

SECURITIES AND EXCHANGE COMMISSION

FORM 8-K

Current report filing

Filing Date: **2005-05-02** | Period of Report: **2005-04-28**
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FILER

CONNECTICUT LIGHT & POWER CO

CIK: **23426** | IRS No.: **060303850** | State of Incorporation: **CT** | Fiscal Year End: **1231**
Type: **8-K** | Act: **34** | File No.: **000-00404** | Film No.: **05791670**
SIC: **4911** Electric services

Business Address
*SELDEN STREET
BERLIN CT 06037-1616
8606655000*

WESTERN MASSACHUSETTS ELECTRIC CO

CIK: **106170** | IRS No.: **041961130** | State of Incorporation: **MA** | Fiscal Year End: **1231**
Type: **8-K** | Act: **34** | File No.: **000-07624** | Film No.: **05791671**
SIC: **4911** Electric services

Mailing Address
*107 SELDEN ST
BERLIN CT 06037-1616*

Business Address
*174 BRUSH HILL AVE
WEST SPRINGFIELD MA
01089
4137855871*

PUBLIC SERVICE CO OF NEW HAMPSHIRE

CIK: **315256** | IRS No.: **020181050** | State of Incorporation: **NH** | Fiscal Year End: **1231**
Type: **8-K** | Act: **34** | File No.: **001-06392** | Film No.: **05791672**
SIC: **4911** Electric services

Mailing Address
*780 N. COMMERCIAL STREET
MANCHESTER NH 03105-0330*

Business Address
*780 N. COMMERCIAL STREET
MANCHESTER NH 03105-0330
6036694000*

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549-1004

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) April 28, 2005

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

Not Applicable

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

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

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

- [] Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- [] Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- [] Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Section 2 - Financial Information

Item 2.02 Results of Operation and Financial Condition

On April 28, 2005, Northeast Utilities issued a news release announcing its unaudited results of operations for the first quarter 2005. A copy of the news release and related financial reports are attached as Exhibits 99.1 and 99.2, and are incorporated herein by reference thereto. The information contained in this Item 2.02, including Exhibits 99.1 and 99.2, shall not be deemed “filed” with the Securities and Exchange Commission nor incorporated by reference in any registration statement filed by Northeast Utilities under the Securities Act of 1933, as amended, unless specified otherwise.

Section 9 - Financial Statements and Exhibits

Item 9.01 Financial Statements and Exhibits

(c) Exhibits

	<u>Exhibit</u>	<u>Description</u>
	Exhibit 99.1	Northeast Utilities News Release dated April 28, 2005.
	Exhibit 99.2	Financial Report for the three month period ending March 31, 2005.

[SIGNATURE PAGE TO FOLLOW]

SIGNATURE

Pursuant to the requirements of the Securities and Exchange Act of 1934, the registrants have duly caused this report to be signed on their behalf by the undersigned hereunto duly authorized.

	THE CONNECTICUT LIGHT AND POWER COMPANY PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE WESTERN MASSACHUSETTS ELECTRIC COMPANY (Registrants)
	By: /s/ Gregory B. Butler
	Name: Gregory B. Butler Title: Senior Vice President, Secretary and General Counsel Northeast Utilities Service Company, as Agent for each of the Registrants

Date: May 2, 2005

Contact: Jeffrey R. Kotkin
Office: (860) 665-5154

NU ANNOUNCES FIRST QUARTER 2005 RESULTS

BERLIN, Connecticut, April 28, 2005—Northeast Utilities (NU-NYSE) today reported a loss of \$117.7 million, or \$0.91 per share, in the first quarter of 2005, compared with net income of \$67.4 million, or \$0.53 per share, in the same period of 2004. The lower 2005 results were due primarily to charges associated with NU' s previously announced decision to exit two of its four competitive energy business lines.

NU' s four regulated businesses earned \$53.6 million in the first quarter of 2005, compared with earnings of \$53.4 million in the first quarter of 2004, as retail rate increases at each of NU' s four regulated businesses offset lower sales and higher pension, depreciation, and interest expense. The first quarter 2005 regulated business results were consistent with NU' s expectations and, as a result, the company today reaffirmed its full-year 2005 earnings guidance for its regulated businesses of between \$1.22 per share and \$1.30 per share. Those businesses, which earned \$1.21 per share in 2004, are unaffected by the charges announced today. NU also reaffirmed its guidance of 2005 parent company expense of between \$0.08 per share and \$0.13 per share.

The loss reported today is primarily non-cash and reflects NU' s decision announced March 9 to exit the wholesale energy marketing and energy services business lines of NU Enterprises, Inc. (NUEI), the holding company for NU' s competitive energy businesses. That decision was due to a number of factors, including narrowing margins, increased competition, and projections that the wholesale and energy services business lines would not be able to generate the earnings and cash flows that had been previously anticipated within acceptable risk levels. The decision required NUEI to assess for impairment the book value of the assets of the businesses being exited and to mark to market the wholesale business' s energy purchase and sales contracts. As a result of those adjustments, NUEI lost \$167.4 million in the first quarter of 2005. That figure includes \$150.2 million of after-tax restructuring charges related to exiting the wholesale marketing and energy services business lines and a separate \$25.7 million after-tax charge related to closing certain natural gas positions established in mid-2004. Together, those charges totaled \$175.9 million. Excluding these charges, NUEI earned \$8.5 million in the first quarter of 2005. NUEI earned \$18.8 million in the first quarter of 2004.

Excluding the \$175.9 million of charges noted above, NU earned \$58.2 million, or \$0.45 per share, in the first quarter of 2005. Charles W. Shivery, NU chairman, president, and chief executive officer, said he expects that, with the first quarter charges, NU has recorded most of the restructuring costs associated with exiting the wholesale marketing and energy services businesses. Shivery noted, however, that because certain of its remaining energy contracts now must be marked to market every quarter, NUEI' s earnings are expected to be volatile until those contracts expire or are sold or

restructured. Because of the applicable mark-to-market accounting, NUEI earnings are likely to fall when wholesale electricity market prices are rising and rise when those prices are falling. Due to that earnings volatility and the variety of methods the company could use to implement its decisions to exit the wholesale marketing and energy services businesses, NU will not provide a 2005 earnings range for its competitive energy businesses.

A summary of comparative 2005 and 2004 first quarter results is noted below:

		<u>First Quarter</u>
2004	Reported EPS	\$0.53
	Regulated, Other results in 2005	----
	Lower competitive results in 2005, excluding charges	(\$0.08)
	Adjusted EPS	\$0.45
	Merchant energy restructuring charges in 2005 noted below	(\$0.96)
	Impairment on energy services businesses in 2005	(\$0.20)
	Wholesale gas mark-to-market charge in 2005	(\$0.20)
2005	Reported EPS	(\$0.91)

Regulated businesses

Shivery said NU' s regulated subsidiaries achieved significant milestones in the construction of needed energy delivery infrastructure projects in the first four months of 2005. Line construction began on The Connecticut Light and Power Company' s (CL&P) 21-mile, 345-kv transmission project between Bethel, Connecticut and Norwalk, Connecticut, as well as on Yankee Gas Service Company' s 1.2 billion cubic foot natural gas storage facility in Waterbury, Connecticut. Also in 2005, the Connecticut Siting Council approved plans by CL&P and United Illuminating Co. to build a 69-mile 345-kv transmission line between Middletown, Connecticut and Norwalk.

“We are very pleased with the progress we continue to make on our regulated company growth strategy of siting and building the energy delivery facilities that are so necessary to serve New England energy consumers,” Shivery said.

Yankee Gas and Western Massachusetts Electric Company (WMECO) had stronger results in the first quarter of 2005, compared with the same period of 2004, while CL&P and Public Service Company of New Hampshire' s (PSNH) earnings were lower in the first quarter of 2005. Yankee Gas and WMECO benefited more from their delivery rate increases than did CL&P and PSNH. Also, regulated retail electric sales fell

by about 1.0 percent and firm retail natural gas sales fell 2.3 percent in the first three months of 2005, compared with the same period of 2004.

Detailed results for both the regulated and competitive businesses are noted in the chart below:

<i>(in millions of dollars)</i>	<u>First Quarter</u> <u>2005</u>	<u>First Quarter 2004</u>	<u>Increase</u> <u>(Decrease)</u>
CL&P	\$25.2	\$26.2	(\$1.0)
PSNH	\$8.8	\$11.8	(\$3.0)
WMECO	\$4.7	\$3.5	\$1.2
Yankee Gas	\$14.9	\$11.9	\$3.0
Total–Utility Group	\$53.6	\$53.4	\$0.2
Merchant energy–excluding charges	\$11.7	\$19.1	(\$7.4)
Restructuring charges related to merchant energy	(\$124.9)	----	(\$124.9)
Wholesale gas mark-to-market charge in 2005	(\$25.7)	----	(\$25.7)
Total merchant energy	(\$138.9)	\$19.1	(\$158.0)
Energy services and NUEI parent	(\$3.2)	(\$0.3)	(\$2.9)
Restructuring charges related to energy services impairment	(\$25.3)	---	(\$25.3)
Total services, NUEI parent	(\$28.5)	(\$0.3)	(\$28.2)
Total–Competitive Businesses	(\$167.4)	\$18.8	(\$186.2)
NU Parent and other	(\$3.9)	(\$3.3)	(\$0.6)
Investment write-down	----	(\$1.5)	\$1.5
Reported (Loss)/Earnings	(\$117.7)	\$67.4	(\$185.1)

Competitive businesses

The following two restructuring items add to \$150.2 million of restructuring charges included in the chart above. They are reflected on NU' s income statement as \$234.4 million of Restructuring and Impairment Charges, offset by \$84.2 million of reduced income tax expense.

- \$124.9, or \$0.96 per share, associated with marking to market certain wholesale and retail short-term and long-term power supply and sales contracts. While some of those contracts have significant positive margin over their term, a number of longer term wholesale contracts of up to eight years are at prices well below forecasted market prices;

- \$25.3 million, or \$0.20 per share, associated with impairments on NUEI' s energy services businesses. NU announced in March 2005 that it would seek to divest those businesses.

The following charge is reflected on the income statement as \$40.7 million of increased Fuel and Purchased Power, offset by \$15.0 million of reduced income tax expense:

- \$25.7 million, or \$0.20 per share, associated with continuing to mark to market certain wholesale natural gas sales contracts signed in 2004. NUEI has now closed out its presourced electricity and natural gas positions it established in 2004.

Shivery said NUEI is progressing with the divestiture of the energy services businesses and the exiting of the competitive wholesale marketing business. NUEI is working with the firm of FMI Corp. to complete the divestiture of its performance contracting and electrical, HVAC, telecommunications, and plumbing contracting businesses by the end of 2005. NU also continues to work with the firm of Lazard Freres & Co., LLC on the disposition of its remaining wholesale electric contracts.

“Today’ s announcement represents an important next step in the transition we are making to focus on our regulated business and on two competitive business lines—retail marketing and generation—that offer appealing opportunities for our shareholders,” Shivery said. “By taking these steps, we will be a better company going forward with significant opportunities, more transparent financial performance, and a lower risk profile.”

NU has approximately 129 million common shares outstanding. It operates New England’ s largest energy delivery system, serving approximately 2 million customers in Connecticut, New Hampshire and Massachusetts.

This news release includes statements concerning NU’ s expectations, plans, objectives, future financial performance and other statements that are not historical facts. These statements are “forward looking statements” within the meaning of the Private Litigation Reform Act of 1995. In some cases the reader can identify these forward looking statements by words such as “estimate”, “expect”, “anticipate”, “intend”, “plan”, “believe”, “forecast”, “should”, “could”, and similar expressions. Forward looking statements involve risks and uncertainties that may cause actual results or outcomes to differ materially from those included in the forward looking statements. Factors that may cause actual results to differ materially from those included in the forward looking statements include, but are not limited to, actions by state and federal regulatory bodies, competition and industry restructuring, changes in economic conditions, changes in weather patterns, changes in laws, regulations or regulatory policy, expiration or initiation of significant energy supply contracts, changes in levels of capital expenditures, developments in legal or public policy doctrines, technological developments, volatility in electric and natural gas commodity markets, effectiveness of

our risk management policies and procedures, changes in accounting standards and financial reporting regulations, fluctuations in the value of electricity positions, obtaining new contracts at anticipated volumes and margins, terrorist attacks on domestic energy facilities, and other presently unknown or unforeseen factors. Other risk factors are detailed from time to time in our reports to the Securities and Exchange Commission. We undertake no obligation to update the information contained in any forward looking statements to reflect developments or circumstances occurring after the statement is made.

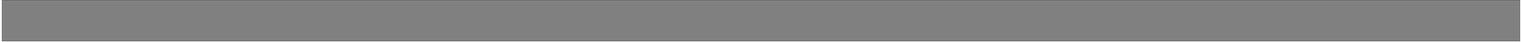
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Note: NU will webcast an investor meeting Friday, April 29, at 9 a.m. Eastern Daylight Time. The call can be accessed through NU' s website at www.nu.com.

Northeast Utilities and Subsidiaries
Consolidated Statements of Cash Flows

	Three Months Ended	
	March 31,	
	2005	2004
	(Thousands of Dollars)	
Operating Activities:		
Net (loss)/income	\$ (117,719)	\$ 67,442
Adjustments to reconcile to net cash flows provided by operating activities:		
Non-cash after-tax restructuring and impairment charges	141,150	-
Bad debt expense	9,029	5,795
Depreciation	57,998	54,573
Deferred income taxes and investment tax credits, net	(16,306)	20,028
Amortization	23,093	29,291
Amortization of rate reduction bonds	45,790	42,999
Amortization of recoverable energy costs	1,094	10,189
Pension expense	8,030	2,659
Regulatory (refunds)/overrecoveries	(26,256)	13,669
Derivative assets	(43,820)	(1,152)
Derivative liabilities	27,344	(20,372)
Other sources of cash	12,988	9,885
Other uses of cash	(28,963)	(44,075)
Changes in current assets and liabilities:		
Restricted cash - LMP costs	-	(30,051)
Receivables and unbilled revenues, net	(72,195)	(19,520)
Fuel, materials and supplies	41,941	31,589
Investments in securitizable assets	(50,288)	(20,356)
Other current assets	92,112	18,583
Accounts payable	48,353	108,352
Accrued taxes	3,655	14,594
Other current liabilities	15,076	22,693
Net cash flows provided by operating activities	<u>172,106</u>	<u>316,815</u>
Investing Activities:		
Investments in property and plant:		
Electric, gas and other utility plant	(145,722)	(132,912)
Competitive energy assets	(4,750)	(5,222)
Cash flows used for investments in property and plant	<u>(150,472)</u>	<u>(138,134)</u>
Other investment activities	(6,036)	6,087
Net cash flows used in investing activities	<u>(156,508)</u>	<u>(132,047)</u>
Financing Activities:		
Issuance of common shares	3,984	2,522
Issuance of long-term debt	-	82,438
Retirement of rate reduction bonds	(50,338)	(47,460)
Increase/(decrease) in short-term debt	87,000	(95,000)
Reacquisitions and retirements of long-term debt	(9,121)	(6,405)
Cash dividends on common shares	(21,005)	(19,177)
Other financing activities	914	(1,153)
Net cash flows provided by/(used in) financing activities	<u>11,434</u>	<u>(84,235)</u>
Net increase in cash and cash equivalents	27,032	100,533
Cash and cash equivalents - beginning of period	46,989	43,372
Cash and cash equivalents - end of period	<u>\$ 74,021</u>	<u>\$ 143,905</u>

The data contained in this report is preliminary and is unaudited. This report is being submitted for the sole purpose of providing information to present shareholders about Northeast Utilities and Subsidiaries and is not a representation, prospectus, or intended for use in connection with any purchase or sale of securities.



Northeast Utilities and Subsidiaries
Consolidated Balance Sheets

	March 31, 2005	December 31, 2004
(Thousands of Dollars)		
<u>ASSETS</u>		
Current Assets:		
Cash and cash equivalents	\$ 74,021	\$ 46,989
Special deposits	48,751	82,584
Investments in securitizable assets	189,679	139,391
Receivables, net	833,321	771,257
Unbilled revenues	145,540	144,438
Taxes receivable	21,871	61,420
Fuel, materials and supplies, at average cost	143,239	185,180
Derivative assets - current	390,723	81,567
Prepayments and other	130,984	154,395
	<u>1,978,129</u>	<u>1,667,221</u>
Property, Plant and Equipment:		
Electric utility	5,983,995	5,918,539
Gas utility	795,000	786,545
Competitive energy	909,202	918,183
Other	242,864	241,190
	<u>7,931,061</u>	<u>7,864,457</u>
Less: Accumulated depreciation	2,413,986	2,382,927
	<u>5,517,075</u>	<u>5,481,530</u>
Construction work in progress	437,196	382,631
	<u>5,954,271</u>	<u>5,864,161</u>
Deferred Debits and Other Assets:		
Regulatory assets	2,668,010	2,745,874
Goodwill	290,791	319,986
Purchased intangible assets, net	2,817	19,361
Prepaid pension	342,550	352,750
Prior spent nuclear fuel trust, at fair value	49,555	49,296
Derivative assets - long-term	377,498	198,769
Other	415,365	438,416
	<u>4,146,586</u>	<u>4,124,452</u>
Total Assets	<u>\$ 12,078,986</u>	<u>\$ 11,655,834</u>

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Northeast Utilities and Subsidiaries
Consolidated Balance Sheets

	March 31, 2005	December 31, 2004
(Thousands of Dollars)		
<u>LIABILITIES AND CAPITALIZATION</u>		
Current Liabilities:		
Notes payable to banks	\$ 267,000	\$ 180,000
Long-term debt - current portion	84,157	90,759
Accounts payable	873,600	825,247
Accrued taxes	3,655	-
Accrued interest	58,580	49,449
Derivative liabilities - current	371,767	130,275
Counterparty deposits	95,648	57,650
Other	197,892	230,022
	1,952,299	1,563,402
Rate Reduction Bonds	1,496,152	1,546,490
Deferred Credits and Other Liabilities:		
Accumulated deferred income taxes	1,348,216	1,434,403
Accumulated deferred investment tax credits	98,203	99,124
Deferred contractual obligations	393,178	413,056
Regulatory liabilities	1,130,671	1,069,842
Derivative liabilities - long-term	325,500	58,737
Other	264,046	267,895
	3,559,814	3,343,057
Capitalization:		
Long-Term Debt	2,783,144	2,789,974
Preferred Stock of Subsidiary - Non-Redeemable	116,200	116,200
Common Shareholders' Equity:		
Common shares, \$5 par value - authorized 225,000,000 shares; 151,463,375 shares issued and 129,367,389 shares outstanding in 2005 and 151,230,981 shares issued and 129,034,442 shares outstanding in 2004	757,317	756,155
Capital surplus, paid in	1,118,944	1,116,106
Deferred contribution plan - employee stock ownership plan	(56,916)	(60,547)
Retained earnings	706,619	845,343
Accumulated other comprehensive income/(loss)	5,494	(1,220)
Treasury stock, 19,636,364 shares in 2005 and 19,580,065 shares in 2004	(360,081)	(359,126)
Common Shareholders' Equity	2,171,377	2,296,711
Total Capitalization	5,070,721	5,202,885
Total Liabilities and Capitalization	\$ 12,078,986	\$ 11,655,834

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Northeast Utilities and Subsidiaries
Consolidated Statements of (Loss)/Income

	Three Months Ended		Twelve Months Ended	
	March 31,		March 31,	
	2005	2004	2005	2004
	(Thousands of Dollars, Except Share Information)			
Operating Revenues	\$ 2,264,812	\$ 1,838,287	\$ 7,113,225	\$ 6,323,261
Operating Expenses:				
Operation -				
Fuel, purchased and net interchange power	1,625,701	1,177,312	4,679,582	3,946,863
Other	278,815	241,946	1,121,104	992,776
Restructuring and impairment charges	234,449	-	234,449	-
Maintenance	41,703	41,789	188,025	184,087
Depreciation	57,998	54,573	228,279	209,489
Amortization	23,093	29,291	132,073	160,683
Amortization of rate reduction bonds	45,790	42,999	167,706	156,970
Taxes other than income taxes	77,156	77,589	241,735	236,287
Total operating expenses	<u>2,384,705</u>	<u>1,665,499</u>	<u>6,992,953</u>	<u>5,887,155</u>
Operating (Loss)/Income	(119,893)	172,788	120,272	436,106
Interest Expense:				
Interest on long-term debt	38,449	32,738	145,564	126,057
Interest on rate reduction bonds	23,038	25,695	96,242	106,193
Other interest	4,342	4,347	14,757	13,342
Interest expense, net	<u>65,829</u>	<u>62,780</u>	<u>256,563</u>	<u>245,592</u>
Other Income, Net	<u>2,041</u>	<u>1,687</u>	<u>14,818</u>	<u>675</u>
(Loss)/Income Before Income Tax (Benefit)/Expense	(183,681)	111,695	(121,473)	191,189
Income Tax (Benefit)/Expense	<u>(67,352)</u>	<u>42,863</u>	<u>(58,459)</u>	<u>57,240</u>
(Loss)/Income Before Preferred Dividends of Subsidiary	(116,329)	68,832	(63,014)	133,949
Preferred Dividends of Subsidiary	<u>1,390</u>	<u>1,390</u>	<u>5,559</u>	<u>5,559</u>
(Loss)/Income Before Cumulative Effect of Accounting Change	(117,719)	67,442	(68,573)	128,390
Cumulative effect of accounting change, net of tax benefit of \$2,553	-	-	-	(4,741)
Net (Loss)/Income	<u>\$ (117,719)</u>	<u>\$ 67,442</u>	<u>\$ (68,573)</u>	<u>\$ 123,649</u>
Fully Diluted (Loss)/Earnings Per Common Share:				
(Loss)/Income Before Cumulative Effect of Accounting Change	\$ (0.91)	\$ 0.53	\$ (0.53)	\$ 1.01
Cumulative effect of accounting change, net of tax benefit	-	-	-	(0.04)
Fully Diluted (Loss)/Earnings Per Common Share	<u>\$ (0.91)</u>	<u>\$ 0.53</u>	<u>\$ (0.53)</u>	<u>\$ 0.97</u>
Fully Diluted Common Shares Outstanding (average)	<u>129,310,155</u>	<u>128,061,086</u>	<u>128,707,542</u>	<u>127,486,189</u>

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