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N.H.P.U.C. Case No.	DE 10-2161
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**UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549  
FORM 10-K**

**ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934**

For the Fiscal Year Ended December 31, 2010

OR

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934**

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

<u>Commission File Number</u>	<u>Registrant; State of Incorporation; Address; and Telephone Number</u>	<u>I.R.S. Employer Identification No.</u>
1-5324	<b>NORTHEAST UTILITIES</b> (a Massachusetts voluntary association) One Federal Street Building 111-4 Springfield, Massachusetts 01105 Telephone: (413) 785-5871	04-2147929
0-00404	<b>THE CONNECTICUT LIGHT AND POWER COMPANY</b> (a Connecticut corporation) 107 Selden Street Berlin, Connecticut 06037-1616 Telephone: (860) 665-5000	06-0303850
1-6392	<b>PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE</b> (a New Hampshire corporation) Energy Park 780 North Commercial Street Manchester, New Hampshire 03101-1134 Telephone: (603) 669-4000	02-0181050
0-7624	<b>WESTERN MASSACHUSETTS ELECTRIC COMPANY</b> (a Massachusetts corporation) One Federal Street Building 111-4 Springfield, Massachusetts 01105 Telephone: (413) 785-5871	04-1961130

customers every three months. Currently, CL&P has contracts in place with various suppliers for all of its Standard Service loads through 2011, 40 percent of expected load for 2012, and 10 percent of expected load for 2013. CL&P's contracts for its Supplier of Last Resort Service loads extend through the second quarter of 2011.

#### PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE - DISTRIBUTION

PSNH's distribution business (which includes its generation business) consists primarily of the generation, purchase, delivery and sale of electricity to its residential, commercial and industrial customers. As of December 31, 2010, PSNH furnished retail franchise electric service to approximately 497,000 retail customers in 211 cities and towns in New Hampshire. PSNH also owns and operates approximately 1,200 MW of primarily fossil-fueled electricity generation assets. Included in those generation assets is its 50 MW wood-burning Northern Wood Power Project at its Schiller Station in Portsmouth, New Hampshire, and approximately 70 MW of hydroelectric generation. PSNH also has contracts with 18 IPPs, the output of which it either uses to serve its customer load or sells into the market.

PSNH is constructing its Clean Air Project, a sulfur dioxide and mercury scrubber at its Merrimack coal-fired generation station, which is currently expected to cost \$430 million. The project is scheduled for completion in mid-2012. PSNH will recover all related costs through its ES rates described below.

The following table shows the sources of 2010 electric franchise retail revenues based on categories of customers:

<u>Sources of Revenue</u>	<u>% of Total Revenues</u>
Residential	54%
Commercial	36%
Industrial	9%
Other	1%
Total	<u>100%</u>

#### Rates

PSNH is subject to regulation by the NHPUC, which has jurisdiction over, among other things, rates, certain dispositions of property and plant, mergers and consolidations, issuances of securities, standards of service, management efficiency and construction and operation of facilities.

PSNH's ES rate recovers its generation and purchased power costs from customers on a current basis and allows for an ROE of 9.81 percent on its generation investment.

Under New Hampshire law, the SCRC allows PSNH to recover its stranded costs, including expenses incurred under mandated power contracts and other long-term investments and obligations. PSNH has financed a significant portion of its stranded costs through securitization by issuing RRBs secured by the right to recover these stranded costs from customers over time and recovers the costs of these bonds through the SCRC rate.

On an annual basis, PSNH files with the NHPUC an ES/SCRC reconciliation filing for the preceding year. The difference between ES/SCRC revenues and ES/SCRC costs are included in the ES/SCRC rate calculations and refunded to/recovered from customers in the subsequent period approved by the NHPUC.

The TCAM allows PSNH to recover on a fully reconciling basis its transmission related costs. The TCAM is adjusted July 1 of each year.

*Distribution Rates:* On June 28, 2010, the NHPUC approved a joint settlement of PSNH's rate case that had commenced in 2009, allowing a net distribution rate increase of \$45.5 million on an annualized basis to be effective July 1, 2010, and annualized distribution rate adjustments projected to be a decrease of \$2.9 million and increases of \$9.5 million and \$11.1 million on July 1 of each of the three subsequent years, respectively. PSNH agreed not to file a new distribution rate request that would be effective prior to July 1, 2015.

During the term of the settlement, PSNH can only propose changes to its permanent distribution rate level when its 12-month distribution ROE falls below 7 percent for two consecutive quarters or certain specified external events, such as major storms, occur. If PSNH's 12-month ROE rolling average is greater than 10 percent, anything over the 10 percent level will be allocated 75 percent to customers and 25 percent to PSNH. The settlement also provided that the authorized regulatory ROE on distribution only plant will continue at the previously allowed level of 9.67 percent. PSNH's distribution segment regulatory ROE was 10.2 percent (including generation) in 2010, compared to 7.2 percent in 2009. We expect PSNH's distribution segment regulatory ROE will be approximately 9 percent in 2011.

PSNH's customers are entitled to choose competitive energy suppliers, with PSNH providing default energy service under its ES rate for those customers who do not elect to use a third party supplier. Prior to 2009, PSNH experienced only a minimal amount of customer migration. However, customer migration levels began to increase significantly in 2009 as energy costs decreased from their historic high levels and competitive energy suppliers with more pricing flexibility were able to offer electricity supply at lower prices than PSNH. By the end of 2010, approximately 2 percent of all of PSNH's customers (approximately 32 percent of load), mostly large commercial and industrial customers, had switched to competitive energy suppliers. The increased level of migration has caused an increase in the ES rate, as fixed costs of PSNH's generation assets must be spread over a smaller group of customers and lower sales

volume. The customers that did not switch to a third party supplier, predominately residential and small commercial and industrial customers, are now paying a larger proportion of these fixed costs.

The NHPUC opened a proceeding in 2010 to consider the effect of customer migration on ES rates for customers, principally residential and small commercial and industrial customers, remaining on PSNH default energy service. As part of this docket, the NHPUC stated its intention to explore the interplay of customer choice, migration issues and power procurement options for PSNH.

PSNH cannot predict if the upward pressure on ES rates will continue into the future, as future customer migration levels, which are dependent on market prices and supplier alternatives, are uncertain. If future market prices once more exceed the average ES rate level, some or all of these customers on third party supply may migrate back to PSNH.

#### Sources and Availability of Electric Power Supply

During 2010, about 88 percent of PSNH's load was met through its own generation, long-term power supply provided pursuant to orders of the NHPUC, and contracts with third parties. The remaining 12 percent of PSNH's load was met by short-term (less than one year) purchases and spot purchases in the competitive New England wholesale power market. PSNH expects to meet its load requirements in 2011 in a similar manner.

#### WESTERN MASSACHUSETTS ELECTRIC COMPANY - DISTRIBUTION

WMECO's distribution business consists primarily of the purchase, delivery and sale of electricity to residential, commercial and industrial customers. At December 31, 2010, WMECO furnished retail franchise electric service to approximately 206,000 retail customers in 59 cities and towns in the western third of Massachusetts. Following electric industry restructuring in the 1990s, WMECO sold all of its generating facilities and now purchases its energy requirements from competitive suppliers. In 2009, pursuant to the Massachusetts Green Communities Act, WMECO was authorized to install 6 MW of solar energy generation in its service territory. In October 2010, WMECO completed construction of a 1.8 MW solar generation facility at a site in Pittsfield, Massachusetts, which began producing electricity in late 2010. In January 2011, WMECO announced its plans to develop a second solar generation facility at a site in Springfield, Massachusetts. This facility will accommodate 17,000 solar panels, producing up to 4.2 MW of solar energy. WMECO will sell all energy and other products from its solar generation facilities into the ISO New England market. WMECO had a contract with one IPP generator in 2010, the output of which WMECO sold into the ISO New England market. The term of this contract ended on December 31, 2010.

The following table shows the sources of 2010 electric franchise retail revenues based on categories of customers:

Sources of Revenue	% of Total Revenues
Residential	57%
Commercial	33%
Industrial	9%
Other	1%
Total	100%

#### Rates

WMECO is subject to regulation by the Massachusetts DPU, which has jurisdiction over, among other things, rates, accounting procedures, certain dispositions of property and plant, mergers and consolidations, issuances of long-term securities, acquisition of securities, standards of service, management efficiency and construction and operation of distribution, production and storage facilities. WMECO's present general rate structure consists of various rate and service classifications covering residential, commercial and industrial services. Massachusetts utilities are entitled under state law to charge rates that are sufficient to allow them an opportunity to recover their reasonable operation and capital costs, to attract needed capital and maintain their financial integrity, while also protecting relevant public interests.

Under state law, WMECO's customers are entitled to choose their energy suppliers, while WMECO remains their distribution company. WMECO purchases electric power from competitive suppliers for, and passes through the cost to, those customers who do not choose a competitive energy supplier (basic service). Basic service charges are adjusted and reconciled on an annual basis. Most of WMECO's residential and small commercial and industrial customers have continued to buy their power from WMECO at basic service rates. A greater proportion of large commercial and industrial customers have opted for a competitive energy supplier.

WMECO continues to supply approximately 50 percent of its customer load at basic service rates while the other 50 percent of its customer load has migrated to competitive energy suppliers. Because this customer migration is only for energy supply service, it has no impact on WMECO's delivery business or its operating income.

WMECO recovers certain costs through various tracking mechanisms in its retail rates, including transmission costs, pension costs and prudently incurred stranded costs (a portion of which have been financed through securitization by issuing RRBs) with periodic true-up adjustments.