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NORTHEAST UTILITIES SYSTEM

Form U-1

October 14, 2003

File No. 70-

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM U-1

APPLICATION/DECLARATION

Under

THE PUBLIC UTILITY HOLDING COMPANY ACT OF 1935

NORTHEAST UTILITIES
174 Brush Hill Avenue
West Springfield, Massachusetts 01089

NU ENTERPRISES, INC.
SELECT ENERGY, INC.
107 Selden Street
Berlin, CT 06037

SELECT ENERGY NEW YORK, INC.
507 Plum Street
Syracuse, New York

(Name of companies filing this statement and address of principal executive offices)

NORTHEAST UTILITIES
(Name of top registered holding company)

Gregory Butler, Esq.
Senior Vice President, Secretary and General Counsel
Northeast Utilities Service Company
P.O. Box 270
Hartford, Connecticut 06141-0270
(Name of address of agent for service)

The Commission is requested to mail signed copies of all orders, notices and communications to:

David R. McHale
Vice President and Treasurer
Northeast Utilities Service
Company
107 Selden Street
Berlin, CT 06037

Jeffrey C. Miller
Assistant General Counsel
Northeast Utilities Service
Company
107 Selden Street
Berlin, CT 06037

ITEM 1. DESCRIPTION OF PROPOSED TRANSACTIONS

A. Introduction

1. Northeast Utilities ("NU"), a Massachusetts business trust and registered holding company under the Public Utility Holding Company Act of 1935, as amended (the "Act"),

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NU Enterprises, Inc. ("NUEI"), a wholly-owned non-utility holding company subsidiary of NU, Select Energy, Inc., a wholly-owned subsidiary of NUEI ("Select"), and Select Energy New York, a wholly-owned subsidiary of Select acquired pursuant to Rule 58 under the Act ("SENY", and collectively with NU, NUEI and Select, the "Applicants") request authority:

- (A) for NU and NUEI to own Select and SENY as "other businesses" under Section 9 and 10 of the Act; provided that the aggregate of all amounts invested or committed to be invested in Select and SENY for which there is recourse, directly or indirectly, to NU as of June 30, 2003 will be deducted from the amount of investments thereafter permitted to be made by NU pursuant to Rule 58 under the Act (the "Rule 58 Cap");
- (B) for NU and NUEI, from time to time through September 30, 2006 (the "Authorization Period"), to guarantee, indemnify and otherwise provide credit support (each, a "Guarantee") up to \$750 million (the "Guarantee Limit") in respect of the debt or obligations of NU's nonutility subsidiary or affiliate companies (including Select and SENY and any nonutility subsidiary or affiliate formed or acquired in accordance with the Act at any time through the Authorization Period);
- (C) for Select and SENY to engage in a broad variety of energy-related activities generally permissible by the Commission;
- (D) for authority under Rule 53(c), through the Authorization Period, for NU to utilize the proceeds from the issuance of equity and debt securities, within the limits specified under current Commission financing orders (or any order or orders subsequently issued that extend or renew NU's authorization under such financing orders), and to issue Guarantees subject to the Guarantee Limit (in each case in addition to investments made with existing cash) to finance investments in exempt wholesale generators, as defined in section 32 of the Act ("EWGs"), in an aggregate amount of up to \$1 billion ("EWG Investment Limit"). The proposed EWG Investment Limit is equal to approximately 130% of NU's average consolidated retained earnings for the four quarters ended June 30, 2003 (\$775 million);