



**Public Service
of New Hampshire**

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The Northeast Utilities System

ORIGINAL	
N.H.P.U.C. Case No.	DE 09-035
Exhibit No.	#14
Witness	Panel 1
DO NOT REMOVE FROM FILE	

December 15, 2009

Debra A. Howland
Executive Director and Secretary
New Hampshire Public Utilities Commission
21 South Fruit Street, Suite 10
Concord, New Hampshire 03301-2429

Re: Public Service Company of New Hampshire
Distribution Service Rate Case - Docket No. DE 09-035

Dear Secretary Howland:

Enclosed please find Public Service Company of New Hampshire's ("PSNH") updated calculation of its revenue requirements. This update is based upon certain issues developed during discovery and the technical sessions. Some of the information, such as the PUC Assessment figure, was not available when PSNH filed its permanent rate request on June 30, 2009.

Copies of this filing are being provided to all parties by electronic mail.

Very truly yours,

Gerald M. Eaton
Senior Counsel

Enclosures
cc: Service List

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Docket DE 09-035

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PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
UPDATED - COMPUTATION OF DISTRIBUTION REVENUE DEFICIENCY
FOR TEST YEAR ENDED DECEMBER 31, 2008
(Thousands of Dollars)

				<u>As filed Actual Distribution Segment</u>			
1	Rate Base			\$ 723,882			
2	Rate of Return			5.933%			
3	Required Net Operating Income			42,948			
4	Actual TY Net Operating Income Applicable to Rate Base			\$ 42,948			
6	Deficiency			(0)			
7	Tax Effect (.59475)						
8	Revenue Deficiency	GRCF(1) ==>	1.6814	\$ -			
				<u>AS FILED Proformed TY at 12/31/09 Distribution Segment</u>	<u>UPDATED PRO FORMA ADJUSTMENTS Distribution Segment</u>	<u>UPDATED Distribution Segment</u>	
9	Rate Base			\$ 777,118	\$ 453 (2)	\$ 777,571	
10	Required Rate of Return			8.108%	-0.190%	7.918%	
11	Required Net Operating Income			63,009		61,568	
12	Net Operating Income Applicable to Rate Base			\$ 30,208	\$ (2,155) (3)	\$ 28,053	
14	Pre-Tax Deficiency			32,801		33,515	
15	Tax Effect (.59475)						
16	Sub-Total	GRCF (1) ==>	1.6814	\$ 55,152		\$ 56,352	
17	Deferred Major Storm Costs			9,085	(1,793) (3)	7,292	
18	Reliability Enhancement Program			4,000	-	4,000	
19	Total Revenue Deficiency - Proforma Rate Year (L16 + L17 + L18)			\$ 68,237		\$ 67,644	
21	Less: Rate Year Adjustments effective 7/1/2010 (4)			17,129	\$ (358)	16,771	
22	Total Revenue Deficiency effective 8/1/2009			\$ 51,108		\$ 50,873	
23	Per Notice of Intent						
24	(1) Gross Revenue Conversion Factor (GRCF) =		1				
25			(1 - Tax Rate)				

- (2) Updated Rate Base from page 4 of 4.
(3) Updated pro forma adjustments from page 3 of 4.
(4) Updated adjustment from page 2 of 4.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
 UPDATED COMPUTATION OF DISTRIBUTION REVENUE DEFICIENCY
 FOR TEST YEAR ENDED DECEMBER 31, 2008
 (Thousands of Dollars)

Summary of Rate Year Adjustments effective 7/1/2010

	<u>Amount</u>	<u>Reference</u>
1 Reliability Enhancement Program	\$ 4,000	See Testimony of S.M. Johnson and
2		Table on page 19
3 Capital Recovery Calculation	5,760	See Schedule 1 Attachment, page 21a of 22 and
4		SFR PUC 1604.01 (12)
5 Major Storms Reserve	2,700	See Schedule 1 Attachment, page 18 of 22
6 Net 2009 Capital Additions to Rate Base	4,311	See calculation below (1)
7 and Depreciation		
8 Total Rate Year Adjustments		
9 Effective 7/1/2010	<u>\$ 16,771</u>	

10 (1) The Return on net 2009 Capital Additions to Rate Base and Depreciation is shown below:

11 2009 Rate Base Additions	\$ 23,332	Schedule 3, page 2
12 Required Rate of Return	7.918%	Updated Schedule I, page 2
13 Gross Revenue Conversion Factor	<u>1.6814</u>	Revenue Deficiency, page 1 of 4
14 Return on 2009 Capital Additions		
15 (L11 x L12 x L13)	\$ 3,105	
16 Depreciation on 2009 Capital Additions	<u>1,206</u>	See Updated Attachment, Page 11a of 15, lines 2 + 6
17 Net adjustment for 2009 additions	<u>\$ 4,311</u>	
18 to Rate Base (L15 + L16)		

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
UPDATED COMPUTATION OF DISTRIBUTION REVENUE DEFICIENCY
SUMMARY OF EXPENSE ADJUSTMENTS
 (Thousands of Dollars)

Adj. #	Expense Adjustments:		As Filed Pagination Ref.	Reference/Basis for Revision
1	Pension costs	\$ 439	Vol II, 000103	Updated actuarial data
2	Other post employment benefits (OPEB)	221	Vol II, 000101	Updated actuarial data
3	Medical costs	667	Vol II, 000107	Updated data
4	NHPUC assessment	209	N/A	Increased costs in the rate year
5	Rent expense	(28)	Vol II, 000117	OCA-01, Q-OCA-035 and OCA-03, Q-OCA-014
6	Software maintenance agreement	(35)	Vol II, 000095	OCA-01, Q-OCA-T-008 and OCA-01, Q-OCA-052
7	Legal fees	(43)	N/A	OCA-01, Q-OCA-T-013 and OCA-01, Q-OCA-056
8	Uncollectible expense	1,350	Vol II, 000091	Increased costs in the rate year
9	Customer Experience employee expense	857	N/A	Increased call volumes
10	Customer Assistance expense	(20)	N/A	AUDIT-25, Q-AUDIT-044 and AUDIT ISSUE #6
	Total O&M Expense Adjustments	<u>\$ 3,617</u>		Increase to expense
11	Depreciation expense	(283)	Vol II, 000121	TS-01, Q-TECH-008
12	Property taxes	73	Vol II, 000105	Increased costs in the rate year
13	Deferred Environmental Remediation	<u>23</u>	Vol II, 000113	Increased deferrals in the rate year
	Net increase to operating expenses	<u>\$ 3,429</u>		
	Tax Effect (40.525%)	<u>(1,390)</u>		
	Adjusted operating expense after tax	<u>\$ 2,039</u>		
14	Less: Donations, net of tax	<u>(116)</u>	Vol II, 000081	OCA-01, Q-OCA-T-044
	Decrease net operating income applicable to rate base	<u><u>\$ 2,155</u></u>		
15	Deferred Major Storm Recovery	\$ (1,793)	Vol I, 000085-86	STAFF-02, Q-STAFF-022 AUDIT ISSUE- STORM Q-AUDIT ISSUE - STORM - 001 Q-AUDIT ISSUE - STORM - 003

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE

UPDATED RATE BASE

PROFORMED TO 12/31/09

(Thousands of Dollars)

	PRO FORMA AS FILED	UPDATED (1)	UPDATED PRO FORMA
1 Electric Plant In Service	\$ 1,309,326	\$ -	\$ 1,309,326
2 Less: Accum. Provision for Depreciation	420,450	(283) (1)	420,167
3 Plant Held For Future Use	-	-	-
4 Net Utility Plant	888,876	(283)	889,159
5 Plus: Working Capital Allowance	26,805	446 (2)	27,251
6 Material and Supplies	7,171	-	7,171
7 Prepayments	2,743	(514) (3)	2,229
8 Regulatory Asset	16,225	-	16,225
9 Less: Accum. Deferred Income Taxes	153,829		153,829
10 Accumulated Investment Tax Credit	238	(238) (4)	-
11 Deferred Credits	7,496	-	7,496
12 Customer Deposits	3,139	-	3,139
13 Rate Base	<u>\$ 777,118</u>	<u>\$ 453</u>	<u>\$ 777,571</u>

(1) TS-01, Q-TECH-008 and page 11a of 15. See Updated Pro Forma Adjustment Explanations.

(2) Working capital allowance was increased as O&M costs were increased. See updated pro forma adjustment, Page 3 of 4: $[3,617 * (45/365)] = 446$

(3) Audit Issue #1. See Updated Pro Forma Adjustment Explanations.

(4) Elimination of ITC. See Updated Pro Forma Adjustment Explanations.

Amounts shown above may not add due to rounding.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
DISTRIBUTION SEGMENT RATE CASE

REVISED PRO FORMA ADJUSTMENT

PENSIONS

(Thousands of Dollars)

	<u>Distribution Segment</u>
1 Revised Distribution 2009 pension costs (1)	\$ 20,971
2 Less amount recorded in Test Year	<u>15,570</u>
3 Difference	<u>5,402</u>
4 Expense portion - based on the PSNH	
5 test year payroll capital/expense split	<u>66.63%</u>
6 Revised pension expense for 2009	3,599
7 Less: Pension expense pro forma initially filed	<u>3,160</u>
8 Increase in pension expense from initial filing	<u>\$ 439</u>

9 Amounts shown above may not add due to rounding.

(1) Updated to reflect the most current actuarial information for 2009 as filed
in TS-02, Q-TECH-21-SPO1

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
DISTRIBUTION SEGMENT RATE CASE

REVISED PRO FORMA ADJUSTMENT

OTHER POST EMPLOYMENT BENEFITS (OPEB)

(Thousands of Dollars)

	<u>Distribution Segment</u>
1 Revised Distribution 2009 OPEB costs (1)	\$ 6,537
2 Less amount recorded in Test Year	<u>5,953</u>
3 Difference	<u>584</u>
4 Expense portion - based on the PSNH	
5 test year payroll capital/expense split	<u>66.63%</u>
6 Revised OPEB costs for 2009	389
7 Less: OPEB costs pro forma initially filed	<u>168</u>
8 Increase in OPEB costs from initial filing	<u>\$ 221</u>

9 Amounts shown above may not add due to rounding.

(1) Updated to reflect the most current actuarial information for 2009 as filed
in TS-02, Q-TECH-21-SPO1

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
DISTRIBUTION SEGMENT RATE CASE

REVISED PRO FORMA ADJUSTMENT

MEDICAL COSTS

(Thousands of Dollars)

	<u>Distribution Segment</u>
1 Revised Distribution 2009 medical costs (1)	\$ 12,660
2 Less amount recorded in Test Year	<u>10,582</u>
3 Difference	<u>2,078</u>
4 Expense portion - based on the PSNH	
5 test year payroll capital/expense split	<u>66.63%</u>
6 Revised medical costs for 2009	1,385
7 Less: Medical costs pro forma initially filed	<u>718</u>
8 Increase in medical costs from initial filing	<u>\$ 667</u>

9 Amounts shown above may not add due to rounding.

(1) Updated medical costs based on actual data through October 2009 and projection for November and December 2009 based on the "incurred but not reported" report previously filed in response to STAFF-02, Q-STAFF-045-SPO1.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
DISTRIBUTION SEGMENT RATE CASE

PROFORMA ADJUSTMENT

NHPUC REGULATORY ASSESSMENT

(Thousands of Dollars)

1 Purpose and Description:

- 2 PSNH's initial rate filing did not adjust for the NHPUC Regulatory
3 assessment due to the unavailability of the 2009 data. PSNH is
4 including a pro forma adjustment to increase operating expenses
5 consistent with the 2009 level of the NHPUC regulatory assessment.

\$ 209

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
 DISTRIBUTION SEGMENT RATE CASE

PROFORMA ADJUSTMENT - SUPPORTING SCHEDULE

NHPUC REGULATORY ASSESSMENT

(in Dollars)

		2008 Test Year NHPUC Assessment	2009 Test Year NHPUC Assessment
1	January	\$ 288,153	288,052
2	February	288,153	288,052
3	March	288,152	288,052
4	April	288,153	288,052
5	May	288,153	288,052
6	June	288,152	288,052
7	July	288,153	288,052
8	August	(44,981)	21,724
9	September	243,172	309,776
10	October	288,052	313,662
11	November	288,052	313,662
12	December	288,052	313,662
13	Total	\$ 3,079,416	\$ 3,288,850
14	2009 Assessment	\$ 3,288,851	
15	Increase in NHPUC Assessment (L14 - L13)	\$ 209,435	
16	Amounts shown above may not add due to rounding.		

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
DISTRIBUTION SEGMENT RATE CASE

REVISED PROFORMA ADJUSTMENT

RENT EXPENSE

(Thousands of Dollars)

- | | | |
|---|--|----------------|
| 1 | Purpose and Description: | |
| 2 | Decrease test year rent expense to (1) reflect lower projected rent expense in 2009 (\$23K - see | |
| 3 | OCA-01, Q-OCA-035) and (2) eliminate a thirteenth month of rent expense in the test year for the | |
| 4 | Milford AWC (\$5K - see OCA-03, Q-OCA-014) | \$ <u>(28)</u> |

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
DISTRIBUTION SEGMENT RATE CASE

REVISED PROFORMA ADJUSTMENT

AMORTIZATION OF SOFTWARE MAINTENANCE AGREEMENT

(Thousands of Dollars)

1 Purpose and Description:

2 Decrease test year O&M costs to reflect the removal of an expired software
3 agreement that was included in the initial pro forma adjustment
4 (See OCA-01, Q-OCA-052)

\$ (35)

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
DISTRIBUTION SEGMENT RATE CASE

REVISED PROFORMA ADJUSTMENT

LEGAL FEES

(Thousands of Dollars)

1	Purpose and Description:	
2	Decrease test year expense to reflect the reclassification of legal fees	
3	from the Distribution segment to other segments	
4	(See OCA-01, Q-OCA-T-013 and OCA-01, Q-OCA-056)	<u>\$ (43)</u>

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
DISTRIBUTION SEGMENT RATE CASE

REVISED PRO FORMA ADJUSTMENT

UNCOLLECTIBLE EXPENSE

(Thousands of Dollars)

	<u>Distribution Segment</u>
1 Revised uncollectible expense for 2009 (page 8a)	\$ 828
2 Less: Uncollectible expense pro forma initially filed (page 8a)	<u>(522)</u>
3 Increase in uncollectible expense from initial filing (L1 - L2)	<u>\$ 1,350</u>

4 Amounts shown above may not add due to rounding.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
 REVISED PROFORMA ADJUSTMENT - SUPPORTING SCHEDULE

UNCOLLECTIBLE EXPENSE

(Thousands of Dollars)

	PSNH <u>Total Company</u>	Distribution <u>Segment</u>
1 <u>As filed:</u>		
2 Total PSNH 2009 Uncollectible Expense based	\$ 6,270	\$ 2,195
3 on revised allocation of 35% to Distribution		
4 Less the amount recorded in the test year	<u>5,661</u>	<u>2,717</u>
5 based on allocation of 48% to Distribution		
6 Decrease in Uncollectible Expense per initial filing		<u>\$ (522)</u>
7 <u>Revised (1):</u>		
8 Total updated PSNH 2009 Uncollectible Expense	\$ 10,128	\$ 3,545
9 based on revised allocation of 35% to Distribution		
10 Less the amount recorded in the test year	<u>5,661</u>	<u>2,717</u>
11 based on allocation of 48% to Distribution.		
12 Increase in Uncollectible Expense per this update		<u>\$ 828</u>
13 Amounts shown above may not add due to rounding.		

(1) Updated uncollectible expense is based on actual data through October 2009 and projections of November and December 2009.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
DISTRIBUTION SEGMENT RATE CASE

PROFORMA ADJUSTMENT

ADDITIONAL O&M COSTS - CUSTOMER EXPERIENCE EMPLOYEES

(Thousands of Dollars)

1 Purpose and Description:

- 2 To increase O&M expense to include 16 additional full-time Customer
3 Experience employees in 2010 to support increased call volume
4 and customer needs. These employees will support PSNH exclusively.

\$ 857

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
 DISTRIBUTION SEGMENT RATE CASE

PROFORMA ADJUSTMENT - SUPPORTING SCHEDULE

ADDITIONAL O&M COSTS - CUSTOMER EXPERIENCE EMPLOYEES

(In Dollars)

	Title of Position	Number of Positions	Base Salary	Loaders (3)	Total Cost per Position	Total Annual Cost
<u>Credit Department</u>						
	Counselor	1	48,500	20,545	69,045	69,045
	CSR (1)	4	35,500	15,038	50,538	202,151
	Total Credit Dept:					<u>\$ 271,196</u>
<u>Call Center</u>						
	CSR (1)	10	35,500	15,038	50,538	505,378
	CSS (2)	1	56,200	23,806	80,006	80,006
	Total Call Center:					<u>\$ 585,384</u>
	Total Increase for Additional CE Employees					<u>\$ 856,580</u>

- (1) Customer Service Representative
- (2) Customer Service Supervisor
- (3) Loaders are calculated at 42.36% of base pay

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
DISTRIBUTION SEGMENT RATE CASE

REVISED PROFORMA ADJUSTMENT

CUSTOMER ASSISTANCE EXPENSE

(Thousands of Dollars)

1 Purpose and Description:

- 2 Decrease test year expense to remove costs accounted for as customer
3 assistance costs that should have been accounted for as lobbying costs
4 (See AUDIT-25, Q-AUDIT-044 and Audit Issue #6)

\$ (20)

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
DISTRIBUTION SEGMENT RATE CASE

REVISED PROFORMA ADJUSTMENT

DEPRECIATION EXPENSE - PLANT ASSETS

(Thousands of Dollars)

Distribution
Segment

1	Purpose and Description:	
2	Decrease to depreciation expense from the actual test year levels to the	
3	12 months ended December 31, 2009, based on re-calculation of depreciation	
4	expense from capital additions at the mid-point of the quarter	
5	Revised depreciation calculated at mid-point of each quarter	\$ 9,561
6	Less: Pro forma depreciation expense as filed	<u>9,843</u>
7	Decrease to depreciation expense for the year ended December 31, 2009 (L5 - L6)	<u>\$ (283)</u>

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE

REVISED PROFORMA ADJUSTMENT - SUPPORTING SCHEDULE

DEPRECIATION EXPENSE

(Thousands of Dollars)

	<u>As Filed (1)</u>	<u>Revised (2)</u>
1 Increases to depreciation expense from actual test year levels for the twelve months ended December 31, 2009:		
2 Capital additions placed in service during 2009 based upon currently approved depreciation rates	\$ 1,236	\$ 1,006
3 Annualization of depreciation based upon plant balances at December 31, 2008 at currently approved rates	2,595	2,595
4 Adjustment to depreciation expense for Capital Recovery Calculation (CRC) adjustments to depreciation rates	5,760	5,760
5 Capital additions placed in service during 2009 based upon the difference between currently approved		
6 depreciation rates and depreciation rates developed out of the CRC	<u>253</u>	<u>200</u>
7 Total increase to depreciation expense for the year ended December 31, 2009	<u>\$ 9,843</u>	<u>\$ 9,561</u>

8 (1) Volume II, Schedule 1, page 21a of 22 (page 000122)

9 (2) See page 11b + 11c for line 2 and 6

10 Amounts shown above may not add due to rounding

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE

REVISED DEPRECIATION PRO FORMA ADJUSTMENT - SUPPORTING SCHEDULE

DEPRECIATION EXPENSE BASED ON CURRENTLY ALLOWED DEPRECIATION RATES - 2009 CAPITAL ADDITIONS AT MID POINT OF QUARTER

	Net Capital Additions 1st Quarter 2009	1 Qtr of the Depreciation Exp. Related to Cap Adds through 1st Quarter 2009	Net Capital Additions 2nd Quarter 2009	1 Qtr of the Depreciation Exp. Related to Cap Adds through 2nd Quarter 2009	Net Capital Additions 3rd Quarter 2009	1 Qtr of the Depreciation Exp. Related to Cap Adds through 3rd Quarter 2009	Net Capital Additions 4th Quarter 2009	1 Qtr of the Depreciation Exp. Related to Cap Adds through 4th Quarter 2009	Cumulative Capital Additions 4th Quarter 2009
Distribution									
360 Land and Land Rights-no depreciation	17,000	-	46,000	-	22,000	-	35,000	-	120,000
361 Structures and Improvements	-	-	-	-	-	-	-	-	-
362 Station Equipment	2,456,000	3,930	7,762,000	20,278	3,050,000	37,578	4,898,000	50,294	18,166,000
363 Storage Battery Equipment	-	-	-	-	-	-	-	-	-
364 Poles, Towers and Fixtures	1,615,000	3,593	4,158,000	16,438	1,983,000	30,102	3,130,000	41,478	10,886,000
365 Overhead Conductors and Devices	3,556,000	15,460	9,198,000	70,949	4,373,000	129,982	6,917,000	179,094	24,044,000
366 Underground Conduit	141,000	283	376,000	1,365	175,000	2,509	281,000	3,455	973,000
367 Underground Conductors and Devices	942,000	3,909	2,516,000	18,260	1,170,000	33,557	1,879,000	46,210	6,507,000
368 Line Transformers	1,350,000	2,953	3,695,000	13,792	1,677,000	25,347	2,693,000	34,806	9,325,000
369 Services - Overhead	775,000	2,383	2,068,000	11,125	962,000	20,443	1,545,000	28,152	5,350,000
370 Meters	256,000	1,043	683,000	4,870	318,000	8,849	511,000	12,327	1,768,000
371 Installation on Customer Premises	64,000	621	172,000	2,910	80,000	5,354	128,000	7,372	444,000
372 Leased Property on Customer Premises	-	-	-	-	-	-	-	-	-
373 Street Lighting and Signal Systems	29,000	277	76,000	1,280	35,000	2,340	57,000	3,218	197,000
Total	11,201,000	34,471	30,660,000	161,267	13,845,000	296,160	22,074,000	406,507	77,780,000
Transmission									
350 Land and Land Rights	-	-	-	-	-	-	-	-	-
352 Structures and Improvements	-	-	-	-	-	-	-	-	-
353 Station Equipment	-	-	-	-	-	-	-	-	-
354 Towers and Fixtures	-	-	-	-	-	-	-	-	-
355 Poles and Fixtures	-	-	-	-	-	-	-	-	-
356 Overhead Conductors and Devices	-	-	-	-	-	-	-	-	-
357 Underground Conduit	-	-	-	-	-	-	-	-	-
358 Underground Conductors and Devices	-	-	-	-	-	-	-	-	-
359 Roads and Trails	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-
General Plant									
389 Land and Land Rights	-	-	-	-	-	-	-	-	-
390 Structures and Improvements	56,000	31	148,000	143	69,000	262	111,000	361	384,000
391 Office Furniture and Equipment	111,000	620	297,000	2,938	138,000	5,402	222,000	7,441	768,000
392 Transportation Equipment	-	-	-	-	-	-	-	-	-
393 Stores Equipment	-	-	-	-	-	-	-	-	-
394 Tools, Shop and Garage Equipment	82,000	(164)	219,000	(766)	102,000	(1,408)	163,000	(1,938)	566,000
395 Laboratory Equipment	-	-	-	-	-	-	-	-	-
396 Power Operated Equipment	-	-	-	-	-	-	-	-	-
397 Communication Equipment	193,000	(5)	515,000	(23)	239,000	(41)	384,000	(57)	1,331,000
398 Miscellaneous Equipment	-	-	-	-	-	-	-	-	-
Total	442,000	(49)	1,179,000	2,292	548,000	(4,215)	880,000	5,807	3,049,000
Intangible									
301 Organization	-	-	-	-	-	-	-	-	-
302 Franchises and Consents	-	-	-	-	-	-	-	-	-
303 Miscellaneous Intangible Plant	292,000	3,650	781,000	17,063	363,000	31,363	583,000	43,188	2,019,000
Total	292,000	3,650	781,000	17,063	363,000	31,363	583,000	43,188	2,019,000
Total Plant	11,935,000		32,620,000		14,756,000		23,537,000		82,848,000
Depreciation Expense per Quarter		35,611		180,623		331,737		455,601	

Annual depreciation expense for 2009
capital additions, using currently
approved depreciation rates.

1,006,472

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE

DEPRECIATION PRO FORMA ADJUSTMENT - SUPPORTING SCHEDULE

INCREMENTAL DEPRECIATION EXPENSE BASED ON PROPOSED CRC DEPRECIATION RATES - 2009 CAPITAL ADDITIONS AT MID POINT OF QUARTER

	Incremental Depreciation Rates (1)	Net Capital Additions 1st Quarter 2009	1 Qtr of the Depreciation Exp Related to Cap Adds through 1st Quarter 2009	Net Capital Additions 2nd Quarter 2009	1 Qtr of the Depreciation Exp Related to Cap Adds through 2nd Quarter 2009	Net Capital Additions 3rd Quarter 2009	1 Qtr of the Depreciation Exp Related to Cap Adds through 3rd Quarter 2009	Net Capital Additions 4th Quarter 2009	1 Qtr of the Depreciation Exp Related to Cap Adds through 4th Quarter 2009	Cumulative Capital Additions 4th Quarter 2009
Distribution										
360 Land and Land Rights-no depreciation		17,000	-	46,000	-	22,000	-	35,000	-	120,000
361 Structures and Improvements	0.838%	-	-	-	-	-	-	-	-	-
362 Station Equipment	0.720%	2,456,000	2,211	7,762,000	11,409	3,050,000	21,140	4,898,000	28,295	18,166,000
363 Storage Battery Equipment	0.000%	-	-	-	-	-	-	-	-	-
364 Poles, Towers and Fixtures	1.425%	1,615,000	2,877	4,158,000	13,162	1,983,000	24,102	3,130,000	33,211	10,886,000
365 Overhead Conductors and Devices	-0.280%	3,556,000	(1,243)	9,198,000	(5,709)	4,373,000	(10,443)	6,917,000	(14,389)	24,044,000
366 Underground Conduit	-0.057%	141,600	(10)	376,000	(47)	175,000	(86)	281,000	(119)	973,000
367 Underground Conductors and Devices	-0.515%	942,600	(608)	2,516,000	(2,830)	1,170,000	(5,209)	1,879,000	(7,161)	6,507,000
368 Line Transformers	0.750%	1,350,000	1,266	3,605,000	5,913	1,677,000	10,367	2,693,000	14,966	9,325,000
369 Services - Overhead	0.345%	775,000	334	2,068,000	1,561	962,000	2,868	1,545,000	3,949	5,350,000
370 Meters	-0.441%	256,000	(141)	683,000	(659)	318,000	(1,210)	511,000	(1,696)	1,768,000
371 Installation on Customer Premises	-1.846%	64,000	(148)	172,000	(693)	80,000	(1,276)	128,000	(1,757)	444,000
372 Leased Property on Customer Premises	0.000%	-	-	-	-	-	-	-	-	-
373 Street Lighting and Signal Systems	-2.658%	29,000	(59)	76,000	(445)	35,000	(814)	57,000	(1,120)	197,000
Total		11,201,000	3,444	30,660,000	21,670	13,845,000	39,948	22,074,000	54,208	77,780,000
Transmission										
350 Land and Land Rights	-	-	-	-	-	-	-	-	-	-
352 Structures and Improvements	-	-	-	-	-	-	-	-	-	-
353 Station Equipment	-	-	-	-	-	-	-	-	-	-
354 Towers and Fixtures	-	-	-	-	-	-	-	-	-	-
355 Poles and Fixtures	-	-	-	-	-	-	-	-	-	-
356 Overhead Conductors and Devices	-	-	-	-	-	-	-	-	-	-
357 Underground Conduit	-	-	-	-	-	-	-	-	-	-
358 Underground Conductors and Devices	-	-	-	-	-	-	-	-	-	-
359 Roads and Trails	-	-	-	-	-	-	-	-	-	-
Total		-	-	-	-	-	-	-	-	-
General Plant										
389 Land and Land Rights	-	-	-	-	-	-	-	-	-	-
390 Structures and Improvements	1.046%	56,000	73	148,000	340	69,000	623	111,000	859	384,000
391 Office Furniture and Equipment	-0.895%	111,000	(124)	297,000	(581)	138,000	(1,068)	222,000	(1,470)	768,000
392 Transportation Equipment	-11.939%	-	-	-	-	-	-	-	-	-
393 Stores Equipment	2.305%	-	-	-	-	-	-	-	-	-
394 Tools, Shop and Garage Equipment	4.072%	82,000	417	219,000	1,050	102,000	3,584	163,000	4,933	566,000
395 Laboratory Equipment	1.530%	-	-	-	-	-	-	-	-	-
396 Power Operated Equipment	0.000%	-	-	-	-	-	-	-	-	-
397 Communication Equipment	4.750%	193,000	1,146	515,000	5,349	239,000	9,826	384,000	13,525	1,331,000
398 Miscellaneous Equipment	6.187%	-	-	-	-	-	-	-	-	-
Total		442,000	1,512	1,179,000	7,058	548,000	12,066	880,000	17,846	3,049,000
Intangible										
301 Organization	-	-	-	-	-	-	-	-	-	-
302 Franchises and Consents	-	-	-	-	-	-	-	-	-	-
303 Miscellaneous Intangible Plant	4.242%	292,000	1,548	781,000	7,238	363,000	13,304	583,000	18,320	2,019,000
Total		292,000	1,548	781,000	7,238	363,000	13,304	583,000	18,320	2,019,000
Total Plant		11,935,000		32,620,000		14,756,000		23,537,000		82,846,000
Depreciation Expense per Quarter			7,305		35,966		66,217		90,374	

Annual depreciation expense for 2009 capital additions, calculated using the difference between currently approved rates, and the CRC adjusted rates.

200,062

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
DISTRIBUTION SEGMENT RATE CASE

REVISED PRO FORMA ADJUSTMENT

PROPERTY TAXES

(Thousands of Dollars)

	<u>Distribution Segment</u>
1 Revised Distribution 2009 property taxes	\$ 26,012
2 Less amount recorded in Test Year	<u>22,549</u>
3 Revised property taxes for 2009	3,463
4 Less: Property taxes pro forma initially filed	<u>3,390</u>
5 Increase in Property taxes from initial filing (L3 - L4)	<u>\$ 73</u>

6 Amounts shown above may not add due to rounding.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
DISTRIBUTION SEGMENT RATE CASE

REVISED PROFORMA ADJUSTMENT

AMORTIZATION OF DEFERRED ENVIRONMENTAL REMEDIATION COSTS

(Thousands of Dollars)

	<u>Distribution Segment</u>
1 Projected balance of account 182.EV at December 31, 2009	\$ 829
2 Revised annual amortization over 3 years (line 1/3 years)	276
3 Annual amortization as initially filed	<u>254</u>
4 Increase in environmental cost amortization from initial filing	<u>\$ 23</u>

5 Amounts shown above may not add due to rounding.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
DISTRIBUTION SEGMENT RATE CASE

REVISED PRO FORMA ADJUSTMENT

DONATIONS (NET OF TAX)

(Thousands of Dollars)

	<u>Distribution Segment</u>
1 Revised Distribution 2009 donations (1) (See page 14a)	\$ 409
2 Less donations as filed (See Vol II, Schedule 1, page 3 of 5 (page 000081))	<u>293</u>
3 Increase in Donations from initial filing	<u>\$ 116</u>

4 Amounts shown above may not add due to rounding.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE

OPERATING INCOME STATEMENT (1)

(Thousands of Dollars)

		Twelve Months Ended: December 31, 2008					
		Delivery (2)	Transmission	Generation	Regulatory	Other/ Eliminations	Total Company
1	Operating Revenues	\$ 328,937	\$ 59,018	\$ 689,677	\$ 68,321	\$ (43,115)	\$ 1,102,838
2	Operating Expenses						
3	Production Expenses	349	-	581,032	16,400	3,443	601,225
4	Transmission Expenses	72,046	11,351	5,798	-	(47,216)	41,979
5	Distribution Expenses	47,728	-	-	-	1	47,729
6	Customers' Accounting	24,226	-	2,944	14,600	-	41,770
7	General Administrative	66,279	7,262	19,255	17	3	92,817
8	Other	582	6	135	-	-	723
9	Sub-Total	211,211	18,619	609,164	31,017	(43,769)	826,242
10	Depreciation	28,837	7,242	20,141	-	-	56,220
11	Amortization of Regulatory Assets, Net	7,936	(1)	17,886	29,077	-	54,898
12	Current Income Tax	(22,497)	3,021	8,576	6,134	377	(4,389)
13	Deferred Income Tax, net	33,500	4,469	(3,436)	(8,880)	(55)	25,598
14	Investment Tax Credit Adjustments	(132)	(21)	(74)	-	-	(227)
15	Other Tax	26,610	5,577	9,670	279	5	42,141
16	Gain/Loss on Disposal of Utility Plant, Net						-
17	Total Operating Expenses	285,465	38,906	661,927	57,627	(43,442)	1,000,484
18	Net Operating Income	43,472	20,112	27,750	10,694	327	102,355
19	Less:						
20	Donations, Net-of-Tax (Note 1)	409	8	19	-	2	438
21	Return on Customers' Deposits	131	2	-	-	-	133
22	Net Operating Income Applicable						
23	to Rate Base	\$ 42,932	\$ 20,102	\$ 27,731	\$ 10,694	\$ 325	\$ 101,784
24	Note 1: Calculated as [(1-tax rate) * pre-tax amount]						
25	Donations, pre-tax (a)	688	14	32	-	3	737
26	(1-tax rate) = (1-.40,525%) (b)	59.48%	59.48%	59.48%	59.48%	59.48%	59.48%
27	Donations, net-of-tax (a)*(b)	409	8	19	-	2	438

28 (1) This income statement has been revised to include all of PSNH's charitable contributions. See OCA-01, Q-OCA-044.

29 (2) Includes Retail Transmission which is tracked by the TCAM.

30 Amounts shown above may not add due to rounding.

Update - December 15, 2009

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
 DISTRIBUTION SEGMENT RATE CASE

REVISION

DEFERRED MAJOR STORM COSTS

(Thousands of Dollars)

	<u>Distribution Segment</u>
1 Storm costs to be recovered beginning	
2 July 1, 2010 (see STAFF-02; Q-STAFF-022; line 14)	\$ 52,715
3 Storm costs updated August 2009 through November 2009	
4 (see page 15a)	<u>122</u>
5 Total major storm costs to be recovered as of July 1, 2010	<u>52,837</u>
6 Annual recovery of storm costs over 4 years--permanent rates (Line 5/4)	13,209
7 Storm recovery level approved in DE 08-071 (see STAFF-02; Q-STAFF- 022; line 17)	<u>(5,917)</u>
8 Revised annual level of net major storm costs to be recovered	<u><u>\$ 7,292</u></u>
9 Amounts shown above may not add due to rounding.	

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
 DISTRIBUTION SEGMENT RATE CASE

REVISED SUPPORTING SCHEDULE

DEFERRED MAJOR STORM COSTS

(Thousands of Dollars)

Cost Adjustments August 1, 2009 through November 30, 2009

	Distribution Segment
1 <u>Part 1 - Summary of adjustments December 2008 major ice storm costs</u>	
2 Adjustments to storm costs, primarily unvouchered liability adjustments	\$ (479)
3 Other, primarily the reallocation of NU system insurance proceeds based on updated losses	591
4 Return accrued August 2009 through June 2010 (see page 15b)	<u>(4)</u>
5 Net storm cost adjustments booked August 2009 through November 2009	<u>108</u>
6 <u>Part 2 - Recovery of costs through rates</u>	
7 Storm costs to be recovered beginning July 1, 2010	108
8 Return on the average balance over the proposed 4 year recovery period (see page 15c)	<u>14</u>
9 Total storm costs updated August 2009 through November 2009	<u>\$ 122</u>
10 Amounts shown above may not add due to rounding.	

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
DISTRIBUTION SEGMENT RATE CASE

Docket No. DE 09-035
Witness: R. A. Baumann
Attachment
Page 15b of 15

DEFERRED MAJOR STORM COSTS

Calculation of Adjustments and Returns August 2009 through November 2009

(Quarter Ending)

(Thousands of Dollars, excluding Percentage Data)

	8/09-9/09(1)	10/09-12/09	1/10-3/10	4/10-6/10	8/09 - 6/10 Summary (1)
1. Calculation of the Return on Rate Base					
3 Average rate base ((Line 9 + Line 12)/2)	(337)	(285)	105	107	
4 Average ADIT----based on a 39.55% tax rate	133	113	(41)	(42)	
5 Net rate base	(204)	(172)	63	65	
6 Return for the period (Line 24)	1.781%	2.671%	2.671%	2.671%	
7 Return on average rate base	(4)	(5)	2	2	(4)
2. Amortization and Rate Base					
9 Beginning balance	-	(674)	104	106	
10 Net charges/(credits) during the period	(670)	782			112
11 Return	(4)	(5)	2	2	(4)
12 Ending balance	(674)	104	106	108	108
3. Percentage Return Calculations (2)					
	Ratio %	Cost of Capital	Wgt Avg Cost	Taxes	Tax Adj Wgt Avg Cost
17 Common Equity	48.730%	9.670%	4.712%	3.211%	7.923%
18 Long-term Debt	51.270%	5.389%	2.763%	0.000%	2.763%
19 Total	100.000%	15.059%	7.475%	3.211%	10.686%
20	2 mths				
21	8/09-9/09		quarter		
22 Annual return, including tax gross up	10.686%		10.686%		
23 X time period	16.667%		25.000%		
24 Return for the specified time period	1.781%		2.671%		

25 Notes:

26 (1)--Temporary rates are expected to be in place 11 months beginning August 2009 through June 2010.

27 (2) The ROE, cost of debt, and capital structure are from the temporary rates settlement agreement approved by the NHPUC in order #24,997

28 Amounts shown above may not add due to rounding.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
DISTRIBUTION SEGMENT RATE CASE

Docket No. DE 09-035
Witness: R. A. Baumann
Attachment
Page 15c of 15

DEFERRED MAJOR STORM COSTS

Deferred Major Storm Cost Adjustments to be Recovered in Permanent Rates

(Quarter Ending)

(Thousands of Dollars, excluding Percentage Data)

1 Return on the December 2008 major ice storm costs (1)

2	June 10 (2)	Sept 10	Dec 10	Mar 11	June 11	Sept 11	Dec 11	Mar 12	June 12	Sept 12	Dec 12	Mar 13	June 13	Sept 13	Dec 13	Mar 14	June 14	Total Return
3 Beginning balance		108	102	96	90	83	77	71	64	57	51	44	37	30	23	15	8	
4 Amortization		(8)	(8)	(8)	(8)	(8)	(8)	(8)	(8)	(8)	(8)	(8)	(8)	(8)	(8)	(8)	(8)	
5 Balance prior to return		100	94	88	82	76	69	63	56	50	43	36	29	22	15	8	0	
6 Average balance to calculate return		104	98	92	86	80	73	67	60	54	47	40	33	26	19	11	4	
7 Def taxes calculated at 39.55%		(41)	(39)	(36)	(34)	(31)	(29)	(26)	(24)	(21)	(19)	(16)	(13)	(10)	(7)	(5)	(2)	
8 Net def costs to calculate return		63	59	56	52	48	44	40	36	32	28	24	20	16	11	7	2	
9 x Return (1)		2.67%	2.67%	2.67%	2.67%	2.67%	2.67%	2.67%	2.67%	2.67%	2.67%	2.67%	2.67%	2.67%	2.67%	2.67%	2.67%	
10 Return on def major storm costs		2	2	1	1	1	1	1	1	1	1	1	1	0	0	0	0	14
11 Ending balance, including the return		108	102	96	90	83	77	71	64	57	51	44	37	30	23	15	8	0

12 (1) The ROE, cost of debt, and capital structure used were previously approved in the temporary rates settlement in this docket, as shown on page 15b of this attachment.

13 (2) The ending balance at June 2010 is based on the expected recovery of costs during the temporary rates period, August 1, 2009 through June 30, 2010. See page 15b for more information.

14 Amounts shown above may not add due to rounding.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE

ITEM I
 OVERALL RATE OF RETURN - DISTRIBUTION

Cost of Capital at December 31, 2008

	Item	Component Ratio	Component Cost Rate	Weighted Average Cost Rate
1	Common Equity (1)	48.73%	6.505%	3.170%
2				
3	Long-Term Debt	51.27%	5.389%	2.763%
4				
5	Short-Term Debt (2)	<u>0.00%</u>	0.000%	<u>0.000%</u>
6				
7	Total	<u>100.00%</u>		<u>5.933%</u>
8				
9				
10	Note (1): In accordance with DE 06-028, PSNH's allowed ROE is 9.67%.			
11				
12	Note (2): See Item VI regarding the inclusion of short-term debt in PSNH's capital structure.			
13				
14	Amounts shown above may not add due to rounding.			

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE

ITEM I
OVERALL RATE OF RETURN - DISTRIBUTION

Proformed Cost of Capital at December 31, 2008

	<u>Item</u>	<u>Component Ratio</u>	<u>Component Cost Rate</u>	<u>Weighted Average Cost Rate</u>
1	Common Equity	51.08%	10.500%	5.363%
2	Long-Term Debt	48.92%	5.222%	2.555%
3	Short-Term Debt	<u>0.00%</u>	0.000%	<u>0.000%</u>
4	Total	<u><u>100.00%</u></u>		<u><u>7.918%</u></u>

5 Amounts shown above may not add due to rounding.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE

ITEM II
CAPITAL STRUCTURE FOR RATEMAKING PURPOSES - DISTRIBUTION

(Thousands of Dollars)

ITEM	At December 31, 2008	
	Amount	Component Ratio
1 Common Equity		
2 Common Stock	\$ -	0.00%
3 Other Paid-In Capital	350,496	26.92%
4 Retained Earnings (1)	284,033	21.81%
5		
6		
7 Total Common Equity	634,529	48.73%
8		
9		
10 Preferred Stock	-	0.00%
11		
12		
13 Long-Term Debt		
14 Pollution Control Revenue Bonds		
15 Series A - VR	85,494	6.57%
16 Series B - FR	84,406	6.48%
17 Series C - FR	103,715	7.97%
18 Series D Tax Exempt-FR	73,942	5.68%
19 Series E Tax Exempt-FR	44,191	3.39%
20		
21 First Mortgage Bonds		
22		
23 Series L	49,645	3.81%
24 Series M	49,380	3.79%
25 Series N	69,227	5.32%
26 Series O	107,522	8.26%
27		
28 Total Long-Term Debt	667,524	51.27%
29		
30 Short-Term Debt (2)	-	0.00%
31		
32 Total Capitalization	\$ 1,302,053	100.00%
33		
34		

Note (1): Excludes Other Comprehensive Income (OCI) of \$814,000 related to 2008 First Mortgage Bonds - Series O. OCI is excluded from common equity as it is used in calculating net proceeds on the Series O bonds.

Note (2): See Item VI regarding the inclusion of short-term debt in PSNH's capital structure.

Amounts shown above may not add due to rounding.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
ITEM II
CAPITAL STRUCTURE FOR RATEMAKING PURPOSES - DISTRIBUTION

(Thousands of Dollars)

ITEM	Proformed At December 31, 2008 Amount	Component Ratio
Common Equity		
Common Stock	\$ -	0.00%
Other Paid-In Capital (1)	569,496	34.08%
Retained Earnings	284,033	17.00%
Total Common Equity	853,529	51.08%
Preferred Stock	-	0.00%
Long-Term Debt (2)		
Pollution Control Revenue Bonds		
Series A - VR	85,758	5.13%
Series B - FR	84,735	5.07%
Series C - FR	104,035	6.23%
Series D Tax Exempt-FR	74,007	4.43%
Series E Tax Exempt-FR	44,228	2.65%
First Mortgage Bonds (2)		
Series L	49,693	2.97%
Series M	49,398	2.96%
Series N	69,294	4.15%
Series O	108,231	6.48%
New FMB Issue	148,120	8.86%
Total Long-Term Debt	817,498	48.92%
Short-Term Debt (3)	-	0.00%
Total Capitalization	\$ 1,671,027	100.00%

Note (1): Includes \$219M of proformed capital contributions.

Note (2): See Schedule V, Page 4 of 4 for information on the updating of the long-term debt balances.

Note (3): See Item VI regarding the inclusion of short-term debt in PSNH's capital structure.

Amounts shown above may not add due to rounding.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE

ITEM III
 HISTORICAL CAPITAL STRUCTURE
 FOR RATEMAKING PURPOSES
 AT DECEMBER 31

(Thousands of Dollars)

		<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
1	Common Equity	\$ 537,867	\$ 467,562	\$ 452,505	\$ 399,677	\$ 380,260
2	Long-Term Debt	558,586	488,132	487,568	437,062	387,608
3	Short-Term Debt (1)	<u>21,900</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
4	Total Capital	<u>\$ 1,118,353</u>	<u>\$ 955,694</u>	<u>\$ 940,073</u>	<u>\$ 836,739</u>	<u>\$ 767,868</u>

5 Note (1): PSNH included short-term debt in its allowed capital structure in 2007 in accordance with DE 06-028.

6 Amounts shown above may not add due to rounding.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE

ITEM IV
 CAPITALIZATION RATIOS
 AT DECEMBER 31

		<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
1	Common Equity	48.09%	48.92%	48.14%	47.77%	49.52%
2	Long-Term Debt	49.95%	51.08%	51.86%	52.23%	50.48%
3	Short-Term Debt (1)	<u>1.96%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>
4	Total Capital	<u><u>100.00%</u></u>	<u><u>100.00%</u></u>	<u><u>100.00%</u></u>	<u><u>100.00%</u></u>	<u><u>100.00%</u></u>

5 Note (1): PSNH included short-term debt in its allowed capital structure in 2007 in accordance with DE 06-028.

6 Amounts shown above may not add due to rounding.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
 ITEM V
 LONG-TERM DEBT
 (Thousands of Dollars)

LONG-TERM DEBT AT DECEMBER 31, 2008--NET PROCEEDS AT OFFERING DATE

	Title (1)	Date of Offering	Date of Maturity	Interest Rate (%)	Principal Amount of Issue	Financing Costs	Net Proceeds to the Utility	Net Proceeds % (per unit)
1	Pollution Control Revenue Bonds							
2	Series A - VR (2)	12/19/01	05/01/21	0.400	89,250	5,781	83,469	93.5
3	Series B - FR	12/19/01	05/01/21	4.750	89,250	7,124	82,126	92.0
4	Series C - FR	12/19/01	05/01/21	5.450	108,985	7,787	101,198	92.9
5	Series D Tax Exempt-FR	05/01/98	05/01/21	6.000	75,000	4,149	70,851	94.5
6	Series E Tax Exempt-FR	05/01/98	05/01/21	6.000	44,800	3,088	41,712	93.1
7	First Mortgage Bonds							
8	Series L	07/22/04	07/15/14	5.250	50,000	549	49,451	98.9
9	Series M	10/05/05	10/05/35	5.600	50,000	694	49,306	98.6
10	Series N	09/24/07	09/01/17	6.150	70,000	607	69,393	99.1
11	Series O	05/27/08	05/01/18	6.000	110,000	1,465	108,535	98.7
12	Total Long-Term Debt						<u>656,040</u>	
13	Note (1): VR - Variable Rate Financing - Rates are set every 35 days.							
14	FR - Fixed Rate							
15	Note (2): Interest Rate shown is based on the December 2008 auction rate							
16	Amounts shown above may not add due to rounding.							

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
 ITEM V
 LONG-TERM DEBT

(Thousands of Dollars)

LONG-TERM DEBT AT DECEMBER 31, 2008

	<u>Title</u>	<u>Net Amount Outstanding</u>	<u>Cost Rate Based on Net Proceeds</u>	<u>Annual Cost of Long-Term Debt</u>	<u>Average Cost Rate (%)</u>
1	Pollution Control Revenue Bonds				
2	Series A - VR	85,494	0.901%	770	
3	Series B - FR	84,406	5.617%	4,741	
4	Series C - FR	103,715	6.139%	6,367	
5	Series D Tax Exempt-FR	73,942	6.202%	4,586	
6	Series E Tax Exempt-FR	44,191	6.194%	2,737	
7	First Mortgage Bonds				
8	Series L	49,645	5.415%	2,688	
9	Series M	49,380	5.717%	2,823	
10	Series N	69,227	6.348%	4,394	
11	Series O	<u>107,522</u>	6.385%	<u>6,865</u>	
12	Total Long-Term Debt	<u><u>667,524</u></u>		<u><u>35,973</u></u>	<u><u>5.389%</u></u>
13	Amounts shown above may not add due to rounding.				

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
 ITEM V
 LONG-TERM DEBT - UPDATED
 (Thousands of Dollars)

PROFORMED LONG-TERM DEBT AT DECEMBER 31, 2008--NET PROCEEDS AT OFFERING DATE

	Title (1)	Date of Offering	Date of Maturity	Interest Rate (%)	Principal Amount of Issue	Financing Costs	Net Proceeds to the Utility	Net Proceeds %(per unit)
1	Pollution Control Revenue Bonds							
2	Series A - VR (2)	12/19/01	05/01/21	0.220	89,250	5,781	83,469	93.5
3	Series B - FR	12/19/01	05/01/21	4.750	89,250	7,124	82,126	92.0
4	Series C - FR	12/19/01	05/01/21	5.450	108,985	7,787	101,198	92.9
5	Series D Tax Exempt-FR	05/01/98	05/01/21	6.000	75,000	4,149	70,851	94.5
6	Series E Tax Exempt-FR	05/01/98	05/01/21	6.000	44,800	3,088	41,712	93.1
7	First Mortgage Bonds							
8	Series L	07/22/04	07/15/14	5.250	50,000	549	49,451	98.9
9	Series M	10/05/05	10/05/35	5.600	50,000	694	49,306	98.6
10	Series N	09/24/07	09/01/17	6.150	70,000	607	69,393	99.1
11	Series O	05/27/08	05/01/18	6.000	110,000	1,465	108,535	98.7
12	New FMB Issue (3)	12/14/09	12/01/19	4.500	150,000	1,881	148,120	98.7
13	Total Long-Term Debt						<u>804,160</u>	
14	Note (1): VR - Variable Rate Financing - Rates are set every 35 days.							
15	FR - Fixed Rate							
16	Note (2): Interest Rate shown is based on the November 2009 auction rate							
17	Note (3): Updated to reflect the issuance on December 14, 2009 of a new 10-year							
18	\$150M First Mortgage Bond, net of financing costs and discounts of \$1.88M.							

19 Amounts shown above may not add due to rounding.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
 ITEM V
 LONG-TERM DEBT - UPDATED

(Thousands of Dollars)

PROFORMED LONG-TERM DEBT AT DECEMBER 31, 2008

<u>Title</u>	<u>Net Amount Outstanding</u>	<u>Cost Rate Based on Net Proceeds</u>	<u>Annual Cost of Long-Term Debt</u>	<u>Average Cost Rate (%)</u>
1 Pollution Control Revenue Bonds (1)				
2 Series A - VR (2)	85,758	0.711%	610	
3 Series B - FR	84,735	5.595%	4,741	
4 Series C - FR	104,035	6.120%	6,367	
5 Series D Tax Exempt-FR	74,007	6.196%	4,586	
6 Series E Tax Exempt-FR	44,228	6.189%	2,737	
7 First Mortgage Bonds (2)				
8 Series L	49,693	5.410%	2,688	
9 Series M	49,398	5.715%	2,823	
10 Series N	69,294	6.341%	4,394	
11 Series O	108,231	6.289%	6,806	
12 New FMB Issue (3)	<u>148,120</u>	4.684%	<u>6,938</u>	
13 Total Long-Term Debt	<u>817,498</u>		<u>42,691</u>	<u>5.222%</u>

14 Note 1: Unless noted otherwise, net balances outstanding and annual costs have
 15 been updated to reflect the cost of debt as of September 30, 2009.

16 Note 2: Interest rate was reset in November, 2009. See Schedule V, page 3 of 4.

17 Note 3: The new first mortgage bond reflects cost information available as of the
 18 issuance date of December 14, 2009. See Schedule V, page 3 of 4.

19 Amounts shown above may not add due to rounding.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE

ITEM VI
COST OF SHORT-TERM DEBT

1 PSNH's net borrowing position at December 31, 2008 was \$7.2M negative (\$45.2M of STD minus \$ 52.5M of short-term
2 liquid investments). Under normal circumstances, PSNH's STD balance would have been zero on December 31, 2008
3 since PSNH would have used its cash on hand to repay outstanding short-term borrowings. As a result of the current
4 global credit crisis, PSNH senior financial officers have determined that, until the credit crisis subsides, the Company
5 will hold cash in excess of its normal requirements in order to satisfy potential peak borrowing requirements.

6 As the short-term debt is being held as a liquidity reserve, and does not support rate base, PSNH has excluded it from
7 its capital structure.

8 The Company is requesting that short-term debt be excluded from its pro forma capital structure for rate-making
9 purposes in this filing.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE

ITEM VII
PREFERRED STOCK

(Thousands of Dollars)

PREFERRED STOCK OUTSTANDING AT DECEMBER 31, 2008

<u>Title and Dividend Rate</u>	<u>Date of Offering</u>	<u>Financing Costs</u>	<u>Stated Value Per Share</u>	<u>Stated Value Per Issue</u>	<u>Net Proceeds</u>	<u>Net Proceeds Per Unit (%)</u>
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- 1 There are no issues of preferred stock outstanding. The Company has no plans to issue preferred stock.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE

Updated Pro Forma Adjustment Explanations

December 15, 2009

Income Statement

1. Pension – Volume II, page 000103

This \$439,000 increase to pension reflects the latest actuarial values.

2. Other Post Employment Benefits – Volume II, page 000101

This \$221,000 increase to OPEB reflects the latest actuarial values.

3. Medical costs – Volume II, page 000107

This \$667,000 increase to medical reflects updated information related to medical costs including a greater number of High Cost Claims and a larger overall claim volume than was projected. A High Cost Claim is a single medical event for one participant that exceeds \$20,000.

4. NHPUC assessment

This \$209,000 increase to the NHPUC Assessment reflects the actual bill for the current year assessment that was not available at the time of the June 30, 2009 filing.

5. Rent expense - OCA-01, Q-OCA-035 and OCA-03, Q-OCA-014

This \$28,000 decrease to the test year rent expense reflects two items: 1) updated information projects current rent expense to be \$23,000 lower than originally filed; and 2) the removal of \$4,878 which reflects the thirteenth month of rent expense included in the test year for the Milford AWC.

6. Software maintenance agreement - OCA-01, Q-OCA-T-008 & OCA-01,
Q-OCA-052, Volume II, page 000095

This adjustment to decrease operating expense by \$35,000 reflects the expiration of a prior maintenance agreement that had not been previously removed from the pro forma revenue requirement.

7. Legal fees - OCA-01, Q-OCA-T-013 and OCA-01, Q-OCA-056

This adjustment to decrease Legal expense by \$43,000 reflects two items: 1) \$15,470 relates to services provided for work performed at the FERC for a Unitil delivery service agreement that will be reallocated; and 2) \$27,608 relates to a market-based rate update filing before the FERC that will be reallocated to the generation segment.

8. Uncollectible expense – Volume II, page 000091

This \$1,350,000 increase to Uncollectible expense reflects updated actual information through October 2009 that was not available at the time of the June 30, 2009 filing.

9. Customer Experience employee expense

This \$857,000 increase to O&M expense reflects the addition of 16 full time Customer Experience employees for the purpose of supporting the Credit Department and Call Center. The positions are as follows:

- Credit Department, (4) Customer Service Representatives: To support the additional volume of work which is primarily a result of the weak economy.
- Credit Department, (1) Credit Counselor: To handle escalated calls from retail customers and to oversee commercial and industrial account activity. Again, primarily the result of the weak economy.
- Call Center, (10) Customer Service Representatives: To support the increased average monthly call volume and duration of calls in order to meet customers' evolving needs during this economy.
- Call Center, (1) Customer Service Supervisor: To maintain the appropriate ratio of Customer Service Representatives per supervisor in order to ensure quality control and to take customer phone calls as needed.

10. Customer Assistance expense – AUDIT-25, Q-AUDIT-0044

This adjustment to decrease Customer Assistance by \$20,000 reflects costs originally accounted for as customer assistance costs that should have been accounted for as lobbying costs.

Other Expense

11. Depreciation – TS-01, Q-TECH-008, Volume II, page 000121

This \$283,000 decrease to Depreciation reflects recalculation of depreciation for 2009 additions at the mid-point of each quarter rather than at the beginning of the quarter.

12. Property Taxes – Volume II, page 000105

This \$73,000 increase to the Property taxes reflects updated information related to the actual property tax bills for the current year that was not available at the time of the June 30, 2009 filing.

Amortization

13. Deferred Environmental Remediation – Volume II, page 000113

This \$23,000 increase to the Deferred Environmental Remediation costs is primarily the result of an additional \$60,000 reserve that was accrued in 2009. The increase in the reserve is for additional costs associated with future remediation related activities at the Laconia MGP site, including NHDES required monitoring, sampling and analysis.

14. Donations –

This increase to Donations is to include all charitable contributions made by PSNH (See SFR #5, Volume III, page 000081) in its revenue requirements calculation. See also OCA-01, Q-OCA-044.

15. Major Storm Recovery – STAFF-02, Q-STAFF-022, Volume II, page 000115

This schedule updated both the deferred storm costs schedule originally filed (Volume I, pages 000083 – 000086) and a revision filed in data request STAFF-02, Q-STAFF-022, through November 30, 2009. The schedule has been updated to credit deferred storm costs for the reversal of UVLs and to reallocate NU system storm insurance proceeds among the NU system operating companies. See Audit Request – AUDIT ISSUE – STORM, questions 001 and 003 for additional information.

Any subsequent adjustments to the 2008 storm costs will be applied to the existing major storm reserve account, effective December 1, 2009.

Rate Base

16. Accumulated Depreciation – TS-01, Q-TECH-008

This \$283,000 decrease reflects the change in accumulated depreciation related to the recalculation of depreciation expense (adjustment #11 above).

17. Working Capital – Volume II, page 000152

The Working Capital was increased for the updated O&M level shown on page 3 of 4 for the Updated Pro Forma Adjustments.

18. Prepayments – Audit Issue #1

PSNH accepts the NHPUC's position in Audit Issue #1 and the rate base was reduced by \$514,000. This decrease in the prepayment balance reflects the revised segmentation procedure which is more accurate than the old methodology.

19. Accumulated Investment Tax Credit

This decrease of \$238,000 eliminates the Accumulated ITC from the rate base. PSNH refunds ITC to its customers through a reduction in tax expense in its tax calculation. Including ITC in rate base is duplicative.

Capitalization

20. Capital Structure

The updated capital structure reflects updated debt costs and the issuance of the new \$150M first mortgage bond on December 14, 2009.