

SUBJECT: Transaction Summary – PSNH 2011 3.20% Series R First Mortgage Bonds Due September 1, 2021

I. OVERVIEW

On September 13, 2011, Public Service Company of New Hampshire (“PSNH” or the “Company”) issued \$160,000,000 aggregate principal amount of First Mortgage Bonds – Series R (the “Series R Bonds”) with a coupon of 3.20% and a maturity date of September 1, 2021. J.P. Morgan Securities LLC and Merrill Lynch, Pierce, Fenner & Smith Incorporated served as Joint Book-Running Managers and Wells Fargo Securities, LLC served as Co-Manager on the transaction. The proceeds, net of issuance expenses, were used (i) to refinance the Company’s short-term debt, which was previously incurred in the ordinary course of business, and (ii) for general working capital purposes, including to finance capital expenditures.

The required investor yield to maturity at the time of pricing the Series R Bonds was 3.250%, which reflects a 10-year Treasury yield of 1.970% plus an issuance spread of 128 basis points (1.28%). The Series R Bonds were issued at a slight discount of 99.578% in order to achieve a coupon of 3.20%.

II. TERMS

Series:	Series R
Principal Amount:	\$160,000,000
Security:	First Mortgage Bonds
Coupon:	3.20%
Treasury Benchmark:	2.125% UST due August 15, 2021
10-yr Treasury Yield at pricing:	1.970%
Spread to Treasury:	+128 basis points
Reoffer Yield:	3.250%
Price to Public:	99.578%
Underwriting Fee:	0.650%
Net Proceeds to Company (%):	98.928%
Net Proceeds to Company:	\$158,284,800
Ratings (Moody’s, S&P, Fitch):	A3/A-/A-
Maturity:	September 1, 2021
Interest Payments:	March 1 and September 1: starting March 1, 2012
Optional Redemption:	Make-whole Call @ T+ 20 bps at any time prior to June 1, 2021, thereafter at par
CUSIP:	744538AC3