

Form U -13 - 60
Mutual and Subsidiary Service Companies

ANNUAL REPORT

FOR THE PERIOD

Beginning January 1, 2000 and Ending December 31, 2000

TO THE

U. S. SECURITIES AND EXCHANGE COMMISSION

OF

NORTHEAST NUCLEAR ENERGY COMPANY

A Subsidiary Service Company

Date of Incorporation - November 14, 1950

State of Sovereign Power under which Incorporated or
Organized - Connecticut

Location of Principal Executive Offices of Reporting
Company - Selden Street, Berlin, CT 06037

Name, title, and address of officer to whom correspondence
concerning this report should be addressed:

John J. Roman, Vice President and Controller,
P.O. Box 270, Hartford, CT 06141-0270

Name of Principal Holding Company Whose Subsidiaries
are served by Reporting Company

NORTHEAST UTILITIES

INSTRUCTIONS FOR USE ON FORM U-13-60

1. TIME OF FILING

Rule 94 provides that on or before the first day of May in each calendar year, each mutual service company and each subsidiary service company as to which the Commission shall have made a favorable finding pursuant to Rule 88, and every service company whose application for approval or declaration pursuant to Rule 88 is pending shall file with the Commission an annual report on Form U-13-60 and in accordance with the instructions for that form.

2. NUMBER OF COPIES

Each annual report shall be filed in duplicate. The company should prepare and retain at least one extra copy for itself in case correspondence with reference to the report becomes necessary.

3. PERIOD COVERED BY REPORT

The first report filed by any company shall cover the period from the date the Uniform System of Accounts was required to be made effective as to that company under Rules 82 and 93 to the end of that calendar year. Subsequent reports should cover a calendar year.

4. REPORT FORMAT

Reports shall be submitted on the forms prepared by the Commission. If the space provided on any sheet of such form is inadequate, additional sheets may be inserted of the same size as a sheet of the form or folded to such size.

5. MONEY AMOUNTS DISPLAYED

All money amounts required to be shown in financial statements may be expressed in whole dollars, in thousands of dollars or in hundred thousands of dollars, as appropriate, and subject to provisions of Regulation S-X (§210.3-0.1(b)).

6. DEFICITS DISPLAYED

Deficits and other like entries shall be indicated by the use of either brackets or a parenthesis with corresponding reference in footnotes. (Regulation S-X, (§210.3-0.1(c))).

7. MAJOR AMENDMENTS OR CORRECTIONS

Any company desiring to amend or correct a major omission or error in a report after it has been filed with the Commission shall submit an amended report including only those pages, schedules, and entries that are to be amended or corrected. A cover letter shall be submitted requesting the Commission to incorporate the amended report changes and shall be signed by a duly authorized officer of the company.

8. DEFINITIONS

Definitions contained in Instruction 01-8 to the Uniform System of Accounts for Mutual Service Companies and Subsidiary Service Companies, Public Utility Holding Company Act of 1935, as amended February 2, 1979 shall be applicable to words or terms used specifically within this Form U-13-60.

9. ORGANIZATION CHART

The service company shall submit with each annual report a copy of its current organization chart.

10. METHODS OF ALLOCATION

The service company shall submit with each annual report a listing of the currently effective methods of allocation being used by the service company and on file with the Securities and Exchange Commission pursuant to the Public Utility Holding Company Act of 1935.

11. ANNUAL STATEMENT OF COMPENSATION FOR USE OF CAPITAL BILLED

The service company shall submit with each annual report a copy of the annual statement supplied to each associate company in support of the amount of compensation for use in capital billed during the calendar year.

LISTING OF SCHEDULES AND ANALYSIS OF ACCOUNTS

Description of Schedules and Accounts	Schedule or Acct. No.	Page No.
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ANNUAL REPORT OF NORTHEAST NUCLEAR ENERGY COMPANY

SCHEDULE I - COMPARATIVE BALANCE SHEET

Give balance sheet of the Company as of December 31 of the current and prior year.

ACCOUNT	ASSETS AND OTHER DEBITS	AS OF DECEMBER 31	
		2000	1999
		(Thousands of Dollars)	
	SERVICE COMPANY PROPERTY		
101	Service company property (Schedule II)	\$ 37,138	\$ 37,555
107	Construction work in progress (Schedule II)	416	555
	Total Property	37,554	38,110
108	Less accumulated provision for depreciation and amortization of service company property (Schedule III)	15,771	15,182
	Net Service Company Property	21,783	22,928
	INVESTMENTS		
123	Investments in associate companies (Schedule IV)	-	-
124	Other investments (Schedule IV)	-	-
	Total Investments	-	-
	CURRENT AND ACCRUED ASSETS		
131	Cash	-	-
134	Special deposits	-	-
135	Working funds	-	-
136	Temporary cash investments (Schedule IV)	-	-
141	Notes receivable	-	1
143	Accounts receivable	4,517	5,028
144	Accumulated provision of uncollectible accounts	-	-
146	Accounts receivable from associate companies (Schedule V)	49,194	74,176
152	Fuel stock expenses undistributed (Schedule VI)	-	-
154	Materials and supplies	71,312	73,805
163	Stores expense undistributed (Schedule VII)	46	(6)
165	Prepayments	1,188	1,983
174	Miscellaneous current and accrued assets (Schedule VIII)	-	-
	Total Current and Accrued Assets	126,257	154,987
	DEFERRED DEBITS		
181	Unamortized debt expense	-	27
184	Clearing accounts	8	160
186	Miscellaneous deferred debits (Schedule IX)	33,715	23,212
188	Research, development, or demonstration expenditures (Schedule X)	-	-
189	Unamortized loss on reacquired debt	-	-
190	Accumulated deferred income taxes	42,252	37,941
	Total Deferred Debits	75,975	61,340
	TOTAL ASSETS AND OTHER DEBITS	\$ 224,015	\$ 239,255

ANNUAL REPORT OF NORTHEAST NUCLEAR ENERGY COMPANY

SCHEDULE I - COMPARATIVE BALANCE SHEET

Give balance sheet of the Company as of December 31 of the current and prior year.

ACCOUNT	LIABILITIES AND PROPRIETARY CAPITAL	AS OF DECEMBER 31	
		2000	1999
		(Thousands of Dollars)	
	PROPRIETARY CAPITAL		
201	Common stock issued (Schedule XI)	\$ 15	\$ 15
211	Miscellaneous paid-in-capital (Schedule XI)	15,229	15,229
215	Appropriated retained earnings (Schedule XI)	-	-
216	Unappropriated retained earnings (Schedule XI)	439	675
	Total Proprietary Capital	15,683	15,919
	LONG-TERM DEBT		
223	Advances from associate companies (Schedule XII)	-	-
224	Other long-term debt (Schedule XII)	-	6,011
225	Unamortized premium on long-term debt	-	-
226	Unamortized discount on long-term debt-debit	-	-
	Total Long-Term Debt	-	6,011
	CURRENT AND ACCRUED LIABILITIES		
231	Notes payable	-	-
232	Accounts payable	36,303	51,716
233	Notes payable to associate companies (Schedule XIII)	-	5,500
234	Accounts payable to associate companies (Schedule XIII)	16,281	12,801
236	Taxes accrued	(363)	10,442
237	Interest accrued	-	-
238	Dividends declared	-	-
241	Tax collections payable	294	(5)
242	Miscellaneous current and accrued liabilities (Schedule XIII)	130,474	110,536
	Total Current and Accrued Liabilities	182,989	190,990
	DEFERRED CREDITS		
253	Other deferred credits	24,364	25,290
255	Accumulated deferred investment tax credits	979	1,045
	Total Deferred Credits	25,343	26,335
282	ACCUMULATED DEFERRED INCOME TAXES	-	-
	TOTAL LIABILITIES AND PROPRIETARY CAPITAL	\$ 224,015	\$ 239,255
		=====	=====

ANNUAL REPORT OF NORTHEAST NUCLEAR ENERGY COMPANY

For the Year Ended December 31, 2000

SCHEDULE II - SERVICE COMPANY PROPERTY

DESCRIPTION	BALANCE AT BEGINNING OF YEAR	ADDITIONS	RETIREMENTS OR SALES	OTHER CHANGES (1)	BALANCE AT CLOSE OF YEAR
(Thousands of Dollars)					
SERVICE COMPANY PROPERTY					

Account					

301 ORGANIZATION					
303 MISCELLANEOUS INTANGIBLE PLANT					
304 LAND AND LAND RIGHTS					
305 STRUCTURES AND IMPROVEMENTS					
306 LEASEHOLD IMPROVEMENTS					
307 EQUIPMENT (2)					
308 OFFICE FURNITURE AND EQUIPMENT					
309 AUTOMOBILES, OTHER VEHICLES AND RELATED GARAGE EQUIPMENT					
310 AIRCRAFT AND AIRPORT EQUIPMENT					
311 OTHER SERVICE COMPANY PROPERTY (3)					
321 STRUCTURES AND IMPROVEMENTS	\$33,325	\$16	\$45		\$33,296
322 REACTOR PLANT EQUIPMENT					
324 ACCESSORY ELECTRIC EQUIPMENT	27				27
325 MISCELLANEOUS POWER PLANT EQUIPMENT	2,935	(174)	(203)		2,964
391 OFFICE FURNITURE AND EQUIPMENT	1,268		417		851
SUB-TOTAL	37,555	(158)	259	0	37,138

107 CONSTRUCTION WORK IN PROGRESS (4)	555	(139)			416
TOTAL	\$38,110	(\$297)	\$259	\$0	\$37,554
=====					

(1) PROVIDE AN EXPLANATION OF THOSE CHANGES CONSIDERED MATERIAL:

NONE

SCHEDULE II - CONTINUED

- (2) SUBACCOUNTS ARE REQUIRED FOR EACH CLASS OF EQUIPMENT OWNED. THE SERVICE COMPANY SHALL PROVIDE A LISTING BY SUBACCOUNT OF EQUIPMENT ADDITIONS DURING THE YEAR AND THE BALANCE AT THE CLOSE OF THE YEAR:

SUBACCOUNT DESCRIPTION	ADDITIONS	BALANCE AT CLOSE OF YEAR
(Thousands of Dollars)		

NONE

- (3) DESCRIBE OTHER SERVICE COMPANY PROPERTY:

- (4) DESCRIBE CONSTRUCTION WORK IN PROGRESS:

This account includes simulator upgrade, tools and general plant items.

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For the Year Ended December 31, 2000

SCHEDULE III

ACCUMULATED PROVISION FOR DEPRECIATION AND
AMORTIZATION OF SERVICE COMPANY PROPERTY

Account	DESCRIPTION	BALANCE AT	ADDITIONS	OTHER		BALANCE
		BEGINNING	CHARGED	CHANGES	AT CLOSE	
		OF YEAR	TO	ADD	OF YEAR	
			ACCT 403	RETIREMENTS	(DEDUCT) 1/	
(Thousands of Dollars) :						
301	ORGANIZATION					
303	MISCELLANEOUS INTANGIBLE PLANT					
304	LAND AND LAND RIGHTS					
305	STRUCTURES AND IMPROVEMENTS					
306	LEASEHOLD IMPROVEMENTS					
307	EQUIPMENT					
308	OFFICE FURNITURE AND FIXTURES					
309	AUTOMOBILES, OTHER VEHICLES AND RELATED GARAGE EQUIPMENT					
310	AIRCRAFT AND AIRPORT EQUIPMENT					
311	OTHER SERVICE COMPANY PROPERTY					
321	STRUCTURES AND IMPROVEMENTS	\$11,978	\$885	\$0	\$0	
322	REACTOR PLANT EQUIPMENT	0	0	0	0	
324	ACCESSORY ELECTRIC EQUIPMENT	14	0	0	14	
325	MISCELLANEOUS POWER PLANT EQUIPMENT	2,378	207	0	(530)	
391	OFFICE FURNITURE AND FIXTURES	812	27	0	0	
TOTAL		\$15,182	\$1,119	\$0	(\$530)	
					\$15,771	

1/ PROVIDE AN EXPLANATION OF THOSE CHANGES CONSIDERED MATERIAL:

Depreciation charged to clearing account	\$10
Removal costs charged to reserve	(540)

	(\$530)
	=====

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For the Year Ended December 31, 2000

SCHEDULE IV - INVESTMENTS

INSTRUCTIONS: Complete the following schedule concerning investments.

Under Account 124, "Other Investments," state each investment separately, with description, including the name of issuing company, number of shares or principal amount, etc.

Under Account 136, "Temporary Cash Investments," list each investment separately.

DESCRIPTION	BALANCE AT BEGINNING OF YEAR	BALANCE AT CLOSE OF YEAR
ACCOUNT 123 - INVESTMENT IN ASSOCIATE COMPANIES		
	NONE	
ACCOUNT 124 - OTHER INVESTMENTS		
	NONE	
ACCOUNT 136 - TEMPORARY CASH INVESTMENTS		
	NONE	
TOTAL	\$-	\$-

ANNUAL REPORT OF NORTHEAST NUCLEAR ENERGY COMPANY

For the Year Ended December 31, 2000

SCHEDULE V - ACCOUNTS RECEIVABLE FROM ASSOCIATE COMPANIES

INSTRUCTIONS: Complete the following schedule listing accounts receivable from each associate company. Where the service company has provided accommodation or convenience payments for associate companies, a separate listing of total payments for each associate company by subaccount should be provided.

DESCRIPTION	BALANCE AT BEGINNING OF YEAR	BALANCE AT CLOSE OF YEAR
(Thousands of Dollars)		
ACCOUNT 146 - ACCOUNTS RECEIVABLE FROM ASSOCIATE COMPANIES		
Northeast Utilities System Money Pool	\$ -	\$9,300
Northeast Utilites (Parent)	3	-
Northeast Generation Services Company	2	41
The Connecticut Light and Power Company	33,490	12,343
Western Massachusetts Electric Company	7,856	2,882
Northeast Utilities Service Company	32,781	24,548
North Atlantic Energy Company	-	(10)
North Atlantic Energy Service Corporation	18	59
Public Service Company of New Hampshire	26	31
TOTAL	\$74,176	\$49,194
	=====	=====

ANALYSIS OF CONVENIENCE OR ACCOMMODATION PAYMENTS:

See page 10A for details.

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For the Year Ended December 31, 2000

SCHEDULE V - ACCOUNTS RECEIVABLE FROM ASSOCIATE COMPANIES

INSTRUCTIONS: Complete the following schedule listing accounts receivable from each associate company. Where the service company has provided accommodation or convenience payments for associate companies, a separate listing of total payments for each associate company by subaccount should be provided.

DESCRIPTION	TOTAL PAYMENTS
	(Thousands of Dollars)
ANALYSIS OF CONVENIENCE OR ACCOMMODATION PAYMENTS:	
The Connecticut Light and Power Company	\$15,790
Western Massachusetts Electric Company	3,667
Public Service Company of New Hampshire	(10)
North Atlantic Energy Service Corporation	618
Northeast Generation Services Company	113
Northeast Utilities Service Company	(71)
TOTAL	\$20,107

Convenience payments result primarily from the following items:

Department of Energy Decontamination and Decommissioning Assessment	\$3,847
Nuclear Fuel	16,328
Membership Dues	386
Sales/use tax adjustments	(890)
Engineering Services	216
Miscellaneous (87 items)	220
TOTAL	\$20,107

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For the Year Ended December 31, 2000

SCHEDULE VI - FUEL STOCK EXPENSES UNDISTRIBUTED

INSTRUCTIONS: Report the amount of labor and expenses incurred with respect to fuel stock expenses during the year and indicate amount attributable to each associate company. Under the section headed "Summary" listed below, give an overall report of the fuel functions performed by the service company.

DESCRIPTION	LABOR	EXPENSES	TOTAL
(Thousands of Dollars)			
ACCOUNT 152 - FUEL STOCK EXPENSES UNDISTRIBUTED	\$ - =====	\$ - =====	\$ - =====

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For the Year Ended December 31, 2000

SCHEDULE VII - STORES EXPENSE UNDISTRIBUTED

INSTRUCTIONS: Report the amount of labor and expenses incurred with respect to stores expense during the year and indicate amount attributable to each associate company.

DESCRIPTION	LABOR	EXPENSES	TOTAL
(Thousands of Dollars)			
ACCOUNT 163 - STORES EXPENSE UNDISTRIBUTED			
Beginning Balance as of January 1, 2000			(\$6)
Activity for the year:			
Stores expense undistributed	\$3,000	\$4,511	7,511
The above stores expenses are billed back to each of the companies listed below:			
The Connecticut Light & Power Company	(2,135)	(3,209)	(5,344)
Western Massachusetts Electric Company	(499)	(750)	(1,249)
Public Service Company of New Hampshire	(28)	(43)	(71)
Nonassociate Companies (see page 22 for list of the companies)	(318)	(477)	(795)
Stores expense distributed	(2,980)	(4,479)	(7,459)
Net Activity for year	\$20	\$32	52
Ending Balance as of December 31, 2000			\$46

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For the Year Ended December 31, 2000

SCHEDULE VIII

MISCELLANEOUS CURRENT AND ACCRUED ASSETS

INSTRUCTIONS: Provide detail of items in this account. Items less than \$10,000 may be grouped, showing the number of items in each group.

DESCRIPTION	BALANCE AT BEGINNING OF YEAR	BALANCE AT CLOSE OF YEAR

(Thousands of Dollars)

ACCOUNT 174 - MISCELLANEOUS CURRENT AND ACCRUED ASSETS	\$	-	\$	-
--	----	---	----	---

NONE

TOTAL	\$	-	\$	-
	=====		=====	

ANNUAL REPORT OF NORTHEAST NUCLEAR ENERGY COMPANY

For the Year Ended December 31, 2000

SCHEDULE IX

MISCELLANEOUS DEFERRED DEBITS

INSTRUCTIONS: Provide detail of items in this account. Items less than \$10,00 grouped, showing the number of items in each group.

DESCRIPTION	BALANCE AT BEGINNING OF YEAR	BALANCE AT CLOSE OF YEAR
(Thousands of Dollars)		
ACCOUNT 186 - MISCELLANEOUS DEFERRED DEBITS		
Long term receivable from Rocky River Realty Company (associated company)	\$5,896	\$6,039
RABBI Trust funding	952	952
Connecticut sales tax under protest	72	-
Employee performance payments	82	46
Unfunded supplemental executive retirement plan	1,062	1,062
Decommissioning costs - Millstone Unit No. 1	14,099	23,890
Restricted stock - unearned compensation	11	11
Costs billed to Pilgrim Station for transfer of spare station transformer	869	-
Stores expense clearing	203	25
Unissued non-inventory stock materials	-	108
Displaced worker protection coverage	-	1,824
Nuclear revenue initiatives	(4)	(63)
Sale of inventory	-	(183)
Other deferred debits (6 items in 2000 and 4 items in 1999)	(30)	4
TOTAL	\$23,212	\$33,715

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For the Year Ended December 31, 2000

SCHEDULE X

RESEARCH, DEVELOPMENT, OR DEMONSTRATION EXPENDITURES

INSTRUCTIONS: Provide a description of each material research, development, or demonstration project which incurred costs by the service corporation during the year.

DESCRIPTION	AMOUNT
	(Thousands of Dollars)
ACCOUNT 188 - RESEARCH, DEVELOPMENT OR DEMONSTRATION EXPENDITURES	
EPRI Research Dues	\$1,282
Services Billed from Northeast Utilities Service Company (Associated Company)	261
Internal Charges	809
Environmental Audits	37
Nuclear Oversight Audit - Environmental Quality	23
Meteorological Services	13
ISO 14001 Environmental Audit	41
Larval Winter Flounder Studies	90
Master Manual 28 Implementation	187
Scientific/Technical NPDES Permit	124
Engineering Evaluation Intake Structure	181
Implement ISO Plan/EMS Manual	693
Preventive Maintenance Millstone MET System	78
Consulting Services Millstone Radiological Monitoring	15
EPA Settlement	10
Miscellaneous Projects	703
The above expenses are billed back to each of the associated companies listed below:	
The Connecticut Light and Power Company	(3,044)
Western Massachusetts Electric Company	(710)
Public Service Company of New Hampshire	(65)
Nonassociate Companies (see page 22 for list of the companies)	(728)
TOTAL	\$0

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For the Year Ended December 31, 2000

SCHEDULE XI

PROPRIETARY CAPITAL

ACCOUNT NUMBER	CLASS OF STOCK	NUMBER OF SHARES AUTHORIZED	PAR OR STATED VALUE PER SHARE	OUTSTANDING NO. OF SHARES	CLOSE OF PERIOD TOTAL AMOUNT
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201	COMMON STOCK ISSUED	60,000	\$10.00	1,500	(Thousands of Dollars) \$15
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INSTRUCTIONS: Classify amounts in each account with brief explanation, disclosing the general nature of transactions which give rise to the reported amounts.

DESCRIPTION	AMOUNT
	(Thousands of Dollars)
ACCOUNT 211 - MISCELLANEOUS PAID-IN-CAPITAL	\$15,229
ACCOUNT 215 - APPROPRIATED RETAINED EARNINGS	-
TOTAL	\$15,229

INSTRUCTIONS: Give particulars concerning net income or (loss) during the year, distinguishing between compensation for the use of capital owed or net loss remaining from servicing nonassociated per the General Instructions of the Uniform Systems of Accounts. For dividends paid during the year in cash or otherwise, provide rate percentage, amount of dividend, date declared and date paid.

DESCRIPTION	BALANCE AT BEGINNING OF YEAR	NET INCOME OR (LOSS)	DIVIDENDS PAID	BALANCE AT CLOSE OF YEAR
				(Thousands of Dollars)
ACCOUNT 216-UNAPPROPRIATED RETAINED EARNINGS	\$675	\$1,764	\$2,000	\$439
TOTAL	\$675	\$1,764	\$2,000	\$439

(1)	Net Income	\$1,749
	Tax Benefit for 1993-1999 from reduction of NU Parent Loss	15
		\$1,764

The net income is all compensation for use of capital.

The dividends are paid as follows:

Rate Percentage Per Share	Amount of Dividend	Date Declared	Date Paid
\$1,333.33	\$1,999,995	12/31/00	12/28/00

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SCHEDULE XII

LONG-TERM DEBT

INSTRUCTIONS: Advances from associate companies should be reported separately for advances on notes, and advances on open account. Names of associate companies from which advances were received shall be shown under the class and series of obligation column. For Account 224 -- Other long-term debt provide the name of creditor company or organization, terms of obligation, date of maturity, interest rate, and the amount authorized and outstanding.

NAME OF CREDITOR	TERMS OF OBLIG.	DATE	INTEREST RATE	AMOUNT AUTHORIZED	BALANCE	DEDUCTIONS	BALANCE			
	CLASS & SERIES	OF			AT		AT			
	OF OBLIGATION	MATURITY			BEGINNING		CLOSE			
NAME OF CREDITOR								ADDITIONS	(1)	OF YEAR
								(Thousands of Dollars)		
ACCOUNT 223-ADVANCES FROM ASSOCIATE COMPANIES:								NONE		
								=====		
ACCOUNT 224-OTHER LONG-TERM DEBT:										
Prudential Insurance Company of America	Senior Unsecured Note	5/2000	7.67%	\$25,000	\$6,011	\$0	\$6,011	\$0		
TOTAL OTHER LONG-TERM DEBT								\$25,000	\$6,011	\$0
								\$0	\$6,011	\$0

(1) GIVE AN EXPLANATION OF DEDUCTIONS:

Principal payment.

ANNUAL REPORT OF NORTHEAST NUCLEAR ENERGY COMPANY

For the Year Ended December 31, 2000

SCHEDULE XIII - CURRENT AND ACCRUED LIABILITIES

INSTRUCTIONS: Provide balance of notes and accounts payable to each associate company. Give description and amount of miscellaneous current and accrued liabilities. Items less than \$10,000 may be grouped, showing the number of items in each group.

DESCRIPTION	BALANCE AT BEGINNING OF YEAR	BALANCE AT CLOSE OF YEAR
(Thousands of Dollars)		
ACCOUNT 233 - NOTES PAYABLE TO ASSOCIATE COMPANIES		
Northeast Utilities System Money Pool	\$5,500	\$ -
TOTAL	\$5,500	\$ -
ACCOUNT 234 - ACCOUNTS PAYABLE TO ASSOCIATE COMPANIES		
The Connecticut Light and Power Company	(\$350)	(\$204)
Western Massachusetts Electric Company	75	45
Northeast Utilities Service Company	11,674	9,644
Northeast Utilities	249	160
Public Service Company of New Hampshire	2	-
North Atlantic Energy Service Corporation	5	1
Northeast Generation Services Company	1,146	6,635
TOTAL	\$12,801	\$16,281
ACCOUNT 242 - MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES		
Millstone 3 Funding Liability	\$27,249	\$30,717
Pension Cost	68,070	76,969
Employee Stock Option Plan Accrual	1,008	386
Performance Reward Program	11,893	19,185
Payroll Accrual	3,126	4,403
Severance Accrual	(817)	(1,176)
Miscellaneous (6 items)	7	(10)
TOTAL	\$110,536	\$130,474

ANNUAL REPORT OF NORTHEAST NUCLEAR ENERGY COMPANY

For the Year Ended December 31, 2000

SCHEDULE XIV

NOTES TO FINANCIAL STATEMENTS

INSTRUCTIONS: The space below is provided for important notes regarding the financial statements or any account thereof. Furnish particulars as to any significant contingent assets or liabilities existing at the end of the year. Notes relating to financial statements shown elsewhere in this report may be indicated here by reference.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General

Northeast Nuclear Energy Company (NNECO or the company) is a wholly owned subsidiary of Northeast Utilities (NU). The Connecticut Light and Power Company (CL&P), Public Service Company of New Hampshire (PSNH), Western Massachusetts Electric Company (WMECO), North Atlantic Energy Corporation, and Holyoke Water Power Company, are the operating companies comprising the Northeast Utilities system (NU system) and are wholly owned by NU. NNECO acts as agent for the NU system companies and other New England utilities in operating the Millstone nuclear units. Millstone 1 and 2 are wholly owned by CL&P and WMECO. Millstone 3 is owned by CL&P, PSNH, WMECO, and other unaffiliated utilities. The costs of the nuclear units are recorded by CL&P, PSNH, WMECO, and the unaffiliated utilities based on their proportionate ownership shares.

Several wholly owned subsidiaries of NU provide support services for the NU system companies, and, in some cases, for other New England utilities. Northeast Utilities Service Company (NUSCO) provides centralized accounting, administrative, information resources, engineering, financial, legal, operational, planning, purchasing, and other services to the NU system companies. North Atlantic Energy Service Corporation has operational responsibility of the Seabrook Station nuclear unit.

All transactions among affiliated companies are on a recovery of cost basis which may include amounts representing a return on equity and are subject to approval by various federal and state regulatory agencies.

Public Utility Regulation

NU is registered with the Securities and Exchange Commission (SEC) as a holding company under the Public Utility Holding Company Act of 1935 (1935 Act) and NU and its subsidiaries, including NNECO, are subject to the provisions of the 1935 Act.

Revenues

The company provides services to the affiliated utility companies on the basis of recovery of cost plus return on capital, as defined under the terms of agreements, which have been approved by various federal and state regulatory commissions having jurisdiction over operations of the company and the affiliated utility companies.

Depreciation

The provision for depreciation is calculated using the straight-line method based on the estimated useful remaining lives of depreciable utility plant-in-service, adjusted for salvage value and removal costs, as approved by the appropriate regulatory agency where applicable. Except for major facilities, depreciation rates are applied to the average plant-in-service during the period. Major facilities are depreciated from the time they are placed in service. When plant is retired from service, the original cost of plant, including costs of removal less salvage, is charged to the accumulated provision for depreciation. The depreciation rates for the several classes of electric plant-in-service are equivalent to a composite rate of 3 percent in 2000 and 5 percent in 1999.

ANNUAL REPORT OF NORTHEAST NUCLEAR ENERGY COMPANY

For the Year Ended December 31, 2000

SCHEDULE XIV

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

2. SHORT-TERM DEBT

Certain subsidiaries of NU, including NNECO, are members of the Northeast Utilities System Money Pool (Pool). The Pool provides a more efficient use of the cash resources of the NU system and reduces outside short-term borrowings. NUSCO administers the Pool as agent for the member companies. Short-term borrowing needs of the member companies are first met with available funds of other member companies, including funds borrowed by NU parent. NU parent may lend to the Pool but may not borrow. Funds may be withdrawn from or repaid to the Pool at any time without prior notice. Investing and borrowing subsidiaries receive or pay interest based on the average daily federal funds rate. Borrowings based on loans from NU parent, however, bear interest at NU parent's cost and must be repaid based upon the terms of NU parent's original borrowing. At December 31, 2000 and 1999, NNECO had no borrowings and \$5.5 million, respectively, of borrowings outstanding from the Pool. The interest rate on borrowings from the Pool at December 31, 1999, was 4.9 percent.

3. LEASES

The company has entered into lease agreements with two unaffiliated third parties for the use of nuclear control room simulators for Millstone 2 and CL&P's and WMECO's share of the simulator for Millstone 3. In addition, the company's affiliates have entered into lease agreements, some of which are capital leases, for the use of data processing and office equipment, vehicles, and office space. The provisions of these lease agreements generally provide for renewal options. NNECO is billed for its proportionate share of these leases through the intercompany billing system.

Capital lease rental payments charged to operating expense were \$2.8 million in 2000 and \$6.6 million in 1999. Interest included in capital lease rental payments was \$0.3 million in 2000 and \$0.7 million in 1999. Operating lease rental payments charged to expense were \$2.3 million in 2000 and \$1.2 million in 1999.

Future minimum rental payments, excluding executory costs such as property taxes, state use taxes, insurance and maintenance, under long-term noncancelable leases, as of December 31, 2000 are as follows:

<u>Year</u>	<u>Capital Leases</u>	<u>Operating Leases</u>
	(Thousands of Dollars)	
2001	\$885	\$ 59
2002	-	32
2003	-	18
2004	-	12
2005	-	7
After 2005.....	<u>-</u>	<u>7</u>
Future minimum lease payments.....	885	<u>\$135</u>
Less amount representing interest.....	<u>148</u>	
Present value of future minimum lease payments	<u>\$737</u>	

ANNUAL REPORT OF NORTHEAST NUCLEAR ENERGY COMPANY

For the Year Ended December 31, 2000

SCHEDULE XIV

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

4. PENSION BENEFITS AND POSTRETIREMENT BENEFITS OTHER THAN PENSIONS

The NU system companies, including NNECO, participate in a uniform noncontributory defined benefit retirement plan covering substantially all regular NU system employees. Benefits are based on years of service and the employees' highest eligible compensation during 60 consecutive months of employment. NNECO's portion of the NU system's total pension cost, part of which was charged to utility plant, was \$8.9 million in 2000 and \$26 million in 1999.

Currently, NNECO's policy is to annually fund an amount at least equal to that which will satisfy the requirements of the Employee Retirement Income Security Act and the Internal Revenue Code.

The NU system companies, including NNECO, also provide certain health care benefits, primarily medical and dental, and life insurance benefits through a benefit plan to retired employees. These benefits are available for employees retiring from NNECO who have met specified service requirements. For current employees and certain retirees, the total benefit is limited to two times the 1993 per retiree health care cost. These costs are charged to expense over the estimated work life of the employee. NNECO annually funds postretirement costs through external trusts with amounts that have been rate-recovered and which also are tax deductible.

Pension and trust assets are invested primarily in domestic and international equity securities and bonds.

ANNUAL REPORT OF NORTHEAST NUCLEAR ENERGY COMPANY

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SCHEDULE XIV

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

The following table represents information on the plans' benefit obligation, fair value of plan assets, and the respective plans' funded status:

(Millions of Dollars)	At December 31,			
	Pension Benefits		Postretirement Benefits	
	2000	1999	2000	1999
Change in benefit obligation				
Benefit obligation				
at beginning of year	\$(190.0)	\$(140.0)	\$ (22.4)	\$ (19.3)
Service cost	(8.9)	(10.1)	(1.5)	(1.5)
Interest cost	(14.4)	(11.8)	(1.9)	(1.6)
Plan amendment	-	(7.4)	-	-
Transfers	(6.5)	(13.2)	-	-
Actuarial (loss)/gain	(0.9)	4.6	(1.6)	(1.2)
Benefits paid	20.8	3.0	1.7	1.2
Settlements and other	-	(15.1)	-	-
Benefit obligation at end of year	\$(199.9)	\$(190.0)	\$ (25.7)	\$ (22.4)
Change in plan assets				
Fair value of plan assets				
at beginning of year	\$ 152.2	\$ 121.0	\$ 14.5	\$ 11.9
Actual return on plan assets	(0.5)	21.0	0.8	1.5
Employer contribution	-	-	2.1	2.3
Benefits paid	(20.8)	(3.0)	(1.7)	(1.2)
Transfers	6.5	13.2	-	-
Fair value of plan assets at end of year	\$ 137.4	\$ 152.2	\$ 15.7	\$ 14.5
Funded status at December 31	\$ (62.5)	\$ (37.8)	\$ (10.0)	\$ (7.9)
Unrecognized transition (asset)/obligation	(1.1)	(1.3)	3.3	3.6
Unrecognized prior service cost	9.3	10.1	-	-
Unrecognized net gain	(22.7)	(39.1)	6.7	4.3
Accrued benefit cost	\$ (77.0)	\$ (68.1)	\$ -	\$ -

The following actuarial assumptions were used in calculating the plans' year end funded status:

	At December 31,			
	Pension Benefits		Postretirement Benefits	
	2000	1999	2000	1999
Discount rate	7.50%	7.75%	7.50%	7.75%
Compensation/progression rate	4.50	4.75	4.50	4.75
Health care cost trend rate (a)	N/A	N/A	5.26	5.57

- (a) The annual per capita cost of covered health care benefits was assumed to decrease to 4.91 percent by 2001.

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For the Year Ended December 31, 2000

SCHEDULE XIV

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

The components of net periodic benefit cost are:

(Millions of Dollars)	For the Years Ended December 31,			
	Pension Benefits		Postretirement Benefits	
	2000	1999	2000	1999
Service cost.....	\$ 8.9	\$10.1	\$ 1.5	\$ 1.5
Interest cost.....	14.4	11.8	1.9	1.6
Expected return on plan assets.....	(13.0)	(11.4)	(1.2)	(0.9)
Amortization of unrecognized net transition (asset)/obligation	(0.1)	(0.2)	0.3	0.3
Amortization of prior service cost	0.8	0.8	-	-
Amortization of actuarial gain	(2.1)	(0.2)	-	-
Other amortization, net.....	-	-	(0.4)	(0.2)
Settlements and other	-	15.1	-	-
Net periodic benefit cost	\$ 8.9	\$26.0	\$ 2.1	\$ 2.3

For calculating pension and postretirement benefit costs, the following assumptions were used:

	For the Years Ended December 31,			
	Pension Benefits		Postretirement Benefits	
	2000	1999	2000	1999
Discount rate	7.75%	7.00%	7.75%	7.00%
Expected long-term rate of return	9.50	9.50	N/A	N/A
Compensation/progression rate	4.75	4.25	4.75	4.25
Long-term rate of return -				
Health assets, net of tax.....	N/A	N/A	7.50	7.50
Life assets	N/A	N/A	9.50	9.50

Assumed health care cost trend rates have a significant effect on the amounts reported for the health care plans. The effect of changing the assumed health care cost trend rate by one percentage point in each year would have the following effects:

(Millions of Dollars)	One Percentage Point Increase	One Percentage Point Decrease
Effect on total service and interest cost components	\$0.1	\$(0.1)
Effect on postretirement benefit obligation	\$0.7	\$(0.8)

The trust holding the health plan assets is subject to federal income taxes.

ANNUAL REPORT OF NORTHEAST NUCLEAR ENERGY COMPANY

For the Year Ended December 31, 2000

SCHEDULE XIV

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

5. NUCLEAR GENERATION ASSETS DIVESTITURE

On August 7, 2000, CL&P, WMECO and certain other joint owners reached an agreement to sell substantially all of the Millstone units, located in Waterford, Connecticut, to Dominion Resources, Inc. (Dominion), for approximately \$1.3 billion, including approximately \$105 million for nuclear fuel. Dominion has also agreed to assume responsibility for decommissioning the three units and NU will transfer to Dominion all funds in the Millstone decommissioning trust. Additionally, NU is obligated to top-off the decommissioning trust if its value does not equal a previously agreed upon level as defined. NU expects to close on the sale of Millstone as early as the end of March 2001.

If the transaction is consummated as proposed, CL&P and WMECO would receive gross proceeds of approximately \$843.2 million and \$196.2 million on a pretax basis for their respective ownership interests. The proceeds from the sale of these interests will be used to reduce the companies' stranded costs under restructuring and the cash proceeds will be used to repay subsidiary debt and capital lease obligations and to return equity capital to the parent company. The Connecticut Department of Public Utility Control (DPUC) approved the recovery of Millstone-related stranded costs not offset by asset divestiture proceeds. Pursuant to the DPUC order, CL&P will seek recovery of Millstone post-1997 capital additions totaling \$50 million. The Office of Consumer Counsel has appealed CL&P's ability to recover these costs. PSNH will receive \$26 million on a pretax basis, which will be reflected as a gain in accordance with the "Agreement to Settle PSNH Restructuring."

6. SUBSEQUENT EVENT

Merger Agreement With Consolidated Edison, Inc.: In 2000, NU and Consolidated Edison, Inc. (Con Edison) received most of the approvals needed to complete the merger announced in October 1999. Shareholders from both companies approved the merger in April 2000, and all state regulatory approvals were granted by the end of the year. Additionally, the Federal Energy Regulatory Commission approved the merger in May 2000, the Nuclear Regulatory Commission approved the transaction in August 2000, and the United States Department of Justice approved the merger in February 2001. Necessary approval from the SEC was expected to be received in mid-March 2001.

On February 28, 2001, NU's Board of Trustees requested that Con Edison provide reasonable assurance, in writing, that it intended to comply with the terms of the definitive merger agreement between the two companies. This included assurances that Con Edison would consummate the pending merger at the price set forth in the agreement promptly following the receipt of SEC approval. The original request for assurance was to be received by March 2, 2001, however that date was later extended to March 5, 2001. On March 5, 2001, Con Edison advised NU that it was not willing to close the merger on the agreed terms. NU notified Con Edison that it was treating its refusal to proceed on the terms set forth in the merger agreement as a repudiation and breach of the merger agreement, and that NU would file suit to obtain the benefits of the transaction as negotiated for NU shareholders. On March 6, 2001, Con Edison filed suit in the U.S. District Court for the Southern District of New York (Southern District), seeking declaratory judgment that NU failed to satisfy conditions precedent under the merger agreement. On March 12, 2001, NU filed suit against Con Edison in the Southern District seeking damages in excess of \$1 billion arising from Con Edison's breach of the merger agreement.

ANNUAL REPORT OF NORTHEAST NUCLEAR ENERGY COMPANY

FOR THE YEAR ENDED DECEMBER 31, 2000

SCHEDULE XV

COMPARATIVE INCOME STATEMENT

ACCOUNT	DESCRIPTION	2000	1999
(Thousands of Dollars)			
INCOME			
457	Services rendered to associate companies	\$280,596	\$403,527
458	Services rendered to nonassociate companies	51,379	67,461
421	Miscellaneous income or loss	1,211	1,567
Total Income		333,186	472,555
EXPENSE			
Nuclear Power Expenses			
517	Operation Supervision and Engineering	46,801	72,106
519	Coolants and Water	4,587	5,304
520	Steam Expenses	25,244	33,160
523	Electric Expenses	109	10,196
524	Miscellaneous Nuclear Power Expenses	71,654	66,980
525	Rents	3,995	5,469
528	Maintenance Supervision and Engineering	28,717	51,102
529	Maintenance of Structures	14,780	18,432
530	Maintenance of Reactor Plant Equipment	33,491	54,784
531	Maintenance of Electric Plant	29,112	40,791
532	Maintenance of Miscellaneous Nuclear Plant	1,272	567
Transmission Expenses			
560	Operation Supervision and Engineering	0	1
562	Station Expenses	1,365	1,367
566	Miscellaneous Transmission Expenses	0	0
568	Maintenance Supervision and Engineering	0	0
569	Maintenance of Structures	0	0
570	Maintenance of Station Equipment	0	0
Administrative and General Expenses			
920	Salaries and wages	15,187	15,751
921	Office supplies and expenses	3,219	4,115
922	Administrative expense transferred-credit	0	0
923	Outside services employed	13,016	16,544
924	Property insurance	(1,511)	(1,406)
925	Injuries and damages	1,938	5,225
926	Employee pensions and benefits	21,261	44,348
928	Regulatory commission expense	43	163
930.1	General advertising expenses	0	0
930.2	Miscellaneous general expenses	388	946
931	Rents	2,492	3,728
932	Maintenance of structures and equipment	172	553
All other expenses			
403	Depreciation and amortization expense	1,119	1,791
408	Taxes other than income taxes	11,288	12,739
409	Income taxes	2,354	14,423
410	Provision for deferred income taxes	8,785	688
411	Provision for deferred income taxes-credit	(13,096)	(14,304)
411.5	Investment tax credit	(65)	(65)
426.1	Donations	27	94
426.5	Other deductions	620	2,146
427	Interest on long-term debt	546	1,360
430	Interest on debt to associate companies	1,592	652
431	Other interest expense	935	1,053
Total Expense		331,437	470,803
Net Income		\$1,749	\$1,752

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For the Year Ended December 31, 2000

ANALYSIS OF BILLING

ASSOCIATE COMPANIES
ACCOUNT 457

NAME OF ASSOCIATE COMPANY	DIRECT COSTS CHARGED	INDIRECT COSTS CHARGED	COMPENSATION FOR USE OF CAPITAL	TOTAL AMOUNT BILLED
(Thousands of Dollars)				
	457-1	457-2	457-3	
The Connecticut Light and Power Company	\$220,060		\$3,767	\$223,827
Western Massachusetts Electric Company	51,336		882	52,218
Public Service Company of New Hampshire	4,518		33	4,551
TOTAL	\$275,914	\$0	\$4,682	\$280,596

ANNUAL REPORT OF NORTHEAST NUCLEAR ENERGY COMPANY

For the Year Ended December 31, 2000

ANALYSIS OF BILLING

NONASSOCIATE COMPANIES
ACCOUNT 458

NAME OF NONASSOCIATE COMPANY	DIRECT COSTS CHARGED	INDIRECT COSTS CHARGED	COMPENSATION FOR USE OF CAPITAL	TOTAL COSTS	EXCESS OR DEFICIENCY	TOTAL AMOUNT BILLED
(Thousands of Dollars)						
	458-1	458-2	458-3		458-4	
Central Maine Power Company	\$3,972		\$29	\$4,001		\$4,001
Central Vermont Public Service	2,752		20	2,772		2,772
Montaup Electric Co.	6,360		47	6,407		6,407
New England Power Co.	19,474		143	19,617		19,617
United Illuminating Company	5,837		43	5,880		5,880
Fitchburg Gas & Electric Co.	346		3	349		349
Chicopee Municipal Electric	2,185		16	2,201		2,201
Massachusetts Municipal Wholesale	7,693		56	7,749		7,749
Lyndonville Electric Department	78		0	78		78
Connecticut Municipal Electric Coop	1,736		13	1,749		1,749
Vermont Electric Gen. & Trans.	572		4	576		576
	\$ 51,005	\$ 0	\$ 374	\$ 51,379	\$ 0	\$ 51,379
=====	=====	=====	=====	=====	=====	=====

INSTRUCTIONS: Provide a brief description of the services rendered to each nonassociate company:

The Company acts as agent in operating Millstone Unit 3 for the nonassociate companies.

ANNUAL REPORT OF NORTHEAST NUCLEAR ENERGY COMPANY
For the Year Ended December 31, 2000

SCHEDULE XVI
ANALYSIS OF CHARGES FOR SERVICE
ASSOCIATE AND NONASSOCIATE COMPANIES

		ASSOCIATE COMPANY CHARGES			NONASSOCIATE COMPANY CHARGES			TOTAL CHARGES FOR SERVICE		
ACCOUNT NUMBER	DESCRIPTION OF ITEMS	DIRECT COST	INDIRECT COST	TOTAL	DIRECT COST	INDIRECT COST	TOTAL	DIRECT COST	INDIRECT COST	TOTAL
(Thousands of Dollars)										
Nuclear Power Expenses										
517	OPERATION SUPERVISION AND ENGINEERING	\$39,571	\$0	\$39,571	\$7,230	\$0	\$7,230	\$46,801	\$0	\$46,801
519	COOLANTS AND WATER	3,880	0	3,880	707	0	707	4,587	0	4,587
520	STEAM EXPENSES	21,170	0	21,170	4,074	0	4,074	25,244	0	25,244
523	ELECTRIC EXPENSES	85	0	85	24	0	24	109	0	109
524	MISCELLANEOUS NUCLEAR POWER EXPENSES	58,948	0	58,948	12,706	0	12,706	71,654	0	71,654
525	RENTS	2,717	0	2,717	109	0	109	2,826	0	2,826
528	MAINTENANCE SUPERVISION AND ENGINEERING	24,341	0	24,341	4,376	0	4,376	28,717	0	28,717
529	MAINTENANCE OF STRUCTURES	12,803	0	12,803	1,977	0	1,977	14,780	0	14,780
530	MAINTENANCE OF REACTOR PLANT EQUIPMENT	29,348	0	29,348	4,143	0	4,143	33,491	0	33,491
531	MAINTENANCE OF ELECTRIC PLANT	25,605	0	25,605	3,507	0	3,507	29,112	0	29,112
532	MAINTENANCE OF MISCELLANEOUS NUCLEAR PLANT	1,198	0	1,198	74	0	74	1,272	0	1,272
Transmission Expenses										
560	OPERATION SUPERVISION AND ENGINEERING	0	0	0	0	0	0	0	0	0
562	STATION EXPENSES	111	0	111	1,254	0	1,254	1,365	0	1,365
566	MISCELLANEOUS TRANSMISSION EXPENSES	0	0	0	0	0	0	0	0	0
568	MAINTENANCE SUPERVISION AND ENGINEERING	0	0	0	0	0	0	0	0	0
569	MAINTENANCE OF STRUCTURES	0	0	0	0	0	0	0	0	0
570	MAINTENANCE OF STATION EQUIPMENT	0	0	0	0	0	0	0	0	0
Administrative and General Expenses										
920	SALARIES AND WAGES	12,854	0	12,854	2,333	0	2,333	15,187	0	15,187
921	OFFICE SUPPLIES AND EXPENSES	2,687	0	2,687	532	0	532	3,219	0	3,219
922	ADMINISTRATIVE EXPENSE TRANSFERRED-CREDIT	0	0	0	0	0	0	0	0	0
923	OUTSIDE SERVICES EMPLOYED	11,263	0	11,263	1,753	0	1,753	13,016	0	13,016
924	PROPERTY INSURANCE	(1,269)	0	(1,269)	(242)	0	(242)	(1,511)	0	(1,511)
925	INJURIES AND DAMAGES	1,580	0	1,580	358	0	358	1,938	0	1,938
926	EMPLOYEE PENSIONS AND BENEFITS	17,768	0	17,768	3,493	0	3,493	21,261	0	21,261
928	REGULATORY COMMISSION EXPENSE	37	0	37	6	0	6	43	0	43
930.1	GENERAL ADVERTISING EXPENSES	0	0	0	0	0	0	0	0	0
930.2	MISCELLANEOUS GENERAL EXPENSES	342	0	342	46	0	46	388	0	388
931	RENTS	2,062	0	2,062	430	0	430	2,492	0	2,492
935	MAINTENANCE OF STRUCTURES AND EQUIPMENT	144	0	144	28	0	28	172	0	172
All other expenses										
403	DEPRECIATION AND AMORTIZATION EXPENSES	942	0	942	177	0	177	1,119	0	1,119
408	TAXES OTHER THAN INCOME TAXES	9,433	0	9,433	1,855	0	1,855	11,288	0	11,288
409	INCOME TAXES	2,372	0	2,372	(18)	0	(18)	2,354	0	2,354
410	PROVISION FOR DEFERRED INCOME TAXES	8,785	0	8,785	0	0	0	8,785	0	8,785
411	PROVISION FOR DEFERRED INCOME TAXES-CREDIT	(13,096)	0	(13,096)	0	0	0	(13,096)	0	(13,096)
411.5	INVESTMENT TAX CREDIT	(65)	0	(65)	0	0	0	(65)	0	(65)
426.1	DONATIONS	23	0	23	4	0	4	27	0	27
426.5	OTHER DEDUCTIONS	529	0	529	91	0	91	620	0	620
427	INTEREST ON LONG-TERM DEBTS	0	0	0	0	0	0	0	0	0
430	INTEREST ON DEBT TO ASSOCIATE COMPANIES	0	0	0	0	0	0	0	0	0
431	OTHER INTEREST EXPENSE	926	0	926	9	0	9	935	0	935
SUBTOTAL EXPENSES -		277,094	0	277,094	51,036	0	51,036	328,130	0	328,130
COMPENSATION FOR USE OF CAPITAL-										
427	INTEREST ON LONG-TERM DEBTS			546			0			546
430	INTEREST ON DEBT TO ASSOCIATE COMPANIES			1,592			0			1,592
431	OTHER INTEREST EXPENSE			0			0			0
525	RENTS			795			374			1,169
TOTAL EXPENSES -				280,027			51,410			331,437
421	MISCELLANEOUS INCOME - CREDIT	(1,180)	0	(1,180)	(31)	0	(31)	(1,211)	0	(1,211)
NET INCOME				1,749			0			1,749
TOTAL COST OF SERVICE -		\$275,914	\$0	\$280,596	\$51,005	\$0	\$51,379	\$326,919	\$0	\$331,975

INSTRUCTION: Total cost of service will equal for associate and nonassociate companies the total amount billed under their separate analysis of billing schedules.

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SCHEDULE XVII
SCHEDULE OF EXPENSE DISTRIBUTION BY
DEPARTMENT OR SERVICE FUNCTION

		DEPARTMENT OR SERVICE FUNCTION				
ACCOUNT		TOTAL		MILLSTONE	MILLSTONE	MILLSTONE
NUMBER	DESCRIPTION OF ITEMS	AMOUNT	OVERHEAD	UNIT #1	UNIT #2	UNIT #3

(Thousands of Dollars)						
Nuclear Power Expenses						
517	OPERATION SUPERVISION AND ENGINEERING	\$46,801	\$0	\$845	\$23,075	\$22,881
519	COOLANTS AND WATER	4,587	0	36	2,341	2,210
520	STEAM EXPENSES	25,244	0	(191)	12,695	12,740
523	ELECTRIC EXPENSES	109	0	13	19	77
524	MISCELLANEOUS NUCLEAR POWER EXPENSES	71,654	0	317	34,972	36,365
525	RENTS	3,995	1,169	12	1,328	1,486
528	MAINTENANCE SUPERVISION AND ENGINEERING	28,717	0	295	14,772	13,650
529	MAINTENANCE OF STRUCTURES	14,780	0	50	8,549	6,181
530	MAINTENANCE OF REACTOR PLANT EQUIPMENT	33,491	0	35	20,501	12,955
531	MAINTENANCE OF ELECTRIC PLANT	29,112	0	38	18,108	10,966
532	MAINTENANCE OF MISCELLANEOUS NUCLEAR PLANT	1,272	0	79	962	231
Transmission Expenses						
560	OPERATION SUPERVISION AND ENGINEERING	0	0	0	0	0
562	STATION EXPENSES	1,365	0	0	0	1,365
566	MISCELLANEOUS TRANSMISSION EXPENSES	0	0	0	0	0
568	MAINTENANCE SUPERVISION AND ENGINEERING	0	0	0	0	0
569	MAINTENANCE OF STRUCTURES	0	0	0	0	0
570	MAINTENANCE OF STATION EQUIPMENT	0	0	0	0	0
Administrative and General Expenses						
920	SALARIES AND WAGES	15,187	0	119	6,808	8,260
921	OFFICE SUPPLIES AND EXPENSES	3,219	0	16	1,504	1,699
922	ADMINISTRATIVE EXPENSE TRANSFERRED-CREDIT	0	0	0	0	0
923	OUTSIDE SERVICES EMPLOYED	13,016	0	715	4,075	8,226
924	PROPERTY INSURANCE	(1,511)	0	0	(754)	(757)
925	INJURIES AND DAMAGES	1,938	0	(139)	937	1,140
926	EMPLOYEE PENSIONS AND BENEFITS	21,261	0	(365)	10,716	10,910
928	REGULATORY COMMISSION EXPENSE	43	0	0	19	24
930.1	GENERAL ADVERTISING EXPENSES	0	0	0	0	0
930.2	MISCELLANEOUS GENERAL EXPENSES	388	0	0	172	216
931	RENTS	2,492	0	0	1,142	1,350
935	MAINTENANCE OF STRUCTURES AND EQUIPMENT	172	0	3	80	89
All other expenses						
403	DEPRECIATION AND AMORTIZATION EXPENSES	1,119	0	0	493	626
408	TAXES OTHER THAN INCOME TAXES	11,288	0	(26)	5,513	5,801
409	INCOME TAXES	2,354	0	1,218	1,192	(56)
410	PROVISION FOR DEFERRED INCOME TAXES	8,785	0	4,393	4,392	0
411	PROVISION FOR DEFERRED INCOME TAXES-CREDIT	(13,096)	0	(6,548)	(6,548)	0
411.5	INVESTMENT TAX CREDIT	(65)	0	(32)	(33)	0
426.1	DONATIONS	27	0	3	12	12
426.5	OTHER DEDUCTIONS	620	0	98	239	283
427	INTEREST ON LONG-TERM DEBTS	546	546	0	0	0
430	INTEREST ON DEBT TO ASSOCIATE COMPANIES	1,592	1,592	0	0	0
431	OTHER INTEREST EXPENSE	935	0	441	467	27
TOTAL EXPENSES -		\$331,437	\$3,307	\$1,425	\$167,748	\$158,957

INSTRUCTIONS: Indicate each department or service function. (See Instruction 01-3
General Structure of Accounting System: Uniform System of Accounts)

ANNUAL REPORT OF NORTHEAST NUCLEAR ENERGY COMPANY

For the Year Ended December 31, 2000

SCHEDULE XVII

KEYS FOR SERVICE FUNCTIONS

KEYS

SERVICE FUNCTION

The individual unit for which NNECO provides
service is listed separately on Page 24.

ANNUAL REPORT OF NORTHEAST NUCLEAR ENERGY COMPANY
For the Year Ended December 31, 2000
DEPARTMENTAL ANALYSIS OF SALARIES

NAME OF DEPARTMENT ----- Indicate each dept. or service function. -----	DEPARTMENTAL SALARY EXPENSE INCLUDED IN AMOUNTS BILLED TO				NUMBER OF PERSONNEL
	TOTAL AMOUNT	PARENT COMPANY	OTHER ASSOCIATES	NON ASSOCIATES	END OF YEAR
	(Thousands of Dollars)				
MILLSTONE UNIT #1	\$7,420	\$0	\$7,420	\$0	95
MILLSTONE UNIT #2	66,205	0	66,205	0	841
MILLSTONE UNIT #3	59,727	0	40,812	18,915	760
	\$133,352	\$0	\$114,437	\$18,915	1,696
	=====				=====

ANNUAL REPORT OF NORTHEAST NUCLEAR ENERGY COMPANY

For the Year Ended December 31, 2000

OUTSIDE SERVICES EMPLOYED

INSTRUCTIONS: Provide a breakdown by subaccount of outside services employed. If the aggregate amounts paid to any one payee and included within one subaccount is less than \$100,000, only the aggregate number and amount of all such payments included within the subaccount need be shown. Provide a subtotal for each type of service.

FROM WHOM PURCHASED	ADDRESS	RELATIONSHIP "A"-ASSOCIATE "NA"-NON ASSOCIATE	AMOUNT (Thousands of Dollars)
ENGINEERING SERVICES			
CONTINGENCY MANAGEMENT ASSOC		NA	\$469
CURTISS-WRIGHT FLOW CONTROL		NA	125
DUKE ENG & SERVICES INC		NA	715
ENERCON SERVICES INC		NA	121
ENGINEERING PLAN MANAGE INC		NA	199
JANUS MANAGEMENT ASSOCIATES		NA	353
LITTLE HARBOR CONSULTANTS INC		NA	173
NORTHEAST GENERATION SERVICES		NA	1,136
ONSITE		NA	831
PROTO POWER CORP		NA	365
STEVENSON & ASSOCIATES		NA	553
STONE & WEBSTER ENGINEERING		NA	261
TATHAM PROCESS ENGINEERING		NA	485
WESTINGHOUSE ELECTRIC CO		NA	162
MISCELLANEOUS (13 PAYEES)		NA	412
TOTAL ENGINEERING SERVICES			<u>\$6,360</u>
LEGAL SERVICES			
MORGAN LEWIS & BOCKIUS LLP		NA	\$3,347
PRENTICE H MARSHALL		NA	138
RALPH G BIRD		NA	249
THE NIELSON-WURSTER GROUP		NA	141
SPRIGGS & HOLLINGSWORTH		NA	120
UPDIKE KELLY & SPELLACY		NA	450
WINSTON & STRAWN		NA	637
MISCELLANEOUS (6 PAYEES)		NA	207
TOTAL LEGAL SERVICES			<u>\$5,289</u>
TELECOMMUNICATION SERVICES			
CAPITAL TELECOMMUNICATIONS INC		NA	\$166
LUCENT TECHNOLOGIES		NA	573
SNET		NA	139
MISCELLANEOUS (6 PAYEES)		NA	10
TOTAL TELECOMMUNICATION SERVICES			<u>\$888</u>

ANNUAL REPORT OF NORTHEAST NUCLEAR ENERGY COMPANY

For the Year Ended December 31, 2000

OUTSIDE SERVICES EMPLOYED

INSTRUCTIONS: Provide a breakdown by subaccount of outside services employed. If the aggregate amounts paid to any one payee and included within one subaccount is less than \$100,000, only the aggregate number and amount of all such payments included within the subaccount need be shown. Provide a subtotal for each type of service.

FROM WHOM PURCHASED	ADDRESS	RELATIONSHIP "A"-ASSOCIATE "NA"-NON ASSOCIATE	AMOUNT
			(Thousands of Dollars)
TEMPORARY EMPLOYMENT SERVICES			

NEW ENGLAND MECH SVC INC		NA	\$203
NUCON		NA	803
MISCELLANEOUS (1 PAYEE)		NA	41
TOTAL TEMPORARY EMPLOYMENT SERVICES			<u>\$1,047</u>
WATER TREATMENT SERVICES			

ECOLOCHEM		NA	\$478
IONICS INC		NA	960
MISCELLANEOUS (3 PAYEE)		NA	13
TOTAL WATER TREATMENT SERVICES			<u>\$1,451</u>
COMPUTERS SERVICES			

SCIENTECH INC		NA	\$668
SMS SYSTEMS MAINTENANCE SERV		NA	214
MISCELLANEOUS (13 PAYEES)		NA	197
TOTAL COMPUTER SERVICES			<u>\$1,079</u>
OTHER SERVICES			

CLARKE & CO INS		NA	\$134
DAY ZIMMERMAN INTERNATIONAL		NA	239
GST DURATEK		NA	151
HAY GROUP INC		NA	131
HEWITT ASSOICATES		NA	135
IKON OFFICE SOLUTION INC		NA	747
IOS CAPITAL		NA	135
JUDITH OTTO		NA	109
NILSSON & ASSOCIATES		NA	946
ONYX ENVIRONMENTAL SERVICE LLC		NA	186
P & I CONSULTING LTD		NA	185
PRICE WATERHOUSE COOPERS LLP		NA	838
STUDSVIK PROCESSING FACILTIY		NA	116
THE PACIFIC INSTITUTE		NA	181
THREE RIVERS COMMUNITY COLLEGE		NA	118
MISCELLANEOUS (278 PAYEES)		NA	955
TOTAL OTHER SERVICES			<u>\$5,306</u>

ANNUAL REPORT OF NORTHEAST NUCLEAR ENERGY COMPANY

For the Year Ended December 31, 2000

OUTSIDE SERVICES EMPLOYED

INSTRUCTIONS: Provide a breakdown by subaccount of outside services employed. If the aggregate amounts paid to any one payee and included within one subaccount is less than \$100,000, only the aggregate number and amount of all such payments included within the subaccount need be shown. Provide a subtotal for each type of service.

FROM WHOM PURCHASED	ADDRESS	RELATIONSHIP "A"-ASSOCIATE "NA"-NON ASSOCIATE	AMOUNT
			(Thousands of Dollars)
NORTHEAST UTILITIES SERVICE COMPANY (Supplies centralized accounting, administrative, data processing, engineering, financial, legal, operational, planning, purchasing, and other services)		A	\$2,426
GRAND TOTAL			<u>\$23,846</u>

ANNUAL REPORT OF NORTHEAST NUCLEAR ENERGY COMPANY
For the Year Ended December 31, 2000

OUTSIDE SERVICES EMPLOYED FOR PAYEES GREATER THAN \$100,000

PAYEE NAME	DESCRIPTION OF SERVICES RENDERED

ENGINEERING SERVICES	

CONTINGENCY MANAGEMENT ASSOC	FURNISH FIRE PROTECTION SERVICES - MILLSTONE FACILITY
CURTISS-WRIGHT FLOW CONTROL	ENGINEERING SUPPORT TO REVIEW THE EXISTING DATABASES AND PROCEDURES
DUKE ENG & SERVICES INC	ENGINEERING SUPPORT FOR THE MILLSTONE DESIGN ENGINEERING GROUP
ENERCON SERVICES INC	PROVIDE A FINAL SAFETY ANALYSIS REPORT
ENGINEERING PLAN MANAGE INC	PROVIDE ASSISTANCE FOR MILLSTONE 2 EEG EQUIPMENT QUALIFICATION RECORD
JANUS MANAGEMENT ASSOCIATES	FURNISH CONSULTING SERVICES IN CONNECTION WITH ARBITRATION ISSUES
LITTLE HARBOR CONSULTANTS INC	INDEPENDENT THIRD PARTY OVERSIGHT OF EMPLOYEE SAFETY CONCERNS PROGRAM AT MILLSTONE
NORTHEAST GENERATION SERVICES	PROVIDE SUPPORT FOR ANALYSIS OF MILLSTONE WATER INTAKE
ONSITE	ENGINEERING SERVICES RELATED TO OPERATION AND MAINTENANCE
PROTO POWER CORP	PROVIDE NUCLEAR SAFETY RELATED SERVICES AND DOCUMENTS
STEVENSON & ASSOCIATES	PROVIDE TRAINING AND SOFTWARE SUPPORT FOR MP3 PASSPORT
STONE & WEBSTER ENGINEERING	ENGINEERING TECHNICAL SUPPORT SERVICES
TATHAM PROCESS ENGINEERING	ENGINEERING SERVICES RELATED TO CONTINUOUS PROCESS IMPROVEMENT
WESTINGHOUSE ELECTRIC CO	PROVIDE SUPPORT FOR ACCUMULATOR CHECK VALVE TESTING AT MILLSTONE 3
LEGAL SERVICES	

MORGAN LEWIS & BOCKIUS LLP	FURNISH LEGAL SERVICES ON AN AS REQUESTED BASIS
PRENTICE H MARSHALL	PROVIDE ARBITRATION SERVICES
RALPH G BIRD	CONSULTING SERVICES TO SUPPORT LEGAL PROCEEDINGS FOR MILLSTONE OUTAGES
THE NIELSON-WURSTER GROUP	FURNISH LEGAL SERVICES ON AN AS REQUESTED BASIS
SPRIGGS & HOLLINGSWORTH	FURNISH LEGAL SERVICES ON AN AS REQUESTED BASIS
UPDIKE KELLY & SPELLACY	FURNISH LEGAL SERVICES ON AN AS REQUESTED BASIS
WINSTON & STRAWN	FURNISH LEGAL SERVICES ON AN AS REQUESTED BASIS
TELECOMMUNICATION SERVICES	

CAPITAL TELECOMMUNICATIONS INC	PROVIDE LONG DISTANCE SERVICE
LUCENT TECHNOLOGIES	MAINTAIN AND REPORT COMMUNICATION SERVERS, VOICE MAIL SYSTEM
SNET	PROVIDE TELEPHONE SERVICES
TEMPORARY EMPLOYMENT SERVICES	

NEW ENGLAND MECH SVC INC	FURNISH TEMPORARY LABOR SERVICES
NUCON	FURNISH TEMPORARY LABOR SERVICES
WATER TREATMENT SERVICES	

ECOLOCHEM	PROVIDE WATER TREATMENT PURIFICATION SERVICES
IONICS INC	PROVIDE DEMINERALIZED WATER SERVICE FOR MILLSTONE 2

ANNUAL REPORT OF NORTHEAST NUCLEAR ENERGY COMPANY
For the Year Ended December 31, 2000

OUTSIDE SERVICES EMPLOYED FOR PAYEES GREATER THAN \$100,000

PAYEE NAME	DESCRIPTION OF SERVICES RENDERED

COMPUTER SERVICES	

SCIENTECH INC	CONSULTING SERVICES; DATA INTERFACE AND OTHER SOFTWARE WORK
SMS SYSTEMS MAINTENANCE SERV	PROVIDE COMPUTER HARDWARE MAINTENANCE
OTHER SERVICES	

CLARKE & CO INS	PROVIDE CONSULTING SERVICES FOR ECONOMIC IMPACT STUDY
DAY ZIMMERMAN INTERNATIONAL	PROVIDE CONSULTING SERVICES FOR MILLSTONE TRANSITION MANAGMENT
GST DURATEK	PROVIDE SERVICES FOR NUCLEAR WASTE DISPOSAL
HAY GROUP INC	PROVIDE CONSULTING SERVICES FOR THE SUCCESSION PLANNING PROJECT
HEWITT ASSOICATES	PROVIDE CONSULTING SERVICES FOR THE RETIREMENT DELIVERY REVIEW PROJECT
IKON OFFICE SOLUTION INC	PROVIDE COPIER SERVICES
IOS CAPITAL	PROVIDE COPIER SERVICES
JUDITH OTTO	PROVIDE TRAINING TO THE MILLSTONE OFFICER TEAM
NILSSON & ASSOCIATES	PROVIDE CONSULTING SERVICES FOR MILLSTONE
ONYX ENVIRONMENTAL SERVICE LLC	PROVIDE SERVICES FOR WASTE DISPOSAL
P & I CONSULTING LTD	PROVIDE CONSULTING SERVICES FOR MILLSTONE
PRICE WATERHOUSE COOPERS LLP	PROVIDE CONSULTING SERVICES FOR NORTHEAST UTILITIES' STRATEGIC ENVIRONMENTAL PLAN
STUDSVIK PROCESSING FACILTIY	PROVIDE SERVICES FOR NUCLEAR WASTE DISPOSAL
THE PACIFIC INSTITUTE	PROVIDE CONSULTING SERVICES FOR MILLSTONE
THREE RIVERS COMMUNITY COLLEGE	PROVIDE WEATHER STATION SERVICES

ANNUAL REPORT OF NORTHEAST NUCLEAR ENERGY COMPANY

For the Year Ended December 31, 2000

EMPLOYEE PENSIONS AND BENEFITS
ACCOUNT 926

INSTRUCTIONS: Provide a listing of each pension plan and benefit program provided by the service company. Such listing should be limited to \$25,000.

DESCRIPTION	AMOUNT
	(Thousands of Dollars)
Pension Plan	\$7,359
Supplemental Retirement and Savings Plan	3,105
Post Retirement Medical Benefit - FAS 106	1,955
Early Retirement Program	(376)
Group Life, Long-term Disability, Hospital and Medical Insurance Expenses	9,156
Other Employee Benefits Expenses	62

TOTAL	\$21,261
	=====

ANNUAL REPORT OF NORTHEAST NUCLEAR ENERGY COMPANY

For the Year Ended December 31, 2000

GENERAL ADVERTISING EXPENSES
ACCOUNT 930.1

INSTRUCTIONS: Provide a listing of the amount included in Account 930.1, "General Advertising Expenses," classifying the items according to the nature of the advertising and as defined in the account definition. If a particular class includes an amount in excess of \$3,000 applicable to a single payee, show separately the name of the payee and the aggregate amount applicable thereto.

DESCRIPTION	NAME OF PAYEE	AMOUNT
		(Thousands of Dollars)

TOTAL

\$ -
=====

ANNUAL REPORT OF NORTHEAST NUCLEAR ENERGY COMPANY

For the Year Ended December 31, 2000

MISCELLANEOUS GENERAL EXPENSES
ACCOUNT 930.2

INSTRUCTIONS: Provide a listing of the amount included in Account 930.2, "Miscellaneous General Expenses," classifying such expenses according to their nature. Payments and expenses permitted by Sections 321(b)(2) of the Federal Election Campaign Act, as amended by Public Law 94-283 in 1976 (2 U.S.C. §441(b)(2)) shall be separately classified.

DESCRIPTION	AMOUNT
(Thousands of Dollars)	
Services billed from Northeast Utilities Service Company (an associate company)	\$383
Other miscellaneous expenses	5
TOTAL	\$388

ANNUAL REPORT OF NORTHEAST NUCLEAR ENERGY COMPANY

For the Year Ended December 31, 2000

RENTS

INSTRUCTIONS: Provide a listing of the amount included in "Rents," classifying such expenses by major groupings of property, as defined in the account definition of the Uniform System of Accounts.

----- TYPE OF PROPERTY -----	----- AMOUNT -----
	(Thousands of Dollars)
Buildings/office space	\$29
Computer/office equipment	107
Vehicles	2,497
Simulator	3,862
Services billed from Northeast Utilities Service Company (an associate company)	1,148

TOTAL	\$7,643 =====

ANNUAL REPORT OF NORTHEAST NUCLEAR ENERGY COMPANY

For the Year Ended December 31, 2000

TAXES OTHER THAN INCOME TAXES
ACCOUNT 408

INSTRUCTIONS: Provide an analysis of Account 408, "Taxes Other Than Income Taxes." Separate the analysis into two groups: (1) Other than U.S. Government taxes, and (2) U.S. Government taxes. Specify each of the various kinds of taxes and show the amounts thereof. Provide a subtotal for each class of tax.

KIND OF TAX	AMOUNT
-------------	--------

(Thousands of Dollars)

(1) Other Than U.S. Government Taxes:

Connecticut Unemployment	\$263
Connecticut Insurance Premium Excise Tax	29
Local property	1,144
Connecticut Sales Tax	40
Miscellaneous (11 items)	1

Sub-Total	1,477

(2) U.S. Government Taxes:

Federal Insurance Contribution Act	7,674
Medicare Tax	2,030
Federal Unemployment	107

Sub-Total	9,811

TOTAL	\$11,288
	=====

ANNUAL REPORT OF NORTHEAST NUCLEAR ENERGY COMPANY

For the Year Ended December 31, 2000

DONATIONS
ACCOUNT 426.1

INSTRUCTIONS: Provide a listing of the amount included in Account 426.1, "Donations," classifying such expenses by its purpose. The aggregate number and amount of all items of less than \$3,000 may be shown in lieu of details.

NAME OF RECIPIENT	PURPOSE OF DONATION	AMOUNT
		(Thousands of Dollars):
Services billed from Northeast Utilities Service Company (an associate company)		\$3
Salvation Army	Charitable contribution	12
Submarine Force Library and Museum Association, Inc.	Charitable contribution	12
	TOTAL	\$27

ANNUAL REPORT OF NORTHEAST NUCLEAR ENERGY COMPANY

For the Year Ended December 31, 2000

OTHER DEDUCTIONS
ACCOUNT 426.5

INSTRUCTIONS: Provide a listing of the amount included in Account 426.5,
"Other Deductions," classifying such expenses according
to their nature.

DESCRIPTION	NAME OF PAYEE	AMOUNT
Executive incentive compensation plan	Various Officers	(\$1,488)
Services billed from Northeast Utilities Service Company (an associate company)		1,889
Proceeds from the sale of Millstone 1 assets	Various	96
Communication services	Miscellaneous (91 payees)	123
	TOTAL	\$620

ANNUAL REPORT OF NORTHEAST NUCLEAR ENERGY COMPANY

For the Year Ended December 31, 2000

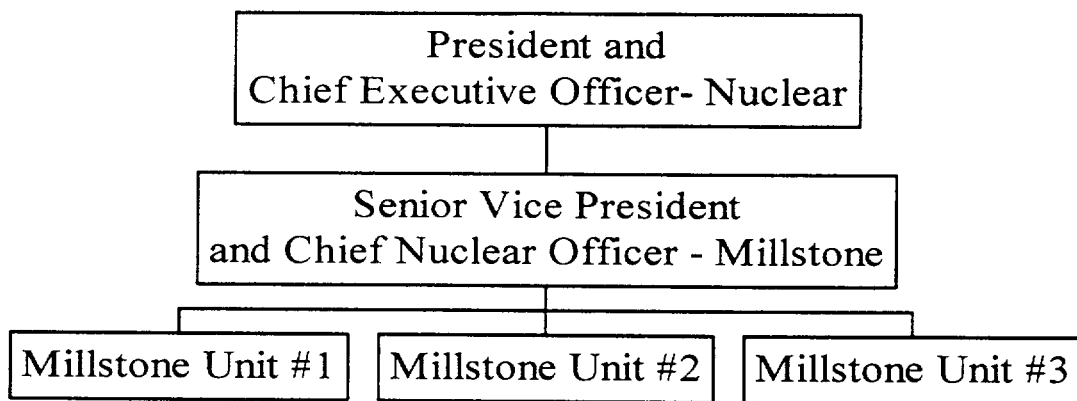
SCHEDULE XVIII

NOTES TO STATEMENTS OF INCOME

INSTRUCTIONS: The space below is provided for important notes regarding the financial statements of income or any account thereof. Furnish particulars as to any significant increases in services rendered or expenses incurred during the year. Notes relating to financial statements shown elsewhere in this report may be indicated here by reference.

See Notes to Financial Statements on pages 19 through 19E.

**Annual Report of Northeast Nuclear Energy Company
Organization Chart (As of December 31, 2000)**



NORTHEAST NUCLEAR ENERGY COMPANY

METHODS OF ALLOCATION

For the year ended December 31, 2000

During 2000, Millstone Unit 1 was being decommissioned. However, the costs associated with Millstone units 1, 2, and 3 were billed directly or allocated using one of four methods. The allocation methods are as follows:

1. One-third to each unit
2. Number of employees
3. Net capacity of each unit
4. Customized-supported by local management

ANNUAL REPORT OF NORTHEAST NUCLEAR ENERGY COMPANY

ANNUAL STATEMENT OF COMPENSATION FOR USE OF CAPITAL BILLED

The following annual statement was supplied to each associate company in support of the amount of compensation for use of capital billed during 2000:

In accordance with Instruction 01-12 of the Securities and Exchange Commission's Uniform System of Accounts for Mutual Service Companies and Subsidiary Service Companies, Northeast Nuclear Energy Company submits the following information on the billing of interest on borrowed funds and a return on equity capital to associated companies for the year 2000:

- (A) Amount of compensation for use of capital billed to (See Note)
- (B) The basis for billing of interest and return on equity capital to the associated companies is based on the percentage ownership of the individual units.

NOTE: For the associate companies and amounts, see "Analysis of Billing - Associate Companies" on page 21.

ANNUAL REPORT OF NORTHEAST NUCLEAR ENERGY COMPANY

SIGNATURE CLAUSE

Pursuant to the requirements of the Public Utility Holding Company Act of 1935 and the rules and regulations of the Securities and Exchange Commission issued thereunder, the undersigned company has duly caused this report to be signed on its behalf by the undersigned office thereunto duly authorized.

NORTHEAST NUCLEAR ENERGY COMPANY

(Name of Reporting Company)

By: /s/ John J. Roman

(Signature of Signing Officer)

John J. Roman - Vice President and Controller

(Printed Name and Title of Signing Officer)

Date: April 18, 2001