----	-----	-----
Operating (Loss)/Income	(172)	38,267	(41)
	-----	-----	-----
Other Income/(Loss):			
Equity in earnings of subsidiaries	24,600	--	--
Other, net	35	4,143	24
Income taxes	917	(2,411)	247
	-----	-----	-----
Other income/(loss), net	25,552	1,732	271
	-----	-----	-----
Income/(loss) before interest charges	25,380	39,999	230
	-----	-----	-----
Interest Charges:			
Interest on long-term debt	--	12,759	97
Other interest	(895)	1,239	23
	-----	-----	-----
Interest charges, net	(895)	13,998	120
	-----	-----	-----
Income/(loss) before cumulative effect of accounting change, net of tax benefit	26,275	26,001	110
Cumulative effect of accounting change, net of tax benefit	(447)	--	--
	-----	-----	-----
Net Income/(Loss)	\$ 25,828	\$ 26,001	\$ 110
	=====	=====	=====

Note: Individual columns may not add to Consolidated due to rounding. The accompanying notes are an integral part of these financial statements.

(a) Not covered by auditors' report.

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Year Ended December 31, 2001

(Thousands of Dollars)

	Yankee Energy, Inc. Financial Services -----	Yankee Energy Services Company -----	R.M. Services Inc. -----
Operating Revenues	\$ 99	\$ (90)	\$ 3,279
Operating Expenses:			
Operation-			
Fuel, purchased and net interchange power	--	--	--
Other	128	989	2,976
Maintenance	--	--	--
Depreciation	96	151	490
Amortization of regulatory assets	--	22	198
Federal and state income taxes	--	(448)	--
Taxes other than income taxes	--	--	32
Total operating expenses	224	714	3,696
Operating (Loss)/Income	(125)	(804)	(417)
Other Income/(Loss):			
Equity in earnings of subsidiaries	--	--	--
Other, net	336	(1)	(141)
Income taxes	13	740	123
Other income/(loss), net	349	739	(18)
Income/(loss) before interest charges	224	(65)	(435)
Interest Charges:			
Interest on long-term debt	--	--	--
Other interest	93	399	90
Interest charges, net	93	399	90
Income/(loss) before cumulative effect of accounting change, net of tax benefit	131	(464)	(525)
Cumulative effect of accounting change, net of tax benefit	--	--	--
Net Income/(Loss)	\$ 131 =====	\$ (464) =====	\$ (525) =====

Note: Individual columns may not add to Consolidated due to rounding. The accompanying notes are an integral part of these financial statements.

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(a) Not covered by auditors' report.

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YANKEE ENERGY SYSTEM, INC. AND SUBSIDIARIES  
 Consolidating Statement of Retained Earnings (a)  
 Year Ended December 31, 2001  
 (Thousands of Dollars)

	Yankee Energy System, Inc.	Yankee Gas Services Company	NorConn Properties Inc.
	-----	-----	-----
Balance at beginning of period	\$ (733)	\$ 1,149	\$ 207
Additions:			
Net Income/(Loss)	25,828	26,001	110
	-----	-----	-----
	25,095	27,150	317
	-----	-----	-----
Deductions:			
Allocation of benefits-ESOP	47	47	--
	-----	-----	-----
Total deductions	47	47	--
	-----	-----	-----
Balance at end of period	\$ 25,048	\$ 27,103	\$ 317
	=====	=====	=====

YANKEE ENERGY SYSTEM, INC. AND SUBSIDIARIES  
 Consolidating Statement of Capital Surplus, Paid In (a)  
 Year Ended December 31, 2001  
 (Thousands of Dollars)

	Yankee Energy System, Inc.	Yankee Gas Services Company	NorConn Properties Inc.
	-----	-----	-----
Balance at beginning of period	\$ 484,888	\$ 466,048	\$ 9
Capital contribution from Yankee Energy System, Inc.	--	--	--
	-----	-----	-----
Balance at end of period	\$ 484,888	\$ 466,048	\$ 9
	=====	=====	=====

Note: Individual columns may not add to Consolidated due to rounding. The accompanying notes are an integral part of these financial statements.

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(a) Not covered by auditors' report.

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YANKEE ENERGY SYSTEM, INC. AND SUBSIDIARIES  
 Consolidating Statement of Retained Earnings (a)  
 Year Ended December 31, 2001  
 (Thousands of Dollars)

	Yankee Energy, Inc. Financial Services	Yankee Energy Services Company	R.M. Services Inc.
	-----	-----	-----
Balance at beginning of period	\$ 58	\$ (1,187)	\$ 59
Additions:			
Net Income/(Loss)	131	(464)	(525)
	-----	-----	-----
	189	(1,651)	(466)
	-----	-----	-----
Deductions:			
Allocation of benefits-ESOP	--	--	--
	-----	-----	-----
Total deductions	--	--	--
	-----	-----	-----
Balance at end of period	\$ 189	\$ (1,651)	\$ (466)
	=====	=====	=====

YANKEE ENERGY SYSTEM, INC. AND SUBSIDIARIES  
 Consolidating Statement of Capital Surplus, Paid In (a)  
 Year Ended December 31, 2001  
 (Thousands of Dollars)

	Yankee Energy, Inc. Financial Services	Yankee Energy Services Company	R.M. Services Inc.
	-----	-----	-----
Balance at beginning of period	\$ 1,241	\$ 7,881	\$ 9,298
Capital contribution from Yankee Energy System, Inc.	--	--	4,500
	-----	-----	-----
Balance at end of period	\$ 1,241	\$ 7,881	\$ 13,798
	=====	=====	=====

Note: Individual columns may not add to Consolidated due to rounding. The

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accompanying notes are an integral part of these financial statements.

(a) Not covered by auditors' report.

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YANKEE ENERGY SYSTEM, INC. AND SUBSIDIARIES  
 Consolidating Statement of Cash Flows (a)  
 Year Ended December 31, 2001  
 (Thousands of Dollars)

	Yankee Energy System, Inc. -----	Yankee Gas Services Company -----	No Pro -----
<b>Operating Activities:</b>			
Income/(loss) after interest charges	\$ 26,275	\$ 26,001	\$
Adjustments to reconcile to net cash provided by/(used in) operating activities:			
Depreciation	--	25,752	
Deferred income taxes and investment tax credits, net	(3,185)	(1,196)	
Amortization of regulatory assets	--	7,541	
Accumulative effect of accounting change	(447)	--	
Allocation of ESOP benefits	(47)	(47)	
Net other (uses)/sources of cash	(1,291)	1,225	
Changes in working capital:			
Accounts receivable	1,110	10,171	
Fuel, materials and supplies	--	(686)	
Accounts payable	2,312	(20,784)	
Accrued taxes	315	(11,584)	
Other working capital (excludes cash)	508	6,234	
	-----	-----	-----
Net cash flows provided by/(used in) operating activities	25,550	42,627	
	-----	-----	-----
<b>Investing Activities:</b>			
Investments in regulated plant	--	(47,771)	
Investment in NU system Money Pool	1,610	(500)	
Other investments	(27,692)	(1,500)	
	-----	-----	-----
Net cash flows (used in)/provided by investing activities	(26,082)	(49,771)	
	-----	-----	-----
<b>Financing Activities:</b>			
Net increase in short-term debt	--	3,400	
Capital contribution from parent	--	--	
Reacquisitions and retirements of long-term debt	--	(950)	
	-----	-----	-----
Net cash flows provided by/(used in) financing activities	--	2,450	
	-----	-----	-----
Net (decrease)/increase in cash for the period	(532)	(4,694)	
Cash - beginning of period	535	4,824	
	-----	-----	-----
Cash - end of period	\$ 3	\$ 130	\$
	=====	=====	=====

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Supplemental Cash Flow Information:

Cash paid/(refunded) during the year for:

Interest, net of amounts capitalized	\$ 37	\$ 14,121	\$
	=====	=====	=====
Income taxes	\$ 2,621	\$ 24,937	\$
	=====	=====	=====

Note: Individual columns may not add to Consolidated due to rounding.

The accompanying notes are an integral part of these financial statements.

(a) Not covered by auditors' report.

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YANKEE ENERGY SYSTEM, INC. AND SUBSIDIARIES  
 Consolidating Statement of Cash Flows (a)  
 Year Ended December 31, 2001  
 (Thousands of Dollars)

	Yankee Energy Financial Services Company	Yankee Energy Services Company	R.M. Servi Inc
	-----	-----	-----
Operating Activities:			
Income/(loss) after interest charges	\$ 131	\$ (464)	\$
Adjustments to reconcile to net cash provided by/(used in) operating activities:			
Depreciation	96	151	
Deferred income taxes and investment tax credits, net	(44)	--	
Amortization of regulatory assets	--	22	
Accumulative effect of accounting change	--	--	
Allocation of ESOP benefits	--	--	
Net other (uses)/sources of cash	(140)	13,831	6
Changes in working capital:			
Accounts receivable	(1,415)	(6,554)	
Fuel, materials and supplies	--	210	
Accounts payable	(4)	(480)	(1
Accrued taxes	(37)	--	
Other working capital (excludes cash)	(3)	1,148	
	-----	-----	-----
Net cash flows provided by/(used in) operating activities	(1,416)	7,864	5
	-----	-----	-----
Investing Activities:			
Investments in regulated plant	--	--	
Investment in NU system Money Pool	1,418	(12,119)	(2
Other investments	73	4,406	(8
	-----	-----	-----
Net cash flows (used in)/provided by investing activities	1,491	(7,713)	(11
	-----	-----	-----
Financing Activities:			

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Net increase in short-term debt	--	--	
Capital contribution from parent	--	--	4
Reacquisitions and retirements of long-term debt	--	--	
	-----	-----	-----
Net cash flows provided by/(used in) financing activities	--	--	4
	-----	-----	-----
Net (decrease)/increase in cash for the period	75	151	(1
Cash - beginning of period	8	--	1
	-----	-----	-----
Cash - end of period	\$ 83	\$ 151	\$
	=====	=====	=====
Supplemental Cash Flow Information:			
Cash paid/(refunded) during the year for:			
Interest, net of amounts capitalized	\$ 93	\$ 399	\$
	=====	=====	=====
Income taxes	\$ 50	\$ (1,173)	\$
	=====	=====	=====

Note: Individual columns may not add to Consolidated due to rounding.

The accompanying notes are an integral part of these financial statements.

(a) Not covered by auditors' report.

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CHARTER OAK ENERGY INCORPORATED  
AND SUBSIDIARIES  
Consolidating Balance Sheet (a)  
Assets  
December 31, 2001  
(Thousands of Dollars)

	Charter Oak Energy, Inc.	COE Development Corporation	COE Argentina II Corp	Ave Corp
	-----	-----	-----	-----
Utility Plant, at cost:				
Electric	\$ 40	\$ 11	\$ --	\$
Less: Accumulated provision for depreciation	40	11	--	
	-----	-----	-----	-----
Total net utility plant	--	--	--	
	-----	-----	-----	-----
Other Property and Investments:				
Investments in subsidiary companies, at equity	13,118	--	--	
	-----	-----	-----	-----
Current Assets:				
Cash	161	37	29	
Receivables, net	--	215	--	
Accounts receivable from affiliated companies	--	1,168	--	
Taxes receivable	--	--	--	
	-----	-----	-----	-----

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	161	1,420	29	---
	-----	-----	-----	-----
Deferred Charges:				
Accumulated deferred income taxes	80	--	--	--
	-----	-----	-----	-----
Total Assets	\$ 13,359	\$ 1,420	\$ 29	\$ ---
	=====	=====	=====	=====

Note: Individual columns may not add to Consolidated due to rounding. The accompanying notes are an integral part of these financial statements.

(a) Not covered by auditors' report.

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CHARTER OAK ENERGY INCORPORATED  
AND SUBSIDIARIES  
Consolidating Balance Sheet (a)  
Capitalization and Liabilities  
December 31, 2001  
(Thousands of Dollars)

	Charter Oak Energy, Inc.	COE Development Corporation	COE Argentina II Corp	COE Ave Fe Corpora
	-----	-----	-----	-----
Capitalization:				
Common stockholder's equity:				
Common stock	\$ --	\$ --	\$ --	\$ --
Capital surplus, paid in	75,944	15,873	1,571	51,000
Retained earnings	(64,147)	(14,786)	(1,542)	(39,000)
	-----	-----	-----	-----
Total common stockholder's equity	11,797	1,087	29	12,000
	-----	-----	-----	-----
Total capitalization	11,797	1,087	29	12,000
	-----	-----	-----	-----
Current Liabilities:				
Accounts payable	308	--	--	--
Accounts payable to affiliated companies	1,168	--	--	11,000
Accrued taxes	86	333	--	--
	-----	-----	-----	-----
	1,562	333	--	11,000
	-----	-----	-----	-----
Total Capitalization and Liabilities	\$ 13,359	\$ 1,420	\$ 29	\$ 23,000
	=====	=====	=====	=====

Note: Individual columns may not add to Consolidated due to rounding. The accompanying notes are an integral part of these financial statements.

(a) Not covered by auditors' report.

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CHARTER OAK ENERGY, INC.  
AND SUBSIDIARIES  
Consolidating Statement of Income (a)  
Year Ended December 31, 2001  
(Thousands of Dollars)

	Charter Oak Energy, Inc.	COE Development Corporation	COE Argentina II Corp.	COE Ave Fenix Corporation
Operating Revenues	\$ --	\$ --	\$ --	\$ --
Operating Expenses:				
Operation	20	(179)	--	--
Federal and state income taxes	1	(309)	--	--
Total operating expenses	21	(488)	--	--
Operating (Loss)/Income	(21)	488	--	--
Other Income:				
Equity in earnings of subsidiaries	946	--	--	--
Other, net	6	485	--	44
Income taxes	--	--	--	(71)
Other income/(loss), net	952	485	--	(27)
Net Income/(Loss)	\$ 931	\$ 973	\$ --	\$ (27)

Note: Individual columns may not add to Consolidated due to rounding. The accompanying notes are an integral part of these financial statements.

(a) Not covered by auditors' report.

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CHARTER OAK ENERGY, INC.  
AND SUBSIDIARIES  
Consolidating Statement of Retained Earnings (a)  
Year Ended December 31, 2001  
(Thousands of Dollars)

	Charter Oak Energy, Inc.	COE Development Corporation	COE Argentina II Corp	COE Ave Fenix Corporatio
--	-----------------------------	-----------------------------------	-----------------------------	--------------------------------

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Balance at beginning of period	\$ (65,078)	\$ (15,759)	\$ (1,542)	\$ (39,854)
Additions:				
Net Income/(Loss)	931	973	(0)	(27)
Balance at end of period	\$ (64,147)	\$ (14,786)	\$ (1,542)	\$ (39,881)

CHARTER OAK ENERGY, INC.  
AND SUBSIDIARIES  
Consolidating Statement of Capital Surplus, Paid In (a)  
Year Ended December 31, 2001  
(Thousands of Dollars)

	Charter Oak Energy, Inc.	COE Development Corporation	COE Argentina II Corp	COE Ave Fenix Corporation
Balance at beginning of period	\$ 83,944	\$ 17,373	\$ 1,571	\$ 55,884
Dividends declared on common shares:				
\$15,000.00 per share	--	(1,500)	--	--
\$25,000.00 per share	(2,500)	--	--	--
\$40,000.00 per share	--	--	--	(4,000)
\$55,000.00 per share	(5,500)	--	--	--
Balance at end of period	\$ 75,944	\$ 15,873	\$ 1,571	\$ 51,884

Note: Individual columns may not add to Consolidated due to rounding.  
The accompanying notes are an integral part of these financial statements.

(a) Not covered by auditors' report.

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CHARTER OAK ENERGY AND SUBSIDIARIES  
Consolidating Statement of Cash Flows (a)  
Year Ended December 31, 2001  
(Thousands of Dollars)

	Charter Oak Energy, Inc.	Charter Oak Development Corporation	COE Argentina II Corp.	COE Fe Co
Operating Activities:				
Income/(loss) after interest charges	\$ 931	\$ 973	\$ --	\$ --
Adjustments to reconcile to net cash				

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provided by operating activities:				
Deferred income taxes	--	--	--	
Net other (uses)/sources of cash	(200)	--	--	1
Changes in working capital:				
Accounts receivable	2,500	--	--	(2
Accounts payable	(6)	--	--	
Accrued taxes	86	317	--	
Other working capital (excludes cash)	34	--	--	
	-----	-----	-----	-----
Net cash flows provided by operating activities	3,345	1,290	--	
	-----	-----	-----	-----
Investing Activities:				
Other investments	4,554	--	--	
	-----	-----	-----	-----
Net cash flows provided by investing activities	4,554	--	--	
	-----	-----	-----	-----
Financing Activities:				
Cash dividends on common shares	(8,000)	(1,500)	--	(
	-----	-----	-----	-----
Net cash flows used in financing activities	(8,000)	(1,500)	--	(
	-----	-----	-----	-----
Net decrease in cash for the period	(101)	(210)	--	(
Cash - beginning of period	262	247	29	
	-----	-----	-----	-----
Cash - end of period	\$ 161	\$ 37	\$ 29	\$
	=====	=====	=====	=====
Supplemental Cash Flow Information:				
Cash refunded during the year for:				
Interest, net of amounts capitalized	\$ --	\$ --	\$ --	\$
	=====	=====	=====	=====
Income taxes	\$ (120)	\$ 257	\$ --	\$ (
	=====	=====	=====	=====

Note: Individual columns may not add to Consolidated due to rounding.

The accompanying notes are an integral part of these financial statements.

(a) Not covered by auditors' report.

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SELECT ENERGY SERVICES, INC. AND SUBSIDIARIES

Consolidating Balance Sheet (a)

Assets

December 31, 2001

(Thousands of Dollars)

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	Select Energy Services, Inc.	Select Energy Contracting, Inc.	HEC Energy Consulting Canada, Inc. (b)	Ree Sup
	-----	-----	-----	-----
Utility Plant, at cost:				
Other	\$ 5,974	\$ 18,575	\$ --	\$
Less: Accumulated provision for depreciation	4,209	4,570	--	
	-----	-----	-----	
Total net utility plant	1,765	14,005	--	
	-----	-----	-----	
Other Property and Investments:				
Investments in subsidiary companies, at equity	19,639	--	--	
Other, at cost	6	--	--	
	-----	-----	-----	
	19,645	--	--	
	-----	-----	-----	
Current Assets:				
Cash	415	215	--	
Receivables, net	5,617	15,307	--	
Accounts receivable from affiliated companies	11,228	830	--	
Taxes receivable	628	--	--	
Other material and supplies, at average cost	--	267	--	
Prepayments and other	309	421	--	
	-----	-----	-----	
	18,197	17,040	--	
	-----	-----	-----	
Deferred Charges:				
Goodwill	--	5,943	--	
Other	20,743	--	--	
	-----	-----	-----	
	20,743	5,943	--	
	-----	-----	-----	
Total Assets	\$ 60,350	\$ 36,988	\$ --	\$
	=====	=====	=====	=====

Note: Individual columns may not add to Consolidated due to rounding. The accompanying notes are an integral part of these financial statements.

(a) Not covered by auditors' report.

(b) HEC Energy Consulting Canada, Inc. was dissolved on December 31, 2001. The business was transferred to Select Energy Services, Inc.

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SELECT ENERGY SERVICES, INC. AND SUBSIDIARIES

Consolidating Balance Sheet (a)  
 Assets  
 December 31, 2001  
 (Thousands of Dollars)

	HEC/Tobyhanna Energy Project, Inc.	HEC/CJTS Energy Center LLC	Eliminations	Consolidated
	-----	-----	-----	-----
Utility Plant, at cost:				
Other	\$ 714	\$ --	\$ 714	\$ 24
Less: Accumulated provision for depreciation	73	--	73	8
	-----	-----	-----	-----
Total net utility plant	641	--	641	16
	-----	-----	-----	-----
Other Property and Investments:				
Investments in subsidiary companies, at equity	--	--	19,639	
Other, at cost	--	--	--	
	-----	-----	-----	-----
	--	--	19,639	
	-----	-----	-----	-----
Current Assets:				
Cash	2,525	1	--	3
Receivables, net	1,272	--	144	22
Accounts receivable from affiliated companies	--	--	11,964	
Taxes receivable	--	--	628	
Other material and supplies, at average cost	--	--	--	
Prepayments and other	--	--	--	
	-----	-----	-----	-----
	3,797	1	12,736	26
	-----	-----	-----	-----
Deferred Charges:				
Goodwill	--	--	--	5
Other	26,265	--	1,898	45
	-----	-----	-----	-----
	26,265	--	1,898	51
	-----	-----	-----	-----
Total Assets	\$ 30,703	\$ 1	\$ 34,914	\$ 93
	=====	=====	=====	=====

Note: Individual columns may not add to Consolidated due to rounding. The accompanying notes are an integral part of these financial statements.

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- (a) Not covered by auditors' report.
- (b) HEC Energy Consulting Canada, Inc. was dissolved on December 31, 2001. The business was transferred to Select Energy Services, Inc.

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SELECT ENERGY SERVICES, INC. AND SUBSIDIARIES

Consolidating Balance Sheet (a)  
Capitalization and Liabilities  
December 31, 2001  
(Thousands of Dollars)

	Select Energy Services, Inc.	Select Energy Contracting, Inc.	HEC Energy Consulting Canada, Inc. (b)
	-----	-----	-----
<b>Capitalization:</b>			
Common stockholder's equity:			
Common stock	\$ --	\$ --	\$ --
Capital surplus, paid in	24,900	14,910	--
Retained earnings	2,931	754	--
	-----	-----	-----
Total common stockholder's equity	27,831	15,664	--
Long-term debt	--	--	--
	-----	-----	-----
Total capitalization	27,831	15,664	--
	-----	-----	-----
<b>Current Liabilities:</b>			
Notes payable to affiliated company	14,500	3,790	--
Accounts payable	3,560	4,576	--
Accounts payable to affiliated companies	1,035	7,454	--
Accrued taxes	--	926	--
Accrued interest	--	--	--
Other	13,405	1,780	--
	-----	-----	-----
	32,500	18,526	--
	-----	-----	-----
<b>Deferred Credits and Other</b>			
<b>Long-term Liabilities:</b>			
Accumulated deferred income taxes	19	260	--
Other	--	2,538	--
	-----	-----	-----
	19	2,798	--
	-----	-----	-----

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Total Capitalization and Liabilities	\$ 60,350	\$ 36,988	\$ --
	=====	=====	=====

Note: Individual columns may not add to Consolidated due to rounding. The accompanying notes are an integral part of these financial statements.

- (a) Not covered by auditors' report.
- (b) HEC Energy Consulting Canada, Inc. was dissolved on December 31, 2001. The business was transferred to Select Energy Services, Inc.

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SELECT ENERGY SERVICES, INC. AND SUBSIDIARIES

Consolidating Balance Sheet (a)  
Capitalization and Liabilities  
December 31, 2001  
(Thousands of Dollars)

	HEC/Tobyhanna Energy Project, Inc.	HEC/CJTS Energy Center LLC	Eliminations	Consolidated
	-----	-----	-----	-----
<b>Capitalization:</b>				
Common stockholder's equity:				
Common stock	\$ --	\$ --	\$ 4	\$ --
Capital surplus, paid in	--	10	14,923	--
Retained earnings	226	(9)	922	--
	-----	-----	-----	-----
Total common stockholder's equity	226	1	15,849	--
Long-term debt	25,979	--	--	--
	-----	-----	-----	-----
Total capitalization	26,205	1	15,849	--
	-----	-----	-----	-----
<b>Current Liabilities:</b>				
Notes payable to affiliated company	--	--	3,790	--
Accounts payable	--	--	127	--
Accounts payable to affiliated companies	3,403	--	11,982	--
Accrued taxes	--	--	628	--
Accrued interest	744	--	--	--
Other	351	--	--	--
	-----	-----	-----	-----
	4,498	--	16,527	--
	-----	-----	-----	-----
<b>Deferred Credits and Other</b>				
<b>Long-term Liabilities:</b>				
Accumulated deferred income taxes	--	--	--	--
Other	--	--	2,538	--

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	-----	-----	-----
	--	--	2,538
	-----	-----	-----
Total Capitalization and Liabilities	\$ 30,703	\$ 1	\$ 34,914
	=====	=====	=====

Note: Individual columns may not add to Consolidated due to rounding. The accompanying notes are an integral part of these financial statements.

- (a) Not covered by auditors' report.
- (b) HEC Energy Consulting Canada, Inc. was dissolved on December 31, 2001. The business was transferred to Select Energy Services, Inc.

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SELECT ENERGY SERVICES, INC. AND SUBSIDIARIES  
 Consolidating Statement of Income (a)  
 Year Ended December 31, 2001  
 (Thousands of Dollars)

	Select Energy Services, Inc.	HEC Energy Select Energy Contracting, Inc.	HEC Energy Consulting Canada, Inc. (b)	Ree Fer Sup Co.,
	-----	-----	-----	-----
Operating Revenues	\$ 49,563	\$ 56,511	\$ --	\$
	-----	-----	-----	-----
Operating Expenses:				
Operation	47,390	51,568	3	
Maintenance	38	437	--	
Depreciation	234	1,571	--	
Amortization of regulatory assets	--	76	--	
Federal and state income taxes	718	833	--	
Taxes other than income taxes	504	450	--	
	-----	-----	-----	-----
Total operating expenses	48,884	54,935	3	
	-----	-----	-----	-----
Operating Income/(Loss)	679	1,576	(3)	
	-----	-----	-----	-----
Other Income				
Equity in earnings of subsidiaries	928	--	--	
Other, net	2,001	22	--	
	-----	-----	-----	-----
Other income, net	2,929	22	--	
	-----	-----	-----	-----
Income/(loss) before interest charges	3,608	1,598	(3)	
	-----	-----	-----	-----

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Interest Charges	1,219	680	--	
	-----	-----	-----	-----
Net Income/(Loss)	\$ 2,389	\$ 918	\$ (3)	\$
	=====	=====	=====	=====

Note: Individual columns may not add to Consolidated due to rounding. The accompanying notes are an integral part of these financial statements.

(a) Not covered by auditors' report.

(b) HEC Energy Consulting Canada, Inc. was dissolved on December 31, 2001. The business was transferred to Select Energy Services, Inc.

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SELECT ENERGY SERVICES, INC. AND SUBSIDIARIES  
 Consolidating Statement of Income (a)  
 Year Ended December 31, 2001  
 (Thousands of Dollars)

	HEC/ Tobyhanna Energy Project, Inc.	HEC/ CJTS Energy Center LLC	Eliminations	Conso
	-----	-----	-----	-----
Operating Revenues	\$ --	\$ --	\$ 5,050	\$10
	-----	-----	-----	-----
Operating Expenses:				
Operation	--	9	5,050	9
Maintenance	--	--	--	
Depreciation	--	--	--	
Amortization of regulatory assets	--	--	--	
Federal and state income taxes	178	--	--	
Taxes other than income taxes	--	--	--	
	-----	-----	-----	-----
Total operating expenses	178	9	5,050	9
	-----	-----	-----	-----
Operating Income/(Loss)	(178)	(9)	--	
	-----	-----	-----	-----
Other Income				
Equity in earnings of subsidiaries	--	--	928	
Other, net	2,259	--	--	
	-----	-----	-----	-----
Other income, net	2,259	--	928	
	-----	-----	-----	-----
Income/(loss) before interest charges	2,081	(9)	928	
	-----	-----	-----	-----
Interest Charges	2,038	--	--	

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	-----	-----	-----	-----
Net Income/(Loss)	\$ 43	\$ (9)	\$ 928	\$
	=====	=====	=====	=====

Note: Individual columns may not add to Consolidated due to rounding. The accompanying notes are an integral part of these financial statements.

(a) Not covered by auditors' report.

(b) HEC Energy Consulting Canada Inc., was dissolved on December 31, 2001. The business was transferred to Select Energy Services, Inc.

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SELECT ENERGY SERVICES INC. AND SUBSIDIARIES  
 Consolidating Statement of Retained Earnings (a)  
 Year Ended December 31, 2001  
 (Thousands of Dollars)

	Select Energy Services, Inc.	Select Energy Contracting, Inc.	HEC Energy Consulting Canada, Inc. (b)
	-----	-----	-----
Balance at beginning of period	\$ 574	\$ (144)	\$ (6)
Additions:			
Net income/(loss)	2,389	918	(3)
	-----	-----	-----
	2,963	774	(9)
	-----	-----	-----
Deductions:			
Close out of retained earnings due to transferring subsidiary to Select Energy Services, Inc.	--	--	(9)
Allocation of benefits-ESOP	32	20	--
	-----	-----	-----
Total deductions	32	20	(9)
	-----	-----	-----
Balance at end of period	\$ 2,931	\$ 754	\$ --
	=====	=====	=====

SELECT ENERGY SERVICES INC. AND SUBSIDIARIES  
 Consolidating Statement of Capital Surplus, Paid In (a)  
 Year Ended December 31, 2001  
 (Thousands of Dollars)

	Select	Select	HEC Energy Consulting
--	--------	--------	--------------------------

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	Energy Services, Inc. -----	Energy Contracting, Inc. -----	Canada, Inc. (b) -----
Balance at beginning of period	\$ 24,900	\$ 14,910	\$ 7
Close out of capital surplus, paid in due to transferring subsidiary to Select Energy Services, Inc.	--	--	(7)
Capital contribution from Select Energy Services, Inc.	--	--	--
	-----	-----	-----
Balance at end of period	\$ 24,900 =====	\$ 14,910 =====	\$ -- =====

Note: Individual columns may not add to Consolidated due to rounding. The accompanying notes are an integral part of these financial statements.

(a) Not covered by auditors' report.

(b) HEC Energy Consulting Canada, Inc. was dissolved on December 31, 2001. The business was transferred to Select Energy Services, Inc.

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SELECT ENERGY SERVICES INC. AND SUBSIDIARIES  
Consolidating Statement of Retained Earnings (a)  
Year Ended December 31, 2001  
(Thousands of Dollars)

	HEC/ Tobyhanna Energy Project, Inc. -----	HEC/ CJTS Energy Center LLC -----	Eliminations -----
Balance at beginning of period	\$ 183	\$ --	\$ 5
Additions:			
Net income/(loss)	43	(9)	928
	-----	-----	-----
	226	(9)	933
	-----	-----	-----
Deductions:			
Close out of retained earnings due to transferring subsidiary to Select Energy Services, Inc.	--	--	(9)
Allocation of benefits-ESOP	--	--	20
	-----	-----	-----
Total deductions	--	--	11
	-----	-----	-----
Balance at end of period	\$ 226	\$ (9)	\$ 922

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SELECT ENERGY SERVICES INC. AND SUBSIDIARIES  
 Consolidating Statement of Capital Surplus, Paid In (a)  
 Year Ended December 31, 2001  
 (Thousands of Dollars)

	HEC/ Tobyhanna Energy Project, Inc. -----	HEC/ CJTS Energy Center LLC -----	Eliminations -----
Balance at beginning of period	\$ --	\$ --	\$ 14,920
Close out of capital surplus, paid in due to transferring subsidiary to Select Energy Services, Inc.	--	--	(7)
Capital contribution from Select Energy Services, Inc.	--	10	10
	-----	-----	-----
Balance at end of period	\$ --	\$ 10	\$ 14,923
	=====	=====	=====

Note: Individual columns may not add to Consolidated due to rounding. The accompanying notes are an integral part of these financial statements.

- (a) Not covered by auditors' report.
- (b) HEC Energy Consulting Canada, Inc. was dissolved on December 31, 2001. The business was transferred to Select Energy Services, Inc.

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SELECT ENERGY SERVICES, INC. AND SUBSIDIARIES  
 Consolidating Statement of Cash Flows (a)  
 Year Ended December 31, 2001  
 (Thousands of Dollars)

	Select Energy Services, Inc. -----	Select Energy Contracting, Inc. -----
Operating Activities:		
Income/(loss) after interest charges	\$ 2,389	\$ 918
Adjustments to reconcile to net cash used in by operating activities:		
Depreciation	234	1,571
Deferred income taxes and investment tax credits, net	(143)	(205)

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Allocation of ESOP benefits	(32)	(20)
Other sources/(uses) of cash	214	1,539
Changes in working capital:		
Receivables and accrued utility revenues	(4,087)	(4,391)
Fuel, materials and supplies	--	228
Accounts payable	956	8
Accrued taxes	--	619
Other working capital (excludes cash)	1,879	(900)
	-----	-----
Net cash flows provided by/(used in) operating activities	1,410	(633)
	-----	-----
Investing Activities:		
Investment in plant:		
Electric utility plant	(289)	(836)
	-----	-----
Net cash flows used for investments in plant	(289)	(836)
Other investments	(924)	--
	-----	-----
Net cash flows used in investing activities	(1,213)	(836)
	-----	-----
Financing Activities:		
Dissolution of HEC Energy Consulting Canada, Inc.	--	--
Retirement of long-term debt	--	--
Net decrease in short-term debt	(800)	--
Capital contributions	--	--
	-----	-----
Net cash flows (used in)/provided by financing activities	(800)	--
	-----	-----
Net (decrease)/increase in cash for the period	(603)	(1,469)
Cash - beginning of period	1,018	1,684
	-----	-----
Cash - end of period	\$ 415	\$ 215
	=====	=====
Supplemental Cash Flow Information:		
Cash (refunded)/paid during the year for:		
Interest, net of amounts capitalized	\$ --	\$ --
	=====	=====
Income taxes	\$ 1,165	\$ 45
	=====	=====

Note: Individual columns may not add to Consolidated due to rounding.

The accompanying notes are an integral part of these financial statements.

(a) Not covered by auditors' report.

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SELECT ENERGY SERVICES, INC. AND SUBSIDIARIES  
Consolidating Statement of Cash Flows (a)  
Year Ended December 31, 2001  
(Thousands of Dollars)

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	Reeds Ferry Supply Co., Inc. -----	HEC/ Tobyhanna Energy Project, Inc. -----	HEC/CJT Energy Center LLC -----
<b>Operating Activities:</b>			
Income/(loss) after interest charges	\$ (21)	\$ 43	\$ (
Adjustments to reconcile to net cash used in by operating activities:			
Depreciation	20	--	-
Deferred income taxes and investment tax credits, net	--	--	-
Allocation of ESOP benefits	--	--	-
Other sources/(uses) of cash	--	(3,198)	-
Changes in working capital:			
Receivables and accrued utility revenues	(50)	(664)	-
Fuel, materials and supplies	--	--	-
Accounts payable	49	3,403	-
Accrued taxes	--	--	-
Other working capital (excludes cash)	--	337	-
	-----	-----	-----
Net cash flows provided by/(used in) operating activities	(2)	(79)	(
	-----	-----	-----
<b>Investing Activities:</b>			
Investment in plant:			
Electric utility plant	--	--	-
	-----	-----	-----
Net cash flows used for investments in plant	--	--	-
Other investments	--	--	-
	-----	-----	-----
Net cash flows used in investing activities	--	--	-
	-----	-----	-----
<b>Financing Activities:</b>			
Dissolution of HEC Energy Consulting Canada, Inc.	--	--	-
Retirement of long-term debt	--	(498)	-
Net decrease in short-term debt	--	--	-
Capital contributions	--	--	1
	-----	-----	-----
Net cash flows (used in)/provided by financing activities	--	(498)	1
	-----	-----	-----
Net (decrease)/increase in cash for the period	(2)	(577)	-
Cash - beginning of period	7	3,102	-
	-----	-----	-----
Cash - end of period	\$ 5	\$ 2,525	\$
	=====	=====	=====
<b>Supplemental Cash Flow Information:</b>			
Cash (refunded)/paid during the year for:			
Interest, net of amounts capitalized	\$ --	\$ --	\$ -
	=====	=====	=====
Income taxes	\$ --	\$ 27	\$ -
	=====	=====	=====

Note: Individual columns may not add to Consolidated due to rounding.

The accompanying notes are an integral part of these financial statements.

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(a) Not covered by auditors' report.

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NU ENTERPRISES, INC.  
AND SUBSIDIARIES  
Consolidating Balance Sheet (a)  
Assets  
December 31, 2001  
(Thousands of Dollars)

	NU Enterprises, Inc.	Northeast Generation Company	Northeast Generation Services Company (consolidated (b))
	-----	-----	-----
Utility Plant, at cost:			
Electric	\$ --	\$ 265,309	\$ --
Other	--	--	2,062
	-----	-----	-----
	--	265,309	2,062
Less: Accumulated provision for depreciation	--	150,294	792
	-----	-----	-----
	--	115,015	1,270
Construction work in progress	--	21,055	1,116
	-----	-----	-----
Total net utility plant	--	136,070	2,386
	-----	-----	-----
Other Property and Investments:			
Investments in subsidiary companies, at equity	546,757	--	--
Other, at cost	10,000	--	26
	-----	-----	-----
	556,757	--	26
	-----	-----	-----
Current Assets:			
Cash	76	6,095	480
Special deposits	--	--	--
Notes receivable from affiliated companies	4,600	9,900	--
Receivables, net	--	--	21,479
Accounts receivable from affiliated companies	--	10,642	1,260
Taxes receivable	65	4,217	--
Unbilled revenues	--	--	--
Fuel, materials, and supplies, at average cost	--	1,793	558
Unrealized gains on mark-to-market	--	--	--
Prepayments and other	--	392	3,255
	-----	-----	-----
	4,741	33,039	27,032
	-----	-----	-----
Deferred Charges:			
Accumulated deferred income taxes	--	256,049	200
Unamortized debt expense	--	10,662	--
Goodwill and other purchased intangible assets, net	--	--	6,963

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Prepaid pension	--	--	--
Other	67	29,148	931
	-----	-----	-----
	67	295,859	8,094
	-----	-----	-----
Total Assets	\$ 561,565	\$ 464,968	\$ 37,538
	=====	=====	=====

Note: Individual columns may not add to Consolidated due to rounding. The accompanying notes are an integral part of these financial statements.

- (a) Not covered by auditors' report.  
(b) See supporting statements.

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NU ENTERPRISES, INC.  
AND SUBSIDIARIES  
Consolidating Balance Sheet (a)  
Assets  
December 31, 2001  
(Thousands of Dollars)

	Mode 1 Communications, Inc.	Select Energy Services, Inc. (consolidated) (b)	Elimin
	-----	-----	-----
Utility Plant, at cost:			
Electric	\$ 906	\$ --	\$
Other	--	24,844	
	-----	-----	-----
	906	24,844	
Less: Accumulated provision for depreciation	61	8,827	
	-----	-----	-----
	845	16,017	
Construction work in progress	93	--	
	-----	-----	-----
Total net utility plant	938	16,017	
	-----	-----	-----
Other Property and Investments:			
Investments in subsidiary companies, at equity	--	--	54
Other, at cost	26,176	6	
	-----	-----	-----
	26,176	6	54
	-----	-----	-----
Current Assets:			
Cash	10	3,162	
Special deposits	--	--	
Notes receivable from affiliated companies	1,800	--	
Receivables, net	1,546	22,179	
Accounts receivable from affiliated companies	--	94	1
Taxes receivable	--	--	

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Unbilled revenues	--	--	
Fuel, materials, and supplies, at average cost	--	267	
Unrealized gains on mark-to-market	--	--	
Prepayments and other	--	731	
	-----	-----	-----
	3,356	26,433	1
	-----	-----	-----
Deferred Charges:			
Accumulated deferred income taxes	--	--	
Unamortized debt expense	--	--	
Goodwill and other purchased intangible assets, net	--	5,943	(
Prepaid pension	--	--	
Other	--	45,109	
	-----	-----	-----
	--	51,052	
	-----	-----	-----
Total Assets	\$ 30,470	\$ 93,508	\$ 56
	=====	=====	=====

Note: Individual columns may not add to Consolidated due to rounding. The accompanying notes are an integral part of these financial statements.

(a) Not covered by auditors' report.

(b) See supporting statements.

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NU ENTERPRISES, INC.  
AND SUBSIDIARIES  
Consolidating Balance Sheet (a)  
Capitalization and Liabilities  
December 31, 2001  
(Thousands of Dollars)

	NU Enterprises, Inc.	Northeast Generation Company	Northeast Generation Services Company (consolidated (b))
	-----	-----	-----
Capitalization:			
Common stockholder's equity:			
Common stock	\$ --	\$ --	\$ --
Capital surplus, paid in	657,870	3,039	10,435
Retained earnings	(64,925)	11,853	3,170
Accumulated other comprehensive income	(31,416)	(1,941)	--
	-----	-----	-----
Total common stockholder's equity	561,529	12,951	13,605
Advances from Northeast Utilities	--	--	--
Long-term debt	--	416,000	--
	-----	-----	-----
Total capitalization	561,529	428,951	13,605
	-----	-----	-----

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Current Liabilities:			
Notes payable to banks	--	--	--
Notes payable to affiliated companies	--	--	12,500
Long-term debt - current portion	--	24,000	--
Accounts payable	1	1,759	3,735
Accounts payable to affiliated companies	35	1,297	3,205
Accrued taxes	--	794	2,638
Accrued interest	--	7,029	--
Other	--	1,138	679
	-----	-----	-----
	36	36,017	22,757
	-----	-----	-----
Deferred Credits and Other Long-term Liabilities:			
Accumulated deferred income taxes	--	--	--
Other	--	--	1,176
	-----	-----	-----
	--	--	1,176
	-----	-----	-----
 Total Capitalization and Liabilities	 \$ 561,565	 \$ 464,968	 \$ 37,538
	=====	=====	=====

Note: Individual columns may not add to Consolidated due to rounding. The accompanying notes are an integral part of these financial statements.

- (a) Not covered by auditors' report.
- (b) See supporting statements.

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NU ENTERPRISES, INC.  
AND SUBSIDIARIES  
Consolidating Balance Sheet (a)  
Capitalization and Liabilities  
December 31, 2001  
(Thousands of Dollars)

	Mode 1 Communications, Inc.	Select Energy Services, Inc. (consolidated) (b)	Elimin
	-----	-----	-----
Capitalization:			
Common stockholder's equity:			
Common stock	\$ --	\$ --	\$ --
Capital surplus, paid in	29,357	24,900	7
Retained earnings	(8,619)	2,931	(1
Accumulated other comprehensive income	3,982	--	(
	-----	-----	-----
Total common stockholder's equity	24,720	27,831	5
Advances from Northeast Utilities	--	--	
Long-term debt	--	25,979	
	-----	-----	-----
Total capitalization	24,720	53,810	5
	-----	-----	-----

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Current Liabilities:			
Notes payable to banks	--	--	
Notes payable to affiliated companies	--	14,500	
Long-term debt - current portion	--	--	
Accounts payable	1	8,136	
Accounts payable to affiliated companies	129	205	
Accrued taxes	188	298	
Accrued interest	--	744	
Other	10	15,535	
	-----	-----	-----
	328	39,418	
	-----	-----	-----
Deferred Credits and Other Long-term Liabilities:			
Accumulated deferred income taxes	2,036	280	
Other	3,386	--	
	-----	-----	-----
	5,422	280	
	-----	-----	-----
Total Capitalization and Liabilities	\$ 30,470	\$ 93,508	\$ 5
	=====	=====	=====

Note: Individual columns may not add to Consolidated due to rounding. The accompanying notes are an integral part of these financial statements.

- (a) Not covered by auditors' report.  
(b) See supporting statements.

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NU ENTERPRISES, INC. AND SUBSIDIARIES  
Consolidating Statement of Income (a)  
Year Ended December 31, 2001  
(Thousands of Dollars)

	NU Enterprises, Inc.	Northeast Generation Company	Northeast Generation Service Company (consolidated (b))
	-----	-----	-----
Operating Revenues	\$ --	\$ 129,681	\$ 112,012
	-----	-----	-----
Operating Expenses:			
Operation-			
Fuel, purchased and net interchange power	--	--	2,449
Other	300	15,426	47,646
Maintenance	--	6,902	55,245
Depreciation	--	3,040	393
Amortization of regulatory assets	--	--	--
Federal and state income taxes	(110)	28,432	2,344

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Taxes other than income taxes	11	7,375	256
	-----	-----	-----
Total operating expenses	201	61,175	108,333
	-----	-----	-----
Operating (Loss)/Income	(201)	68,506	3,679
	-----	-----	-----
Other (Loss)/Income:			
Equity in loss of subsidiaries	(24,451)	--	--
Other, net	49	1,113	1,644
Income Taxes	--	--	(133)
	-----	-----	-----
Other (loss)/Income, net	(24,402)	1,113	1,511
	-----	-----	-----
(Loss)/Income before interest charges	(24,603)	69,619	5,190
	-----	-----	-----
Interest Charges:			
Interest on long-term debt	--	7,396	--
Other interest	5	19,966	611
	-----	-----	-----
Interest charges, net	5	27,362	611
	-----	-----	-----
(Loss)/Income before cumulative effect of accounting change, net of tax benefit	(24,608)	42,257	4,579
Cumulative effect of accounting change, net of tax benefit	--	--	--
	-----	-----	-----
Net (Loss)/Income	\$ (24,608)	\$ 42,257	\$ 4,579
	=====	=====	=====

Note: Individual columns may not add to Consolidated due to rounding. The accompanying notes are an integral part of these financial statements.

(a) Not covered by auditors' report.

(b) See supporting statements.

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NU ENTERPRISES, INC. AND SUBSIDIARIES  
Consolidating Statement of Income (a)  
Year Ended December 31, 2001  
(Thousands of Dollars)

	MODE 1 Communications, Inc.	Select Energy Services Inc. (consolidated) (b)	Eliminatio
	-----	-----	-----
Operating Revenues	\$ 194	\$ 101,984	\$ 148,1
	-----	-----	-----

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Operating Expenses:			
Operation-			
Fuel, purchased and net interchange power	--	--	129,3
Other	390	94,881	11,8
Maintenance	--	475	6,8
Depreciation	36	1,825	1,9
Amortization of regulatory assets	--	76	
Federal and state income taxes	(4,211)	1,729	
Taxes other than income taxes	--	954	
	-----	-----	-----
Total operating expenses	(3,785)	99,940	150,1
	-----	-----	-----
Operating (Loss)/Income	3,979	2,044	(1,9
	-----	-----	-----
Other (Loss)/Income:			
Equity in loss of subsidiaries	--	--	(24,4
Other, net	(8,317)	4,281	1,9
Income Taxes	--	--	
	-----	-----	-----
Other (loss)/Income, net	(8,317)	4,281	(22,4
	-----	-----	-----
(Loss)/Income before interest charges	(4,338)	6,325	(24,4
	-----	-----	-----
Interest Charges:			
Interest on long-term debt	--	--	
Other interest	3	3,936	
	-----	-----	-----
Interest charges, net	3	3,936	
	-----	-----	-----
(Loss)/Income before cumulative effect of accounting change, net of tax benefit	(4,341)	2,389	(24,4
Cumulative effect of accounting change, net of tax benefit	--	--	
	-----	-----	-----
Net (Loss)/Income	\$ (4,341)	\$ 2,389	\$ (24,4
	=====	=====	=====

Note: Individual columns may not add to Consolidated due to rounding. The accompanying notes are an integral part of these financial statements.

(a) Not covered by auditors' report.

(b) See supporting statements.

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NU ENTERPRISES, INC. AND SUBSIDIARIES  
 Consolidating Statement of Retained Earnings (a)  
 Year Ended December 31, 2001  
 (Thousands of Dollars)

Northeast

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	NU Enterprises, Inc.	Northeast Generation Company	Generation Service Company (consolidated) (b)	Seleco Por Pip
Balance at beginning of period	\$ (40,183)	\$ 23,260	\$ (1,360)	\$
Additions:				
Net (Loss)/Income	(24,608)	42,257	4,579	
	(64,791)	65,517	3,219	
Deductions:				
Dividends declared:				
Common stock \$570,893.25 per share	--	53,664	--	
Allocation of benefits-ESOP	134	--	49	
Total deductions	134	53,664	49	
Balance at end of period	\$ (64,925)	\$ 11,853	\$ 3,170	\$

NU ENTERPRISES, INC. AND SUBSIDIARIES  
Consolidating Statement of Capital Surplus, Paid In (a)  
Year Ended December 31, 2001  
(Thousands of Dollars)

	NU Enterprises, Inc.	Northeast Generation Company	Northeast Generation Service Company (consolidated) (b)	Seleco Por Pip
Balance at beginning of period	\$ 600,645	\$ 24,375	\$ 2,010	\$
Repurchase of common stock	(75,000)	(21,336)	--	
Capital contributions from:				
NU Enterprises, Inc.	--	--	8,425	
Northeast Utilities	103,425	--	--	
Convert advance from NU Enterprises, Inc to capital contribution	--	--	--	
Convert advance from Northeast Utilities to capital contribution	28,800	--	--	
Dividends paid on common shares:				
\$32,680.00 per share	--	--	--	
\$16,300.00 per share	--	--	--	
Balance at end of period	\$ 657,870	\$ 3,039	\$ 10,435	\$

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Note: Individual columns may not add to Consolidated due to rounding. The accompanying notes are an integral part of these financial statements.

(a) Not covered by auditors' report.

(b) See supporting statements.

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NU ENTERPRISES, INC. AND SUBSIDIARIES  
 Consolidating Statement of Retained Earnings (a)  
 Year Ended December 31, 2001  
 (Thousands of Dollars)

	MODE 1 Communications, Inc.	Select Energy Services Inc. (consolidated) (b)	Eliminations
	-----	-----	-----
Balance at beginning of period	\$ (4,278)	\$ 574	\$ (60,353)
Additions:			
Net (Loss)/Income	(4,341)	2,389	(24,451)
	-----	-----	-----
	(8,619)	2,963	(84,804)
	-----	-----	-----
Deductions:			
Dividends declared:			
Common stock \$570,893.25 per share	--	--	53,664
Allocation of benefits-ESOP	--	32	134
	-----	-----	-----
Total deductions	--	32	53,798
	-----	-----	-----
Balance at end of period	\$ (8,619)	\$ 2,931	\$ (138,602)
	=====	=====	=====

NU ENTERPRISES, INC. AND SUBSIDIARIES  
 Consolidating Statement of Capital Surplus, Paid In (a)  
 Year Ended December 31, 2001  
 (Thousands of Dollars)

	MODE 1 Communications, Inc.	Select Energy Services Inc. (consolidated) (b)	Eliminations
	-----	-----	-----
Balance at beginning of period	\$ 14,357	\$ 24,900	\$ 610,184
Repurchase of common stock	--	--	(21,336)

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Capital contributions from:			
NU Enterprises, Inc.	15,000	--	103,425
Northeast Utilities	--	--	--
Convert advance from NU Enterprises, Inc to capital contribution	--	--	29,400
Convert advance from Northeast Utilities to capital contribution	--	--	--
Dividends paid on common shares:			
\$32,680.00 per share	--	--	(3,268)
\$16,300.00 per share	--	--	(1,630)
	-----	-----	-----
Balance at end of period	\$ 29,357	\$ 24,900	\$ 716,775
	=====	=====	=====

Note: Individual columns may not add to Consolidated due to rounding. The accompanying notes are an integral part of these financial statements.

(a) Not covered by auditors' report.

(b) See supporting statements.

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NU ENTERPRISES, INC. AND SUBSIDIARIES  
Consolidating Statement of Cash Flows (a)  
Year Ended December 31, 2001  
(Thousands of Dollars)

	NU Enterprises, Inc.	Northeast Generation Company	Northeast Generatio Service Company (consolidat (b)
	-----	-----	-----
Operating Activities:			
(Loss)/income before cumulative effect of accounting change	\$ (24,608)	\$ 42,257	\$ 4,57
Adjustments to reconcile to net cash provided by/(used in) operating activities:			
Depreciation	--	3,040	39
Deferred income taxes and investment tax credits, net	66	23,565	(19
Amortization of regulatory assets	--	--	--
Cumulative effect of accounting change	--	--	--
Allocation of ESOP benefits	(134)	--	(4
Accumulated comprehensive (loss)/income	(31,416)	(1,941)	--
Net other (uses)/sources of cash	(67)	(36,216)	(8,62
Changes in working capital:			
Accounts receivable	--	777	(11,27
Fuel, materials and supplies	--	142	(34
Accounts payable	(41)	553	(79
Accrued taxes	--	(5,046)	84
Unrealized gains on mark-to-market transactions	--	--	--



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Operating Activities:		
(Loss)/income before cumulative effect of accounting change	\$ (47,309)	\$ (4,341)
Adjustments to reconcile to net cash provided by/(used in) operating activities:		
Depreciation	3,596	36
Deferred income taxes and investment tax credits, net	10,573	(3,517)
Amortization of regulatory assets	1,191	--
Cumulative effect of accounting change	(21,985)	--
Allocation of ESOP benefits	(53)	--
Accumulated comprehensive (loss)/income	(33,459)	3,982
Net other (uses)/sources of cash	(10,705)	3,787
Changes in working capital:		
Accounts receivable	(130,467)	(939)
Fuel, materials and supplies	--	--
Accounts payable	105,043	28
Accrued taxes	(1,706)	171
Unrealized gains on mark-to-market transactions	(45,989)	--
Other working capital (excludes cash)	19,500	9
	-----	-----
Net cash flows (used in)/provided by operating activities	(151,770)	(784)
	-----	-----
Investing Activities:		
Investments in regulated plant	--	(40)
Investments in competitive energy assets	(1,457)	--
Investment in NU system Money Pool	--	(1,000)
Other investments	--	(13,227)
Payment for the purchase of SENY, net of cash acquired	(31,699)	--
	-----	-----
Net cash flows provided by/(used in) investing activities	(33,156)	(14,267)
	-----	-----
Financing Activities:		
Repurchase common stock	--	--
Net (decrease)/increase in short-term debt	77,300	--
Issuance of long-term debt	--	--
Reacquisitions and retirements of long-term debt	--	--
Advances from parent, net	4,102	--
Cash dividends on preferred stock	--	--
Cash dividends on common shares	--	--
Capital contributions	109,400	15,000
	-----	-----
Net cash flows provided by/(used in) financing activities	190,802	15,000
	-----	-----
Net increase/(decrease) in cash for the period	5,876	(51)
Cash - beginning of period	--	61
	-----	-----
Cash - end of period	\$ 5,876	\$ 10
	=====	=====
Supplemental Cash Flow Information:		
Cash paid/(refunded) during the year for:		
Interest, net of amounts capitalized	\$ 6,184	\$ --
	=====	=====
Income taxes	\$ (44,850)	\$ (866)
	=====	=====

Note: Individual columns may not add to Consolidated due to rounding.

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The accompanying notes are an integral part of these financial statements.

- (a) Not covered by auditors' report.  
 (b) See supporting statements.

NU ENTERPRISES, INC. AND SUBSIDIARIES  
 Consolidating Statement of Cash Flows (a)  
 Year Ended December 31, 2001  
 (Thousands of Dollars)

	Consolidated -----
Operating Activities:	
(Loss)/income before cumulative effect of accounting change	\$ (2,623)
Adjustments to reconcile to net cash provided by/(used in) operating activities:	
Depreciation	6,917
Deferred income taxes and investment tax credits, net	31,599
Amortization of regulatory assets	1,267
Cumulative effect of accounting change	(21,985)
Allocation of ESOP benefits	(134)
Accumulated comprehensive (loss)/income	(31,416)
Net other (uses)/sources of cash	(48,308)
Changes in working capital:	
Accounts receivable	(153,098)
Fuel, materials and supplies	685
Accounts payable	110,812
Accrued taxes	(2,894)
Unrealized gains on mark-to-market transactions	(45,989)
Other working capital (excludes cash)	8,908
	-----
Net cash flows (used in)/provided by operating activities	(146,259)
	-----
Investing Activities:	
Investments in regulated plant	(40)
Investments in competitive energy assets	(14,818)
Investment in NU system Money Pool	(15,500)
Other investments	(9,990)
Payment for the purchase of SENY, net of cash acquired	(25,823)
	-----
Net cash flows provided by/(used in) investing activities	(66,171)
	-----
Financing Activities:	
Repurchase common stock	(75,000)
Net (decrease)/increase in short-term debt	(316,477)
Issuance of long-term debt	440,000
Reacquisitions and retirements of long-term debt	(498)
Advances from parent, net	4,702
Cash dividends on preferred stock	--
Cash dividends on common shares	--
Capital contributions	132,825
	-----
Net cash flows provided by/(used in) financing activities	184,952
	-----
Net increase/(decrease) in cash for the period	(27,478)

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Cash - beginning of period	43,555
	-----
Cash - end of period	\$ 16,077
	=====
Supplemental Cash Flow Information:	
Cash paid/(refunded) during the year for:	
Interest, net of amounts capitalized	\$ 29,735
	=====
Income taxes	\$ (30,960)
	=====

Note: Individual columns may not add to Consolidated due to rounding.

The accompanying notes are an integral part of these financial statements.

(a) Not covered by auditors' report.

(b) See supporting statements.

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SELECT ENERGY, INC  
AND SUBSIDIARY  
Consolidating Balance Sheet (a)  
Assets  
December 31, 2001  
(Thousands of Dollars)

	Select Energy, Inc.	Select Energy New York, Inc.	Eliminat
	-----	-----	-----
Utility Plant, at cost:			
Other	\$ 12,051	\$ 2,193	\$
Less: Accumulated provision for depreciation	3,736	1,955	
	-----	-----	-----
	8,315	238	
Construction work in progress	289	--	
	-----	-----	-----
Total net utility plant	8,604	238	
	-----	-----	-----
Other Property and Investments:			
Investments in subsidiary companies, at equity	5,892	--	5,
	-----	-----	-----
	5,892	--	5,
	-----	-----	-----
Current Assets:			
Cash	--	5,876	
Special deposits	13,036	--	
Receivables, net	242,735	44,873	
Accounts receivable from affiliated companies	107,567	--	
Taxes receivable	2,282	--	1,
Unbilled revenues	34,397	--	
Unrealized gains on mark-to-market transactions	60,836	12,030	
Prepayments and other	11,133	5,662	
	-----	-----	-----
	471,986	68,441	1,

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Deferred Charges:			
Accumulated deferred income taxes	32,585	96	
Goodwill and other purchased intangible assets, net	20,151	--	
Prepaid pension	2,716	--	
Other	17,805	--	
	73,257	96	
Total Assets	\$ 559,739	\$ 68,775	\$ 7,

Note: Individual columns may not add to Consolidated due to rounding. The accompanying notes are an integral part of these financial statements.

(a) Not covered by auditors' report.

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SELECT ENERGY, INC  
AND SUBSIDIARY  
Consolidating Balance Sheet (a)  
Capitalization and Liabilities  
December 31, 2001  
(Thousands of Dollars)

	Select Energy, Inc.	Select Energy New York, Inc.	Eliminatio
Capitalization:			
Common stockholder's equity:			
Common stock	\$ --	\$ 10	\$ 1
Capital surplus, paid in	199,551	3,187	3,18
Retained earnings	(144,025)	2,695	2,69
Accumulated other comprehensive loss	(33,459)	--	--
Total common stockholder's equity	22,067	5,892	5,89
Long-term debt:			
Advances from Northeast Utilities	--	33,502	--
Total capitalization	22,067	39,394	5,89
Current Liabilities:			
Notes payable to affiliated companies	162,000	--	--
Accounts payable	273,166	24,913	--
Accounts payable to affiliated companies	15,018	37	--
Accrued taxes	--	1,356	1,35
Accrued interest	28	--	--
Other	24,966	3,075	6
	475,178	29,381	1,42

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Deferred Credits and Other Long-term Liabilities:

Other	62,494	--	--
	-----	-----	-----
	62,494	--	--
	-----	-----	-----
Total Capitalization and Liabilities	\$ 559,739	\$ 68,775	\$ 7,311
	=====	=====	=====

Note: Individual columns may not add to Consolidated due to rounding. The accompanying notes are an integral part of these financial statements.

(a) Not covered by auditors' report.

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SELECT ENERGY, INC  
AND SUBSIDIARY  
Consolidating Statement of Income (a)  
Year Ended December 31, 2001  
(Thousands of Dollars)

	Select Energy, Inc.	Select Energy New York, Inc.	Eliminatio
	-----	-----	-----
Operating Revenues	\$ 2,749,628	\$ 30,651	\$
	-----	-----	-----
Operating Expenses:			
Operation-			
Fuel, purchased and net interchange power	2,774,370	25,947	
Other	39,977	645	
Maintenance	50	1	
Depreciation	3,596	--	
Amortization of regulatory assets	1,191	--	
Federal and state income taxes	(32,296)	1,451	
Taxes other than income taxes	4,346	(88)	
	-----	-----	-----
Total operating expenses	2,791,234	27,956	
	-----	-----	-----
Operating (Loss)/Income	(41,606)	2,695	
	-----	-----	-----
Other Income/(Loss):			
Equity in earnings of subsidiary	2,695	--	2,695
Other, net	316	11	
Income taxes	(136)	--	
	-----	-----	-----
Other income/(loss), net	2,875	11	2,875
	-----	-----	-----
(Loss)/Income before interest charges	(38,731)	2,706	2,695
	-----	-----	-----

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Interest Charges	8,578	11	
	-----	-----	-----
(Loss)/Income before cumulative effect of accounting change, net of tax benefit	(47,309)	2,695	2,6
Cumulative effect of accounting change, net of tax benefit	(21,985)	--	
	-----	-----	-----
Net (Loss)/Income	\$ (69,294)	\$ 2,695	\$ 2,6
	=====	=====	=====

Note: Individual columns may not add to Consolidated due to rounding. The accompanying notes are an integral part of these financial statements.

(a) Not covered by auditors' report.

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SELECT ENERGY, INC  
AND SUBSIDIARY  
Consolidating Statement of Retained Earnings (a)  
Year Ended December 31, 2001  
(Thousands of Dollars)

	Select Energy, Inc.	Select Energy New York, Inc.	Eliminations
	-----	-----	-----
Balance at beginning of period	\$ (74,678)	\$ --	\$ --
Additions:			
Net (Loss)/Income	(69,294)	2,695	2,695
Deductions:			
Allocation of benefits-ESOP	53	--	--
	-----	-----	-----
Balance at end of period	\$ (144,025)	\$ 2,695	\$ 2,695
	=====	=====	=====

SELECT ENERGY, INC  
AND SUBSIDIARY  
Consolidating Statement of Capital Surplus, Paid In (a)  
Year Ended December 31, 2001  
(Thousands of Dollars)

	Select Energy, Inc.	Select Energy New York, Inc.	Eliminations
	-----	-----	-----
Balance at beginning of period	\$ 90,151	\$ --	\$ --
Additions:			

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Capital contributions from:			
NU Enterprises, Inc.	80,000	--	--
Select Energy, Inc.	--	5,000	5,000
Convert advance from NU Enterprises, Inc to capital contribution	29,400	--	--
Acquisition of Select Energy New York, Inc.	--	31,689	31,689
Deductions:			
Repurchase of common equity	--	(33,502)	(33,502)
Balance at end of period	\$ 199,551	\$ 3,187	\$ 3,187

Note: Individual columns may not add to Consolidated due to rounding. The accompanying notes are an integral part of these financial statements.

(a) Not covered by auditors' report.

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SELECT ENERGY INC. AND SUBSIDIARY  
Consolidating Statement of Cash Flows (a)  
Year Ended December 31, 2001  
(Thousands of Dollars)

	Select Energy, Inc.	Select Energy of New York Inc.	E
	-----	-----	-----
Operating Activities:			
(Loss)/income before			
cumulative effect of accounting change	\$ (47,309)	\$ 2,695	
Adjustments to reconcile to net cash (used in)/provided by operating activities:			
Depreciation	3,596	--	
Deferred income taxes and investment tax credits, net	10,223	350	
Amortization of regulatory assets	1,191	--	
Cumulative effect of accounting change	(21,985)	--	
Allocation of ESOP benefits	(53)	--	
Accumulated comprehensive loss	(33,459)	--	
Net other (uses)/sources of cash	(10,804)	34	
Changes in working capital:			
Receivables, including unbilled revenues	(141,391)	10,922	
Accounts payable	110,381	(5,335)	
Accrued taxes	(1,706)	1,356	
Unrealized gains on mark-to-market transactions	(33,960)	(12,030)	
Other working capital (excludes cash)	15,325	2,884	
Net cash flows (used in)/provided by operating activities	(149,951)	876	
Investing Activities:			
Investments in competitive energy assets	(1,457)	--	
Investment in subsidiary company	25,807	--	
Payment for the purchase of SENY, net of cash acquired	(31,699)	--	

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Net cash flows (used in)/provided by investing activities	(7,349)	--
Financing Activities:		
Net increase in short-term debt	77,300	--
Capital contributions	109,400	5,000
Advances from parent, net	(29,400)	33,502
Repurchase of common equity	--	(33,502)
Net cash flows provided by/(used in) financing activities	157,300	5,000
Net increase in cash for the period	--	5,876
Cash - beginning of period	--	--
Cash - end of period	\$ --	\$ 5,876
Supplemental Cash Flow Information:		
Cash paid/(refunded) during the year for:		
Interest, net of amounts capitalized	\$ 6,173	\$ 11
Income taxes	\$ (44,850)	\$ --

Note: Individual columns may not add to Consolidated due to rounding.

The accompanying notes are an integral part of these financial statements.

(a) Not covered by auditors' report.

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NORTHEAST GENERATION SERVICES COMPANY  
AND SUBSIDIARIES  
Consolidating Balance Sheet (a)  
Assets  
December 31, 2001  
(Thousands of Dollars)

	Northeast Generation Services Company	NGS Mechanical Inc.	E. S. B Comp
	-----	-----	-----
Utility Plant, at cost:			
Other	\$ 1,514	\$ --	\$ --
Less: Accumulated provision for depreciation	711	--	--
	-----	-----	-----
	803	--	--

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Construction work in progress	1,116	--	
	-----	-----	-----
Total net utility plant	1,919	--	
	-----	-----	-----
Other Property and Investments:			
Investments in subsidiary companies, at equity	13,902	--	
Other, at cost	--	--	
	-----	-----	-----
	13,902	--	
	-----	-----	-----
Current Assets:			
Cash	184	10	
Receivables, net	11,766	--	9
Accounts receivable from affiliated companies	1,274	--	
Fuel, materials, and supplies, at average cost	455	--	
Prepayments and other	1,572	--	1
	-----	-----	-----
	15,251	10	12
	-----	-----	-----
Deferred Charges:			
Accumulated deferred income taxes	200	--	
Goodwill and other purchased intangible assets, net	--	--	6
Other	930	--	
	-----	-----	-----
	1,130	--	6
	-----	-----	-----
Total Assets	\$ 32,202	\$ 10	\$ 20
	=====	=====	=====

Note: Individual columns may not add to Consolidated due to rounding. The accompanying notes are an integral part of these financial statements.

(a) Not covered by auditors' report.

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NORTHEAST GENERATION SERVICES COMPANY  
AND SUBSIDIARIES  
Consolidating Balance Sheet (a)  
Capitalization and Liabilities  
December 31, 2001  
(Thousands of Dollars)

	Northeast Generation Services Company	NGS Mechanical Inc.	E. S. Bou Compan
	-----	-----	-----
Capitalization:			
Common stockholder's equity:			
Common stock	\$ --	\$ --	\$ --
Capital surplus, paid in	10,435	10	7,5
Retained earnings	3,170	(1)	3,4
	-----	-----	-----
Total common stockholder's equity	13,605	9	10,9

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Total capitalization	13,605	9	10,9
Current Liabilities:			
Notes payable to affiliated companies	12,500	--	2,9
Advance from parent, non-interest bearing	--	--	3,2
Accounts payable	498	--	2
Accounts payable to affiliated companies	3,833	1	1,0
Accrued taxes	1,590	--	5
Other	139	--	8,0
	18,560	1	
Deferred Credits and Other Long-term Liabilities:			
Other	37	--	1,1
	37	--	1,1
Total Capitalization and Liabilities	\$ 32,202	\$ 10	\$ 20,1

Note: Individual columns may not add to Consolidated due to rounding. The accompanying notes are an integral part of these financial statements.

(a) Not covered by auditors' report.

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NORTHEAST GENERATION SERVICES COMPANY  
AND SUBSIDIARIES  
Consolidating Statement of Income (a)  
Year Ended December 31, 2001  
(Thousands of Dollars)

	Northeast Generation Services Company	NGS Mechanical Inc.	E. S. Bou Compan
Operating Revenues	\$ 67,588	\$ --	\$ 45,9
Operating Expenses:			
Operation-			
Fuel, purchased and net interchange power	2,449	--	1,2
Other	47,949	1	40,4
Maintenance	14,761	--	3
Depreciation	36	--	2,2
Federal and state income taxes	95	--	
Taxes other than income taxes	256	--	

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Total operating expenses	65,546	1	44,3
Operating Income/(Loss)	2,042	(1)	1,6
Other Income:			
Equity in earnings of subsidiaries	3,405	--	
Other, net	(124)	--	1,7
Income taxes	(133)	--	
Other income, net	3,148	--	1,7
Income/(loss) before interest charges	5,190	(1)	3,4
Interest Charges:			
Other interest	611	--	
Interest charges, net	611	--	
Net Income/(Loss)	\$ 4,579	\$ (1)	\$ 3,4

Note: Individual columns may not add to Consolidated due to rounding. The accompanying notes are an integral part of these financial statements.

(a) Not covered by auditors' report.

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NORTHEAST GENERATION SERVICES COMPANY  
AND SUBSIDIARIES  
Consolidating Statement of Retained Earnings (a)  
Year Ended December 31, 2001  
(Thousands of Dollars)

	Northeast Generation Services Company	NGS Mechanical Inc.	E. S. Bou Compan
Balance at beginning of period	\$ (1,360)	\$ --	\$
Additions:			
Net Income/(Loss)	4,579	(1)	3,4
Deductions:			
Allocation of benefits-ESOP	49	--	
Balance at end of period	\$ 3,170	\$ (1)	\$ 3,4

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NORTHEAST GENERATION SERVICES COMPANY  
AND SUBSIDIARIES  
Consolidating Statement of Capital Surplus, Paid In (a)  
Year Ended December 31, 2001  
(Thousands of Dollars)

	Northeast Generation Services Company	NGS Mechanical Inc.	E. S. Boul Compan
	-----	-----	-----
Balance at beginning of period	\$ 2,010	\$ --	\$
Premium on common stock	--	10	
Capital contribution from NU Enterprises, Inc.	8,425	--	
Capital contribution from Northeast Generation Services Company	--	--	7,5
	-----	-----	-----
Balance at end of period	\$ 10,435	\$ 10	\$ 7,5
	=====	=====	=====

Note: Individual columns may not add to Consolidated due to rounding. The accompanying notes are an integral part of these financial statements.

(a) Not covered by auditors' report.

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NORTHEAST GENERATION SERVICES COMPANY  
AND SUBSIDIARIES  
Consolidating Statement of Cash Flows (a)  
Year Ended December 31, 2001  
(Thousands of Dollars)

	Northeast Generation Services Company	NGS Mechanical Inc.	E.S. Boul Compan
	-----	-----	-----
Operating Activities:			
Income/(loss) after interest charges	\$ 4,579	\$ (1)	\$ 3,
Adjustments to reconcile to net cash (used in)/provided by operating activities:	--		
Depreciation	36	--	
Deferred income taxes and investment tax credits, net	(199)	--	
Allocation of ESOP benefits	(49)	--	
Net other uses of cash	(1,976)	--	(6,
Changes in working capital:	--		
Receivables	(1,578)	--	(10,
Fuel, materials and supplies	(240)	--	(

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Accounts payable	(3,408)	1	3,
Accrued taxes	(205)	--	1,
Other working capital (excludes cash)	(827)	--	(1,
	-----	-----	-----
Net cash flows (used in)/provided by operating activities	(3,867)	--	(10,
	-----	-----	-----
Investing Activities:			
Other investments	(13,902)	--	
	-----	-----	-----
Net cash flows used in investing activities	(13,902)	--	
	-----	-----	-----
Financing Activities:			
Net increase in short-term debt	9,400	--	
Advance from parent	--	--	2,
Premium on capital stock	--	10	
Capital contributions	8,425	--	7,
	-----	-----	-----
Net cash flows provided by financing activities	17,825	10	10,
	-----	-----	-----
Net increase in cash for the period	56	10	
Cash - beginning of period	128	--	
	-----	-----	-----
Cash - end of period	\$ 184	\$ 10	\$
	=====	=====	=====
Supplemental Cash Flow Information:			
Cash paid during the year for:			
Interest, net of amounts capitalized	\$ 348	\$ --	\$
	=====	=====	=====
Income taxes	\$ 624	\$ --	\$ 1,
	=====	=====	=====

Note: Individual columns may not add to Consolidated due to rounding. The accompanying notes are an integral part of these financial statements.

(a) Not covered by auditors' report.

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NOTES TO FINANCIAL STATEMENTS

NU	Reference is made to "Notes to Consolidated Financial Statements" contained on pages 35 through 49 in NU's 2001 Annual Report to Shareholders, which information is incorporated herein by reference.
CL&P	Reference is made to "Notes to Consolidated Financial Statements" contained on pages 20 through 42 in CL&P's 2001 Annual Report, which information is incorporated herein by reference.
PSNH	Reference is made to "Notes to Financial Statements" contained on pages 18 through 37 in PSNH's 2001 Annual Report, which information is incorporated herein by reference.
WMECO	Reference is made to "Notes to Consolidated Financial Statements" contained on pages 18 through 37 in WMECO's 2001 Annual Report, which information is incorporated herein by reference.

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NGC Reference is made to "Notes to Financial Statements" contained on pages 12 through 22 in NGC's 2001 Annual Report, which information is incorporated herein by reference.

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### EXHIBITS

The following exhibits are incorporated by reference to the indicated SEC file number, unless a single asterisk appears next to the exhibit reference. A single asterisk indicates exhibits which are filed herewith. A # further indicates that the exhibit is filed under cover of Form SE.

EXHIBIT NUMBER	DESCRIPTION
A.	ANNUAL REPORTS
	Annual Reports filed under the Securities Exchange Act of 1934
A.1	2001 Annual Report on Form 10-K for NU. (File No. 1-5324)
A.2	2001 Annual Report on Form 10-K for CL&P. (File No. 0-11419)
A.3	2001 Annual Report on Form 10-K for PSNH. (File No. 1-6392)
A.4	2001 Annual Report on Form 10-K for WMECO. (File No. 0-7624)
A.5	2001 Annual Report on Form 10-K for NGC. (File No. 333-74636)
B.	CHARTERS, ARTICLES OF INCORPORATION, TRUST AGREEMENTS, BY-LAWS, AND OTHER FUNDAMENTAL DOCUMENTS OF ORGANIZATION
B.1	Northeast Utilities
B.1.1	Declaration of Trust of NU, as amended through May 24, 1988. (Exhibit 3.1.1, 1988 NU Form 10-K, File No. 1-5324)
B.2	The Connecticut Light and Power Company
B.2.1	Certificate of Incorporation of CL&P, restated to March 22, 1994. (Exhibit 3.2.1, 1993 NU Form 10-K, File No. 1-5324)
B.2.2	Certificate of Amendment to Certificate of Incorporation of CL&P, dated December 26, 1996. (Exhibit 3.2.2, 1996 NU Form 10-K, File No. 1-5324)
B.2.3	Certificate of Amendment to Certificate of Incorporation of CL&P, dated April 27, 1998. (Exhibit 3.2.3, 1998 NU Form 10-K, File No. 1-5324)
B.2.4	By-Laws of CL&P, as amended to January 1, 1997. (Exhibit 3.2.3, 1996 NU Form 10-K, File No. 1-5324)

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- B.3 Public Service Company of New Hampshire
  - B.3.1 Articles of Incorporation, as amended to May 16, 1991. (Exhibit B.3.1, 1997 NU Form U53, File No. 30-246)
  - B.3.2 By-Laws of PSNH, as amended to November 1, 1993. (Exhibit 3.3.2, 1993 NU Form 10-K, File No. 1-5324)
- B.4 Western Massachusetts Electric Company
  - B.4.1 Articles of Organization of WMECO, restated to February 23, 1995. (Exhibit 3.4.1, 1994 NU Form 10-K, File No. 1-5324)
  - B.4.2 By-Laws of WMECO, as amended to April 1, 1999. (Exhibit 3.1, 1999 NU Form 10-Q, File No. 1-5324)
  - B.4.3 By-Laws of WMECO, as further amended to May 1, 2000. (Exhibit 3.1, 2000 NU Form 10-Q for the Quarter Ended June 30, 2000, File No. 1-5324)
- B.5 North Atlantic Energy Corporation
  - B.5.1 Articles of Incorporation of NAEC dated September 20, 1991. (Exhibit 3.5.1, 1993 NU Form 10-K, File No. 1-5324)
  - B.5.2 Articles of Amendment dated October 16, 1991, and June 2, 1992, to Articles of Incorporation of NAEC. (Exhibit 3.5.2, 1993 NU Form 10-K, File No. 1-5324)
  - B.5.3 By-Laws of NAEC, as amended to November 8, 1993. (Exhibit 3.5.3, 1993 NU Form 10-K, File No. 1-5324)
  - B.5.4 By-Laws of NAEC, as amended to June 1, 2000. (Exhibit 3.1, 2000 NU Form 10-Q for the Quarter Ended September 30, 2000, File No. 1-5324)
- B.6 The Quinnehtuk Company
  - B.6.1 Articles of Organization of The Quinnehtuk Company dated December 14, 1928, and Articles of Amendment dated December 18, 1930. (Exhibit B.6.1, 1997 NU Form U5S, File No. 30-246)
  - B.6.2 Amendment to Certificate of Incorporation of The Quinnehtuk Company dated June 10, 1975. (Exhibit B.6.2, 1993 NU Form U5S, File No. 30-246)
  - B.6.3 By-Laws of The Quinnehtuk Company as amended to February 11, 1998. (Exhibit B.6.3, 1997 NU Form U5S, File No. 30-246)

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- B.7           The Rocky River Realty Company
  - B.7.1           Certificate of Incorporation, as amended, of The Rocky River Realty Company. (Exhibit 1.9, 1977 NU Form U5S, File No. 30-246)
  - B.7.2           Certificate of Amendment to Certificate of Incorporation of The Rocky River Realty Company, dated December 26, 1996. (Exhibit B.7.2, 1996 NU Form U5S, File No. 30-246)
  - B.7.3           Certificate of Amendment to Certificate of Incorporation of the Rocky River Realty Company, dated April 27, 1998. (Exhibit B.7.3, 1997 NU Form U5S, File No. 30-246)
  - B.7.4           By-Laws of The Rocky River Realty Company, as amended to February 11, 1998. (Exhibit B.7.4, 1997 NU Form U5S, File No. 30-246)
  
- B.8           Electric Power, Incorporated
  - B.8.1           Charter of Electric Power, Incorporated dated January 1, 1955. (Exhibit B.9, 1983 NU Form U5S, File No. 30-246)
  - B.8.2           Amendment to Charter of Electric Power, Incorporated (Special Act No. 133, Volume XXXI, page 103, approved June 11, 1963). (Exhibit B.9.1, 1983 NU Form U5S, File No. 30-246)
  - B.8.3           Certificate of Amendment to Certificate of Incorporation of Electric Power, Incorporated, dated December 26, 1996. (Exhibit B.10.3, 1996 NU Form U5S, File No. 30-246)
  - B.8.4           By-Laws of Electric Power, Incorporated as amended to February 15, 1952. (Exhibit B.9.2, 1983 NU Form U5S, File No. 30-246)
  
- B.9           The Nutmeg Power Company
  - B.9.1           Certificate of Organization of The Nutmeg Power Company dated July 19, 1954. (Exhibit B.11, 1983 NU Form U5S, File No. 30-246)
  - B.9.2           Certificate of Amendment to the Certificate of Incorporation of The Nutmeg Power Company, dated December 26, 1996. (Exhibit B.11.2, 1996 NU Form U5S, File No. 30-246)
  - B.9.3           By-Laws of The Nutmeg Power Company as amended to January 1, 1997. (Exhibit B.11.3, 1996 NU Form U5S, File No. 30-246)

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- B.10 The Connecticut Steam Company
- B.10.1 Certificate of Incorporation of The Connecticut Steam Company dated May 13, 1965, including Special Act No. 325, an Act Incorporating The Connecticut Steam Company (Special Acts 1963, Senate Bill No. 704, approved June 24, 1963). (Exhibit B.12, 1983 NU Form U5S, File No. 30-246)
  - B.10.2 Certificate of Amendment to Certificate of Incorporation of The Connecticut Steam Company, dated December 26, 1996. (Exhibit B.12.2, 1996 NU Form U5S, File No. 30-246)
  - B.10.3 By-Laws of The Connecticut Steam Company, as amended to January 1, 1997. (Exhibit B.12.3, 1996 NU Form U5S, File No. 30-246)
- B.11 Holyoke Water Power Company
- B.11.1 Charter of Holyoke Water Power Company, as amended. (Exhibit 1.8, 1977 NU Form U5S, File No. 30-246)
  - B.11.2 By-Laws of Holyoke Water Power Company, as amended to February 11, 1998. (Exhibit B.14.2, NU Form U5S, File No. 30-246)
- B.12 Holyoke Power and Electric Company
- B.12.1 Charter of Holyoke Power and Electric Company dated December 5, 1925. (Exhibit B.15, 1983 NU Form U5S, File No. 30-246)
  - B.12.2 Chapter 147 of the Massachusetts Acts of 1926 amending the Charter of Holyoke Power and Electric Company, as recorded with the Office of the Secretary of the Commonwealth on March 29, 1926. (Exhibit B.15.1, 1983 NU Form U5S, File No. 30-246)
  - B.12.3 By-Laws of Holyoke Power and Electric Company, as amended to February 11, 1998. (Exhibit B.15.3, 1997 NU U5S, File No. 30-246)
- B.13 Northeast Utilities Service Company
- B.13.1 Charter of Northeast Utilities Service Company, as amended to February 20, 1974. (Exhibit B.16, 1983 NU Form U5S, File No. 30-246)
  - B.13.2 Certificate of Amendment to Certificate of Incorporation of Northeast Utilities Service Company, dated December 26, 1996. (Exhibit B.16.2, 1996 NU Form U5S, File No. 30-246)
  - B.13.3 Certificate of Amendment to Certificate of Incorporation of Northeast Utilities Service

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- Company, dated April 27, 1998. (Exhibit B.16.3, 1997 NU Form U5S, File No. 30-246)
- B.13.4 By-Laws of Northeast Utilities Service Company as amended to January 1, 1997. (Exhibit B.16.3, 1996 NU Form U5S, File No. 30-246)
- B.14 Northeast Nuclear Energy Company
- B.14.1 Charter of Northeast Nuclear Energy Company as amended to April 24, 1974. (Exhibit B.17, 1983 NU Form U5S, File No. 30-246)
- B.14.2 Certificate of Amendment to Certificate of Incorporation of Northeast Nuclear Energy Company, dated December 26, 1996. (Exhibit B.17.2, 1996 NU Form U5S, File No. 30-246)
- B.14.3 Certificate of Amendment to Certificate of Incorporation of Northeast Nuclear Energy Company, dated April 27, 1998. (Exhibit B.17.3, 1997 NU Form U5S, File No. 30-246)
- B.14.4 By-Laws of Northeast Nuclear Energy Company, as amended to February 11, 1998. (Exhibit B.17.4, 1997 NU Form U5S, File No. 30-246)
- B.14.5 By-Laws of Northeast Nuclear Energy Company, as amended to June 1, 2000. (Exhibit B.14.5, 2000 NU Form U5S, File No. 30-246)
- B.15 NU Enterprises, Inc.
- B.15.1 Certificate of Incorporation of NU Enterprises, Inc. dated December 28, 1998. (Exhibit B.15.1, 1999 NU Form U5S, File No. 30-246)
- B.15.2 By-Laws of NU Enterprises, Inc. dated January 4, 1999. (Exhibit B.15.2, 1999 NU Form U5S, File No. 30-246)
- B.16.3 By-Laws of NU Enterprises, Inc., as amended to June 1, 2000. (Exhibit B.16.3, 2000 NU Form U5S, File No. 30-246)
- B.16 Select Energy Services, Inc.
- B.16.1 Articles of Organization of HEC Inc. dated June 19, 1990. (Exhibit B.19, 1990 NU Form U5S, File No. 30-246)
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- B.16.2 By-Laws of HEC Inc., as amended, June 30, 1999. (Exhibit B.16.2, 1999 NU Form U5S, File No. 30-246)
- B.17 Select Energy Contracting, Inc. F/K/A HEC International Corporation

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- B.17.1 Articles of Organization of Select Energy Contracting, Inc. F/K/A HEC International Corporation dated October 12, 1994. (Exhibit B.19.1, 1994 NU Form U5S, File No. 30-246)
- B.17.2 Amendment to Articles of Organization of Select Energy Contracting, Inc. F/K/A HEC International Corporation, dated July 8, 1999 (Exhibit B.17.2, 1999 NU Form U5S, File No. 30-246)
- B.17.3 By-Laws of Select Energy Contracting, Inc. F/K/A HEC International Corporation dated June 30, 1999. (Exhibit B.17.3, 1999 NU Form U5S, File No. 30-246)
- B.18 HEC Energy Consulting Canada Inc.
  - B.18.1 Articles of Incorporation of HEC Energy Consulting Canada Inc. dated October 24, 1994. (Exhibit B.20.1, 1994 NU Form U5S, File No. 30-246)
  - B.18.2 By-Laws of HEC Energy Consulting Canada Inc. dated October 24, 1994. (Exhibit B.20.2, 1994 NU Form U5S, File No. 30-246)
- B.19 HEC/Tobyhanna Energy Project, Inc.
  - B.19.1 Articles of Organization of HEC/Tobyhanna Energy Project, Inc. dated September 28, 1999. (Exhibit B.19.1, 1999 NU Form U5S, File No. 30-246)
  - B.19.2 By-Laws of HEC/Tobyhanna Energy Project, Inc., dated September 28, 1999. (Exhibit B.19.2, 1999 NU Form U5S, File No. 30-246)
- B.20 Reeds Ferry Supply Co., Inc.
  - B.20.1 Articles of Agreement of Reeds Ferry Supply Co., Inc., dated June 25, 1964. (Exhibit B.20.1, 1999 NU Form U5S, File No. 30-246)
  - B.20.2 By-Laws of Reeds Ferry Supply Co., Inc., as Amended and Restated August 4, 1999. (Exhibit B.20.2, 1999 NU Form U5S, File No. 30-246)
- B.21 North Atlantic Energy Service Corporation
  - B.21.1 Articles of Incorporation; and Certificate of Amendment of North Atlantic Energy Service Corporation dated June 1, 1992. (Exhibit B.21, 1992 NU Form U5S, File No. 30-246)
  - B.21.2 By-Laws of North Atlantic Energy Service Corporation, as amended to November 8, 1993. (Exhibit B.19.2, 1993 NU Form U5S, File No. 30-246)
  - B.21.3 By-Laws of North Atlantic Energy Service

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Corporation, as amended to June 1, 2000. (Exhibit B.21.3, 2000 NU Form U5S, File No. 30-246)

- B.22 Connecticut Yankee Atomic Power Company
  - B.22.1 Certificate of Incorporation of Connecticut Yankee Atomic Power Company and amendments dated to November 20, 1964. (Exhibit B.20.1, 1993 NU Form U5S, File No. 30-246)
  - B.22.2 Certificate of Amendment to Certificate of Incorporation of Connecticut Yankee Atomic Power Company, dated December 26, 1996. (Exhibit B.22.2, 1996 NU Form U5S, File No. 30-246)
  - B.22.3 Certificate of Amendment to Certificate of Incorporation of Connecticut Yankee Atomic Power Company, dated October 15, 1998. (Exhibit B.22.3, 1998 NU U5S, File No. 30-246)
  - B.22.4 By-Laws of Connecticut Yankee Atomic Power Company, as amended to March 31, 1999. (Exhibit B.22.4, 1998 NU U5S, File No. 30-246)
- B.23 Properties, Inc.
  - B.23.1 Articles of Agreement of Properties, Inc. as amended to June 1, 1983. (Exhibit B.21.1, 1993 NU Form U5S, File No. 30-246)
  - B.23.2 By-Laws of Properties, Inc., amended and restated as of February 7, 1996. (Exhibit B.23.2, 1995 NU Form U5S, File No. 30-246)
- B.24 Charter Oak Energy, Inc.
  - B.24.1 Certificate of Incorporation of Charter Oak Energy, Inc., dated September 28, 1988. (Exhibit B.16, 1989 NU Form U5S, File No. 30-246)
  - B.24.2 Certificate of Amendment to Certificate of Incorporation of Charter Oak Energy, Inc., dated December 26, 1996. (Exhibit B.25.2, 1996 NU Form U5S, File No. 30-246)
  - B.24.3 Certificate of Amendment to Certificate of Incorporation of Charter Oak Energy Inc., dated April 27, 1998. (Exhibit B.25.3, 1997 NU Form U5S, File No. 30-246)
  - B.24.4 By-Laws of Charter Oak Energy, Inc., as amended to January 1, 1997. (Exhibit B.25.3, 1996 NU Form U5S, File No. 30-246)
  - B.24.5 By-Laws of Charter Oak Energy, Inc., as amended to June 1, 2000. (Exhibit B.24.5, 2000 NU Form U5S, File No. 30-246)

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- B.25 COE Development Corporation
- B.25.1 Certificate of Incorporation of COE Development Corporation dated November 6, 1992. (Exhibit B.26.1, 1993 NU Form U5S, File No. 30-246)
  - B.25.2 Certificate of Amendment to Certificate of Incorporation of COE Development Corporation, dated December 26, 1996. (Exhibit B.26.2, 1996 NU Form U5S, File No. 30-246)
  - B.25.3 Certificate of Amendment to Certificate of Incorporation of COE Development Corporation, dated April 27, 1998. (Exhibit B.27.3, 1997 NU Form U5S File No. 30-246)
  - B.25.4 By-Laws of COE Development Corporation, as amended to January 1, 1997. (Exhibit B.26.4, 1996 NU Form U5S, File No. 30-246)
  - B.25.5 By-Laws of COE Development Corporation, as amended to June 1, 2000. (Exhibit B.25.5, 2000 NU Form U5S, File No. 30-246)
- B.26 COE Argentina II Corp.
- B.26.1 Certificate of Incorporation of COE Argentina II Corp. dated March 14, 1994. (Exhibit B.27.1, 1994 NU Form U5S, File No. 30-246)
  - B.26.2 Certificate of Amendment to Certificate of Incorporation of COE Argentina II Corp., dated December 26, 1996. (Exhibit B.27.2, 1996 NU Form U5S, File No. 30-246)
  - B.26.3 Certificate of Amendment to Certificate of Incorporation of COE Argentina II Corp., dated April 27, 1998. (Exhibit B.27.3, 1997 NU Form U5S, File No. 30-246)
  - B.26.4 By-Laws of COE Argentina II Corp., as amended to January 1, 1997. (Exhibit B.27.4, 1996 NU Form U5S, File No. 30-246)
  - B.26.5 By-Laws of COE Argentina II Corp., as amended to June 1, 2000. (Exhibit B.26.5, 2000 NU Form U5S, File No. 30-246)
- B.27 COE Ave Fenix Corporation
- B.27.1 Certificate of Incorporation of COE Ave Fenix Corporation dated May 19, 1995. (Exhibit B.28.1, 1995 NU Form U5S, File No. 30-246)
  - B.27.2 Certificate of Amendment to Certificate of Incorporation of COE Ave Fenix Corporation, dated December 26, 1996. (Exhibit B.28.2, 1996 NU Form U5S, File No. 30-246)

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- B.27.3 Certificate of Amendment to Certificate of Incorporation of COE Ave Fenix Corporation, dated April 27, 1998. (Exhibit B.28.3, 1997 NU Form U5S, File No. 30-246)
- B.27.4 By-Laws of COE Ave Fenix Corporation, as amended to January 1, 1997. (Exhibit B.28.4, 1996 NU Form U5S, File No. 30-246)
- B.27.5 By-Laws of COE Ave Fenix Corporation, as amended to June 1, 2000. (Exhibit B.27.5, 2000 NU Form U5S, File No. 30-246)
- B.28 New England Hydro-Transmission Corporation
  - B.28.1 Articles of Incorporation, (Exhibit B.8a, 1986 NEES U5S, File No. 30-33); Articles of Amendment of New England Hydro-Transmission Corporation dated January 18, 1989, (Exhibit B.10a, 1988 NEES U5S, File No. 30-33).
  - B.28.2 By-Laws of New England Hydro-Transmission Corporation dated March 17, 1998. (Exhibit B.16.b, 1998 NEES U5S, File No. 30-33)
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- B.29 New England Hydro-Transmission Electric Company
  - B.29.1 Restated Articles of Organization of New England Hydro-Transmission Electric Company dated January 13, 1989. (Exhibit B.11a, 1988 NEES U5S, File No. 30-33)
  - B.29.2 By-Laws of New England Hydro-Transmission Electric Company dated March 17, 1998. (Exhibit B.17.b, 1998 NEES U5S File No. 30-33)
- B.30 Amended and Restated Limited Partnership Agreement (CL&P Capital, L.P.) among CL&P, NUSCO, and the persons who became limited partners of CL&P Capital, L.P. in accordance with the provisions thereof dated as of January 23, 1995 (MIPS). (Exhibit A.1, File No. 70-8451)
- B.31 ERI/HEC EFA-Med, LLC
  - B.31.1 Certificate of Formation of ERI/HEC EFA-Med, LLC, dated September 15, 2000. (Exhibit B.31.1, 2000 NU Form U5S, File No. 30-246)
  - B.31.2 Operating Agreement of ERI/HEC EFA-Med, LLC, dated September 22, 2000. (Exhibit B.31.2, 2000 NU Form U5S, File No. 30-246)
- B.32 Mode 1 Communications, Inc.
  - B.32.1 Certificate of Incorporation of Mode 1 Communications, Inc. dated March 26, 1996. (Exhibit B.34.1, 1996 NU Form U5S, File No. 30-

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- B.32.2 Certificates of Amendment to Certificate of Incorporation of Mode 1 Communications, Inc., dated December 26, 1996 and February 4, 1997. (Exhibit B.34.2, 1996 NU Form U5S, File No. 30-246)
  - B.32.3 Certificate of Amendment to Certificate of Incorporation of Mode 1 Communications, Inc., dated April 27, 1998. (Exhibit B.34.3, 1997 NU Form U5S, File No. 30-246)
  - B.32.4 By-Laws of Mode 1 Communications, Inc., as amended to January 1, 1997. (Exhibit B.34.4, 1996 NU Form U5S, File No. 30-246)
- B.33 Select Energy, Inc.
- B.33.1 Certificate of Incorporation of Select Energy, Inc. dated September 26, 1996. (Exhibit B.40.1, 1996 NU Form U5S, File No. 30-246)
- E-10
- B.33.2 Certificates of Amendment to Certificate of Incorporation of Select Energy, Inc., dated December 26, 1996 and April 25, 1997. (Exhibit B.40.2, 1996 NU Form U5S, File No. 30-246)
  - B.33.3 Certificate of Amendment to Certificate of Incorporation of Select Energy, Inc., dated April 27, 1998. (Exhibit B.40.3, 1997 NU Form U5S, File No. 30-246)
  - B.33.4 By-Laws of Select Energy, Inc., as amended to May 12, 1997. (Exhibit B.40.4, 1997 NU Form U5S, File No. 30-246)
  - B.33.5 By-Laws of Select Energy, Inc., as amended to June 1, 2000. (Exhibit B.33.5, 2000 NU Form U5S, File No. 30-246)
- B.34 Northeast Generation Company
- B.34.1 Certificate of Incorporation of Northeast Generation Company, dated December 28, 1998. (Exhibit B.34.1, 1999 NU Form U5S, File No. 30-246)
  - B.34.2 By-Laws of Northeast Generation Company, dated January 4, 1999. (Exhibit B.34.2, 1999 NU Form U5S, File No. 30-246)
  - B.34.3 By-Laws of Northeast Generation Company, as amended to June 1, 2000. (Exhibit B.34.3, 2000 NU Form U5S, File No. 30-246)
- B.35 Northeast Generation Services Company

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- B.35.1 Certificate of Incorporation of Northeast Generation Services Company, dated December 28, 1998. (Exhibit B.35.1, 1999 NU Form U5S, File No. 30-246)
- B.35.2 By-Laws of Northeast Generation Service Company, dated January 4, 1999. (Exhibit B.35.2, 1999 NU Form U5S, File No. 30-246)
- B.35.3 By-Laws of Northeast Generation Services Company, as amended to June 1, 2000. (Exhibit B.35.3, 2000 NU Form U5S, File No. 30-246)
- B.36 Select Energy Portland Pipeline, Inc.
  - B.36.1 Certificate of Incorporation of Select Energy Portland Pipeline, Inc., dated March 15, 1999. (Exhibit B.36.1, 1999 NU Form U5S, File No. 30-246)
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- B.36.2 By-Laws of Select Energy Portland Pipeline, Inc., dated March 17, 1999. (Exhibit B.36.1, 1999 NU Form U5S, File No. 30-246)
- B.36.3 By-Laws of Select Energy Portland Pipeline, Inc., as amended to June 1, 2000. (Exhibit B.36.3, 2000 NU Form U5S, File No. 30-246)
- B.37 CL&P Receivables Corporation
  - B.37.1 Certificate of Incorporation of CL&P Receivables Corporation, dated September 5, 1997. (Exhibit B.41.1, 1997 NU Form U5S, File No. 30-246)
  - B.37.2 Bylaws of CL&P Receivables Corporation, dated September 12, 1997. (Exhibit B.41.2, 1997 NU Form U5S, File No. 30-246)
- B.38 Yankee Energy System, Inc.
  - B.38.1 Certificate of Incorporation of Yankee Energy System, Inc., F/K/A NU Acquisition Corp., dated February 15, 2000. (Exhibit B.38.1, 2000 NU Form U5S, File No. 30-246)
  - B.38.2 Certificate of Merger of Yankee Energy System, Inc. with and Into NU Acquisition Corp., dated March 1, 2000. (Exhibit B.38.2, 2000 NU Form U5S, File No. 30-246)
    - B.38.2.1 Agreement and Plan of Merger between Yankee Energy System, Inc. and Northeast Utilities, dated as of June 14, 1999. (Exhibit 1, NU Form 8-K dated June 14, 1999, File No. 1-5324)
  - B.38.3 By-Laws of Yankee Energy System, Inc., as amended to March 1, 2000. (Exhibit B.38.3, 2000 NU Form

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U5S, File No. 30-246)

- B.39 NorConn Properties, Inc.
- B.39.1 Certificate of Incorporation of NorConn Properties, Inc., dated May 10, 1988. (Exhibit B.39.1, 2000 NU Form U5S, File No. 30-246)
- B.39.2 By-Laws of NorConn Properties, Inc., as in effect on March, 1, 2000. (Exhibit B.39.2, 2000 NU Form U5S, File No. 30-246)

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- B.40 R. M. Services, Inc.
- B.40.1 Certificate of Incorporation of R. M. Services, Inc. dated November 17, 1994. (Exhibit B.40.1, 2000 NU Form U5S, File No. 30-246)
- \* B.40.2 Certificate of Amendment of Certificate of Incorporation of R. M. Services, Inc., dated June 28, 2001.
- B.40.3 By-Laws of R. M. Services, Inc., as in effect on March 1, 2000. (Exhibit B.40.2, 2000 NU Form U5S, File No. 30-246)
- B.41 Yankee Energy Financial Services Company
- B.41.1 Certificate of Incorporation of Yankee Energy Financial Services Company, dated September 1, 1992. (Exhibit B.41.1, 2000 NU Form U5S, File No. 30-246)
- B.41.2 By-Laws of Yankee Energy Financial Services Company, as in effect on March 1, 2000. (Exhibit B.41.2, 2000 NU Form U5S, File No. 30-246)
- B.42 Yankee Energy Services Company
- B.42.1 Certificate of Incorporation of Yankee Energy Services Company, dated June 30, 1993. (Exhibit B.42.1, 2000 NU Form U5S, File No. 30-246)
- B.42.2 Certificate of Amendment to Certificate of Incorporation of Yankee Energy Services Company, dated January 20, 1995. (Exhibit B.42.2, 2000 NU Form U5S, File No. 30-246)
- B.42.3 By-Laws of Yankee Energy Services Company, as in effect on March 1, 2000. (Exhibit B.42.3, 2000 NU Form U5S, File No. 30-246)
- B.43 Yankee Gas Services Company
- B.43.1 Certificate of Incorporation of Yankee Gas Services Company, F/K/A Mohawk Gas Company, (Special Act No. 218, January 1955 session, approved May 26, 1955). (Exhibit B.43.1, 2000 NU

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Form U5S, File No. 30-246)

B.43.2 Certificate of Amendment to the Certificate of Incorporation of Yankee Gas Services Company, dated May 26, 1989. (Exhibit B.43.2, 2000 NU Form U5S, File No. 30-246)

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B.43.3 Certificate of Amendment to the Certificate of Incorporation of Yankee Gas Services Company, dated June 27, 1989. (Exhibit B.43.3, 2000 NU Form U5S, File No. 30-246)

B.43.4 By-Laws of Yankee Gas Services Company, as in effect on March 1, 2000. (Exhibit B.43.4, 2000 NU Form U5S, File No. 30-246)

B.44 Housatonic Corporation

B.44.1 Certificate of Incorporation of Housatonic Corporation, dated October 16, 1987. (Exhibit B.44.1, 2000 NU Form U5S, File No. 30-246)

B.44.2 Certificate of Amendment to the Certificate of Incorporation of Housatonic Corporation, dated January 10, 1989. (Exhibit B.44.2, 2000 NU Form U5S, File No. 30-246)

B.44.3 By-Laws of Housatonic Corporation, as in effect on March 1, 2000. (Exhibit B.44.3, 2000 NU Form U5S, File No. 30-246)

B.45 Yankee Energy Marketing Company

B.45.1 Certificate of Incorporation of Yankee Energy Marketing Company, dated October 10, 1995. (Exhibit B.45.1, 2000 NU Form U5S, File No. 30-246)

B.45.2 By-Laws of Yankee Energy Marketing Company, as in effect on March 1, 2000. (Exhibit B.45.2, 2000 NU Form U5S, File No. 30-246)

B.46 E. S. Boulos Company

\* B.46.1 Certificate of Incorporation of E. S. Boulos Company, F/K/A NGS Acquisition Sub, Inc., dated January 10, 2001.

\* B.46.2 Certificate of Amendment of Incorporation of E. S. Boulos Company dated January 22, 2001.

\* B.46.3 By-Laws of E. S. Boulos Company, as amended to January 22, 2001.

B.47 NGS Mechanical, Inc.

\* B.47.1 Certificate of Incorporation of NGS Mechanical, Inc., dated January 24, 2001.

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- \* B.47.2 By-Laws of NGS Mechanical, Inc. dated as of January 25, 2001.
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- B.48 Select Energy New York, Inc.
    - \* B.48.1 Certificate of Incorporation of Select Energy New York, Inc., F/K/A Plum Street Energy Marketing, Inc. and Niagara Mohawk Energy Marketing, Inc., dated February 13, 1996.
    - \* B.48.2 Certificate of Amendment of Incorporation of Select Energy New York, Inc., dated August 21, 1998.
    - \* B.48.3 Certificate of Amendment of Incorporation of Select Energy New York, Inc., dated November 21, 2001.
    - \* B.48.4 By-Laws of Select Energy New York, Inc., as in effect on November 30, 2001.
  - B.49 CL&P Funding LLC
    - B.49.1 Certificate of Formation of CL&P Funding LLC dated January 3, 2001. (Exhibit 3.1, CL&P Funding LLC Form S-3, dated January 18, 2001, File No. 333-53866)
    - B.49.2 Limited Liability Company Agreement of CL&P Funding LLC made and effective as of January 3, 2001 and amended and restated as of March 30, 2001. (Exhibit 3.1, CL&P Funding LLC Form S-3, Amendment No. 2, dated March 26, 2001, File No. 333-53866)
  - B.50 PSNH Funding LLC
    - B.50.1 Certificate of Formation of PSNH Funding LLC dated January 24, 2001. (Exhibit 3.1, PSNH Funding LLC Form S-3 (Amendment No. 2), dated April 18, 2001, File No. 333-55830)
    - B.50.2 Limited Liability Company Agreement of PSNH Funding LLC made and effective as of January 24, 2001 and as amended and restated as of April 25, 2001. (Exhibit 3.2, PSNH Funding LLC Form 8-K, dated April 25, 2001, File No. 333-55830)
  - B.51 PSNH Funding LLC 2
    - B.51.1 Certificate of Formation of PSNH Funding LLC 2 dated December 10, 2001. (Exhibit 3.1, PSNH Funding LLC 2 Form S-3, dated December 28, 2001, File No. 333-76040)

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- B.51.2 Limited Liability Company Agreement of PSNH Funding LLC 2 dated as of December 10, 2001. (Exhibit 3.2, PSNH Funding LLC 2 Form S-3 (Amendment No. 2), dated January 14, 2002, File No. 333-76040)
  
- B.52 WMECO Funding LLC
  - B.52.1 Certificate of Formation of WMECO Funding LLC dated March 28, 2001. (Exhibit 3.1, WMECO Funding LLC Form S-3, dated April 18, 2001, File No. 333-59118)
  
  - B.52.2 Limited Liability Company Agreement of WMECO Funding LLC made and effective as of March 28, 2001 and as amended and restated as of May 17, 2001. (Exhibit 3.2, WMECO Funding LLC Form S-3, Amendment No. 2, dated May 7, 2001, File No. 333-59118)
  
- C. (a) INSTRUMENTS DEFINING THE RIGHTS OF SECURITY HOLDERS, INCLUDING INDENTURES
  - C.1 Northeast Utilities
    - C.1.1 Indenture dated as of December 1, 1991, between Northeast Utilities and IBJ Schroder Bank & Trust Company, with respect to the issuance of Debt Securities. (Exhibit 4.1.1, 1991 NU Form 10-K, File No. 1-5324)
  
    - C.1.2 First Supplemental Indenture, dated as of December 1, 1991, between Northeast Utilities and IBJ Schroder Bank & Trust Company, with respect to the issuance of Series A Notes. (Exhibit 4.1.2, 1991 NU Form 10-K, File No. 1-5324)
  
    - C.1.3 Second Supplemental Indenture, dated as of March 1, 1992, between Northeast Utilities and IBJ Schroder Bank & Trust Company, with respect to the issuance of Series B Notes. (Exhibit C.1.3, 1991 NU Form U5S, File No. 30-246)
  
    - C.1.4 Revolving Credit Agreement among NU and the Banks named therein, dated November 16, 2001 (Exhibit to 35-CERT filed November 28, 2001, File No. 70-9755)
  
    - C.1.5 Indenture between NU and The Bank of New York, as Trustee, dated as of April 1, 2002 (Exhibit A-3 to 35 CERT filed April 10, 2002, File No. 70-9755)
  
    - C.1.6 First Supplemental Indenture between NU and The Bank of New York, as Trustee, dated as of April 1, 2002 (Exhibit A-4 to 35 CERT filed April 10, 2002, File No. 70-9755)
  
  - C.2 The Connecticut Light and Power Company

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C.2.1 Indenture of Mortgage and Deed of Trust between CL&P and Bankers Trust Company, Trustee, dated as of May 1, 1921. (Composite including all twenty-four amendments to May 1, 1967.) (Exhibit 4.1.1, 1989 NU Form 10-K, File No. 1-5324)

Supplemental Indentures to the Composite May 1, 1921 Indenture of Mortgage and Deed of Trust between CL&P and Bankers Trust Company, dated as of:

C.2.2 June 1, 1994. (Exhibit 4.2.15, 1994 NU Form 10-K, File No. 1-5324)

C.2.3 October 1, 1994. (Exhibit 4.2.16, 1994 NU Form 10-K, File No. 1-5324)

C.2.4 Financing Agreement between Industrial Development Authority of the State of New Hampshire and CL&P (Pollution Control Bonds, 1986 Series) dated as of December 1, 1986. (Exhibit C.1.47, 1986 NU Form U5S, File No. 30-246)

C.2.5 Financing Agreement between Industrial Development Authority of the State of New Hampshire and CL&P (Pollution Control Bonds, 1988 Series) dated as of October 1, 1988. (Exhibit C.1.55, 1988 NU Form U5S, File No. 30-246)

C.2.6 Loan and Trust Agreement among Business Finance Authority of the State of New Hampshire and CL&P (Pollution Control Bonds, 1992 Series A) dated as of December 1, 1992. (Exhibit C.2.33, 1992 NU Form U5S, File No. 30-246)

C.2.7 Loan Agreement between Connecticut Development Authority and CL&P (Pollution Control Bonds - Series A, Tax Exempt Refunding) dated as of September 1, 1993. (Exhibit 4.2.21, 1993 NU Form 10-K, File No. 1-5324)

C.2.8 Loan Agreement between Connecticut Development Authority and CL&P (Pollution Control Bonds - Series B, Tax Exempt Refunding) dated as of September 1, 1993. (Exhibit 4.2.22, 1993 NU Form 10-K, File No. 1-5324)

C.2.9 Amended and Restated Loan Agreement between Connecticut Development Authority and CL&P (Pollution Control Revenue Bond - 1996A Series) dated as of May 1, 1996 and Amended and Restated as of January 1, 1997. (Exhibit 4.2.24, 1996 NU Form 10-K, File No. 1-5324)

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C.2.9.1 Amended and Restated Indenture of Trust between Connecticut Development Authority and the Trustee (CL&P Pollution Control Revenue Bond-1996A)

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- Series), dated as of May 1, 1996, and Amended and Restated as of January 1, 1997. (Exhibit 4.2.24.1, 1996 NU Form 10-K, File No. 1-5324)
- C.2.9.2 Standby Bond Purchase Agreement among CL&P, Bank of New York as Purchasing Agent and the Banks named therein, dated October 24, 2000. (Exhibit 4.2.24.2, 2000 NU Form 10-K, File No. 1-5324)
- C.2.9.3 AMBAC Municipal Bond Insurance Policy issued by the Connecticut Development Authority (CL&P Pollution Control Revenue Bond-1996A Series), effective January 23, 1997. (Exhibit 4.2.24.3, 1996 NU Form 10-K, File No. 1-5324)
- C.2.10 Revolving Credit Agreement among WMECO, CL&P, PSNH and Yankee and the Banks named therein, dated November 16, 2001 (Exhibit (ii), 35 CERT filed November 28, 2001, File No. 70-9755)
- C.2.11 Amended and Restated Receivables Purchase and Sale Agreement dated as of March 30, 2001 (CL&P and CL&P Receivables Corporation (CRC)) (Exhibit 10.1, 2001 NU 10-Q for the Quarter Ended September 30, 2001 (File No. 1-5324)
- C.2.12 Amendment No. 1 to the Purchase and Contribution Agreement between CL&P and CRC dated as of March 30, 2001 (Exhibit 10.1.1 2001 NU 10-Q for the Quarter Ended September 30, 2001 (File No. 1-5324)
- C.3 Public Service Company of New Hampshire
- C.3.1 First Mortgage Indenture dated as of August 15, 1978, between PSNH and First Fidelity Bank, National Association, New Jersey, Trustee. (Composite including all amendments to May 16, 1991) (Exhibit 4.4.1, 1992 NU Form 10-K, File No. 1-5324)
- C.3.1.1 Tenth Supplemental Indenture dated as of May 1, 1991 between PSNH and First Fidelity Bank, National Association. (Exhibit 4.1, PSNH Current Report on Form 8-K dated February 10, 1992, File No. 1-6392)
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- C.3.1.2 Twelfth Supplemental Indenture dated as of December 1, 2001 between PSNH and First Union National Bank (Exhibit 4.3.1.2, 2001 NU Form 10-K, File No. 1-5324)
- C.3.2 Series D (Taxable New Issue) Amended and Restated

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- PCRB Loan and Trust Agreement dated as of April 1, 1999. (Exhibit 4.3.6, 1999 NU Form 10-K, File No. 1-5324)
- C.3.3 Series E (Taxable New Issue) Amended and Restated PCRB Loan and Trust Agreement dated as of April 1, 1999. (Exhibit 4.3.7, 1999 NU Form 10-K, File No. 1-5324)
- C.3.4 Series A Loan and Trust Agreement among Business Finance Authority of the State of New Hampshire and PSNH and State Street Bank and Trust Company, as Trustee (Tax Exempt Pollution Control Bonds) dated as of October 1, 2001. (Exhibit 4.3.4, 2001 NU Form 10-K, File No. 1-5324)
- C.3.5 Series B Loan and Trust Agreement among Business Finance Authority of the State of New Hampshire and PSNH and State Street Bank and Trust Company, as Trustee (Tax Exempt Pollution Control Bonds) dated as of October 1, 2001. (Exhibit 4.3.5, 2001 NU Form 10-K, File No. 1-5324)
- C.3.6 Series C Loan and Trust Agreement among Business Finance Authority of the State of New Hampshire and PSNH and State Street Bank and Trust Company, as Trustee (Tax Exempt Pollution Control Bonds) dated as of October 1, 2001. (Exhibit 4.3.6, 2001 NU Form 10-K, File No. 1-5324)
- C.3.7 Revolving Credit Agreement among WMECO, CL&P, PSNH and Yankee and the Banks named therein, dated November 16, 2001 (Exhibit (ii), 35 CERT filed November 28, 2001, File No. 70-9755)
- C.4 Western Massachusetts Electric Company
- C.4.1 Loan Agreement between Connecticut Development Authority and WMECO (Pollution Control Bonds - Series A, Tax Exempt Refunding) dated as of September 1, 1993. (Exhibit 4.4.13, 1993 NU Form 10-K, File No. 1-5324)
- C.4.2 Revolving Credit Agreement among WMECO, CL&P, PSNH and Yankee and the Banks named therein, dated November 16, 2001 (Exhibit (ii), 35 CERT filed November 28, 2001, File No. 1 70-9755)
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- C.5 North Atlantic Energy Corporation
- C.5.1 Term Credit Agreement dated as of November 8, 2001. (Exhibit to 35 CERT filed November 21, 2001, File No. 70-9755)
- C.6 Northeast Generation Company
- C.6.1 Indenture Mortgage, dated as of October 18, 2001 between NGC and The Bank of New York, as trustee

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(Exhibit 4.1 to NGC Registration Statement on Form S-4 dated December 6, 2001, File No. 333-74636)

C.6.1.1 First Supplemental Indenture Mortgage, dated as of October 18, 2001 between NGC and The Bank of New York, as trustee (Exhibit 4.2 to NGC Registration Statement S-4 dated December 6, 2001, File No. 333- 74636)

### C.7 The Rocky River Realty Company

C.7.1 Note Agreement dated April 14, 1992, by and between The Rocky River Realty Company (RRR) and Purchasers named therein (Connecticut General Life Insurance Company, Life Insurance Company of North America, INA Life Insurance Company of New York, Life Insurance Company of Georgia), with respect to RRR's sale of \$15 million of guaranteed senior secured notes due 2007 and \$28 million of guaranteed senior secured notes due 2017. (Exhibit 10.52, 1992 NU Form 10-K, File No. 1-5324)

C.7.2 Amendment to Note Agreement, dated September 26, 1997. (Exhibit 10.3.1, 1997 NU Form 10-K, File No. 1-5324)

C.7.3 Note Guaranty dated April 14, 1992 by Northeast Utilities pursuant to Note Agreement dated April 14, 1992, between RRR and Note Purchasers, for the benefit of The Connecticut National Bank as Trustee, the Purchasers and the owners of the notes. (Exhibit 10.52.1, 1992 NU Form 10-K, File No. 1-5324)

C.7.4 Extension of Note Guaranty, dated September 26, 1997. (Exhibit 10.31.2.1, 1997 NU Form 10-K, File No. 1-5324)

C.7.5 Assignment of Leases, Rents and Profits, Security Agreement and Negative Pledge, dated as of April 14, 1992, among RRR, NUSCO and The Connecticut National Bank as Trustee, securing notes sold by RRR pursuant

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to April 14, 1992, Note Agreement. (Exhibit 10.52.2, 1992 NU Form 10-K, File No. 1-5324)

C.7.6 Modification of and Confirmation of Assignment of Leases, Rents and Profits, Security Agreement and Negative Pledge, dated as of September 26, 1997. (Exhibit 10.31.3.1, 1997 NU Form 10-K, File No. 1-5324)

C.7.7 Purchase and Sale Agreement, dated July 28, 1997, by and between RRR and the Sellers and Purchasers named therein. (Exhibit 10.31.4, 1997 NU Form 10-K, File No. 1-5324)

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- C.7.8 Purchase and Sale Agreement, dated September 26, 1997, by and between RRR and the Purchaser named therein. (Exhibit 10.31.5, 1997 NU Form 10-K, File No. 1-5324)
- C.8 CL&P Receivables Corporation
  - C.8.1 Amended and Restated Receivables Purchase and Sale Agreement dated as of March 30, 2001 (CL&P and CL&P Receivables Corporation (CRC)) (Exhibit 10.1, 2001 NU 10-Q for the Quarter Ended September 30, 2001 (File No. 1-5324))
    - C.8.1.1 Amendment No. 1 to the Purchase and Contribution Agreement between CL&P and CRC dated as of March 30, 2001 (Exhibit 10.1.1 2001 NU 10-Q for the Quarter Ended September 30, 2001 (File No. 1-5324))
- C.9 HEC/Tobyhanna Energy Project, Inc.
  - C.9.1 Trust Indenture & Security Agreement Relating to an Energy Savings Performance Contract Project dated as of September 30, 1999 (Exhibit C.11.1, 2000 NU Form U5S, File No. 1-5324)
- C.10 Select Energy Services, Inc.
  - C.10.1 Assignment and Security Agreement with ABB Energy Capital, LLC dated as of November 30, 1999 (Exhibit C.12.1, 2000 NU Form U5S, File No. 1-5324)
- C.11 Yankee Gas Services Company
  - C.11.1 Indenture of Mortgage and Deed of Trust dated as of July 1, 1989 between Yankee Gas Services Company (Yankee Gas) and The Connecticut National Bank (Mortgage) (Exhibit No. 4.2, Yankee Gas Form 10 dated April 14, 1989, File No. 0-17605)
    - C.11.2 First Supplemental Indenture, dated as of April 1, 1992, to Mortgage (Exhibit No. 4.11, Yankee Energy Form S-3 filed October 2, 1992, Reg. No. 33-52750)
    - C.11.3 Second Supplemental Indenture, dated as of December 1, 1992, to Mortgage (Exhibit No. 10.2, 1992 Yankee Energy System, Inc. (Yankee Energy) Form 10-K, File No. 0-17605)
    - C.11.4 Third Supplemental Indenture, dated as of June 1, 1995, to Mortgage (Exhibit No. 4.14, 1995 Yankee Energy Form 10-K, File No. 0-10721)
    - C.11.5 Fourth Supplemental Indenture, dated as of April 1, 1997, to Mortgage (Exhibit No. 15, 1997 Yankee

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Energy Form 10-K, File No. 0-10721)

- C.11.6 Fifth Supplemental Indenture, dated as of January 1, 1999, to Mortgage (Exhibit C.13.6, 2000 NU Form U5S, File No. 1-5324)
- C.11.7 Bond Purchase Agreement dated as of July 1, 1989, relating to \$119 million aggregate principal amount of First Mortgage Bonds, Series A (Exhibit 4.3, Yankee Gas Form 10 dated April 14, 1989, File No. 0- 17605)
  - C.11.7.1 First Amendment, dated as of April 10, 1990, to Bond Purchase Agreement (Exhibit C.13.7.1, 2000 NU Form U5S, File No. 1-5324)
- C.11.8 Bond Purchase Agreement, dated as of April 1, 1992, relating to \$20 million aggregate principal amount of First Mortgage Bonds, Series B (Exhibit No. 4.12, Yankee Energy Form S-3 filed October 2, 1992, Reg. No. 33-52750)
- C.11.9 Bond Purchase Agreement, dated as of December 1, 1992, relating to \$20 million aggregate principal amount of First Mortgage Bonds, Series C (Exhibit No. 10.4, 1992 Yankee Energy Form 10-K, File No. 0- 17605)
- C.11.10 Bond Purchase Agreement, dated as of April 1, 1997, relating to \$30 million aggregate principal amount of First Mortgage Bonds, Series E (Exhibit No. 4.16, 1997 Yankee Energy Form 10-K, File No. 0- 10721)

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- C.11.11 Bond Purchase Agreement, dated as of January 1, 1999, relating to \$50 million aggregate principal amount of First Mortgage Bonds (Exhibit No. C.13.11, NU Form U5S, File No. 1-5324)
- C.11.12 Revolving Credit Agreement among WMECO, CL&P, PSNH and Yankee and the Banks named therein, dated November 16, 2001 (Exhibit (ii), 35 CERT filed November 28, 2001, File No. 70-9755)
- C.13 NorConn Properties, Inc.
  - \* C.13.1 Term Loan Agreement between NorConn Properties, Inc. and Fleet National Bank of Connecticut dated as of February 1, 1996

### D. Tax Allocation Agreements

- D.1 Amended and Restated Tax Allocation Agreement, dated as of January 1, 1990. (Exhibit D, 1994 NU Form U5S, File No. 30-246)
- D.2 First Amendment, dated as of October 26, 1998, to the Amended and Restated Tax Allocation Agreement, dated as of January 1, 1990.

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(Exhibit D, Amendment No. 2 to 1997 NU Form U5S, File No. 30-246)

D.3 Second Amendment, dated as of March 1, 2000, to the Amended and Restated Tax Allocation Agreement, dated as of January 1, 1990 (Exhibit D.3, 2000 NU Form U5S, File No. 30-246)

G. Organizational Chart - EWG

Northeast Utilities (Parent Company)

- NU Enterprises, Inc. (100% owned by NU)
- Northeast Generation Company (EWG, 100% owned by NU Enterprises, Inc.)

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ITEM 10. EXHIBIT H

NORTHEAST GENERATION COMPANY

BALANCE SHEETS

At December 31,	2001 -----	2000 -----
	(Thousands of Dollars)	
<b>ASSETS</b>		
<b>Current Assets:</b>		
Cash and cash equivalents .....	\$ 35,217	\$ 37,177
Notes receivable from affiliated companies .....	9,900	--
Accounts receivable from affiliated companies .....	10,642	11,419
Taxes receivable .....	4,217	--
Materials and supplies, at average cost .....	1,793	1,935
Prepayments and other .....	392	1,626
	-----	-----
	62,161	52,157
	-----	-----
<b>Property, Plant and Equipment:</b>		
Competitive energy .....	265,309	264,855
Less: Accumulated provision for depreciation .....	150,294	147,216
	-----	-----
	115,015	117,639
Construction work in progress .....	21,055	8,094
	-----	-----
	136,070	125,733
	-----	-----
<b>Deferred Debits and Other Assets:</b>		
Accumulated deferred income taxes .....	256,049	278,320
Other .....	10,688	4,851
	-----	-----
	266,737	283,171
	-----	-----
<b>Total Assets .....</b>	<b>\$464,968</b>	<b>\$461,061</b>
	=====	=====

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The accompanying notes are an integral part of these financial statements.

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ITEM 10. EXHIBIT H

NORTHEAST GENERATION COMPANY

BALANCE SHEETS

At December 31,	2001	2000
	-----	-----
	(Thousands of Dollars)	
LIABILITIES AND CAPITALIZATION		
Current Liabilities:		
Notes payable to banks .....	\$ --	\$402,377
Long-term debt - current portion .....	24,000	--
Accounts payable .....	1,759	1,771
Accounts payable to affiliated companies .....	1,297	732
Accrued taxes .....	794	5,840
Accrued interest .....	7,029	1,893
Other .....	1,138	813
	-----	-----
	36,017	413,426
	-----	-----
Capitalization:		
Long-Term Debt .....	416,000	--
	-----	-----
Common Stockholder's Equity:		
Common stock, \$1 par value - authorized 20,000 shares; 6 shares outstanding in 2001 and 100 shares outstanding in 2000 .....	--	--
Capital surplus, paid in .....	3,039	24,375
Retained earnings .....	11,853	23,260
Accumulated other comprehensive loss .....	(1,941)	--
	-----	-----
Common Stockholder's Equity .....	12,951	47,635
	-----	-----
Total Capitalization .....	428,951	47,635
	-----	-----
Commitments and Contingencies (Note 6)		
Total Liabilities and Capitalization .....	\$ 464,968	\$461,061
	=====	=====

The accompanying notes are an integral part of these financial statements.

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ITEM 10. EXHIBIT H

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NORTHEAST GENERATION COMPANY

## STATEMENTS OF INCOME

For the Years Ended December 31,	2001 ----	2000 ----
	(Thousands of Dollars)	
Operating Revenues .....	\$ 129,681	\$ 108,473
Operating Expenses:		
Operation -		
Other .....	15,426	11,855
Maintenance .....	6,902	9,092
Depreciation .....	3,040	2,417
Taxes other than income taxes .....	7,375	5,690
Total operating expenses .....	32,743	29,054
Operating Income/(Loss) .....	96,938	79,419
Other Income, Net .....	1,113	1,061
Income/(Loss) Before Interest and Income Tax Expense/(Benefit) ....	98,051	80,480
Interest Expense:		
Interest on long-term debt .....	7,396	--
Other interest .....	19,966	36,542
Interest expense, net .....	27,362	36,542
Income/(Loss) Before Income Tax Expense/(Benefit) .....	70,689	43,938
Income Tax Expense/(Benefit) .....	28,432	17,522
Net Income/(Loss) .....	\$ 42,257	\$ 26,416

## STATEMENTS OF COMPREHENSIVE INCOME

Net Income/(Loss) .....	\$ 42,257	\$ 26,416
Other comprehensive loss, net of tax:		
Qualified cash flow hedging investments .....	(1,941)	--
Comprehensive Income/(Loss) .....	\$ 40,316	\$ 26,416

The accompanying notes are an integral part of these financial statements.

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ITEM 10. EXHIBIT H

NORTHEAST GENERATION COMPANY

STATEMENTS OF COMMON STOCKHOLDER'S EQUITY

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	Common Stock	Capital Surplus, Paid In	Retained Earnings	Accumulat Other Comprehens Loss
	-----	-----	-----	-----
(Thousands of Dollars)				
Balance at January 1, 1999 .....	\$ --	\$ --	\$ --	\$
Net loss for 1999 .....			(3,156)	
Capital contribution from Northeast Utilities .....		6,500		
Other .....		10		
Balance at December 31, 1999 .....	--	6,510	(3,156)	
Net income for 2000 .....			26,416	
Capital contribution from Northeast Utilities .....		463,000		
Excess paid over carrying value of assets transferred (Note 5) .....		(445,135)		
Balance at December 31, 2000 .....	--	24,375	23,260	
Net income for 2001 .....			42,257	
Cash dividends on common stock .....			(53,664)	
Repurchase of common stock .....	--	(21,336)		
Other comprehensive loss .....				(1,9
Balance at December 31, 2001 .....	\$ --	\$ 3,039	\$ 11,853	\$ (1,9

The accompanying notes are an integral part of these financial statements.

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ITEM 10. EXHIBIT H

NORTHEAST GENERATION COMPANY  
STATEMENTS OF CASH FLOWS  
(Thousands of Dollars)

For the Years Ended December 31,	2001 -----	2000 -----
Operating Activities:		
Net income.....	\$ 42,257	\$ 26,416
Adjustments to reconcile to net cash flows provided by/(used in) operating activities:		
Depreciation .....	3,040	2,417
Deferred income taxes .....	23,565	19,245
Net other (uses)/sources of cash .....	(9,035)	1,533
Changes in working capital:		

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Accounts receivable from affiliated companies .....	777	(11,419)
Materials and supplies .....	142	(62)
Accounts payable .....	553	(780)
Accrued taxes .....	(5,046)	5,840
Other working capital (excludes cash) .....	2,478	(202)
	-----	-----
Net cash flows provided by operating activities .....	58,731	42,988
	-----	-----
Investing Activities:		
Investments in competitive energy assets .....	(13,414)	(1,394)
Investment in NU system Money Pool .....	(9,900)	--
Net cash payment for the transfer of assets .....	--	(869,794)
	-----	-----
Net cash flows used in investing activities .....	(23,314)	(871,188)
	-----	-----
Financing Activities:		
Repurchase of common stock .....	(21,336)	--
Issuance of long-term debt .....	440,000	--
Net (decrease)/increase in short-term debt .....	(402,377)	402,377
Cash dividends on common shares .....	(53,664)	--
Capital contributions from Northeast Utilities .....	--	463,000
	-----	-----
Net cash flows (used in)/provided by financing activities ....	(37,377)	865,377
	-----	-----
Net (decrease)/increase in cash and cash equivalents .....	(1,960)	37,177
Cash and cash equivalents - beginning of year .....	37,177	--
	-----	-----
Cash and cash equivalents - end of year .....	\$ 35,217	\$ 37,177
	=====	=====
Supplemental Cash Flow Information:		
Cash paid/(refunded) during the year for:		
Interest, net of amounts capitalized .....	\$ 22,726	\$ 29,286
	=====	=====
Income taxes .....	\$ 12,901	\$ (7,725)
	=====	=====

The accompanying notes are an integral part of these financial statements.