



**The NUSCO 401k Plan  
NU Deferred Compensation Plan for Executives  
June 2007**

**Lord Abbett High Yield Fund – Class Y will no longer be offered as an investment option effective June 28, 2007**

The Northeast Utilities 401k Advisory Committee determined that effective at the market close (generally 4 p.m. Eastern Time) on June 28, 2007, the Lord Abbett High Yield Fund – Class Y will no longer be available as an investment option under the NUSCO 401k Plan and the Northeast Utilities Deferred Compensation Plan for Executives. The Lord Abbett High Yield Fund – Class Y will not be replaced by another fund. At that time, all existing balances and future contributions in this fund will be automatically transferred by Fidelity to the Fidelity Freedom Fund® that has a target retirement date closest to the year you might retire, based on your current age and assuming a normal retirement age of 65. The Freedom Funds are a family of lifecycle funds already available in both plans.

This decision was made because the Lord Abbett High Yield Fund – Class Y changed its dividend allocation method resulting in a schedule that is incompatible with the recordkeeping system for both NU plans. Fidelity, the provider of recordkeeping services for both plans, cannot accommodate this change in an automated fashion, which could lead to inaccurate reporting in participants’ accounts.

**If you currently have an account balance in the Lord Abbett High Yield Fund – Class Y and do not want your monies and future contributions to transfer to a Fidelity Freedom Fund, you must contact Fidelity Investments® at 1-800-261-401k or visit the NetBenefits® website at [www.401k.com](http://www.401k.com) and make the necessary changes before 4 p.m. Eastern Time on June 28, 2007.**

If you don't take action by this time, you can later exchange your monies and future contributions from the Fidelity Freedom Fund (into which they have transferred) to any other investment option available under the plan.

If you want your existing Lord Abbett High Yield Fund – Class Y monies to transfer into a Freedom Fund after the stock market closes on June 28, 2007, you may have more or less shares after the change than you did before the change. This is because the price per share of the closing Lord Abbett High Yield Fund – Class Y and new fund may differ. However, the value of your account will not be affected — the total dollar value of your shares immediately before the change will equal the dollar value of your shares immediately after the change. Please note that this investment change will be reflected in your statement for the quarter ending June 30, 2007.

Old Investment Option		New Investment Option
Lord Abbett High Yield Fund – Class Y	⇒	Fidelity Freedom Fund® Based on Age

*The reallocation of assets depends on the timely liquidation of those assets. A delay in liquidation may result in a change to the above noted date.*

Please note that any exchanges from the ESOP 1 stock fund or the TRAESOP/PAYSOP stock fund into the Lord Abbett High Yield Fund – Class Y must be made before 4 p.m. Eastern Time on June 25, 2007 for settlement purposes. Any “good ‘til cancel” sell orders involving the ESOP 1 stock fund or the

TRAESOP/PAYSOP stock fund and the Lord Abbett High Yield Fund – Class Y will be cancelled after 4 p.m. Eastern Time on June 25, 2007.

The table below determines the Fidelity Freedom Fund into which your Lord Abbett High Yield Fund – Class Y assets and future contributions will be transferred. Keep in mind that the Freedom Funds provide strategic asset allocation up to and during retirement, becoming gradually more conservative as each fund reaches its target retirement date. Please see the Freedom Fund descriptions on the enclosed summary sheet, *About Your Investment Options*.

<b>Date of Birth</b>	<b>Retirement Date Range</b>	<b>Fidelity Freedom Fund®</b>
If no date of birth on file or invalid date of birth on file at Fidelity	N/A	Fidelity Freedom Income Fund®
On or before 12/31/1934	On or before 1999	Fidelity Freedom Income Fund®
1/1/1935 – 12/31/1940	2000 – 2005	Fidelity Freedom 2000 Fund®
1/1/1941 – 12/31/1950	2006 – 2015	Fidelity Freedom 2010 Fund®
1/1/1951 – 12/31/1960	2016 – 2025	Fidelity Freedom 2020 Fund®
1/1/1961 – 12/31/1970	2026 – 2035	Fidelity Freedom 2030 Fund®
1/1/1971 or later	2036 or later	Fidelity Freedom 2040 Fund®

*Timeline was selected by Northeast Utilities.*

As a NUSCO 401k Plan participant, you have the option to access and contribute to many investment funds. You also have access to Fidelity BrokerageLink®, which is a brokerage account accessible through the NUSCO 401k Plan. Fidelity BrokerageLink allows access to other mutual fund families and individual stocks. If you want to invest in the Lord Abbett fund family, the Lord Abbett High Yield Fund is available through Fidelity BrokerageLink, but with higher investment fee structures. More information about Fidelity BrokerageLink can be found in the enclosed *Fidelity BrokerageLink Description*. Please note that there may be additional fees for investing in a Fidelity BrokerageLink account.

To request changes to your account or obtain additional information, log on to Fidelity NetBenefits at [www.401k.com](http://www.401k.com) or at the NUSCO 401k Plan Service Center at 1-800-261-401k, Monday through Friday (excluding NYSE holidays) between 8:30 a.m. and midnight Eastern Time.

Sincerely,

NUSCO 401k Plan Service Center

## About Your Investment Options

*The following are descriptions of the Fidelity Freedom Funds® and Lord Abbett High Yield Fund. Please refer to each fund's prospectus for more information.*

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### Fidelity Freedom Funds®

**What they are:** The Fidelity Freedom Funds are investment options that allow the investor to select the fund that best matches his or her expected retirement year. The Fidelity Freedom Funds invest in a diversified portfolio of other Fidelity mutual funds to provide moderate asset allocation. They are designed for investors who want a simple yet diversified approach to investing for their retirement. The allocation strategy for the underlying equity, fixed-income, and short-term mutual funds is based on the number of years until the Freedom Funds reach their target retirement dates. Each Freedom Fund with a target retirement date will gradually adopt a more conservative asset allocation as it approaches its target retirement date. Therefore, each fund's target asset allocation percentages will change over time to become more conservative, by gradually reducing allocations to equity funds and increasing allocations to fixed-income and short-term funds. The Fidelity Freedom Income Fund®, designed for those already in retirement, emphasizes fixed-income and short-term mutual funds and seeks to maintain a stable asset allocation from year to year.

**Goal:** The Fidelity Freedom Funds with target retirement dates seek to provide high total returns until the target retirement date. Thereafter, each fund's goal will be to seek high current income and, as a secondary objective, capital appreciation. The Freedom Income Fund seeks high current income and, secondarily, capital appreciation.

**What they invest in:** Each Freedom Fund invests in a diversified portfolio of Fidelity equity, fixed-income, and short-term mutual funds. Fidelity Freedom 2040, with the longest time horizon, invests primarily in equity mutual funds to take advantage of potentially greater growth opportunities. The asset mix of each Freedom Fund with a target retirement date (Freedom 2000, 2010, 2020, 2030, and 2040 Fund) will gradually become more conservative over time so investors can stay with the same fund before and during retirement. After reaching the target retirement date, these Freedom Funds continue to be managed more conservatively for 10 to 15 more years until their asset mix is approximately the same as the Freedom Income Fund. Ultimately, after notifying the funds' investors, the funds will merge into the Freedom Income Fund. The Freedom Income Fund, designed for those already retired, is invested more conservatively, with a larger percentage in fixed-income and short-term funds and has a smaller percentage of equity mutual funds. The funds' manager must invest in the group of underlying funds named in the prospectus, and will aim for the projected target asset allocation percentages announced to investors in the funds' annual and semiannual reports. Freedom Funds with target retirement dates may invest in domestic and foreign equity funds, high-yield and investment-grade fixed-income funds, and short-term funds. The Freedom Income Fund invests in domestic equity funds, investment-grade fixed-income funds, high-yield bond funds, and short-term funds. These funds are subject to the volatility of the financial markets in the U.S. and abroad and may be subject to the additional risk associated with investing in high-yield, small-cap, and foreign securities. Share price and return of each Freedom Fund will vary.

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### Fidelity Freedom 2000 Fund®

**Fund Code:** 00370

**Ticker:** FFFBX

**What it is:** An asset allocation mutual fund.

**Goal:** Seeks high total return until its target retirement date. Thereafter, the fund's objective will be to seek high current income and, as a secondary objective, capital appreciation.

**What it invests in:** Primarily invests approximately 26% in domestic equity funds, 31% in investment grade fixed income funds, 5% in high yield fixed-income funds and 38% in Fidelity short-term mutual funds. The mix of underlying Fidelity mutual funds will gradually become more conservative over time. Share price and return will vary.

**Who may want to invest:**

- Someone who wants a simple approach for choosing retirement investment options.
- Someone who wants a long-term investment strategy that changes over time as his or her target retirement date approaches.
- Someone who wishes to take advantage of a diversified portfolio of actively managed Fidelity funds.
- Someone who feels comfortable with the risk of stock mutual funds when further from retirement and a greater concentration of bond and short-term mutual funds when closer to or in retirement.

**Footnotes:** Strategic Advisers, Inc., a subsidiary of FMR Corp., manages the Fidelity Freedom Funds®. The percentages represent anticipated target asset allocation at March 31, 2007

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## Fidelity Freedom 2010 Fund®

**Fund Code:** 00371

**Ticker:** FFFCX

**What it is:** An asset allocation mutual fund.

**Goal:** Seeks high total return until its target retirement date. Thereafter, the fund's objective will be to seek high current income and, as a secondary objective, capital appreciation.

**What it invests in:** Primarily invests approximately 40% in domestic equity funds, 10% in international equity funds, 35% in investment grade fixed income funds, 5% in high yield fixed income funds and 10% in Fidelity short-term mutual funds. The mix of underlying Fidelity mutual funds will gradually become more conservative over time. Share price and return will vary.

**Who may want to invest:**

- Someone who wants a simple approach for choosing retirement investment options.
- Someone who wants a long-term investment strategy that changes over time as his or her target retirement date approaches.
- Someone who wishes to take advantage of a diversified portfolio of actively managed Fidelity funds.
- Someone who feels comfortable with the risk of stock mutual funds when further from retirement and a greater concentration of bond and short-term mutual funds when closer to or in retirement.

**Footnotes:** Strategic Advisers, Inc., a subsidiary of FMR Corp., manages the Fidelity Freedom Funds®.

The percentages represent anticipated target asset allocation at March 31, 2007.

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## Fidelity Freedom 2020 Fund®

**Fund Code:** 00372

**Ticker:** FFFDX

**What it is:** An asset allocation mutual fund.

**Goal:** Seeks high total return until its target retirement date. Thereafter, the fund's objective will be to seek high current income and, as a secondary objective, capital appreciation.

**What it invests in:** Primarily invests approximately 55% in domestic equity funds, 14% in international equity funds, 24% in investment grade fixed income funds, and 7% in high yield fixed income funds. The mix of underlying Fidelity mutual funds will gradually become more conservative over time. Share price and return will vary.

**Who may want to invest:**

- Someone who wants a simple approach for choosing retirement investment options.
- Someone who wants a long-term investment strategy that changes over time as his or her target retirement date approaches.
- Someone who wishes to take advantage of a diversified portfolio of actively managed Fidelity funds.
- Someone who feels comfortable with the risk of stock mutual funds when further from retirement and a greater concentration of bond and short-term mutual funds when closer to or in retirement.

**Footnotes:** Strategic Advisers, Inc., a subsidiary of FMR Corp., manages the Fidelity Freedom Funds®.

The percentages represent anticipated target asset allocation at March 31, 2007.

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## Fidelity Freedom 2030 Fund®

**Fund Code:** 00373

**Ticker:** FFFEX

**What it is:** An asset allocation mutual fund.

**Goal:** Seeks high total return until its target retirement date. Thereafter, the fund's objective will be to seek high current income and, as a secondary objective, capital appreciation.

**What it invests in:** Primarily invests approximately 66% in domestic equity funds, 16% in international equity funds, 10% in investment grade fixed income funds and 8% in high yield fixed income funds. The mix of underlying Fidelity mutual funds will gradually become more conservative over time. Share price and return will vary.

**Who may want to invest:**

- Someone who wants a simple approach for choosing retirement investment options.
- Someone who wants a long-term investment strategy that changes over time as his or her target retirement date approaches.
- Someone who wishes to take advantage of a diversified portfolio of actively managed Fidelity funds.
- Someone who feels comfortable with the risk of stock mutual funds when further from retirement and a greater concentration of bond and short-term mutual funds when closer to or in retirement.

**Footnotes:** Strategic Advisers, Inc., a subsidiary of FMR Corp., manages the Fidelity Freedom Funds®.

The percentages represent anticipated target asset allocation at March 31, 2007.

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## Fidelity Freedom 2040 Fund®

**Fund Code:** 00718

**Ticker:** FFFFX

**What it is:** An asset allocation mutual fund.

**Goal:** Seeks high total return until its target retirement date. Thereafter, the fund's objective will be to seek high current income and, as a secondary objective, capital appreciation.

**What it invests in:** Primarily invests approximately 68% in domestic equity funds, 17% in international equity funds, 5% in investment grade fixed income funds and 10% in high yield fixed income funds. The mix of underlying Fidelity mutual funds will gradually become more conservative over time. Share price and return will vary.

**Who may want to invest:**

- Someone who wants a simple approach for choosing retirement investment options.
- Someone who wants a long-term investment strategy that changes over time as his or her target retirement date approaches.
- Someone who wishes to take advantage of a diversified portfolio of actively managed Fidelity funds.
- Someone who feels comfortable with the risk of stock mutual funds when further from retirement and a greater concentration of bond and short-term mutual funds when closer to or in retirement.

**Footnotes:** Strategic Advisers, Inc., a subsidiary of FMR Corp., manages the Fidelity Freedom Funds®.

The percentages represent anticipated target asset allocation at March 31, 2007.

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## Fidelity Freedom Income Fund®

**Fund Code:** 00369

**Ticker:** FFFAX

**What it is:** An asset allocation mutual fund.

**Goal:** Seeks to provide high current income and, as a secondary objective, some capital appreciation for those already in retirement.

**What it invests in:** Primarily invests approximately 37% in investment grade fixed income funds, 3% in high yield fixed income funds, 40% in short-term mutual funds and 20% in domestic equity funds. Beginning May 29, 2005, Freedom Income Fund will gradually move toward its stable target asset allocation of 20% domestic equity funds, 35% investment grade fixed income funds, 5% in high yield fixed income funds and 40% in short-term mutual funds. Share price and return will vary.

**Who may want to invest:**

- Someone who is already in retirement.
- Someone who wants a simple approach for choosing retirement investment options.

**Footnotes:** Strategic Advisers, Inc., a subsidiary of FMR Corp., manages the Fidelity Freedom Funds®.

The percentages represent anticipated target asset allocation at March 31, 2007.

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## Lord Abbett High Yield Fund

**What it is:** An income mutual fund.

**Goal:** Seeks to provide high current income and the opportunity for capital appreciation to produce a high total return. The Fund may provide a measure of downside protection in a rising interest-rate environment when added to a diversified portfolio.

**What it invests in:** Primarily invests in high-yield debt securities, sometimes called "lower-rated bonds" or "junk bonds", which entail greater risks than investments in higher-rated or investment-grade debt securities. Under normal circumstances, the fund invests at least 80% of its total assets in lower-rated debt securities. Investments in lower-rated securities involve greater risk than other debt securities, including the risk of default. Share price, yield and return will vary.

**Who might want to invest:**

- Someone who plans to invest for the long term.
- Someone who understands the greater investment risk involved in lower-quality securities and who is willing to take more investment risk than is generally associated with bond funds.

**Footnotes:** Lord Abbett & Co., who provided the description for this fund, manages the Fund.

## Fidelity BrokerageLink® Description

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**Fund Code:** 99265

**Ticker Symbol:** N/A

**What it is:** A brokerage account within your retirement plan. This account is neither a mutual fund nor is it managed by any of the Fidelity Investments group of companies. Brokerage services are provided through Fidelity Brokerage Services LLC, 100 Summer Street, Boston MA 02110, a member of the New York Stock Exchange and Securities Investor Protection Corporation.

**Goal:** To provide a broad range of investment products that allows you to manage your retirement savings more actively.

**What it invests in:** You alone decide how to invest the assets in your Fidelity BrokerageLink account. You can invest in most listed stocks, options (if approved for options trading), corporate bonds, zero-coupon bonds, U.S. Treasury securities, mortgage securities and U.S. Government agency bonds, certificates of deposit, unit investment trusts, foreign securities, and other mutual funds (subject to the limitations of your particular plan). If you do not feel comfortable actively managing a portfolio of individual securities, you may find that your plan's standard investment options may be more appropriate for you. There are certain securities in which you cannot invest through your BrokerageLink account; check your BrokerageLink brochure for more information. There are additional fees for investing in a BrokerageLink account. See your plan's fact sheet for details.

**Who might want to invest:**

- Someone who wants the highest degree of variety in selecting mutual funds investments for his or her retirement savings, and who is familiar with how a brokerage account operates.
  - Someone who is comfortable with evaluating and researching a broad universe of mutual funds, and who wants to invest part of his or her retirement savings in mutual funds through a brokerage account.
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*The Plan is intended to be a participant-directed plan as described in Section 404(c) of ERISA, which means that fiduciaries of the Plan are ordinarily relieved of liability for any losses that are the direct and necessary result of investment instructions given by a participant or beneficiary.*

*The Northeast Utilities Deferred Compensation Plan for Executives is a non-qualified plan. Any account established for you is a bookkeeping entry on Northeast Utilities System's financial statements. There are no assets being held in a trust or escrow account. In the event of a bankruptcy, you will be treated as a general creditor of Northeast Utilities System. For more information on the plan, please refer to the Plan document.*

*The ESOP 1 stock fund and the TRAESOP/PAYSOP stock fund are neither mutual funds nor diversified or managed investment options.*

*Unless otherwise noted, transaction requests confirmed after the close of the market, normally 4 p.m. Eastern time, or on weekends or holidays, will receive the next available closing prices. On rare occasions, market conditions, systems availability, or other circumstances may prevent Fidelity from accepting your real-time company stock exchange transaction. In that event, no company stock exchange will be allowed and you will not be able to direct a real-time trade. You will be asked to try again at a later time. Neither the Plan, nor your employer, or Fidelity will be responsible for any losses, damages, or missed price opportunities in these circumstances.*

*Fidelity Management & Research Company manages Fidelity mutual funds.*

*The investment options available through the plan reserve the right to modify or withdraw the exchange privilege.*

*Brokerage services provided by Fidelity Brokerage Services LLC Member NYSE/SIPC.*

***Before investing in any mutual fund, please carefully consider the investment objectives, risks, charges and expenses. For this and other information, call or write to Fidelity for a free prospectus. Read it carefully before you invest.***

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