

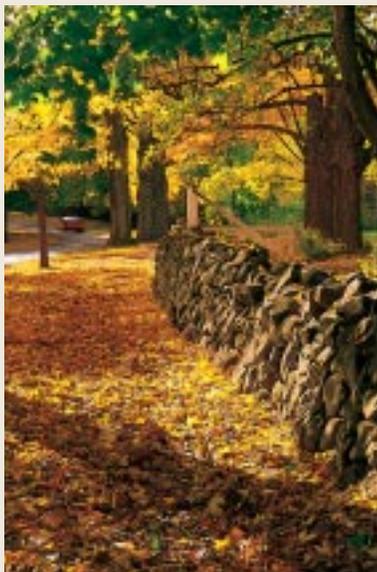


**Connecticut
Light & Power**

The Northeast Utilities System



The Northeast Utilities System



2003

Connecticut Economic Review

Connecticut Is the Most Productive State.

On behalf of Connecticut Light and Power and Yankee Gas Services, part of the Northeast Utilities System, we are pleased to provide you with this annual economic review of Connecticut.



Lee Olivier



Dennis Welch

The Connecticut Economic Review serves as the preeminent scorecard of the state's economic progress for the past year and also as a benchmark of how the state stands nationally on a variety of competitiveness and quality of life measures.

The tables inside reaffirm Connecticut's leading role in the knowledge-based economy. The state has the most productive workers in the nation (GSP/worker), its manufacturing output is exceptional, and it has an abundance of high-tech employment (fourth highest share of total employment in the U.S.). Most important for the state's growth prospects has been the steady improvement in population and migration trends, which will provide the labor force needed for economic expansion.

Though signs of a turnaround are increasingly evident, growth in Connecticut slowed over the past year. There were employment losses (albeit less severe than the nation's) and the value of merchandise exports from state companies declined. Gains in income and housing were sluggish and the rate of new business formation greatly lagged the nation. Slow growth in employment and establishments has been a chronic problem for Connecticut and points to the need to improve the state's economic climate for small business and entrepreneurs.

As Connecticut's largest providers of electric and natural gas service, CL&P and Yankee Gas are committed to promoting the growth and vitality of the state's businesses and communities. We are proud to provide the high-quality, reliable electric and natural gas service and energy expertise critical to sustain a healthy business climate. We have redoubled our efforts with a range of public and private partners to bring new businesses to the state and help existing companies prosper.

If you are interested in expanding or moving your business to Connecticut and would like to know how CL&P or Yankee Gas can assist you, please contact our Economic and Community Development department at **1-800-286-5000**, ext. **6132**, or visit our web sites at **www.cl-p.com** and **www.yankeegas.com**.

We look forward to helping you discover all the benefits of living and doing business in Connecticut!

Sincerely,

A handwritten signature in red ink that reads "Lee Olivier".

Lee Olivier

*President and Chief Operating Officer
Connecticut Light and Power Company*

A handwritten signature in red ink that reads "Dennis Welch".

Dennis Welch

*President and Chief Operating Officer
Yankee Gas Services Company*



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Connecticut Economic Review December 2003

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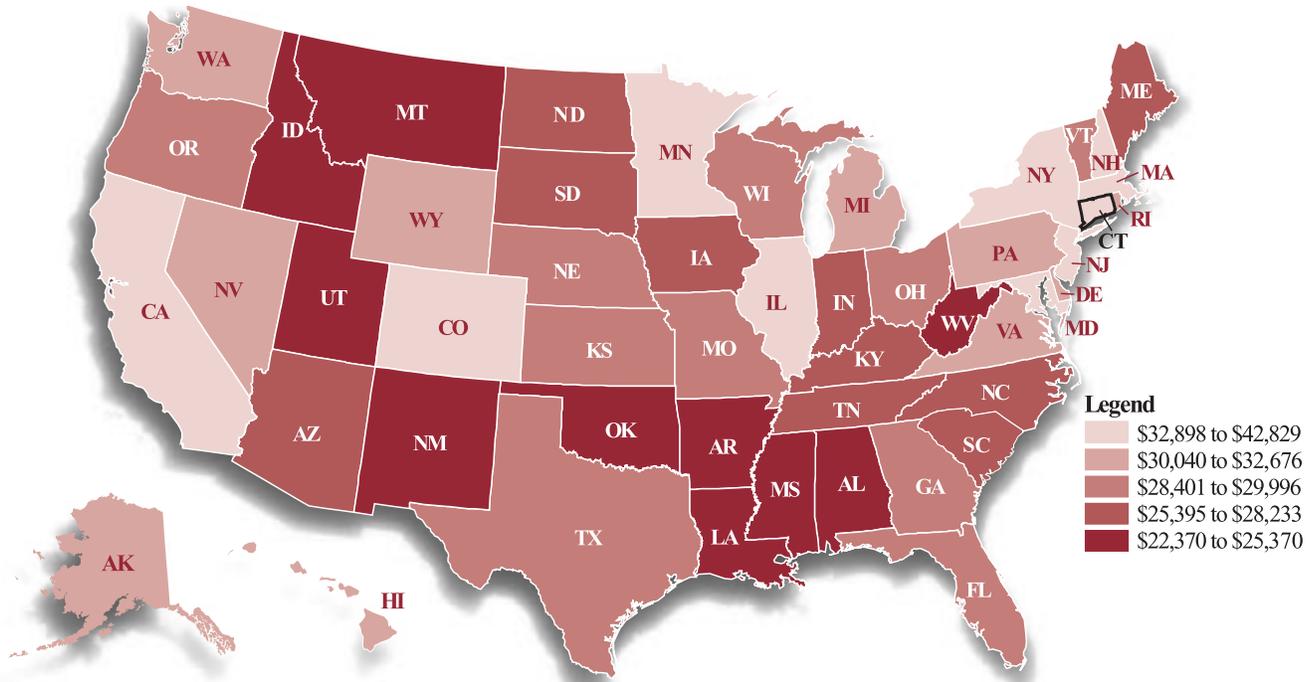
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The Review is prepared by the Connecticut Economic Resource Center, Inc. (CERC) and the Economic and Community Development department of Connecticut Light & Power/Yankee Gas. Additional copies can be obtained by contacting Economic and Business Development, Northeast Utilities, P.O. Box 270, Hartford, CT 06141, or by calling 860-665-6132. The Review is also available on the web at www.cl-p.com/community/economic.

Connecticut Has the Highest Per Capita Income in the U.S. by a Wide Margin

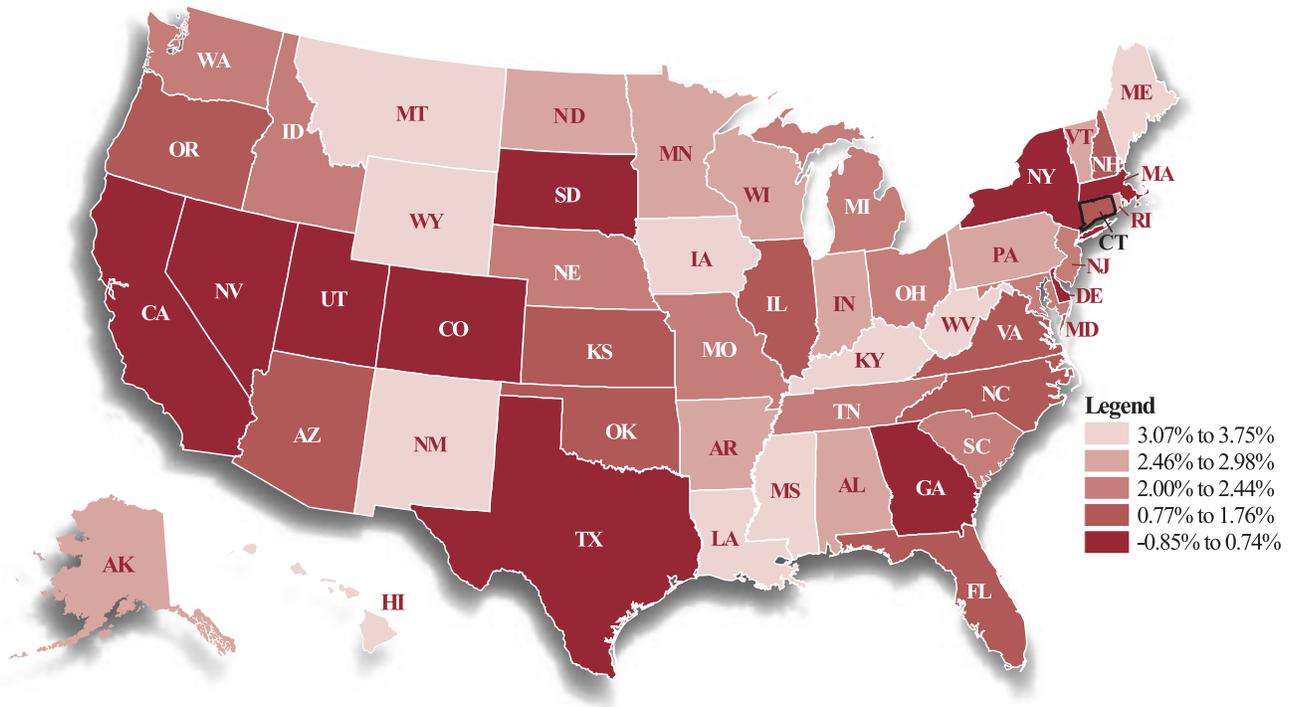


Per Capita Personal Income, 2002

Rank	State	Income	Rank	State	Income
1	Connecticut	\$42,829	26	Missouri	\$28,841
2	New Jersey	\$39,567	27	Kansas	\$28,838
3	Massachusetts	\$39,044	28	Georgia	\$28,703
4	Maryland	\$36,121	29	Oregon	\$28,533
5	New York	\$35,708	30	Texas	\$28,401
6	New Hampshire	\$34,276	31	Indiana	\$28,233
7	Minnesota	\$33,895	32	Iowa	\$28,141
8	Illinois	\$33,320	33	Maine	\$27,804
9	Colorado	\$33,170	34	North Carolina	\$27,566
10	California	\$32,898	35	Tennessee	\$27,378
11	Virginia	\$32,676	36	South Dakota	\$26,694
12	Washington	\$32,661	37	North Dakota	\$26,567
13	Delaware	\$32,307	38	Arizona	\$26,157
14	Alaska	\$31,792	39	Kentucky	\$25,657
15	Pennsylvania	\$31,663	40	South Carolina	\$25,395
16	Rhode Island	\$31,107	41	Louisiana	\$25,370
17	Wyoming	\$30,494	42	Oklahoma	\$25,136
18	Michigan	\$30,222	43	Alabama	\$25,096
19	Nevada	\$30,169	44	Idaho	\$25,042
20	Hawaii	\$30,040	45	Montana	\$24,906
21	Wisconsin	\$29,996	46	Utah	\$24,157
22	Florida	\$29,559	47	New Mexico	\$23,908
23	Nebraska	\$29,544	48	West Virginia	\$23,628
24	Vermont	\$29,464	49	Arkansas	\$23,417
25	Ohio	\$29,317	50	Mississippi	\$22,370
				U.S. Average	\$30,832

Source: U.S. Bureau of Economic Analysis

Per Capita Income Grew Less than Average in Connecticut in 2002

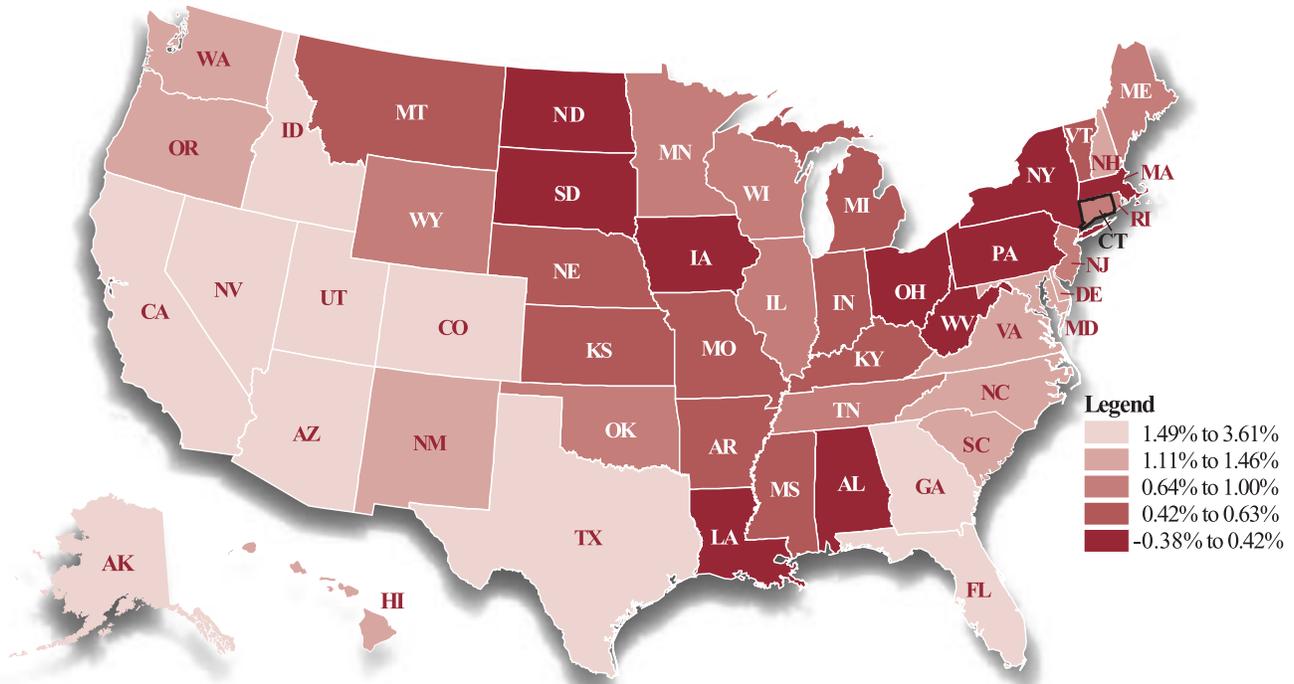


Per Capita Personal Income Growth, 2001 to 2002

Rank	State	Change	Rank	State	Change
1	Louisiana	3.75%	26	Idaho	2.19%
2	Montana	3.59%	27	Ohio	2.15%
3	New Mexico	3.58%	28	Washington	2.14%
4	Maine	3.54%	29	Tennessee	2.13%
5	Hawaii	3.46%	30	Michigan	2.00%
6	Iowa	3.36%	31	Florida	1.76%
7	West Virginia	3.35%	32	Kansas	1.43%
8	Mississippi	3.31%	33	Oregon	1.10%
9	Kentucky	3.13%	34	Arizona	1.08%
10	Wyoming	3.07%	35	Connecticut	1.07%
11	North Dakota	2.98%	36	Virginia	1.05%
12	Pennsylvania	2.96%	37	Illinois	1.00%
13	Arkansas	2.93%	38	North Carolina	0.94%
14	Rhode Island	2.81%	39	New Hampshire	0.90%
15	Wisconsin	2.74%	40	Oklahoma	0.77%
16	Indiana	2.58%	41	California	0.74%
17	Alabama	2.53%	42	Georgia	0.63%
18	Minnesota	2.53%	43	Utah	0.52%
19	Alaska	2.47%	44	South Dakota	0.48%
20	Vermont	2.46%	45	Massachusetts	0.46%
21	New Jersey	2.44%	46	Delaware	0.44%
22	Maryland	2.39%	47	Nevada	0.14%
23	Nebraska	2.37%	48	Texas	-0.25%
24	South Carolina	2.23%	49	New York	-0.47%
25	Missouri	2.20%	50	Colorado	-0.85%
				U.S. Average	1.38%

Source: U.S. Bureau of Economic Analysis

Connecticut's Population Growth Was Closer to the U.S. Average in 2002

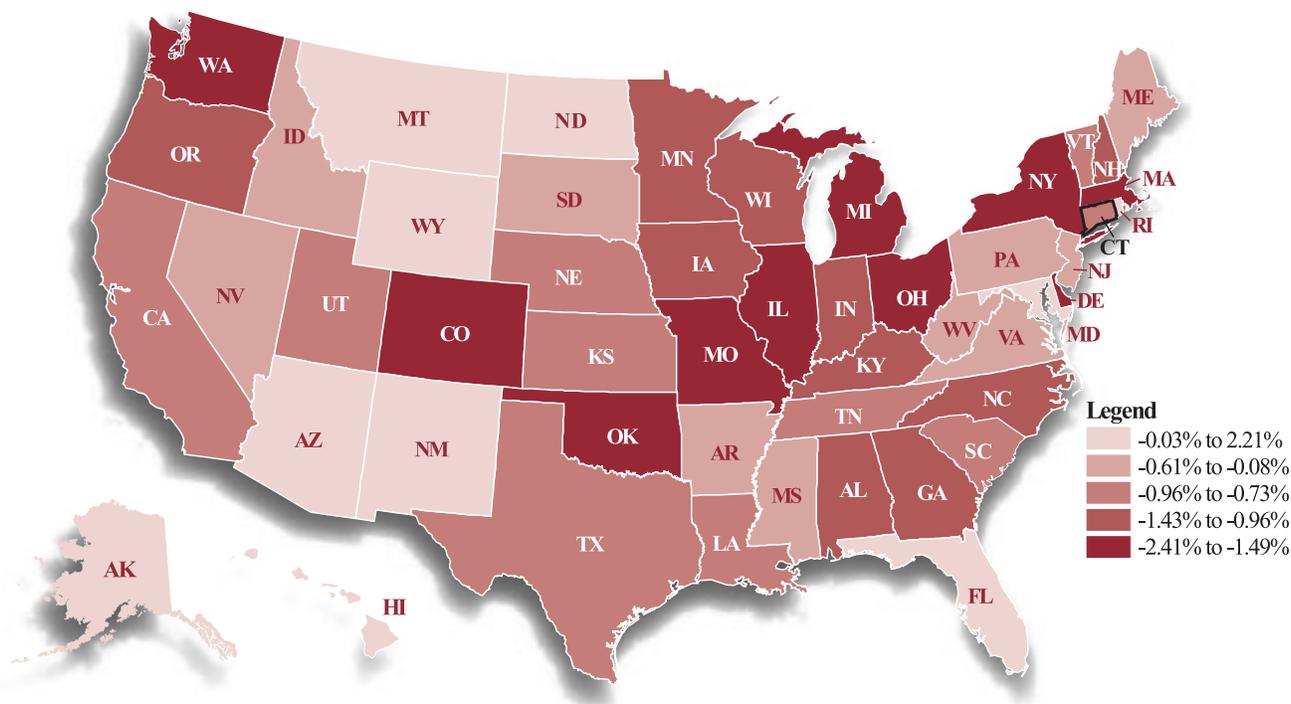


Percent Change in Population, 2001 to 2002

Rank	State	Change	Rank	State	Change
1	Nevada	3.61%	26	Connecticut	0.75%
2	Arizona	2.82%	27	Minnesota	0.71%
3	Florida	2.08%	28	Oklahoma	0.70%
4	Texas	1.91%	29	Wisconsin	0.65%
5	Georgia	1.84%	30	Illinois	0.64%
6	Colorado	1.71%	31	Missouri	0.63%
7	Utah	1.65%	32	Kentucky	0.59%
8	Alaska	1.60%	33	Vermont	0.59%
9	Idaho	1.56%	34	Arkansas	0.57%
10	California	1.49%	35	Nebraska	0.53%
11	Hawaii	1.46%	36	Indiana	0.53%
12	North Carolina	1.39%	37	Kansas	0.51%
13	Oregon	1.38%	38	Montana	0.45%
14	Delaware	1.35%	39	Michigan	0.44%
15	Virginia	1.34%	40	Mississippi	0.42%
16	Maryland	1.34%	41	Massachusetts	0.42%
17	New Mexico	1.32%	42	Alabama	0.39%
18	Washington	1.26%	43	New York	0.38%
19	New Hampshire	1.25%	44	South Dakota	0.36%
20	South Carolina	1.11%	45	Ohio	0.28%
21	Wyoming	1.00%	46	Louisiana	0.27%
22	Rhode Island	0.95%	47	Pennsylvania	0.26%
23	New Jersey	0.93%	48	Iowa	0.16%
24	Tennessee	0.83%	49	West Virginia	0.05%
25	Maine	0.78%	50	North Dakota	-0.38%
				U.S. Average	1.07%

Source: U.S. Census Bureau

Like Most States, Connecticut Lost Jobs in 2002

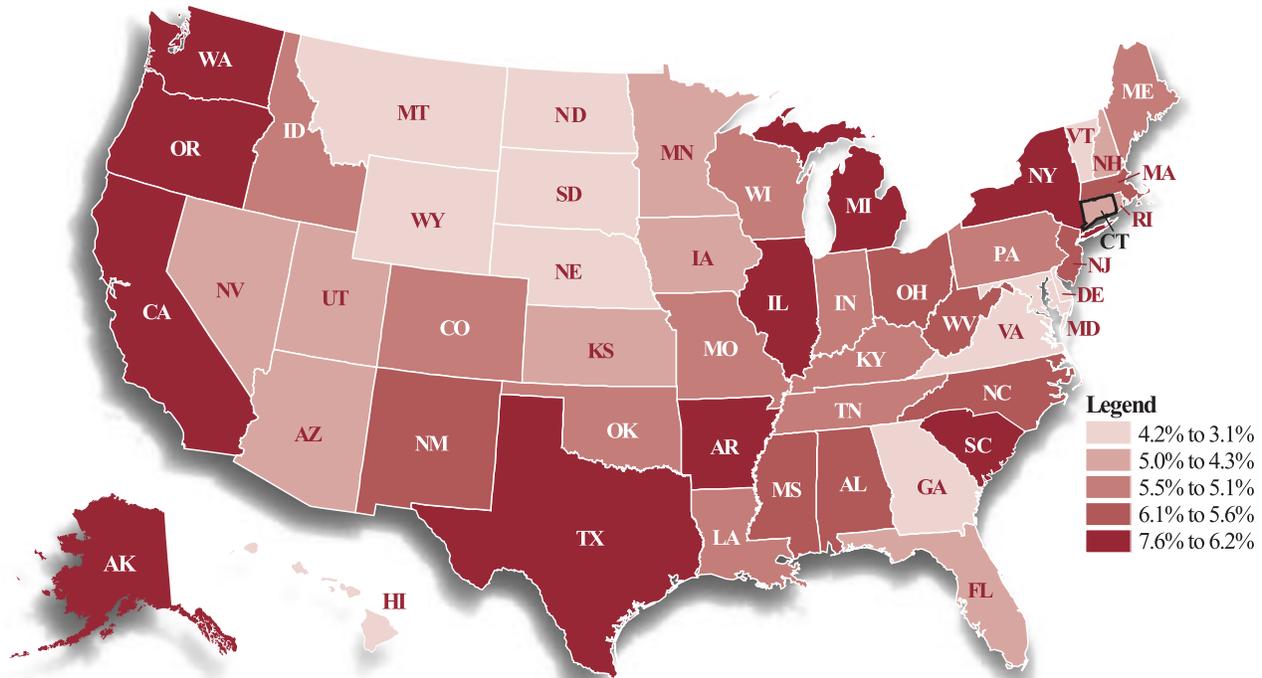


Percent Change in Nonfarm Employment, 2001 to 2002

Rank	State	Change	Rank	State	Change
1	Alaska	2.21%	26	South Carolina	-0.82%
2	New Mexico	1.16%	27	Tennessee	-0.82%
3	Montana	0.97%	28	California	-0.86%
4	Wyoming	0.86%	29	Louisiana	-0.92%
5	Florida	0.47%	30	Texas	-0.96%
6	Maryland	0.21%	31	Georgia	-0.96%
7	Rhode Island	0.10%	32	Kentucky	-0.99%
8	Hawaii	0.09%	33	Minnesota	-1.13%
9	Arizona	0.00%	34	Alabama	-1.15%
10	North Dakota	-0.03%	35	Wisconsin	-1.25%
11	New Jersey	-0.08%	36	Iowa	-1.27%
12	Idaho	-0.09%	37	Oregon	-1.34%
13	South Dakota	-0.16%	38	North Carolina	-1.38%
14	Nevada	-0.17%	39	New Hampshire	-1.42%
15	Mississippi	-0.27%	40	Indiana	-1.43%
16	West Virginia	-0.33%	41	Washington	-1.49%
17	Maine	-0.35%	42	Oklahoma	-1.50%
18	Arkansas	-0.51%	43	Delaware	-1.53%
19	Pennsylvania	-0.54%	44	Missouri	-1.64%
20	Virginia	-0.61%	45	Illinois	-1.68%
21	Vermont	-0.73%	46	Ohio	-1.75%
22	Kansas	-0.75%	47	Michigan	-1.75%
23	Nebraska	-0.78%	48	New York	-1.77%
24	Connecticut	-0.79%	49	Colorado	-1.87%
25	Utah	-0.80%	50	Massachusetts	-2.41%
				U.S. Average	-1.10%

Source: U.S. Bureau of Labor Statistics

Connecticut's Unemployment Rate Remains Below the Nation's

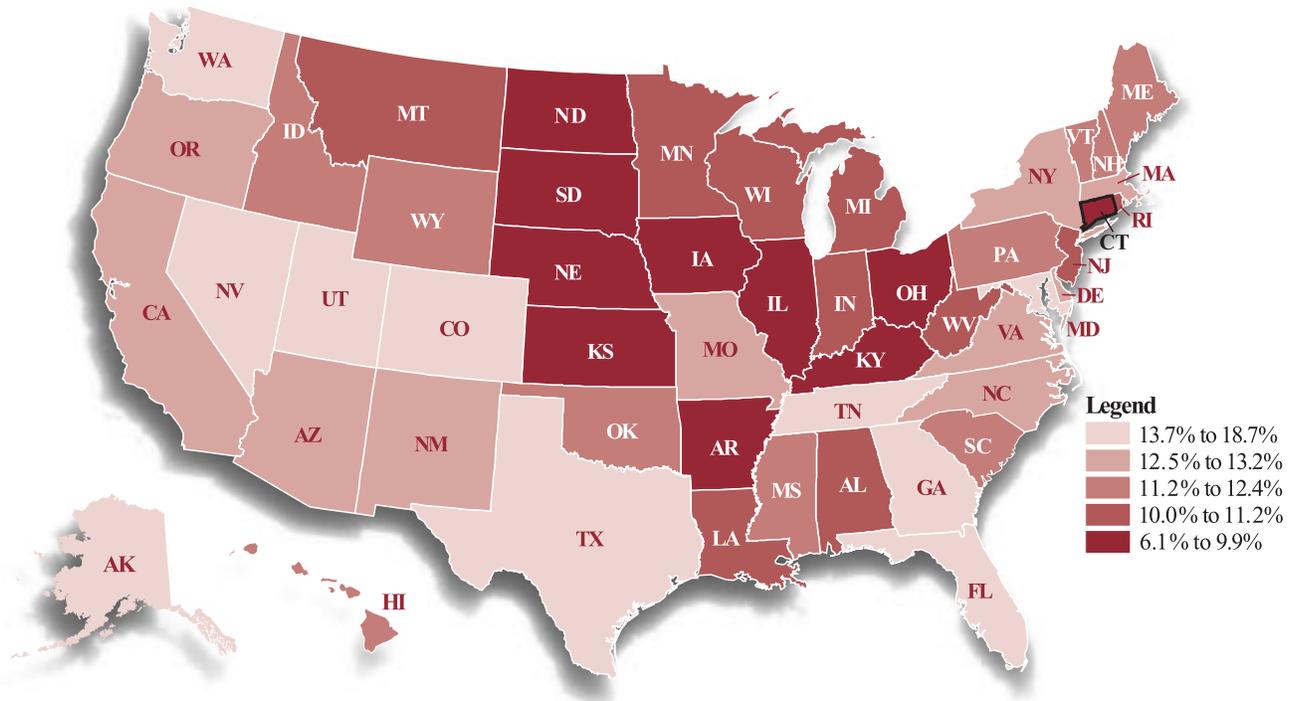


Unemployment Rates, October 2003

Rank	State	Rate	Rank	State	Rate
1	South Dakota	3.1%	25	Oklahoma	5.3%
2	Virginia	3.5%	27	Pennsylvania	5.4%
3	North Dakota	3.6%	27	Wisconsin	5.4%
4	Nebraska	3.8%	29	Colorado	5.5%
5	Wyoming	3.9%	29	Kentucky	5.5%
6	Delaware	4.0%	29	Louisiana	5.5%
6	Vermont	4.0%	29	Tennessee	5.5%
8	Maryland	4.1%	33	Alabama	5.6%
9	Georgia	4.2%	33	Massachusetts	5.6%
9	Hawaii	4.2%	33	Ohio	5.6%
9	Montana	4.2%	36	Mississippi	5.7%
12	New Hampshire	4.3%	36	New Jersey	5.7%
13	Rhode Island	4.4%	38	West Virginia	5.9%
14	Iowa	4.5%	39	New Mexico	6.1%
15	Minnesota	4.6%	39	North Carolina	6.1%
16	Kansas	4.7%	41	Arkansas	6.2%
16	Utah	4.7%	41	New York	6.2%
18	Florida	4.8%	43	Texas	6.5%
19	Connecticut	4.9%	44	California	6.6%
20	Arizona	5.0%	45	Illinois	6.7%
20	Nevada	5.0%	46	Washington	7.0%
22	Indiana	5.1%	47	South Carolina	7.1%
22	Maine	5.1%	48	Alaska	7.3%
24	Missouri	5.2%	49	Michigan	7.6%
25	Idaho	5.3%	49	Oregon	7.6%
				U.S. Average	6.0%

Source: U.S. Bureau of Labor Statistics

Connecticut Lags in the Formation of New Businesses

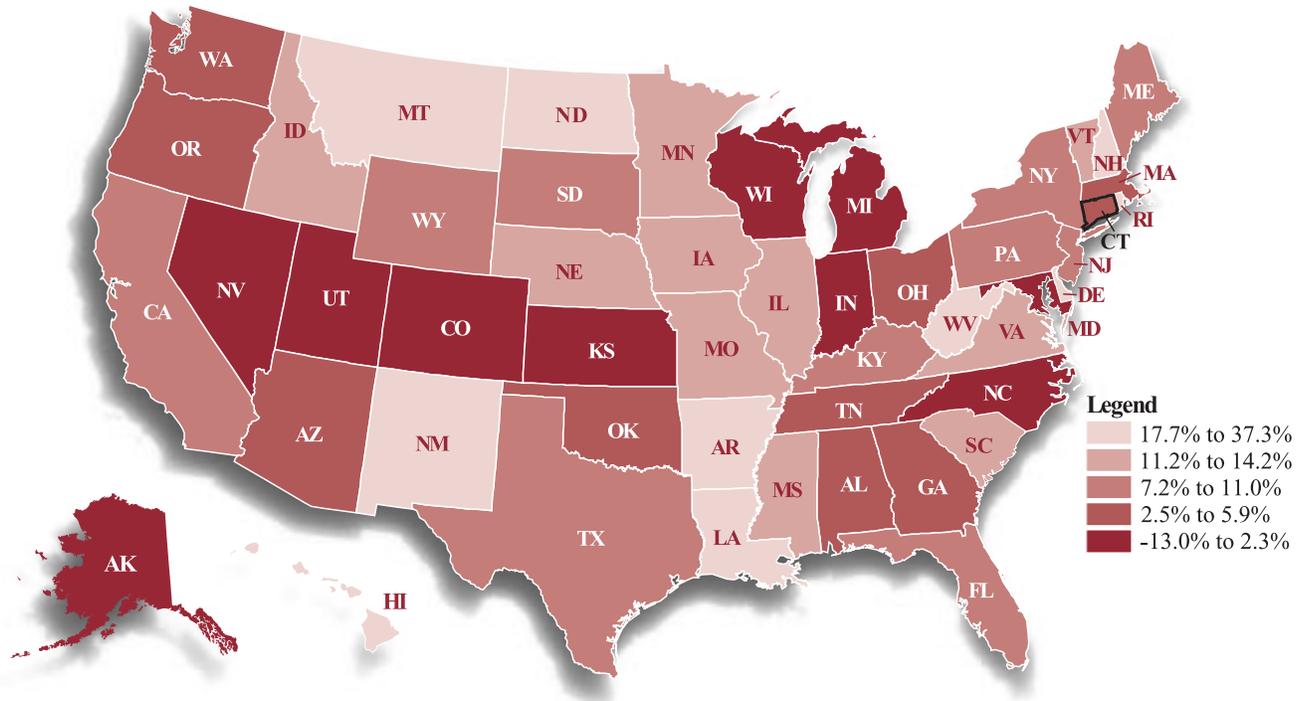


New Companies as Percent of Total Employer Firms, 2002

Rank	State	New Companies	Rank	State	New Companies
1	Washington	18.7%	26	New Hampshire	11.6%
2	Nevada	18.6%	27	Oklahoma	11.6%
3	Utah	18.5%	28	South Carolina	11.5%
4	Colorado	18.0%	29	Maine	11.3%
5	Florida	17.6%	30	Vermont	11.2%
6	Maryland	15.4%	31	Alabama	11.2%
7	Georgia	14.8%	32	Rhode Island	11.1%
8	Tennessee	14.7%	33	New Jersey	10.9%
9	Alaska	13.7%	34	Indiana	10.9%
10	Texas	13.7%	35	Michigan	10.8%
11	Arizona	13.2%	36	Montana	10.7%
12	Oregon	13.1%	37	West Virginia	10.6%
13	Virginia	13.0%	38	Louisiana	10.4%
14	North Carolina	12.9%	39	Minnesota	10.4%
15	Delaware	12.8%	40	Wisconsin	10.0%
16	California	12.8%	41	Kansas	9.9%
17	Missouri	12.6%	42	Illinois	9.8%
18	New York	12.6%	43	Kentucky	9.7%
19	New Mexico	12.6%	44	Ohio	9.7%
20	Massachusetts	12.5%	45	Nebraska	9.6%
21	Idaho	12.4%	46	Connecticut	9.0%
22	Hawaii	12.3%	47	Arkansas	8.9%
23	Pennsylvania	11.9%	48	Iowa	8.3%
24	Wyoming	11.8%	49	North Dakota	7.3%
25	Mississippi	11.7%	50	South Dakota	6.1%
				U.S. Average	12.7%

Source: SBA, Small Business Economic Indicators

New Home Construction Grew Modestly in Connecticut in 2002

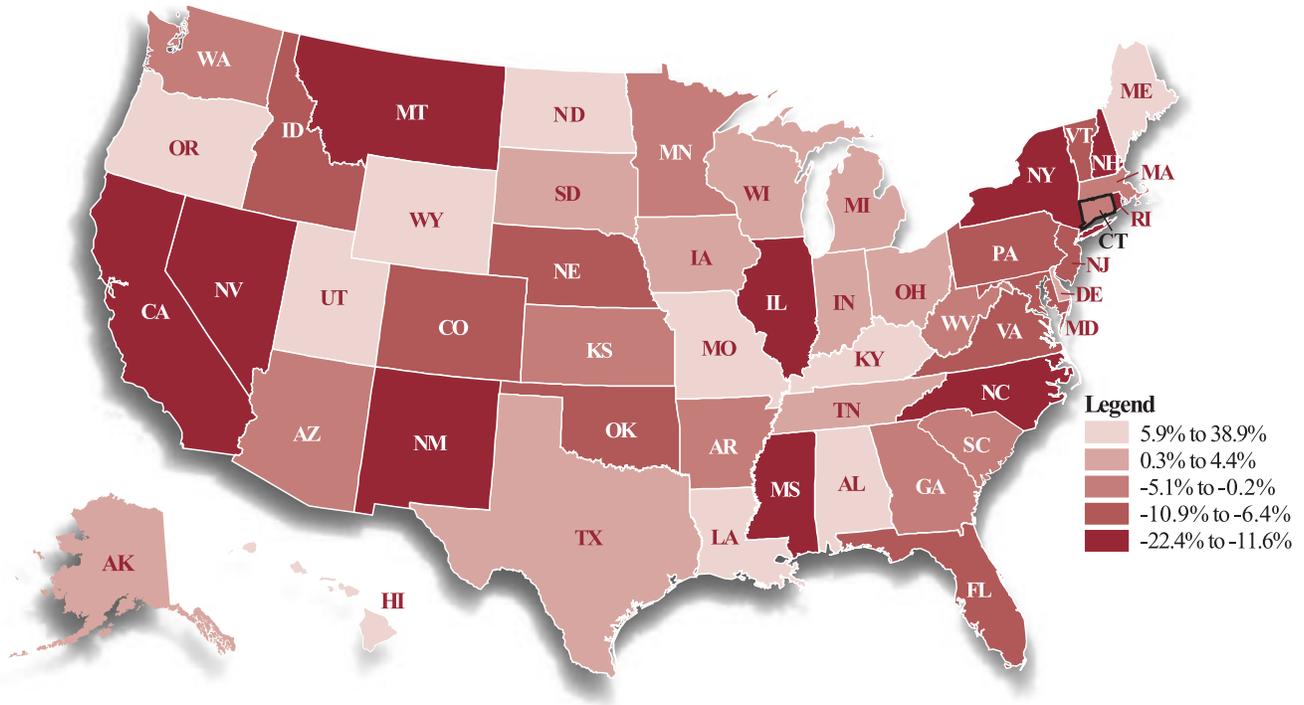


Percent Change in Housing Permits, 2001 to 2002

Rank	State	Change	Rank	State	Change
1	Montana	37.3%	26	California	8.7%
2	Delaware	31.5%	27	South Dakota	8.1%
3	New Hampshire	31.5%	28	New York	7.9%
4	West Virginia	23.9%	29	New Jersey	7.7%
5	Hawaii	23.2%	30	Wyoming	7.2%
6	North Dakota	21.5%	31	Tennessee	5.9%
7	New Mexico	20.8%	32	Arizona	5.7%
8	Arkansas	19.5%	33	Oklahoma	5.1%
9	Rhode Island	18.3%	34	Washington	4.8%
10	Louisiana	17.7%	35	Georgia	4.8%
11	Missouri	14.2%	36	Connecticut	4.7%
12	Minnesota	14.1%	37	Oregon	4.1%
13	Idaho	14.1%	38	Alabama	3.9%
14	Mississippi	13.8%	39	Ohio	2.6%
15	South Carolina	13.2%	40	Massachusetts	2.5%
16	Nebraska	13.2%	41	Utah	2.3%
17	Iowa	13.0%	42	Alaska	2.2%
18	Virginia	12.5%	43	Indiana	1.2%
19	Vermont	11.8%	44	Wisconsin	1.2%
20	Illinois	11.2%	45	Maryland	0.8%
21	Maine	11.0%	46	Michigan	-0.3%
22	Florida	11.0%	47	Nevada	-1.4%
23	Kentucky	10.0%	48	North Carolina	-2.7%
24	Texas	9.8%	49	Kansas	-10.6%
25	Pennsylvania	9.0%	50	Colorado	-13.0%
				U.S. Average	6.8%

Source: U.S. Census Bureau

Connecticut Exports Declined Slightly in 2002

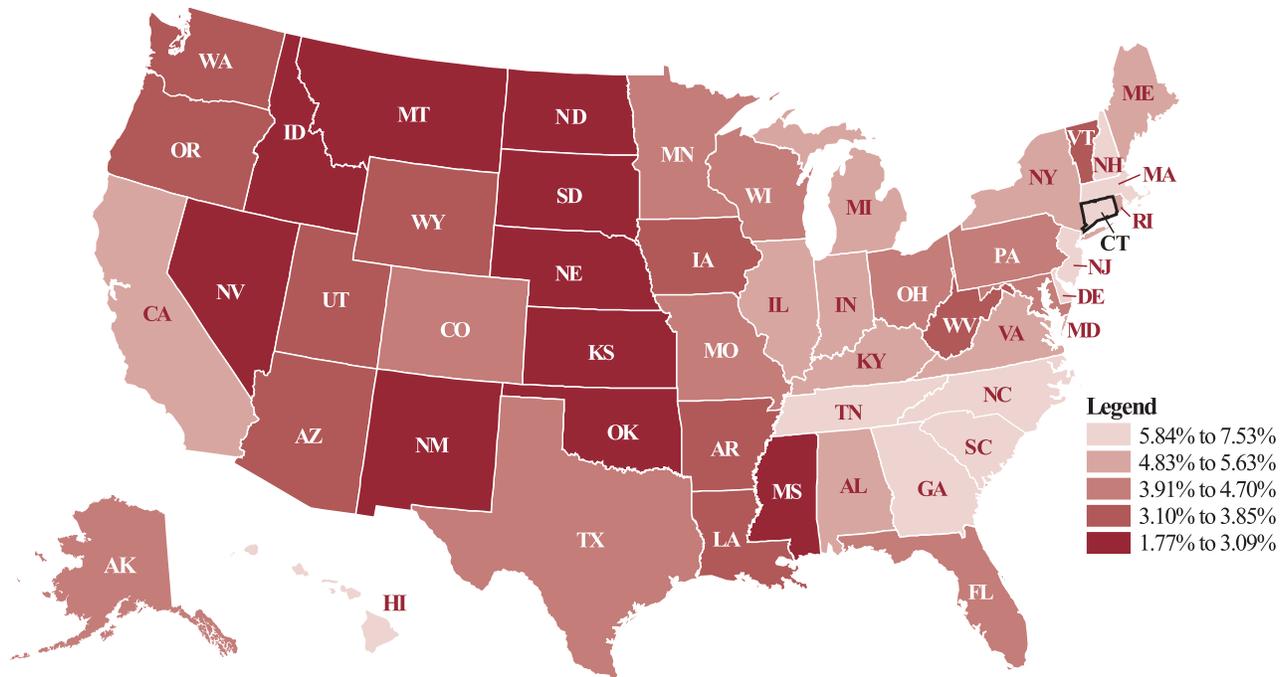


Percent Change in Merchandise Exports, 2001 to 2002

Rank	State	Change	Rank	State	Change
1	Hawaii	38.9%	26	South Carolina	-3.0%
2	Utah	29.6%	27	Connecticut	-3.4%
3	Kentucky	17.2%	28	Arkansas	-3.7%
4	Oregon	13.3%	29	Massachusetts	-4.5%
5	Missouri	10.0%	30	Arizona	-5.1%
6	Wyoming	10.0%	31	Nebraska	-6.4%
7	Alabama	9.2%	32	Virginia	-7.2%
8	Maine	8.9%	33	Idaho	-7.3%
9	North Dakota	6.6%	34	Oklahoma	-8.2%
10	Louisiana	5.9%	35	Pennsylvania	-9.6%
11	Michigan	4.4%	36	Florida	-9.7%
12	Alaska	4.0%	37	Colorado	-9.9%
13	Indiana	3.9%	38	Maryland	-10.1%
14	Tennessee	2.7%	39	New Jersey	-10.3%
15	Ohio	2.3%	40	Vermont	-10.9%
16	Iowa	2.0%	41	Rhode Island	-11.6%
17	Wisconsin	1.9%	42	New York	-12.3%
18	Delaware	1.0%	43	North Carolina	-12.4%
19	Texas	0.4%	44	California	-13.6%
20	South Dakota	0.3%	45	Mississippi	-14.0%
21	West Virginia	-0.2%	46	New Mexico	-14.8%
22	Kansas	-0.3%	47	Illinois	-15.6%
23	Washington	-0.9%	48	Nevada	-17.3%
24	Minnesota	-1.2%	49	Montana	-21.0%
25	Georgia	-1.6%	50	New Hampshire	-22.4%
				U.S. Average	-5.2%

Source: Massachusetts Institute for Social and Economic Research

Foreign Companies Employ a Significant Share of Connecticut's Workforce

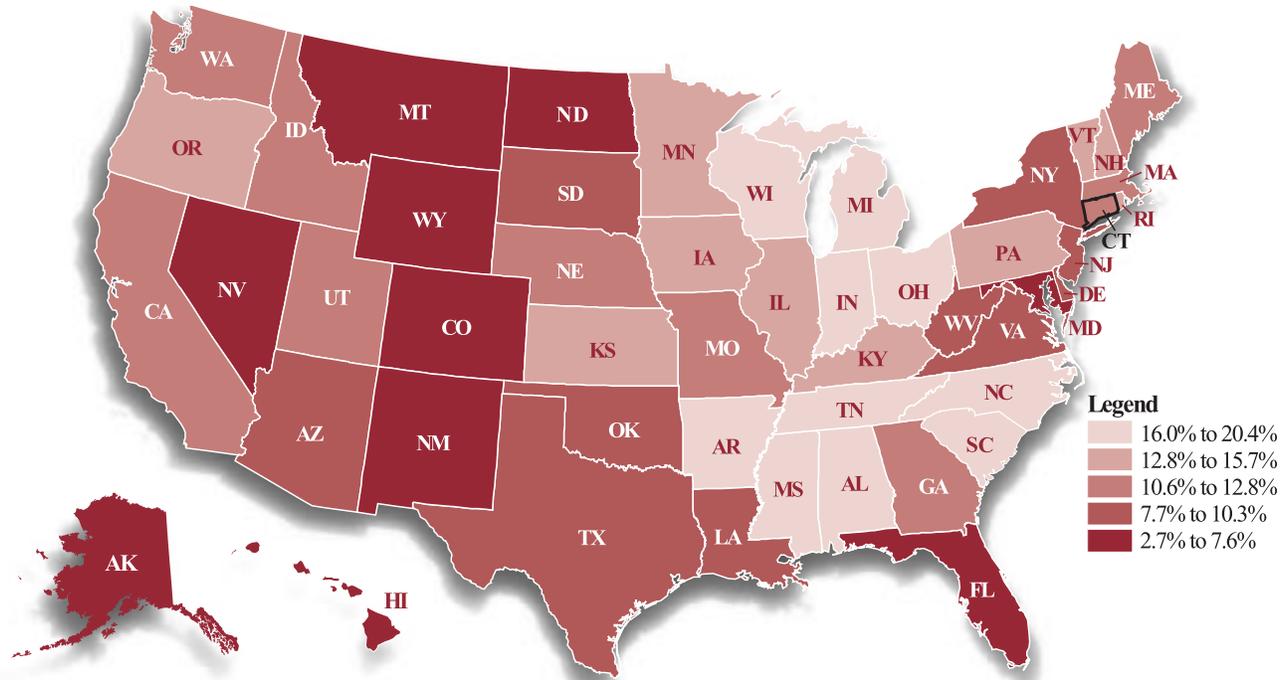


Percentage of Workforce Employed by Foreign Affiliates, 2001

Rank	State	Share	Rank	State	Share
1	Hawaii	7.53%	26	Colorado	4.20%
2	South Carolina	7.50%	27	Alaska	4.18%
3	Connecticut	7.37%	28	Missouri	4.18%
4	New Hampshire	7.21%	29	Minnesota	4.04%
5	Delaware	7.11%	30	Wisconsin	3.91%
6	New Jersey	6.77%	31	Washington	3.85%
7	Massachusetts	6.63%	32	Vermont	3.84%
8	Georgia	6.18%	33	West Virginia	3.77%
9	North Carolina	6.10%	34	Arkansas	3.55%
10	Tennessee	5.84%	35	Oregon	3.54%
11	Kentucky	5.63%	36	Utah	3.48%
12	Maine	5.62%	37	Iowa	3.21%
13	New York	5.60%	38	Arizona	3.19%
14	Indiana	5.56%	39	Wyoming	3.14%
15	Michigan	5.36%	40	Louisiana	3.10%
16	Illinois	5.35%	41	Nevada	3.09%
17	Rhode Island	5.04%	42	Kansas	2.94%
18	California	4.89%	43	North Dakota	2.85%
19	Virginia	4.87%	44	Oklahoma	2.77%
20	Alabama	4.83%	45	Nebraska	2.58%
21	Pennsylvania	4.70%	46	Idaho	2.45%
22	Maryland	4.55%	47	Mississippi	2.44%
23	Texas	4.50%	48	New Mexico	1.95%
24	Ohio	4.37%	49	Montana	1.91%
25	Florida	4.23%	50	South Dakota	1.77%
				U.S. Average	4.83%

Source: U.S. Bureau of Economic Analysis with CERC calculations

Manufacturing Employment Remains Above Average in Connecticut

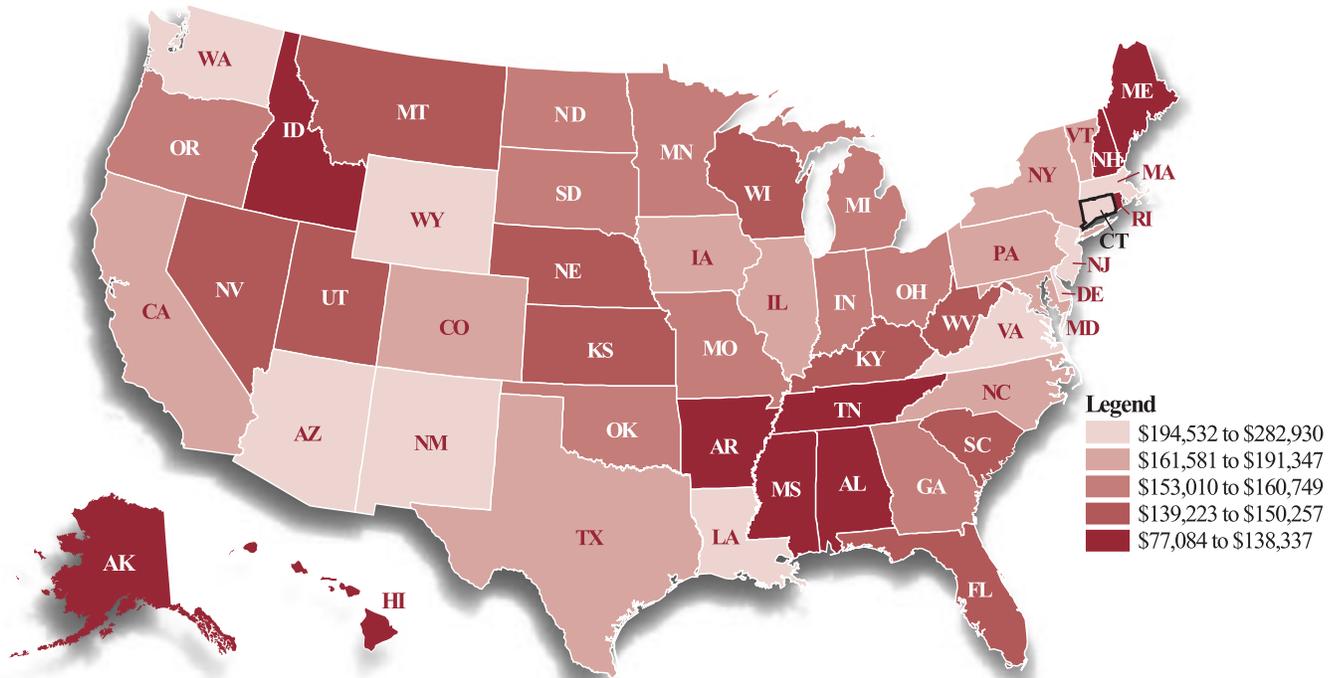


Manufacturing Share of Total Employment, 2002 (NAICS*)

Rank	State	Share	Rank	State	Share
1	Indiana	20.4%	26	California	11.3%
2	Wisconsin	19.0%	27	Maine	11.2%
3	Arkansas	18.7%	28	Washington	10.8%
4	Michigan	17.0%	29	Massachusetts	10.7%
5	Mississippi	16.7%	30	Utah	10.6%
6	North Carolina	16.7%	31	Oklahoma	10.3%
7	Alabama	16.3%	32	South Dakota	10.2%
8	Ohio	16.3%	33	Texas	10.1%
9	South Carolina	16.1%	34	West Virginia	9.4%
10	Tennessee	16.0%	35	New Jersey	9.2%
11	Iowa	15.7%	36	Virginia	9.2%
12	Kentucky	15.4%	37	Delaware	8.9%
13	New Hampshire	13.8%	38	Louisiana	8.5%
14	Kansas	13.7%	39	Arizona	8.1%
15	Vermont	13.5%	40	New York	7.7%
16	Pennsylvania	13.5%	41	Colorado	7.6%
17	Minnesota	13.4%	42	North Dakota	7.2%
18	Rhode Island	13.0%	43	Maryland	6.4%
19	Oregon	12.8%	44	Florida	5.7%
20	Illinois	12.8%	45	New Mexico	5.0%
21	Connecticut	12.8%	46	Montana	5.0%
22	Georgia	12.1%	47	Nevada	4.1%
23	Missouri	12.0%	48	Wyoming	3.8%
24	Nebraska	11.7%	49	Alaska	3.8%
25	Idaho	11.4%	50	Hawaii	2.7%
				U.S. Average	11.7%

* North American Industry Classification System
Source: U.S. Bureau of Labor Statistics with CERC calculations

Connecticut's Manufacturing Output Per Worker Is Exceptional

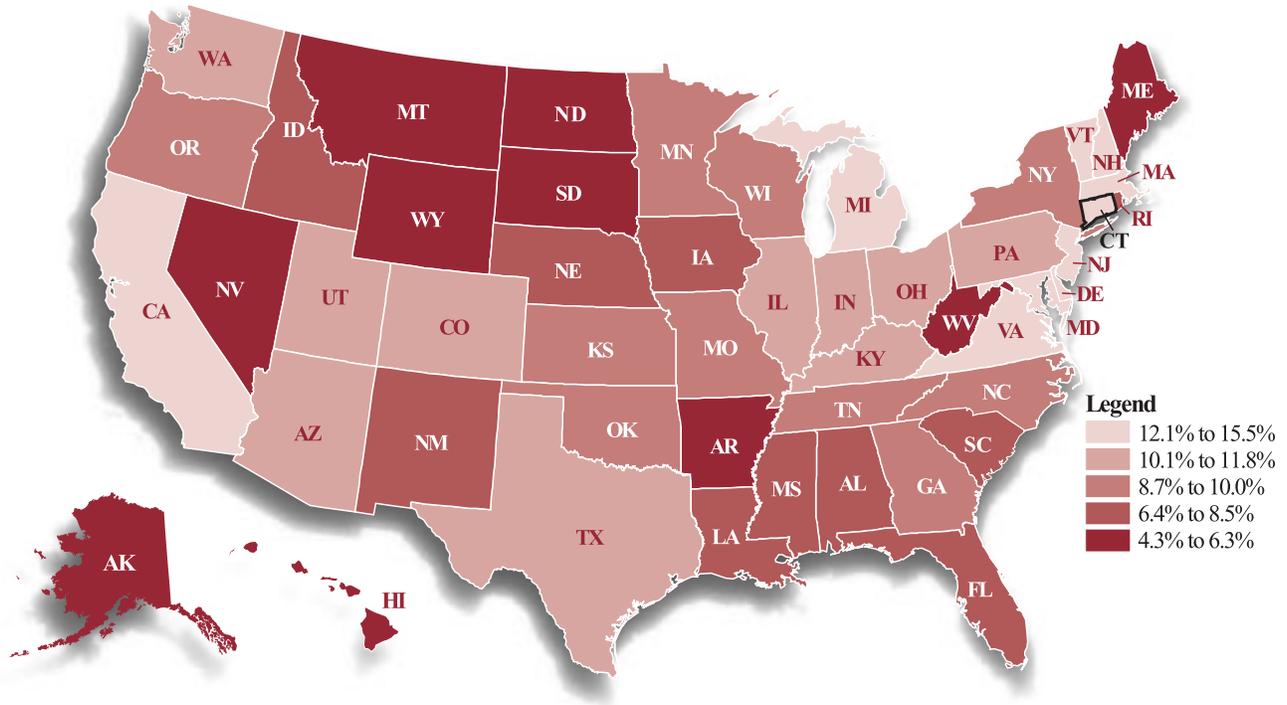


Manufacturing Value Added per Production Worker, 2001

Rank	State	Value Added	Rank	State	Value Added
1	New Mexico	\$282,930	26	South Dakota	\$154,839
2	Arizona	\$248,027	27	Minnesota	\$154,675
3	Delaware	\$232,937	28	Oregon	\$154,646
4	Virginia	\$215,686	29	Oklahoma	\$153,390
5	Connecticut	\$201,099	30	Michigan	\$153,010
6	New Jersey	\$200,228	31	Wisconsin	\$150,257
7	Wyoming	\$197,002	32	Kansas	\$150,069
8	Washington	\$196,236	33	Florida	\$149,095
9	Massachusetts	\$196,045	34	Kentucky	\$148,156
10	Louisiana	\$194,532	35	South Carolina	\$145,574
11	California	\$191,347	36	Nebraska	\$144,213
12	Texas	\$185,381	37	Utah	\$143,270
13	Maryland	\$180,611	38	West Virginia	\$142,804
14	North Carolina	\$171,497	39	Montana	\$139,673
15	Vermont	\$168,881	40	Nevada	\$139,223
16	Illinois	\$168,233	41	Tennessee	\$138,337
17	Iowa	\$167,718	42	Maine	\$136,654
18	Colorado	\$164,582	43	New Hampshire	\$128,506
19	New York	\$162,782	44	Rhode Island	\$126,922
20	Pennsylvania	\$161,581	45	Alaska	\$116,523
21	Indiana	\$160,749	46	Alabama	\$112,653
22	Missouri	\$159,688	47	Arkansas	\$107,611
23	North Dakota	\$159,523	48	Hawaii	\$100,159
24	Ohio	\$157,514	49	Mississippi	\$98,400
25	Georgia	\$154,882	50	Idaho	\$77,084
				U.S. Average	\$165,012

Source: U.S. Census Bureau, "Annual Survey of Manufactures, 2001"

Connecticut Is a High-Tech Leader

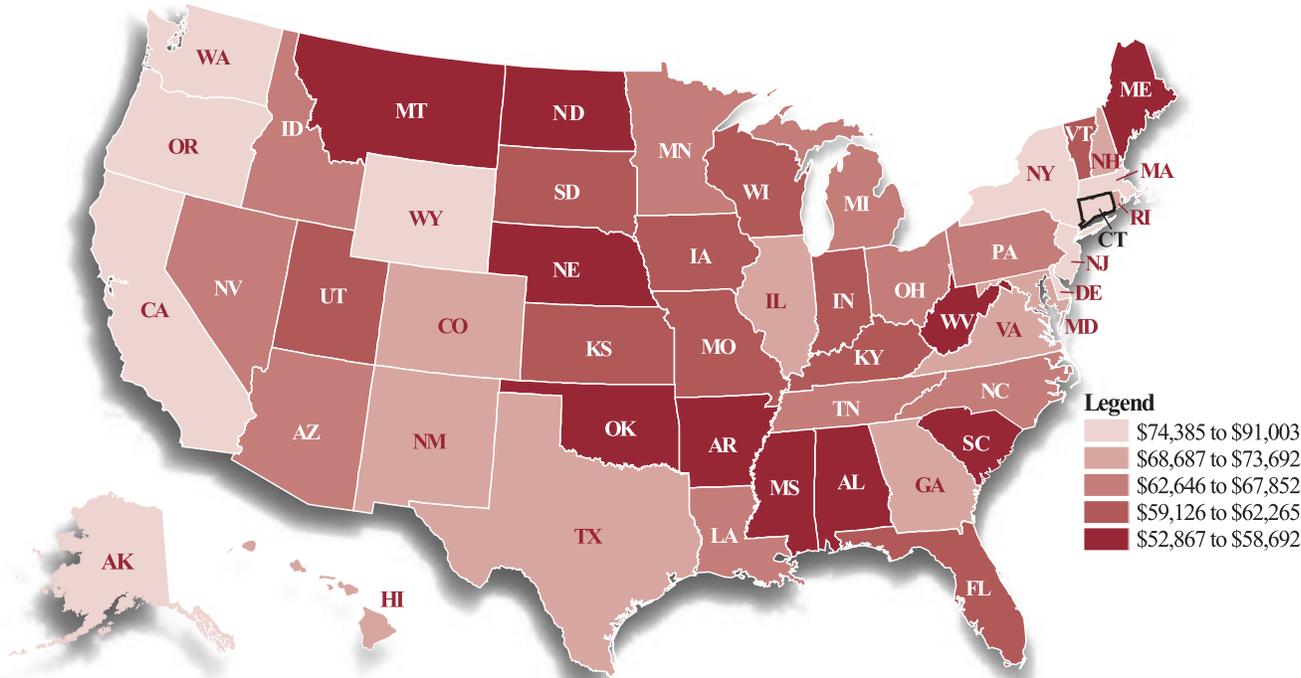


High-Tech Share of Total Employment, 2003

Rank	State	Share	Rank	State	Share
1	Massachusetts	15.5%	26	Tennessee	9.4%
2	Michigan	15.4%	27	Missouri	9.3%
3	Delaware	14.8%	28	New York	9.3%
4	Connecticut	14.4%	29	North Carolina	9.2%
5	New Jersey	13.6%	30	Oklahoma	8.7%
6	Virginia	13.2%	31	South Carolina	8.5%
7	California	13.2%	32	Rhode Island	8.3%
8	Maryland	12.5%	33	Florida	8.1%
9	New Hampshire	12.3%	34	Alabama	7.9%
10	Vermont	12.1%	35	Idaho	7.8%
11	Illinois	11.8%	36	New Mexico	7.7%
12	Colorado	11.6%	37	Iowa	7.0%
13	Arizona	11.5%	38	Nebraska	7.0%
14	Utah	11.2%	39	Mississippi	6.6%
15	Ohio	11.1%	40	Louisiana	6.4%
16	Indiana	10.8%	41	Arkansas	6.3%
17	Pennsylvania	10.7%	42	Nevada	6.3%
18	Texas	10.5%	43	West Virginia	5.9%
19	Washington	10.3%	44	North Dakota	5.7%
20	Kentucky	10.1%	45	South Dakota	5.6%
21	Kansas	10.0%	46	Maine	5.2%
22	Minnesota	10.0%	47	Wyoming	4.9%
23	Oregon	9.6%	48	Alaska	4.8%
24	Wisconsin	9.6%	49	Montana	4.5%
25	Georgia	9.5%	50	Hawaii	4.3%
				U.S. Average	10.6%

Source: D&B Sales and Marketing Solutions

Connecticut Is the Most Productive State

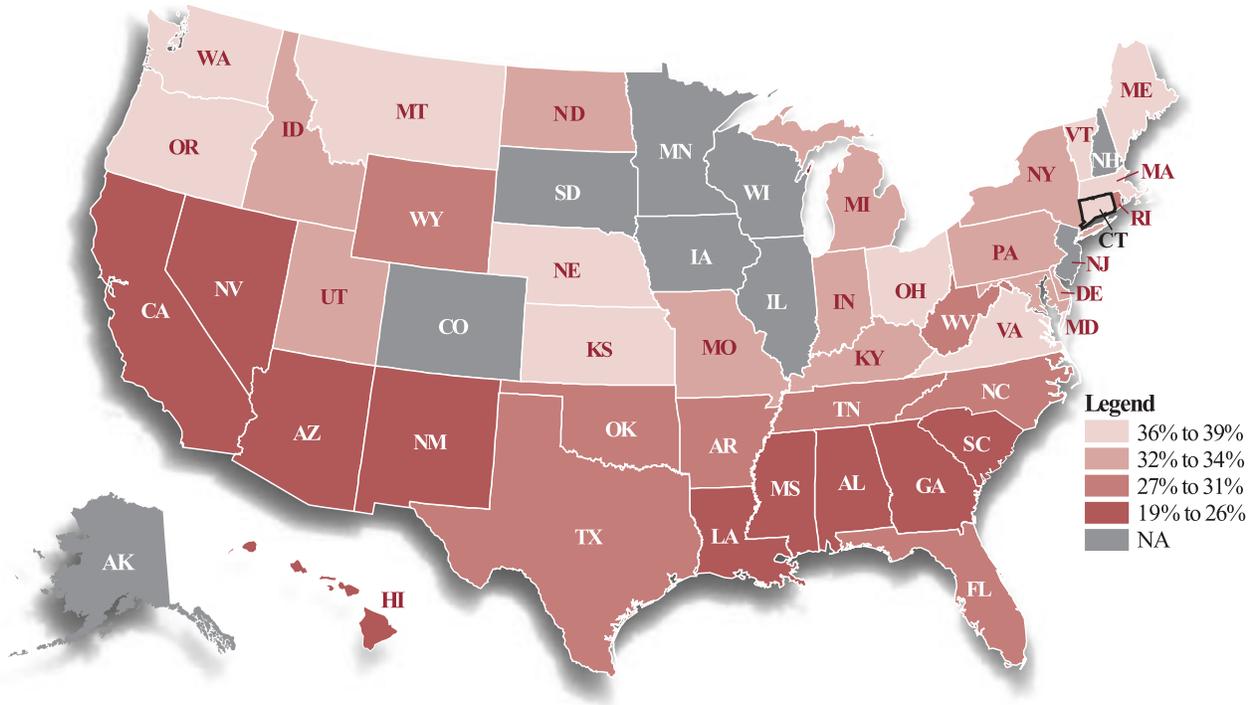


Gross State Product per Worker, 2001

Rank	State	GSP/Worker	Rank	State	GSP/Worker
1	Connecticut	\$91,003	26	Michigan	\$65,294
2	New York	\$89,217	27	Idaho	\$64,879
3	California	\$86,293	28	North Carolina	\$63,213
4	Delaware	\$85,229	29	Ohio	\$63,027
5	Alaska	\$84,653	30	Tennessee	\$62,646
6	New Jersey	\$83,285	31	Florida	\$62,265
7	Massachusetts	\$79,820	32	Missouri	\$61,389
8	Oregon	\$78,343	33	South Dakota	\$61,218
9	Washington	\$75,072	34	Kentucky	\$61,017
10	Wyoming	\$74,385	35	Indiana	\$60,743
11	Illinois	\$73,692	36	Kansas	\$59,865
12	Texas	\$73,389	37	Vermont	\$59,742
13	New Mexico	\$72,544	38	Wisconsin	\$59,454
14	New Hampshire	\$72,178	39	Iowa	\$59,340
15	Colorado	\$71,586	40	Utah	\$59,126
16	Maryland	\$71,031	41	Alabama	\$58,692
17	Hawaii	\$69,980	42	Nebraska	\$58,654
18	Rhode Island	\$69,923	43	South Carolina	\$58,399
19	Georgia	\$69,455	44	Oklahoma	\$57,154
20	Virginia	\$68,687	45	Maine	\$55,945
21	Arizona	\$67,852	46	Arkansas	\$55,215
22	Nevada	\$66,138	47	Mississippi	\$54,453
23	Pennsylvania	\$65,904	48	North Dakota	\$53,858
24	Minnesota	\$65,430	49	West Virginia	\$53,063
25	Louisiana	\$65,343	50	Montana	\$52,867
				U.S. Average	\$70,816

Source: U.S. Bureau of Economic Analysis with CERC calculations.
In real (1996) dollars.

Connecticut Students Excel in National Education Tests

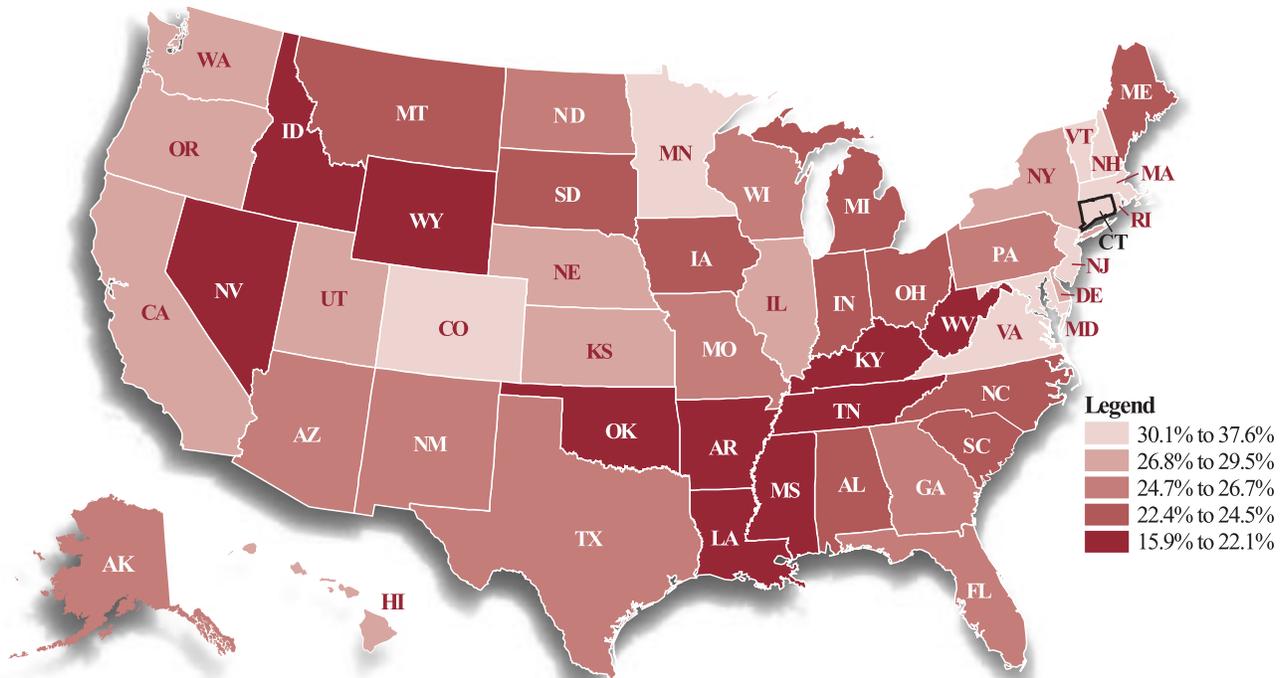


Eighth Grade NAEP Reading Proficiency Percentage, 2002

Rank	State	Proficient and Advanced	Rank	State	Proficient and Advanced
1	Massachusetts	39%	25	Texas	30%
1	Vermont	39%	27	Florida	29%
3	Kansas	38%	27	West Virginia	29%
3	Maine	38%	29	Arkansas	28%
5	Connecticut	37%	30	Oklahoma	27%
5	Montana	37%	30	Tennessee	27%
5	Oregon	37%	32	Georgia	26%
5	Virginia	37%	33	South Carolina	24%
5	Washington	37%	34	Arizona	23%
10	Nebraska	36%	35	Louisiana	22%
10	Ohio	36%	36	Alabama	21%
12	North Dakota	34%	37	California	20%
12	Pennsylvania	34%	37	Hawaii	20%
14	Delaware	33%	37	Mississippi	20%
14	Idaho	33%	37	New Mexico	20%
14	Maryland	33%	41	Nevada	19%
14	Missouri	33%		Alaska	NA
18	Indiana	32%		Colorado	NA
18	Kentucky	32%		Illinois	NA
18	Michigan	32%		Iowa	NA
18	New York	32%		Minnesota	NA
18	Utah	32%		New Hampshire	NA
23	North Carolina	31%		New Jersey	NA
23	Wyoming	31%		South Dakota	NA
25	Rhode Island	30%		Wisconsin	NA
				U.S. Average	30%

Source: National Center for Education Statistics, National Assessment of Educational Progress (NAEP)

Connecticut Citizens Are Highly Educated

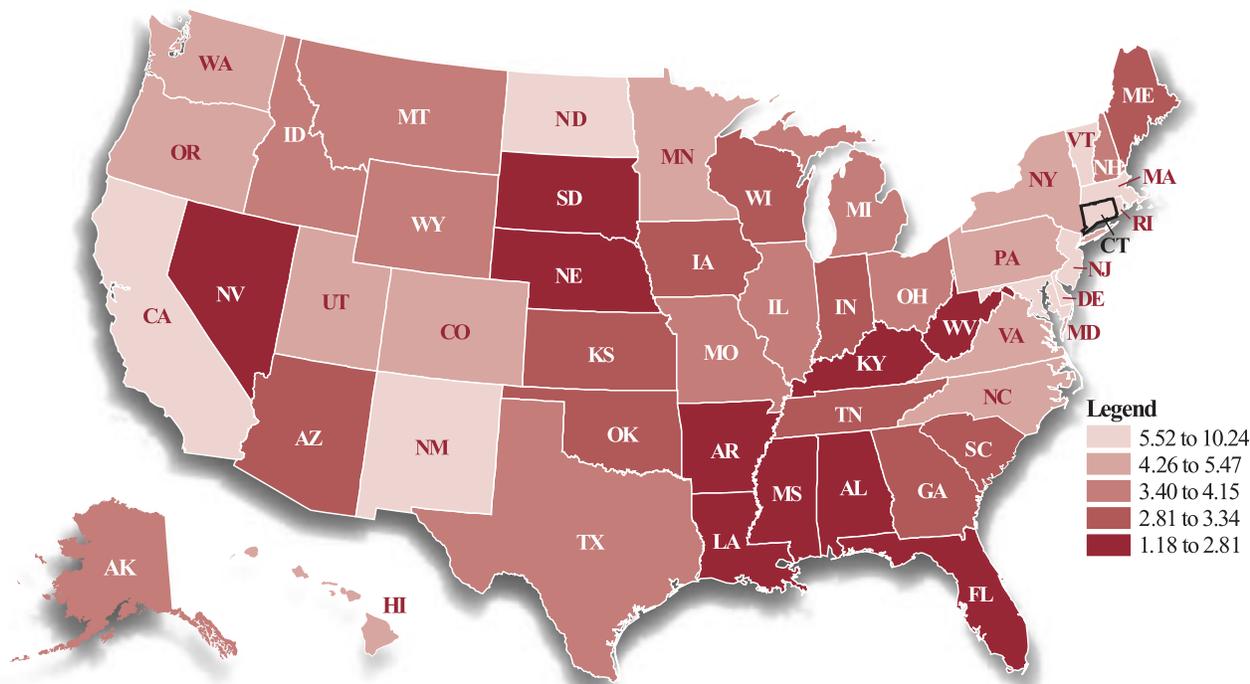


Percentage of Adult Population Graduated from College, 2002

Rank	State	College Grads	Rank	State	College Grads
1	Maryland	37.6%	26	Alaska	25.6%
2	Colorado	35.7%	27	New Mexico	25.4%
3	Virginia	34.6%	28	North Dakota	25.3%
4	Massachusetts	34.3%	29	Georgia	25.0%
5	Connecticut	32.6%	30	Wisconsin	24.7%
6	New Jersey	31.4%	31	Ohio	24.5%
7	Vermont	30.8%	32	Maine	23.8%
8	Minnesota	30.5%	33	Indiana	23.7%
9	New Hampshire	30.1%	34	Montana	23.6%
9	Rhode Island	30.1%	34	South Dakota	23.6%
11	Delaware	29.5%	36	South Carolina	23.3%
12	Kansas	29.1%	37	Iowa	23.1%
13	New York	28.8%	38	Alabama	22.7%
14	Washington	28.3%	39	Michigan	22.5%
15	California	27.9%	40	North Carolina	22.4%
16	Illinois	27.3%	41	Louisiana	22.1%
17	Nebraska	27.1%	41	Nevada	22.1%
17	Oregon	27.1%	43	Kentucky	21.6%
19	Hawaii	26.8%	44	Tennessee	21.5%
19	Utah	26.8%	45	Idaho	20.9%
21	Missouri	26.7%	45	Mississippi	20.9%
22	Arizona	26.3%	47	Oklahoma	20.4%
23	Texas	26.2%	48	Wyoming	19.6%
24	Pennsylvania	26.1%	49	Arkansas	18.3%
25	Florida	25.7%	50	West Virginia	15.9%
				U.S. Average	26.7%

Source: U.S. Census Bureau

Connecticut Has a High Concentration of Doctoral Scientists and Engineers

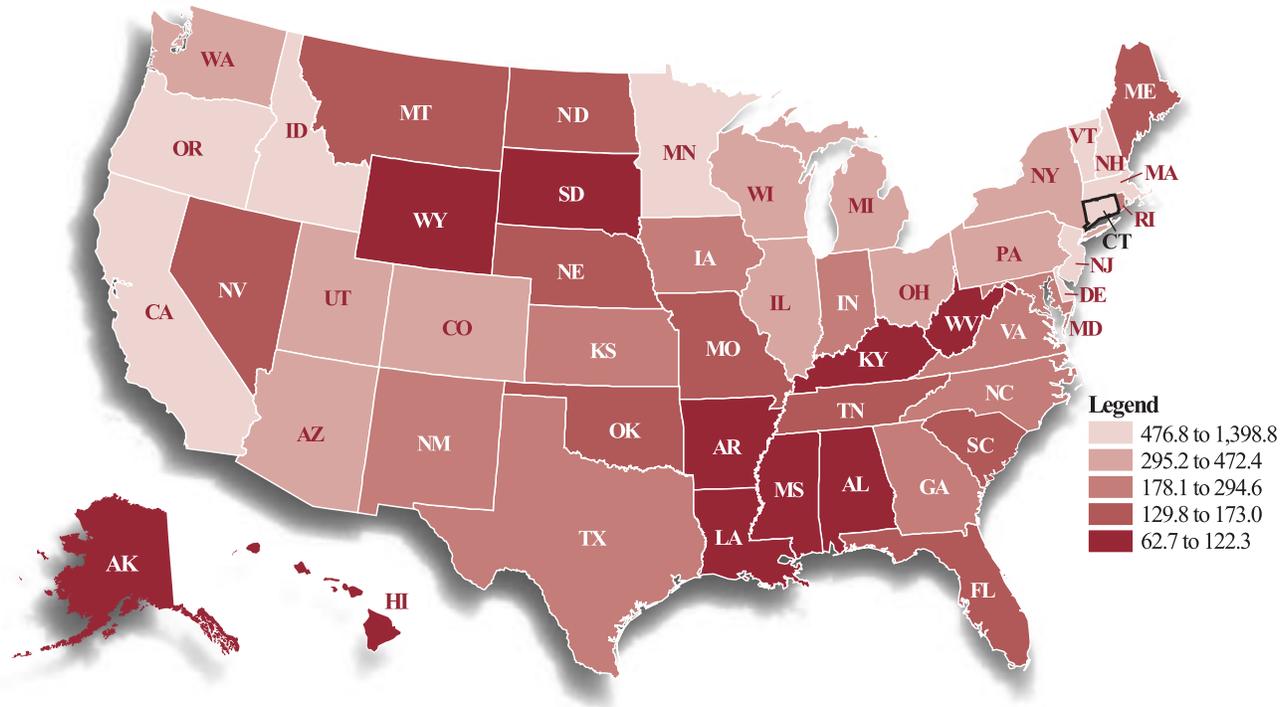


Ph.D. Scientists & Engineers per 1,000 Workers, 2001

Rank	State	Number	Rank	State	Number
1	New Mexico	10.24	26	Montana	3.68
2	Maryland	9.21	27	Ohio	3.62
3	North Dakota	8.77	28	Wyoming	3.42
4	Massachusetts	8.74	29	Texas	3.41
5	Delaware	8.44	30	Missouri	3.40
6	Vermont	5.79	31	Tennessee	3.34
7	New Jersey	5.69	32	Maine	3.27
8	Connecticut	5.65	33	Indiana	3.27
9	California	5.54	34	Arizona	3.12
10	Rhode Island	5.52	35	Wisconsin	3.10
11	Washington	5.47	36	Georgia	3.04
12	Colorado	5.29	37	Iowa	3.00
13	New York	5.12	38	Kansas	2.95
14	Virginia	4.97	39	Oklahoma	2.90
15	Hawaii	4.65	40	South Carolina	2.81
16	Pennsylvania	4.60	41	Mississippi	2.81
17	Utah	4.46	42	Alabama	2.79
18	Oregon	4.42	43	Louisiana	2.76
19	North Carolina	4.30	44	South Dakota	2.64
20	Minnesota	4.26	45	West Virginia	2.57
21	Alaska	4.15	46	Kentucky	2.54
22	New Hampshire	3.94	47	Arkansas	2.22
23	Idaho	3.93	48	Florida	2.20
24	Michigan	3.81	49	Nevada	1.93
25	Illinois	3.69	50	Nebraska	1.18
				U.S. Average	4.36

Source: National Science Foundation

Connecticut Is a Center for Innovation

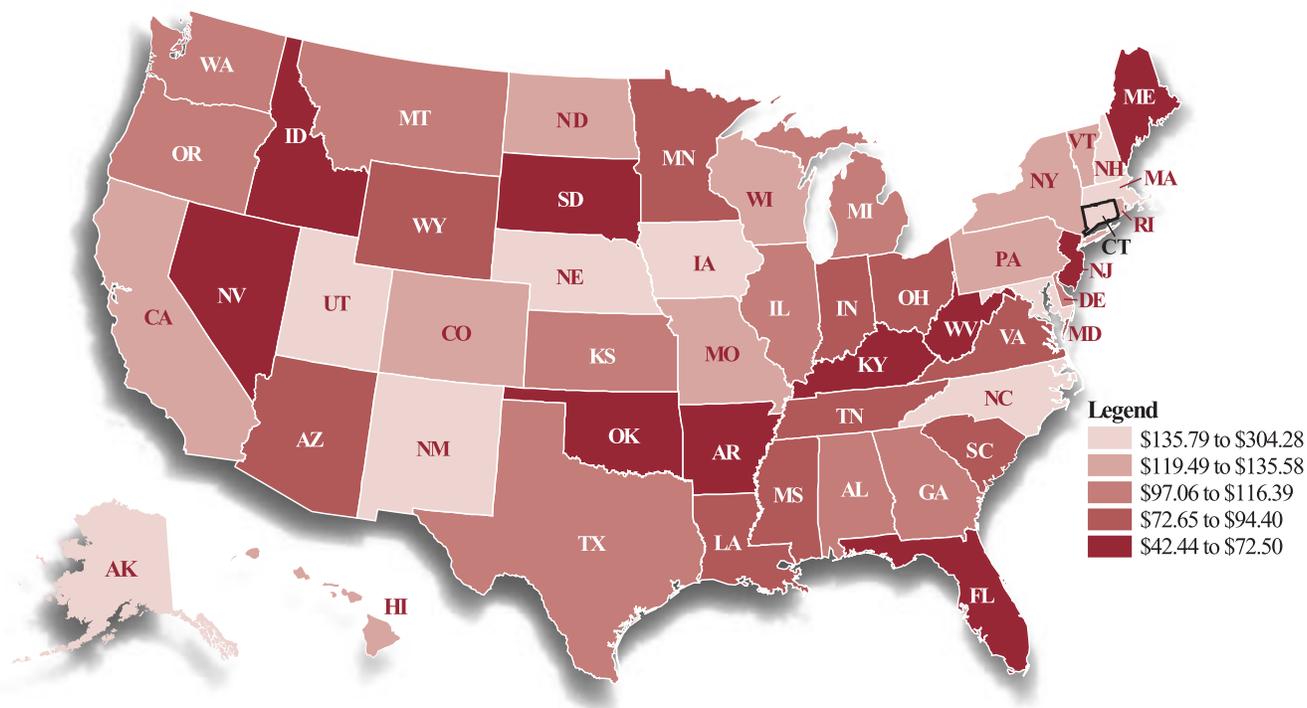


Patents Issued per One Million Population, 2002

Rank	State	Patents	Rank	State	Patents
1	Idaho	1,398.8	26	Iowa	231.9
2	Vermont	825.5	27	New Mexico	209.2
3	California	604.7	28	Kansas	185.2
4	Massachusetts	596.9	29	Georgia	179.2
5	Minnesota	592.9	30	Virginia	178.1
6	Connecticut	575.3	31	Tennessee	173.0
7	New Hampshire	515.3	32	South Carolina	172.6
8	Oregon	487.3	33	Florida	170.7
9	Delaware	478.1	34	Missouri	169.8
10	New Jersey	476.8	35	Nevada	169.3
11	Colorado	472.4	36	Montana	167.1
12	Michigan	421.0	37	Oklahoma	148.3
13	Wisconsin	389.4	38	Nebraska	143.4
14	Washington	379.0	39	North Dakota	135.6
15	New York	369.2	40	Maine	129.8
16	Ohio	346.8	41	Wyoming	122.3
17	Utah	322.5	42	Kentucky	121.2
18	Illinois	312.2	43	South Dakota	118.3
19	Arizona	311.4	44	Louisiana	108.0
20	Pennsylvania	295.2	45	Alabama	98.3
21	Maryland	294.6	46	West Virginia	92.1
22	Texas	291.1	47	Arkansas	78.6
23	Rhode Island	290.7	48	Alaska	77.7
24	Indiana	282.7	49	Hawaii	72.3
25	North Carolina	257.2	50	Mississippi	62.7
				U.S. Average	336.7

Source: U.S. Patent and Trademark Office

Connecticut Is Home to Leading Research Universities

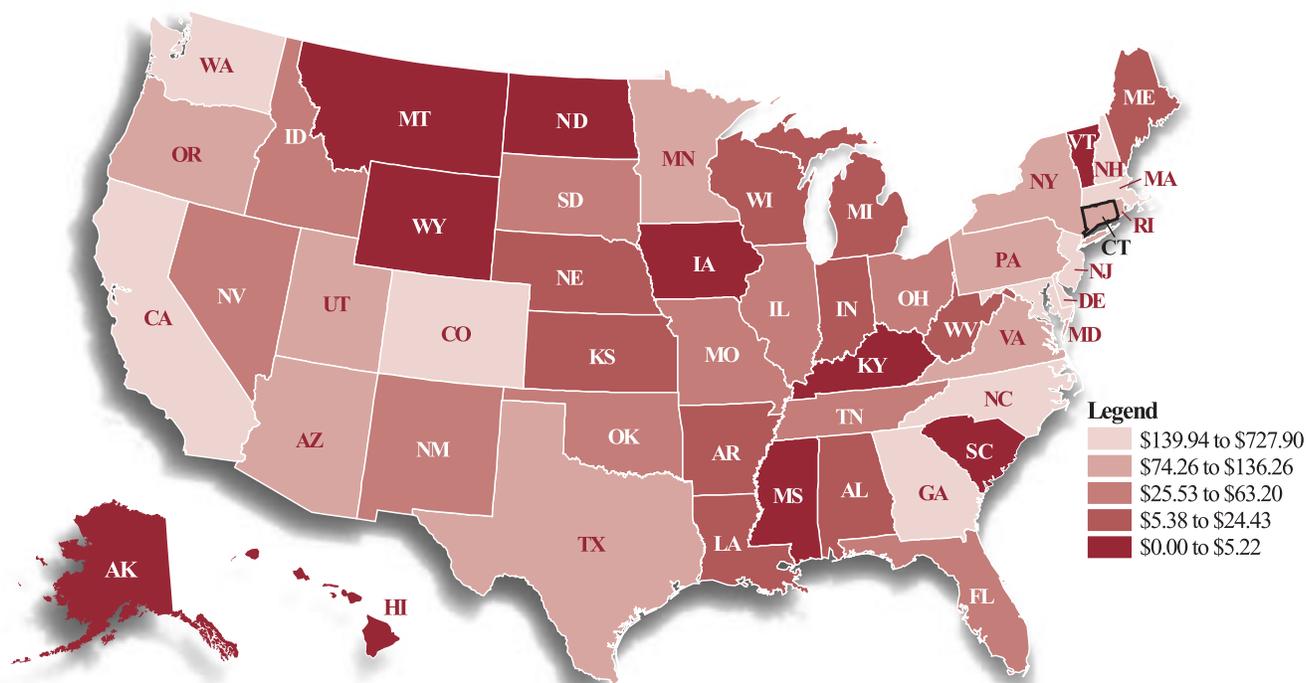


University R&D Expenditures per Capita, 2001

Rank	State	Expenditures	Rank	State	Expenditures
1	Maryland	\$304.28	26	Texas	\$102.77
2	Massachusetts	\$243.45	27	Illinois	\$101.31
3	Alaska	\$173.91	28	Kansas	\$98.68
4	New Hampshire	\$156.41	29	Delaware	\$97.28
5	Iowa	\$149.02	30	Alabama	\$97.06
6	New Mexico	\$148.54	31	Louisiana	\$94.40
7	Utah	\$148.39	32	Arizona	\$94.32
8	Connecticut	\$143.48	33	Minnesota	\$92.73
9	Nebraska	\$140.35	34	Indiana	\$92.30
10	North Carolina	\$135.79	35	Ohio	\$87.13
11	Pennsylvania	\$135.58	36	South Carolina	\$86.30
12	Rhode Island	\$134.54	37	Wyoming	\$84.32
13	Wisconsin	\$132.95	38	Virginia	\$82.71
14	North Dakota	\$132.86	39	Mississippi	\$81.28
15	Hawaii	\$127.93	40	Tennessee	\$72.65
16	Colorado	\$127.39	41	Oklahoma	\$72.50
17	New York	\$127.07	42	New Jersey	\$71.40
18	California	\$124.97	43	Kentucky	\$70.20
19	Vermont	\$123.33	44	Idaho	\$62.47
20	Missouri	\$119.49	45	Florida	\$59.84
21	Washington	\$116.39	46	Nevada	\$55.27
22	Georgia	\$115.77	47	Maine	\$49.88
23	Montana	\$113.91	48	Arkansas	\$49.60
24	Michigan	\$110.08	49	West Virginia	\$43.68
25	Oregon	\$104.66	50	South Dakota	\$42.44
				U.S. Average	NA

Source: Corporation for Enterprise Development (CFED),
"2003 Development Report Card for the States"

Connecticut Is in the Top Tier Nationally for Venture Capital Investments

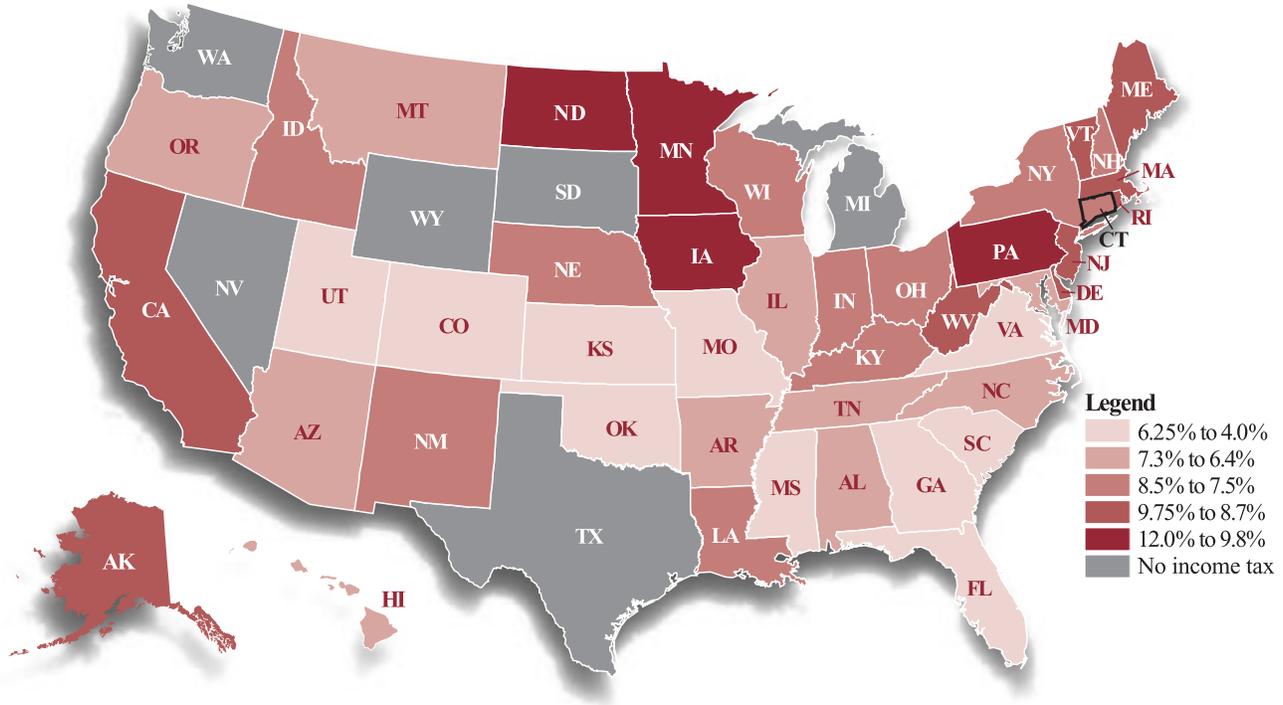


Venture Capital Investment Dollars per Worker, 2002

Rank	State	Venture Capital	Rank	State	Venture Capital
1	Massachusetts	\$727.90	26	Illinois	\$39.83
2	California	\$657.04	27	Oklahoma	\$34.09
3	New Hampshire	\$354.52	28	Idaho	\$31.03
4	Maryland	\$254.31	29	Tennessee	\$30.94
5	Colorado	\$248.34	30	Nevada	\$25.53
6	Washington	\$221.73	31	West Virginia	\$24.43
7	Delaware	\$162.95	32	Wisconsin	\$23.21
8	Georgia	\$143.86	33	Maine	\$19.64
9	North Carolina	\$142.48	34	Louisiana	\$19.21
10	New Jersey	\$139.94	35	Indiana	\$18.02
11	Texas	\$136.26	36	Michigan	\$16.91
12	Connecticut	\$131.07	37	Nebraska	\$13.13
13	Minnesota	\$123.06	38	Alabama	\$12.56
14	Rhode Island	\$121.95	39	Arkansas	\$8.10
15	Virginia	\$113.22	40	Kansas	\$5.38
16	Oregon	\$101.19	41	Hawaii	\$5.22
17	New York	\$95.17	42	Vermont	\$5.00
18	Utah	\$88.20	43	Mississippi	\$4.53
19	Arizona	\$84.51	44	South Carolina	\$2.76
20	Pennsylvania	\$74.26	45	Kentucky	\$1.68
21	Missouri	\$63.20	46	Iowa	\$1.38
22	Florida	\$49.41	47	Alaska	\$0.00
23	New Mexico	\$48.17	47	Montana	\$0.00
24	South Dakota	\$47.91	47	North Dakota	\$0.00
25	Ohio	\$40.55	47	Wyoming	\$0.00
				U.S. Average	\$162.79

Source: National Venture Capital Association/Venture Economics, 2003 Yearbook, with CERC calculations

Connecticut's Corporate Income Tax Rate Is Competitive



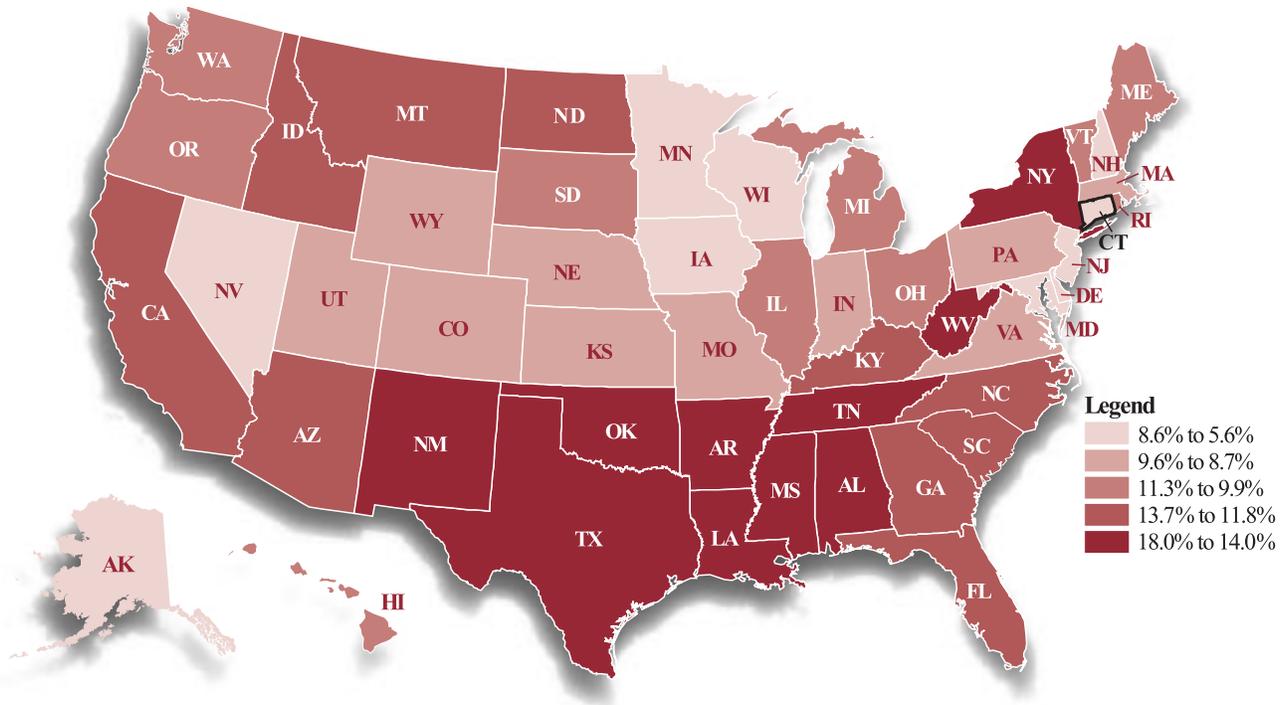
State Corporate Income Tax Rates, 2003

Rank	State	Rate	Rank	State	Rate
1	Kansas	4.0%	26	Wisconsin	7.9%
2	Colorado	4.63%	27	Louisiana	8.0%
3	Mississippi	5.0%	28	Kentucky	8.25%
3	South Carolina	5.0%	29	New Hampshire	8.5%
3	Utah	5.0%	29	Indiana	8.5%
6	Florida	5.5%	29	Ohio	8.5%
7	Oklahoma	6.0%	32	Delaware	8.7%
7	Virginia	6.0%	33	California	8.84%
7	Georgia	6.0%	34	Maine	8.93%
10	Missouri	6.25%	35	New Jersey	9.0%
11	Hawaii	6.4%	35	Rhode Island	9.0%
12	Alabama	6.5%	35	West Virginia	9.0%
12	Arkansas	6.5%	38	Alaska	9.4%
12	Tennessee	6.5%	39	Massachusetts	9.5%
15	Oregon	6.6%	40	Vermont	9.75%
16	Montana	6.75%	41	Minnesota	9.8%
17	North Carolina	6.9%	42	Pennsylvania	9.99%
18	Arizona	6.97%	43	North Dakota	10.5%
19	Maryland	7.0%	44	Iowa	12.0%
20	Illinois	7.3%		Michigan	*
21	Connecticut	7.5%		Nevada	*
21	New York	7.5%		South Dakota	*
23	New Mexico	7.6%		Texas	*
23	Idaho	7.6%		Washington	*
25	Nebraska	7.81%		Wyoming	*
				U.S. Average	NA

Source: Federation of Tax Administrators and Commerce Clearing House. Ranking based on highest rate in each state.

* No state corporate income tax; other comprehensive business tax may be imposed.

Connecticut's Poverty Rate Is Consistently Low

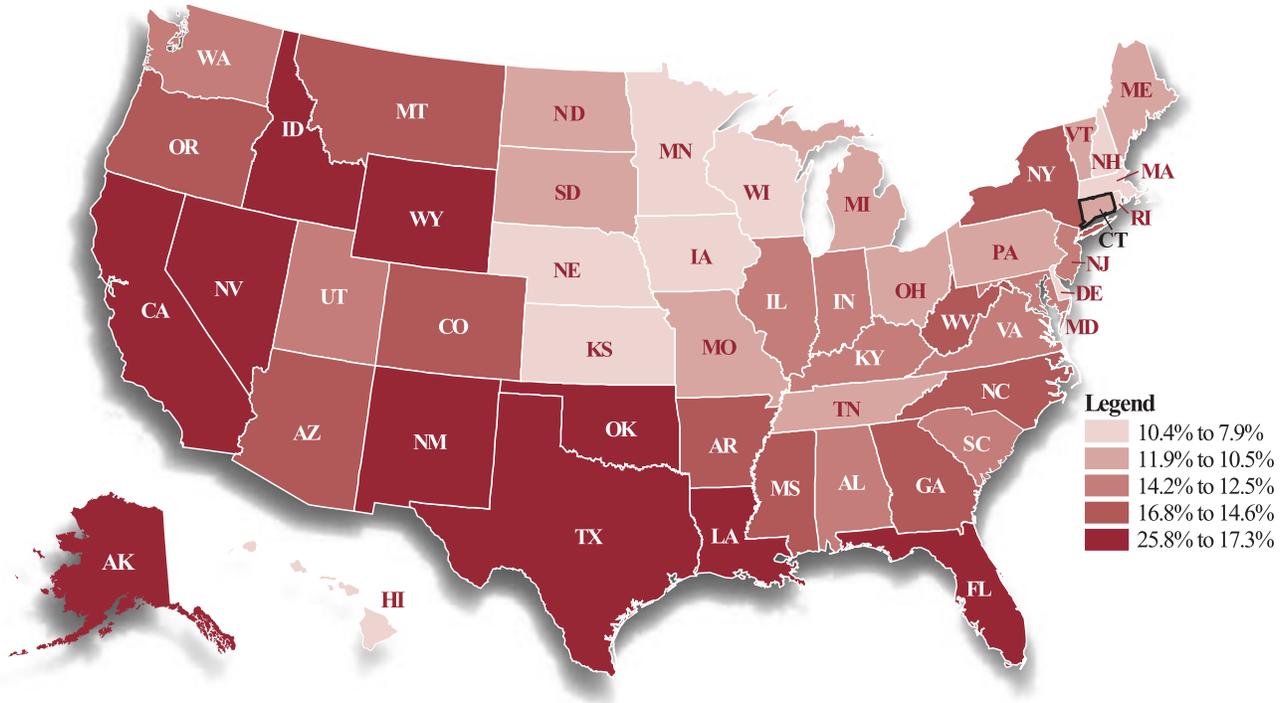


Percentage of Population in Poverty, 2000-2002 (3-year average)

Rank	State	Rate	Rank	State	Rate
1	New Hampshire	5.6%	26	Hawaii	10.6%
2	Minnesota	6.5%	27	Washington	10.8%
3	Maryland	7.3%	28	Illinois	11.2%
4	Connecticut	7.8%	28	Oregon	11.2%
4	New Jersey	7.8%	30	Maine	11.3%
6	Delaware	8.1%	31	Idaho	11.8%
7	Alaska	8.3%	32	North Dakota	11.9%
7	Iowa	8.3%	33	Florida	12.1%
7	Nevada	8.3%	33	Georgia	12.1%
10	Wisconsin	8.6%	35	California	12.8%
11	Indiana	8.7%	36	Kentucky	13.1%
11	Virginia	8.7%	36	North Carolina	13.1%
13	Pennsylvania	9.2%	38	Arizona	13.3%
14	Utah	9.3%	39	South Carolina	13.5%
15	Colorado	9.4%	40	Montana	13.7%
15	Kansas	9.4%	41	New York	14.0%
17	Nebraska	9.5%	42	Tennessee	14.2%
17	Wyoming	9.5%	43	Alabama	14.6%
19	Massachusetts	9.6%	44	Oklahoma	14.7%
19	Missouri	9.6%	45	Texas	15.3%
21	Vermont	9.9%	46	West Virginia	16.0%
22	Ohio	10.1%	47	Louisiana	17.0%
23	South Dakota	10.2%	48	Mississippi	17.6%
24	Michigan	10.3%	49	New Mexico	17.8%
24	Rhode Island	10.3%	50	Arkansas	18.0%
				U.S. Average	11.7%

Source: U.S. Census Bureau, Current Population Survey

Connecticut Has Few Uninsured Residents

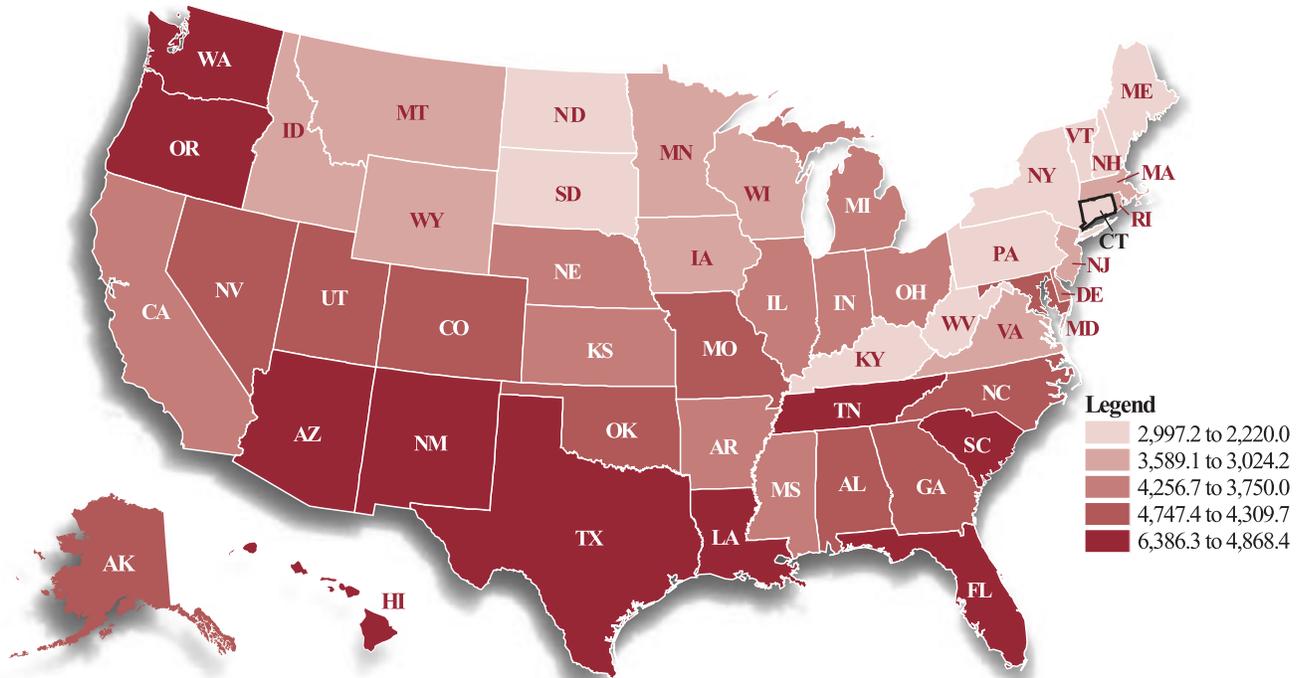


Percentage of Population Not Covered by Health Insurance, 2002

Rank	State	Not Covered	Rank	State	Not Covered
1	Minnesota	7.9%	26	Virginia	13.5%
2	Iowa	9.5%	27	Kentucky	13.6%
3	Wisconsin	9.8%	28	New Jersey	13.9%
4	Rhode Island	9.8%	29	Illinois	14.1%
5	New Hampshire	9.9%	30	Washington	14.2%
6	Delaware	9.9%	31	Oregon	14.6%
7	Massachusetts	9.9%	32	West Virginia	14.6%
8	Hawaii	10.0%	33	Montana	15.3%
9	Nebraska	10.2%	34	New York	15.8%
10	Kansas	10.4%	35	Georgia	16.1%
11	Connecticut	10.5%	36	Colorado	16.1%
12	Vermont	10.7%	37	Arkansas	16.3%
13	Tennessee	10.8%	38	Mississippi	16.7%
14	North Dakota	10.9%	39	North Carolina	16.8%
15	Pennsylvania	11.3%	40	Arizona	16.8%
16	Maine	11.3%	41	Oklahoma	17.3%
17	South Dakota	11.5%	42	Florida	17.3%
18	Missouri	11.6%	43	Wyoming	17.7%
19	Michigan	11.7%	44	Idaho	17.9%
20	Ohio	11.9%	45	California	18.2%
21	South Carolina	12.5%	46	Louisiana	18.4%
22	Alabama	12.7%	47	Alaska	18.7%
23	Indiana	13.1%	48	Nevada	19.7%
24	Maryland	13.4%	49	New Mexico	21.1%
25	Utah	13.4%	50	Texas	25.8%
				U.S. Average	15.2%

Source: U.S. Census Bureau

Connecticut's Crime Rate Is Among the Nation's Lowest



Crimes per 100,000 Population, 2002

Rank	State	Crimes	Rank	State	Crimes
1	New Hampshire	2,220.0	26	Kansas	4,087.0
2	South Dakota	2,278.7	27	Ohio	4,107.3
3	North Dakota	2,406.2	28	Arkansas	4,157.5
4	West Virginia	2,515.2	29	Mississippi	4,159.2
5	Vermont	2,530.0	30	Nebraska	4,256.7
6	Maine	2,656.0	31	Alaska	4,309.7
7	New York	2,803.7	32	Colorado	4,347.8
8	Pennsylvania	2,841.0	33	Utah	4,452.4
9	Kentucky	2,902.6	34	Alabama	4,465.2
10	Connecticut	2,997.2	35	Nevada	4,497.5
11	New Jersey	3,024.2	36	Georgia	4,507.2
12	Massachusetts	3,094.2	37	Missouri	4,602.4
13	Virginia	3,140.3	38	North Carolina	4,721.4
14	Idaho	3,172.5	39	Oklahoma	4,743.2
15	Wisconsin	3,252.7	40	Maryland	4,747.4
16	Iowa	3,448.2	41	Oregon	4,868.4
17	Montana	3,512.9	42	Tennessee	5,018.9
18	Minnesota	3,535.1	43	New Mexico	5,077.8
19	Wyoming	3,580.9	44	Louisiana	5,098.1
20	Rhode Island	3,589.1	45	Washington	5,106.8
21	Indiana	3,750.0	46	Texas	5,189.6
22	Michigan	3,874.1	47	South Carolina	5,297.3
23	Delaware	3,939.0	48	Florida	5,420.6
24	California	3,943.7	49	Hawaii	6,043.7
25	Illinois	4,016.4	50	Arizona	6,386.3
				U.S. Average	4,118.8

Source: U.S. Department of Justice

Population Change and Migration Trends

Immigration Is the Driving Force Behind Population Increases in Connecticut

Components of Population Change: April 1, 2000 to July 1, 2002

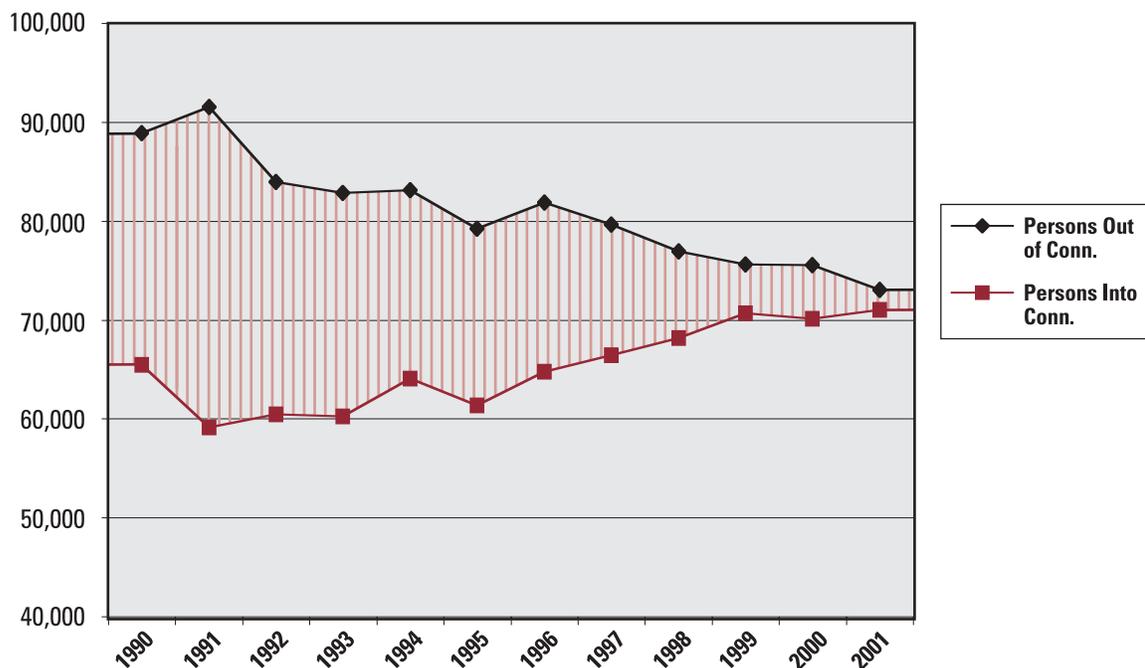
	Births	Deaths	Natural Increase (Births - Deaths)	Net International Migration	Net Internal Migration	Net Migration (International + Internal)
CONNECTICUT	96,005	68,197	27,808	36,270	(7,438)	28,832
Massachusetts	182,496	128,614	53,882	72,627	(46,245)	26,382
Rhode Island	27,544	21,993	5,551	8,902	7,463	16,365
Vermont	14,086	11,792	2,294	2,167	3,555	5,722
New Hampshire	32,274	22,192	10,082	5,184	24,056	29,240
Maine	30,046	28,113	1,933	2,316	15,640	17,956
New York	581,993	357,231	224,762	329,727	(372,929)	(43,202)
New Jersey	255,719	165,004	90,715	141,469	(54,460)	87,009
Pennsylvania	323,841	289,083	34,758	50,692	(26,701)	23,991
UNITED STATES	9,080,744	5,413,795	3,666,949	3,279,240	(X)	3,279,240

Source: U.S. Census Bureau

* Immigration and emigration (or net international migration) consist of moves where either the origin or the destination is outside of the United States (not including Puerto Rico).

* Internal in- and out-migration (or net internal migration) consist of moves where both the origin and the destination are within the United States (excluding Puerto Rico).

There Has Been Steady Improvement in Connecticut Migration Trends



Source: Internal Revenue Service

Connecticut Key Economic Indicators, 1992-2002

ECONOMIC INDICATOR	2002	2001	2000	1999	1998	1997	1996	1995	1994	1993	1992
Population (Thousands)	3,461	3,425	3,410	3,386	3,365	3,349	3,337	3,324	3,316	3,309	3,301
Civilian Labor Force (Thousands)	1,773	1,755	1,784	1,708	1,707	1,723	1,719	1,711	1,737	1,784	1,819
People Unemployed (Thousands)	77	57	40	54	57	88	99	94	97	112	139
Unemployment Rate (%)	4.3	3.3	2.2	3.2	3.4	5.1	5.7	5.5	5.6	6.3	7.6
Employment											
Nonagricultural (Thousands)	1,668	1,681	1,693	1,669	1,643	1,613	1,584	1,562	1,544	1,531	1,526
Manufacturing (Thousands)	213	227	236	240	248	245	245	249	254	262	274
Non-manufacturing (Thousands)	1,455	1,454	1,457	1,429	1,395	1,368	1,339	1,313	1,290	1,269	1,252
Income (Current \$)											
Personal (Millions)	\$148,211	\$145,548	\$141,413	\$130,579	\$124,880	\$116,421	\$109,354	\$104,315	\$99,788	\$96,866	\$93,779
Per Capita	\$42,829	\$42,377	\$41,446	\$38,560	\$37,108	\$34,759	\$32,773	\$31,381	\$30,092	\$29,272	\$28,412
Income (1996 \$)											
Personal (Millions)	\$133,934	\$133,018	\$132,298	\$124,729	\$121,008	\$114,194	\$109,354	\$106,335	\$103,935	\$102,995	\$102,111
Real Per Capita	\$38,703	\$38,729	\$38,774	\$36,833	\$35,957	\$34,094	\$32,773	\$31,989	\$31,343	\$31,124	\$30,936
Gross State Product											
Current \$ (Millions)*	\$171,840	\$166,165	\$161,929	\$149,010	\$142,701	\$134,968	\$124,157	\$118,645	\$112,395	\$107,924	\$103,794
1996 \$ (Millions)*	\$156,890	\$152,985	\$151,987	\$142,699	\$138,159	\$132,620	\$124,157	\$120,792	\$117,489	\$115,725	\$114,830
New Housing Permits											
Single-Family Structures	8,484	7,835	8,158	9,249	9,130	7,811	7,590	7,604	8,110	7,831	7,208
Multifamily Structures	1,247	1,455	1,218	1,388	2,733	1,500	947	946	1,350	1,416	803
All Structures	9,731	9,290	9,376	10,637	11,863	9,311	8,537	8,550	9,460	9,247	8,011
U.S. PRICE INDICES											
U.S. Consumer Price Index (1982-84=100)	179.9	177.1	172.2	166.6	163.1	160.6	157.0	152.5	148.3	144.6	140.4
Percent Change	1.6%	2.8%	3.4%	2.1%	1.6%	2.3%	2.9%	2.8%	2.6%	3.0%	3.0%
Producer Price Index Crude Materials (1982=100)	108.1	121.0	120.6	98.2	96.8	111.2	113.7	102.7	101.7	102.4	100.4
Percent Change	-10.7%	0.3%	22.8%	1.4%	-12.9%	-2.3%	10.7%	1.0%	-0.7%	2.0%	-0.8%
U.S. Implicit Price Deflator for GDP (1996=100)	110.7	109.4	106.9	104.7	103.2	102.0	100.0	98.1	96.0	94.1	91.8
Percent Change	1.1%	2.4%	2.1%	1.4%	1.2%	2.0%	1.9%	2.2%	2.1%	2.4%	2.4%

* 2002 values are from Economy.com.

Source: U.S. Census Bureau, Bureau of Labor Statistics, Bureau of Economic Analysis and Economy.com

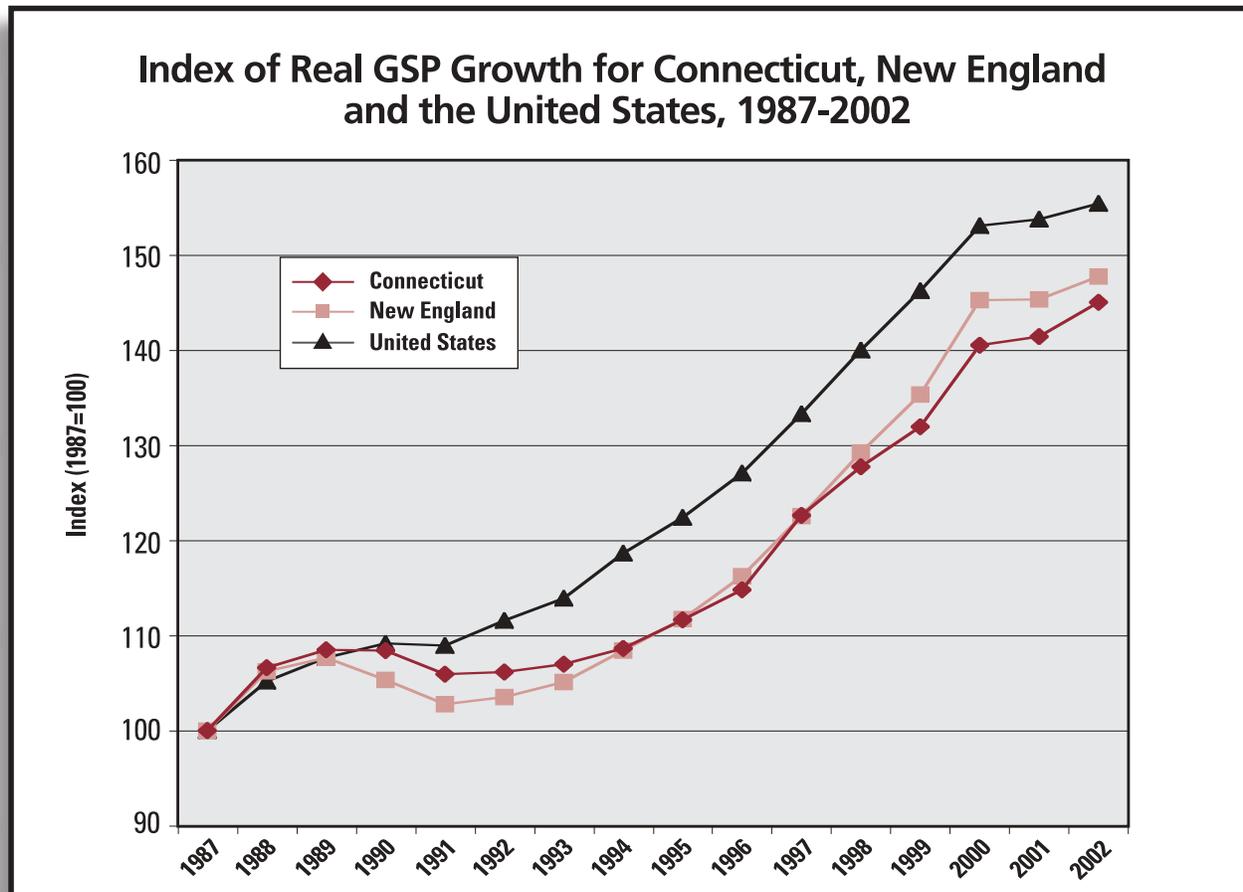
Real Gross State Product (GSP) Growth

Year	Connecticut		New England		United States	
	Value*	Index	Value*	Index	Value*	Index
2002**	\$156,890	145	\$558,630	148	\$9,439,850	155
2001	\$152,985	141	\$549,472	145	\$9,335,399	154
2000	\$151,987	141	\$549,341	145	\$9,298,227	153
1999	\$142,699	132	\$511,623	135	\$8,882,613	146
1998	\$138,159	128	\$488,673	129	\$8,502,663	140
1997	\$132,620	123	\$463,498	123	\$8,093,396	133
1996	\$124,157	115	\$439,596	116	\$7,715,901	127
1995	\$120,792	112	\$422,524	112	\$7,433,965	122
1994	\$117,489	109	\$410,014	108	\$7,203,002	119
1993	\$115,725	107	\$397,470	105	\$6,918,388	114
1992	\$114,830	106	\$391,385	104	\$6,774,505	112
1991	\$114,576	106	\$388,572	103	\$6,615,685	109
1990	\$117,289	108	\$398,368	105	\$6,630,740	109
1989	\$117,355	108	\$407,229	108	\$6,538,634	108
1988	\$115,293	107	\$401,698	106	\$6,386,132	105
1987	\$108,169	100	\$378,136	100	\$6,072,815	100

* 1996 \$, millions

** 2002 estimates are from Economy.com.

Source: U.S. Bureau of Economic Analysis



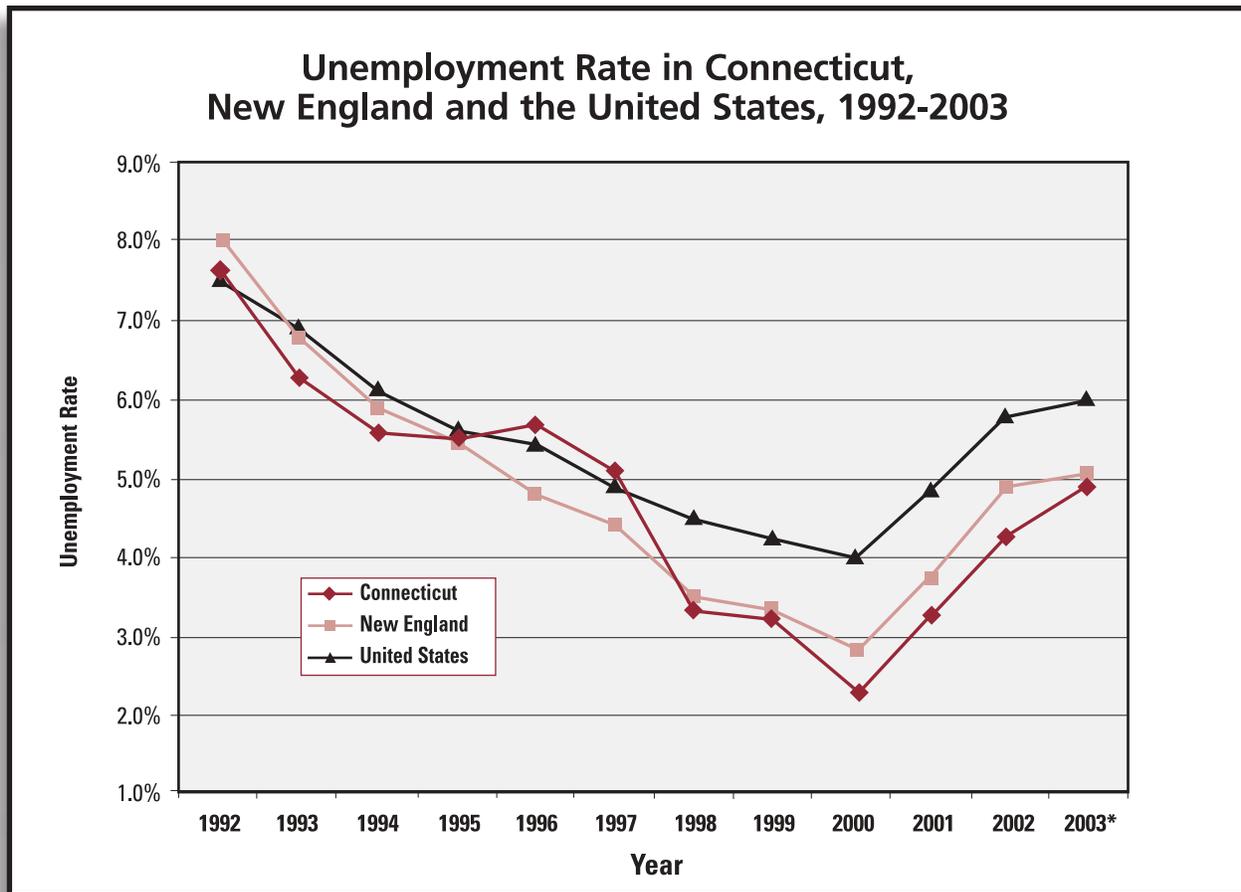
Employment/Unemployment Trends

Level of Non-Agricultural Employment in New England and the United States for 1992, 1997 and 2002

	Employment *			Percent Change		
	2002	1997	1992	1992-02	1997-02	1992-97
CONNECTICUT	1,667.8	1,612.4	1,526.2	9.3%	3.4%	5.6%
Maine	606.0	553.7	511.8	18.4%	9.4%	8.2%
Massachusetts	3,248.8	3,109.2	2,795.1	16.2%	4.5%	11.2%
New Hampshire	618.3	570.2	486.9	27.0%	8.4%	17.1%
Rhode Island	478.9	449.9	424.7	12.8%	6.4%	5.9%
Vermont	299.9	279.4	251.2	19.4%	7.3%	11.2%
NEW ENGLAND	6,919.7	6,574.8	5,995.9	15.4%	5.2%	9.7%
UNITED STATES	130,284.3	122,702.5	108,949.3	19.6%	6.2%	12.6%

* Thousands

Source: PSNH, "2003 New Hampshire Economic Review"



* October 2003

Source: U.S. Bureau of Labor Statistics

Personal and Per Capita Income Trends By Region

Personal Income in Connecticut, New England and the United States, 1992, 1997 and 2002

	Personal Income 2002	Personal Income 1997	Personal Income 1992	Increase 1992-02	Increase 1997-02	Increase 1992-97
CONNECTICUT	\$148,211	\$116,421	\$93,779	58.0%	27.3%	24.1%
Maine	\$35,991	\$27,773	\$22,676	58.7%	29.6%	22.5%
Massachusetts	\$250,966	\$191,596	\$149,096	68.3%	31.0%	28.5%
New Hampshire	\$43,703	\$32,397	\$24,652	77.3%	34.9%	31.4%
Rhode Island	\$33,276	\$26,293	\$21,269	56.5%	26.6%	23.6%
Vermont	\$18,167	\$13,752	\$10,999	65.2%	32.1%	25.0%
NEW ENGLAND	\$530,315	\$408,231	\$322,471	64.5%	29.9%	26.6%
Middle Atlantic	\$1,414,520	\$1,127,705	\$922,041	53.4%	25.4%	22.3%
East North Central	\$1,395,541	\$1,138,557	\$888,017	57.2%	22.6%	28.2%
West North Central	\$582,958	\$462,173	\$357,609	63.0%	26.1%	29.2%
South Atlantic	\$1,602,292	\$1,225,664	\$924,340	73.3%	30.7%	32.6%
East South Central	\$440,564	\$351,265	\$270,204	63.0%	25.4%	30.0%
West South Central	\$883,565	\$682,243	\$505,878	74.7%	29.5%	34.9%
Mountain	\$529,525	\$392,666	\$271,797	94.8%	34.9%	44.5%
Pacific	\$1,511,813	\$1,140,041	\$914,266	65.4%	32.6%	24.7%
UNITED STATES	\$8,891,093	\$6,928,545	\$5,376,622	65.4%	28.3%	28.9%

(Millions of Dollars)

Per Capita Income in Connecticut, New England and the United States, 1992, 1997 and 2002

	Per Capita Income 2002	Per Capita Income 1997	Per Capita Income 1992	Increase 1992-02	Increase 1997-02	Increase 1992-97
CONNECTICUT	\$42,829	\$34,759	\$28,412	50.7%	23.2%	22.3%
Maine	\$27,804	\$22,134	\$18,309	51.9%	25.6%	20.9%
Massachusetts	\$39,044	\$30,773	\$24,731	57.9%	26.9%	24.4%
New Hampshire	\$34,276	\$27,238	\$22,055	55.4%	25.8%	23.5%
Rhode Island	\$31,107	\$25,643	\$21,005	48.1%	21.3%	22.1%
Vermont	\$29,464	\$23,026	\$19,204	53.4%	28.0%	19.9%
NEW ENGLAND	\$37,494	\$29,924	\$24,299	54.3%	25.3%	23.1%
Middle Atlantic	\$35,290	\$29,511	\$24,334	45.0%	19.6%	21.3%
East North Central	\$30,555	\$25,828	\$20,764	47.2%	18.3%	24.4%
West North Central	\$29,942	\$24,857	\$19,928	50.3%	20.5%	24.7%
South Atlantic	\$29,875	\$25,380	\$20,512	45.6%	17.7%	23.7%
East South Central	\$25,542	\$21,499	\$17,410	46.7%	18.8%	23.5%
West South Central	\$27,215	\$23,092	\$18,382	48.0%	17.9%	25.6%
Mountain	\$27,786	\$23,831	\$18,858	47.3%	16.6%	26.4%
Pacific	\$32,446	\$26,597	\$22,449	44.5%	22.0%	18.5%
UNITED STATES	\$30,832	\$25,412	\$20,960	47.1%	21.3%	21.2%

Source: PSNH, "2003 New Hampshire Economic Review"

County Information

County	2001 Per Capita Income	2002 Unemployment Rate	2002 Employment (by place of work*)	2002-03 Equalized Net Grand List Per Capita	2002 Median Home Price
Fairfield	\$60,839	4.0%	415,876	\$184,601	\$300,050
Hartford	38,645	4.7%	488,620	88,608	150,000
Litchfield	36,252	4.1%	63,251	115,114	149,900
Middlesex	38,380	3.6%	67,048	112,865	168,000
New Haven	35,167	4.8%	361,860	85,300	144,000
New London	33,112	3.8%	127,723	96,600	145,000
Tolland	32,058	3.3%	37,601	75,420	151,000
Windham	27,608	4.7%	38,070	66,192	114,900
CONNECTICUT	\$42,377	4.3%	1,648,642	\$114,514	\$165,000

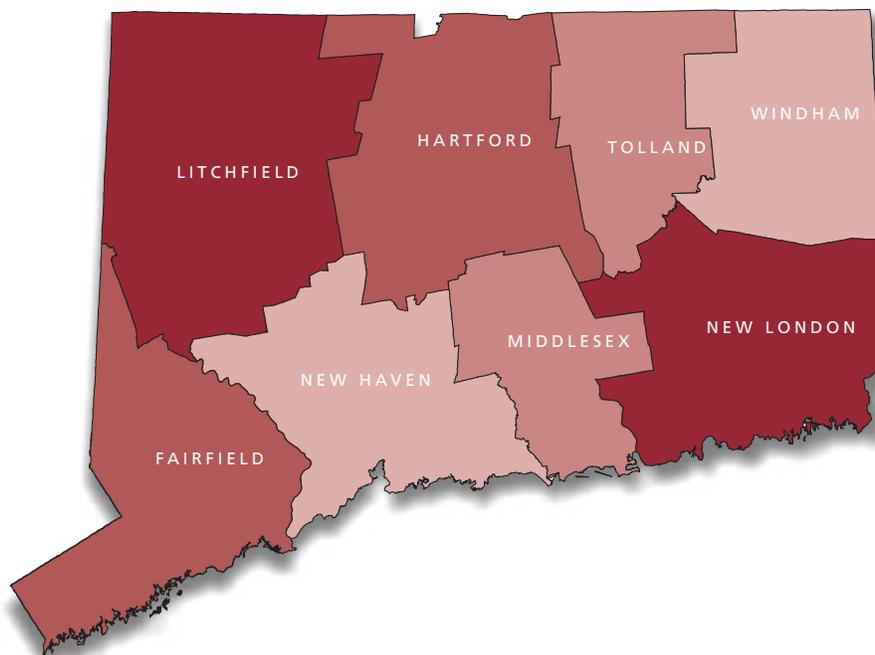
* Some employment is unclassified by location.

Source: U.S. Bureau of Economic Analysis, U.S. Bureau of Labor Statistics, CT Policy and Economic Council, CT Department of Labor, CT Department of Economic and Community Development

Connecticut's Population by County, 1980-2002

County	2002	2000	1990	1980	Change 1980-2000	Change 2000-2002
Fairfield	896,202	882,567	827,645	807,143	9.3%	1.5%
Hartford	867,332	857,183	851,783	807,769	6.1%	1.2%
Litchfield	186,515	182,193	174,092	156,768	16.2%	2.4%
Middlesex	159,679	155,071	143,196	129,017	20.2%	3.0%
New Haven	835,657	824,008	804,219	761,337	8.2%	1.4%
New London	262,689	259,088	254,957	238,410	8.7%	1.4%
Tolland	141,089	136,364	128,699	114,823	18.8%	3.5%
Windham	111,340	109,091	102,525	92,313	18.2%	2.1%
CONNECTICUT	3,460,503	3,405,565	3,287,116	3,107,580	9.6%	1.6%

Source: U.S. Census Bureau



Connecticut Employment by Industry, 1993-2003 (000's), NAICS

	2003*	2002	2001	2000	1999	1998	1997	1996	1995	1994	1993
TOTAL NONFARM EMPLOYMENT	1,649.3	1,667.8	1,681.1	1,693.2	1,669.1	1,643.4	1,612.5	1,583.6	1,561.5	1,543.8	1,531.2
CONSTRUCTION, NATURAL RESOURCES & MINING	60.3	64.1	66.1	65.4	61.6	59.3	56.5	53.2	51.1	49.9	48.7
MANUFACTURING	203.2	213.0	226.7	235.7	240.2	247.8	245.4	245.3	248.5	253.5	261.5
Durable	150.0	157.9	168.5	175.2	179.1	186.8	184.2	184.3	185.8	190.4	198.5
Fabricated Metal Products	33.7	35.1	38.0	40.4	40.9	42.5	41.5	41.5	41.0	40.0	39.8
Machinery	18.4	20.3	22.4	23.7	23.9	25.4	25.4	24.7	24.8	24.9	25.0
Computer and Electronic Products	15.9	18.0	20.9	22.5	22.4	23.7	23.5	22.7	22.9	23.0	23.8
Electrical Equipment	10.9	11.6	12.7	12.8	12.8	13.8	13.6	13.0	13.0	13.4	13.4
Transportation Equipment	43.6	45.5	46.9	46.9	49.8	52.2	51.4	53.6	55.5	59.9	65.3
Aerospace Products and Parts	30.4	32.2	32.9	32.5	34.8	36.4	35.2	35.0	35.4	39.8	45.2
Nondurable	53.2	55.1	58.2	60.5	61.1	61.1	61.2	61.1	62.7	63.0	63.1
Printing and Related Activities	8.1	8.8	10.1	10.8	11.4	11.8	12.0	12.1	12.1	12.0	11.8
Chemicals	17.9	18.8	19.8	20.1	19.4	18.3	17.7	17.1	16.9	17.1	17.6
Plastics and Rubber Products	8.4	8.2	8.7	8.8	8.7	8.9	8.9	9.0	9.5	9.2	9.2
TRADE, TRANSPORTATION, UTILITIES	309.7	310.2	312.2	317.5	312.2	308.6	302.6	299.2	294.8	290.7	288.2
Wholesale Trade	64.7	66.1	67.4	68.2	66.1	66.4	64.7	64.2	63.7	62.5	63.9
Retail Trade	196.6	195.4	194.5	197.4	194.7	191.7	189.0	184.9	181.8	178.9	175.8
Motor Vehicle and Parts Dealers	22.3	22.4	22.0	21.9	21.7	21.1	20.8	20.4	20.1	20.0	18.7
Building Materials and Garden Supplies	16.5	15.9	15.0	14.6	14.1	13.3	12.3	11.6	11.4	11.3	10.9
Food and Beverage Stores	46.6	46.3	46.1	46.6	48.0	47.5	46.8	46.0	44.2	43.5	42.7
General Merchandise Stores	23.7	24.3	24.2	25.5	23.6	24.3	26.2	25.5	25.9	25.0	25.4
Utilities	8.8	9.0	9.2	9.6	9.7	9.8	9.5	9.7	9.9	10.2	11.0
Transportation and Warehousing	39.6	39.7	41.1	42.2	41.6	40.6	39.3	40.2	39.3	39.0	37.3
INFORMATION	39.8	41.2	44.7	46.4	44.7	44.3	44.5	43.3	41.5	40.4	39.6
Telecommunications	13.9	14.9	16.2	16.3	15.2	14.8	15.4	14.5	14.1	14.0	14.3
FINANCIAL ACTIVITIES	142.2	143.0	142.9	143.0	140.8	137.0	130.1	128.6	132.4	135.6	140.3
Finance and Insurance	122.0	122.4	121.9	121.2	119.9	116.6	110.1	109.0	113.2	116.9	121.0
Credit Intermediation	31.4	31.8	32.3	32.7	33.0	32.3	29.4	29.2	30.8	33.1	34.3
Securities and Commodity Contracts	17.6	17.3	16.8	15.9	14.4	13.4	11.4	10.2	9.7	9.1	8.7
Insurance Carriers	55.7	56.0	55.7	55.1	55.5	53.5	51.1	50.5	51.8	54.6	65.9
Real Estate and Rental and Leasing	20.2	20.6	21.0	21.8	21.0	20.4	20.0	19.6	19.2	18.8	19.3
PROFESSIONAL & BUSINESS SERVICES	198.7	202.1	209.9	215.9	211.6	203.9	194.2	187.8	177.0	171.3	166.2
Professional, Scientific, and Technical Services	87.2	91.1	94.1	95.0	90.7	86.5	82.5	79.6	75.9	74.5	73.9
Legal Services	14.8	14.8	14.7	14.9	15.1	14.8	14.3	14.3	14.5	14.8	14.9
Computer Systems Design	18.5	20.0	23.0	23.4	20.6	18.4	16.3	13.9	11.5	10.2	10.3
Management of Companies	26.7	27.4	28.6	29.7	30.5	31.1	29.5	29.0	27.8	26.9	26.3
Administrative and Support and Waste Management	84.8	83.6	87.1	91.2	90.4	86.4	82.2	79.2	73.2	69.9	66.1
Employment Services	29.5	28.7	32.4	35.9	35.7	33.4	32.0	29.9	26.0	23.3	21.0
EDUCATIONAL & HEALTH SERVICES	263.4	259.3	252.7	245.3	242.4	237.8	234.4	230.1	225.6	220.9	215.6
Educational Services	48.3	46.2	45.1	40.4	39.2	37.9	40.4	37.9	38.0	38.2	39.7
Health Care and Social Assistance	215.1	213.1	207.6	204.9	203.2	199.9	194.1	192.1	187.6	182.7	175.8
Hospitals	53.5	54.0	52.8	51.5	51.7	52.4	52.5	52.9	52.1	53.6	53.3
Nursing and Residential Care Facilities	55.9	55.9	54.7	54.5	54.3	53.2	52.0	51.2	50.2	48.2	45.3
Social Assistance	34.2	33.3	31.9	30.8	29.2	27.2	24.6	23.8	22.7	21.6	21.8
LEISURE & HOSPITALITY	124.7	123.4	119.5	121.1	119.7	116.8	118.9	113.7	110.6	106.1	103.2
Arts, Entertainment, and Recreation	25.5	23.7	23.1	22.7	21.9	21.5	25.0	20.6	18.9	17.8	17.1
Accommodation and Food Services	100.5	99.7	96.5	98.4	97.9	95.3	93.9	93.1	91.7	88.4	86.1
Food Serv., Restaurants, Drinking Places	89.4	88.2	84.8	86.7	86.2	83.9	82.9	82.0	80.9	77.7	75.6
OTHER SERVICES	63.0	62.7	62.1	61.0	60.7	60.1	60.2	59.9	59.2	58.1	57.2
GOVERNMENT	244.3	249.2	244.4	241.8	235.1	227.8	225.7	222.8	220.9	217.2	210.7
Federal Government	20.6	21.2	21.6	23.5	22.3	22.4	22.6	23.5	24.0	24.2	24.6
State Government	65.0	70.1	69.6	68.8	66.9	64.3	64.5	66.7	69.0	67.6	65.9
Local Government **	158.8	157.9	153.2	149.5	145.9	141.1	138.6	132.6	127.9	125.4	120.2

Source: Connecticut Department of Labor

*Preliminary estimate

** Includes Indian Tribal Government employees

Northeast Utilities System

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