

February 23, 1994

VIA EDGAR

Securities and Exchange Commission
450 Fifth Street, N.W.
Washington, D.C. 20549

Re: Charter Oak Energy, Inc. Quarterly Report Relating to Charter Oak
Energy's Activities (File No. 70-8062)

Gentlemen:

Filed herewith pursuant to EDGAR, please find on behalf of Charter Oak Energy, Inc., a Connecticut corporation ("Charter Oak"), and its subsidiaries, enclosed for filing pursuant to Rule 24(a) under the Public Utilities Holding Company Act of 1935, the quarterly report required to be filed by Charter Oak relating to its activities and the activities of its subsidiaries (HCAR. No. 25726; File No. 70-8062).

Please direct questions or comments regarding the enclosed filing to the undersigned.

Very truly yours,

/s/ Eugene G. Vertefeuille

Eugene G. Vertefeuille

Enclosure

cc: Mr. Robert P. Wason

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Application of Northeast)
)
Utilities, Charter Oak Energy) CERTIFICATE PURSUANT TO
) RULE 24 UNDER THE PUBLIC
Inc. and COE Development) UTILITY HOLDING COMPANY ACT
) OF 1935
)
Corp. on Form U-1)
)
(File No. 70-8062))

Pursuant to the requirements of Rule 24 under the Public Utility Holding Company Act of 1935, Charter Oak Energy, Inc. ("Charter Oak"), a wholly-owned subsidiary of Northeast Utilities ("NU"), a registered holding company, hereby files this quarterly report as required by the Securities and Exchange Commission's order reauthorizing and expanding the activities of Charter Oak (HCAR. No. 25726; File No. 70-8062; December 30, 1992).

(1) BALANCE SHEET AS OF DECEMBER 31, 1993:

Attached as Exhibit A.

(2) INCOME STATEMENT FOR THE QUARTER ENDED DECEMBER 31, 1993:

Attached as Exhibit B.

(3) GENERAL DESCRIPTION OF THE ACTIVITIES OF CHARTER OAK FOR THE QUARTER ENDED DECEMBER 31, 1993, AND OF THE PROJECTS IN WHICH CHARTER OAK OR ITS SUBSIDIARIES HAVE AN INTEREST.

During the fourth quarter of 1993, pursuant to the permission granted by the Commission in the December 30, 1992 order (HCAR. No. 25726), Charter Oak, through its wholly-owned subsidiary COE Development Corporation ("COE Development"), has participated in preliminary development activities for potential qualifying cogeneration and small power production facilities and other independent power projects. These activities have been performed by COE Development both on its own and with unaffiliated third parties. The relationships between COE Development and such unaffiliated third parties have been in the form of cost-sharing contractual arrangements and have not involved the formation of corporations, partnerships, joint ventures or other business entities. At this time, none of these proposed facilities are sufficiently defined to move beyond the preliminary development stage.

During the fourth quarter of 1993, Charter Oak and COE Development spent \$92,000 on administrative activities and \$1,975,000 on preliminary development activities respectively. For the twelve months ended December 31, 1993, Charter Oak and COE Development have spent \$489,000 on administrative activities and \$6,719,000 on preliminary development activities respectively. This includes preliminary development of domestic projects as well as exploration of the potential for development of private power projects abroad.

Charter Oak, through its wholly-owned subsidiary Charter Oak (Paris), Inc., pursuant to the permission granted by the Commission (HCAR. No. 24893), has an approximately 10% beneficial equity ownership interest in a 213 MW gas-fired operational qualifying cogeneration facility in Paris, Texas.

On September 24, 1993, NU was granted permission (HCAR. No. 70-8084) to invest up to \$7 million in Charter Oak for the purchase of an interest in two non-utility subsidiaries to own an interest in a foreign utility company, Encoe Partners. Encoe Partners is a general partnership formed for the sole purpose of building, owning and operating a power generating facility in the United Kingdom ("Power Plant") and acquiring a one-third interest in certain rights and obligations under a power contract. The Power Plant has a design capacity of 2.176 MW and will produce power by harnessing the pressure in the natural gas pipeline feeding the 1,875 MW Teesside Project in Teesside, Wilton, Cleveland, England. This transaction was completed on the close of business on September 30, 1993 by Charter Oak acquiring interests in two non-utility subsidiary companies, COE (UK) Corp. and COE (GENCOE) Corp. Reference is made to the October 8, 1993 Rule 24 Certificate in File No. 70-8084 for further information concerning this transaction.

SIGNATURE

Pursuant to the requirements of the Public Utility Holding Company Act of 1935, the undersigned has duly caused this Certificate to be signed on its behalf by the undersigned thereunto duly authorized.

Charter Oak Energy, Inc.

By: /s/ Eugene G. Vertefeuille

Eugene G. Vertefeuille
Principal
Charter Oak Energy, Inc.
34 Hopmeadow St.
P.O. Box 576
Simsbury, CT 06070-0576

February 24, 1994

CHARTER OAK ENERGY, INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS (UNAUDITED)

	December 31,	
	1993	1992
	----- (Thousands of Dollars) -----	
ASSETS		

Utility Plant, at original cost:		
Electric	\$ 52	\$ 49
Less: Accumulated provision for depreciation	43	34
	-----	-----
	9	15
Construction work in progress	7	5
	-----	-----
Total net utility plant	16	20
	-----	-----
Other Investments, at cost	6,913	2,329
	-----	-----
Current Assets:		
Cash	1,703	2,825
Taxes receivable	829	846
Receivables from affiliated companies	2,515	1,613
	-----	-----
	5,047	5,284
	-----	-----
Deferred Charges:		
Accumulated deferred income taxes	399	399
Other	5,122	2,725
	-----	-----
	5,521	3,124
	-----	-----
Total Assets	\$ 17,497	\$ 10,757
	=====	=====
CAPITALIZATION AND LIABILITIES		

Capitalization:		
Common stock	\$ -	\$ -
Capital surplus, paid in	22,958	14,300
Retained earnings	(7,712)	(4,614)
	-----	-----
Total capitalization	15,246	9,686
	-----	-----
Minority interest in common equity of subsidiaries	41	-
	-----	-----
Current Liabilities:		
Accounts payable	964	883
Accounts payable to affiliated companies	94	155
Taxes accrued	1,126	25
Other	26	8
	-----	-----
	2,210	1,071
	-----	-----
Total Capitalization and Liabilities	\$ 17,497	\$ 10,757
	=====	=====

CHARTER OAK ENERGY, INC. AND SUBSIDIARIES

 CONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)

	Three Months Ended December 31,	
	1993	1992
	(Thousands of Dollars)	
Operating Revenues	\$ -	\$ -
Operating Expenses:		
Operation and maintenance	2,707	2,971
Depreciation	93	2
Federal and state income taxes	(1,023)	(1,380)
Taxes other than income taxes	4	4
Total operating expenses	1,781	1,597
Operating Loss	(1,781)	(1,597)
Other Income	602	249
Loss before interest charges	(1,179)	(1,348)
Interest Charges	1	1
Net Loss	\$ (1,180)	\$ (1,349)