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NORTHEAST UTILITIES SYSTEM  
Form U5S  
April 25, 2003

Commission File Number: 30-246

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549-1004

FORM U5S

ANNUAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2002

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, 2002

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ITEM 1. SYSTEM COMPANIES AND INVESTMENTS THEREIN AS OF DECEMBER 31, 2002

Tier	Name of Company (Company Abbreviation)
----	-----
	Northeast Utilities (NU) (a)
1	The Connecticut Light and Power Company (CL&P) (b) (h)
2	CL&P Receivables Corporation (CRC)
2	CL&P Funding LLC
1	Public Service Company of New Hampshire (PSNH) (b)
2	Properties, Inc.
2	PSNH Funding LLC
2	PSNH Funding LLC 2
1	Western Massachusetts Electric Company (WMECO) (b)
	Unsecured Debt (Note B)
2	WMECO Funding LLC
1	North Atlantic Energy Corporation (NAEC)
1	North Atlantic Energy Service Corporation (NAESCO)*
1	Holyoke Water Power Company (HWP)
	Unsecured Debt (Note B)
2	Holyoke Power and Electric Company (HP&E)
1	Yankee Energy System, Inc. (YES)
2	Yankee Gas Services Company (Yankee Gas)
	Unsecured Debt (Note B)
2	Norconn Properties, Inc. (Norconn)
	Unsecured Debt (Note B)
2	Yankee Energy Services Company (YESCO)
2	Yankee Energy Financial Services Company (YEFSCO)
	Unsecured Debt (Note B)
2	Housatonic Corporation*
2	R.M. Services, Inc. (RMS) (d)

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1 Northeast Utilities Service Company (NUSCO)  
 1 NU Enterprises, Inc. (NUEI)  
 2 Northeast Generation Company (NGC)  
 2 Northeast Generation Services Company (NGS)  
     Unsecured Debt (Note B)  
 3 E.S. Boulos Company (Boulos)  
 3 NGS Mechanical, Inc.  
 3 Woods Electrical Co., Inc.  
     Unsecured Debt (Note B)  
 2 Select Energy Portland Pipeline, Inc. (g)  
 2 Mode 1 Communications, Inc.  
 2 Woods Network Services, Inc.  
     Unsecured Debt (Note B)  
 2 Select Energy, Inc. (Select Energy)  
     Unsecured Debt (Note B)  
 3 Select Energy New York, Inc. (SENY)  
     Unsecured Debt (Note B)  
 2 Select Energy Services, Inc. (SESI)  
     Unsecured Debt (Note B)  
 3 Select Energy Contracting, Inc.  
 3 Reeds Ferry Supply Co., Inc.  
 3 HEC/Tobyhanna Energy Project, Inc.  
 3 HEC/CJTS Energy Center LLC  
 1 The Quinnehtuk Company  
     Unsecured Debt (Note B)  
 1 The Rocky River Realty Company (RRR)  
     Unsecured Debt (Note B)  
 1 Northeast Nuclear Energy Company (NNECO)\*

\*Inactive.

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### ITEM 1. SYSTEM COMPANIES AND INVESTMENTS THEREIN AS OF DECEMBER 31, 2002

Issuer Book Value (000's) -----	Owner's Book Value (000's) -----	Type of Business -----
		Registered Holding Company
\$695,842	\$695,842	Electric Utility
258,423	258,423	Special Purpose Entity (SPE)
7,193	7,193	SPE
321,830	321,830	Electric Utility
6,009	6,009	Real Estate (c)
3,126	3,126	SPE
251	251	SPE
157,960	157,960	Electric Utility
85,900	85,900	
776	776	SPE
21,338	21,338	Electric Utility
14	14	Service Company
6,224	6,224	Electric Utility
9,600	9,600	
117	117	Electric Utility
527,066	527,066	Intermediate Holding Company
502,963	502,963	Gas Utility
66,000	66,000	
390	390	Real Estate (c)

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300	300	
4,959	4,959	Rule 58 Energy-Related Company
1,477	1,477	Financial Services
3,200	3,200	
(192)	(192)	*
12,486	12,486	Receivables Services (d)
1	1	Service Company
546,215	546,215	Intermediate Holding Company
438,681	438,681	Exempt Wholesale Generator
15,545	15,545	Rule 58 Energy-Related Company
18,500	18,500	
13,660	13,660	Rule 58 Energy-Related Company
8	8	Rule 58 Energy-Related Company
4,892	4,892	Rule 58 Energy-Related Company (e)
4,450	4,450	
-	-	(g)
12,003	12,003	Exempt Telecommunications Company
2,873	2,873	Exempt Telecommunications Company (f)
4,150	4,150	
35,929	35,929	Rule 58 Energy-Related Company
168,200	168,200	
34,199	34,199	Rule 58 Energy-Related Company
20,699	20,699	
31,031	31,031	Energy Services Company
6,450	6,450	
16,780	16,780	Rule 58 Energy-Related Company
(42)	(42)	Rule 58 Energy-Related Company
707	707	SPE, Rule 58 Energy-Related Company
1	1	SPE, Rule 58 Energy-Related Company
(2,598)	(2,598)	Real Estate (c)
4,000	4,000	
878	878	Real Estate (c)
32,650	32,650	
16,216	16,216	Service Company

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ITEM 1. SYSTEM COMPANIES AND INVESTMENTS THEREIN AS OF DECEMBER 31, 2002  
(CONTINUED)

Tier	Name of Company (Company Abbreviation)
----	-----
1	Charter Oak Energy, Inc. (COE)*
2	Charter Oak Argentina II Corporation (g)
2	Charter Oak Ave Fenix Corporation (g)
2	Charter Oak Development Corporation (g)

\*Inactive.

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ITEM 1. SYSTEM COMPANIES AND INVESTMENTS THEREIN AS OF DECEMBER 31, 2002  
(CONTINUED)

Issuer Book Value (000's) -----	Owner's Book Value (000's) -----	Type of Business -----
269	269	*
-	-	(g)
-	-	(g)
-	-	(g)

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- (a) For information regarding NU's investment in the hydro-transmission companies see Note A to Item 1.
- (b) For information regarding CL&P's, PSNH's and WMECO's investments in regional nuclear generating companies see Note A to Item 1.
- (c) Constructs, acquires or leases some of the property and facilities used by one or more of NU's subsidiaries.
- (d) On June 30, 2001, RMS 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.
- (e) On July 31, 2002, NGS completed the acquisition of the assets of Woods Electrical Co., Inc. (Woods Electrical), a company engaged in electrical contracting services, located in Farmington, Connecticut.

The assets of Woods Electrical were acquired through a new Connecticut corporation called NGS Acquisition, Inc. Following the release of the rights to the name of the company, on August 9, 2002, an amendment to the Certificate of Incorporation for NGS Acquisition, Inc. was filed with the Connecticut Secretary of State to change the name of this company to Woods Electrical Co., Inc. Woods Electrical is a wholly-owned subsidiary of NGS. 100 shares of common stock, no par value, were issued to NGS for \$100 per share on July 30, 2002. This company will also be registered to do business in Maine, Massachusetts and New Hampshire.

- (f) On July 31, 2002, NUEI completed the acquisition of the assets of Woods Network Services, Inc. (Woods Network Services), a company engaged in the design, integration and implementation of voice, data, video, audio and other low-voltage control systems, located in Farmington, Connecticut.

The assets of Woods Network Services were acquired through a new Connecticut corporation called NGS Telecommunications, Inc. Following the release of the rights to the name of the company, on August 9, 2002, an amendment to the Certificate of Incorporation for NGS Telecommunications, Inc., was filed with the Connecticut Secretary of State to change the name of this company to Woods Network Services, Inc. Woods Network Services is a wholly-owned subsidiary of NUEI. One

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hundred shares of common stock, no par value, were issued to NUEI for \$100 per share on July 30, 2002. This company will also be registered to do business in Maine, Massachusetts and New Hampshire.

- (g) Dissolved on October 28, 2002.
- (h) CL&P has three inactive subsidiaries not listed in this table, The Connecticut Steam Company, The Nutmeg Power Company and Electric Power Incorporated.

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### ITEM 1. SYSTEM COMPANIES AND INVESTMENTS THEREIN AS OF DECEMBER 31, 2002 (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. (a) (b)		120,750	34.5%
Maine Yankee Atomic Power Co. (a) (b)		44,196	12.0
Vermont Yankee Nuclear Power Corp. (a) (c) (d)		37,242	10.1
Yankee Atomic Electric Co. (a) (b)		1,879	24.5
Public Service Company of New Hampshire:			
Connecticut Yankee Atomic Power Co. (a) (b)		17,500	5.0
Maine Yankee Atomic Power Co. (a) (b)		18,415	5.0
Vermont Yankee Nuclear Power Corp. (a) (c) (d)		15,681	4.3
Yankee Atomic Electric Co. (a) (b)		537	7.0
Western Massachusetts Electric Company:			
Connecticut Yankee Atomic Power Co. (a) (b)		33,250	9.5
Maine Yankee Atomic Power Co. (a) (b)		11,049	3.0
Vermont Yankee Nuclear Power Corp. (a) (c) (d)		9,800	2.6
Yankee Atomic Electric Co. (a) (b)		537	7.0
Total System Investment:			
Connecticut Yankee Atomic Power Co. (a) (b)		171,500	49.0
Maine Yankee Atomic Power Co. (a) (b)		73,660	20.0
Vermont Yankee Nuclear Power Corp. (a) (c) (d)		62,723	17.0
Yankee Atomic Electric Co. (a) (b)		2,953	38.5

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New England Hydro-Transmission Electric Company, Inc. (a)	594,776	22.66
New England Hydro-Transmission Corp. (a)	2,397	22.66

- (a) These investments are variable interest entities under FASB Interpretation No. 46.
- (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.

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- (c) On July 31, 2002, Vermont Yankee Nuclear Power Corporation (VYNPC) consummated the sale of its nuclear generating plant to a subsidiary of Entergy Corporation (Entergy) for approximately \$180 million. As part of the sale, Entergy assumed responsibility for decommissioning VYNPC's nuclear generating unit. Under the terms of the sale, CL&P, PSNH and WMECO will continue to buy approximately 16 percent of the plant's output through March 2012 at a range of fixed prices.
- (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.

Note B: This table represents all system money pool borrowings and NU Parent advances at December 31, 2002.

Name of Company	System Money Pool and NU Parent Advances	Principal Amount Owed
WMECO	1.2% System Money Pool	\$ 85,900
HWP	Variable Rate, Payable Upon Demand (a)	9,600
Yankee Gas	1.2% System Money Pool	66,000
Norconn	1.2% System Money Pool	300
YEFSCO	1.2% System Money Pool	3,200
NGS	1.2% System Money Pool 7.25% Payable Upon Demand	13,500 5,000
		18,500
Woods Electrical Company	7.25% Payable Upon Demand	4,450
Woods Network Services	7.25% Payable Upon Demand	4,150
Select Energy	1.2% System Money Pool	168,200

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SENY	Variable Rate, Payable Upon Demand (a)	20,699
SESI	1.2% System Money Pool	6,450
The Quinnehtuk Company	1.2% System Money Pool	4,000
RRR	1.2% System Money Pool	27,650
	7.25% Payable Upon Demand	5,000
		32,650
		-----

(a) Interest rate is based on the 3-month Eurodollar plus applicable margin. The interest rate at December 31, 2002 was 2.23 percent.

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

On November 1, 2002, CL&P and NAEC consummated the sale of their 40.04 percent combined ownership interest in Seabrook Station (Seabrook) to a subsidiary of FPL Group, Inc. NU received approximately \$367 million of total cash proceeds from the sale of Seabrook. The sale was exempt from SEC approval under Section 3(C)(B) of the Public Utility Holding Company Act of 1935.

In November 2002, Yankee Gas sold its Bethel Service Building for total consideration of \$3.4 million.

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### 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.

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, 2002, NU had \$9.9 million of such guarantees outstanding, which was the highest amount outstanding during 2002.

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

1. On September 9, 2002, The Connecticut Light and Power Company, the Bank of New York and certain participating banks therein named amended the Standby Bond Purchase Agreement dated October 24, 2000, to extend its expiration date to October 21, 2003. Form U-6B-2 for this transaction was filed on September 11, 2002.

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

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Name of Issuer and Title of Issue -----	Amounts Acquired -----	
	No. of Shares or Principal Amount -----	Consideration -----
Select Energy Services, Inc.		
Other Notes/Agreements -		
8.23% ABB Energy Capital	\$ 6,752,769	\$ 6,752,769
9.24% ABB Energy Capital	876,204	876,204
6.25% BFL Series 2002A	12,631,000	12,631,000
7.69% Hannie Mae, LLC	24,297,192	24,297,192
7.37% Hannie Mae, LLC	3,090,846	3,090,846
	-----	-----
	\$ 47,648,011	\$ 47,648,011
	=====	=====
NU Parent		
Other Notes/Agreements -		
7.25% Amortizing 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 -----
Northeast Generation Company		
Other Notes/Agreements -		
4.998% Series A	\$ 24,000,000	\$ 24,000,000
	=====	=====
NU Parent		
Other Notes/Agreements -		
8.58% Series A Note	\$ 17,000,000	\$ 17,000,000
8.38% Series B Note	6,000,000	6,000,000
Variable Rate Note	263,000,000	263,000,000
	-----	-----
	\$286,000,000	\$286,000,000
	=====	=====

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The Rocky River Realty Company

Other Notes/Agreements -		
7.875% Installment Note (2)	\$ 1,468,000	\$ 1,468,000
6.620% Mortgage Note	90,249	90,249
8.810% Series A Note (3)	1,177,246	1,177,246
	-----	-----
	\$ 2,735,495	\$ 2,735,495
	=====	=====

HEC/Tobyhanna Energy Project, Inc.

Other Notes/Agreements -		
7.625% First Union Bank/John Hancock	\$ 988,000	\$ 988,000
	=====	=====

Yankee Energy System, Inc.

First Mortgage Bonds -		
10.07% Series A-E	\$ 950,000	\$ 950,000
	=====	=====

Other Notes/Agreements		
6.24% NorConn Properties, Inc. - Series A-B	\$ 100,000	\$ 100,000
	=====	=====

- (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.

ITEM 5. INVESTMENTS IN SECURITIES OF NONSYSTEM COMPANIES

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

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NU Enterprises, Inc.	Acumentrics Corporation (Energy Related)	Stock
Yankee Energy System, Inc.	BMC Energy LLC (Energy Related)	Note

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

Name of Owner -----	Number of Shares/Book Value -----	% of Voting Power -----	Carrying Value to Owners ----- (000's)
Western Massachusetts Electric Company	-	-	\$ 190 =====
Public Service Company of New Hampshire	1,000 shares	-	\$ 100 =====
Northeast Utilities (Parent)	-	-	\$ 14 =====
11 Subsidiaries (2)	-	-	\$11,986 =====
Mode 1 Communications, Inc.	1,551,000 shares	7%	\$ 5,000 =====
NU Enterprises, Inc.	500,000 shares	5%	\$ 7,500 =====
Yankee Energy Systems, Inc.	\$4.7 million note	-	\$ 4,700 =====

(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, SESI and RRR.

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ITEM 6. OFFICERS AND DIRECTORS

Part I. As of December 31, 2002

1. The following is a list of the names and principal business addresses of the

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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

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

Cotton Mather Cleveland  
Mather Associates  
75 Newport Road, Suite 208  
New London, NH 03257

Robert E. Patricelli  
Womens Health USA, Inc.  
and Evolution Benefits, Inc.  
22 Waterville Road  
Avon, CT 06001

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

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

Mr. James F. Cordes  
c/o Northeast Utilities  
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

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).

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### NAMES OF SYSTEM COMPANIES WITH WHICH CONNECTED AS OF DECEMBER 31, 2002

	NU	NUSCO	CL&P
Michael G. Morris	CHB, P, CEO, T	CH, P, CEO, D	
Bruce D. Kenyon (1)	PG	PG	
John H. Forsgren	VC, EVP, CFO, T	EVP, CFO, D	
Cheryl W. Grise	PU	PU, D	CEO, D
Charles W. Shivery	PC	PC, D	
Kerry J. Kuhlman (2)			
Gary A. Long (3)			
Leon J. Olivier			P, COO, D
Dennis E. Welch			
Christopher L. Beschler			
David H. Boguslawski		VP	VP, D

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Gregory B. Butler	VP, S, GC	VP, S, GC	
Mary Jo Keating		VP	
Jeffrey R. Kotkin		VP	
Jean M. LaVecchia		VP	
Dana L. Louth			VP
John M. MacDonald (3)			
David R. McHale	VP, TRS	VP, TRS	
Margaret L. Morton		VP	
James A. Muntz			VP
William J. Nadeau (3)			
Raymond P. Necci		VP	
Rodney O. Powell			VP
Paul E. Ramsey (3)			
John P. Stack	VP, C	VP, C	VP, C
Lisa J. Thibdaue		VP	
Roger C. Zaklukiewicz			VP
Robert A. Bersak (3)			
O. Kay Comendul			S
Randy A. Shoop			TRS
Patricia A. Wood (2)			
John C. Collins (1)(5)			
Gerald Letendre (1)(6)			
Jane E. Newman (1)(7)			
James E. Byrne (1)(8)			
Paul J. McDonald (1)(9)			
Melinda M. Phelps (1)(10)			
E. Edward Booker (11)			
Eileen S. Kraus (1)(12)			
John J. Rando (1)(13)			
Patricia M. Worthy (1)(14)			
Christopher T. Burt (15)			
Michelle Moezzi (15)			
Murry K. Staples (16)			
Gregory C. Picklesimer (16)			

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	HP&E	HWP	PSNH
Michael G. Morris	P, D	P, D	C, D
Bruce D. Kenyon			
John H. Forsgren			D
Cheryl W. Grise	D	D	CEO, D
Charles W. Shivery			
Kerry J. Kuhlman	D	D	
Gary A. Long			P, COO, D
Leon J. Olivier			
Dennis E. Welch			
Christopher L. Beschler			
David H. Boguslawski			VP, D
Gregory B. Butler			
Mary Jo Keating			
Jeffrey R. Kotkin			
Jean M. LaVecchia			
Dana L. Louth			

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

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	WMECO	Mode 1	PI
Michael G. Morris	C, D	P, CEO, D	
Bruce D. Kenyon			
John H. Forsgren	D	D	
Cheryl W. Grise	CEO, D		
Charles W. Shivery		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			
Mary Jo Keating			
Jeffrey R. Kotkin			
Jean M. LaVecchia			
Dana L. Louth			
John M. MacDonald			
David R. McHale	VP, TRS	VP, TRS	VP, TRS
Margaret L. Morton			
James A. Muntz			
William J. Nadeau			

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Raymond P. Necci			
Rodney O. Powell			
Paul E. Ramsey			VP, D
John P. Stack	VP, C	VP, C	VP, C
Lisa J. Thibdaue			
Roger C. Zaklukiewicz	VP		
Robert A. Bersak			S, D
O. Kay Comendul		S	
Randy A. Shoop			
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			
Christopher T. Burt			
Michelle Moezzi			
Murry K. Staples			
Gregory C. Picklesimer			

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	Quinn.	RRR	CRC
Michael G. Morris			
Bruce D. Kenyon			
John H. Forsgren			
Cheryl W. Grise	D	D	D
Charles W. Shivery			
Kerry J. Kuhlman	P, D		
Gary A. Long			
Leon J. Olivier		P, D	P, D
Dennis E. Welch			
Christopher L. Beschler			
David H. Boguslawski	D	D	D
Gregory B. Butler			
Mary Jo Keating			
Jeffrey R. Kotkin			
Jean M. LaVecchia			
Dana L. Louth			
John M. MacDonald			
David R. McHale	VP, TRS	VP, TRS	
Margaret L. Morton			
James A. Muntz			
William J. Nadeau			
Raymond P. Necci			
Rodney O. Powell			D
Paul E. Ramsey			
John P. Stack	VP, C	VP, C	VP, C
Lisa J. Thibdaue			
Roger C. Zaklukiewicz	VP	VP	

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Robert A. Bersak			
O. Kay Comendul		S	S
Randy A. Shoop			TRS
Patricia A. Wood	CL		
John C. Collins			
Gerald Letendre			
Jane E. Newman			
James E. Byrne			
Paul J. McDonald			
Melinda M. Phelps			
H. Edward Booker			D
Eileen S. Kraus			
John J. Rando			
Patricia M. Worthy			
Christopher T. Burt			
Michelle Moezzi			
Murry K. Staples			
Gregory C. Picklesimer			

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	Conn Steam	Nutmeg Power	EPI
Michael G. Morris			
Bruce D. Kenyon			
John H. Forsgren			
Cheryl W. Grise	D	D	D
Charles W. Shivery			
Kerry J. Kuhlman			
Gary A. Long			
Leon J. Olivier			
Dennis E. Welch			
Christopher L. Beschler			
David H. Boguslawski	P	P	P
Gregory B. Butler			
Mary Jo Keating			
Jeffrey R. Kotkin			
Jean M. LaVecchia			
Dana L. Louth			
John M. MacDonald			
David R. McHale			
Margaret L. Morton			
James A. Muntz			
William J. Nadeau			
Raymond P. Necci			
Rodney O. Powell			
Paul E. Ramsey			
John P. Stack	VP, C	VP, C	VP, C
Lisa J. Thibdaue			
Roger C. Zaklukiewicz			
Robert A. Bersak			
O. Kay Comendul	S, D	S, D	S, D
Randy A. Shoop	TRS	TRS	TRS
Patricia A. Wood			
John C. Collins			
Gerald Letendre			

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Jane E. Newman  
 James E. Byrne  
 Paul J. McDonald  
 Melinda M. Phelps  
 Eileen S. Kraus  
 John J. Rando  
 Patricia M. Worthy  
 H. Edward Booker  
 Christopher T. Burt  
 Michelle Moezzi  
 Murry K. Staples  
 Gregory C. Picklesimer

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	CL&P Cap. (17)	YES	YEFSCO
Michael G. Morris		C, D	C, D
Bruce D. Kenyon			
John H. Forsgren		EVP, CFO, D	EVP, CFO, D
Cheryl W. Grise		CEO, D	CEO, D
Charles W. Shivery			
Kerry J. Kuhlman			
Gary A. Long			
Leon J. Olivier			
Dennis E. Welch		P, COO, D	P, COO, D
Christopher L. Beschler			
David H. Boguslawski			
Gregory B. Butler		VP, S, GC	VP, S, GC
Mary Jo Keating			
Jeffery R. Kotkin			
Jean M. LaVecchia			
Dana L. Louth			
John M. MacDonald			
David R. McHale		VP, TRS	VP, TRS
Margaret L. Morton			
James A. Muntz			
William J. Nadeau			
Raymond P. Necci			
Rodney O. Powell			
Paul E. Ramsey			
John P. Stack		VP, C	VP, C
Lisa J. Thibdaue			
Roger C. Zaklukiewicz			
Robert A. Bersak			
O. Kay Comendul			
Randy A. Shoop			
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	

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John J. Rando D  
 Patricia M. Worthy D  
 Christopher T. Burt  
 Michelle Moezzi  
 Murry K. Staples  
 Gregory C. Picklesimer

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	YGSCO	YESCO	NORCONN
Michael G. Morris	C, D	C, D	C, D
Bruce D. Kenyon			
John H. Forsgren	EVP, CFO, D	EVP, CFO, D	EVP, CFO, D
Cheryl W. Grise	CEO, D	CEO, D	CEO, D
Charles W. Shivery			
Kerry J. Kuhlman			
Gary A. Long			
Leon J. Olivier			
Dennis E. Welch	P, COO, D	P, COO, D	P, COO, D
Christopher L. Beschler	VP		
David H. Boguslawski			
Gregory B. Butler	VP, S, GC	VP, S, GC	VP, S, GC
Mary Jo Keating			
Jeffrey R. Kotkin			
Jean M. LaVecchia			
Dana L. Louth			
John M. MacDonald			
David R. McHale	VP, TRS	VP, TRS	VP, TRS
Margaret L. Morton			
James A. Muntz			
William J. Nadeau			
Raymond P. Necci			
Rodney O. Powell			
Paul E. Ramsey			
John P. Stack	VP, C	VP, C	VP, C
Lisa J. Thibdaue			
Roger C. Zaklukiewicz			
Robert A. Bersak			
O. Kay Comendul			
Randy A. Shoop			
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			
Christopher T. Burt			
Michelle Moezzi			
Murry K. Staples			
Gregory C. Picklesimer			

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	HOUSATONIC	RMS	FUNDING (18)
Michael G. Morris	C, D		
Bruce D. Kenyon			
John H. Forsgren	EVP, CFO, D		
Cheryl W. Grise	CEO, D		
Charles W. Shivery			
Kerry J. Kuhlman			
Gary A. Long			
Leon J. Olivier			
Dennis E. Welch	P, COO, D		
Christopher L. Beschler			
David H. Boguslawski			D, MC
Gregory B. Butler	VP, S, GC		
Mary Jo Keating			
Jeffrey R. Kotkin			
Jean M. LaVecchia			
Dana L. Louth			
John M. MacDonald			
David R. McHale	VP, TRS		
Margaret L. Morton			
James A. Muntz			
William J. Nadeau			
Raymond P. Necci			
Rodney O. Powell			D, MC
Paul E. Ramsey			
John P. Stack	VP, C		VP, TRS
Lisa J. Thibdaue			
Roger C. Zaklukiewicz			
Robert A. Bersak			
O. Kay Comendul			S
Randy A. Shoop			P, D, MC
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			
Christopher T. Burt			D, MC
Michelle Moezzi			D, MC
Murry K. Staples		P, CEO, D	
Gregory C. Picklesimer		S, TRS	

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	PSNH FUNDING (19)	PSNH FUNDING 2 (19)	WMECO FUNDING (20)
Michael G. Morris			
Bruce D. Kenyon			
John H. Forsgren			
Cheryl W. Grise			
Charles W. Shivery			
Kerry J. Kuhlman			D, MC
Gary A. Long	D, MC	D, MC	
Leon J. Olivier			
Dennis E. Welch			
Christopher L. Beschler			
David H. Boguslawski			D, MC
Gregory B. Butler			
Mary Jo Keating			
Jeffrey R. Kotkin			
Jean M. LaVecchia			
Dana L. Louth			
John M. MacDonald			
David R. McHale			
Margaret L. Morton			
James A. Muntz			
William J. Nadeau			
Raymond P. Necci			
Rodney O. Powell			
Paul E. Ramsey	D, MC	D, MC	
John P. Stack	VP, TRS	VP, TRS	VP, TRS
Lisa J. Thibdaue			
Roger C. Zaklukiewicz			
Robert A. Bersak			
O. Kay Comendul	S	S	S
Randy A. Shoop	P, D, MC	P, D, MC	P, D, MC
John P. Stack	VP, TRS	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			
Christopher T. Burt	D, MC	D, MC	D, MC
Michelle Moezzi	D, MC	D, MC	D, MC
Murry K. Staples			
Gregory C. Picklesimer			

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Michael G. Morris	D	D
Bruce D. Kenyon	P, CEO, D	P, CEO, D
John H. Forsgren	D	
Cheryl W. Grise		
Charles W. Shivery		
Kerry J. Kuhlman		
Gary A. Long		
Leon J. Olivier		
Dennis E. Welch		
Christopher L. Beschler		
David H. Boguslawski		
Gregory B. Butler		
Mary Jo Keating		
Jeffrey R. Kotkin		
Jean M. LaVecchia		
Dana L. Louth		
John M. MacDonald		
David R. McHale		
Margaret L. Morton		
James A. Muntz		
William J. Nadeau		
Raymond P. Necci		
Rodney O. Powell		
Paul E. Ramsey		
John P. Stack		
Lisa J. Thibdaue		
Roger C. Zaklukiewicz		
Robert A. Bersak		
O. Kay Comendul	S	S
Randy A. Shoop		
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		
Christopher T. Burt		
Michelle Moezzi		
Murry K. Staples		
Gregory C. Picklesimer		

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	COE	SESI	HEC/CJTS
Charles W. Shivery		D	
Bruce D. Kenyon			
Dennis G. Morrisette (21)			
William W. Schivley		CHB, D	P, D
James B. Redden (22)		P, D	
Armando J. Barone (23)			

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Joseph F. Bellefeuille (21)			
Paul J. Bohonowicz (23)			
Richard J. Cohen			
Annette M. Durnack			
Stephen J. Fabiani			
Linda A. Jensen (22)		VP, TRS, CL	TRS, S, D
William J. Nadeau	D		
John J. Roman			
Frank P. Sabatino	VP, D		
Jeffrey M. Warren (21)			
Carol L. Carver (22)			
Christopher Fogarty (21)			
Frederic Lee Klein	S		
Dennis R. Brown (4)			
Thomas M. Driscoll (24)			
Michael A. Paolella (4)			
Christopher T. Burt			D
Alan J. Giantomaso (25)			D
Michelle Moezzi			D
Neil Petchers (26)			
Barbara Casey (22)			
Britta MacIntosh (22)			
Scott Silver (26)			
Richard M. Kacich			

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	ERI/HEC (27)	HTEP	RFS
Charles W. Shivery		CH, CEO, D	CH, CEO, D
Bruce D. Kenyon			
Dennis G. Morrisette			P, D
William W. Schivley			
James B. Redden		P, D	D
Armando J. Barone			
Joseph F. Bellefeuille			SVP
Paul J. Bohonowicz			
Richard J. Cohen			
John J. Roman			
Annette M. Durnack			D
Stephen J. Fabiani			
Linda A. Jensen	TRS	VP, TRS, CL, D	TRS
William J. Nadeau			
Frank P. Sabatino			
Jeffrey M. Warren			VP
Carol L. Carver			S
Christopher Fogarty			
Frederic Lee Klein			
Dennis R. Brown			
Thomas M. Driscoll			
Michael A. Paolella			
Christopher T. Burt			
Alan J. Giantomaso	MC		
Michelle Moezzi			
Neil Petchers	VC, MC		
Barbara Casey	S		

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Britta MacIntosh C, MC  
 Scott Silver MC  
 Richard M. Kacich

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	NEI	NGC	NGS
Charles W. Shivery	P, CEO, D	CH, D	CH, D
Bruce D. Kenyon			
Dennis G. Morrisette			
William W. Schivley	VP, D	D	
James B. Redden			
Armando J. Barone			
Joseph F. Bellefeuille			
Paul J. Bohonowicz			
Richard J. Cohen			
Annette M. Durnack			
Stephen J. Fabiani			
Linda A. Jensen			
William J. Nadeau		VP	VP, COO, D
John J. Roman			
Frank P. Sabatino	VP	VP	
Jeffrey M. Warren			
Carol L. Carver			
Christopher Fogarty			
Frederic Lee Klein	S	S	S
Dennis R. Brown			D
Thomas M. Driscoll			
Michael A. Paolella			
Christopher T. Burt			
Alan J. Giantomaso			
Michelle Moezzi			
Neil Petchers			
Barbara Casey			
Britta MacIntosh			
Scott Silver			
Richard M. Kacich			

26

	WEC	WNS	NNECO
Charles W. Shivery	CH, D	CH, D	
Bruce D. Kenyon			
Dennis G. Morrisette			P, CEO, D
William W. Schivley			
James B. Redden			
Armando J. Barone			
Joseph F. Bellefeuille			

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Paul J. Bohonowicz			
Richard J. Cohen			
Annette M. Durnack			
Stephen J. Fabiani			
Linda A. Jensen			
William J. Nadeau	VP, COO, D	VP, COO, D	
John J. Roman			
Frank P. Sabatino			
Jeffrey M. Warren			
Carol L. Carver			
Christopher Fogarty			
Frederic Lee Klein	S	S	S
Dennis R. Brown			
Thomas M. Driscoll	D	D	
Michael A. Paolella			
Christopher T. Burt			
Alan J. Giantomaso			
Michelle Moezzi			
Neil Petchers			
Barbara Casey			
Britta MacIntosh			
Scott Silver			
Richard M. Kacich			D

27

	Select	SENY	SECI
Charles W. Shivery	CH, D	CH, D	CHB, CEO, D
Bruce D. Kenyon			
Dennis G. Morrissette			PNH, D
William W. Schivley	P, D	P, D	
James B. Redden			P, D
Armando J. Barone			VP
Joseph F. Bellefeuille			SVP
Paul J. Bohonowicz			VP
Richard J. Cohen		VP	
Annette M. Durnack		VP	
Stephen J. Fabiani	VP, D	D	D
Linda A. Jensen			TRS
William J. Nadeau			
John J. Roman	VP	TR	
Frank P. Sabatino	SVP, D	D	
Jeffrey M. Warren			VP
Carol L. Carver			CL
Christopher Fogarty			C
Frederic Lee Klein	S	S	
Dennis R. Brown			
Thomas M. Driscoll			
Michael A. Paolella			
Christopher T. Burt			
Alan J. Giantomaso			
Michelle Moezzi			
Neil Petchers			
Barbara Casey			
Britta MacIntosh			

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Scott Silver  
Richard M. Kacich

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	ESB	NGSM
Charles W. Shivery	CH, D	CH, D
Bruce D. Kenyon		
Dennis G. Morrissette		
William W. Schivley		
James B. Redden		
Armando J. Barone		
Joseph F. Bellefeuille		
Paul J. Bohonowicz		
Richard J. Cohen		
Annette M. Durnack		
Stephen J. Fabiani		
Linda A. Jensen		
William J. Nadeau	VP, COO, D	VP, COO, D
John J. Roman		
Frank P. Sabatino		
Jeffrey M. Warren		
Carol L. Carver		
Christopher Fogarty		
Frederic Lee Klein	S	S
Dennis R. Brown		
Thomas M. Driscoll	D	
Michael A. Paoletta		D
Christopher T. Burt		
Alan J. Giantomaso		
Michelle Moezzi		
Neil Petchers		
Barbara Casey		
Britta MacIntosh		
Scott Silver		
Richard M. Kacich		

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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) Resigned as of the close of business on December 31, 2002.
- (2) Principal business address is: Western Massachusetts Electric Company, 174 Brush Hill Avenue, West Springfield, Massachusetts 01089.
- (3) Principal business address is: Public Service Company of New Hampshire, 780 N. Commercial Street, Manchester, New Hampshire 03101.
- (4) Principal business address is: Northeast Generation Services Company, 301 Hammer Mill Road, Rocky Hill, Connecticut 06043.

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- (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 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 Gelinias, 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) Mr. Burt and Ms. Moezzi'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.
- (17) CL&P Capital is a partnership in which CL&P serves as general partner.
- (18) CLP Funding LLC is a Delaware limited liability company formed to issue rate reduction bonds. CL&P is the sole member.
- (19) PSNH Funding LLC and PSNH Funding LLC2 are Delaware limited liability companies formed to issue rate reduction bonds. PSNH is the sole member of each.
- (20) WMECO Funding LLC is a Delaware limited liability company formed to issue rate reduction bonds. WMECO is the sole member.
- (21) Principal business address is: Select Energy Contracting, Inc., 605 Front Street, Manchester, New Hampshire 03102.
- (22) Principal business address is: Select Energy Services, Inc., 24 Prime Parkway, Natick, Massachusetts 01760.

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- (23) Principal business address is: Select Energy Contracting, Inc., 148 Norton Street, P. O. Box 526, Milldale, CT 06467.
- (24) Principal business address is: E. S. Boulos Company, Five Star Industrial Park, Westbrook, ME 04092.
- (25) Principal business address is: Select Energy Services, Inc., 811 Jericho Turnpike, Suite 101 W, Smithtown, NY 11787.
- (26) Principal business address is: ERI Services, Inc., 350 Fairfield Avenue, Bridgeport, Connecticut 06604.
- (27) 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
P	-	President - Competitive Group
PG	-	President - Generation Group
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.
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/CJTS - HEC/CJTS Energy Center LLC  
 HOUSATONIC - Housatonic Corporation  
 HWP - Holyoke Water Power Company  
 Mode 1 - Mode 1 Communications, Inc.  
 NAEC - North Atlantic Energy Corporation  
 NAESCO - North Atlantic Energy Service Corporation

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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.  
 SESI - Select Energy Services, Inc.  
 WES - Woods Electrical Co., Inc.  
 WMECO - Western Massachusetts Electric Company  
 WMECO Funding - WMECO Funding LLC  
 WNS - Woods Network Services, Inc.  
 YES - Yankee Energy System, Inc.  
 YEFSCO - Yankee Energy Financial Services Company  
 YESCO - Yankee Energy Services Company  
 YGSCO - Yankee Gas Services Company

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)
Cotton M. Cleveland	Ledyard National Bank Ledyard, New Hampshire	Director	A
James F. Cordes	Comerica Bank Texas	Director	A
Michael G. Morris	Webster Financial Corporation Waterbury, CT	Director	A, E, 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. The compensation of Trustees, Directors, and Executive Officers of system companies:

#### i. Compensation of NU Trustees

Each NU Trustee who was not an employee of NU or its subsidiaries was compensated in 2002 and will be compensated in 2003 at an annual rate of \$20,000, and receives \$1,000 for each meeting attended of the Board or its Committees. A non-employee Trustee who participates in a meeting of the Board or any of its Committees by conference telephone receives \$1,000 (\$675 in 2002) 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 Board-related services in the interest of the Northeast Utilities system may receive additional compensation of \$1,000 per day plus necessary expenses. The Chairs of the Audit, Compensation, Corporate Affairs, Corporate Governance, and Finance Committees of the NU Board of Trustees were compensated at an additional annual rate of \$3,500 in 2002; this rate was raised to \$10,000 and \$5,000, respectively, for the Chairs of the Audit Committee and Compensation Committee, effective in 2003, while the rate for other Committee Chairs remains the same. 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. Prior to the dissolution of the Nuclear Committee in December 2002, its Chair received an additional retainer at the rate of \$25,000 per year.

Trustees also received 1,000 common shares of Northeast Utilities in 2002, and 2,000 shares in 2003, subject to any deferral election in effect. Under the terms of the Northeast Utilities Incentive Plan, each non-employee Trustee is also eligible for stock-based grants. During 2002 each such Trustee was granted non-qualified options under the Incentive Plan to purchase 2,500 common shares of Northeast Utilities. 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 March 2003, subject to any deferral election in effect, each non-employee Trustee was granted 1,000 restricted common shares which vest in March 2004.

Prior to the beginning of each calendar year, each non-employee Trustee may irrevocably elect to have all or any portion of their retainers and fees paid in the form of common shares of Northeast Utilities. 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.

#### ii. Compensation of Subsidiary Directors

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During 2002 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 participated in a meeting of the Board of Directors or any of its committees by conference telephone received \$300 per

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meeting. Also, committee chairs were compensated at an additional annual rate of \$1,500.

### iii. Compensation of Executive Officers

#### SUMMARY COMPENSATION TABLE

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 NU, CL&P, PSNH, and WMECO in accordance with rules of the SEC:

Name and Principal Position -----	Year ----	Annual Compensation -----			Other Annual Compensation (\$ Note 1) -----	Awards -----	
		Salary (\$) ---	Bonus (\$) -----	Restricted Stock Awards (s) (\$) (Note 2) -----		Secur Under Option Apprec Right -----	
Michael G. Morris Chairman of the Board, President and Chief Executive Officer of NU and Chairman of PSNH and WMECO	2002	915,385	558,000	209,883	-	630	
	2001	900,000	869,805	238,924	-	220	
	2000	830,770	1,200,000	200,869	-	140	
John H. Forsgren Executive Vice President and Chief Financial Officer and Vice Chairman of NU	2002	556,154	165,000	-	-	54	
	2001	524,423	200,000	-	-	98	
	2000	444,615	450,000	-	-	36	
Bruce D. Kenyon Former President - Generation Group of NU (NU table only)	2002	515,000	-	-	-	23	
	2001	515,000	200,000	-	-	34	
	2000	504,616	450,000	-	-	20	
Cheryl W. Grise President - Utility Group of NU and Chief Executive Officer of CL&P,	2002	409,231	280,000	-	-	39	
	2001	338,654	180,000	-	-	76	
	2000	279,616	290,000	-	-	23	

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PSNH and WMECO

Charles W. Shivery President - Competitive Group of NU (NU Table only)	2002	306,731	200,000	244,594	-	29
	2001	-	-	-	-	
	2000	-	-	-	-	

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Gregory B. Butler Vice President, Secretary and General Counsel of NU and NUSCO	2002	206,154	70,000	-	-	13
	2001	189,269	70,000	-	-	7
	2000	174,462	105,000	-	-	9
Leon J. Olivier President and Chief Operating Officer of CL&P (CL&P Table Only)	2002	303,908	138,000	-	-	9
	2001	194,232	123,000	-	100,009	22
	2000	274,462	165,000	-	-	13
Gary A. Long President and Chief Operating Officer of PSNH (PSNH Table Only)	2002	178,154	70,000	-	-	8
	2001	171,846	55,000	-	-	6
	2000	152,137	91,000	-	-	6
Kerry J. Kuhlman President and Chief Operating Officer of WMECO (WMECO Table Only)	2002	173,093	62,000	-	-	7
	2001	166,846	45,000	-	-	6
	2000	161,539	90,000	-	-	7

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OPTION/SAR GRANTS IN LAST FISCAL YEAR

Individual Grants

Name	Number of Securities Underlying Options/SARs Granted (#)	% of Total Options/SARs Granted to Employees in Fiscal Year	Exercise or Base Price (\$/sh)	Expiration Date
Michael G. Morris	130,600 500,000	9.77 37.39	18.58 16.55	2/25/201 8/20/201
John H. Forsgren	54,400	4.07	18.58	2/25/201

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Bruce D. Kenyon	23,800	1.78	18.58	2/25/201
Cheryl W. Grise	39,600	2.96	18.58	2/25/201
Charles W. Shivery	29,204	2.17	18.90	6/11/201
Gregory B. Butler	13,200	0.99	18.58	2/25/201
Leon J. Olivier	9,900	0.74	18.58	2/25/201
Gary A. Long	8,100	0.61	18.58	2/25/201
Kerry J. Kuhlman	7,900	0.59	18.58	2/25/201

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

Name	Shares With Respect to Which Options 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	-	-	849,591	823,935	2,794,204	-
John H. Forsgren	60,116	258,198	102,584	131,735	-	-
Bruce D. Kenyon	-	-	66,705	53,135	4,837	-
Cheryl W. Grise	-	-	73,292	97,936	4,583	-
Charles W. Shivery	-	-	-	29,024	-	-
Gregory B. Butler	-	-	24,249	21,267	1,986	-
Leon J. Olivier	-	-	3,334	19,900	-	-
Gary A. Long	-	-	13,282	14,768	891	-
Kerry J. Kuhlman	-	-	14,329	14,535	955	-

Notes to Summary Compensation and Option/SAR Tables:

- Other annual compensation for Mr. Morris includes personal use of the Company's airplane, having a cost to the Company of \$180,886 in 2002, \$219,088 in 2001, and \$173,357 in 2000. Other annual compensation for Mr. Shivery includes \$144,000 of relocation expenses, per his employment agreement.

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2. At December 31, 2002, the aggregate restricted stock holdings by the individuals named in the table were 36,978 shares with a value of \$560,956. No restricted shares were awarded as incentive compensation to these individuals in 2002; payment of 50 percent of the 2001 annual bonus of each of Mr. Morris, Mr. Forsgren, and Mrs. Grise was made on February 25, 2002 in the form of restricted shares vesting one-third on February 25, 2003, February 25, 2004, and February 25, 2005. Dividends on restricted stock are paid out.
3. "All Other Compensation" for 2002 consists of employer matching contributions under the Northeast Utilities Service Company 401k Plan, generally available to all eligible employees (each of Messrs. Morris, Forsgren, Kenyon, and Butler and Mrs. Grise - \$6,000, Mr. Long - \$5,345 and Ms. Kuhlman - \$5,193) and matching contributions under the Deferred Compensation Plan for Executives (Mr. Morris - \$21,462, Mr. Kenyon - \$9,450, Mrs. Grise - \$6,277, Mr. Shivery - 7,615, and Mr. Olivier - \$9,117). For Mr. Forsgren and Mrs. Grise, it also includes vested deferred compensation paid out on June 28, 2002 of \$173,674 and \$168,246 respectively (See Employment Contracts and Termination of Employment and Change in Control Arrangements, Below).
4. These options were granted on February 25, 2002 under the Northeast Utilities Incentive Plan (Incentive Plan). All options granted vest one-third on February 25, 2003, one-third on February 25, 2004 and one-third on February 25, 2005. Valued using the Black-Scholes option pricing model, discounted by 5.88% to reflect the risk of forfeiture, with the following assumptions: Volatility: 24.33 percent (36 months of monthly data); Risk-free rate: 5.18 percent; Dividend yield: 1.82 percent; Exercise date: February 25, 2012.
5. These options were granted on November 1, 2002 under the Incentive Plan. All options granted vest on August 20, 2007. Valued using the Black-Scholes option pricing model, discounted by 14.13% to reflect the risk of forfeiture, with the following assumptions: Volatility: 23.09 percent (36 months of monthly data); Risk-free rate: 4.47 percent; Dividend yield: 2.44 percent; Exercise date: August 20, 2012.
6. These options were granted on June 11, 2002 under the Incentive Plan. All options granted vest one-third on June 11, 2003, one-third on June 11, 2004 and one-third on June 11, 2005. Valued using the Black-Scholes option pricing model, discounted by 5.88% to reflect the risk of forfeiture, with the following assumptions: Volatility: 22.53 percent (36 months of monthly data); Risk-free rate: 5.30 percent; Dividend yield: 2.02 percent; Exercise date: June 11, 2012.

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### LONG-TERM INCENTIVE PLANS - AWARDS IN LAST FISCAL YEAR

Grants of performance units were made during 2002 under the Incentive Plan to the Company's officers. Payments will be made in cash following the close of the performance period. Threshold, target, and maximum payouts will be determined based on average annual rate of growth in net earnings over the performance period. Grants to the executive officers named in the Summary Compensation Table were as follows:

Estimated Future Payout

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Under Non-Stock Price-Based

(a) Name	(b) Number of Shares, Units or Other Rights (#)	(c) Performance or Other Period Until Maturity Or Payout	(d) Threshold (\$)	(e) Target (\$)
Michael G. Morris	9,900	1/1/2002-12/31/2004	396,000	990,000
John H. Forsgren	4,125	1/1/2002-12/31/2004	165,000	412,500
Bruce D. Kenyon	1,803	1/1/2002-12/31/2004	72,120	180,300
Cheryl W. Grise	3,000	1/1/2002-12/31/2004	120,000	300,000
Charles W. Shivery	2,200	1/1/2002-12/31/2004	88,000	220,000
Gregory B. Butler	1,000	1/1/2002-12/31/2004	40,000	100,000
Leon J. Olivier	750	1/1/2002-12/31/2004	30,000	75,000
Gary A. Long	616	1/1/2002-12/31/2004	24,640	61,600
Kerry J. Kuhlman	599	1/1/2002-12/31/2004	23,960	59,900

b. Their interest in the securities of system companies including options or other rights to acquire securities:

The following table provides information as of March 14, 2003 (except for Mr. Kenyon, whose ownership is shown as of December 31, 2002, the date his employment with the Company ended), as to the beneficial ownership of the equity securities of NU by each Trustee, each of the five highest paid executive officers of NU, CL&P, PSNH, and WMECO, Directors of CL&P, PSNH, and WMECO, all Trustees and executive officers of NU as a group, and all Directors and executive officers of each of CL&P, PSNH and WMECO as a group. 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 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	34,373 (1)	(2)
NU Common	Richard H. Booth	6,000 (3)	(2)
NU Common	Gregory B. Butler	49,018 (4)	(2)
NU Common	Cotton Mather Cleveland	20,232 (5)	(2)
NU Common	Sanford Cloud, Jr.	20,886 (6)	(2)
NU Common	James F. Cordes	11,500 (3)	(2)
NU Common	E. Gail de Planque	20,452 (5)	(2)
NU Common	John H. Forsgren	187,567 (7)	(2)
NU Common	John G. Graham	0	(2)
NU Common	Cheryl W. Grise	128,135 (8)	(2)
NU Common	Elizabeth T. Kennan	19,755 (9)	(2)
NU Common	Bruce D. Kenyon	155,773 (10)	(2)
NU Common	Kerry J. Kuhlman	32,555 (11)	(2)
NU Common	Gary A. Long	30,871 (12)	(2)
NU Common	Michael G. Morris	1,067,100 (13)	(2)

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NU Common	Robert E. Patricelli	27,522 (5)	(2)
NU Common	Leon J. Olivier	16,683 (14)	(2)
NU Common	Charles W. Shivery	17,148 (15)	(2)
NU Common	John W. Swope	22,361 (9)	(2)

Amount beneficially owned by Trustees or Directors and Executive Officers as a group:

Company	Number of Persons	Amount and Nature of Beneficial Ownership	Percent of Outstanding
NU	15	1,753,449 (16)	1.34%
CL&P	6	1,482,876	(2)
PSNH	6	1,497,064	(2)
WMECO	6	1,498,748	(2)

- (1) Includes 23,704 shares that could be acquired by Mr. Boguslawski pursuant to currently exercisable options and 5,304 restricted shares, as to which Mr. Boguslawski has sole voting and no dispositive power.
- (2) As of March 14, 2003, there were 130,383,840 common shares of NU outstanding. The percentage of such shares beneficially owned by any Trustee of NU, Director of CL&P, PSNH, or WMECO or Executive Officer of NU, CL&P, PSNH, or WMECO and by all of the Directors and Executive Officers of each of CL&P, PSNH and WMECO does not exceed one percent.
- (3) Includes 5,000 shares that could be acquired by the beneficial owner pursuant to currently exercisable options.
- (4) Includes 34,182 shares that could be acquired by Mr. Butler pursuant to currently exercisable options and 7,779 restricted shares as to which Mr. Butler has sole voting and no dispositive power.
- (5) Includes 12,500 shares that could be acquired by the beneficial owner pursuant to currently exercisable options and 1,000 restricted shares as to which the beneficial owner has sole voting and no dispositive power.
- (6) Includes 7,500 shares that could be acquired by Mr. Cloud pursuant to currently exercisable options and 1,000 restricted shares as to which Mr. Cloud has sole voting and no dispositive power.
- (7) Includes 143,718 shares that could be acquired by Mr. Forsgren pursuant to currently exercisable options and 39,631 restricted shares as to which Mr. Forsgren has sole voting and no dispositive power.

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- (8) Includes 73,292 shares that could be acquired by Mrs. Grise pursuant to currently exercisable options, 36,072 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.
- (9) Includes 12,500 shares that could be acquired by the beneficial owner pursuant to currently exercisable options.
- (10) Includes 88,656 shares that could be acquired by Mr. Kenyon pursuant to currently exercisable options.

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- (11) Includes 21,529 shares that could be acquired by Ms. Kuhlman pursuant to currently exercisable options and 4,420 restricted shares, as to which Ms. Kuhlman has sole voting and no dispositive power.
- (12) Includes 20,399 shares that could be acquired by Mr. Long pursuant to currently exercisable options and 4,597 restricted shares, as to which Mr. Long has sole voting and no dispositive power.
- (13) Includes 979,792 shares that could be acquired by Mr. Morris pursuant to currently exercisable options and 31,732 restricted shares as to which Mr. Morris has sole voting and no dispositive power.
- (14) Includes 6,634 shares that could be acquired by Mr. Olivier pursuant to currently exercisable options and 5,552 restricted shares, as to which Mr. Olivier has sole voting and no dispositive power.
- (15) Includes 89 shares held in an ESOP, as to which Mr. Shivery has sole voting but no dispositive power and 15,559 restricted shares as to which Mr. Shivery has sole voting and no dispositive power.
- (16) Includes 34,182 shares that could be acquired by an executive officer other than those named in the table above pursuant to currently exercisable options and 7,779 restricted shares as to which such officer has sole voting and no dispositive power.

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### SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets forth the number of Common Shares of Northeast Utilities issuable under the equity compensation plans of the Northeast Utilities System, as well as their weighted exercise price, in accordance with the rules of the SEC:

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number remainin future issu compen (excludi reflected
	(a)	(b)	
Equity compensation plans approved by security holders	3,956,137	\$16.73	S
Equity compensation plans not approved by security holders	500,000	\$9.625	
Total	4,456,137	\$15.93	S

Notes to table:

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1. Under the Incentive Plan, 3,873,851 shares were available for issuance as of December 31, 2002. In addition, an amount equal to one percent of the outstanding shares as of the end of each year becomes available for issuance under the Incentive Plan the following year. Under the Northeast Utilities Employee Share Purchase Plan II, 7,438,295 additional shares are available for issuance. Each such plan expires in 2008.

### 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 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, 2002, all such reporting requirements were complied with in a timely manner.

### c. Their contracts and transactions with system companies:

#### EMPLOYMENT CONTRACTS AND TERMINATION OF EMPLOYMENT ARRANGEMENTS

Northeast Utilities has entered into an employment agreement with Mr. Morris and NUSCO has entered into employment agreements with Messrs. Forsgren, Kenyon and Shivery and Mrs. Grise; each of the other named executive officers participates in the Special Severance Program for Officers of Northeast Utilities Companies. The agreements (except for Mr. Shivery's) and the Special Severance Program are also binding on Northeast Utilities and on each majority-owned subsidiary of Northeast Utilities.

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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, below) and/or in certain executive 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 certain supplemental retirement benefits may be forfeited), 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

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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 specified long-term incentive compensation. 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, Forsgren, Kenyon and Shivery 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, below, for further description of these provisions. The agreements of Mr. Forsgren and Mrs. Grise were supplemented during 2001 to provide for special deferred 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. Butler, Boguslawski, and Olivier provide for specified salary, cash, restricted stock, stock options or other benefits upon employment.

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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.

d. Their indebtedness to system companies:

No Trustee, Director or executive officer was indebted to a system company during 2002.

e. Their participation in bonus and profit-sharing arrangements and other benefits:

Besides the discussion of compensation in Part III, Section (a) above, see the following:

### 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).

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Mr. Morris's Employment Agreement provides that upon retirement (or upon disability or termination or following a change of control, as defined) he will be entitled to receive a special retirement benefit calculated by applying the benefit formula of the CMS Energy/Consumers Energy Company (CMS) Supplemental Executive Retirement Plan to all compensation earned from 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, Mrs. Grise and Mr. Shivery are currently eligible for a make-whole plus a target benefit. Messrs. Butler, Olivier and Long and Mrs. Kuhlman are eligible for the make-whole benefit but not the target benefit.

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 final average compensation (not to exceed 170 percent of highest average base compensation received in any 36 month period)

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for up to 15 years following 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.

Mr. Kenyon's Employment Agreement provided for 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. In addition, because Mr. Kenyon retired at the end of 2002 with at least three years of service with the Company, he received two extra years of service for purpose of his special retirement benefit. Because he voluntarily terminated employment after achieving three years of service, following a "substantial change in responsibilities resulting from a material change in the business of Northeast Utilities", the termination of the Company's responsibility to operate Seabrook Station, he received an additional year of service for the purpose of his special retirement benefit. Because he retired with at least three years of service with the Company, he received a lump sum payment of \$500,000.

Mr. Shivery's Employment Agreement provides for a special retirement benefit, following completion of five years of service with the Company, consisting of the excess over benefits otherwise payable from the Retirement Plan and the Supplemental Plan needed to give him the equivalent of fully-vested benefits under the Retirement Plan and the Supplemental Plan calculated by adding three additional years to his actual service and utilizing an early commencement reduction factor of 2 percent per year for each year younger than age 65 at commencement, if better than the factors then in use under the Retirement Plan.

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ANNUAL BENEFIT FOR OFFICERS ELIGIBLE FOR MAKE-WHOLE BENEFIT

Final

Years of Credited Service

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Average  
Compensation

	15	20	25	30
\$ 200,000	\$ 43,521	\$ 58,028	\$ 72,535	\$ 87,000
\$ 250,000	\$ 54,771	\$ 73,028	\$ 91,285	\$109,500
\$ 300,000	\$ 66,021	\$ 88,028	\$110,035	\$132,000
\$ 350,000	\$ 77,271	\$103,028	\$128,785	\$154,500
\$ 400,000	\$ 88,521	\$118,028	\$147,535	\$177,000
\$ 450,000	\$ 99,771	\$133,028	\$166,285	\$199,500
\$ 500,000	\$111,021	\$148,028	\$185,035	\$222,000
\$ 600,000	\$133,521	\$178,028	\$222,535	\$267,000
\$ 700,000	\$156,021	\$208,028	\$260,035	\$312,000
\$ 800,000	\$178,521	\$238,028	\$297,535	\$357,000
\$ 900,000	\$201,021	\$268,028	\$335,035	\$402,000
\$1,000,000	\$223,521	\$298,028	\$372,535	\$447,000
\$1,100,000	\$246,021	\$328,028	\$410,035	\$492,000
\$1,200,000	\$268,521	\$358,028	\$447,535	\$537,000

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
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 includes the

annual salary and bonus shown in the Summary Compensation Table and, for officers hired before November 1, 2001, an amount that represents the annual value of long term incentive compensation. Compensation for purposes of these benefits does not include employer matching contributions under the 401k Plan.

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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.

Mr. Morris is not eligible to participate in the Supplemental Plan, but he does participate in the Retirement Plan. The amount of his annual compensation covered by the Retirement Plan was limited by the IRS to \$200,000 for 2002. The compensation covered by the Supplemental Plan in 2002 for Mr. Forsgren, Mr. Kenyon, Mrs. Grise, Mr. Shivery, Mr. Butler, Mr. Olivier, Mr. Long, and Mrs. Kuhlman was \$933,084, \$622,782, \$826,155, \$506,731, \$307,699, \$484,360, \$270,840, and \$258,191, respectively.

As of December 31, 2002, the executive officers named in the Summary Compensation Table had approximately the following years of credited service for purposes of the Supplemental Plan: Mr. Kenyon - 8, Mr. Forsgren - 6, Mrs. Grise - 22, Mr. Shivery - 0, Mr. Butler - 6, Mr. Olivier - 4, Mr. Long - 27, and Mrs. Kuhlman - 22. Mr. Morris had 24 years of service for purpose of his special retirement benefit. In addition, Mr. Forsgren had 12 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.

f. Their rights to indemnity:

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 2002 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 2002 to citizens groups or public relations counsel.

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

#### PART I: Intercompany Service Contracts

Transaction -----	Serving Company -----	Receiving Company -----	Compensation -----
			(Millions of Doll
Engineering and Construction Services	NGS	NGC	\$25.9
Engineering and Construction Services	NGS	HWP	\$11.4
Engineering and Construction Services	NGS	SESI	\$ 1.8

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These contracts were all in place at December 31, 2002.

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

3. Business Address:

Same

4. Description:

NGC owns and operates a portfolio of 1,291.0 MW of generating assets in New England which was acquired in March 2000, as a result of the auctions by NGC's affiliates, CL&P and 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	55.8
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	42.6
Stevenson	Monroe, CT	Conventional Hydro	28.9
Robertsville	Colebrook, CT	Conventional Hydro	0.6
Bantam	Litchfield, CT	Conventional Hydro	0.4
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	

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	Unit	21.5
		-----
Total		1,291.0
		=====

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 competitive businesses.

6. EWG or FUCO:

EWG

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(b) Capital Investment in Company by NU, Direct or Indirect

1. Type: Capital contribution
2. Amount: \$469.5 million
3. Debt: None
4. Other financial obligations with recourse to NU or another system company: None
5. Guarantees by NU: None

Transfer of assets to an affiliated EWG or FUCO:

Market value: None  
 Book value: None  
 Sale price: None

(c) State the ratio of debt to common equity and earnings as of 12/31/02:

Ratio of debt to common equity as of 12/31/02: 0.948  
 Ratio of debt to earnings as of 12/31/02: 13.682

(d) Service, Sales or Construction Contracts:

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 2002, Select paid NGC \$130.1 million under this contract (excluding business interruption insurance proceeds of \$1.4 million).

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 2002, NGC paid NGS \$25.9 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 has

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been extended through the year 2003 in a series of one-year extensions. 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 2002, NGC paid NUSCO \$1.1 million under this contract.

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### PART II.

An organizational chart showing the relationship of the exempt wholesale generator to other NU system companies is provided as Exhibit G. Required financial data is provided as Exhibit H.

### PART III.

(a) NU's aggregate investment in EWGs and FUCOs, respectively, as of 12/31/02:

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 12/31/02: 0.59

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## ITEM 10. FINANCIAL STATEMENTS AND EXHIBITS

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### Select Energy Services, Inc.:

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### INDEPENDENT AUDITORS' CONSENT

We consent to the incorporation by reference in this Northeast Utilities (the "Company") Form U5S Annual Report to the Securities and Exchange Commission, filed pursuant to the Public Utility Holding Company Act of 1935, for the year ended December 31, 2002, of our report dated January 28, 2003 (February 27, 2003 as to Note 8A) relating to the consolidated financial statements of the Company as of and for the years ended December 31, 2002 and 2001 incorporated by reference in the Annual Report on Form 10-K of Northeast Utilities for the year ended December 31, 2002 (which report expresses an unqualified opinion and includes an explanatory paragraph relating to the Company's adoption of Statement of Financial Accounting Standards (SFAS) No. 133, "Accounting for Derivative Financial Instruments and Hedging Activities," as amended, effective January 1, 2001, and its adoption in 2002 of Emerging Issues Task Force Issue 02-3 "Accounting for Contracts Involved in Energy Trading and Risk Management Activities" and SFAS No. 142, "Goodwill and Other Intangible Assets" and which report also includes an explanatory paragraph relating to the application of procedures relating to certain disclosures of financial statement amounts related to the 2000 financial statements that were audited by other auditors who have ceased operations and for which we have expressed no opinion or other form of assurance other than with respect to such disclosures).

April 25, 2003  
Hartford, CT

/S/ DELOITTE & TOUCHE LLP  
DELOITTE & TOUCHE LLP

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### INDEPENDENT AUDITORS' CONSENT

We consent to the incorporation by reference in this Northeast Utilities Form U5S Annual Report to the Securities and Exchange Commission, filed pursuant to the Public Utility Holding Company Act of 1935, for the year ended December 31, 2002, of our report dated January 28, 2003 (February 27, 2003 as to Note 6A) relating to the consolidated financial statements of The Connecticut Light and Power Company as of and for the years ended December 31, 2002 and 2001 incorporated by reference in the Annual Report on Form 10-K of The Connecticut Light and Power Company for the year ended December 31, 2002.

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April 25, 2003  
Hartford, CT

/S/ DELOITTE & TOUCHE LLP  
DELOITTE & TOUCHE LLP

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INDEPENDENT AUDITORS' CONSENT

We consent to the incorporation by reference in this Northeast Utilities Form U5S Annual Report to the Securities and Exchange Commission, filed pursuant to the Public Utility Holding Company Act of 1935, for the year ended December 31, 2002, of our report dated January 28, 2003 relating to the consolidated financial statements of Public Service Company of New Hampshire as of and for the year ended December 31, 2002 incorporated by reference in the Annual Report on Form 10-K of Public Service Company of New Hampshire for the year ended December 31, 2002.

April 25, 2003  
Hartford, CT

/S/ DELOITTE & TOUCHE LLP  
DELOITTE & TOUCHE LLP

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INDEPENDENT AUDITORS' CONSENT

We consent to the incorporation by reference in this Northeast Utilities Form U5S Annual Report to the Securities and Exchange Commission, filed pursuant to the Public Utility Holding Company Act of 1935, for the year ended December 31, 2002, of our report dated January 28, 2003 relating to the consolidated financial statements of Western Massachusetts Electric Company as of and for the year ended December 31, 2002 incorporated by reference in the Annual Report on Form 10-K of Western Massachusetts Electric Company for the year ended December 31, 2002.

April 25, 2003  
Hartford, CT

/S/ DELOITTE & TOUCHE LLP  
DELOITTE & TOUCHE LLP

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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 25, 2003

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NORTHEAST UTILITIES AND SUBSIDIARIES  
Consolidating Balance Sheet (a)  
Assets  
December 31, 2002  
(Thousands of Dollars)

	The Connecticut Light and Power Company (consolidated) (b)	Public Service Company of New Hampshire (consolidated) (b)	Western Massachusetts Electric Company (consolidated) (b)
--	---	--	--

ASSETS

-----

Current Assets:

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Cash and cash equivalents	\$ 625	\$ 159	\$ 5,319	\$
Investments in securitizable assets	-	178,908	-	
Receivables, net	551	88,001	68,204	42,
Accounts receivable from affiliated companies	2,620	51,060	9,667	6,
Taxes receivable from affiliated companies	-	-	-	
Unbilled revenues	-	5,801	32,004	8,
Notes receivable from affiliated companies	289,100	1,900	23,000	
Fuel, materials and supplies, at average cost	-	32,379	49,182	1,
Special deposits	-	-	-	
Derivative assets	-	-	-	
Prepayments and other	73	19,407	10,032	1,
	292,969	377,615	197,408	60,
Property, Plant and Equipment:				
Electric utility	-	3,139,128	1,431,710	590,
Gas utility	-	-	-	
Competitive energy	-	-	-	
Other	-	-	6,195	
	-	3,139,128	1,437,905	590,
Less: Accumulated depreciation	-	1,113,991	715,736	195,
	-	2,025,137	722,169	394,
Construction work in progress	-	153,556	50,547	11,
	-	2,178,693	772,716	406,
Deferred Debits and Other Assets:				
Regulatory assets	-	1,702,677	859,871	283,
Deferred accumulated income taxes	-	-	-	
Goodwill and other purchased intangible assets, net	-	-	-	
Prepaid pension	-	276,173	-	67,
Investments in subsidiary companies, at equity	2,322,902	-	-	
Other	18,159	96,925	92,280	18,
	2,341,061	2,075,775	952,151	369,
Total Assets	\$ 2,634,030	\$4,632,083	\$ 1,922,275	\$ 836,

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, 2002  
(Thousands of Dollars)

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	Northeast Utilities Service Company	Northeast Nuclear Energy Company	North Atlantic Energy Service Corporation
	-----	-----	-----
ASSETS			
-----			
Current Assets:			
Cash and cash equivalents	\$ 450	\$ 54	\$ 12,630
Investments in securitizable assets	-	-	-
Receivables, net	38,355	727	14,865
Accounts receivable from affiliated companies	16,470	-	-
Taxes receivable from affiliated companies	9,845	-	-
Unbilled revenues	-	-	-
Notes receivable from affiliated companies	375,200	52,300	-
Fuel, materials and supplies, at average cost	151	-	74
Special deposits	-	-	-
Derivative assets	-	-	-
Prepayments and other	2,885	-	1,630
	-----	-----	-----
	443,356	53,081	29,199
	-----	-----	-----
Property, Plant and Equipment:			
Electric utility	-	-	-
Gas utility	-	-	-
Competitive energy	-	-	-
Other	102,340	-	-
	-----	-----	-----
	102,340	-	-
Less: Accumulated depreciation	77,139	-	-
	-----	-----	-----
	25,201	-	-
Construction work in progress	11,978	-	-
	-----	-----	-----
	37,179	-	-
	-----	-----	-----
Deferred Debits and Other Assets:			
Regulatory assets	-	-	-
Deferred accumulated income taxes	4,925	28,354	5,256
Goodwill and other purchased intangible assets, net	-	-	-
Prepaid pension	34,195	-	-
Investments in subsidiary companies, at equity	-	-	-
Other	44,173	66	6,421
	-----	-----	-----
	83,293	28,420	11,677
	-----	-----	-----
Total Assets	\$ 563,828	\$ 81,501	\$ 40,876
	=====	=====	=====

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NORTHEAST UTILITIES AND SUBSIDIARIES  
 Consolidating Balance Sheet (a)  
 Assets  
 December 31, 2002  
 (Thousands of Dollars)

	Yankee Energy Systems, Inc. (consolidated) (b)	Charter Oak Energy, Inc. (consolidated) (b)	NU Enterprises, Inc. (consolidated) (b)
	-----	-----	-----
<b>Current Assets:</b>			
Cash and cash equivalents	\$ 642	\$ 273	\$ 64,956
Investments in securitizable assets	-	-	-
Receivables, net	51,119	-	462,926
Accounts receivable from affiliated companies	5,639	-	115,422
Taxes receivable from affiliated companies	-	-	-
Unbilled revenues	43,001	-	36,487
Notes receivable from affiliated companies	-	-	12,300
Fuel, materials and supplies, at average cost	16,702	-	2,870
Special deposits	-	-	2,455
Derivative assets	2,252	-	128,676
Prepayments and other	4,480	-	80,681
	-----	-----	-----
	123,835	273	906,773
	-----	-----	-----
<b>Property, Plant and Equipment:</b>			
Electric utility	-	40	-
Gas utility	679,055	-	-
Competitive energy	-	-	829,779
Other	-	-	-
	-----	-----	-----
	679,055	40	829,779
	-----	-----	-----
Less: Accumulated depreciation	281,771	40	36,608
	-----	-----	-----
	397,284	-	793,171
Construction work in progress	58,011	-	25,677
	-----	-----	-----
	455,295	-	818,848
	-----	-----	-----
<b>Deferred Debits and Other Assets:</b>			
Regulatory assets	54,722	-	-
Deferred accumulated income taxes	-	80	-
Goodwill and other purchased intangible assets, net	287,591	-	58,276
Prepaid pension	43,330	-	2,810
Investments in subsidiary companies, at equity	19,698	-	174,949
	-----	-----	-----
Other	405,341	80	236,035
	-----	-----	-----
<b>Total Assets</b>	<b>\$ 984,471</b>	<b>\$ 353</b>	<b>\$ 1,961,656</b>
	=====	=====	=====

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NORTHEAST UTILITIES AND SUBSIDIARIES  
 Consolidating Balance Sheet (a)  
 Capitalization and Liabilities  
 December 31, 2002  
 (Thousands of Dollars)

	Northeast Utilities (parent)	The Connecticut Light and Power Company (consolidated) (b)	Public Service Company of New Hampshire (consolidated) (b)	Weste Massachu Elect Compa (consoli (b)
<b>LIABILITIES AND CAPITALIZATION</b>				
<b>Current Liabilities:</b>				
Notes payable to banks	\$ 49,000	\$ -	\$ -	\$ 7
Notes payable to affiliated companies	-	-	-	85
Long-term debt - current portion	23,000	-	-	17
Accounts payable	2,285	174,890	54,588	17
Accounts payable to affiliated companies	290	117,904	4,008	6
Accrued taxes	2,460	34,350	65,317	4
Accrued interest	5,883	10,077	11,333	2
Derivative liabilities	-	-	-	-
Other	363	48,495	38,229	8
	83,281	385,716	173,475	131
Rate Reduction Bonds	-	1,245,728	510,841	142
<b>Deferred Credits and Other Liabilities:</b>				
Accumulated deferred income taxes	6,087	756,461	359,910	222
Accumulated deferred investment tax credits	-	93,408	2,680	3
Deferred contractual obligations	-	234,537	56,165	63
Accrued pension	-	-	37,933	-
Other	141	276,325	52,156	13
	6,228	1,360,731	508,844	302
<b>Capitalization:</b>				
Long-Term Debt	334,000	827,866	407,285	101
Preferred Stock - Nonredeemable	-	116,200	-	-
Advances from Northeast Utilities	-	-	-	-

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Common Stockholders' Equity:				
Common shares	746,879	60,352	-	10
Capital surplus, paid in	1,108,338	327,299	126,937	69
Deferred contribution plan - employee stock ownership plan	(87,746)	-	-	
Retained earnings/accumulated deficit	765,611	308,554	194,998	77
Accumulated other comprehensive income/(loss)	14,927	(363)	(105)	
Treasury stock	(337,488)	-	-	
	-----	-----	-----	-----
Common Stockholders' Equity	2,210,521	695,842	321,830	157
	-----	-----	-----	-----
Total Capitalization	2,544,521	1,639,908	729,115	259
	-----	-----	-----	-----
Total Liabilities and Capitalization	\$ 2,634,030	\$ 4,632,083	\$ 1,922,275	\$ 836
	=====	=====	=====	=====

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, 2002  
(Thousands of Dollars)

	Northeast Utilities Service Company	Northeast Nuclear Energy Company	North Atlantic Energy Service Corporation
	-----	-----	-----
LIABILITIES AND CAPITALIZATION			
-----			
Current Liabilities:			
Notes payable to banks	\$ -	\$ -	\$ -
Notes payable to affiliated companies	375,200	-	-
Long-term debt - current portion	-	-	-
Accounts payable	34,388	110	5,287
Accounts payable to affiliated companies	47,241	4,125	2,011
Accrued taxes	-	799	5,123
Accrued interest	-	-	-
Derivative liabilities	-	-	-
Other	14,293	5	8,629
	-----	-----	-----
	471,122	5,039	21,050
	-----	-----	-----

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Rate Reduction Bonds	-	-	-
	-----	-----	-----
Deferred Credits and Other Liabilities:			
Accumulated deferred income taxes	-	-	-
Accumulated deferred investment tax credits	-	-	-
Deferred contractual obligations	-	-	-
Accrued pension	-	49,440	10,275
Other	92,705	10,806	9,537
	-----	-----	-----
	92,705	60,246	19,812
	-----	-----	-----
Capitalization:			
Long-Term Debt	-	-	-
	-----	-----	-----
Preferred Stock - Nonredeemable	-	-	-
	-----	-----	-----
Advances from Northeast Utilities	-	-	-
	-----	-----	-----
Common Stockholders' Equity:			
Common shares	-	15	1
Capital surplus, paid in	1	15,350	9
Deferred contribution plan - employee stock ownership plan	-	-	-
Retained earnings/accumulated deficit	-	851	4
Accumulated other comprehensive income/(loss)	-	-	-
Treasury stock	-	-	-
	-----	-----	-----
Common Stockholders' Equity	1	16,216	14
	-----	-----	-----
Total Capitalization	1	16,216	14
	-----	-----	-----
Total Liabilities and Capitalization	\$ 563,828	\$ 81,501	\$ 40,876
	=====	=====	=====

NORTHEAST UTILITIES AND SUBSIDIARIES  
Consolidating Balance Sheet (a)  
Capitalization and Liabilities  
December 31, 2002  
(Thousands of Dollars)

Yankee Energy Systems, Inc. (consolidated) (b)	Charter Oak Energy, Inc. (consolidated) (b)	NU Enterprises, Inc. (consolidated) (b)
-----	-----	-----

LIABILITIES AND CAPITALIZATION

-----  
Current Liabilities:

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Notes payable to banks	\$	-	\$	-	\$	-
Notes payable to affiliated companies		68,400		-		237,150
Long-term debt - current portion		2,350		-		29,262
Accounts payable		36,734		-		426,811
Accounts payable to affiliated companies		4,313		-		10,778
Accrued taxes		8,756		84		19,813
Accrued interest		3,355		-		7,816
Derivative liabilities		-		-		63,900
Other		23,741		-		37,355
		-----		-----		-----
		147,649		84		832,885
		-----		-----		-----
Rate Reduction Bonds		-		-		-
		-----		-----		-----
Deferred Credits and Other Liabilities:						
Accumulated deferred income taxes		86,016		-		36,047
Accumulated deferred investment tax credits		6,722		-		-
Deferred contractual obligations		-		-		-
Accrued pension		-		-		-
Other		65,642		-		52,833
		-----		-----		-----
		158,380		-		88,880
		-----		-----		-----
Capitalization:						
Long-Term Debt		151,376		-		459,377
		-----		-----		-----
Preferred Stock - Nonredeemable		-		-		-
		-----		-----		-----
Advances from Northeast Utilities		-		-		34,299
		-----		-----		-----
Common Stockholders' Equity:						
Common shares		-		-		-
Capital surplus, paid in		484,769		64,344		662,976
Deferred contribution plan - employee stock ownership plan		-		-		-
Retained earnings/accumulated deficit		40,943		(64,075)		(127,445)
Accumulated other comprehensive income/(loss)		1,354		-		10,684
Treasury stock		-		-		-
		-----		-----		-----
Common Stockholders' Equity		527,066		269		546,215
		-----		-----		-----
Total Capitalization		678,442		269		1,039,891
		-----		-----		-----
Total Liabilities and Capitalization	\$	984,471	\$	353	\$	1,961,656
		=====		=====		=====

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.

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NORTHEAST UTILITIES AND SUBSIDIARIES  
 Consolidating Statement of Income (a)  
 Year Ended December 31, 2002  
 (Thousands of Dollars)

	Northeast Utilities (parent)	The Connecticut Light and Power Company (consolidated) (b)	Public Service Company of New Hampshire (consolidated) (b)	Weste Massach Elect Compa (consoli (b)
Operating Revenues	\$ -	\$ 2,507,036	\$ 1,046,738	\$ 369
Operating Expenses:				
Operation-				
Fuel, purchased and net interchange power	-	1,477,347	387,987	181
Other	12,740	300,439	126,506	49
Maintenance	-	80,132	64,146	14
Depreciation	-	98,360	40,941	14
Amortization	-	178,274	238,960	39
Taxes other than income taxes	47	137,299	34,226	10
Gain on sale of utility plant	-	(16,143)	-	-
Total operating expenses	12,787	2,255,708	892,766	309
Operating (Loss)/Income	(12,787)	251,328	153,972	59
Interest Expense				
Interest on long-term debt	28,043	41,332	16,752	2
Interest on rate reduction bonds	-	75,705	30,499	9
Other interest	2,587	3,925	1,874	1
Interest expense, net	30,630	120,962	49,125	14
Other Income/(Loss), Net				
Equity in earnings of subsidiaries	158,191	-	-	-
Other, net	27,257	22,112	(1,671)	-
Other income/(loss), net	185,448	22,112	(1,671)	-
Income/(Loss) Before Income Tax (Benefit)/Expense	142,031	152,478	103,176	44
Income Tax (Benefit)/Expense	(10,078)	66,866	40,279	6
Net Income/(Loss)	\$ 152,109	\$ 85,612	\$ 62,897	\$ 37

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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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NORTHEAST UTILITIES AND SUBSIDIARIES  
Consolidating Statement of Income (a)  
Year Ended December 31, 2002  
(Thousands of Dollars)

	Northeast Utilities Service Company	Northeast Nuclear Energy Company	North Atlantic Energy Service Corporation	The Quinnehtuk Company	The Rive Co
Operating Revenues	\$224,172	\$ -	\$ 169,364	\$ 203	\$
Operating Expenses:					
Operation-					
Fuel, purchased and net interchange power	-	-	7,209	-	
Other	196,662	-	100,958	266	
Maintenance	6,298	-	55,525	-	
Depreciation	7,297	-	-	54	
Amortization	-	-	-	-	
Taxes other than income taxes	11,158	-	5,037	91	
Gain on sale of utility plant	-	-	-	-	
Total operating expenses	221,415	-	168,729	411	
Operating (Loss)/Income	2,757	-	635	(208)	
Interest Expense					
Interest on long-term debt	-	-	-	-	
Interest on rate reduction bonds	-	-	-	-	
Other interest	151	-	21	65	
Interest expense, net	151	-	21	65	
Other Income/(Loss), Net					
Equity in earnings of subsidiaries	-	-	-	-	
Other, net	(3,823)	-	(968)	54	
Other income/(loss), net	(3,823)	-	(968)	54	

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Income/(Loss) Before Income Tax (Benefit)/Expense	(1,217)	-	(354)	(219)
Income Tax (Benefit)/Expense	(1,217)	-	(354)	(208)
Net Income/(Loss)	\$ -	\$ -	\$ -	\$ (11)

NORTHEAST UTILITIES AND SUBSIDIARIES  
Consolidating Statement of Income (a)  
Year Ended December 31, 2002  
(Thousands of Dollars)

	Charter Oak Energy, Inc. (consolidated) (b)	NU Enterprises, Inc. (consolidated) (b)	Eliminations	Consolidated
Operating Revenues	\$ -	\$ 1,680,337	\$1,042,595	\$5,216,321
Operating Expenses:				
Operation-				
Fuel, purchased and net interchange power	-	1,406,202	622,889	3,026,102
Other	(311)	201,460	324,749	752,482
Maintenance	-	77,012	65,662	263,487
Depreciation	-	17,805	7,871	205,646
Amortization	-	3,163	-	461,544
Taxes other than income taxes	-	15,105	16,194	227,518
Gain on sale of utility plant	-	-	-	(187,113)
Total operating expenses	(311)	1,720,747	1,037,365	4,749,666
Operating (Loss)/Income	311	(40,410)	5,230	466,655
Interest Expense				
Interest on long-term debt	-	33,203	-	134,471
Interest on rate reduction bonds	-	-	-	115,791
Other interest	-	10,403	7,368	20,249
Interest expense, net	-	43,606	7,368	270,511
Other Income/(Loss), Net				
Equity in earnings of subsidiaries	-	-	158,191	-
Other, net	26	(15,104)	2,787	43,828
Other income/(loss), net	26	(15,104)	160,978	43,828
Income/(Loss) Before Income Tax (Benefit)/Expense	337	(99,120)	158,840	239,972

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Income Tax (Benefit)/Expense	265	(36,600)	(827)	82,304
	-----	-----	-----	-----
Net Income/(Loss)	\$ 72	\$ (62,520)	\$ 159,667	\$ 157,668
	=====	=====	=====	=====

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NORTHEAST UTILITIES AND SUBSIDIARIES  
 Consolidating Statement of Retained Earnings (a)  
 Year Ended December 31, 2002  
 (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	\$ 678,460	\$ 286,901	\$ 176,411
Additions:			
Net income/(loss)	152,109	85,612	62,899
Allocation of benefits - ESOP	2,835	1,745	68
	-----	-----	-----
	833,404	374,258	239,999
	-----	-----	-----
Deductions:			
Dividends declared:			
Preferred stock (at required annual rates):			
The Connecticut Light and Power Company	-	5,559	
Common shares:			
\$8.38 per share	-	60,145	
\$115,979.38 per share	-	-	45,000
\$34.12 per share	-	-	
\$.525 per share	67,793	-	
\$22,321.42 per share	-	-	
	-----	-----	-----
	67,793	65,704	45,000
	-----	-----	-----
Balance at end of period	\$ 765,611	\$ 308,554	\$ 194,999
	=====	=====	=====

Holyoke  
 Water Power  
 Company

Northeast  
 Utilities

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	(consolidated) (b)	Service Company
	-----	-----
Balance at beginning of period	\$ (1,233)	\$ 851
Additions:		
Net income/(loss)	(940)	-
Allocation of benefits - ESOP	28	-
	-----	-----
	(2,145)	851
	-----	-----
Deductions:		
Dividends declared:		
Preferred stock (at required annual rates):		
The Connecticut Light and Power Company	-	-
Common shares:		
\$8.38 per share	-	-
\$115,979.38 per share	-	-
\$34.12 per share	-	-
\$.525 per share	-	-
\$22,321.42 per share	-	-
	-----	-----
	-	-
	-----	-----
Balance at end of period	\$ (2,145)	\$ 851
	=====	=====

NORTHEAST UTILITIES AND SUBSIDIARIES  
Consolidating Statement of Capital Surplus, Paid In (a)  
Year Ended December 31, 2002  
(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	\$1,107,609	\$ 414,018	\$ 165,000
Repurchase of common shares	-	(84,493)	(37,000)
Capital contribution from Northeast Utilities	-	-	-
Dividends declared on common shares at \$116,000.00 per share	-	-	-
Premium on capital stock - issuance	5,032	-	-
Capital stock expenses, net	376	232	-
Investment in Acumentrics Corporation	-	-	-
Return of capital from NU Enterprises, Inc to Northeast Utilities	-	-	-

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Allocation of benefits - ESOP and restricted stock	(4,679)	(2,458)	(1,06)
Balance at end of period	\$1,108,338	\$ 327,299	\$ 126,93

	Holyoke Water Power Company (consolidated) (b)	Northeast Utilities Service Company
Balance at beginning of period	\$ 6,000	\$ 1
Repurchase of common shares	-	-
Capital contribution from Northeast Utilities	-	-
Dividends declared on common shares at \$116,000.00 per share	-	-
Premium on capital stock - issuance	-	-
Capital stock expenses, net	-	-
Investment in Acumentrics Corporation	-	-
Return of capital from NU Enterprises, Inc to Northeast Utilities	-	-
Allocation of benefits - ESOP and restricted stock	(31)	-
Balance at end of period	\$ 5,969	\$ 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, 2002  
(Thousands of Dollars)

	North Atlantic Energy Service Corporation	The Quinnehtuk Company	The Rocky River Realty Company	Ya S (c
Balance at beginning of period	\$ 4	\$ (3,092)	\$ 674	

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Additions:			
Net income/(loss)	-	(11)	194
Allocation of benefits - ESOP	-	-	-
	-----	-----	-----
	4	(3,103)	868
	-----	-----	-----
Deductions:			
Dividends declared:			
Preferred stock (at required annual rates):			
The Connecticut Light and Power Company	-	-	-
Common shares:			
\$8.38 per share	-	-	-
\$115,979.38 per share	-	-	-
\$34.12 per share	-	-	-
\$.525 per share	-	-	-
\$22,321.42 per share	-	-	-
	-----	-----	-----
	-	-	-
	-----	-----	-----
Balance at end of period	\$ 4	\$ (3,103)	\$ 868
	=====	=====	=====

NORTHEAST UTILITIES AND SUBSIDIARIES  
Consolidating Statement of Retained Earnings (a)  
Year Ended December 31, 2002  
(Thousands of Dollars)

	NU Enterprises, Inc. (consolidated) (b)	Eliminations	Consolidated
	-----	-----	-----
Balance at beginning of period	\$ (64,925)	\$ 410,916	\$ 678,460
Additions:			
Net income/(loss)	(62,520)	159,667	157,668
Allocation of benefits - ESOP	-	2,835	2,835
	-----	-----	-----
	(127,445)	573,418	838,963
	-----	-----	-----
Deductions:			
Dividends declared:			
Preferred stock (at required annual rates):			
The Connecticut Light and Power Company	-	-	5,559
Common shares:			
\$8.38 per share	-	60,145	-
\$115,979.38 per share	-	45,000	-
\$34.12 per share	-	16,009	-
\$.525 per share	-	-	67,793
\$22,321.42 per share	-	5,000	-

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	-----	-----	-----
	-	126,154	73,352
	-----	-----	-----
Balance at end of period	\$ (127,445)	\$ 447,264	\$ 765,611
	=====	=====	=====

NORTHEAST UTILITIES AND SUBSIDIARIES  
Consolidating Statement of Capital Surplus, Paid In (a)  
Year Ended December 31, 2002  
(Thousands of Dollars)

	Northeast Nuclear Energy Company	North Atlantic Energy Service Corporation	The Quinneht Company
	-----	-----	-----
Balance at beginning of period	\$ 15,350	\$ 9	\$ 1
Repurchase of common shares	-	-	
Capital contribution from Northeast Utilities	-	-	
Dividends declared on common shares at \$116,000.00 per share	-	-	
Premium on capital stock - issuance	-	-	
Capital stock expenses, net	-	-	
Investment in Acumentrics Corporation	-	-	
Return of capital from NU Enterprises, Inc to Northeast Utilities	-	-	
Allocation of benefits - ESOP and restricted stock	-	-	
Balance at end of period	\$ 15,350	\$ 9	\$ 1
	=====	=====	=====

	Charter Oak Energy, Inc. (consolidated) (b)	NU Enterprises, Inc. (consolidated) (b)	Eliminatio
	-----	-----	-----
Balance at beginning of period	\$ 75,944	\$ 617,795	\$ 1,897,3
Repurchase of common shares	-	-	(168,6
Capital contribution from Northeast Utilities	-	58,150	58,1
Dividends declared on common shares at \$116,000.00 per share	(11,600)	-	(11,6
Premium on capital stock - issuance	-	-	
Capital stock expenses, net	-	-	3
Investment in Acumentrics Corporation	-	250	2

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Return of capital from NU Enterprises, Inc to Northeast Utilities	-	(13,000)	(13,000)
Allocation of benefits - ESOP and restricted stock	-	(219)	(4,400)
Balance at end of period	\$ 64,344	\$ 662,976	\$ 1,758,500

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NORTHEAST UTILITIES AND SUBSIDIARIES  
Consolidating Statement of Cash Flows (a)  
Year Ended December 31, 2002  
(Thousands of Dollars)

	Northeast Utilities (parent)	The Connecticut Light and Power Company (consolidated) (b)	Public Company New H (consolidated)
Operating Activities:			
Net income/(loss)	\$ 152,109	\$ 85,612	\$
Adjustments to reconcile to net cash provided by/(used in) operating activities:			
Depreciation	-	98,360	
Deferred income taxes and investment tax credits, net	(565)	(71,880)	
Amortization	-	178,274	
Net amortization/(deferral) of recoverable energy costs	-	30,787	
Gain on sale of utility plant	-	(16,143)	
Prepaid pension	-	(42,481)	
Net other sources/(uses) of cash	13,338	62,868	
Changes in working capital:			
Receivables and unbilled revenues, net	19,097	(37,435)	
Fuel, materials and supplies	-	(1,017)	
Accounts payable	(24,049)	74,831	
Accrued taxes	2,211	(643)	
Investments in securitizable assets	-	27,459	
Other working capital (excludes cash)	52,004	(1,184)	
Net cash flows provided by/(used in) operating activities	214,145	387,408	
Investing Activities:			
Investments in plant:			
Electric, gas and other utility plant	-	(242,301)	
Competitive energy assets	-	-	
Nuclear fuel	-	(57)	
Cash flows used for investments in plant	-	(242,358)	
NU system Money Pool (lending)/borrowing	(164,300)	75,300	
Investments in nuclear decommissioning trusts	-	(1,086)	
Net proceeds from the sale of utility plant	-	35,887	

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Buyout/buydown of IPP contracts	-	-	
Payment for the purchase of Woods	-	-	
Other investment activities, net	69,732	23,395	
	-----	-----	
Net cash flows (used in)/provided by investing activities	(94,568)	(108,862)	
	-----	-----	
Financing Activities:			
Issuance of common shares	7,458	-	
Repurchase of common shares	(57,800)	(99,990)	
Issuance of long-term debt	263,000	-	
Issuance of rate reduction bonds	-	-	
Retirement of rate reduction bonds	-	(112,924)	
Net increase/(decrease) in short-term debt	9,000	-	
Reacquisitions and retirements of long-term debt	(286,000)	-	
Advance from parent	-	-	
Capital contributions from Northeast Utilities	-	-	
Cash dividends on preferred stock	-	(5,559)	
Cash dividends on common shares	(67,793)	(60,145)	
Other financing activities, net	-	(542)	
	-----	-----	
Net cash flows (used in)/provided by financing activities	(132,135)	(279,160)	
	-----	-----	
Net (decrease)/increase in cash for the year	(12,558)	(614)	
Cash and cash equivalents - beginning of year	13,183	773	
	-----	-----	
Cash and cash equivalents - end of year	\$ 625	\$ 159	\$
	=====	=====	=====
Supplemental Cash Flow Information:			
Cash paid/(refunded) during the year for:			
Interest, net of amounts capitalized	\$ 25,213	\$ 117,718	\$
	=====	=====	=====
Income taxes	\$ (10,677)	\$ 141,724	\$
	=====	=====	=====

NORTHEAST UTILITIES AND SUBSIDIARIES  
Consolidating Statement of Cash Flows (a)  
Year Ended December 31, 2002  
(Thousands of Dollars)

	North Atlantic Energy Corporation	Holyoke Water Power Company (consolidated) (b)
	-----	-----
Operating Activities:		
Net income/(loss)	\$ 26,345	\$ (940)
Adjustments to reconcile to net cash provided by/(used in) operating activities:		
Depreciation	8,349	652
Deferred income taxes and investment tax credits, net	(5,982)	713

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Amortization	(25)	(2)
Net amortization/(deferral) of recoverable energy costs	1,347	-
Gain on sale of utility plant	(170,970)	-
Prepaid pension	-	(1)
Net other sources/(uses) of cash	(51,644)	(427)
Changes in working capital:		
Receivables and unbilled revenues, net	9,469	718
Fuel, materials and supplies	(247)	(1,204)
Accounts payable	1,766	(3,182)
Accrued taxes	10,850	162
Investments in securitizable assets	-	-
Other working capital (excludes cash)	5,200	177
	(165,542)	(3,334)
Net cash flows provided by/(used in) operating activities	(165,542)	(3,334)
Investing Activities:		
Investments in plant:		
Electric, gas and other utility plant	(4,591)	-
Competitive energy assets	-	(954)
Nuclear fuel	(408)	-
	(4,999)	(954)
Cash flows used for investments in plant	(4,999)	(954)
NU system Money Pool (lending)/borrowing	(10,200)	1,200
Investments in nuclear decommissioning trusts	(8,790)	-
Net proceeds from the sale of utility plant	330,899	-
Buyout/buydown of IPP contracts	-	-
Payment for the purchase of Woods	-	-
Other investment activities, net	(11,452)	38
	295,458	284
Net cash flows (used in)/provided by investing activities	295,458	284
Financing Activities:		
Issuance of common shares	-	-
Repurchase of common shares	(35,000)	-
Issuance of long-term debt	-	-
Issuance of rate reduction bonds	-	-
Retirement of rate reduction bonds	-	-
Net increase/(decrease) in short-term debt	(90,000)	-
Reacquisitions and retirements of long-term debt	-	-
Advance from parent	-	-
Capital contributions from Northeast Utilities	-	-
Cash dividends on preferred stock	-	-
Cash dividends on common shares	(5,000)	-
Other financing activities, net	-	-
	(130,000)	-
Net cash flows (used in)/provided by financing activities	(130,000)	-
Net (decrease)/increase in cash for the year	(84)	(3,050)
Cash and cash equivalents - beginning of year	84	3,130
	\$ -	\$ 80
Cash and cash equivalents - end of year	\$ -	\$ 80
Supplemental Cash Flow Information:		
Cash paid/(refunded) during the year for:		
Interest, net of amounts capitalized	\$ 3,191	\$ 325
Income taxes	\$ (4,694)	\$ (406)

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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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NORTHEAST UTILITIES AND SUBSIDIARIES  
Consolidating Statement of Cash Flows (a)  
Year Ended December 31, 2002  
(Thousands of Dollars)

	Northeast Utilities Service Company	Northeast Nuclear Energy Company	North Atlantic Energy Service Corporation
	-----	-----	-----
Operating Activities:			
Net income/(loss)	\$ -	\$ -	\$ -
Adjustments to reconcile to net cash provided by/(used in) operating activities:			
Depreciation	7,297	-	-
Deferred income taxes and investment tax credits, net	1,077	-	(130)
Amortization	-	-	-
Net amortization/(deferral) of recoverable energy costs	-	-	-
Gain on sale of utility plant	-	-	-
Prepaid pension	(15,829)	-	-
Net other sources/(uses) of cash	8,702	(3,954)	7,676
Changes in working capital:			
Receivables and unbilled revenues, net	3,032	3,550	12,184
Fuel, materials and supplies	135	-	(61)
Accounts payable	16,007	(6,577)	(14,523)
Accrued taxes	-	799	5,123
Investments in securitizable assets	-	-	-
Other working capital (excludes cash)	(251)	1,600	156
Net cash flows provided by/(used in) operating activities	20,170	(4,582)	10,425
Investing Activities:			
Investments in plant:			
Electric, gas and other utility plant	(12,280)	-	-
Competitive energy assets	-	-	-
Nuclear fuel	-	-	-
Cash flows used for investments in plant	(12,280)	-	-
NU system Money Pool (lending)/borrowing	(55,300)	4,600	-
Investments in nuclear decommissioning trusts	-	-	-
Net proceeds from the sale of utility plant	-	-	-

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Buyout/buydown of IPP contracts	-	-	-
Payment for the purchase of Woods	-	-	-
Other investment activities, net	(10,427)	-	-
	-----	-----	-----
Net cash flows (used in)/provided by investing activities	(78,007)	4,600	-
	-----	-----	-----
Financing Activities:			
Issuance of common shares	-	-	-
Repurchase of common shares	-	-	-
Issuance of long-term debt	-	-	-
Issuance of rate reduction bonds	-	-	-
Retirement of rate reduction bonds	-	-	-
Net increase/(decrease) in short-term debt	-	-	-
Reacquisitions and retirements of long-term debt	-	-	-
Advance from parent	-	-	-
Capital contributions from Northeast Utilities	-	-	-
Cash dividends on preferred stock	-	-	-
Cash dividends on common shares	-	-	-
Other financing activities, net	(6)	-	-
	-----	-----	-----
Net cash flows (used in)/provided by financing activities	(6)	-	-
	-----	-----	-----
Net (decrease)/increase in cash for the year	(57,843)	18	10,425
Cash and cash equivalents - beginning of year	58,293	36	2,205
	-----	-----	-----
Cash and cash equivalents - end of year	\$ 450	\$ 54	\$ 12,630
	=====	=====	=====
Supplemental Cash Flow Information:			
Cash paid/(refunded) during the year for:			
Interest, net of amounts capitalized	\$ 37	\$ -	\$ -
	=====	=====	=====
Income taxes	\$ (3,888)	\$ (4,927)	\$ (293)
	=====	=====	=====

NORTHEAST UTILITIES AND SUBSIDIARIES  
Consolidating Statement of Cash Flows (a)  
Year Ended December 31, 2002  
(Thousands of Dollars)

	Yankee Energy System, Inc. (consolidated) (b)	Charter Oak Energy, Inc. (consolidated) (b)	E (c)
	-----	-----	-----
Operating Activities:			
Net income/(loss)	\$ 15,895	\$ 72	\$
Adjustments to reconcile to net cash provided by/(used in) operating activities:			
Depreciation	23,090	-	-
Deferred income taxes and investment tax credits, net	4,637	-	-

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Amortization	1,462	-
Net amortization/(deferral) of recoverable energy costs	(13,841)	-
Gain on sale of utility plant	-	-
Prepaid pension	(573)	-
Net other sources/(uses) of cash	2,776	-
Changes in working capital:		
Receivables and unbilled revenues, net	(8,074)	23,825
Fuel, materials and supplies	(12,822)	-
Accounts payable	16,783	(12,006)
Accrued taxes	931	(297)
Investments in securitizable assets	-	-
Other working capital (excludes cash)	30,384	-
	-----	-----
Net cash flows provided by/(used in) operating activities	60,648	11,594
	-----	-----
 Investing Activities:		
Investments in plant:		
Electric, gas and other utility plant	(70,647)	-
Competitive energy assets	-	-
Nuclear fuel	-	-
	-----	-----
Cash flows used for investments in plant	(70,647)	-
NU system Money Pool (lending)/borrowing	63,200	-
Investments in nuclear decommissioning trusts	-	-
Net proceeds from the sale of utility plant	-	-
Buyout/buydown of IPP contracts	-	-
Payment for the purchase of Woods	-	-
Other investment activities, net	(1,902)	-
	-----	-----
Net cash flows (used in)/provided by investing activities	(9,349)	-
	-----	-----
 Financing Activities:		
Issuance of common shares	-	-
Repurchase of common shares	-	-
Issuance of long-term debt	-	-
Issuance of rate reduction bonds	-	-
Retirement of rate reduction bonds	-	-
Net increase/(decrease) in short-term debt	(50,000)	-
Reacquisitions and retirements of long-term debt	(1,050)	-
Advance from parent	-	-
Capital contributions from Northeast Utilities	-	-
Cash dividends on preferred stock	-	-
Cash dividends on common shares	-	(11,600)
Other financing activities, net	-	-
	-----	-----
Net cash flows (used in)/provided by financing activities	(51,050)	(11,600)
	-----	-----
 Net (decrease)/increase in cash for the year	 249	 (6)
Cash and cash equivalents - beginning of year	393	279
	-----	-----
Cash and cash equivalents - end of year	\$ 642	\$ 273
	-----	-----
 Supplemental Cash Flow Information:		
Cash paid/(refunded) during the year for:		
Interest, net of amounts capitalized	\$ 14,070	\$ -
	-----	-----
Income taxes	\$ 3,665	\$ 320
	-----	-----

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NORTHEAST UTILITIES AND SUBSIDIARIES  
 Consolidating Statement of Cash Flows (a)  
 Year Ended December 31, 2002  
 (Thousands of Dollars)

	Eliminations -----	Consolidated -----
Operating Activities:		
Net income/(loss)	\$ 159,667	\$ 157,668
Adjustments to reconcile to net cash provided by/(used in) operating activities:		
Depreciation	7,871	205,646
Deferred income taxes and investment tax credits, net	615	(149,325)
Amortization	-	461,544
Net amortization/(deferral) of recoverable energy costs	-	27,623
Gain on sale of utility plant	-	(187,113)
Prepaid pension	24,226	(96,492)
Net other sources/(uses) of cash	(49,655)	10,707
Changes in working capital:		
Receivables and unbilled revenues, net	(3,709)	(102,181)
Fuel, materials and supplies	4,758	(27,590)
Accounts payable	17,818	153,450
Accrued taxes	(12,319)	114,296
Investments in securitizable assets	-	27,459
Other working capital (excludes cash)	67,852	16,953
Net cash flows provided by/(used in) operating activities	----- 217,124 -----	----- 612,645 -----
Investing Activities:		
Investments in plant:		
Electric, gas and other utility plant	(804)	(468,842)
Competitive energy assets	-	(23,150)
Nuclear fuel	-	(465)
Cash flows used for investments in plant	----- (804) -----	----- (492,457) -----
NU system Money Pool (lending)/borrowing	-	-
Investments in nuclear decommissioning trusts	-	(9,876)
Net proceeds from the sale of utility plant	-	366,786
Buyout/buydown of IPP contracts	-	(5,152)
Payment for the purchase of Woods	-	(16,351)
Other investment activities, net	69,982	15,234
Net cash flows (used in)/provided by investing activities	----- 69,178 -----	----- (141,816) -----
Financing Activities:		
Issuance of common shares	-	7,458
Repurchase of common shares	(185,989)	(57,800)

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Issuance of long-term debt	-	310,648
Issuance of rate reduction bonds	-	50,000
Retirement of rate reduction bonds	-	(169,039)
Net increase/(decrease) in short-term debt	-	(234,500)
Reacquisitions and retirements of long-term debt	-	(314,773)
Advance from parent	5,797	-
Capital contributions from Northeast Utilities	45,400	-
Cash dividends on preferred stock	-	(5,559)
Cash dividends on common shares	(137,754)	(67,793)
Other financing activities, net	(13,756)	(736)
	-----	-----
Net cash flows (used in)/provided by financing activities	(286,302)	(482,094)
	-----	-----
Net (decrease)/increase in cash for the year	-	(11,265)
Cash and cash equivalents - beginning of year	-	96,658
	-----	-----
Cash and cash equivalents - end of year	\$ -	\$ 85,393
	=====	=====
Supplemental Cash Flow Information:		
Cash paid/(refunded) during the year for:		
Interest, net of amounts capitalized	\$ 7,196	\$ 259,886
	=====	=====
Income taxes	\$ -	\$ 114,364
	=====	=====

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THE CONNECTICUT LIGHT AND POWER COMPANY  
AND SUBSIDIARIES (a)  
Consolidating Balance Sheet (b)  
Assets  
December 31, 2002  
(Thousands of Dollars)

	The Connecticut Light and Power Company	CL&P Receivables Corporation	CL&P Funding LLC	Elim
	-----	-----	-----	-----
ASSETS				
-----				
Current Assets:				
Cash and cash equivalents	\$ -	\$ 158	\$ 1	\$
Investments in securitizable assets	49,180	218,908	-	
Receivables, net	88,001	-	-	
Accounts receivable from affiliated companies	122,100	111,107	-	
Unbilled revenues	5,801	-	-	
Notes receivable from affiliated companies	1,900	-	1,245,728	1
Fuel, materials, and supplies, at average cost	32,379	-	-	
Prepayments and other	19,407	-	-	
	-----	-----	-----	-----
	318,768	330,173	1,245,729	1

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Property, Plant and Equipment:				
Electric utility	3,139,128	-	-	
Less: Accumulated depreciation	1,113,991	-	-	
	2,025,137	-	-	
Construction work in progress	153,556	-	-	
	2,178,693	-	-	
Deferred Debits and Other Assets:				
Regulatory assets	1,702,677	-	-	
Prepaid pension	276,173	-	-	
Investments in subsidiary companies, at equity	64,847	-	-	
Other	82,370	-	14,557	
	2,126,067	-	14,557	
Total Assets	\$ 4,623,528	\$ 330,173	\$1,260,286	\$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, The Connecticut Steam Company and CL&P Capital L.P.
- (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, 2002  
(Thousands of Dollars)

	The Connecticut Light and Power Company	CL&P Receivables Corporation	CL&P Funding LLC	Eli
LIABILITIES AND CAPITALIZATION				
Current Liabilities:				
Notes payable to affiliated companies	\$ 1,245,728	\$ -	\$ -	\$ 1
Notes payable to banks	-	40,000	-	-
Accounts payable	174,890	-	-	-
Accounts payable to affiliated companies	117,904	-	9	-

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Accrued taxes	33,150	1,200	-	
Accrued interest	10,077	30,550	-	
Other	41,140	-	7,356	
	<u>1,622,889</u>	<u>71,750</u>	<u>7,365</u>	<u>1</u>
Rate Reduction Bonds	-	-	1,245,728	
Deferred Credits and Other Liabilities:				
Accumulated deferred income taxes	756,461	-	-	
Accumulated deferred investment tax credits	93,408	-	-	
Deferred contractual obligations	234,537	-	-	
Other	276,325	-	-	
	<u>1,360,731</u>	<u>-</u>	<u>-</u>	
Capitalization:				
Long-Term Debt	827,866	-	-	
Preferred Stock - Nonredeemable	116,200	-	-	
Common Stockholder's Equity:				
Common stock	60,352	-	-	
Capital surplus, paid in	327,299	200,829	7,193	
Retained earnings	308,554	57,594	-	
Accumulated other comprehensive loss	(363)	-	-	
Common Stockholder's Equity	<u>695,842</u>	<u>258,423</u>	<u>7,193</u>	
Total Capitalization	<u>1,639,908</u>	<u>258,423</u>	<u>7,193</u>	
Total Liabilities and Capitalization	<u>\$ 4,623,528</u>	<u>\$ 330,173</u>	<u>\$1,260,286</u>	<u>\$1</u>

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, The Connecticut Steam Company and CL&P Capital L.P.
- (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, 2002  
(Thousands of Dollars)

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	The Connecticut Light and Power Company	CL&P Receivables Corporation	CL&P Funding LLC	EL
Operating Revenues	\$ 2,507,036	\$ -	\$ 77,110	\$ -
Operating Expenses:				
Operation-				
Fuel, purchased and net interchange power	1,477,347	-	-	-
Other	299,909	530	77,110	-
Maintenance	80,132	-	-	-
Depreciation	98,360	-	-	-
Amortization of regulatory assets, net	178,274	-	-	-
Taxes other than income taxes	137,299	-	-	-
Gain on sale of utility plant	(16,143)	-	-	-
Total operating expenses	2,255,178	530	77,110	-
Operating Income/(Loss)	251,858	(530)	-	-
Interest Expense:				
Interest on long-term debt	41,332	-	-	-
Interest on rate reduction bonds	75,705	-	-	-
Other interest	3,925	178	-	-
Interest expense, net	120,962	178	-	-
Other Income, Net				
Equity in earnings of subsidiaries	16,536	-	-	-
Other, net	(5,921)	28,210	-	-
Other income, net	10,615	28,210	-	-
Income Before Income Tax Expense	141,511	27,502	-	-
Income Tax Expense	55,899	10,966	-	-
Net Income	\$ 85,612	\$ 16,536	\$ -	\$ -

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, The Connecticut Steam Company and CL&P Capital L.P.
- (b) Not covered by auditors' report.

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AND SUBSIDIARIES (a)  
 Consolidating Statement of Retained Earnings (b)  
 Year Ended December 31, 2002  
 (Thousands of Dollars)

	The Connecticut Light and Power Company	CL&P Receivables Corporation	CL&P Funding LLC	EL
	-----	-----	-----	-----
Balance at beginning of period	\$ 286,901	\$ 41,058	\$ -	\$ -
Additions:				
Net income	85,612	16,536	-	-
Allocation of benefits - ESOP	1,745	-	-	-
	-----	-----	-----	-----
	374,258	57,594	-	-
	-----	-----	-----	-----
Deductions:				
Dividends declared:				
Preferred stock (at required annual rates)	5,559	-	-	-
Common stock \$8.38 per share	60,145	-	-	-
	-----	-----	-----	-----
	65,704	-	-	-
	-----	-----	-----	-----
Balance at end of period	\$ 308,554	\$ 57,594	\$ -	\$ -
	=====	=====	=====	=====

THE CONNECTICUT LIGHT AND POWER COMPANY  
 AND SUBSIDIARIES (a)  
 Consolidating Statement of Capital Surplus, Paid In (b)  
 Year Ended December 31, 2002  
 (Thousands of Dollars)

	The Connecticut Light and Power Company	CL&P Receivables Corporation	CL&P Funding LLC	EL
	-----	-----	-----	-----
Balance at beginning of period	\$ 414,018	\$ 240,829	\$ 7,193	\$ -
Repurchase of common stock	(84,493)	-	-	-
Allocation of benefits - ESOP	(2,458)	-	-	-
Borrowing from The Connecticut Light and Power Company	-	(40,000)	-	-
Capital stock expenses, net	232	-	-	-
	-----	-----	-----	-----

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Balance at end of period	\$	327,299	\$	200,829	\$	7,193	\$
		=====		=====		=====	=====

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, The Connecticut Steam Company and CL&P Capital, L.P.
- (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, 2002  
(Thousands of Dollars)

	The Connecticut Light and Power Company	CL&P Receivables Corporation	CL& Funding
	-----	-----	-----
Operating Activities:			
Net Income	\$ 85,612	\$ 16,536	\$
Adjustments to reconcile to net cash provided by/(used in) operating activities:			
Depreciation	98,360	-	
Deferred income taxes and investment tax credits, net	(71,880)	-	
Amortization	178,274	-	
Net amortization of recoverable energy costs, net	30,787	-	
Gain on sale of utility plant	(16,143)	-	
Prepaid pension	(42,481)	-	
Net other sources/(uses) of cash	62,868	(40,000)	
Changes in working capital:			
Receivables and unbilled revenues, net	(52,041)	(1,251)	
Fuel, materials and supplies	(1,017)	-	
Accounts payable	74,831	-	
Accrued taxes	2,284	(2,927)	
Investment in securitizable assets	55,670	(12,541)	
Other working capital (excludes cash)	(1,663)	178	
	-----	-----	-----
Net cash flows provided by/(used in) operating activities	403,461	(40,005)	
	-----	-----	-----
Investing Activities:			
Investments in plant:			
Electric utility plant	(242,301)	-	
Nuclear fuel	(57)	-	
	-----	-----	-----
Cash flows used for investments in plant	(242,358)	-	
NU system money pool (lending)/borrowing	(37,625)	-	112,

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Investments in nuclear decommissioning trusts	(1,086)	-	
Net proceeds from the sale of utility plant	35,887	-	
Other investment activities, net	7,347	-	
	<u>-----</u>	<u>-----</u>	<u>-----</u>
Net cash flows (used in)/provided by investing activities	(237,835)	-	112,
	<u>-----</u>	<u>-----</u>	<u>-----</u>
Financing Activities:			
Repurchase of common stock	(99,990)	-	
Retirement of rate reduction bonds	-	-	(112,
Net increase in short-term debt	-	40,000	
Cash dividends on preferred stock	(5,559)	-	
Cash dividends on common stock	(60,145)	-	
Other financing activities, net	(542)	-	
	<u>-----</u>	<u>-----</u>	<u>-----</u>
Net cash flows (used in)/provided by financing activities	(166,236)	40,000	(112,
	<u>-----</u>	<u>-----</u>	<u>-----</u>
Net decrease in cash for the year	(610)	(5)	
Cash and cash equivalents - beginning of year	610	163	
	<u>-----</u>	<u>-----</u>	<u>-----</u>
Cash and cash equivalents - end of year	\$ -	\$ 158	\$
	<u>=====</u>	<u>=====</u>	<u>=====</u>
Supplemental Cash Flow Information:			
Cash paid during the year for:			
Interest, net of amounts capitalized	\$ 117,718	\$ -	\$
	<u>=====</u>	<u>=====</u>	<u>=====</u>
Income taxes	\$ 127,390	\$ 14,334	\$
	<u>=====</u>	<u>=====</u>	<u>=====</u>

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, The Connecticut Steam Company and CL&P Capital L.P. (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, 2002  
(Thousands of Dollars)

	Public Service Company of New Hampshire	PSNH Funding LLC	PSNH Funding LLC 2	Pro
	-----	-----	-----	-----
<b>ASSETS</b>				
-----				
<b>Current Assets:</b>				
Cash	\$ 4,351	\$ 1	\$ 1	\$
Receivables, net	68,201	-	-	
Accounts receivable from affiliated companies	9,668	-	-	
Taxes receivable	-	-	-	
Unbilled revenues	32,004	-	-	
Notes receivable from affiliated companies	23,000	459,773	45,608	
Fuel, materials, and supplies, at average cost	49,182	-	-	
Prepayments and other	9,981	-	-	
	-----	-----	-----	-----
	196,387	459,774	45,609	
	-----	-----	-----	-----
<b>Property, Plant and Equipment:</b>				
Electric utility	1,431,509	-	-	
Other	-	-	-	
	-----	-----	-----	-----
	1,431,509	-	-	
Less: Accumulated depreciation	713,955	-	-	
	-----	-----	-----	-----
	717,554	-	-	
Construction work in progress	50,547	-	-	
	-----	-----	-----	-----
	768,101	-	-	
	-----	-----	-----	-----
<b>Deferred Debits and Other Assets:</b>				
Regulatory assets	859,871	-	-	
Investments in subsidiary companies, at equity	9,386	-	-	

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Other	48,721	32,094	11,401	
	-----	-----	-----	-----
	917,978	32,094	11,401	
	-----	-----	-----	-----
Total Assets	\$ 1,882,466	\$ 491,868	\$ 57,010	\$
	=====	=====	=====	=====

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE  
AND SUBSIDIARIES  
Consolidating Balance Sheet (a)  
Assets  
December 31, 2002  
(Thousands of Dollars)

	Consolidated
	-----
ASSETS	
-----	
Current Assets:	
Cash	\$ 5,319
Receivables, net	68,204
Accounts receivable from affiliated companies	9,667
Taxes receivable	-
Unbilled revenues	32,004
Notes receivable from affiliated companies	23,000
Fuel, materials, and supplies, at average cost	49,182
Prepayments and other	10,032
	-----
	197,408
	-----
Property, Plant and Equipment:	
Electric utility	1,431,710
Other	6,195
	-----
	1,437,905
Less: Accumulated depreciation	715,736
	-----
	722,169
Construction work in progress	50,547
	-----
	772,716
	-----
Deferred Debits and Other Assets:	
Regulatory assets	859,871
Investments in subsidiary companies, at equity	-
Other	92,280
	-----
	952,151
	-----
Total Assets	\$1,922,275

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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 Balance Sheet (a)  
Capitalization and Liabilities  
December 31, 2002  
(Thousands of Dollars)

	Public Service Company of New Hampshire	PSNH Funding LLC	PSNH Funding LLC 2	Pro
	-----	-----	-----	-----
<b>LIABILITIES AND CAPITALIZATION</b>				
-----				
<b>Current Liabilities:</b>				
Notes payable to affiliated companies	\$ 505,380	\$ -	\$ -	\$ -
Accounts payable	54,579	-	-	-
Accounts payable to affiliated companies	3,845	213	21	-
Accrued taxes	65,461	-	-	-
Accrued interest	2,470	8,259	604	-
Other	12,667	16,089	9,473	-
	-----	-----	-----	-----
	644,402	24,561	10,098	-
	-----	-----	-----	-----
Rate Reduction Bonds	-	464,181	46,661	-
	-----	-----	-----	-----
<b>Deferred Credits and Other Liabilities:</b>				
Accumulated deferred income taxes	360,015	-	-	-
Accumulated deferred investment tax credits	2,680	-	-	-
Deferred contractual obligations	56,165	-	-	-
Accrued pension	37,933	-	-	-
Other	52,156	-	-	-
	-----	-----	-----	-----
	508,949	-	-	-
	-----	-----	-----	-----
<b>Capitalization:</b>				
Long-Term Debt	407,285	-	-	-
	-----	-----	-----	-----
<b>Common Stockholder's Equity:</b>				
Common stock	-	-	-	-
Capital surplus, paid in	126,937	3,126	251	-

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Retained earnings	194,998	-	-
Accumulated other comprehensive income	(105)	-	-
	-----	-----	-----
Common Stockholder's Equity	321,830	3,126	251
	-----	-----	-----
Total Capitalization	729,115	3,126	251
	-----	-----	-----
Total Liabilities and Capitalization	\$ 1,882,466	\$ 491,868	\$ 57,010
	=====	=====	=====

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE  
AND SUBSIDIARIES  
Consolidating Balance Sheet (a)  
Capitalization and Liabilities  
December 31, 2002  
(Thousands of Dollars)

	Consolidated
	-----
LIABILITIES AND CAPITALIZATION	
-----	
Current Liabilities:	
Notes payable to affiliated companies	\$ -
Accounts payable	54,588
Accounts payable to affiliated companies	4,008
Accrued taxes	65,317
Accrued interest	11,333
Other	38,229
	-----
	173,475
	-----
Rate Reduction Bonds	510,841
	-----
Deferred Credits and Other Liabilities:	
Accumulated deferred income taxes	359,910
Accumulated deferred investment tax credits	2,680
Deferred contractual obligations	56,165
Accrued pension	37,933
Other	52,156
	-----
	508,844
	-----
Capitalization:	
Long-Term Debt	407,285
	-----
Common Stockholder's Equity:	
Common stock	-
Capital surplus, paid in	126,937
Retained earnings	194,998

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Accumulated other comprehensive income	(105)
	-----
Common Stockholder's Equity	321,830
	-----
Total Capitalization	729,115
	-----
Total Liabilities and Capitalization	\$ 1,922,275
	=====

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 Income (a)  
Year Ended December 31, 2002  
(Thousands of Dollars)

	Public Service Company of New Hampshire	PSNH Funding LLC	PSNH Funding LLC 2	Pr
	-----	-----	-----	-----
Operating Revenues	\$ 1,046,675	\$ 30,229	\$ 2,198	\$
	-----	-----	-----	-----
Operating Expenses:				
Operation-				
Fuel, purchased and net interchange power	387,987	-	-	
Other	127,163	30,229	2,198	
Maintenance	64,146	-	-	
Depreciation	40,941	-	-	
Amortization of regulatory assets, net	238,960	-	-	
Taxes other than income taxes	34,071	-	-	
	-----	-----	-----	-----
Total operating expenses	893,268	30,229	2,198	
	-----	-----	-----	-----
Operating Income	153,407	-	-	
	-----	-----	-----	-----
Interest Expense:				
Interest on long-term debt	16,752	-	-	
Interest on rate reduction bonds	30,499	-	-	
Other interest	1,874	-	-	
	-----	-----	-----	-----
Interest expense, net	49,125	-	-	
	-----	-----	-----	-----

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Other (Loss)/Income, Net				
Equity in earnings of subsidiaries	789	-	-	
Other, net	(2,341)	-	-	
	-----	-----	-----	-----
Other (loss)/income, net	(1,552)	-	-	
	-----	-----	-----	-----
Income Before Income Tax Expense	102,730	-	-	
Income Tax Expense	39,833	-	-	
	-----	-----	-----	-----
Net Income	\$ 62,897	\$ -	\$ -	\$ -
	=====	=====	=====	=====

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE  
AND SUBSIDIARIES  
Consolidating Statement of Income (a)  
Year Ended December 31, 2002  
(Thousands of Dollars)

	Consolidated
	-----
Operating Revenues	\$1,046,738
	-----
Operating Expenses:	
Operation-	
Fuel, purchased and net interchange power	387,987
Other	126,506
Maintenance	64,146
Depreciation	40,941
Amortization of regulatory assets, net	238,960
Taxes other than income taxes	34,226
	-----
Total operating expenses	892,766
	-----
Operating Income	153,972
	-----
Interest Expense:	
Interest on long-term debt	16,752
Interest on rate reduction bonds	30,499
Other interest	1,874
	-----
Interest expense, net	49,125
	-----
Other (Loss)/Income, Net	
Equity in earnings of subsidiaries	-
Other, net	(1,671)
	-----
Other (loss)/income, net	(1,671)
	-----

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Income Before Income Tax Expense	103,176
Income Tax Expense	40,279
	-----
Net Income	\$ 62,897
	=====

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, 2002  
(Thousands of Dollars)

	Public Service Company of New Hampshire	PSNH Funding LLC	PSNH Funding LLC 2	Properties Inc.
	-----	-----	-----	-----
Balance at beginning of period	\$ 176,419	\$ -	\$ -	\$ 5,219
Additions:				
Net income	62,897	-	-	789
Allocation of benefits - ESOP	682	-	-	-
	-----	-----	-----	-----
	239,998	-	-	6,008
	-----	-----	-----	-----
Deductions:				
Dividends declared:				
Common stock \$115,979.38 per share	45,000	-	-	-
	-----	-----	-----	-----
	45,000	-	-	-
	-----	-----	-----	-----
Balance at end of period	\$ 194,998	\$ -	\$ -	\$ 6,008
	=====	=====	=====	=====

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE  
AND SUBSIDIARIES  
Consolidating Statement of Capital Surplus, Paid In (a)  
Year Ended December 31, 2002  
(Thousands of Dollars)

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	Public Service Company of New Hampshire	PSNH Funding LLC	PSNH Funding LLC 2	Properties Inc.
	-----	-----	-----	-----
Balance at beginning of period	\$ 165,000	\$ 3,126	\$ 1	\$ -
Repurchase of common stock	(37,000)	-	-	-
Capital contribution from Public Service Company of New Hampshire	-	-	250	-
Allocation of benefits - ESOP	(1,063)	-	-	-
	-----	-----	-----	-----
Balance at end of period	\$ 126,937	\$ 3,126	\$ 251	\$ -
	=====	=====	=====	=====

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)  
Year Ended December 31, 2002  
(Thousands of Dollars)

	Public Service Company of New Hampshire	PSNH Funding LLC	PSNH Funding
	-----	-----	-----
Operating Activities:			
Net income	\$ 62,897	\$ -	\$ -
Adjustments to reconcile to net cash provided by operating activities:			
Depreciation	40,941	-	-
Deferred income taxes and investment tax credits, net	(79,843)	-	-
Amortization	238,960	-	-
Net amortization of recoverable energy costs, net	9,859	-	-
Net other (uses)/sources of cash	(27,507)	(3)	-
Changes in working capital:			
Receivables and unbilled revenues, net	3,297	-	-

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Fuel, materials and supplies	(7,135)	-	
Accounts payable	7,581	(22)	
Accrued taxes	62,984	-	
Other working capital (excludes cash)	1,079	3,281	1
	-----	-----	-----
Net cash flows provided by operating activities	313,113	3,256	1
	-----	-----	-----
Investing Activities:			
Investments in plant:			
Electric utility plant	(109,770)	-	
	-----	-----	-----
Cash flows used for investments in regulated plant	(109,770)	-	
NU system Money Pool (lending)/borrowing	(38,804)	38,411	(4)
Buyout of IPP contract	(5,152)	-	
Other investment activities, net	443	1,534	(1)
	-----	-----	-----
Net cash flows (used in)/provided by investing activities	(153,283)	39,945	(5)
	-----	-----	-----
Financing Activities:			
Repurchase of common stock	(37,000)	-	
Issuance of rate reduction bonds	-	-	5
Retirement of rate reduction bonds	-	(43,201)	(
Net decrease in short-term debt	(60,500)	-	
Cash dividends on common stock	(45,000)	-	
Other financing activities, net	(13,922)	-	
	-----	-----	-----
Net cash flows (used in)/provided by financing activities	(156,422)	(43,201)	4
	-----	-----	-----
Net increase in cash for the year	3,408	-	
Cash and cash equivalents - beginning of year	943	1	
	-----	-----	-----
Cash and cash equivalents - end of year	\$ 4,351	\$ 1	\$
	=====	=====	=====
Supplemental Cash Flow Information:			
Cash paid/(refunded) during the year for:			
Interest, net of amounts capitalized	\$ 47,780	\$ 329	\$
	=====	=====	=====
Income taxes	\$ 56,048	\$ -	\$
	=====	=====	=====

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE AND SUBSIDIARIES  
Consolidating Statement of Cash Flows (a)  
Year Ended December 31, 2002  
(Thousands of Dollars)

Consolidated  
-----

Operating Activities:

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Net income	\$ 62,897
Adjustments to reconcile to net cash provided by operating activities:	
Depreciation	40,941
Deferred income taxes and investment tax credits, net	(79,866)
Amortization	238,960
Net amortization of recoverable energy costs, net	9,859
Net other (uses)/sources of cash	(27,703)
Changes in working capital:	
Receivables and unbilled revenues, net	2,989
Fuel, materials and supplies	(7,135)
Accounts payable	7,583
Accrued taxes	63,036
Other working capital (excludes cash)	14,432
	-----
Net cash flows provided by operating activities	325,993
	-----
 Investing Activities:	
Investments in plant:	
Electric utility plant	(109,770)
	-----
Cash flows used for investments in regulated plant	(109,770)
NU system Money Pool (lending)/borrowing	(46,000)
Buyout of IPP contract	(5,152)
Other investment activities, net	(8,269)
	-----
Net cash flows (used in)/provided by investing activities	(169,191)
	-----
 Financing Activities:	
Repurchase of common stock	(37,000)
Issuance of rate reduction bonds	50,000
Retirement of rate reduction bonds	(46,540)
Net decrease in short-term debt	(60,500)
Cash dividends on common stock	(45,000)
Other financing activities, net	(13,922)
	-----
Net cash flows (used in)/provided by financing activities	(152,962)
	-----
 Net increase in cash for the year	3,840
Cash and cash equivalents - beginning of year	1,479
	-----
Cash and cash equivalents - end of year	\$ 5,319
	=====
 Supplemental Cash Flow Information:	
Cash paid/(refunded) during the year for:	
Interest, net of amounts capitalized	\$ 47,506
	=====
Income taxes	\$ 56,458
	=====

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 Balance Sheet (a)  
Assets  
December 31, 2002  
(Thousands of Dollars)

	Western Massachusetts Electric Company -----	WMECO Funding LLC -----	Eliminatio -----
ASSETS			
-----			
Current Assets:			
Cash	\$ 122	\$ 1	\$
Receivables, net	42,203	-	
Accounts receivable from affiliated companies	6,369	-	
Unbilled revenues	8,944	-	
Notes receivable from affiliated companies	-	141,901	141,901

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Fuel, materials and supplies, at average cost	1,821	-	
Prepayments and other	1,470	-	
	-----	-----	-----
	60,929	141,902	141,902
	-----	-----	-----
Property, Plant and Equipment:			
Electric utility	590,153	-	
Less: Accumulated depreciation	195,804	-	
	-----	-----	-----
	394,349	-	
Construction work in progress	11,860	-	
	-----	-----	-----
	406,209	-	
	-----	-----	-----
Deferred Debits and Other Assets:			
Regulatory assets	283,702	-	
Prepaid pension	67,516	-	
Investments in subsidiary company, at equity	776	-	77
Other	15,212	3,092	
	-----	-----	-----
	367,206	3,092	77
	-----	-----	-----
Total Assets	\$ 834,344	\$ 144,994	\$ 142,677
	=====	=====	=====

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 Balance Sheet (a)  
Capitalization and Liabilities  
December 31, 2002  
(Thousands of Dollars)

	Western Massachusetts Electric Company	WMECO Funding LLC	Eliminatio
	-----	-----	-----
LIABILITIES AND CAPITALIZATION			
-----			
Current Liabilities:			
Notes payable to banks	\$ 7,000	\$ -	\$ -
Notes payable to affiliated companies	227,801	-	141,902
Accounts payable	17,730	-	
Accounts payable to affiliated companies	6,218	14	

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Accrued taxes	4,334	-	
Accrued interest	1,283	777	
Other	7,320	685	
	-----	-----	-----
	271,686	1,476	141,900
	-----	-----	-----
Rate Reduction Bonds	-	142,742	
	-----	-----	-----
Deferred Credits and Other Liabilities:			
Accumulated deferred income taxes	222,065	-	
Accumulated deferred investment tax credits	3,662	-	
Deferred contractual obligations	63,767	-	
Other	13,213	-	
	-----	-----	-----
	302,707	-	
	-----	-----	-----
Capitalization:			
Long-Term Debt	101,991	-	
	-----	-----	-----
Common Stockholder's Equity:			
Common stock	10,866	-	
Capital surplus, paid in	69,712	776	77
Retained earnings	77,476	-	
Accumulated other comprehensive loss	(94)	-	
	-----	-----	-----
Common Stockholder's Equity	157,960	776	77
	-----	-----	-----
Total Capitalization	259,951	776	77
	-----	-----	-----
Total Liabilities and Capitalization	\$ 834,344	\$ 144,994	\$ 142,670
	=====	=====	=====

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 Income (a)  
Year Ended December 31, 2002  
(Thousands of Dollars)

Western Massachusetts Electric Company	WMECO Funding LLC	Eliminatio
-----	-----	-----

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Operating Revenues	\$ 369,487	\$ 9,843	\$ 9,843
Operating Expenses:			
Operation-			
Fuel, purchased and net interchange power	181,485	-	
Other	49,039	9,843	9,843
Maintenance	14,499	-	
Depreciation	14,381	-	
Amortization of regulatory assets, net	39,712	-	
Taxes other than income taxes	10,688	-	
Total operating expenses	309,804	9,843	9,843
Operating Income	59,683	-	
Interest Expense:			
Interest on long-term debt	2,942	-	
Interest on rate reduction bonds	9,587	-	
Other interest	1,857	-	
Interest expense, net	14,386	-	
Other Loss, net	(850)	-	
Income Before Income Tax Expense	44,447	-	
Income Tax Expense	6,765	-	
Net Income	\$ 37,682	\$ -	\$ -

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 Retained Earnings (a)  
Year Ended December 31, 2002  
(Thousands of Dollars)

Western Massachusetts Electric Company	WMECO Funding LLC	Eliminatio
-----	-----	-----

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Balance at beginning of period	\$	55,422	\$	-	\$
Additions:					
Net income		37,682		-	
Allocation of benefits - ESOP		381		-	
		-----		-----	-----
		93,485		-	
		-----		-----	-----
Deductions:					
Dividends declared:					
Common stock \$34.12 per share		16,009		-	
		-----		-----	-----
		16,009		-	
		-----		-----	-----
Balance at end of period	\$	77,476	\$	-	\$
		=====		=====	=====

WESTERN MASSACHUSETTS ELECTRIC COMPANY  
AND SUBSIDIARY  
Consolidating Statement of Capital Surplus, Paid In (a)  
Year Ended December 31, 2002  
(Thousands of Dollars)

	Western Massachusetts Electric Company	WMECO Funding LLC	Eliminatio			
	-----	-----	-----			
Balance at beginning of period	\$	82,224	\$	776	\$	77
Repurchase of common stock		(12,123)		-		
Allocation of benefits - ESOP		(520)		-		
Capital stock expenses, net		131		-		
		-----		-----		-----
Balance at end of period	\$	69,712	\$	776	\$	77
		=====		=====		=====

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, 2002  
 (Thousands of Dollars)

	Western Massachusetts Electric Company	WMECO Funding LLC	Eliminati
	-----	-----	-----
<b>Operating Activities:</b>			
Net income	\$ 37,682	\$ -	\$
Adjustments to reconcile to net cash provided by/(used in) operating activities:			
Depreciation	14,381	-	
Deferred income taxes and investment tax credits, net	(26,952)	-	
Amortization	39,712	-	
Deferral of recoverable energy costs, net	(529)	-	
Prepaid pension	(13,290)	-	
Net other uses of cash	(8,219)	(2)	
Changes in working capital:			
Receivables and unbilled revenues, net	1,217	-	
Fuel, materials and supplies	(365)	-	
Accounts payable	(14,004)	(4)	
Accrued taxes	643	-	
Other working capital (excludes cash)	(2,332)	(18)	
	-----	-----	-----
Net cash flows provided by/(used in) operating activities	27,944	(24)	
	-----	-----	-----
<b>Investing Activities:</b>			
Investments in plant:			
Electric utility plant	(23,428)	-	
Nuclear fuel	-	-	
	-----	-----	-----
Cash flows used for investments in plant	(23,428)	-	
NU system money pool borrowing	67,200	9,500	
Other investment activities, net	838	99	
	-----	-----	-----
Net cash flows provided by investing activities	44,610	9,599	
	-----	-----	-----
<b>Financing Activities:</b>			
Repurchase of common stock	(13,999)	-	
Retirement of rate reduction bonds	-	(9,575)	
Net decrease in short-term debt	(43,000)	-	
Cash dividends on common stock	(16,009)	-	
Other financing activities, net	(22)	-	
	-----	-----	-----
Net cash flows used in financing activities	(73,030)	(9,575)	
	-----	-----	-----
Net decrease in cash for the year	(476)	-	
Cash and cash equivalents - beginning of year	598	1	
	-----	-----	-----
Cash and cash equivalents - end of year	\$ 122	\$ 1	\$

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	=====	=====	=====
Supplemental Cash Flow Information:			
Cash paid during the year for:			
Interest, net of amounts capitalized	\$ 14,882	\$ 52	\$
	=====	=====	=====
Income taxes	\$ 32,522	\$ -	\$
	=====	=====	=====

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, 2002  
(Thousands of Dollars)

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	Holyoke Water Power Company	Holyoke Power and Electric Company	Eliminations	Consolidated
	-----	-----	-----	-----
<b>ASSETS</b>				
-----				
<b>Current Assets:</b>				
Cash	\$ 80	\$ -	\$ -	\$ -
Receivables, net	66	-	-	-
Accounts receivable from affiliated companies	3,108	3,487	3,130	3,487
Taxes receivable	895	-	17	895
Notes receivable from affiliated companies	2,100	-	-	2,100
Fuel, materials, and supplies, at average cost	7,361	-	-	7,361
Prepayments and other	157	13	-	170
	-----	-----	-----	-----
	13,767	3,500	3,147	14,120
	-----	-----	-----	-----
<b>Property, Plant and Equipment:</b>				
Competitive energy	35,310	1,418	-	36,728
Less: Accumulated depreciation	32,431	1,076	-	33,507
	-----	-----	-----	-----
	2,879	342	-	3,221
Construction work in progress	2,042	-	-	2,042
	-----	-----	-----	-----
	4,921	342	-	5,263
	-----	-----	-----	-----
<b>Deferred Debits and Other Assets:</b>				
Deferred financing costs	717	-	-	717
Prepaid pension	2,515	-	-	2,515
Investments in subsidiary company, at equity	707	-	707	707
Other	2,060	38	38	2,136
	-----	-----	-----	-----
	5,999	38	745	6,782
	-----	-----	-----	-----
<b>Total Assets</b>	<b>\$ 24,687</b>	<b>\$ 3,880</b>	<b>\$ 3,892</b>	<b>\$ 24,687</b>
	=====	=====	=====	=====

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, 2002

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(Thousands of Dollars)

	Holyoke Water Power Company	Holyoke Power and Electric Company	Eliminations	Consoli
	-----	-----	-----	-----
<b>LIABILITIES AND CAPITALIZATION</b>				
-----				
<b>Current Liabilities:</b>				
Accounts payable	\$ 1,779	\$ 67	\$ -	\$ 1
Accounts payable to affiliated companies	1,564	3,077	3,130	1
Accrued taxes	162	16	16	
Other	22	12	-	
	-----	-----	-----	-----
	3,527	3,172	3,146	3
	-----	-----	-----	-----
<b>Deferred Credits and Other Liabilities:</b>				
Accumulated deferred investment tax credits	1,723	-	38	1
Other	3,613	167	167	3
	-----	-----	-----	-----
	5,336	167	205	5
	-----	-----	-----	-----
<b>Capitalization:</b>				
Advances from parent companies	9,600	424	424	9
	-----	-----	-----	-----
<b>Common Stockholder's Equity:</b>				
Common stock	2,400	485	485	2
Capital surplus, paid in	5,969	-	-	5
Accumulated deficit	(2,145)	(368)	(368)	(2)
	-----	-----	-----	-----
Common Stockholder's Equity	6,224	117	117	6
	-----	-----	-----	-----
Total Capitalization	15,824	541	541	15
	-----	-----	-----	-----
Total Liabilities and Capitalization	\$ 24,687	\$ 3,880	\$ 3,892	\$ 24
	=====	=====	=====	=====

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, 2002

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(Thousands of Dollars)

	Holyoke Water Power Company	Holyoke Power and Electric Company	Eliminations	Consolidated
	-----	-----	-----	-----
Operating Revenues	\$ 37,974	\$37,764	\$ 37,492	\$ 38,000
Operating Expenses:				
Operation-				
Fuel, purchased and net interchange power	25,374	37,591	37,492	25,374
Other	5,799	178	-	5,799
Maintenance	3,903	-	-	3,903
Depreciation	628	24	-	628
Amortization	(2)	-	-	(2)
Taxes other than income taxes	1,504	42	-	1,504
Total operating expenses	37,206	37,835	37,492	37,206
Operating Income/(Loss)	768	(71)	-	768
Interest Expense:				
Interest on long-term debt	(23)	-	-	(23)
Other interest	273	21	21	273
Interest expense, net	250	21	21	250
Other Loss, Net				
Equity in earnings of subsidiary	(64)	-	(64)	(64)
Other, net	(1,412)	-	21	(1,412)
Other loss, net	(1,476)	-	(43)	(1,476)
Loss Before Income Tax Benefit	(958)	(92)	(64)	(958)
Income Tax Benefit	(18)	(28)	-	(18)
Net Loss	\$ (940)	\$ (64)	\$ (64)	\$ (940)

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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Consolidating Statement of Retained Earnings (a)  
 Year Ended December 31, 2002  
 (Thousands of Dollars)

	Holyoke Water Power Company	Holyoke Power and Electric Company	Eliminations	Consoli
	-----	-----	-----	-----
Balance at beginning of period	\$ (1,233)	\$ (304)	\$ (304)	\$ (
Additions:				
Net loss	(940)	(64)	(64)	
Allocation of benefits - ESOP	28	-	-	
	-----	-----	-----	-----
Balance at end of period	\$ (2,145)	\$ (368)	\$ (368)	\$ (
	=====	=====	=====	=====

HOLYOKE WATER POWER COMPANY  
 AND SUBSIDIARY  
 Consolidating Statement of Capital Surplus, Paid In (a)  
 Year Ended December 31, 2002  
 (Thousands of Dollars)

	Holyoke Water Power Company	Holyoke Power and Electric Company	Eliminations	Consoli
	-----	-----	-----	-----
Balance at beginning of period	\$ 6,000	\$ -	\$ -	\$
Allocation of benefits - ESOP	(31)	-	-	
	-----	-----	-----	-----
Balance at end of period	\$ 5,969	\$ -	\$ -	\$
	=====	=====	=====	=====

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, 2002  
 (Thousands of Dollars)

	Holyoke Water Power Company	Holyoke Power and Electric Company	Elimination
	-----	-----	-----
Operating Activities:			
Net loss	\$ (940)	\$ (64)	\$ (64)
Adjustments to reconcile to net cash used in operating activities:			
Depreciation	628	24	-
Deferred income taxes and investment tax credits, net	715	(2)	-
Amortization	(2)	-	-
Prepaid pension	(1)	-	-
Net other (uses)/sources of cash	(423)	19	22
Changes in working capital:			
Receivables and unbilled revenues, net	717	545	545
Fuel, materials and supplies	(1,204)	-	-
Accounts payable	(54)	(3,674)	(545)
Accrued taxes	162	(49)	(49)
Other working capital (excludes cash)	155	71	48
	-----	-----	-----
Net cash flows used in operating activities	(247)	(3,130)	(43)
	-----	-----	-----
Investing Activities:			
Competitive energy assets	(954)	-	-
NU system Money Pool borrowing	1,200	-	-
Other investment activities, net	81	-	43
	-----	-----	-----
Net cash flows provided by investing activities	327	-	43
	-----	-----	-----
Net increase/(decrease) in cash for the year	80	(3,130)	-
Cash - beginning of year	-	3,130	-
	-----	-----	-----
Cash - end of year	\$ 80	\$ -	\$ -
	=====	=====	=====
Supplemental Cash Flow Information:			
Cash paid/(refunded) during the year for:			
Interest, net of amounts capitalized	\$ 325	\$ 21	\$ 21
	=====	=====	=====
Income taxes	\$ (417)	\$ 11	\$ -
	=====	=====	=====

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 Balance Sheet (a)  
Assets  
December 31, 2002  
(Thousands of Dollars)

	Yankee Energy System, Inc.	Yankee Gas Services Company	NorConn Properties Inc.	Housa Corpor
	-----	-----	-----	-----
ASSETS				
-----				
Current Assets:				
Cash	\$ 512	\$ -	\$ -	\$ -
Receivables, net	-	46,518	-	-
Accounts receivable from affiliated companies	38	6,100	24	-

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Taxes receivable	-	-	-	
Unbilled revenues	-	43,001	-	
Notes receivable from affiliated companies	1,288	-	281	
Fuel, materials, and supplies, at average cost	-	16,702	-	
Derivative assets	-	2,252	-	
Prepayments and other	-	4,471	-	
	-----	-----	-----	-----
	1,838	119,044	305	
	-----	-----	-----	-----
Property, Plant and Equipment:				
Gas utility	-	679,055	-	
Less: Accumulated depreciation	-	281,771	-	
	-----	-----	-----	-----
	-	397,284	-	
Construction work in progress	-	58,011	-	
	-----	-----	-----	-----
	-	455,295	-	
	-----	-----	-----	-----
Deferred Debits and Other Assets:				
Regulatory assets	-	54,722	-	
Goodwill and other purchased intangible assets	-	287,591	-	
Prepaid pension	-	43,330	-	
Investments in subsidiary companies, at equity	522,081	-	-	
Other	3,531	719	1,916	
	-----	-----	-----	-----
	525,612	386,362	1,916	
	-----	-----	-----	-----
Total Assets	\$ 527,450	\$ 960,701	\$ 2,221	\$
	=====	=====	=====	=====

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, 2002  
(Thousands of Dollars)

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

ASSETS

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Current Assets:

Cash	\$ 44	\$ -	\$ -	\$ -
Receivables, net	4,600	-	-	-
Accounts receivable from affiliated companies	2	454	173	1,152
Taxes receivable	-	188	-	188
Unbilled revenues	-	-	-	-
Notes receivable from affiliated companies	-	-	-	1,569
Fuel, materials, and supplies, at average cost	-	-	-	-
Derivative assets	-	-	-	-
Prepayments and other	10	-	-	-
	-----	-----	-----	-----
	4,656	642	173	2,909
	-----	-----	-----	-----

Property, Plant and Equipment:

Gas utility	-	-	-	-
Less: Accumulated depreciation	-	-	-	-
	-----	-----	-----	-----
	-	-	-	-
Construction work in progress	-	-	-	-
	-----	-----	-----	-----
	-	-	-	-
	-----	-----	-----	-----

Deferred Debits and Other Assets:

Regulatory assets	-	-	-	-
Goodwill and other purchased intangible assets	-	-	-	-
Prepaid pension	-	-	-	-
Investments in subsidiary companies, at equity	-	-	-	522,081
Other	129	5,586	12,313	4,495
	-----	-----	-----	-----
	129	5,586	12,313	526,576
	-----	-----	-----	-----

Total Assets

\$ 4,785	\$ 6,228	\$ 12,486	\$ 529,485
=====	=====	=====	=====

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YANKEE ENERGY SYSTEM, INC.  
AND SUBSIDIARIES  
Consolidating Balance Sheet (a)  
Capitalization and Liabilities  
December 31, 2002  
(Thousands of Dollars)

Yankee Energy System, Inc.	Yankee Gas Services Company	NorConn Properties Inc.	Housa Corpor
-----	-----	-----	-----

LIABILITIES AND CAPITALIZATION

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Current Liabilities:					
Notes payable to affiliated companies	\$	-	\$ 66,000	\$ -	\$
Long-term debt - current portion		-	950	1,400	
Accounts payable		279	36,343	33	
Accounts payable to affiliated companies		28	4,936	2	
Accrued taxes		77	8,496	75	
Accrued interest		-	3,348	7	
Other		-	23,734	-	
		384	143,807	1,517	
Deferred Credits and Other Liabilities:					
Accumulated deferred income taxes		-	90,168	314	
Accumulated deferred investment tax credits		-	6,722	-	
Other		-	65,665	-	
		-	162,555	314	
Capitalization:					
Long-Term Debt		-	151,376	-	
Common Stockholder's Equity:					
Common stock		-	5	1	
Capital surplus, paid in		484,769	465,876	9	
Retained earnings/accumulated deficit		40,943	35,728	380	
Accumulated other comprehensive income		1,354	1,354	-	
Common Stockholder's Equity		527,066	502,963	390	
Total Capitalization		527,066	654,339	390	
Total Liabilities and Capitalization	\$	527,450	\$ 960,701	\$ 2,221	\$

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, 2002  
(Thousands of Dollars)

Yankee Energy      Yankee Energy      R.M.

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	Financial Services	Services Company	Services Company	Eliminations
	-----	-----	-----	-----
<b>LIABILITIES AND CAPITALIZATION</b>				
-----				
<b>Current Liabilities:</b>				
Notes payable to affiliated companies	\$ 3,200	\$ 769	\$ -	\$ 1,569
Long-term debt - current portion	-	-	-	-
Accounts payable	77	2	-	-
Accounts payable to affiliated companies	13	486	-	1,152
Accrued taxes	18	-	-	188
Accrued interest	-	-	-	-
Other	-	7	-	-
	-----	-----	-----	-----
	3,308	1,264	-	2,909
	-----	-----	-----	-----
<b>Deferred Credits and Other Liabilities:</b>				
Accumulated deferred income taxes	-	-	-	4,467
Accumulated deferred investment tax credits	-	-	-	-
Other	-	5	-	28
	-----	-----	-----	-----
	-	5	-	4,495
	-----	-----	-----	-----
<b>Capitalization:</b>				
Long-Term Debt	-	-	-	-
	-----	-----	-----	-----
<b>Common Stockholder's Equity:</b>				
Common stock	1	1	1	19
Capital surplus, paid in	1,241	7,881	13,798	488,805
Retained earnings/accumulated deficit	235	(2,923)	(1,313)	31,903
Accumulated other comprehensive income	-	-	-	1,354
	-----	-----	-----	-----
Common Stockholder's Equity	1,477	4,959	12,486	522,081
	-----	-----	-----	-----
Total Capitalization	1,477	4,959	12,486	522,081
	-----	-----	-----	-----
Total Liabilities and Capitalization	\$ 4,785	\$ 6,228	\$ 12,486	\$ 529,485
	=====	=====	=====	=====

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YANKEE ENERGY SYSTEM, INC. AND SUBSIDIARIES  
Consolidating Statement of Income (a)  
Year Ended December 31, 2002  
(Thousands of Dollars)

Yankee Energy System, Inc.	Yankee Gas Services Company	NorConn Properties Inc.	Housa Corpor
-------------------------------------	-----------------------------------	-------------------------------	-----------------

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Operating Revenues	\$ -	\$ 293,256	\$ 285	\$
Operating Expenses:				
Operation-				
Fuel, purchased and net interchange power	-	150,240	-	
Other	145	50,940	15	
Maintenance	-	7,785	-	
Depreciation	-	22,955	89	
Amortization of regulatory assets, net	-	1,057	-	
Taxes other than income taxes	2	20,408	-	
Total operating expenses	147	253,385	104	
Operating (Loss)/Income	(147)	39,871	181	
Interest Expense:				
Interest on long-term debt	-	11,795	90	
Other interest	310	2,366	6	
Interest expense, net	310	14,161	96	
Other Income/(Loss), Net				
Equity in earnings of subsidiaries	15,996	-	-	
Other, net	304	(809)	36	
Other income/(loss), net	16,300	(809)	36	
Income/(Loss) Before Income Tax (Benefit)/Expense	15,843	24,901	121	
Income Tax (Benefit)/Expense	(52)	7,329	58	
Net Income/(Loss)	\$ 15,895	\$ 17,572	\$ 63	\$

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, 2002  
 (Thousands of Dollars)

Yankee Energy Financial      Yankee Energy Services      R.M. Services

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	Services	Company	Company	Eliminations
	-----	-----	-----	-----
Operating Revenues	\$ 56	\$ 567	\$ -	\$ 285
Operating Expenses:				
Operation-				
Fuel, purchased and net interchange power	-	-	-	-
Other	149	786	-	285
Maintenance	-	-	-	-
Depreciation	46	-	-	-
Amortization of regulatory assets, net	-	405	-	-
Taxes other than income taxes	-	-	-	-
Total operating expenses	195	1,191	-	285
Operating (Loss)/Income	(139)	(624)	-	-
Interest Expense:				
Interest on long-term debt	-	-	-	-
Other interest	55	65	-	90
Interest expense, net	55	65	-	90
Other Income/(Loss), Net				
Equity in earnings of subsidiaries	-	-	-	15,996
Other, net	348	-	(1,303)	90
Other income/(loss), net	348	-	(1,303)	16,086
Income/(Loss) Before Income Tax (Benefit)/Expense	154	(689)	(1,303)	15,996
Income Tax (Benefit)/Expense	108	583	(456)	-
Net Income/(Loss)	\$ 46	\$ (1,272)	\$ (847)	\$ 15,996

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YANKEE ENERGY SYSTEM, INC. AND SUBSIDIARIES  
Consolidating Statement of Retained Earnings (a)  
Year Ended December 31, 2002  
(Thousands of Dollars)

Yankee Energy System, Inc.	Yankee Gas Services Company	NorConn Properties Inc.	Housa Corpor
-----	-----	-----	-----

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Balance at beginning of period	\$ 25,048	\$ 27,103	\$ 317	\$
Additions:				
Net income/(loss)	15,895	17,572	63	
Allocation of benefits - ESOP	-	53	-	
	-----	-----	-----	-----
	40,943	44,728	380	
	-----	-----	-----	-----
Deductions:				
Dividend declared:				
Common stock \$9,000 per share	-	9,000	-	
	-----	-----	-----	-----
	-	9,000	-	
	-----	-----	-----	-----
Balance at end of period	\$ 40,943	\$ 35,728	\$ 380	\$
	=====	=====	=====	=====

YANKEE ENERGY SYSTEM, INC. AND SUBSIDIARIES  
Consolidating Statement of Capital Surplus, Paid In (a)  
Year Ended December 31, 2002  
(Thousands of Dollars)

	Yankee Energy System, Inc.	Yankee Gas Services Company	NorConn Properties Inc.	Housa Corpor
	-----	-----	-----	-----
Balance at beginning of period	\$ 484,888	\$ 466,048	\$ 9	\$
Allocation of benefits - ESOP	(119)	(172)	-	
	-----	-----	-----	-----
Balance at end of period	\$ 484,769	\$ 465,876	\$ 9	\$
	=====	=====	=====	=====

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 Retained Earnings (a)  
Year Ended December 31, 2002  
(Thousands of Dollars)

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	Yankee Energy Financial Services	Yankee Energy Services Company	R.M. Services Company	Eliminatio
Balance at beginning of period	\$ 189	\$ (1,651)	\$ (466)	\$ 24,85
Additions:				
Net income/(loss)	46	(1,272)	(847)	15,99
Allocation of benefits - ESOP	-	-	-	5
	235	(2,923)	(1,313)	40,90
Deductions:				
Dividend declared:				
Common stock \$9,000 per share	-	-	-	9,00
	-	-	-	9,00
Balance at end of period	\$ 235	\$ (2,923)	\$ (1,313)	\$ 31,90

YANKEE ENERGY SYSTEM, INC. AND SUBSIDIARIES  
Consolidating Statement of Capital Surplus, Paid In (a)  
Year Ended December 31, 2002  
(Thousands of Dollars)

	Yankee Energy Financial Services	Yankee Energy Services Company	R.M. Services Company	Eliminatio
Balance at beginning of period	\$ 1,241	\$ 7,881	\$ 13,798	\$ 488,97
Allocation of benefits - ESOP	-	-	-	(17
Balance at end of period	\$ 1,241	\$ 7,881	\$ 13,798	\$ 488,80

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YANKEE ENERGY SYSTEM, INC. AND SUBSIDIARIES  
 Consolidating Statement of Cash Flows (a)  
 Year Ended December 31, 2002  
 (Thousands of Dollars)

	Yankee Energy System, Inc. -----	Yankee Gas Services Company -----	NorConn Properties, Inc. -----
<b>Operating Activities:</b>			
Net income/(loss)	\$ 15,895	\$ 17,572	\$ 63
Adjustments to reconcile to net cash provided by/(used in) operating activities:			
Depreciation	-	22,955	89
Deferred income taxes and investment tax credits, net	(21)	4,175	(26)
Amortization	-	1,057	-
Deferral of recoverable energy costs	-	(13,841)	-
Prepaid pension	-	(573)	-
Net other sources/(uses) of cash	248	2,520	(87)
Changes in working capital:			
Receivables and unbilled revenues, net	(38)	(4,101)	1
Fuel, materials and supplies	-	(12,822)	-
Accounts payable	(11,031)	17,832	(117)
Accrued taxes	(238)	458	75
Other working capital (excludes cash)	2,906	30,225	51
	-----	-----	-----
Net cash flows provided by/(used in) operating activities	7,721	65,457	49
	-----	-----	-----
<b>Investing Activities:</b>			
Investments in plant	-	(70,647)	-
NU system Money Pool borrowing/(lending)	2,382	63,500	65
Other investment activities, net	(9,594)	1,510	(39)
	-----	-----	-----
Net cash flows (used in)/provided by investing activities	(7,212)	(5,637)	26
	-----	-----	-----
<b>Financing Activities:</b>			
Net decrease in short-term debt	-	(50,000)	-
Reacquisitions and retirements of long-term debt	-	(950)	(100)
Cash dividends on common stock	-	(9,000)	-
	-----	-----	-----
Net cash flows used in financing activities	-	(59,950)	(100)
	-----	-----	-----
Net increase/(decrease) in cash for the year	509	(130)	(25)
Cash - beginning of year	3	130	25
	-----	-----	-----
Cash - end of year	\$ 512	\$ -	\$ -
	=====	=====	=====
<b>Supplemental Cash Flow Information:</b>			
Cash paid/(refunded) during the year for:			
Interest, net of amounts capitalized	\$ 34	\$ 13,911	\$ 96
	=====	=====	=====
Income taxes	\$ 34	\$ 3,799	\$ (43)
	=====	=====	=====

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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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YANKEE ENERGY SYSTEM, INC. AND SUBSIDIARIES  
 Consolidating Statement of Cash Flows (a)  
 Year Ended December 31, 2002  
 (Thousands of Dollars)

	Housatonic Corporation -----	Yankee Energy Financial Services Company -----	Yankee Energy Services Company -----
Operating Activities:			
Net income/(loss)	\$ 434	\$ 46	\$ (1,272)
Adjustments to reconcile to net cash provided by/(used in) operating activities:			
Depreciation	-	46	-
Deferred income taxes and investment tax credits, net	-	2	963
Amortization	-	-	405
Deferral of recoverable energy costs	-	-	-
Prepaid pension	-	-	-
Net other sources/(uses) of cash	-	(22)	(1)
Changes in working capital:			
Receivables and unbilled revenues, net	-	(139)	6,526
Fuel, materials and supplies	-	-	-
Accounts payable	(721)	8	488
Accrued taxes	278	(2)	-
Other working capital (excludes cash)	95	-	187
Net cash flows provided by/(used in) operating activities	86	(61)	7,296
Investing Activities:			
Investments in plant	-	-	-
NU system Money Pool borrowing/(lending)	-	-	(2,746)
Other investment activities, net	-	22	(4,701)
Net cash flows (used in)/provided by investing activities	-	22	(7,447)
Financing Activities:			
Net decrease in short-term debt	-	-	-
Reacquisitions and retirements of long-term debt	-	-	-
Cash dividends on common stock	-	-	-

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Net cash flows used in financing activities	-	-	-
Net increase/(decrease) in cash for the year	86	(39)	(151)
Cash - beginning of year	-	83	151
Cash - end of year	\$ 86	\$ 44	\$ -
Supplemental Cash Flow Information:			
Cash paid/(refunded) during the year for:			
Interest, net of amounts capitalized	\$ -	\$ 55	\$ 64
Income taxes	\$ 83	\$ 109	\$ (317)

YANKEE ENERGY SYSTEM, INC. AND SUBSIDIARIES  
Consolidating Statement of Cash Flows (a)  
Year Ended December 31, 2002  
(Thousands of Dollars)

	Consolidated
	-----
Operating Activities:	
Net income/(loss)	\$ 15,895
Adjustments to reconcile to net cash provided by/(used in) operating activities:	
Depreciation	23,090
Deferred income taxes and investment tax credits, net	4,637
Amortization	1,462
Deferral of recoverable energy costs	(13,841)
Prepaid pension	(573)
Net other sources/(uses) of cash	2,776
Changes in working capital:	
Receivables and unbilled revenues, net	(8,074)
Fuel, materials and supplies	(12,822)
Accounts payable	16,783
Accrued taxes	931
Other working capital (excludes cash)	30,384
Net cash flows provided by/(used in) operating activities	60,648
Investing Activities:	
Investments in plant	(70,647)
NU system Money Pool borrowing/(lending)	63,200
Other investment activities, net	(1,902)
Net cash flows (used in)/provided by investing activities	(9,349)
Financing Activities:	
Net decrease in short-term debt	(50,000)
Reacquisitions and retirements of long-term debt	(1,050)
Cash dividends on common stock	-

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Net cash flows used in financing activities	(51,050)
Net increase/(decrease) in cash for the year	249
Cash - beginning of year	393
Cash - end of year	\$ 642
Supplemental Cash Flow Information:	
Cash paid/(refunded) during the year for:	
Interest, net of amounts capitalized	\$ 14,070
Income taxes	\$ 3,665

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NU ENTERPRISES, INC.  
AND SUBSIDIARIES  
Consolidating Balance Sheet (a)  
Assets  
December 31, 2002  
(Thousands of Dollars)

	NU Enterprises, Inc.	Northeast Generation Company	Northeast Generation Services Company (consolidated (b))
	-----	-----	-----
<b>ASSETS</b>			
-----			
Current Assets:			
Cash	\$ 64	\$ 18,248	\$ 2,257
Receivables, net	-	1,441	17,600
Accounts receivable from affiliated companies	-	12,124	4,098
Taxes receivable	70	1,587	690
Unbilled revenues	-	-	4,297
Notes receivable from affiliated companies	1,300	10,000	-
Fuel, materials, and supplies, at average cost	-	2,164	322
Special deposits	-	-	-
Derivative assets	-	-	-
Prepayments and other	3	780	1,998
	-----	-----	-----
	1,437	46,344	31,262
	-----	-----	-----
Property, Plant and Equipment:			
Competitive energy	-	799,585	3,982
Less: Accumulated depreciation	-	19,379	1,046
	-----	-----	-----
	-	780,206	2,936
	-----	-----	-----

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Construction work in progress	-	21,085	508
	-----	-----	-----
	-	801,291	3,444
	-----	-----	-----
Deferred Debits and Other Assets:			
Goodwill and other purchased intangible assets, net	-	-	14,633
Prepaid pension	-	-	926
Investments in subsidiary companies, at equity	1,239,307	-	-
Other	8,505	39,776	1,309
	-----	-----	-----
	1,247,812	39,776	16,868
	-----	-----	-----
Total Assets	\$ 1,249,249	\$887,411	\$ 51,574
	=====	=====	=====

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.
- (c) Select Energy Portland Pipeline, Inc. was dissolved on October 28, 2002.

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NU ENTERPRISES, INC.  
AND SUBSIDIARIES  
Consolidating Balance Sheet (a)  
Assets  
December 31, 2002  
(Thousands of Dollars)

	Mode 1 Communications, Inc.	Select Energy Services, Inc. (consolidated) (b)	Woods Ne Services
	-----	-----	-----
ASSETS			
-----			
Current Assets:			
Cash	\$ -	\$ 28,925	\$ -
Receivables, net	11	19,715	-
Accounts receivable from affiliated companies	-	-	-
Taxes receivable	1,442	-	-
Unbilled revenues	-	-	-
Notes receivable from affiliated companies	1,000	-	-
Fuel, materials, and supplies, at average cost	-	331	-
Special deposits	-	-	-
Derivative assets	-	-	-
Prepayments and other	1	1,692	-
	-----	-----	-----
	2,454	50,663	-

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Property, Plant and Equipment:			
Competitive energy	906	12,046	
Less: Accumulated depreciation	97	8,463	
	809	3,583	
Construction work in progress	118	-	
	927	3,583	
Deferred Debits and Other Assets:			
Goodwill and other purchased intangible assets, net	-	17,973	
Prepaid pension	-	-	
Investments in subsidiary companies, at equity	-	-	
Other	11,179	53,682	
	11,179	71,655	
Total Assets	\$ 14,560	\$ 125,901	\$

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NU ENTERPRISES, INC.  
AND SUBSIDIARIES  
Consolidating Balance Sheet (a)  
Capitalization and Liabilities  
December 31, 2002  
(Thousands of Dollars)

	NU Enterprises, Inc.	Northeast Generation Company	Northeast Generation Services Company (consolidated) (b)	Pip
LIABILITIES AND CAPITALIZATION				
Current Liabilities:				
Notes payable to affiliated companies	\$ -	\$ -	\$ 13,500	\$
Long-term debt - current portion	-	27,000	-	
Accounts payable	-	1,559	6,642	
Accounts payable to affiliated companies	39	1,719	2,614	
Accrued taxes	-	893	-	
Accrued interest	-	7,070	-	
Derivative liabilities	-	-	-	
Other	-	482	1,864	
	39	38,723	24,620	

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Deferred Credits and Other Liabilities:				
Accumulated deferred income taxes	-	21,005	-	
Other	-	2	1,959	
	-	21,007	1,959	
Capitalization:				
Long-Term Debt	-	389,000	-	
Advances from parent companies	-	-	9,450	
Common Stockholder's Equity:				
Common stock	-	-	-	
Capital surplus, paid in	1,365,959	408,098	15,549	
(Accumulated deficit)/Retained earnings	(127,445)	32,259	9	
Accumulated other comprehensive income/(loss)	10,696	(1,676)	(13)	
Common Stockholder's Equity	1,249,210	438,681	15,545	
Total Capitalization	1,249,210	827,681	24,995	
Total Liabilities and Capitalization	\$1,249,249	\$887,411	\$ 51,574	\$

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.
- (c) Select Energy Portland Pipeline, Inc. was dissolved on October 28, 2002.

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NU ENTERPRISES, INC.  
AND SUBSIDIARIES  
Consolidating Balance Sheet (a)  
Capitalization and Liabilities  
December 31, 2002  
(Thousands of Dollars)

	Mode 1	Select	
	Communications,	Energy	
	Inc.	Services, Inc.	
		(consolidated)	
		(b)	
			Woods Netwo
			Services, I

LIABILITIES AND CAPITALIZATION

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-----			
Current Liabilities:			
Notes payable to affiliated companies	\$	-	\$ 6,450
Long-term debt - current portion		-	2,262
Accounts payable		704	6,156
Accounts payable to affiliated companies		122	519
Accrued taxes		-	350
Accrued interest		-	719
Derivative liabilities		-	-
Other		1	7,044
		-----	-----
		827	23,500
		-----	-----
Deferred Credits and Other Liabilities:			
Accumulated deferred income taxes		-	994
Other		1,730	-
		-----	-----
		1,730	994
		-----	-----
Capitalization:			
Long-Term Debt		-	70,376
		-----	-----
Advances from parent companies		-	-
		-----	-----
Common Stockholder's Equity:			
Common stock		-	-
Capital surplus, paid in		29,357	25,097
(Accumulated deficit)/Retained earnings		(17,354)	5,934
Accumulated other comprehensive income/(loss)		-	-
		-----	-----
Common Stockholder's Equity		12,003	31,031
		-----	-----
Total Capitalization		12,003	101,407
		-----	-----
Total Liabilities and Capitalization	\$	14,560	\$ 125,901
		=====	=====

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NU ENTERPRISES, INC. AND SUBSIDIARIES  
Consolidating Statement of Income (a)  
Year Ended December 31, 2002  
(Thousands of Dollars)

NU  
Enterprises,  
Inc.

Northeast  
Generation  
Company

Northeast  
Generation  
Services  
Company  
(consolidate  
(b))

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Operating Revenues	\$ -	\$ 131,897	\$ 115,166
Operating Expenses:			
Operation-			
Fuel, purchased and net interchange power	-	-	2,165
Other	1,042	12,234	44,218
Maintenance	-	12,892	71,464
Depreciation	-	14,091	210
Amortization	-	-	44
Taxes other than income taxes	11	9,825	1,884
Total operating expenses	1,053	49,042	119,985
Operating (Loss)/Income	(1,053)	82,855	(4,819)
Interest Expense:			
Interest on long-term debt	-	33,203	-
Other interest	4	13	617
Interest expense, net	4	33,216	617
Other (Loss)/Income, Net			
Equity in loss of subsidiaries	(60,206)	-	-
Other, net	(2,620)	774	(45)
Other (loss)/income, net	(62,826)	774	(45)
(Loss)/Income Before Income Tax (Benefit)/Expense	(63,883)	50,413	(5,481)
Income Tax (Benefit)/Expense	(1,363)	20,007	(2,256)
Net (Loss)/Income	\$ (62,520)	\$ 30,406	\$ (3,225)

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.
- (c) Select Energy Portland Pipeline, Inc. was dissolved on October 28, 2002.

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NU ENTERPRISES, INC. AND SUBSIDIARIES  
Consolidating Statement of Income (a)  
Year Ended December 31, 2002  
(Thousands of Dollars)

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	Mode 1 Communications, Inc.	Select Energy Services, Inc. (consolidated) (b)	Woods Network Services, Inc.
Operating Revenues	\$ 194	\$ 99,408	\$ 6,06
Operating Expenses:			
Operation-			
Fuel, purchased and net interchange power	-	-	65
Other	554	92,927	4,91
Maintenance	-	492	1
Depreciation	36	1,339	1
Amortization	-	-	3
Taxes other than income taxes	53	796	3
Total operating expenses	643	95,554	5,61
Operating (Loss)/Income	(449)	3,854	45
Interest Expense:			
Interest on long-term debt	-	-	12
Other interest	2	3,699	12
Interest expense, net	2	3,699	12
Other (Loss)/Income, Net			
Equity in loss of subsidiaries	-	-	
Other, net	(14,528)	4,686	
Other (loss)/income, net	(14,528)	4,686	
(Loss)/Income Before Income Tax (Benefit)/Expense	(14,979)	4,841	33
Income Tax (Benefit)/Expense	(6,244)	1,838	11
Net (Loss)/Income	\$ (8,735)	\$ 3,003	\$ 22

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NU ENTERPRISES, INC. AND SUBSIDIARIES  
Consolidating Statement of Retained Earnings (a)  
Year Ended December 31, 2002  
(Thousands of Dollars)

Northeast  
Generation  
Services

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	NU Enterprises, Inc.	Northeast Generation Company	Company (consolidated) (b)
Balance at beginning of period	\$ (64,925)	\$ 11,853	\$ 3,170
Additions:			
Net (loss)/income	(62,520)	30,406	(3,225)
Allocation of benefits - ESOP	-	-	64
	(127,445)	42,259	9
Deductions:			
Dividends declared:			
Common stock \$1,666,666.67 per share	-	10,000	-
Close out of retained earnings due to dissolving of subsidiary	-	-	-
	-	10,000	-
Balance at end of period	\$ (127,445)	\$ 32,259	\$ 9

NU ENTERPRISES, INC. AND SUBSIDIARIES  
Consolidating Statement of Capital Surplus, Paid In (a)  
Year Ended December 31, 2002  
(Thousands of Dollars)

	NU Enterprises, Inc.	Northeast Generation Company	Northeast Generation Services Company (consolidated) (b)
Balance at beginning of period	\$ 657,870	\$ 3,039	\$ 10,435
Plant acquisition adjustment	662,908	405,060	-
Investment in Acumentric Corporation	250	-	-
Capital contributions from:			
NU Enterprises, Inc.	-	-	5,250
Northeast Utilities	58,150	-	-
Close out of capital surplus, paid in due to dissolving of subsidiary	-	-	-
Return of capital from NU Enterprises, Inc. to Northeast Utilities	(13,000)	-	-

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Allocation of benefits - ESOP	(219)	(1)	(136)
	-----	-----	-----
Balance at end of period	\$ 1,365,959	\$ 408,098	\$ 15,549
	=====	=====	=====

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.
- (c) Select Energy Portland Pipeline, Inc. was dissolved on October 28, 2002.

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NU ENTERPRISES, INC. AND SUBSIDIARIES  
Consolidating Statement of Retained Earnings (a)  
Year Ended December 31, 2002  
(Thousands of Dollars)

	Mode 1 Communications, Inc.	Select Energy Services, Inc. (consolidated) (b)	Woods Network Services, Inc.
	-----	-----	-----
Balance at beginning of period	\$ (8,619)	\$ 2,931	\$ -
Additions:			
Net (loss)/income	(8,735)	3,003	223
Allocation of benefits - ESOP	-	-	-
	-----	-----	-----
	(17,354)	5,934	223
	-----	-----	-----
Deductions:			
Dividends declared:			
Common stock \$1,666,666.67 per share	-	-	-
Close out of retained earnings due to dissolving of subsidiary	-	-	-
	-----	-----	-----
	-	-	-
	-----	-----	-----
Balance at end of period	\$ (17,354)	\$ 5,934	\$ 223
	=====	=====	=====

NU ENTERPRISES, INC. AND SUBSIDIARIES  
Consolidating Statement of Capital Surplus, Paid In (a)  
Year Ended December 31, 2002

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(Thousands of Dollars)

	Mode 1 Communications, Inc.	Select Energy Services, Inc. (consolidated) (b)	Woods Network Services, Inc.
	-----	-----	-----
Balance at beginning of period	\$ 29,357	\$ 24,900	\$ -
Plant acquisition adjustment	-	-	-
Investment in Acumentric Corporation	-	250	-
Capital contributions from:			
NU Enterprises, Inc.	-	-	2,650
Northeast Utilities	-	-	-
Close out of capital surplus, paid in due to dissolving of subsidiary	-	-	-
Return of capital from NU Enterprises, Inc. to Northeast Utilities	-	-	-
Allocation of benefits - ESOP	-	(53)	-
	-----	-----	-----
Balance at end of period	\$ 29,357	\$ 25,097	\$ 2,650
	=====	=====	=====

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NU ENTERPRISES, INC. AND SUBSIDIARIES  
Consolidating Statement of Cash Flows (a)  
Year Ended December 31, 2002  
(Thousands of Dollars)

	NU Enterprises, Inc.	Northeast Generation Company	Northeast Generation Services Company (consolidated) (b)
	-----	-----	-----
Operating Activities:			
Net (loss)/income	\$ (62,520)	\$ 30,406	\$ (3,225)
Adjustments to reconcile to net cash (used in)/provided by operating activities:			
Depreciation	-	14,091	210
Deferred income taxes and investment tax credits, net	(997)	19,031	(116)
Amortization	-	-	44
Prepaid pension	-	-	(926)

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Net other (uses)/sources of cash	(160)	663	(566)
Changes in working capital:			
Receivables and unbilled revenues, net	-	(2,923)	286
Fuel, materials and supplies	-	(371)	258
Accounts payable	3	222	1,782
Accrued taxes	-	99	(2,638)
Other working capital (excludes cash)	42,104	1,892	1,545
	-----	-----	-----
Net cash flows (used in)/provided by operating activities	(21,570)	63,110	(3,346)
	-----	-----	-----
Investing Activities:			
Investments in plant:			
Electric, gas and other utility plant	-	-	-
Competitive energy assets	-	(16,351)	-
	-----	-----	-----
Cash flows used for investments in plant	-	(16,351)	-
NU system Money Pool borrowing/(lending)	3,300	(100)	1,000
Payment for the purchase of Woods	-	-	(10,574)
Other investment activities, net	(27,142)	(506)	(3)
	-----	-----	-----
Net cash flows (used in)/provided by investing activities	(23,842)	(16,957)	(9,577)
	-----	-----	-----
Financing Activities:			
Issuance of long-term debt	-	-	-
Reacquisitions and retirements of long-term debt	-	(24,000)	-
Advances/(repayments) from parent, net	-	-	9,450
Cash dividends on common shares	-	(10,000)	-
Capital contributions	45,400	-	5,250
	-----	-----	-----
Net cash flows provided by/(used in) financing activities	45,400	(34,000)	14,700
	-----	-----	-----
Net (decrease)/increase in cash for the year	(12)	12,153	1,777
Cash - beginning of year	76	6,095	480
	-----	-----	-----
Cash - end of year	\$ 64	\$ 18,248	\$ 2,257
	=====	=====	=====
Supplemental Cash Flow Information:			
Cash paid/(refunded) during the year for:			
Interest, net of amounts capitalized	\$ -	\$ 36,145	\$ 563
	=====	=====	=====
Income taxes	\$ (344)	\$ (1,435)	\$ 261
	=====	=====	=====

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.

(c) Select Energy Portland Pipeline, Inc. was dissolved on October 28, 2002.

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NU ENTERPRISES, INC. AND SUBSIDIARIES  
 Consolidating Statement of Cash Flows (a)  
 Year Ended December 31, 2002  
 (Thousands of Dollars)

	Select Energy, Inc. (consolidated) (b)	Mode 1 Communications, Inc.	Sel Ene Service (consol (
	-----	-----	-----
Operating Activities:			
Net (loss)/income	\$ (81,878)	\$ (8,735)	\$
Adjustments to reconcile to net cash activities: (used in)/provided by operating activities:			
Depreciation	5,756	36	
Deferred income taxes and investment tax credits, net	17,894	(5,577)	
Amortization	3,119	-	
Prepaid pension	832	-	
Net other (uses)/sources of cash	(22,662)	(2,832)	
Changes in working capital:			
Receivables and unbilled revenues, net	(137,662)	73	
Fuel, materials and supplies	-	-	
Accounts payable	118,107	696	
Accrued taxes	22,245	(188)	
Other working capital (excludes cash)	(5,239)	(5,434)	
Net cash flows (used in)/provided by operating activities	(79,488)	(21,961)	(
Investing Activities:			
Investments in plant:			
Electric, gas and other utility plant	-	(25)	
Competitive energy assets	(4,253)	-	
Cash flows used for investments in plant	(4,253)	(25)	
NU system Money Pool borrowing/(lending)	55,200	800	
Payment for the purchase of Woods	-	-	
Other investment activities, net	-	21,176	
Net cash flows (used in)/provided by investing activities	50,947	21,951	
Financing Activities:			
Issuance of long-term debt	-	-	
Reacquisitions and retirements of long-term debt	-	-	
Advances/(repayments) from parent, net	(12,803)	-	
Cash dividends on common shares	-	-	
Capital contributions	50,000	-	
Net cash flows provided by/(used in) financing activities	37,197	-	

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Net (decrease)/increase in cash for the year	8,656	(10)	
Cash - beginning of year	5,876	10	
Cash - end of year	\$ 14,532	\$ -	\$
Supplemental Cash Flow Information:			
Cash paid/(refunded) during the year for:			
Interest, net of amounts capitalized	\$ 5,429	\$ -	\$
Income taxes	\$ (95,899)	\$ 965	\$ 1

Consolidated

Operating Activities:	
Net (loss)/income	\$ (62,520)
Adjustments to reconcile to net cash activities: (used in)/provided by operating activities:	
Depreciation	17,805
Deferred income taxes and investment tax credits, net	30,936
Amortization	3,163
Prepaid pension	(94)
Net other (uses)/sources of cash	(40,520)
Changes in working capital:	
Receivables and unbilled revenues, net	(136,265)
Fuel, materials and supplies	(117)
Accounts payable	128,005
Accrued taxes	19,019
Other working capital (excludes cash)	(16,131)
Net cash flows (used in)/provided by operating activities	(56,719)
Investing Activities:	
Investments in plant:	
Electric, gas and other utility plant	(25)
Competitive energy assets	(22,197)
Cash flows used for investments in plant	(22,222)
NU system Money Pool borrowing/(lending)	52,150
Payment for the purchase of Woods	(16,351)
Other investment activities, net	23,164
Net cash flows (used in)/provided by investing activities	36,741
Financing Activities:	
Issuance of long-term debt	47,648
Reacquisitions and retirements of long-term debt	(24,988)
Advances/(repayments) from parent, net	797
Cash dividends on common shares	-
Capital contributions	45,400

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Net cash flows provided by/(used in) financing activities	68,857
Net (decrease)/increase in cash for the year	48,879
Cash - beginning of year	16,077
Cash - end of year	\$ 64,956
Supplemental Cash Flow Information:	
Cash paid/(refunded) during the year for:	
Interest, net of amounts capitalized	\$ 42,572
Income taxes	\$ (94,963)

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NORTHEAST GENERATION SERVICES COMPANY  
AND SUBSIDIARIES  
Consolidating Balance Sheet (a)  
Assets  
December 31, 2002  
(Thousands of Dollars)

	Northeast Generation Services Company	NGS Mechanical, Inc.	E. S. Boulos Company	Woo Elect Co.,
	-----	-----	-----	-----
ASSETS				
-----				
Current Assets:				
Cash	\$ 1	\$ 10	\$ 1,356	\$
Receivables, net	5,731	-	10,617	
Accounts receivable from affiliated companies	4,098	-	326	
Taxes receivable	686	-	-	
Unbilled revenues	1,301	-	2,800	
Fuel, materials, and supplies, at average cost	5	-	223	
Prepayments and other	1,964	-	-	
	-----	-----	-----	-----
	13,786	10	15,322	
	-----	-----	-----	-----
Property, Plant and Equipment:				
Competitive energy	2,980	-	712	
Less: Accumulated depreciation	826	-	205	
	-----	-----	-----	-----
	2,154	-	507	
Construction work in progress	508	-	-	
	-----	-----	-----	-----
	2,662	-	507	

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Deferred Debits and Other Assets:				
Goodwill and other purchased intangible assets, net	-	-	6,963	
Prepaid pension	926	-	-	
Investments in subsidiary companies, at equity	21,757	-	-	
Other	1,274	-	35	
	23,957	-	6,998	
Total Assets	\$ 40,405	\$ 10	\$ 22,827	\$

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, 2002  
(Thousands of Dollars)

	Northeast Generation Services Company	NGS Mechanical, Inc.	E. S. Boulos Company	Wood Electr Co.,
LIABILITIES AND CAPITALIZATION				
Current Liabilities:				
Notes payable to affiliated companies	\$ 13,500	\$ -	\$ -	\$
Advance from parent, non-interest bearing	-	-	2,948	
Accounts payable	3,014	-	3,324	
Accounts payable to affiliated companies	1,421	2	967	
Accrued taxes	-	-	60	
Other	1,226	-	688	
	19,161	2	7,987	1
Deferred Credits and Other Liabilities:				
Other	699	-	1,180	
	699	-	1,180	
Capitalization:				

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Advances from Northeast Utilities	5,000	-	-	4
Common Stockholder's Equity:				
Common stock	-	-	-	
Capital surplus, paid in	15,549	10	7,539	5
Retained earnings/(accumulated deficit)	9	(2)	6,121	
Accumulated other comprehensive loss	(13)	-	-	
Common Stockholder's Equity	15,545	8	13,660	4
Total Capitalization	20,545	8	13,660	9
Total Liabilities and Capitalization	\$ 40,405	\$ 10	\$ 22,827	\$ 10

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, 2002  
(Thousands of Dollars)

	Northeast Generation Services Company	NGS Mechanical, Inc.	E. S. Boulos Company	Woods Electri Co., I
Operating Revenues	\$ 52,733	\$ -	\$ 62,056	\$ 3,
Operating Expenses:				
Operation-				
Fuel, purchased and net interchange power	2,165	-	-	
Other	44,734	1	1,496	
Maintenance	12,486	-	56,497	2,
Depreciation	60	-	134	
Amortization	44	-	-	
Taxes other than income taxes	1,841	-	29	
Total operating expenses	61,330	1	58,156	3,
Operating (Loss)/Income	(8,597)	(1)	3,900	(

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Interest Expense, net	477	-	-	
Other Income/(Loss), Net				
Equity in earnings of subsidiaries	2,606	-	-	
Other, net	(263)	-	210	
Other income/(loss), net	2,343	-	210	
(Loss)/Income Before Income Tax (Benefit)/Expense	(6,731)	(1)	4,110	(
Income Tax (Benefit)/Expense	(3,506)	-	1,395	(
Net (Loss)/Income	\$ (3,225)	\$ (1)	\$ 2,715	\$ (

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, 2002  
(Thousands of Dollars)

	Northeast Generation Services Company	NGS Mechanical Inc.	E. S. Boulos Company	Woods Electrical Co., Inc
Balance at beginning of period	\$ 3,170	\$ (1)	\$ 3,406	\$
Additions:				
Net (loss)/income	(3,225)	(1)	2,715	(1
Allocation of benefits - ESOP	64	-	-	
Balance at end of period	\$ 9	\$ (2)	\$ 6,121	\$ (1

NORTHEAST GENERATION SERVICES COMPANY  
AND SUBSIDIARIES  
Consolidating Statement of Capital Surplus, Paid In (a)

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Year Ended December 31, 2002  
(Thousands of Dollars)

	Northeast Generation Services Company	NGS Mechanical Inc.	E. S. Boulos Company	Woods Electrical Co., Inc
	-----	-----	-----	-----
Balance at beginning of period	\$ 10,435	\$ 10	\$ 7,539	\$
Capital contribution from:				
NU Enterprises, Inc.	5,250	-	-	
Northeast Generation Services Company	-	-	-	5,0
Allocation of benefits - ESOP	(136)	-	-	
	-----	-----	-----	-----
Balance at end of period	\$ 15,549	\$ 10	\$ 7,539	\$ 5,0
	=====	=====	=====	=====

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, 2002  
(Thousands of Dollars)

	Northeast Generation Services Company	NGS Mechanical, Inc.	E.S. Boulos Company	Wood Electr Inc
	-----	-----	-----	-----
Operating Activities:				
Net (loss)/income	\$ (3,225)	\$ (1)	\$ 2,715	\$
Adjustments to reconcile to net cash (used in)/ provided by operating activities:				
Depreciation	60	-	134	
Deferred income taxes and investment tax credits, net	(110)	-	(6)	
Amortization	44	-	-	
Prepaid pension	(926)	-	-	

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Net other uses of cash	(291)	-	(133)	
Changes in working capital:				
Receivables and unbilled revenues, net	1,910	-	(3,158)	2
Fuel, materials and supplies	450	-	(120)	
Accounts payable	104	1	798	
Accrued taxes	(1,590)	-	(988)	
Other working capital (excludes cash)	(4)	-	1,831	
Net cash flows (used in)/provided by operating activities	(3,578)	-	1,073	1
Investing Activities:				
NU system Money Pool borrowing	1,000	-	-	
Payment for the purchase of Woods Electrical Co.	-	-	-	(10)
Other investment activities, net	(7,855)	-	(3)	
Net cash flows used in investing activities	(6,855)	-	(3)	(10)
Financing Activities:				
Advance from parent	5,000	-	-	4
Capital contributions	5,250	-	-	5
Net cash flows provided by financing activities	10,250	-	-	9
Net (decrease)/increase in cash for the year	(183)	-	1,070	
Cash - beginning of year	184	10	286	
Cash - end of year	\$ 1	\$ 10	\$ 1,356	\$
Supplemental Cash Flow Information:				
Cash paid/(refunded) during the year for:				
Interest, net of amounts capitalized	\$ 423	\$ -	\$ -	\$
Income taxes	\$ (1,172)	\$ -	\$ 1,450	\$

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)  
 Assets  
 December 31, 2002  
 (Thousands of Dollars)

	Select Energy, Inc.	Select Energy New York, Inc.	EL
	-----	-----	-----
ASSETS			
-----			
Current Assets:			
Cash	\$ 2,454	\$ 12,077	\$
Receivables, net	415,918	38,286	
Accounts receivable from affiliated companies	118,780	1,491	
Special deposits	72	2,384	
Derivative assets	101,957	28,816	
Prepayments and other	57,963	18,240	
	-----	-----	
	697,144	101,294	
	-----	-----	
Property, Plant and Equipment:			
Competitive energy	12,629	440	
Less: Accumulated depreciation	7,373	251	
	-----	-----	
	5,256	189	
Construction work in progress	3,965	-	
	-----	-----	
	9,221	189	
	-----	-----	
Deferred Debits and Other Assets:			

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Intangibles, net	18,032	3,200	
Prepaid pension	2,257	-	
Investments in subsidiary company, at equity	34,199	-	
Other	55,443	1,563	
	-----	-----	
	109,931	4,763	
	-----	-----	
Total Assets	\$ 816,296	\$ 106,246	\$
	=====	=====	=====

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, 2002  
(Thousands of Dollars)

	Select Energy, Inc.	Select Energy New York, Inc.	EL
	-----	-----	-----
<b>LIABILITIES AND CAPITALIZATION</b>			
-----			
<b>Current Liabilities:</b>			
Notes payable to affiliated companies	\$ 217,200	\$ -	\$
Accounts payable	387,458	23,623	
Accounts payable to affiliated companies	10,244	5,947	
Accrued taxes	19,838	2,407	
Accrued interest	27	-	
Derivative liabilities	61,204	4,794	
Other	22,042	5,884	
	-----	-----	
	718,013	42,655	
	-----	-----	
<b>Deferred Credits and Other Liabilities:</b>			
Accumulated deferred income taxes	13,240	8,302	
Deferred pension costs	-	374	
Other	49,114	17	
	-----	-----	
	62,354	8,693	
	-----	-----	
<b>Capitalization:</b>			
Advances from Northeast Utilities	-	20,699	
	-----	-----	

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Common Stockholder's Equity:			
Common stock		-	10
Capital surplus, paid in	249,337		9,976
(Accumulated deficit)/Retained earnings	(225,781)		19,903
Accumulated other comprehensive income	12,373		4,310
	-----	-----	-----
Common Stockholder's Equity	35,929		34,199
	-----	-----	-----
Total Capitalization	35,929		54,898
	-----	-----	-----
Total Liabilities and Capitalization	\$ 816,296	\$ 106,246	\$
	=====	=====	=====

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, 2002  
(Thousands of Dollars)

	Select Energy, Inc.	Select Energy New York, Inc.
	-----	-----
Operating Revenues	\$ 1,250,212	\$ 272,205
	-----	-----
Operating Expenses:		
Operation-		
Fuel, purchased and net interchange power	1,335,869	235,150
Other	55,894	8,972
Maintenance	39	-
Depreciation	5,756	-
Amortization	3,119	-
Taxes other than income taxes	4,509	(2,003)
	-----	-----
Total operating expenses	1,405,186	242,119
	-----	-----
Operating (Loss)/Income	(154,974)	30,086
	-----	-----
Interest Expense, Net	5,179	770
	-----	-----
Other Income, Net		
Equity in earnings of subsidiary	17,208	-

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Other, net	2	277
	-----	-----
Other income, net	17,210	277
	-----	-----
(Loss)/Income Before Income Tax (Benefit)/Expense	(142,943)	29,593
Income Tax (Benefit)/Expense	(61,065)	12,385
	-----	-----
Net (Loss)/Income	\$ (81,878)	\$ 17,208
	=====	=====

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, 2002  
(Thousands of Dollars)

	Select Energy, Inc.	Select Energy New York, Inc.
	-----	-----
Balance at beginning of period	\$ (144,025)	\$ 2,695
Additions:		
Net (loss)/income	(81,878)	17,208
Allocation of benefits - ESOP	122	-
	-----	-----
Balance at end of period	\$ (225,781)	\$ 19,903
	=====	=====

SELECT ENERGY, INC.  
AND SUBSIDIARY  
Consolidating Statement of Capital Surplus, Paid In (a)  
Year Ended December 31, 2002  
(Thousands of Dollars)

Select Energy, Inc.	Select Energy New York, Inc.
------------------------	---------------------------------

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Balance at beginning of period	\$ 199,551	\$ 3,187
Capital contributions from:		
NU Enterprises, Inc.	50,000	-
Select Energy, Inc.	-	6,803
Allocation of benefits - ESOP	(214)	(14)
Balance at end of period	\$ 249,337	\$ 9,976

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, 2002  
(Thousands of Dollars)

	Select Energy, Inc.	Select Energy New York, Inc.
Operating Activities:		
Net (loss)/income	\$ (81,878)	\$ 17,208
Adjustments to reconcile to net cash (used in)/ provided by operating activities:		
Depreciation	5,756	-
Deferred income taxes and investment tax credits, net	18,083	(189)
Amortization	3,119	-
Prepaid pension	459	-
Net other (uses)/sources of cash	(26,488)	4,250
Changes in working capital:		
Receivables and unbilled revenues, net	(149,999)	5,096
Accounts payable	120,727	4,620
Accrued taxes	19,838	1,051
Other working capital (excludes cash)	20,197	(19,835)
Net cash flows (used in)/provided by operating activities	(70,186)	12,201
Investing Activities:		
Competitive energy assets	(4,253)	-
NU system Money Pool borrowing	55,200	-
Other investment activities, net	(28,307)	-

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Net cash flows provided by/(used in) investing activities	22,640	-	
Financing Activities:			
Repayment to NU parent	-	(12,803)	
Capital contributions	50,000	6,803	
Net cash flows provided by/(used in) financing activities	50,000	(6,000)	
Net increase in cash for the year	2,454	6,201	
Cash - beginning of year	-	5,876	
Cash - end of year	\$ 2,454	\$ 12,077	\$
Supplemental Cash Flow Information:			
Cash paid/(refunded) during the year for:			
Interest, net of amounts capitalized	\$ 4,659	\$ 770	\$
Income taxes	\$ (102,255)	\$ 6,356	\$

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, 2002  
 (Thousands of Dollars)

	Select Energy Services, Inc.	Select Energy Contracting, Inc.	Reed Supply
	-----	-----	-----
<b>ASSETS</b>			
-----			
Current Assets:			
Cash	\$ 24,900	\$ 463	\$
Receivables, net	4,986	13,832	
Accounts receivable from affiliated companies	13,107	-	
Taxes receivable	344	-	
Other material and supplies, at average cost	-	331	
Prepayments and other	1,128	564	
	-----	-----	-----
	44,465	15,190	
	-----	-----	-----
Property, Plant and Equipment:			
Competitive energy	5,736	6,310	
Less: Accumulated depreciation	4,467	3,996	
	-----	-----	-----
	1,269	2,314	
	-----	-----	-----
Deferred Debits and Other Assets:			
Goodwill	505	17,220	
Investments in subsidiary companies, at equity	21,237	-	
Other	27,835	-	
	-----	-----	-----
	49,577	17,220	
	-----	-----	-----
Total Assets	\$ 95,311	\$ 34,724	\$
	=====	=====	=====

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, 2002  
 (Thousands of Dollars)

	HEC/CJTS Energy Center LLC	Eliminations	Consolidated
	-----	-----	-----
ASSETS			
-----			
Current Assets:			
Cash	\$ 1	\$ -	\$ 28,925
Receivables, net	-	77	19,715
Accounts receivable from affiliated companies	-	13,107	-
Taxes receivable	-	344	-
Other material and supplies, at average cost	-	-	331
Prepayments and other	-	-	1,692
	-----	-----	-----
	1	13,528	50,663
	-----	-----	-----
Property, Plant and Equipment:			
Competitive energy	-	608	12,046
Less: Accumulated depreciation	-	-	8,463
	-----	-----	-----
	-	608	3,583
	-----	-----	-----
Deferred Debits and Other Assets:			
Goodwill	-	-	17,973
Investments in subsidiary companies, at equity	-	21,237	-
Other	-	2,376	53,682
	-----	-----	-----
	-	23,613	71,655
	-----	-----	-----
Total Assets	\$ 1	\$ 37,749	\$ 125,901
	=====	=====	=====

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SELECT ENERGY SERVICES, INC. AND SUBSIDIARIES  
 Consolidating Balance Sheet (a)  
 Capitalization and Liabilities  
 December 31, 2002  
 (Thousands of Dollars)

Select Energy      Select Energy

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	Services, Inc.	Contracting, Inc.	Sup
	-----	-----	-----
<b>LIABILITIES AND CAPITALIZATION</b>			
-----			
<b>Current Liabilities:</b>			
Notes payable to affiliated companies	\$ 6,450	\$ 3,790	\$
Long-term debt - current portion	1,220	-	
Accounts payable	2,333	3,823	
Accounts payable to affiliated companies	2,548	4,439	
Accrued taxes	-	553	
Accrued interest	-	-	
Other	5,254	1,408	
	-----	-----	
	17,805	14,013	
	-----	-----	
<b>Deferred Credits and Other Liabilities:</b>			
Accumulated deferred income taxes	47	947	
Other	-	2,984	
	-----	-----	
	47	3,931	
	-----	-----	
<b>Capitalization:</b>			
Long-Term Debt	46,428	-	
	-----	-----	
<b>Common Stockholder's Equity:</b>			
Common stock	-	-	
Capital surplus, paid in	25,097	15,124	
Retained earnings/(accumulated deficit)	5,934	1,656	
	-----	-----	
Common Stockholder's Equity	31,031	16,780	
	-----	-----	
Total Capitalization	77,459	16,780	
	-----	-----	
Total Liabilities and Capitalization	\$ 95,311	\$ 34,724	\$
	=====	=====	=====

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)  
Capitalization and Liabilities  
December 31, 2002  
(Thousands of Dollars)

HEC/CJTS

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	Energy Center LLC	Eliminations	Consolidated
	-----	-----	-----
<b>LIABILITIES AND CAPITALIZATION</b>			
-----			
<b>Current Liabilities:</b>			
Notes payable to affiliated companies	\$ -	\$ 3,791	\$ 6,450
Long-term debt - current portion	-	-	2,262
Accounts payable	-	77	6,156
Accounts payable to affiliated companies	-	13,107	519
Accrued taxes	-	344	350
Accrued interest	-	-	719
Other	-	-	7,044
	-----	-----	-----
	-	17,319	23,500
	-----	-----	-----
<b>Deferred Credits and Other Liabilities:</b>			
Accumulated deferred income taxes	-	-	994
Other	-	2,984	-
	-----	-----	-----
	-	2,984	994
	-----	-----	-----
<b>Capitalization:</b>			
Long-Term Debt	-	-	70,376
	-----	-----	-----
<b>Common Stockholder's Equity:</b>			
Common stock	-	4	-
Capital surplus, paid in	12	15,139	25,097
Retained earnings/(accumulated deficit)	(11)	2,303	5,934
	-----	-----	-----
Common Stockholder's Equity	1	17,446	31,031
	-----	-----	-----
Total Capitalization	1	17,446	101,407
	-----	-----	-----
Total Liabilities and Capitalization	\$ 1	\$ 37,749	\$ 125,901
	=====	=====	=====

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SELECT ENERGY SERVICES, INC. AND SUBSIDIARIES  
 Consolidating Statement of Income (a)  
 Year Ended December 31, 2002  
 (Thousands of Dollars)

Select Energy Services, Inc.	Select Energy Contracting, Inc.	Reed Ferr Suppl Co., I
-----	-----	-----

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Operating Revenues	\$ 45,761	\$ 57,681	\$
Operating Expenses:			
Operation	42,719	54,238	
Maintenance	32	460	
Depreciation	218	1,121	
Taxes other than income taxes	459	338	
Total operating expenses	43,428	56,157	
Operating Income/(Loss)	2,333	1,524	
Interest Expense, Net	1,459	270	
Other Income/(Loss), Net			
Equity in earnings of subsidiaries	1,381	-	
Other, net	2,068	(34)	
Other income/(loss), net	3,449	(34)	
Income/(Loss) Before Income Tax Expense	4,323	1,220	
Income Tax Expense	1,320	318	
Net Income/(Loss)	\$ 3,003	\$ 902	\$

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 Income (a)  
Year Ended December 31, 2002  
(Thousands of Dollars)

	HEC/ CJTS Energy Center LLC	Eliminations	Consolidated
	-----	-----	-----
Operating Revenues	\$ -	\$ 4,870	\$ 99,408
	-----	-----	-----

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Operating Expenses:			
Operation	2	4,870	92,927
Maintenance	-	-	492
Depreciation	-	-	1,339
Taxes other than income taxes	-	-	796
	-----	-----	-----
Total operating expenses	2	4,870	95,554
	-----	-----	-----
Operating Income/(Loss)	(2)	-	3,854
	-----	-----	-----
Interest Expense, Net	-	-	3,699
	-----	-----	-----
Other Income/(Loss), Net			
Equity in earnings of subsidiaries	-	1,381	-
Other, net	-	-	4,686
	-----	-----	-----
Other income/(loss), net	-	1,381	4,686
	-----	-----	-----
Income/(Loss) Before Income Tax Expense	(2)	1,381	4,841
Income Tax Expense	-	-	1,838
	-----	-----	-----
Net Income/(Loss)	\$ (2)	\$ 1,381	\$ 3,003
	=====	=====	=====

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SELECT ENERGY SERVICES INC. AND SUBSIDIARIES  
Consolidating Statement of Retained Earnings (a)  
Year Ended December 31, 2002  
(Thousands of Dollars)

	Select Energy Services, Inc.	Select Energy Contracting, Inc.	Reeds Ferry Supply Co., Inc.
	-----	-----	-----
Balance at beginning of period	\$ 2,931	\$ 754	\$ (49)
Additions:			
Net income/(loss)	3,003	902	-
	-----	-----	-----
Balance at end of period	\$ 5,934	\$ 1,656	\$ (49)
	=====	=====	=====

SELECT ENERGY SERVICES INC. AND SUBSIDIARIES  
Consolidating Statement of Capital Surplus, Paid In (a)

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Year Ended December 31, 2002

(Thousands of Dollars)

	Select Energy Services, Inc.	Select Energy Contracting, Inc.	Reeds Ferry Supply Co., Inc.
	-----	-----	-----
Balance at beginning of period	\$ 24,900	\$ 14,910	\$ 3
Capital contribution from: Select Energy Services, Inc.	-	-	-
Investment in Acumentric Corporation	250	250	-
Allocation of benefits - ESOP	(53)	(36)	-
	-----	-----	-----
Balance at end of period	\$ 25,097	\$ 15,124	\$ 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.

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SELECT ENERGY SERVICES INC. AND SUBSIDIARIES  
Consolidating Statement of Retained Earnings (a)  
Year Ended December 31, 2002  
(Thousands of Dollars)

	HEC/ Tobyhanna Energy Project, Inc.	HEC/ CJTS Energy Center, LLC	Eliminations
	-----	-----	-----
Balance at beginning of period	\$ 226	\$ (9)	\$ 922
Additions: Net income/(loss)	481	(2)	1,381
	-----	-----	-----
Balance at end of period	\$ 707	\$ (11)	\$ 2,303
	=====	=====	=====

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SELECT ENERGY SERVICES INC. AND SUBSIDIARIES  
 Consolidating Statement of Capital Surplus, Paid In (a)  
 Year Ended December 31, 2002  
 (Thousands of Dollars)

	HEC/ Tobyhanna Energy Project, Inc.	HEC/ CJTS Energy Center, LLC	Eliminations
	-----	-----	-----
Balance at beginning of period	\$ -	\$ 10	\$ 14,923
Capital contribution from:			
Select Energy Services, Inc.	-	2	2
Investment in Acumentric Corporation	-	-	250
Allocation of benefits - ESOP	-	-	(36)
	-----	-----	-----
Balance at end of period	\$ -	\$ 12	\$ 15,139
	=====	=====	=====

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SELECT ENERGY SERVICES, INC. AND SUBSIDIARIES  
 Consolidating Statement of Cash Flows (a)  
 Year Ended December 31, 2002  
 (Thousands of Dollars)

	Select Energy Services, Inc.	Select Energy Contract Inc.
	-----	-----
Operating Activities:		
Net income/(loss)	\$ 3,003	\$
Adjustments to reconcile to net cash (used in)/ provided by operating activities:		
Depreciation	218	
Deferred income taxes and investment tax credits, net	28	
Net other uses of cash	(5,770)	
Changes in working capital:		
Receivables and unbilled revenues, net	(1,248)	

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Fuel, materials and supplies	-	
Accounts payable	286	
Accrued taxes	-	
Other working capital (excludes cash)	(8,686)	
	-----	-----
Net cash flows (used in)/provided by operating activities	(12,169)	
	-----	-----
Investing Activities:		
Competitive energy assets	(1,593)	
NU system Money Pool lending	(8,050)	
Other investment activities, net	(1,601)	
	-----	-----
Net cash flows used in investing activities	(11,244)	
	-----	-----
Financing Activities:		
Issuance of long-term debt	47,648	
Reacquisitions and retirements of long-term debt	-	
Capital contributions	250	
	-----	-----
Net cash flows provided by/(used in) financing activities	47,898	
	-----	-----
Net increase in cash for the year	24,485	
Cash - beginning of year	415	
	-----	-----
Cash - end of year	\$ 24,900	\$
	=====	=====
Supplemental Cash Flow Information:		
Cash paid/(refunded) during the year for:		
Interest, net of amounts capitalized	\$ 316	\$
	=====	=====
Income taxes	\$ 1,064	\$
	=====	=====

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, 2002  
(Thousands of Dollars)

HEC/ Tobyhanna Energy Project, Inc.	HEC/CJTS Energy Center LLC
---	-------------------------------------

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Operating Activities:		
Net income/(loss)	\$ 481	\$ (2)
Adjustments to reconcile to net cash (used in)/ provided by operating activities:		
Depreciation	-	-
Deferred income taxes and investment tax credits, net	-	-
Net other uses of cash	(1,925)	-
Changes in working capital:		
Receivables and unbilled revenues, net	375	-
Fuel, materials and supplies	-	-
Accounts payable	2,942	-
Accrued taxes	141	-
Other working capital (excludes cash)	6	-
Net cash flows (used in)/provided by operating activities	2,020	(2)
Investing Activities:		
Competitive energy assets	-	-
NU system Money Pool lending	-	-
Other investment activities, net	-	-
Net cash flows used in investing activities	-	-
Financing Activities:		
Issuance of long-term debt	-	-
Reacquisitions and retirements of long-term debt	(988)	-
Capital contributions	-	2
Net cash flows provided by/(used in) financing activities	(988)	2
Net increase in cash for the year	1,032	-
Cash - beginning of year	2,525	1
Cash - end of year	\$ 3,557	\$ 1
Supplemental Cash Flow Information:		
Cash paid/(refunded) during the year for:		
Interest, net of amounts capitalized	\$ -	\$ -
Income taxes	\$ 139	\$ -

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CHARTER OAK ENERGY, INC.  
AND SUBSIDIARIES  
Consolidating Balance Sheet (a)  
Assets  
December 31, 2002  
(Thousands of Dollars)

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	Charter Oak Energy, Inc.	COE Development Corporation (b)	COE Argentina II Corp. (b)	COE Ave F Corpor (b)
<b>ASSETS</b>				
-----				
Current Assets:				
Cash	\$ 273	\$ -	\$ -	\$ -
-----				
Property, Plant and Equipment:				
Electric utility	40	-	-	-
Less: Accumulated depreciation	40	-	-	-
	-----	-----	-----	-----
	-	-	-	-
-----				
Deferred Debits and Other Assets:				
Accumulated deferred income taxes	80	-	-	-
	-----	-----	-----	-----
Total Assets	\$ 353	\$ -	\$ -	\$ -
	=====	=====	=====	=====

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) These corporations were dissolved on October 28, 2002.

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CHARTER OAK ENERGY, INC.  
AND SUBSIDIARIES  
Consolidating Balance Sheet (a)  
Capitalization and Liabilities  
December 31, 2002  
(Thousands of Dollars)

	Charter Oak Energy, Inc.	COE Development Corporation (b)	COE Argentina II Corp. (b)	COE Ave Fe Corpora (b)
<b>LIABILITIES AND CAPITALIZATION</b>				
-----				
Current Liabilities:				
Accrued taxes	\$ 84	\$ -	\$ -	\$ -
	-----	-----	-----	-----

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Capitalization:

Common Stockholder's Equity:				
Common stock	-	-	-	-
Capital surplus, paid in	64,344	-	-	-
Accumulated deficit	(64,075)	-	-	-
	-----	-----	-----	-----
Common Stockholder's Equity	269	-	-	-
	-----	-----	-----	-----
Total Capitalization	269	-	-	-
	-----	-----	-----	-----
Total Liabilities and Capitalization	\$ 353	\$ -	\$ -	\$ -
	=====	=====	=====	=====

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) These corporations were dissolved on October 28, 2002.

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CHARTER OAK ENERGY, INC.  
AND SUBSIDIARIES  
Consolidating Statement of Income (a)  
Year Ended December 31, 2002  
(Thousands of Dollars)

	Charter Oak Energy, Inc.	COE Development Corporation (b)	COE Argentina II Corp. (b)	COE Ave Fen Corporat (b)
	-----	-----	-----	-----
Operating Revenues	\$ -	\$ -	\$ -	\$ -
	-----	-----	-----	-----
Operating Expenses:				
Other	(311)	-	-	-
	-----	-----	-----	-----
Operating Income	311	-	-	-
Other Income, Net	26	-	-	-
	-----	-----	-----	-----
Income Before Income Tax Expense	337	-	-	-
Income Tax Expense	265	-	-	-
	-----	-----	-----	-----
Net Income	\$ 72	\$ -	\$ -	\$ -
	=====	=====	=====	=====

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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) These corporations were dissolved on October 28, 2002.

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CHARTER OAK ENERGY, INC.  
AND SUBSIDIARIES  
Consolidating Statement of Retained Earnings (a)  
Year Ended December 31, 2002  
(Thousands of Dollars)

	Charter Oak Energy, Inc.	COE Development Corporation (b)	COE Argentina II Corp. (b)	COE Ave Corpo (b)
Balance at beginning of period	\$ (64,147)	\$ (14,786)	\$ (1,542)	\$ (1,542)
Additions:				
Net Income	72	-	-	-
	(64,075)	(14,786)	(1,542)	(1,542)
Deductions:				
Close out of retained earnings due to dissolving of subsidiaries	-	(14,786)	(1,542)	(1,542)
	-	(14,786)	(1,542)	(1,542)
Balance at end of period	\$ (64,075)	\$ -	\$ -	\$ -

CHARTER OAK ENERGY, INC.  
AND SUBSIDIARIES  
Consolidating Statement of Capital Surplus, Paid In (a)  
Year Ended December 31, 2002  
(Thousands of Dollars)

	Charter Oak	COE Development Corporation	COE Argentina II Corp.	COE Ave Corpo
--	-------------	-----------------------------------	------------------------------	---------------------

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	Energy, Inc.	(b)	(b)	(b)
Balance at beginning of period	\$ 75,944	\$ 15,873	\$ 1,571	\$
Dividends declared on common shares:				
\$116,000.00 per share	(11,600)	-	-	
\$119,500.00 per share	-	-	-	
Close out of capital surplus, paid in due to dissolving of subsidiaries	-	(15,873)	(1,571)	
Balance at end of period	\$ 64,344	\$ -	\$ -	\$

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) These corporations were dissolved on October 28, 2002.

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CHARTER OAK ENERGY, INC. AND SUBSIDIARIES  
Consolidating Statement of Cash Flows (a)  
Year Ended December 31, 2002  
(Thousands of Dollars)

	Charter Oak Energy, Inc.	Charter Oak Development Corporation (b)	Arg
Operating Activities:			
Net income	\$ 72	\$ -	\$
Adjustments to reconcile to net cash (used in)/provided by operating activities:			
Net other uses of cash	-	(1,087)	
Changes in working capital:			
Receivables and unbilled revenues, net	-	1,383	
Fuel, materials and supplies	-	-	
Accounts payable	(1,476)	-	
Accrued taxes	(2)	(333)	
Other working capital (excludes cash)	-	-	
Net cash flows (used in)/provided by operating activities	(1,406)	(37)	
Investing Activities:			

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Other investment activities, net	13,118	-	
Net cash flows provided by investing activities	13,118	-	
Financing Activities:			
Cash dividends on common shares	(11,600)	-	
Net cash flows used in financing activities	(11,600)	-	
Net increase/(decrease) in cash for the year	112	(37)	
Cash - beginning of year	161	37	
Cash - end of year	\$ 273	\$ -	\$
Supplemental Cash Flow Information:			
Cash paid/(refunded) during the year for:			
Interest, net of amounts capitalized	\$ -	\$ -	\$
Income taxes	\$ 267	\$ 60	\$

CHARTER OAK ENERGY, INC. AND SUBSIDIARIES  
Consolidating Statement of Cash Flows (a)  
Year Ended December 31, 2002  
(Thousands of Dollars)

	Eliminations	Consolidated
	-----	-----
Operating Activities:		
Net income	\$ -	\$ 72
Adjustments to reconcile to net cash (used in)/ provided by operating activities:		
Net other uses of cash	(13,118)	-
Changes in working capital:		
Receivables and unbilled revenues, net	1,383	23,825
Fuel, materials and supplies	-	-
Accounts payable	(1,383)	(12,006)
Accrued taxes	(38)	(297)
Other working capital (excludes cash)	38	-
Net cash flows (used in)/provided by operating activities	(13,118)	11,594
Investing Activities:		
Other investment activities, net	13,118	-
Net cash flows provided by investing activities	13,118	-

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Financing Activities:		
Cash dividends on common shares	-	(11,600)
	-----	-----
Net cash flows used in financing activities	-	(11,600)
	-----	-----
Net increase/(decrease) in cash for the year	-	(6)
Cash - beginning of year	-	279
	-----	-----
Cash - end of year	\$ -	\$ 273
	=====	=====
Supplemental Cash Flow Information:		
Cash paid/(refunded) during the year for:		
Interest, net of amounts capitalized	\$ -	\$ -
	=====	=====
Income taxes	\$ -	\$ 320
	=====	=====

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) These corporations were dissolved on October 28, 2002.

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NOTES TO FINANCIAL STATEMENTS

- NU Reference is made to "Notes to Consolidated Financial Statements" contained on pages 41 through 61 in NU's 2002 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 15 through 24 in CL&P's 2002 Annual Report, which information is incorporated herein by reference.
- PSNH Reference is made to "Notes to Consolidated Financial Statements" contained on pages 15 through 23 in PSNH's 2002 Annual Report, which information is incorporated herein by reference.
- WMECO Reference is made to "Notes to Consolidated Financial Statements" contained on pages 13 through 21 in WMECO's 2002 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	2002 Annual Report on Form 10-K for NU. (File No. 1-5324)
A.2	2002 Annual Report on Form 10-K for CL&P. (File No. 0-11419)
A.3	2002 Annual Report on Form 10-K for PSNH. (File No. 1-6392)
A.4	2002 Annual Report on Form 10-K for WMECO. (File No. 0-7624)
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

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January 1, 1997. (Exhibit 3.2.3,  
1996 NU Form 10-K, File No. 1-5324)

- 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)
- E-1
- 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.

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- 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)
- 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)
  - E-2
  - 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

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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)
- B.10                 The Connecticut Steam Company
- B.10.1               Certificate of Incorporation of The Connecticut Steam Company dated May 13, 1965, including Special
- E-3
- 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.10.4                By-Laws of the Connecticut Steam Company, as amended to June 26, 1998.
- 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)

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- 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)
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- B.13.3 Certificate of Amendment to Certificate of Incorporation of Northeast Utilities Service 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

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- 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.15.3 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)
- E-5
- 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
- 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)

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- 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 July 9, 1999. (Exhibit B.17.3, 1999 NU Form U5S, File No. 30-246)
  
- B.18           HEC/Tobyhanna Energy Project, Inc.
  - B.18.1           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.18.2           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.19           Reeds Ferry Supply Co., Inc.
  - B.19.1           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.19.2           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.20           North Atlantic Energy Service Corporation
  - B.20.1           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.20.2           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.20.3           By-Laws of North Atlantic Energy Service Corporation, as amended to June 1, 2000. (Exhibit B.21.3, 2000 NU Form U5S, File No. 30-246)
  
- B.21           Connecticut Yankee Atomic Power Company

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- B.21.1 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.21.2 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.21.3 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.21.4 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.22 Properties, Inc.
  - B.22.1 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.22.2 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.23 Charter Oak Energy, Inc.
  - B.23.1 Certificate of Incorporation of Charter Oak Energy, Inc., dated September 28, 1988. (Exhibit B.16, 1989 NU Form U5S, File No. 30-246)
  - B.23.2 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.23.3 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.23.4 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)

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- B.23.5 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)
  
- B.24 New England Hydro-Transmission Corporation
  - B.24.1 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.24.2 By-Laws of New England Hydro-Transmission Corporation dated March 17, 1998. (Exhibit B. 16.b, 1998 NEES U5S, File No. 30-33)
  
- B.25 New England Hydro-Transmission Electric Company
  - B.25.1 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.25.2 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.26 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.27 ERI/HEC EFA-Med, LLC
  - B.27.1 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.27.2 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.28 Mode 1 Communications, Inc.
  - B.28.1 Certificate of Incorporation of Mode 1 Communications, Inc. dated March

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26, 1996. (Exhibit B.34.1, 1996 NU Form U5S, File No. 30-246)

B.28.2 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)

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B.28.3 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.28.4 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.29 Select Energy, Inc.

B.29.1 Certificate of Incorporation of Select Energy, Inc. dated September 26, 1996. (Exhibit B.40.1, 1996 NU Form U5S, File No. 30-246)

B.29.2 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.29.3 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.29.4 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.29.5 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.30 Northeast Generation Company

B.30.1 Certificate of Incorporation of Northeast Generation Company, dated December 28, 1998. (Exhibit B.34.1, 1999 NU Form U5S, File No. 30-246)

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- B.30.2 By-Laws of Northeast Generation Company, dated January 4, 1999. (Exhibit B.34.2, 1999 NU Form U5S, File No. 30-246)
- B.30.3 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.31 Northeast Generation Services Company
  - B.31.1 Certificate of Incorporation of Northeast Generation Services Company, dated December 28, 1998. (Exhibit B.35.1, 1999 NU Form U5S, File No. 30-246)
  - E-9
  - B.31.2 By-Laws of Northeast Generation Service Company, dated January 4, 1999. (Exhibit B.35.2, 1999 NU Form U5S, File No. 30-246)
  - B.31.3 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.32 CL&P Receivables Corporation
  - B.32.1 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.32.2 Bylaws of CL&P Receivables Corporation, dated September 12, 1997. (Exhibit B.41.2, 1997 NU Form U5S, File No. 30-246)
- B.33 Yankee Energy System, Inc.
  - B.33.1 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.33.2 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.33.2.1 Agreement and Plan of Merger between Yankee Energy System, Inc. and Northeast Utilities,

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dated as of June 14,  
1999. (Exhibit 1, NU  
Form 8-K dated June 14,  
1999, File No. 1-5324)

- B.33.3 By-Laws of Yankee Energy System, Inc., as amended to March 1, 2000. (Exhibit B.38.3, 2000 NU Form U5S, File No. 30-246)
- B.34 NorConn Properties, Inc.
- B.34.1 Certificate of Incorporation of NorConn Properties, Inc., dated May 10, 1988. (Exhibit B.39.1, 2000 NU Form U5S, File No. 30-246)
- B.34.2 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)
- E-10
- B.35 R. M. Services, Inc.
- B.35.1 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.35.2 Certificate of Amendment of Certificate of Incorporation of R. M. Services, Inc., dated June 28, 2001. (Exhibit B.40.2, 2001 NU Form U5S, File No. 30-246).
- B.35.3 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.36 Yankee Energy Financial Services Company
- B.36.1 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.36.2 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.37 Yankee Energy Services Company
- B.37.1 Certificate of Incorporation of Yankee Energy Services Company,

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dated June 30, 1993. (Exhibit B.42.1, 2000 NU Form U5S, File No. 30-246)

B.37.2 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.37.3 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.38 Yankee Gas Services Company

B.38.1 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 Form U5S, File No. 30-246)

B.38.2 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.38.3 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.38.4 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.39 Housatonic Corporation

B.39.1 Certificate of Incorporation of Housatonic Corporation, dated October 16, 1987. (Exhibit B.44.1, 2000 NU Form U5S, File No. 30-246)

B.39.2 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.39.3 By-Laws of Housatonic Corporation, as in effect on March 1, 2000.

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(Exhibit B.44.3, 2000 NU Form U5S,  
File No. 30-246)

- B.40 E. S. Boulos Company
- B.40.1 Certificate of Incorporation of E. S. Boulos Company, F/K/A NGS Acquisition Sub, Inc., dated January 10, 2001. (Exhibit B.46.1, 2001 NU Form U5S, File No. 30-246)
- B.40.2 Certificate of Amendment of Incorporation of E. S. Boulos Company dated January 22, 2001. (Exhibit B.46.2, 2001 NU Form U5S, File No. 30-246)
- B.40.3 By-Laws of E. S. Boulos Company, as amended to January 22, 2001. (Exhibit B.46.3, 2001 NU Form U5S, File No. 30-246)
- B.41 NGS Mechanical, Inc.
- B.41.1 Certificate of Incorporation of NGS Mechanical, Inc., dated January 24, 2001. (Exhibit B.47.1, 2001 NU Form U5S, File No. 30-246)
- B.41.2 By-Laws of NGS Mechanical, Inc. dated as of January 25, 2001. (Exhibit B.47.2, 2001 NU Form U5S, File No. 30-246)
- E-12
- B.42 Select Energy New York, Inc.
- B.42.1 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. (Exhibit B.48.1, 2001 NU Form U5S, File No. 30-246)
- B.42.2 Certificate of Amendment of Incorporation of Select Energy New York, Inc., dated August 21, 1998. (Exhibit B.48.2, 2001 NU Form U5S, File No. 30-246)
- B.42.3 Certificate of Amendment of Incorporation of Select Energy New York, Inc., dated November 21, 2001. (Exhibit B.48.3, 2001 NU Form U5S, File No. 30-246)

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- B.42.4 By-Laws of Select Energy New York, Inc., as in effect on November 30, 2001. (Exhibit B.48.4, 2001 NU Form U5S, File No. 30-246)
- B.43 CL&P Funding LLC
- B.43.1 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.43.2 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.44 PSNH Funding LLC
- B.44.1 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.44.2 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.45 PSNH Funding LLC 2
- B.45.1 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)
- E-13
- B.45.2 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.46 WMECO Funding LLC
- B.46.1 Certificate of Formation of WMECO Funding LLC dated March 28, 2001. (Exhibit 3.1, WMECO Funding LLC Form

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S-3, dated April 18, 2001, File No. 333-59118)

- B.46.2 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)
  
- B.47 Woods Electrical Co., Inc.
  - \* B.47.1 Certificate of Incorporation of Woods Electrical Co., Inc., F/K/A NGS Acquisition, Inc., dated July 18, 2002.
  - \* B.47.2 Certificate of Amendment of Incorporation of Woods Electrical Co., Inc., dated August 1, 2002.
  - \* B.47.3 By-Laws of Woods Electrical Co., Inc., as amended to August 9, 2002.
  
- B.48 Woods Network Services, Inc.
  - \* B.48.1 Certificate of Incorporation of Woods Network Services, Inc., F/K/A NGS Telecommunications, Inc. dated July 18, 2002.
  - \* B.48.2 Certificate of Amendment of Incorporation of Woods Network Services, Inc., dated August 1, 2002.
  - \* B.48.3 By-Laws of Woods Network Services, Inc., as amended to August 9, 2002.

### 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)

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- C.1.2 First Supplemental Indenture, dated as of December 1, 1991, between Northeast Utilities and IBJ Schroder Bank & Trust Company, with respect

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- 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 8.38% Amortizing  
Notes. (Exhibit 4.1.3, 1992 NU Form  
10-K, File No. 1-5324)
- C.1.4 Revolving Credit Agreement among NU  
and the Banks named therein, dated  
November 12, 2002 (Exhibit B-3 to  
35-CERT filed November 21, 2002,  
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 9, 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  
relating to the \$263M of Senior  
Notes, Series A, due 2012. (Exhibit  
A-4 to 35 CERT filed April 9, 2002,  
File No. 70-9535)
- C.1.7 Revolving Credit Agreement among NU  
and the Banks named therein, dated  
November 12, 2002. (Exhibit B-3 to  
NU 35-CERT filed November 21, 2002,  
File No. 70-9755)
- C.2 The Connecticut Light and Power Company
- 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)
- C.2.2 Supplemental Indenture to the  
Composite May 1, 1921 Indenture of  
Mortgage and Deed of Trust between  
CL&P and Bankers Trust Company,  
dated as of June 1, 1994. (Exhibit  
4.2.15, 1994 NU Form 10-K, File No.  
1-5324)
- C.2.3 Supplemental Indenture to the  
Composite May 1, 1921 Indenture of  
Mortgage and Deed of Trust between  
CL&P and Bankers Trust Company,  
dated as of October 1, 1994.  
(Exhibit 4.2.16, 1994 NU Form

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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

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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)

- C.2.9.1 Amended and Restated Indenture of Trust between Connecticut Development Authority and the Trustee (CL&P Pollution Control Revenue Bond-1996A Series), dated as of May 1, 1996, and

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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)

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C.2.9.4 Amendment No. 2 to the  
Standby Bond Purchase  
Agreement dated as of  
September 9, 2002,  
among CL&P, The Bank of  
New York, and the  
Participating Banks  
referred to therein.  
(Exhibit 4.2.7.4, 2002  
NU Form 10-Q for the  
Quarter Ended September  
30, 2002, File No.  
1-5324)

C.2.10 Revolving Credit Agreement among  
WMECO, CL&P, PSNH and Yankee and the  
Banks named therein, dated November  
12, 2002 (Exhibit B-4 to 35 CERT  
filed November 21, 2002, 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.2.11.1 Amendment No. 2 to the

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Purchase and Sale Agreement dated as of July 10, 2002 (CL&P and CL&P Receivables Corporation (CRC)). (Exhibit 4.2.8.1, 2002 NU Form 10-K, File No. 1-5324)

C.2.12 Purchase and Contribution Agreement (CL&P and CRC), dated as of September 30, 1997 (Exhibit 10.49.1, 1997 NU Form 10-K, File No. 1-5324)

C.2.12.1 Amendment No. 2 to the Purchase and Contribution Agreement between CL&P and CRC dated as of March 30, 2001. (Exhibit 4.2.9.1, 2002 NU Form 10-K, 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 PCRB Loan and Trust

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- 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  
12, 2002 (Exhibit B-4 to 35 CERT  
filed November 21, 2002, 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  
12, 2002 (Exhibit B-4 to 35 CERT  
filed November 21, 2002, File No.  
70-9755)

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- C.5 Northeast Generation Company
- C.5.1 Indenture Mortgage, dated as of October 18, 2001 between NGC and The Bank of New York, as trustee (Exhibit 4.1 to NGC Registration Statement on Form S-4 dated December 6, 2001, File No. 333-74636)
- C.5.1.1 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.6 The Rocky River Realty Company
- C.6.1 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.6.2 Amendment to Note Agreement, dated September 26, 1997. (Exhibit 10.3.1, 1997 NU Form 10-K, File No. 1-5324)
- C.6.3 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.6.4 Extension of Note Guaranty, dated September 26, 1997. (Exhibit 10.31.2.1, 1997 NU Form 10-K, File No. 1-5324)
- C.6.5 Assignment of Leases, Rents and Profits, Security Agreement and Negative Pledge, dated as of April 14, 1992, among RRR, NUSCO and The

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Connecticut National Bank as Trustee, securing notes sold by RRR pursuant to April 14, 1992, Note Agreement. (Exhibit 10.52.2, 1992 NU Form 10-K, File No. 1-5324)

C.6.6 Modification of and Confirmation of Assignment of Leases, Rents and Profits, Security Agreement and Negative Pledge, dated as of September 26, 1997.

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(Exhibit 10.31.3.1, 1997 NU Form 10-K, File No. 1-5324)

C.6.7 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)

C.6.8 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.7 CL&P Receivables Corporation

C.7.1 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.7.1.1 Amendment No. 2 to the Purchase and Sale Agreement dated as of July 10, 2002 (CL&P and CL&P Receivables Corporation (CRC)). (Exhibit 4.2.8.1, 2002 NU Form 10-K, File No. 1-5324)

C.7.2 Purchase and Contribution Agreement (CL&P and CL&P Receivables Corporation), dated as of September 30, 1997 (Exhibit 10.49.1, 1997 NU Form 10-K, File No. 1-5324)

C.7.2.1 Amendment No. 2 to the Purchase and Contribution Agreement between CL&P and CRC dated as of March 30,

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2001. (Exhibit 4.2.9.1,  
2002 NU Form 10-K, File  
No. 1-5324)

- C.8 HEC/Tobyhanna Energy Project, Inc.
- C.8.1 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.9 Yankee Gas Services Company
- C.9.1 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)
- E-20
- C.9.2 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.9.3 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.9.4 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.9.5 Fourth Supplemental Indenture, dated  
as of April 1, 1997, to Mortgage  
(Exhibit No. 15, 1997 Yankee Energy  
Form 10-K, File No. 0-10721)
- C.9.6 Fifth Supplemental Indenture, dated  
as of January 1, 1999, to Mortgage  
(Exhibit C.13.6, 2000 NU Form U5S,  
File No. 1-5324)
- C.9.7 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)

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- C.9.7.1 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.9.8 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.9.9 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.9.10 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)
- C.9.11 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)
- E-21
- C.9.12 Revolving Credit Agreement among WMECO, CL&P, PSNH and Yankee and the Banks named therein, dated November 12, 2002 (Exhibit B-4 to 35 CERT filed November 21, 2002, File No. 70-9755)
- C.10 NorConn Properties, Inc.
- C.10.1 Term Loan Agreement between NorConn Properties, Inc. and Fleet National Bank of Connecticut dated as of February 1, 1996. (Exhibit C.13.1, 2001 NU Form U5S, File No. 30-246)
- C.(b) AGREEMENTS RELATING TO ACQUISITION OF SECURITIES AND UTILITY ASSETS
- \* C.1 Purchase and Sale Agreement by and between PSNH and Central Vermont Public Service Corporation (CVPS)/Connecticut Valley Electric Company (CVEC), dated as of January 31, 2003.

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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. (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.)

H. EWG Financial Statements

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ITEM 10. EXHIBIT H

NORTHEAST GENERATION COMPANY

BALANCE SHEETS

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At December 31,

2002

(Tho

ASSETS

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Current Assets:

Cash and cash equivalents.....	\$	18,24
Accounts receivable.....		1,44
Accounts receivable from affiliated companies.....		12,12
Taxes receivable.....		1,58
Notes receivable from affiliated companies.....		10,00
Materials and supplies, at average cost.....		2,16
Prepayments and other.....		78

-----  
46,34  
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Other.....	48
	-----
	38,72
	-----
Deferred Credits and Other Liabilities:	
Accumulated deferred income taxes.....	21,00
	-----
Capitalization:	
Long-Term Debt.....	389,00
	-----
Common Stockholder's Equity:	
Common stock, \$1 par value - authorized	
20,000 shares; 6 shares outstanding	
in 2002 and 2001.....	408,09
Capital surplus, paid in.....	32,25
Retained earnings.....	(1,67
Accumulated other comprehensive loss.....	-----
Common Stockholder's Equity.....	438,68
	-----
Total Capitalization.....	827,68
	-----
Commitments and Contingencies (Note 4)	
Total Liabilities and Capitalization.....	\$ 887,41
	=====

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

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ITEM 10. EXHIBIT H  
NORTHEAST GENERATION COMPANY  
STATEMENTS OF INCOME

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For the Years Ended December 31,

2002

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Operating Revenues.....	\$ 131,89
<hr/>	
Operating Expenses:	
Operation -	
Operation and maintenance.....	25,12
Depreciation and amortization.....	14,09
Taxes other than income taxes.....	9,82
<hr/>	
Total operating expenses.....	49,04
<hr/>	
Operating Income.....	82,85
Interest Expense:	
Interest on long-term debt.....	33,20
Other interest.....	1
<hr/>	
Interest expense, net.....	33,21
<hr/>	
Other Income, Net.....	77
<hr/>	
Income Before Income Tax Expense.....	50,41
Income Tax Expense.....	20,00
<hr/>	
Net Income.....	\$ 30,40
<hr/>	
STATEMENTS OF COMPREHENSIVE INCOME	
Net Income.....	\$ 30,40
<hr/>	
Other comprehensive income/(loss), net of tax:	
Qualified cash flow hedging instruments.....	26
<hr/>	
Comprehensive Income.....	\$ 30,67
<hr/>	

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

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ITEM 10. EXHIBIT H

NORTHEAST GENERATION COMPANY

STATEMENTS OF STOCKHOLDER'S EQUITY

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	Common Stock	Capital Surplus, Paid In	Retained Earnings
(Thousands of Dollars)			
Balance at January 1, 2001.....	\$ -	\$ 24,375	\$ 23,260
Plant acquisition adjustment (Note 1D)		405,060	
Net income for 2001.....			42,257
Cash dividends on common stock.....			(53,664)
Repurchase of common stock.....		(21,336)	
Other comprehensive loss.....			
Balance at December 31, 2001.....	-	408,099	11,853
Net income for 2002.....			30,406
Cash dividends on common stock.....			(10,000)
Allocation of benefits - ESOP.....		(1)	
Other comprehensive income.....			
Balance at December 31, 2002.....	\$ -	\$ 408,098	\$ 32,259

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

For the Years Ended December 31,	2002
(Thousands of Dollars)	
Operating Activities:	
Net income.....	\$ 30,406
Adjustments to reconcile to net cash flows provided by operating activities:	
Depreciation and amortization.....	14,099
Deferred income taxes.....	19,030
Net other sources/(uses) of cash.....	66

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Changes in working capital:	
Accounts receivable.....	(2,92)
Material and supplies.....	(37)
Accounts payable.....	22
Accrued taxes.....	9
Other working capital (excludes cash).....	1,89
	-----
Net cash flows provided by operating activities.....	63,10
	-----
Investing Activities:	
Investments in competitive energy plant.....	(16,35)
NU system Money Pool lending.....	(10)
Investment in special deposits.....	(50)
	-----
Net cash flows used in investing activities.....	(16,95)
	-----
Financing Activities:	
Repurchase of common stock.....	
Issuance of long-term debt.....	
Retirement of long-term debt.....	(24,00)
Decrease in short-term debt.....	
Cash dividends on common stock.....	(10,00)
	-----
Net cash flows used in financing activities.....	(34,00)
	-----
Net increase/(decrease) in cash and cash equivalents.....	12,15
Cash and cash equivalents - beginning of year.....	6,09
	-----
Cash and cash equivalents - end of year.....	\$ 18,24
	=====
Supplemental Cash Flow Information:	
Cash paid/(refunded) during the year for:	
Interest, net of amounts capitalized.....	\$ 36,14
	=====
Income taxes.....	\$ (1,43)
	=====

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