

Form U-13-60
Mutual and Subsidiary Service Companies
Revised February 7, 1980

ANNUAL REPORT

FOR THE PERIOD

Beginning January 1, 2000 and ending December 31, 2000

TO THE

U.S. SECURITIES AND EXCHANGE COMMISSION

OF

North Atlantic Energy Service Corporation

A Subsidiary Service Company

Date of Incorporation: April 1, 1992

State or Sovereign Power under which Incorporated or Organized: New Hampshire

Location of Principal Executive Offices of Reporting Company:

Route 1, Lafayette Rd., Seabrook, NH, 03874

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

John J. Roman V.P. & 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 OF 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 ('210.3-01(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. '210.3-01(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 of capital billed during the calendar year.

LISTING OF SCHEDULES AND ANALYSIS OF ACCOUNTS

<u>Description of Schedules and Accounts</u>	<u>Schedule or Acct. No.</u>	<u>Page No.</u>
Comparative Balance Sheet	Schedule I	4 - 5
Service Company Property	Schedule II	6 - 7
Accumulated Provision for Depreciation and Amortization of Service Company Property	Schedule III	8
Investments	Schedule IV	9
Accounts Receivable from Associate Companies	Schedule V	10
Fuel Stock Expenses Undistributed	Schedule VI	11
Stores Expense Undistributed	Schedule VII	12
Miscellaneous Current and Accrued Assets	Schedule VIII	13
Miscellaneous Deferred Debits	Schedule IX	14
Research, Development, or Demonstration Expenditures	Schedule X	15
Proprietary Capital	Schedule XI	16
Long Term Debt	Schedule XII	17
Current and Accrued Liabilities	Schedule XIII	18
Notes to Financial Statements	Schedule XIV	19
Comparative Income Statement	Schedule XV	20
Analysis of Billing - Associate Companies	Account 457	21
Analysis of Billing - Non-Associate Companies	Account 458	22
Analysis of Charges for Service - Associate and Non-Associate Companies	Schedule XVI	23
Schedule of Expense by Department or Service Function	Schedule XVII	24 - 25
Departmental Analysis of Salaries	Account 920	26
Outside Services Employed	Account 923	27

<u>Description of Schedules and Accounts (cont.)</u>	<u>Schedule or Acct. No.</u>	<u>Page No.</u>
Employee Pensions and Benefits	Account 926	28
General Advertising Expenses	Account 930.1	29
Miscellaneous General Expenses	Account 930.2	30
Rents	Account 931	31
Taxes Other Than Income Taxes	Account 408	32
Donations	Account 426.1	33
Other Deductions	Account 426.5	34
Notes to Statement of Income	Schedule XVIII	35
<u>Description of Reports or Statements</u>		
Organization Chart		36
Methods of Allocation		37
Annual Statement of Compensation for Use of Capital Billed		38
Signature Page		39

ANNUAL REPORT OF NORTH ATLANTIC ENERGY SERVICE CORPORATION

SCHEDULE I - COMPARATIVE BALANCE SHEET

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

ACCT	ASSETS AND OTHER DEBITS	AS OF DECEMBER 31	
		2000	1999
		(Thousands	of Dollars)

	SERVICE COMPANY PROPERTY		

101	Service company property (Schedule II)	\$ 0	\$ 0
107	Construction work in progress (Schedule II)	0	0
	Total Service Company Property	0	0

108	Less accumulated provision for depreciation and amortization of service company property (Schedule III)	0	0
	Net Service Company Property	0	0

	INVESTMENTS		

123	Investments in associate companies (Schedule IV)	0	0
124	Other investments (Schedule IV)	0	0
	Total Investments	0	0

	CURRENT AND ACCRUED ASSETS		

131	Cash	\$ 3,078	\$ 1,924
134	Special deposits	0	0
135	Working funds	0	0
136	Temporary cash investments (Schedule IV)	17	16
141	Notes receivable	0	0
143	Accounts receivable	25,586	16,604
144	Accumulated provision of uncollectible accounts	0	0
146	Accounts receivable from associate companies (Schedule V)	147	18
152	Fuel stock expenses undistributed (Schedule VI)	0	0
154	Materials and supplies	0	0
163	Stores expense undistributed (Schedule VII)	35	98
165	Prepayments	1,058	1,342
174	Miscellaneous current and accrued assets (Schedule VIII)	0	0
	Total Current and Accrued Assets	29,921	20,002

	DEFERRED DEBITS		

181	Unamortized Debt Expense	\$ 0	\$ 0
184	Clearing accounts	0	0
186	Miscellaneous deferred debits (Schedule IX)	35,248	31,980
188	Research, development, or demonstration expenditures (Schedule X)	0	0
190	Accumulated deferred income taxes	0	0
	Total Deferred Debits	35,248	31,980

	TOTAL ASSETS AND OTHER DEBITS	\$ 65,169	\$ 51,982
=====			

ANNUAL REPORT OF NORTH ATLANTIC ENERGY SERVICE CORPORATION

SCHEDULE I - COMPARATIVE BALANCE SHEET

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

ACCT	LIABILITIES AND PROPRIETARY CAPITAL	AS OF DECEMBER 31	
		2000 (Thousands of Dollars)	1999 (Thousands of Dollars)

PROPRIETARY CAPITAL			

201	Common stock issued (Schedule XI)	\$ 1	\$ 1
211	Miscellaneous paid-in-capital (Schedule XI)	9	9
215	Appropriated retained earnings (Schedule XI)	0	0
216	Unappropriated retained earnings (Schedule XI)	3	2
		-----	-----
	Total Proprietary Capital	13	12
		-----	-----
LONG-TERM DEBT			

223	Advances from associate companies (Schedule XII)	0	0
224	Other long-term debt (Schedule XII)	0	0
225	Unamortized premium on long-term debt	0	0
226	Unamortized discount on long-term debt	0	0
		-----	-----
	Total Long-Term Debt	0	0
		-----	-----
CURRENT AND ACCRUED LIABILITIES			

231	Notes payable	\$ 0	\$ 0
232	Accounts payable	18,946	7,736
233	Notes payable to associate companies (Schedule XIII)	0	0
234	Accounts payable to associate companies (Schedule XIII)	2,478	2,342
236	Taxes accrued	481	366
237	Interest accrued	0	0
238	Dividends declared	0	0
241	Tax collections payable	0	0
242	Miscellaneous current and accrued liabilities (Schedule XIII)	38,626	37,523
		-----	-----
	Total Current and Accrued Liabilities	60,531	47,967
		-----	-----
DEFERRED CREDITS			

253	Other deferred credits	\$ 4,390	\$ 3,846
255	Accumulated deferred investment tax credits	0	0
		-----	-----
	Total Deferred Credits	4,390	3,846
		-----	-----
282	ACCUMULATED DEFERRED INCOME TAXES	\$ 235	\$ 157
		-----	-----
	TOTAL LIABILITIES AND PROPRIETARY CAPITAL	\$ 65,169	\$ 51,982
		-----	-----

ANNUAL REPORT OF NORTH ATLANTIC ENERGY SERVICE CORPORATION

For the Year Ended December 31, 2000

SCHEDULE II - SERVICE COMPANY PROPERTY

ACCT	DESCRIPTION	BALANCE AT BEGINNING OF YEAR	ADDITIONS	RETIREMENTS OR SALES	OTHER CHANGES (1)	BALANCE AT CLOSE OF YEAR
------	-------------	------------------------------------	-----------	----------------------------	----------------------	--------------------------------

(Thousands of Dollars)

SERVICE COMPANY PROPERTY

301	ORGANIZATION					
303	MISCELLANEOUS INTANGIBLE PLANT					
304	LAND AND LAND RIGHTS					
305	STRUCTURES AND IMPROVEMENTS					
306	LEASEHOLD IMPROVEMENTS					
307	EQUIPMENT (2)			NONE		
308	OFFICE FURNITURE AND EQUIPMENT					
309	AUTOMOBILES, OTHER VEHICLES AND RELATED GARAGE EQUIPMENT					
310	AIRCRAFT AND AIRPORT EQUIPMENT					
311	OTHER SERVICE COMPANY PROPERTY (3)					

(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:

NONE

ANNUAL REPORT OF NORTH ATLANTIC ENERGY SERVICE CORPORATION

For the Year Ended December 31, 2000

SCHEDULE III

ACCUMULATED PROVISION FOR DEPRECIATION AND
AMORTIZATION OF SERVICE COMPANY PROPERTY

DESCRIPTION	ADDITIONS			OTHER	BALANCE AT CLOSE OF YEAR
	BALANCE AT	CHARGED		CHANGES	
	BEGINNING	TO		ADD/	
	OF YEAR	ACCT 403	RETIREMENT (DEDUCT) (1)		
(Thousands of Dollars)					

Account

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

NONE

AMORTIZATION OF SERVICE COMPANY
PROPERTY

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

NONE

ANNUAL REPORT OF NORTH ATLANTIC ENERGY SERVICE CORPORATION

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	CLOSE OF YEAR
(Thousands of Dollars)		
ACCOUNT 123 - INVESTMENT IN ASSOCIATE COMPANIES	\$ 0	\$ 0
ACCOUNT 124 - OTHER INVESTMENTS	0	0
ACCOUNT 136 - TEMPORARY CASH INVESTMENTS		
Fidelity Institute Tax Exempt Cash		
Portfolio	13	13
Citizens Bank Certificate of Deposit	3	4
	16	17
TOTAL	\$ 16	\$ 17
	=====	=====

ANNUAL REPORT OF NORTH ATLANTIC ENERGY SERVICE CORPORATION

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	BALANCE AT
	BEGINNING	CLOSE
	OF YEAR	OF YEAR
(Thousands of Dollars)		

ACCOUNT 146 - ACCOUNTS RECEIVABLE FROM ASSOCIATE COMPANIES

Northeast Utilities Service Company	\$	2	\$	6
Northeast Nuclear Energy Company		5		1
North Atlantic Energy Corporation		5		127
Public Service Company of New Hampshire		6		(4)
The Connecticut Light and Power Company		0		17

TOTAL

\$	18	\$	147
=====		=====	

ANALYSIS OF CONVENIENCE OR ACCOMMODATION PAYMENTS:

NONE

ANNUAL REPORT OF NORTH ATLANTIC ENERGY SERVICE CORPORATION

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	NONE
UNDISTRIBUTED	

ANNUAL REPORT OF NORTH ATLANTIC ENERGY SERVICE CORPORATION

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			
Balance at prior year end	\$ 80	\$ 18	\$ 98
Amount incurred during the year	2,613	(136)	2,477
The above stores expenses are billed back to each of the companies listed below:			
Associate Companies:			
The Connecticut Light and Power Company	(108)	5	(103)
North Atlantic Energy Corporation	(960)	46	(914)
Non-Associate Companies	(1,599)	76	(1,523)
TOTAL	\$ 26	\$ 9	\$ 35
	=====	=====	=====

ANNUAL REPORT OF NORTH ATLANTIC ENERGY SERVICE CORPORATION

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

ANNUAL REPORT OF NORTH ATLANTIC ENERGY SERVICE CORPORATION

For the Year Ended December 31, 2000

SCHEDULE IX

MISCELLANEOUS DEFERRED DEBITS

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 186 - MISCELLANEOUS DEFERRED DEBITS		
Noncurrent receivable from Joint Owner funding	\$ 31,111	\$ 33,767
Westinghouse Reactor Coolant Pump Settlement	555	429
Accounting Treatment Change for Payroll	269	239
Engineering & Supervision Overheads	0	43
Allocable Performance Pay	0	90
Miscellaneous (>100 items)	14	0
Preliminary Engineering for:		
Station Support Building	0	581
CAP System Enhancements	0	67
Steam generator blowdown	30	30
Miscellaneous (4 items)	1	2
TOTAL	\$ 31,980	\$ 35,248
	=====	=====

ANNUAL REPORT OF NORTH ATLANTIC ENERGY SERVICE CORPORATION

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

NONE

ANNUAL REPORT OF NORTH ATLANTIC ENERGY SERVICE CORPORATION

For the Year Ended December 31, 2000

SCHEDULE XI

PROPRIETARY CAPITAL

ACCOUNT NUMBER	CLASS OF STOCK	NUMBER OF	PAR OR STATED	OUTSTANDING CLOSE OF PERIOD	
		SHARES AUTHORIZED	VALUE PER SHARE	NO. OF SHARES	TOTAL AMOUNT
(Thousands of Dollars)					
201	COMMON STOCK ISSUED	1,000	\$ 1.00	1,000	\$ 1

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	\$ 9
ACCOUNT 215 - APPROPRIATED RETAINED EARNINGS	0
TOTAL	\$ 9
	=====

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	\$2 =====	\$1 =====	\$0 =====	\$3 =====

ANNUAL REPORT OF NORTH ATLANTIC ENERGY SERVICE CORPORATION

For the Year Ended December 31, 2000

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	AMOUNT	BALANCE AT	DEDUCTIONS	BALANCE AT
	CLASS & SERIES	OF			BEGINNING	(1)	CLOSE
	OF OBLIGATION	MATURITY	RATE	AUTHORIZED	OF YEAR	ADDITIONS	OF YEAR

(Thousands of Dollars)

ACCOUNT 223-ADVANCES FROM
ASSOCIATE COMPANIES

TOTAL ADVANCES FROM ASSOCIATES NONE

ACCOUNT 224-OTHER
LONG-TERM DEBT

TOTAL OTHER LONG-TERM DEBT NONE

(1) GIVE AN EXPLANATION OF DEDUCTIONS:

NONE

ANNUAL REPORT OF NORTH ATLANTIC ENERGY SERVICE CORPORATION

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

NONE

ACCOUNT 234 - ACCOUNTS PAYABLE TO ASSOCIATE COMPANIES

Northeast Utilities Service Company	\$ 2,288	\$ 2,293
Northeast Nuclear Electric Company	18	59
Northeast Generation Service Company	0	74
Public Service Company of New Hampshire	36	52
	-----	-----
TOTAL	\$ 2,342	\$ 2,478
	=====	=====

ACCOUNT 242 - MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES

Accrued payroll and other employee payables	\$ 5,817	\$ 3,673
Accrued Pension Cost	29,362	31,893
On-hand operations funding from associate companies:		
North Atlantic Energy Corporation	843	1,101
The Connecticut Light & Power Company	95	124
On-hand operations funding from non-associate companies	1,406	1,835
	-----	-----
TOTAL	\$ 37,523	\$ 38,626
	=====	=====

ANNUAL REPORT OF NORTH ATLANTIC ENERGY SERVICE CORPORATION
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: North Atlantic Energy Service Corporation (the Company or NAESCO) 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 (NAEC), and Holyoke Water Power Company (HWP) are electric production and distribution operating subsidiaries which comprise, in part, the Northeast Utilities System (the NU system) and are wholly owned by NU. Additional subsidiaries provide natural gas distribution in Connecticut or various energy related and telecommunications activities in a competitive business environment.

The NU system furnishes franchised retail electric service in Connecticut, New Hampshire, and western Massachusetts through three wholly owned subsidiaries: CL&P, PSNH, and WMECO. NAEC sells all of its entitlement to the capacity and output of the Seabrook Nuclear Power Project (the Project or Seabrook) to PSNH under two life-of-unit, full cost recovery contracts. In addition to its retail service, the NU system furnishes firm and other wholesale electric services to various municipalities and other utilities, and participates in limited retail access programs, which provide off-system retail electric service. The NU system serves in excess of 30 percent of New England's electric needs and is one of the 25 largest electric utility systems in the country as measured by revenues.

The Company acts as agent in operating the Project pursuant to the Seabrook Project Managing Agent Operating Agreement (the Managing Agent Agreement) and the Seabrook Project Disbursing Agent Agreement (the Disbursing Agent Agreement). The Project is owned jointly by NAEC, CL&P and nine non-affiliated New England utility companies as tenants in common with undivided interests (the Seabrook Joint Owners). The cost of the Project is recorded on the books of the Seabrook Joint Owners based upon their proportionate ownership share of the Project. The Company does not have an ownership interest in the Project. The Company is only liable for payroll related expenditures and liabilities. The Seabrook Joint Owners are severally responsible for their respective share of the costs of operating and maintaining the Project. This funding is provided to the company in advance of such costs being incurred.

Ownership percentages of the Project as of December 31, 2000 were as follows:

<u>PARTICIPANTS</u>	<u>OWNERSHIP SHARE</u>
Canal Electric Company	3.52317%
Great Bay Power Corporation	12.13240
Hudson Light & Power Department	0.07737
Little Bay Power Corporation	2.89989
Massachusetts Municipal Wholesale Electric Company	11.59340
New England Power Company	9.95766
New Hampshire Electric Cooperative, Inc.	2.17391
North Atlantic Energy Corporation	35.98201
Taunton Municipal Lighting Plant	0.10034
The Connecticut Light and Power Company	4.05985
The United Illuminating Company	<u>17.50000</u>

ANNUAL REPORT OF NORTH ATLANTIC ENERGY SERVICE CORPORATION

For the Year Ended December 31, 2000

SCHEDULE XIV

NOTES TO FINANCIAL STATEMENTS

100.00000%

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Other wholly owned subsidiaries of NU provide support services to the Company. Northeast Utilities Service Company (NUSCO) provides certain administrative support to the Company, pursuant to the Service Agreement between NUSCO and NAESCO acting as agent for the Seabrook Joint Owners, as amended, and to other NU system companies. Billings from NUSCO recorded by the Company approximated \$6,064,000 and \$6,034,000 in 2000 and 1999, respectively. PSNH provides certain services to the Company pursuant to the Service Agreement between PSNH and NAESCO acting as agent for the Seabrook Joint Owners, as amended. Billings from PSNH recorded by the Company were approximately \$659,000 and \$587,000 in 2000 and 1999, respectively.

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 of various Federal and state regulatory agencies.

Method of Accounting: The accompanying financial statements were prepared in accordance with the Uniform System of Accounts for Mutual and Subsidiary Service Companies, promulgated pursuant to the Public Utility Holding Company Act of 1935, as modified (1935 Act). This system of accounts follows, with modifications, the Federal Energy Regulatory Commission's (the FERC) Uniform System of Accounts and the Managing Agent Agreement. The financial statements reflect expenses associated with managing, operating, and maintaining the Project, excluding decommissioning costs, property taxes, amortization of nuclear fuel, reserves, and book depreciation. These expenses are recorded by the Joint Owners. Pursuant to the Managing Agent Agreement, NAESCO does not earn a return on capital; therefore, revenues represent the sum of the Company's operating expenses and other deductions.

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Public Utility Regulation: NU and its subsidiaries, including the Company, are registered with the Securities and Exchange Commission as a holding company under the 1935 Act, and it and its subsidiaries, including the Company, are subject to the provisions of the 1935 Act. The Company is a registered utility company in the State of New Hampshire and is subject to appropriate regulation by the New Hampshire Public Utilities Commission (NHPUC). The Seabrook Joint Owners, whom the Company represents as agent, are subject to further regulation by the FERC. The Company, therefore, follows the accounting policies prescribed by the FERC.

2. PENSION AND POSTRETIREMENT BENEFITS

Pension: Employees of NAESCO are covered by the NU system's uniform noncontributory defined benefit plan covering all of its regular employees. Benefits are based on years of service and the employees' highest compensation during 60 consecutive months of employment. The Company's allocated portion of the NU system's pension cost for 2000 and 1999, part of which was capitalized and billed as utility plant, approximated \$2,531,000 and \$6,239,000, respectively.

Currently, the NU system funds annually an amount at least equal to that which will satisfy the requirements of the Employee Retirement Income Security Act and the Internal Revenue Code. There was no funding in 2000 or 1999. Pension costs are determined using market-related values of pension assets.

ANNUAL REPORT OF NORTH ATLANTIC ENERGY SERVICE CORPORATION
For the Year Ended December 31, 2000

SCHEDULE XIV

NOTES TO FINANCIAL STATEMENTS

2. PENSION AND POSTRETIREMENT BENEFITS (Continued)

Postretirement Benefits: The Company also provides certain health care benefits, primarily medical and dental, and life insurance benefits through a benefit plan to retired employees (referred to as SFAS 106 benefits). These benefits are available for employees retiring from the Company who have met specified service requirements. For current employees and certain retirees, the total postretirement benefit is limited to two times the 1993 per-retiree health care cost. The postretirement benefit obligation has been calculated based on this assumption. The expected cost of postretirement benefits, primarily health and life insurance benefits are charged to expense during the years that eligible employees render service. The Company is funding its postretirement benefit costs through external trusts. The annually funded amounts are tax deductible under the Internal Revenue Code. Actuarially determined total postretirement benefits, part of which were capitalized and billed as utility plant, approximated \$707,000 in 2000 and \$804,000 in 1999.

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

ANNUAL REPORT OF NORTH ATLANTIC ENERGY SERVICE CORPORATION
For the Year Ended December 31, 2000

SCHEDULE XIV

NOTES TO FINANCIAL STATEMENTS

2. PENSION AND POSTRETIREMENT BENEFITS (Continued)

The components of net cost for the Company (in thousands) are:

	As of December 31,			
	Pension Benefits		Postretirement Benefits	
	2000	1999	2000	1999
Change in benefit obligation:				
Benefit obligation at beginning of year	\$ (80,883)	\$ (72,762)	\$ (9,387)	\$ (8,746)
Service cost	(4,236)	(4,619)	(546)	(642)
Interest cost	(6,011)	(5,280)	(861)	(674)
Plan Amendment	-	(3,157)	-	-
Transfers	77	23	-	-
Special Termination Benefits	-	(2,318)	-	-
Actuarial gain/(loss)	899	6,396	(1,799)	95
Benefits paid	<u>3,688</u>	<u>834</u>	<u>863</u>	<u>580</u>
Benefit obligation at end of year	(86,466)	(80,883)	(11,730)	(9,387)
Change in plan assets:				
Fair value of plan assets at beginning of year	74,323	65,263	8,730	7,574
Actual return on plan assets	(249)	9,917	429	932
Employer contribution	-	-	706	804
Transfers	(77)	(23)	-	-
Benefits Paid	<u>(3,688)</u>	<u>(834)</u>	<u>(863)</u>	<u>(580)</u>
Fair value of plan assets at end of year	70,309	74,323	9,002	8,730
Funded status at year end	(16,157)	(6,560)	(2,728)	(657)
Unrecognized net gain	(23,627)	(31,366)	833	(1,394)
Unrecognized prior service cost	7,324	7,934	-	-
Unrecognized net transition obligation	<u>567</u>	<u>630</u>	<u>1,894</u>	<u>2,051</u>
Accrued benefit cost	<u>\$ (31,893)</u>	<u>\$ (29,362)</u>	<u>\$ (1)</u>	<u>\$ -</u>

The following actuarial assumptions were used in calculating the plan's year-end funded status:

	As of 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 growth in per capita cost of covered health care benefits was assumed to decrease to 4.91 percent by 2001.

ANNUAL REPORT OF NORTH ATLANTIC ENERGY SERVICE CORPORATION
For the Year Ended December 31, 2000

SCHEDULE XIV

NOTES TO FINANCIAL STATEMENTS

2. PENSION AND POSTRETIREMENT BENEFITS (Continued)

The components of net periodic benefit cost (in thousands) are:

	For the Years Ended December 31,			
	Pension Benefits		Postretirement Benefits	
	2000	1999	2000	1999
Service cost	\$ 4,237	\$ 4,619	\$ 545	\$ 642
Interest cost	6,011	5,280	861	674
Expected return on plan assets	(6,349)	(5,540)	(697)	(574)
Amortization of unrecognized net gain	(2,040)	(1,110)	-	-
Amortization of prior service cost	609	609	-	-
Amortization of unrecognized net transition obligation	63	63	158	158
Special termination benefits	-	2,318	-	-
Other amortization, net	-	-	(160)	(96)
Net periodic cost	<u>\$ 2,531</u>	<u>\$ 6,239</u>	<u>\$ 707</u>	<u>\$ 804</u>

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 (in thousands):

	One Percentage Point Increase	One Percentage Point Decrease
Effect on total service and interest cost components	\$ 36	\$ (36)
Effect on postretirement benefit obligation	\$ 306	\$ (312)

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

ANNUAL REPORT OF NORTH ATLANTIC ENERGY SERVICE CORPORATION
For the Year Ended December 31, 2000

SCHEDULE XIV

NOTES TO FINANCIAL STATEMENTS

3. LEASES

The Company, on behalf of the Seabrook Joint Owners, has entered into operating lease agreements for certain data processing equipment, office equipment, vehicles and offsite facilities. The Company does not enter into capital leases. Operating lease costs charged to expense approximated \$1,404,000 and \$1,508,000 in 2000 and 1999, respectively.

The provisions of these lease agreements generally provide for renewal options. The Company has no noncancelable leases.

4. INCOME TAX EXPENSE

The components of the Federal and state income tax provisions (in thousands) are:

	For the Years Ended December 31,	
	2000	1999
Current income taxes:		
Federal	\$ 51	\$ 151
State	(383)	(313)
Total current	(332)	(162)
Deferred income taxes, net:		
Federal	(7)	(55)
State	-	13
Total deferred	(7)	(42)
Total income tax expense	<u>\$ (339)</u>	<u>\$ (204)</u>

All income taxes were charged to operating expenses in both 2000 and 1999.

ANNUAL REPORT OF NORTH ATLANTIC ENERGY SERVICE CORPORATION
For the Year Ended December 31, 2000

SCHEDULE XIV

NOTES TO FINANCIAL STATEMENTS

4. INCOME TAX EXPENSE (Continued)

Deferred income taxes (in thousands) are comprised of the tax effects of temporary differences as follows:

	For the Years Ended December 31,	
	2000	1999
Software amortization	\$ 18	\$ 108
Injuries and damages reserve	(93)	(101)
Charitable contributions	45	2
Other	23	(51)
Deferred income taxes, net	<u>\$ (7)</u>	<u>\$ (42)</u>

A reconciliation between income tax expense and the expected tax expense at the applicable statutory rate (in thousands) is as follows:

	For the Years Ended December 31,	
	2000	1999
Expected Federal income tax at 35 percent of pretax income	\$ (118)	\$ (71)
Tax effect of differences:		
State income taxes, net of federal benefit	(249)	(212)
Other, net	28	79
Total income tax expense	<u>\$ (339)</u>	<u>\$ (204)</u>

The Company, as a wholly-owned subsidiary of NU, is included in NU's consolidated tax return. Income tax expense is determined on a separate company basis.

ANNUAL REPORT OF NORTH ATLANTIC ENERGY SERVICE CORPORATION

For the Year Ended December 31, 2000

SCHEDULE XV
COMPARATIVE INCOME STATEMENT

ACCT	DESCRIPTION	2000	1999
(Thousands of Dollars)			
INCOME			
457	Services Rendered to Associate Companies	\$ 68,611	\$ 68,558
458	Services Rendered to Nonassociate Companies	102,738	102,657
421	Miscellaneous Income or (Loss)	81	112
	Total Income	171,430	171,327
EXPENSE			
Nuclear Power Expenses			
517	Operation Supervision and Engineering	\$ 22,723	\$ 23,451
518	Nuclear Fuel Expense	7,509	8,209
519	Coolants and Water	2,235	2,180
520	Steam Expenses	22,156	16,999
523	Electric Expenses	832	4,520
524	Miscellaneous Nuclear Power Expenses	31,226	28,092
528	Maintenance Supervision and Engineering	12,539	10,994
529	Maintenance of Structures	3,262	3,328
530	Maintenance of Reactor Plant Equipment	18,301	21,160
531	Maintenance of Electric Plant	21,109	16,674
532	Maintenance of Miscellaneous Nuclear Plant	853	499
Transmission Expenses			
570	Maintenance of Station Equipment	237	135
Administrative and General Expenses			
920	Salaries and Wages	5,242	4,368
921	Office Supplies and Expenses	886	828
922	Administrative Expense Transferred-Credit	0	0
923	Outside Services Employed	2,022	2,221
924	Property Insurance	342	1,739
925	Injuries and Damages	1,378	1,768
926	Employee Pensions and Benefits	12,543	17,950
928	Regulatory Commission Expense	6	6
930.1	General Advertising Expenses	20	99
930.2	Miscellaneous General Expenses	121	247
931	Rents	732	809
935	Maintenance of General Plant	26	97
All Other Expenses			
408	Taxes Other Than Income Taxes	4,583	4,740
409	Income Taxes	(332)	(162)
410	Provision for Deferred Income Taxes	337	171
411	Provision for Deferred Income Taxes	(344)	(213)
426.1	Donations	145	98
426.5	Other Deductions	641	269
431	Other Interest Expense	99	51
	Total Expense	171,429	171,327
	Net Income or (Loss)	\$ 1	\$ 0

ANNUAL REPORT OF NORTH ATLANTIC ENERGY SERVICE CORPORATION

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	\$ 6,956	\$	\$	\$ 6,956
North Atlantic Energy Corporation	61,655			61,655
	-----	-----	-----	-----
TOTAL	\$ 68,611 =====	\$ 0 =====	\$ 0 =====	\$ 68,611 =====

ANNUAL REPORT OF NORTH ATLANTIC ENERGY SERVICE CORPORATION

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	
Canal Electric Company	\$ 6,037	\$ 0	\$ 0	\$ 6,037	\$ 0	\$ 6,037
Great Bay Power Corporation	20,789			20,789		20,789
Hudson Light & Power Dept.	133			133		133
Little Bay Power Corporation	4,969			4,969		4,969
Massachusetts Municipal Wholesale Electric Company	19,865			19,865		19,865
New England Power Company	17,063			17,063		17,063
New Hampshire Electric Coop.	3,725			3,725		3,725
Taunton Municipal Lighting Plant	172			172		172
United Illuminating Company	29,985			29,985		29,985
	----- \$ 102,738 =====	----- \$ 0 =====	----- \$ 0 =====	----- \$ 102,738 =====	----- \$ 0 =====	----- \$ 102,738 =====

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

The Company acts as agent in operating Seabrook Station for the nonassociate companies.

ANNUAL REPORT OF NORTH ATLANTIC ENERGY SERVICE CORPORATION
For the Year Ended December 31, 2000

SCHEDULE XVI
ANALYSIS OF CHARGES FOR SERVICE
ASSOCIATE AND NONASSOCIATE COMPANIES

ACCOUNT NUMBER	DESCRIPTION OF ITEMS	ASSOCIATE COMPANY CHARGES			NONASSOCIATE COMPANY CHARGES			TOTAL CHARGES FOR SERVICE		
		DIRECT COST	INDIRECT COST	TOTAL	DIRECT COST	INDIRECT COST	TOTAL	DIRECT COST	INDIRECT COST	TOTAL
Nuclear Power Expenses										
517	Operation Supervision and Engineering	\$ 9,099	\$	\$ 9,099	\$ 13,624	\$	\$ 13,624	\$ 22,723	\$	\$ 22,723
518	Nuclear Fuel Disposal	3,007		3,007	4,502		4,502	7,509		7,509
519	Coolants and Water	895		895	1,340		1,340	2,235		2,235
520	Steam Expenses	8,872		8,872	13,284		13,284	22,156		22,156
523	Electric Expenses	333		333	499		499	832		832
524	Miscellaneous Nuclear Power Expenses	12,502		12,502	18,724		18,724	31,226		31,226
528	Maintenance Supervision and Engineering	5,021		5,021	7,518		7,518	12,539		12,539
529	Maintenance of Structures	1,306		1,306	1,956		1,956	3,262		3,262
530	Maintenance of Reactor Plant Equipment	7,328		7,328	10,973		10,973	18,301		18,301
531	Maintenance of Electric Plant	8,452		8,452	12,657		12,657	21,109		21,109
532	Maintenance of Miscellaneous Nuclear Plant	342		342	511		511	853		853
Transmission Expenses										
570	Maintenance of Station Equipment	95		95	142		142	237		237
Administrative and General Expenses										
920	Salaries and Wages	2,099		2,099	3,143		3,143	5,242		5,242
921	Office Supplies and Expenses	355		355	531		531	886		886
922	Administrative Expense Transferred-Credit	0		0	0		0	0		0
923	Outside Services Employed	810		810	1,212		1,212	2,022		2,022
924	Property Insurance	137		137	205		205	342		342
925	Injuries and Damages	552		552	826		826	1,378		1,378
926	Employee Pensions and Benefits	5,022		5,022	7,521		7,521	12,543		12,543
928	Regulatory Commission Expense	2		2	4		4	6		6
930.1	General Advertising Expenses	8		8	12		12	20		20
930.2	Miscellaneous General Expenses	48		48	73		73	121		121
931	Rents	293		293	439		439	732		732
935	Maintenance of General Plant	10		10	16		16	26		26
All Other Expenses										
408	Taxes Other Than Income Taxes	1,835		1,835	2,748		2,748	4,583		4,583
409	Income Taxes	(133)		(133)	(199)		(199)	(332)		(332)
410	Provision for Deferred Income Tax	135		135	202		202	337		337
411	Provision for Deferred Income Tax	(138)		(138)	(206)		(206)	(344)		(344)
426.1	Donations	58		58	87		87	145		145
426.5	Other Deductions	257		257	384		384	641		641
431	Other Interest Expense	40		40	59		59	99		99
TOTAL EXPENSES =		68,642	0	68,642	102,787	0	102,787	171,429	0	171,429
421	Miscellaneous Non-Operating Income	(32)		(32)	(49)		(49)	(81)		(81)
	Net Income	1		1	0		0	1		1
TOTAL COST OF SERVICE =		\$ 68,611	\$ 0	\$ 68,611	\$ 102,738	\$ 0	\$ 102,738	\$ 171,349	\$ 0	\$ 171,349

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

ANNUAL REPORT OF NORTH ATLANTIC ENERGY SERVICE CORPORATION
For the Year Ended December 31, 2000

SCHEDULE XVII
SCHEDULE OF EXPENSE DISTRIBUTION BY
DEPARTMENT OR SERVICE FUNCTION

ACCOUNT		SERVICE FUNCTION		
NUMBER	DESCRIPTION OF ITEMS	TOTAL AMOUNT	OVERHEAD	SEABROOK STATION
(Thousands of Dollars)				
Nuclear Power Expenses				
517	Operation Supervision and Engineering	\$ 22,723	\$	\$ 22,723
518	Nuclear Fuel Disposal	7,509		7,509
519	Coolants and Water	2,235		2,235
520	Steam Expenses	22,156		22,156
523	Electric Expenses	832		832
524	Miscellaneous Nuclear Power Expenses	31,226		31,226
528	Maintenance Supervision and Engineering	12,539		12,539
529	Maintenance of Structures	3,262		3,262
530	Maintenance of Reactor Plant Equipment	18,301		18,301
531	Maintenance of Electric Plant	21,109		21,109
532	Maintenance of Miscellaneous Nuclear Plant	853		853
Transmission Expenses				
570	Maintenance of Station Equipment	237		237
Administrative and General Expenses				
920	Salaries and Wages	5,242		5,242
921	Office Supplies and Expenses	886		886
922	Administrative Expense Transferred Credit	0		0
923	Outside Services Employed	2,022		2,022
924	Property Insurance	342		342
925	Injuries and Damages	1,378		1,378
926	Employee Pensions and Benefits	12,543		12,543
928	Regulatory Commission Expense	6		6
930.1	General Advertising Expenses	20		20
930.2	Miscellaneous General Expenses	121		121
931	Rents	732		732
935	Maintenance of General Plant	26		26
All Other Expenses				
408	Taxes Other Than Income Taxes	4,583		4,583
409	Income Taxes	(332)		(332)
410	Provision for Deferred Taxes	337		337
411	Provision for Deferred Taxes	(344)		(344)
426.1	Donations	145		145
426.5	Other Deductions	641		641
431	Other Interest Expense	99		99
TOTAL EXPENSES		\$ 171,429	\$ 0	\$ 171,429
		=====	=====	=====

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

ANNUAL REPORT OF NORTH ATLANTIC ENERGY SERVICE CORPORATION

For the Year Ended December 31, 2000

SCHEDULE XVII

KEYS FOR SERVICE FUNCTIONS

KEYS

SERVICE FUNCTION

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

ANNUAL REPORT OF NORTH ATLANTIC ENERGY SERVICE CORPORATION
For the Year Ended December 31, 2000
DEPARTMENTAL ANALYSIS OF SALARIES

NAME OF DEPARTMENT -----	DEPARTMENTAL SALARY EXPENSE INCLUDED IN AMOUNTS BILLED TO			NUMBER OF	
Indicate each department or service function.	TOTAL AMOUNT	PARENT COMPANY	OTHER ASSOCIATES	NON ASSOCIATES	END OF YEAR

(Thousands of Dollars)

Seabrook Station	\$ 62,850	\$ 0	\$ 25,166	\$ 37,684	784
------------------	-----------	------	-----------	-----------	-----

\$ 62,850	\$ 0	\$ 25,166	\$ 37,684	784
=====	=====	=====	=====	=====

ANNUAL REPORT OF NORTH ATLANTIC ENERGY SERVICE CORPORATION

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	RELATIONSHIP		AMOUNT
	"A"-ASSOCIATE	"NA"-NON ASSOCIATE	
			(Thousands of Dollars)

COMPUTER AND COMMUNICATION SERVICES			
CNEX	NA	\$	138
Data Systems & Solutions, LLC	NA		115
Microware Technologies	NA		118
Northeast Utilities Service Company	A		2,899
SCS Systems	NA		112
Verizon	NA		116
Miscellaneous (50 payees)	NA		726

TOTAL COMPUTER SERVICES		\$	4,224
			=====
ENGINEERING SERVICES			
Electric Power Research Institute	NA	\$	121
Institute of Nuclear Power Operators	NA		161
Northeast Utilities Service Company	A		151
NUCON Engineering Associates, Inc.	NA		118
Numanco, LLC	NA		141
Proto Power Corp.	NA		202
Raytheon Nuclear Inc.	NA		292
Westinghouse Electric Co.	NA		260
Miscellaneous (47 payees)	NA		1,417

TOTAL ENGINEERING SERVICES		\$	2,863
			=====
LEGAL SERVICES			
Morgan, Lewis, & Bokius, LLP	NA	\$	305
Northeast Utilities Service Company	A		101
Miscellaneous (12 payees)	NA		91

TOTAL LEGAL SERVICES		\$	497
			=====

ANNUAL REPORT OF NORTH ATLANTIC ENERGY SERVICE CORPORATION

For the Year Ended December 31, 2000

OUTSIDE SERVICES EMPLOYED

SECURITY SERVICES

Burns International Security Services	NA	1,341
Green Mountain Security Service of NH	NA	\$ 3,263

TOTAL SECURITY SERVICES		\$ 4,604
		=====

OTHER SERVICES

Adecco / TAD	NA	\$ 170
Exeter Hospital, Inc.	NA	201
Food With a Flair	NA	169
Normandeau Associates, Inc.	NA	879
Northeast Utilities Service Company	A	2,913
Public Service Company of New Hampshire	A	365
Resource Management Consultants	NA	101
Scudder Kemper Investments, Inc.	NA	162
The Pacific Institute	NA	302
Miscellaneous (951 payees)	NA	4,026

TOTAL OTHER SERVICES		\$ 9,288
		=====
GRAND TOTAL OUTSIDE SERVICES EMPLOYED		\$ 21,476
		=====

ANNUAL REPORT OF NORTH ATLANTIC ENERGY SERVICE CORPORATION .

For the Year Ended December 31, 2000

OUTSIDE SERVICES EMPLOYED

FROM WHOM PURCHASED	DESCRIPTION OF SERVICES

COMPUTER AND COMMUNICATION SERVICES	
CNEX	Provides computer based asset divestiture information services.
Data Systems & Solutions, LLC	Provides general and technical computer consulting services.
Microware Technologies	Provides general computer consulting services.
Northeast Utilities Service Company	See note Page 27C.
SCS Systems	Provides contract mainframe programming.
Verizon	Provides communication services.
ENGINEERING SERVICES	
Electric Power Research Institute	Provides industry with technical and operational support services.
Institute of Nuclear Power Operators	Provides industry with technical and operational support services.
Northeast Utilities Service Company	See note Page 27C.
NUCON Engineering Associates, Inc.	Provides temporary, technical manpower.
Numanco, LLC	Provides temporary, technical manpower.
Proto Power Corp.	Provides technical inspection and analysis services.
Raytheon Nuclear Inc.	Provides engineering services.
Westinghouse Electric Co.	Provides engineering, technical, and site services.
LEGAL SERVICES	
Morgan, Lewis, & Bokius, LLP	Provides legal services.
Northeast Utilities Service Company	See note Page 27C.
SECURITY SERVICES	
Burns International Security Services	Provides security services for baseline security support.
Green Mountain Security Service of NH	Provides security services for baseline security support.

ANNUAL REPORT OF NORTH ATLANTIC ENERGY SERVICE CORPORATION

For the Year Ended December 31, 2000

OUTSIDE SERVICES EMPLOYED

OTHER SERVICES

Adecco / TAD	Provides temporary, technical manpower.
Exeter Hospital, Inc.	Provides site occupational health services and medical consultation for NRC required programs.
Food With a Flair	Provides food service for site meetings.
Normandeau Associates, Inc.	Provides environmental monitoring services.
Northeast Utilities Service Company	See note Page 27C.
Public Service Company of New Hampshire	Provides worker's compensation administration, facilities, and miscellaneous services.
Resource Management Consultants	Provides employee assistance and site access screening services.
Scudder Kemper Investments, Inc.	Provide Decommissioning Fund management.
The Pacific Institute	Provides performance monitoring, trending, and improvement services.

Note: Northeast Utilities Service Company provides centralized accounting, administrative, data processing, engineering, financial, legal, operational, planning, purchasing, and other services.

ANNUAL REPORT OF NORTH ATLANTIC ENERGY SERVICE CORPORATION

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	\$ 2,206
Incentive Goals Plan	2,844
Group Life, Long-term Disability, Hospital and Medical Insurance Expenses	5,144
FAS 106 VEBA Funding	675
Supplemental and Early Retirement Plans	684
Employee Stock Option Plan	1,003
Other Employee Benefits Expenses	(13)

TOTAL	\$ 12,543 =====

ANNUAL REPORT OF NORTH ATLANTIC ENERGY SERVICE CORPORATION

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		AMOUNT	
		(Thousands of Dollars)	
Science & Nature Center	New England Aquarium Services	\$	12
	Stone Signs & Designs		6
	Various (4 items)		2
	TOTAL	\$	20

ANNUAL REPORT OF NORTH ATLANTIC ENERGY SERVICE CORPORATION

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)
Information Technology / Communication Services	\$ 5
Medical Services	2
Research and Development	73
Employee Services	31
Shareholder Services	2
Tuition and Registrations	5
Service Awards	3

TOTAL	\$ 121
	=====

ANNUAL REPORT OF NORTH ATLANTIC ENERGY SERVICE CORPORATION

For the Year Ended December 31, 2000

RENTS

INSTRUCTIONS: Provide a listing of the amount included in accounts entitled "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)
Computers/Data processing equipment	\$ 394
Communications equipment	104
Vehicles	18
Buildings	238
Equipment and other	754

TOTAL	\$ 1,508 =====

ANNUAL REPORT OF NORTH ATLANTIC ENERGY SERVICE CORPORATION

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:	
Insurance Premium Excise Tax	\$ 65
Property Tax	52
State Unemployment Tax	5
State Business Tax	322
Sub-Total	444
(2) U.S. Government Taxes:	
Federal Unemployment Tax	51
Federal Insurance Contribution Act	4,088
Sub-Total	4,139
TOTAL	\$ 4,583

ANNUAL REPORT OF NORTH ATLANTIC ENERGY SERVICE CORPORATION

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)
New Hampshire Seacoast United Way	Charitable Contributions	\$ 60
New Hampshire Estuaries Project	Charitable Contributions	10
AM FM Inc.	Charitable Contributions	5
Fish House Foundation	Charitable Contributions	5
Newburyport Fire Department	Charitable Contributions	5
Seacoast Repertory Theater	Charitable Contributions	5
University of New Hampshire	Charitable Contributions	10
Miscellaneous (112 items)	Charitable Contributions	45
	TOTAL	\$ 145

ANNUAL REPORT OF NORTH ATLANTIC ENERGY SERVICE CORPORATION

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
		(Thousands of Dollars)
Political activities	S&H/Murphy, Inc.	\$ 40
	Thelen Reid Priest	4
	Employees	3
Executive Incentive Compensation	Various	594

	TOTAL	\$ 641 =====

ANNUAL REPORT OF NORTH ATLANTIC ENERGY SERVICE CORPORATION

For the Year Ended December 31, 2000

SCHEDULE XVIII

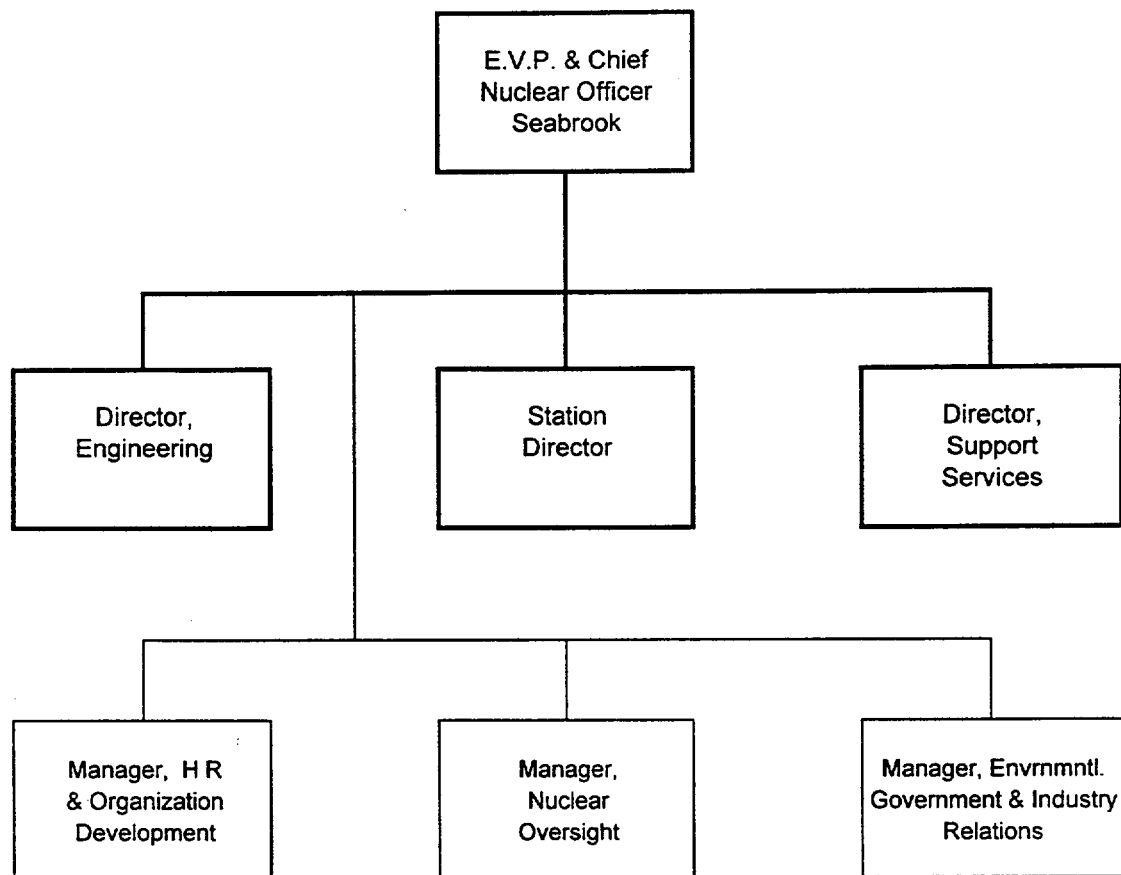
NOTES TO STATEMENTS OF INCOME

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 19A through 19G.

ANNUAL REPORT OF NORTH ATLANTIC ENERGY SERVICE CORPORATION

ORGANIZATION CHART AS OF DECEMBER 31, 2000



ANNUAL REPORT OF NORTH ATLANTIC ENERGY SERVICE CORPORATION

For the Year Ended December 31, 2000

Methods of Allocation

All costs are specific to Seabrook Station and are direct charged.

ANNUAL REPORT OF NORTH ATLANTIC ENERGY SERVICE CORPORATION
ANNUAL STATEMENT OF COMPENSATION FOR USE OF CAPITAL BILLED
For the Year Ended December 31, 2000

Expenses of Seabrook Station are funded in advance therefore there are no charges for use of capital.

ANNUAL REPORT OF NORTH ATLANTIC ENERGY SERVICE CORPORATION

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.

NORTH ATLANTIC ENERGY SERVICE CORPORATION

(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