

NORTHEAST UTILITIES
Form U-9C-3/A
November 28, 2005

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549-1004

FORM U-9C-3/A

Amendment No. 1

QUARTERLY REPORT PURSUANT TO RULE 58

For the quarterly period ended September 30, 2004

Northeast Utilities

(Name of registered holding company)

107 Selden Street, Berlin, CT 06037

(Address of Principal Executive Officers)

Name and telephone number of officer to whom inquiries concerning this report should be directed:

John P. Stack, Vice President-Accounting and Controller

Telephone Number: 860-665-2333

FORM U-9C-3/A EXPLANATORY NOTE

Amendment No. 1 to our quarterly report on Form U-9C-3 (Form U-9C-3/A) was filed to amend the quarterly report on Form U-9C-3 for the quarter ended September 30, 2004 of Northeast Utilities (NU), which was originally filed on November 23, 2004 (Original Form U-9C-3). Accordingly, this Form U-9C-3/A contains the complete text of Items 4, and Item 6, as amended. Unaffected items in the Original Form U-9C-3 have not been repeated in this Form U-9C-3/A.

Subsequent to the filing of the Form U-9C-3 for the quarter ended September 30, 2004, NU concluded that it incorrectly applied accrual accounting for certain natural gas contracts established by the Select Energy, Inc. (Select Energy) to mitigate the risk of electricity purchased in anticipation of winning certain levels of wholesale electric load in New England. The natural gas basis contracts were originally accounted for on the accrual basis. The natural gas futures and swaps contracts were accounted for as cash flow hedges with changes in fair value reflected in other comprehensive income (a component of shareholders' equity). However, subsequent to the filing of the third quarter report on Form U-9C-3, NU concluded that applying accrual accounting for the basis contracts was incorrect. The basis contracts should have been recorded at current fair value with changes in fair value impacting earnings. The fair value was a negative \$0.9 million at June 30, 2004 and at September 30, 2004 was a negative \$2.7 million. Purchased power, net interchange power and capacity expenses increased by \$1.8 million for the third quarter of 2004 and increased by \$2.7 million for the nine-month period ended September 30, 2004 as a result of the restatements. The futures and swaps contracts should not have been accounted for as cash flow hedges and should also have been recorded at fair value. The fair value was a positive \$2.7 million at June 30, 2004 and at September 30, 2004 was a negative \$71.1 million. These amounts have been removed from other comprehensive income (a component of shareholders' equity). Purchased power, net interchange power and capacity expenses increased by \$73.8 million for the third quarter and increased by \$71.1 million for the nine-month period ended September 30, 2004 as a result of the restatements. This Form U-9C-3/A reflects the change from accrual and hedge accounting to fair value accounting for the aforementioned natural gas derivative contracts. The net income impact of both of these restatements was a negative \$47 million for the third quarter and a negative \$45.9 million for the nine months ended September 30, 2004.

The natural gas contracts discussed above are accounted for at fair value with changes in fair value included in earnings. NU concluded that fair value or mark-to-market accounting should have been applied. To correct this error, NU and Select Energy restated their consolidated balance sheets as of September 30, 2004 and their consolidated statements of income/ operations for the three and nine months ended September 30, 2004.

This amendment does not otherwise reflect events occurring after the filing of the Original Form U-9C-3, which was filed on November 23, 2004. Such events include, among others, the events described in NU's current reports on Form 8-K filed after the filing of the Original Form U-9C-3. NU filed an amended report on Form 10-Q/A related to these issues on March 17, 2005.

GENERAL INSTRUCTIONS

A.

Use of Form

1.

A reporting company, as defined herein, shall file a report on this form within 60 days after the end of each of the first three quarters, and within 90 days after the end of the fourth quarter, of the fiscal year of the registered holding company. The period beginning on the date of effectiveness of rule 58 and ending at the end of the quarter following the quarter in which the rule becomes effective shall constitute the initial period for which any report shall be filed, if applicable.

2.

The requirement to provide specific information by means of this form supersedes any requirement by order of the Commission to provide identical information by means of periodic certificates under rule 24; but does not so supersede and replace any requirement by order to provide information by means of an annual report on Form U-13-60.

3.

Information with respect to reporting companies that is required by Form U-13-60 shall be provided exclusively on that form.

4.

Notwithstanding the specific requirements of this form, this Commission may informally request such further information as, in its opinion, may be necessary or appropriate.

B.

Statements of Monetary Amounts and Deficits

1.

Amounts included in this form and in related financial statements may be expressed in whole dollars, thousands of dollars or hundred thousands of dollars.

2.

Deficits and other similar entries shall be indicated by either brackets or parentheses. An explanation should be provided by footnote.

C.

Formal Requirements

This form, including exhibits, shall be filed with Commission electronically pursuant to Regulation S-T (17 CFR 232.10 et seq.). A conformed copy of each such report shall be filed with each state commission having jurisdiction over the retail rates of a public utility company that is an associate company of a reporting company. Each report shall provide the name and telephone number of the person to whom inquiries concerning this report should be directed.

D.

Definitions

As used in this form, the word "reporting company" means an energy-related company or gas-related company, as defined in rule 58(b). All other words and terms have the same meaning as in the Public Utility Holding Company Act of 1935, as amended, and the rules and regulations there under.

ITEM 4 - SUMMARY OF AGGREGATE INVESTMENT

Investments in energy-related companies:

	(Thousands of Dollars)		
	(Restated)		
Total consolidated capitalization as of	09/30/04	\$6,953,514	line 1
Total capitalization multiplied by 15% (line 1 multiplied by 0.15)		1,043,027	
Additional investment allowed through 6/30/07 *		500,000	
		1,543,027	line 2
Total Allowed (greater of \$50 million on line 2)		\$1,543,027	line 3
Total current aggregate investment:			
Select Energy, Inc. and Subsidiary (Restated)		976,788	
Northeast Generation Services Company		21,054	
Select Energy Contracting, Inc.		15,639	
Woods Electrical Co., Inc.		13,159	
Reeds Ferry Supply Co., Inc.		7	
HEC/Tobyhanna Energy Project, Inc.		-	
Yankee Energy Services Company		7,882	
E.S. Boulos Company		7,551	
R.M. Services, Inc.		-	
NGS Mechanical, Inc.		10	
Acumentrics Corporation		3,750	
Greenport, LLC		501	
ERI/HEC EFA-Med, LLC		9	
HEC/CJTS Energy Center LLC		12	
Current aggregate investment		1,046,362	
Elimination **		12,539	
Total current aggregate investment		1,033,823	line 4
Difference between the total allowed and the total current aggregate investment of the registered holding company system (line 3 less line 4)		\$509,204	line 5

*Per SEC Order dated July 2, 2004 (Rel. No. 35-27868A).

**Elimination is for capital contributions made from a parent company who is a reporting company to a subsidiary who is also a reporting company.

ITEM 6 - FINANCIAL STATEMENTS AND EXHIBITS

Instructions

A.

Financial Statements

1.

Financial statements are required for reporting companies in which the registered holding company system has at least 50% equity or other ownership interest. For all other rule 58 companies, the registered holding company shall make available to the Commission such financial statements as are available to it.

2.

For each reporting company, provide a balance sheet as of the end of the quarter and income statements for the three-month and year-to-date periods ending as of the end of the quarter, together with any notes thereto. Financial statements shall be for the first three quarters of the fiscal year of the registered holding company.

3.

If a reporting company and each of its subsidiaries engage exclusively in single category of energy-related or gas-related activity, consolidated financial statements may be filed.

4.

Separate financial statements need not be filed for inactive companies or for companies engaged solely in the ownership of interests in energy-related or gas-related companies.

B.

Exhibits

1.

Copies of contracts required to be provided by Item 3 shall be filed as exhibits.

2.

A certificate stating that a copy of the report for the previous quarter has been filed with interested state commissions shall be filed as an exhibit. The certificate shall provide the names and addresses of the state commissions.

A.

Financial Statements

Select Energy, Inc. and Subsidiary (Restated):

Consolidated Balance Sheet - As of September 30, 2004

Consolidated Statements of Operations - Three and nine months ended September 30, 2004

Northeast Generation Services Company*:

Balance Sheet - As of September 30, 2004

Statements of Income - Three and nine months ended September 30, 2004

Select Energy Contracting, Inc.*:

Balance Sheet - As of September 30, 2004

Statements of Income - Three and nine months ended September 30, 2004

Reeds Ferry Supply Co., Inc.*:

Balance Sheet - As of September 30, 2004

Statements of Income - Three and nine months ended September 30, 2004

HEC/Tobyhanna Energy Project, Inc.*:

Balance Sheet - As of September 30, 2004

Statements of Income - Three and nine months ended September 30, 2004

Yankee Energy Services Company*:

Balance Sheet - As of September 30, 2004

Statements of Income - Three and nine months ended September 30, 2004

ERI/HEC EFA-Med, LLC*:

Balance Sheet - As of September 30, 2004

Statements of Income - Three and nine months ended September 30, 2004

E. S. Boulos Company*:

Balance Sheet - As of September 30, 2004

Statements of Income - Three and nine months ended September 30, 2004

NGS Mechanical, Inc.*:

Balance Sheet - As of September 30, 2004

Statements of Income - Three and nine months ended September 30, 2004

HEC/CJTS Energy Center LLC*:

Balance Sheet - As of September 30, 2004

Statements of Income - Three and nine months ended September 30, 2004

Woods Electrical Co., Inc.*:

Balance Sheet - As of September 30, 2004

Statements of Income - Three and nine months ended September 30, 2004

Greenport Power, LLC*:

Balance Sheet - As of September 30, 2004

Statements of Income - Three and nine months ended September 30, 2004

Acumentrics Corporation:

Not available

R. M. Services, Inc.:

Inactive as of June 30, 2004

Northeast Utilities (Parent) (Restated):

Balance Sheet - As of September 30, 2004

Statements of Income -Three and nine months ended September 30, 2004

B.

Exhibits *

Exhibit No.

Description

6.B.1.1a

Copy of contract required by Item 3 - filed under confidential treatment pursuant to Rule 104(b).

6.B.1.1b

Copy of contract required by Item 3 - filed under confidential treatment pursuant to Rule 104(b).

6.B.1.1c

Copy of contract required by Item 3 - filed under confidential treatment pursuant to Rule 104(b).

6.B.1.1d

Copy of contract required by Item 3 - filed under confidential treatment pursuant to Rule 104(b).

6.B.1.1e

Copy of contract required by Item 3 - filed under confidential treatment pursuant to Rule 104(b).

6.B.1.1f

Copy of contract required by Item 3 - filed under confidential treatment pursuant to Rule 104(b).

6.B.1.1g

Copy of contract required by Item 3 - filed under confidential treatment pursuant to Rule 104(b).

6.B.1.1h

Copy of contract required by Item 3 - filed under confidential treatment pursuant to Rule 104(b).

6.B.1.1i

Copy of contract required by Item 3 - filed under confidential treatment pursuant to Rule 104(b).

6.B.1.1j

Copy of contract required by Item 3 - filed under confidential treatment pursuant to Rule 104(b).

6.B.1.1k

Copy of contract required by Item 3 - filed under confidential treatment pursuant to Rule 104(b).

6.B.1.1l

Copy of contract required by Item 3 - filed under confidential treatment pursuant to Rule 104(b).

6.B.1.1m

Copy of contract required by Item 3 - filed under confidential treatment pursuant to Rule 104(b).

6.B.1.1n

Copy of contract required by Item 3 - filed under confidential treatment pursuant to Rule 104(b).

6.B.1.1o

Copy of contract required by Item 3 - filed under confidential treatment pursuant to Rule 104(b).

6.B.1.2a

Copy of contract required by Item 3 - filed under confidential treatment pursuant to Rule 104(b).

6.B.1.2b

Copy of contract required by Item 3 - filed under confidential treatment pursuant to Rule 104(b).

6.B.1.3a

Copy of contract required by Item 3 - filed under confidential treatment pursuant to Rule 104(b).

6.B.1.3b

Copy of contract required by Item 3 - filed under confidential treatment pursuant to Rule 104(b).

6.B.1.3c

Copy of contract required by Item 3 - filed under confidential treatment pursuant to Rule 104(b).

6.B.1.3d

Copy of contract required by Item 3 - filed under confidential treatment pursuant to Rule 104(b).

6.B.1.3e

Copy of contract required by Item 3 - filed under confidential treatment pursuant to Rule 104(b).

6.B.1.3f

Copy of contract required by Item 3 - filed under confidential treatment pursuant to Rule 104(b).

6.B.1.3g

Copy of contract required by Item 3 - filed under confidential treatment pursuant to Rule 104(b).

6.B.1.4

Copy of contract required by Item 3 - filed under confidential treatment pursuant to Rule 104(b).

6.B.2.1

The company certifies that a conformed copy of Form U-9C-3 for the previous quarter was filed with the following state commissions:

Ms. Louise E. Rickard

Acting Executive Secretary

Department of Public Utility Control

10 Franklin Square

New Britain, CT 06051

Ms. Mary L. Cottrell, Secretary

Massachusetts Department of Telecommunications and Energy

100 Cambridge Street

Boston, MA 02202

Mr. Thomas B. Getz

Executive Director and Secretary

State of New Hampshire

Public Utilities Commission

8 Old Suncook Road, Building One

Concord, NH 03301-7319

* Previously filed with original report on Form U-9C-3.

SELECT ENERGY, INC. AND SUBSIDIARY

CONSOLIDATED BALANCE SHEET

(Unaudited)

	September 30, 2004 (Restated) (Thousands of Dollars)
<u>ASSETS</u>	
Current Assets:	
Cash	\$ 7,225
Special deposits	80,182
Receivables, less provision for uncollectible accounts of \$9,770	354,784
Accounts receivable from affiliated companies	85,328
Unbilled revenues	26,323
Derivative assets	174,394
Prepaid option premiums	13,371
Prepayments and other	65,968
	807,575
Property, Plant and Equipment:	
Competitive energy	20,485
Less: Accumulated depreciation	12,720
	7,765
Construction work in progress	1,897
	9,662
Deferred Debits and Other Assets:	
Goodwill	3,200
Purchased intangible assets, net	11,721
Accumulated deferred income taxes	15,679
Long-term accounts receivable	5,811
Long-term contracts asset	34,607
	71,018

Total Assets \$ 888,255

Note:

In the opinion of the Company, all adjustments necessary for a fair presentation of financial position for the period shown have been made.

See accompanying notes to financial statements.

SELECT ENERGY, INC. AND SUBSIDIARY

CONSOLIDATED BALANCE SHEET

(Unaudited)

September 30,
2004
(Restated)
(Thousands
of Dollars)LIABILITIES AND CAPITALIZATION

Current Liabilities:

Notes payable to affiliated companies	\$ 6,200
Accounts payable	400,202
Accounts payable to affiliated companies	36,124
Accrued taxes	1,821
Derivative liabilities	157,150
Unearned option premiums	8,949
Counterparty deposits	67,356
Other	46,419
	724,221

Deferred Credits and Other Liabilities:

Accrued pension	1,077
Other	6,552
	7,629

Capitalization:

Long-Term Debt from NU Parent	150,000
Common Stockholder's Equity:	
Common stock, \$1 par value - authorized 20,000 shares; 100 shares outstanding	-
Capital surplus, paid in	286,172
Accumulated deficit	(320,162)
Accumulated other comprehensive income	40,395
Common Stockholder's Equity	6,405

Total Capitalization	156,405
Total Liabilities and Capitalization	\$ 888,255

Note:

In the opinion of the Company, all adjustments necessary for a fair presentation of position for the period shown have been made.

See accompanying notes to financial statements.

SELECT ENERGY, INC. AND
SUBSIDIARYCONSOLIDATED STATEMENTS OF
OPERATIONS

(Unaudited)

	Three Months Ended September 2004 (Restated)	Nine Months Ended September 2004 (Restated)
	(Thousands of Dollars)	
Operating Revenues	\$ 664,021	\$ 1,948,553
Operating Expenses:		
Operation -		
Purchased power, net interchange power and capacity	717,642	1,939,803
Other	26,198	69,447
Depreciation and amortization	2,131	5,835
Taxes other than income taxes	2,275	8,060
Total operating expenses	748,246	2,023,145
Operating Loss	(84,225)	(74,592)
Interest Expense, Net	2,747	7,957
Other Income, Net	348	172
Loss Before Income Tax Benefit	(86,624)	(82,377)
Income Tax Benefit	(33,333)	(31,601)
Net Loss	\$ (53,291)	\$ (50,776)

Note:

In the opinion of the Company, all adjustments necessary for a fair presentation of financial position for the periods shown have been made.

See accompanying notes to financial statements.

NORTHEAST UTILITIES (PARENT)

BALANCE SHEET

(Unaudited)

September 30,
2004
(Restated)
(Thousands
of Dollars)

ASSETS

Current Assets:

Cash	\$	170
Notes receivable from affiliated companies		126,400
Notes and accounts receivable		3,357
Accounts receivable from affiliated companies		33,395
Taxes receivable		4,667
Derivative assets		716
Prepayments		76
		168,781

Deferred Debits and Other Assets:

Investments in subsidiary companies, at equity		2,633,057
Other		13,994
		2,647,051

Total Assets	\$	2,815,832
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Note:

In the opinion of the Company, all adjustments necessary for a fair presentation of financial position for the period shown have been made.

See accompanying notes to financial statements.

NORTHEAST UTILITIES (PARENT)

BALANCE SHEET

(Unaudited)

September 30,
2004
(Restated)
(Thousands
of Dollars)LIABILITIES AND CAPITALIZATION

Current Liabilities:

Long-term debt - current portion	\$	25,000
Accounts payable		1,196
Accounts payable to affiliated companies		151
Accrued interest		12,942
Other		327
		39,616

Deferred Credits and Other Liabilities:

Accumulated deferred income taxes		4,302
Other		1,785
		6,087

Capitalization:

Long-Term Debt		454,459
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Common Shareholders' Equity:

Common stock, \$5 par value - authorized 225,000,000 shares; 150,683,698 shares issued and 128,349,411 shares outstanding		753,418
Capital surplus, paid in		1,111,152
Deferred contribution plan - employee stock ownership plan		(63,831)
Retained earnings		833,237
Accumulated other comprehensive income		40,754
Treasury stock		(359,060)
Common Shareholders' Equity		2,315,670
Total Capitalization		2,770,129

Total Liabilities and Capitalization	\$	2,815,832
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Note:

In the opinion of the Company, all adjustments necessary for a fair presentation of financial position for the period shown have been made.

See accompanying notes to financial statements.

NORTHEAST UTILITIES (PARENT)

STATEMENTS OF INCOME

(Unaudited)

	Three Months Ended September 30, 2004 (Restated)	Nine Months Ended September 30, 2004 (Restated)
	(Thousands of Dollars)	
Operating Revenues	\$ -	\$ -
Operating Expenses:		
Other	1,432	6,400
Operating Loss	(1,432)	(6,400)
Interest Expense	6,092	17,953
Other Income, Net:		
Equity in (loss)/earnings of subsidiaries	(4,232)	92,737
Other	4,146	11,999
Other (loss)/income, net	(86)	104,736
(Loss)/Income Before Income Tax Expense/(Benefit)	(7,610)	80,383
Income Tax Expense/(Benefit)	298	(3,143)
Net (Loss)/Income	\$ (7,908)	\$ 83,526

Note:

In the opinion of the Company, all adjustments necessary for a fair presentation of financial position for the periods shown have been made.

See accompanying notes to financial statements.

Northeast Utilities (Parent)
Select Energy, Inc.
Select Energy New York, Inc.

Notes to Financial Statements (Unaudited)

With regard to restated notes to financial statements, reference is made to the restated information which was included in NU's third quarter 2004 Form 10-Q/A filing which was filed with the Securities and Exchange Commission on March 17, 2005.

QUARTERLY REPORT OF NORTHEAST UTILITIES

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 there under, the undersigned company has duly caused this report to be signed on its behalf by the undersigned officer thereunto duly authorized.

NORTHEAST UTILITIES
(Registered Holding Company)

/s/ John P. Stack

(Signature of Signing Officer)

John P. Stack
Vice President - Accounting and
Controller

Date: November 28, 2005