



| | |
|-------------------------|--------------|
| Case No. | DC 11-216 |
| Exhibit No. | #10 |
| Witness | White + Hall |
| DO NOT REMOVE FROM FILE | |

**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, 2011

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 | NORTHEAST UTILITIES (a Massachusetts voluntary association) One Federal Street Building 111-4 Springfield, Massachusetts 01105 Telephone: (413) 785-5871 | 04-2147929 |
| 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 Building 111-4 Springfield, Massachusetts 01105 Telephone: (413) 785-5871 | 04-1961130 |

Securities registered pursuant to Section 12(b) of the Act:

| <u>Registrant</u> | <u>Title of Each Class</u> | <u>Name of Each Exchange on Which Registered</u> |
|---------------------|---------------------------------|--|
| Northeast Utilities | Common Shares, \$5.00 par value | New York Stock Exchange, Inc. |

Securities registered pursuant to Section 12(g) of the Act:

| <u>Registrant</u> | <u>Title of Each Class</u> |
|---|--|
| The Connecticut Light and Power Company | Preferred Stock, par value \$50.00 per share, issuable in series, of which the following series are outstanding: |

| | | |
|--------|----------|---------|
| \$1.90 | Series | of 1947 |
| \$2.00 | Series | of 1947 |
| \$2.04 | Series | of 1949 |
| \$2.20 | Series | of 1949 |
| 3.90% | Series | of 1949 |
| \$2.06 | Series E | of 1954 |
| \$2.09 | Series F | of 1955 |
| 4.50% | Series | of 1956 |
| 4.96% | Series | of 1958 |
| 4.50% | Series | of 1963 |
| 5.28% | Series | of 1967 |
| \$3.24 | Series G | of 1968 |
| 6.56% | Series | of 1968 |

Public Service Company of New Hampshire and Western Massachusetts Electric Company meet the conditions set forth in General Instruction I(1)(a) and (b) of Form 10-K and are therefore filing this Form 10-K with the reduced disclosure format specified in General Instruction I(2) to Form 10-K.

Indicate by check mark if the registrants are well-known seasoned issuers, as defined in Rule 405 of the Securities Act.

| <u>Yes</u> | <u>No</u> |
|-------------------------------------|--------------------------|
| <input checked="" type="checkbox"/> | <input type="checkbox"/> |

Indicate by check mark if the registrants are not required to file reports pursuant to Section 13 or Section 15(d) of the Act.

| <u>Yes</u> | <u>No</u> |
|--------------------------|-------------------------------------|
| <input type="checkbox"/> | <input checked="" type="checkbox"/> |

Indicate by check mark whether the registrants (1) have filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrants were required to file such reports), and (2) have been subject to such filing requirements for the past 90 days.

| <u>Yes</u> | <u>No</u> |
|-------------------------------------|--------------------------|
| <input checked="" type="checkbox"/> | <input type="checkbox"/> |

Indicate by check mark whether the registrants have submitted electronically and posted on its corporate Web sites, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

| <u>Yes</u> | <u>No</u> |
|-------------------------------------|--------------------------|
| <input checked="" type="checkbox"/> | <input type="checkbox"/> |

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of the registrants' knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. []

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act. (Check one):

| | <u>Large Accelerated Filer</u> | <u>Accelerated Filer</u> | <u>Non-accelerated Filer</u> |
|---|------------------------------------|------------------------------|----------------------------------|
| Northeast Utilities | ✓ | | |
| The Connecticut Light and Power Company | | | ✓ |
| Public Service Company of New Hampshire | | | ✓ |
| Western Massachusetts Electric Company | | | ✓ |

Indicate by check mark whether the registrants are shell companies (as defined in Rule 12b-2 of the Exchange Act):

| | <u>Yes</u> | <u>No</u> |
|---|------------|-----------|
| Northeast Utilities | | ✓ |
| The Connecticut Light and Power Company | | ✓ |
| Public Service Company of New Hampshire | | ✓ |
| Western Massachusetts Electric Company | | ✓ |

The aggregate market value of **Northeast Utilities'** Common Shares, \$5.00 par value, held by non-affiliates, computed by reference to the price at which the common equity was last sold, or the average bid and asked price of such common equity, as of the last business day of Northeast Utilities' most recently completed second fiscal quarter (June 30, 2011) was **\$6,218,948,649** based on a closing sales price of **\$35.17** per share for the 176,825,381 common shares outstanding on June 30, 2011. **Northeast Utilities** holds all of the 6,035,205 shares, 301 shares, and 434,653 shares of the outstanding common stock of **The Connecticut Light and Power Company**, **Public Service Company of New Hampshire** and **Western Massachusetts Electric Company**, respectively.

Indicate the number of shares outstanding of each of the issuers' classes of common stock, as of the latest practicable date:

| <u>Company - Class of Stock</u> | <u>Outstanding as of January 31, 2012</u> |
|--|---|
| Northeast Utilities Common shares, \$5.00 par value | 177,203,768 shares |
| The Connecticut Light and Power Company Common stock, \$10.00 par value | 6,035,205 shares |
| Public Service Company of New Hampshire Common stock, \$1.00 par value | 301 shares |
| Western Massachusetts Electric Company Common stock, \$25.00 par value | 434,653 shares |

GLOSSARY OF TERMS

The following is a glossary of abbreviations or acronyms that are found in this report.

CURRENT OR FORMER NU COMPANIES, SEGMENTS OR INVESTMENTS:

| | |
|-------------------------------|--|
| Boulos | E.S. Boulos Company |
| CL&P | The Connecticut Light and Power Company |
| HWP | HWP Company, formerly the Holyoke Water Power Company |
| NGS | Northeast Generation Services Company and subsidiaries |
| NPT | Northern Pass Transmission LLC, a jointly owned limited liability company, held by NUTV and NSTAR Transmission Ventures, Inc. on a 75 percent and 25 percent basis, respectively |
| NUTV | NU Transmission Ventures, Inc. |
| NU or the Company | Northeast Utilities and subsidiaries |
| NU Enterprises | NU Enterprises, Inc., the parent company of Select Energy, NGS, NGS Mechanical, Select Energy Contracting, Inc. and Boulos |
| NUSCO | Northeast Utilities Service Company |
| NU parent and other companies | NU parent and other companies is comprised of NU parent, NUSCO and other subsidiaries, including HWP, RRR (a real estate subsidiary), and the non-energy-related subsidiaries of Yankee (Yankee Energy Services Company, and Yankee Energy Financial Services Company) |
| PSNH | Public Service Company of New Hampshire |
| Regulated companies | NU's Regulated companies, comprised of the electric distribution and transmission segments of CL&P, PSNH and WMECO, the generation activities of PSNH and WMECO, Yankee Gas, a natural gas local distribution company, and NPT |
| RRR | The Rocky River Realty Company |
| Select Energy | Select Energy, Inc. |
| WMECO | Western Massachusetts Electric Company |
| Yankee | Yankee Energy System, Inc. |
| Yankee Gas | Yankee Gas Services Company |

REGULATORS:

| | |
|--------|---|
| DEEP | Connecticut Department of Energy and Environmental Protection |
| DOE | U.S. Department of Energy |
| DPU | Massachusetts Department of Public Utilities |
| DPUC | Connecticut Department of Public Utility Control |
| EPA | U.S. Environmental Protection Agency |
| FERC | Federal Energy Regulatory Commission |
| MA DEP | Massachusetts Department of Environmental Protection |
| NHPUC | New Hampshire Public Utilities Commission |
| PURA | Connecticut Public Utility Regulatory Authority (formerly DPUC) |
| SEC | Securities and Exchange Commission |

OTHER:

| | |
|---------------------|--|
| 2010 Healthcare Act | Patient Protection and Affordable Care Act |
| AOCI | Accumulated Other Comprehensive Income/(Loss) |
| AFUDC | Allowance For Funds Used During Construction |
| AMI | Advanced metering infrastructure |
| ARO | Asset Retirement Obligation |
| C&LM | Conservation and Load Management |
| CERLA | The federal Comprehensive Environmental Response, Compensation and Liability Act of 1980 |
| CfD | Contract for Differences |
| CO ₂ | Carbon dioxide |
| CTA | Competitive Transition Assessment |
| CWIP | Construction work in progress |
| CYAPC | Connecticut Yankee Atomic Power Company |
| DOER | Massachusetts Department of Energy Resources |
| EIA | Energy Independence Act |
| EMF | Electric and Magnetic Fields |
| EPS | Earnings Per Share |
| ERISA | Employee Retirement Income Security Act of 1974 |
| ES | Default Energy Service |
| ESOP | Employee Stock Ownership Plan |
| ESPP | Employee Stock Purchase Plan |
| Fitch | Fitch Ratings |
| FMCC | Federally Mandated Congestion Charge |
| FTR | Financial Transmission Rights |

Additionally, state legislators may enact laws that significantly impact our Regulated companies' revenues, including by mandating electric or gas rate relief and/or by requiring surcharges to customer bills to support state programs not related to the utilities or energy policy. Such increases could pressure overall rates to our customers and our routine requests to regulators for rate relief.

In addition, CL&P and WMECO procure energy for a substantial portion of their customers' needs via requests for proposal on an annual, semi-annual or quarterly basis. CL&P and WMECO receive approval to recover the costs of these contracts from the PURA and DPU, respectively. While both regulatory agencies have consistently approved the solicitation processes, results and recovery of costs, management cannot predict the outcome of future solicitation efforts or the regulatory proceedings related thereto.

PSNH meets most of its energy requirements through its own generation resources and fixed-price forward purchase contracts. PSNH's remaining energy needs are met primarily through spot market purchases. Unplanned forced outages of its generating plants could increase the level of energy purchases needed by PSNH and therefore increase the market risk associated with procuring the energy to meet its requirements. PSNH recovers these costs through its ES rate, subject to a prudence review by the NHPUC. We cannot predict the outcome of future regulatory proceedings related to recovery of these costs.

Migration of customers from PSNH energy service to competitive energy suppliers is increasing the cost to the remaining customers of energy produced by PSNH generation assets and decrease our revenues.

PSNH's ES rates have been higher than competitive energy prices offered to some customers in recent years, due primarily to lower natural gas prices. Further increases are expected as the costs associated with the Clean Air Project are fully phased into rates. The remaining retail energy service customers are experiencing an increase in PSNH's ES rate by 5 percent to 7 percent due to migration of large commercial and industrial customers and the lower base in which to recover PSNH's fixed generation costs. This increase may in turn cause further migration and further increasing of PSNH ES rates. This trend could lead to PSNH continuing to lose retail customers and increasing the burden of supporting the cost of its generation facilities on remaining customers and being unable to support the cost of its generation facilities through an ES rate.

Judicial or regulatory proceedings or changes in regulatory or legislative policy could jeopardize full recovery of costs incurred by PSNH in constructing the Clean Air Project.

Pursuant to New Hampshire law, PSNH placed the Clean Air Project in service at its Merrimack Station in Bow, New Hampshire. PSNH's recovery of costs in constructing the project is subject to prudence review by the NHPUC. A material prudence disallowance could adversely affect PSNH's financial position, results of operations or cash flows. While we believe we have prudently incurred all expenditures to date, we cannot predict the outcome of any prudence reviews. Our projected earnings and growth could be adversely affected were the NHPUC to deny recovery of some or all of PSNH's investment in the project.

The loss of key personnel or the inability to hire and retain qualified employees could have an adverse effect on our business, financial position and results of operations.

Our operations depend on the continued efforts of our employees. Retaining key employees and maintaining the ability to attract new employees are important to both our operational and financial performance. We cannot guarantee that any member of our management or any key employee at the NU parent or subsidiary level will continue to serve in any capacity for any particular period of time. In addition, a significant portion of our workforce, including many workers with specialized skills maintaining and servicing the electrical infrastructure, will be eligible to retire over the next five to ten years. Such highly skilled individuals cannot be quickly replaced due to the technically complex work they perform. We have developed strategic workforce plans to identify key functions and proactively implement plans to assure a ready and qualified workforce, but cannot predict the impact of these plans on our ability to hire and retain key employees.

Grid disturbances, acts of war or terrorism, or cyber breaches could negatively impact our business.

Because our generation and transmission facilities are part of an interconnected regional grid, we face the risk of blackout due to a disruption on a neighboring interconnected system.

Acts of war or terrorism could target our generating, transmission and distribution facilities or our data management systems. Such actions could impair our ability to manage these facilities or operate our system effectively, resulting in loss of service to customers.

In addition, cyber intrusions targeting our information systems could impair our ability to properly manage our data, networks, systems and programs, adversely affect our business operations or lead to release of confidential customer information or critical operating information. While we have implemented measures designed to prevent cyber-attacks and mitigate their effects should they occur, our systems are vulnerable to unauthorized access and cyber intrusions. We cannot discount the possibility that a security breach may occur or quantify the potential impact of such an event.

Any such grid disturbances, acts of war or terrorism, or cyber breaches could result in a significant decrease in revenues, significant expense to repair system damage or security breaches, and liability claims, which could have a material adverse impact on our financial position, results of operations or cash flows.

Severe storms could cause significant damage to our electrical facilities requiring extensive capital expenditures, the recovery for which is subject to approval by regulators.