

1	PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE			
2	2012 ENERGY SERVICE RATE CALCULATION			
3	(Dollars in 000's)			
4				
5				
6				
7				
8				
9				
10	Summary of Forecasted Energy Service			
11	Cost For January 2012 Through December 2012	TOTAL COST	Cents per KWH	Reference
12				
13	Fossil energy costs	\$ 46,428	0.97	Attachment RAB-2, page 2
14	F/H O&M, depreciation & taxes	119,517	2.49	Attachment RAB-2, page 2
15	Return on rate base	42,067	0.88	Attachment RAB-2, page 2
16	ISO-NE ancillary	935	0.02	Attachment RAB-2, page 2
17	Capacity	7,512	0.16	Attachment RAB-2, page 2
18	NH RPS	17,785	0.37	Attachment RAB-2, page 2
19	RGGI costs	1,080	0.02	Attachment RAB-2, page 2
20	Vermont Yankee	1,746	0.04	Attachment RAB-2, page 2
21	IPP costs (1)	15,661	0.33	Attachment RAB-2, page 2
22	Wood IPPs (1)	17,602	0.37	Attachment RAB-2, page 2
23	Purchases and sales	70,587	1.47	Attachment RAB-2, page 2
24	Return on ES Deferral	(368)	-0.01	Attachment RAB-2, page 2
25	2011 Actual ES under-recovery	204	0.00	Attachment RAB-2, page 2
26				
27	Total Updated Energy Service Cost	\$ 340,756	7.11	
28	Total Updated Revenue	381,057		
29	2012 ES (Over)/Under Recovery	(40,301)		
30				
31	Amortized over 2 years 2012 - 2013	\$ (20,150)		
32				
33	Forecasted Retail MWH Sales July - December 2012	2,454,089		
34				
35	Decrease in Energy Service Rate - cents per kwh (L31/L33)	(0.82)		
36				
37	Energy Service Rate as approved in DE 11-250 - cents per kwh	\$ 7.77		
38				
39	Updated Energy Service Rate w/o Scrubber - cents per kwh	6.95		
40				
41	Plus Scrubber ES Rate cents per kwh per DE 11-250	0.98		
42				
43	Total Updated Energy Service Rate - cents per kwh	\$ 7.93		

(1) The IPP costs represent the forecasted market value of IPP generation.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
2012 ENERGY SERVICE RATE CALCULATION
(Dollars in 000's)

	January 2012 Actual	February 2012 Actual	March 2012 Actual	April 2012 Actual	May 2012 Estimate	June 2012 Estimate	Reference
10 <u>Energy Service Cost</u>							
12 Fossil energy costs	\$ 14,137	\$ 6,302	\$ 3,731	\$ (3,396)	\$ (4,625)	\$ 672	RAB-2, P3
13 F/H O&M, depreciation & taxes	9,904	9,049	10,083	10,226	9,756	9,970	RAB-2, P5
14 Return on rate base	3,652	3,653	3,577	3,483	3,472	3,473	RAB-2, P6
15 ISO-NE ancillary (inc. Congestion and Loss Adj.)	181	(765)	200	113	68	72	RAB-2, P3
16 Capacity	736	709	683	719	713	592	RAB-2, P3
17 NH RPS	1,517	1,517	1,853	1,629	1,278	1,388	RAB-2, P3
18 RGGI costs	180	145	124	101	-	5	RAB-2, P3
19 Vermont Yankee	674	629	444	(1)	-	-	RAB-2, P3
20 IPP costs (1)	1,623	1,069	1,159	931	1,178	1,017	RAB-2, P3
21 Wood IPPs (1)	543	1,214	1,100	989	1,092	1,485	RAB-2, P3
22 Purchases and sales	2,329	3,999	4,500	6,454	6,384	8,246	RAB-2, P3
23 Return on ES Deferral	(1)	(8)	(18)	(28)	(40)	(47)	
24 2011 Actual ES under-recovery	204	-	-	-	-	-	
26 Total Energy Service Cost	\$ 35,679	\$ 27,513	\$ 27,436	\$ 21,220	\$ 19,278	\$ 26,874	
28 Total Energy Service Revenue at 8.31 ¢/kwh for 29 Jan - Apr 15 & 7.77 ¢/kwh for Apr 16 - Dec.	\$ 38,486	\$ 32,906	\$ 32,005	\$ 27,873	\$ 28,329	\$ 30,774	
31 ES Under/(Over) Recovery	\$ (2,807)	\$ (5,393)	\$ (4,569)	\$ (6,653)	\$ (9,052)	\$ (3,900)	
33 Forecasted Retail MWH Sales	463,101	395,978	385,598	332,495	364,600	396,067	
35 Energy Service Cost - cents per kwh	7.70	6.95	7.12	6.38	5.29	6.79	

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PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
2012 ENERGY SERVICE RATE CALCULATION
(Dollars in 000's)

	July 2012 Estimate	August 2012 Estimate	September 2012 Estimate	October 2012 Estimate	November 2012 Estimate	December 2012 Estimate	Total	Reference
10 Energy Service Cost								
12 Fossil energy costs	\$ 13,418	\$ 1,390	\$ 287	\$ 315	\$ 305	\$ 13,890	\$ 46,428	RAB-2, P3
13 F/H O&M, depreciation & taxes	10,244	10,176	11,296	10,684	9,083	9,045	119,517	RAB-2, P5
14 Return on rate base	3,471	3,461	3,456	3,454	3,456	3,459	42,067	RAB-2, P6
15 ISO-NE ancillary (inc. Congestion and Loss Adj.)	316	89	64	80	93	424	935	RAB-2, P3
16 Capacity	592	592	592	526	528	528	7,512	RAB-2, P3
17 NH RPS	1,596	1,543	1,353	1,330	1,331	1,451	17,785	RAB-2, P3
18 RGGI costs	244	13	-	-	-	268	1,080	RAB-2, P3
19 Vermont Yankee	-	-	-	-	-	-	1,746	RAB-2, P3
20 IPP costs (1)	1,249	1,217	1,089	1,365	1,590	2,174	15,661	RAB-2, P3
21 Wood IPPs (1)	1,878	1,818	1,568	1,704	1,775	2,437	17,602	RAB-2, P3
22 Purchases and sales	2,062	10,781	9,343	8,562	8,753	(827)	70,587	RAB-2, P3
23 Return on ES Deferral	(45)	(41)	(39)	(36)	(34)	(31)	(368)	
24 2011 Actual ES under-recovery	-	-	-	-	-	-	204	
26 Total Energy Service Cost	\$ 35,027	\$ 31,040	\$ 29,009	\$ 27,984	\$ 26,879	\$ 32,817	\$ 340,756	
28 Total Energy Service Revenue at 8.31 ¢/kwh for 29 Jan - Apr 15 & 7.77 ¢/kwh for Apr 16 - Dec. 31, 2012	35,371	34,189	29,980	29,476	29,509	32,158	381,057	
31 ES Under/(Over) Recovery	(344)	(3,150)	(971)	(1,492)	(2,630)	659	(40,301)	
33 Forecasted Retail MWH Sales	455,223	440,018	385,840	379,351	379,778	413,880	4,791,928	
35 Energy Service Cost - cents per kwh	7.69	7.05	7.52	7.38	7.08	7.93	7.11	

(1) The IPP costs represent the forecasted market value of IPP generation.

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PUBLIC SERVICE RATE COMPANY OF NEW HAMPSHIRE
2012 ENERGY SERVICE RATE CALCULATION

PSNH Generation (GWh) and Expense (\$000)
IPP's Priced at Market Rate

			Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Total
2	Hydro:	Energy	36.924	25.001	37.914	25.245	37.420	27.979	21.771	19.511	16.272	23.923	32.760	31.817	336.537
3															
4	Coal:	Energy	292.118	172.233	89.887	8.136	0.000	0.000	257.732	0.000	0.000	0.000	0.000	294.606	1,114.711
5		Energy Expense	\$ 12.297	5,766	3,648	(185)	-	-	11,448	-	-	-	-	13,204	46,178
6															
7	Wood:	Energy	30.492	28.584	22.693	17.363	28.633	26.056	26.925	26.925	26.056	28.633	27.710	28.633	318.702
8		Energy Expense	\$ 1,507	1,397	1,106	996	1,595	1,451	1,500	1,500	1,451	1,595	1,544	1,595	17,237
9		Revenue Credit	\$ (1.102)	(1,051)	(895)	(753)	(1,280)	(1,164)	(1,203)	(1,203)	(1,164)	(1,280)	(1,238)	(1,280)	(13,613)
10															
11	Nuclear:	Energy	14.732	13.668	9.610	0	0	0	0	0	0	0	0	0	38.010
12		Energy Expense	\$ 674	629	444	(1)	-	-	-	-	-	-	-	-	1,746
13															
14	IC/Jets	Energy	(0.051)	0.075	(0.007)	0.001	0	0	0	0	0	0	0	0	0.018
15		Energy Expense	30	8	7	-	-	-	-	-	-	-	-	-	51
16															
17	Newington:	Energy	12.141	(2.537)	1.104	(0.975)	0.000	9.068	38.688	25.389	0.000	0.000	0.000	4.836	87.714
18		Energy Expense	\$ 1,429	160	(136)	50	-	385	1,674	1,094	-	-	-	370	5,026
19		Oil Sale	-	-	-	(3,511)	(4,940)	-	-	-	-	-	-	-	(8,451)
20															
21	IPP's:	Energy	38.901	31.579	40.437	29.418	40.108	33.540	34.236	34.398	34.239	39.825	43.814	46.213	446.709
22		Energy Expense	\$ 1,450	896	986	758	1,006	932	1,164	1,132	1,004	1,228	1,455	2,038	14,050
23		ICAP	\$ 173	173	173	173	171	85	85	85	85	137	135	135	1,611
24															
25	Wood IPPs:	Energy	17.073	41.227	44.747	39.500	43.524	53.460	55.242	55.242	53.460	55.242	53.460	55.242	567.419
26		Energy Expense	\$ 543	1,214	1,100	989	1,092	1,485	1,878	1,818	1,568	1,704	1,775	2,437	17,602
27															
28	Peak Purchase:	Energy	0.000	0.000	0.000	0.000	81.588	76.066	27.918	88.696	78.145	91.292	86.823	5.174	535.701
29		Expense	\$ -	-	-	-	2,442	2,579	1,151	3,485	2,838	3,260	3,352	317	19,424
30															
31	Known Purchases	Energy	10.478	22.584	64.123	124.692	57.401	108.947	19.981	120.575	106.521	74.170	70.249	7.113	786.835
32		Expense	\$ 565	1,862	1,905	3,704	1,695	3,614	885	4,554	3,948	2,815	2,709	373	28,629
33															
34	Offpeak Purchase:	Energy	0.000	0.000	0.000	0.000	96.745	83.699	19.661	94.572	93.178	87.927	86.647	3.831	566.261
35		Expense	\$ 0	0	0	0	2,247	2,059	670	2,749	2,557	2,487	2,692	199	15,660
36															
37	ISO-NE, Net	Energy	26.127	88.922	105.968	119.371	0.000	(0.133)	(20.936)	(0.165)	0.000	0.000	0.000	(39.953)	279.200
38		Net Expense	\$ 1,764	2,137	2,595	2,750	0	(7)	(643)	(6)	0	0	0	(1,716)	6,874
39															
40	Congestion and Loss Adjustment		\$ 0	0	0	0	(87)	(110)	104	(116)	(113)	(84)	(72)	242	(237)
41															
42	Total Energy GWH		478.935	421.336	416.476	362.751	385.419	418.683	481.217	465.143	407.871	401.012	401.463	437.512	5,077.816
43	Total Energy Expense	\$	19,306	13,213	10,934	4,977	3,943	11,310	18,711	15,092	12,173	11,861	12,351	17,916	151,787
44															
45															
46	ISO-NE Ancillary	\$	181	(765)	200	113	155	182	213	205	177	164	164	182	1,172
47	NH RPS	\$	1,517	1,517	1,853	1,629	1,278	1,388	1,596	1,543	1,353	1,330	1,331	1,451	17,785
48	RGGI Costs	\$	180	145	124	101	0	5	244	13	0	0	0	268	1,080
49															
50	Capacity (sold)/bought MW		229	217	210	216	198	201	201	201	201	178	179	179	2,409
51	Capacity (sold)/bought Cost (\$000)	\$	736	709	683	719	713	592	592	592	592	526	528	528	7,512

Amounts shown above may not add due to rounding.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
2012 ENERGY SERVICE RATE CALCULATION

1 **Forecasted PSNH IPP Market Value - April - December 2012**

2	3	IPP Energy at					
		IPP	Mkt Value	Capacity	ICAP Value	ICAP	Total
4	5	GWh	(\$000)	MW	\$/kw-mo	(\$000)	(\$000)
6	Month						Total
7	May	40.108	1,006	47.6	3.60	171	1,178
8	June	33.540	932	28.8	2.95	85	1,017
9	July	34.236	1,164	28.8	2.95	85	1,249
10	August	34.398	1,132	28.8	2.95	85	1,217
11	September	34.239	1,004	28.8	2.95	85	1,089
12	October	39.825	1,228	46.3	2.95	137	1,365
13	November	43.814	1,455	45.8	2.95	135	1,590
14	December	46.213	2,038	45.8	2.95	135	2,174
15	Total	306.374	9,960			919	10,878
							35.51

Amounts shown above may not add due to rounding.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
2012 ENERGY SERVICE RATE CALCULATION
Fossil / Hydro O&M, Depreciation & Taxes Detail
(Dollars in 000's)

	January 2012 Actual	February 2012 Actual	March 2012 Actual	April 2012 Actual	May 2012 Estimate	June 2012 Estimate	July 2012 Estimate	August 2012 Estimate	September 2012 Estimate	October 2012 Estimate	November 2012 Estimate	December 2012 Estimate	Total
11 Fossil / Hydro O&M, Depr. & Taxes													
13 F/H Operation & Maintenance Cost	\$ 7,283	\$ 6,409	\$ 7,524	\$ 7,714	\$ 7,042	\$ 7,255	\$ 7,527	\$ 7,459	\$ 8,502	\$ 7,980	\$ 6,365	\$ 6,339	\$ 87,399
14 F/H Depreciation Cost	1,509	1,500	1,500	1,462	1,479	1,479	1,480	1,482	1,489	1,490	1,499	1,501	17,870
15 F/H Property Taxes	847	847	847	843	1,015	1,015	1,015	1,015	1,015	1,015	1,015	1,015	11,503
16 F/H Payroll Taxes	227	255	174	168	167	168	168	166	236	144	148	135	2,156
17 Amort. of Asset Retirement Obligation	38	38	38	39	53	53	54	54	54	55	55	55	589
19 Total F/H O&M, Depr. and Taxes	\$ 9,904	\$ 9,049	\$ 10,083	\$ 10,226	\$ 9,756	\$ 9,970	\$ 10,244	\$ 10,176	\$ 11,296	\$ 10,684	\$ 9,083	\$ 9,045	\$ 119,517

Amounts shown above may not add due to rounding.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
2012 ENERGY SERVICE RATE CALCULATION
FOSSIL/HYDRO RETURN ON RATE BASE
(Dollars in 000's)

	January 2012 Actual	February 2012 Actual	March 2012 Actual	April 2012 Actual	May 2012 Estimate	June 2012 Estimate	July 2012 Estimate	August 2012 Estimate	September 2012 Estimate	October 2012 Estimate	November 2012 Estimate	December 2012 Estimate	Total
Return on Rate Base													
Rate base													
Net Plant	304,829	304,829	303,345	303,345	297,607	296,527	295,988	297,276	296,516	298,402	297,401	296,614	
Working Capital Allow. (45 days of O&M)	10,775	10,775	10,775	10,775	10,775	10,775	10,775	10,775	10,775	10,775	10,775	10,775	
Fossil Fuel Inventory	67,674	67,674	57,505	57,505	54,331	52,595	50,868	50,905	50,982	51,097	51,212	51,375	
Mat'ls and Supplies	53,406	53,406	54,547	54,547	56,202	57,203	57,443	57,739	58,488	58,751	59,588	61,751	
Prepayments	2,590	2,590	2,243	2,243	2,575	2,575	2,575	2,575	2,575	2,575	2,575	2,575	
Deferred Taxes	(28,324)	(28,324)	(27,213)	(27,213)	(31,277)	(35,427)	(35,623)	(36,006)	(35,994)	(36,793)	(36,715)	(35,571)	
Other Regulatory Obligations	(15,391)	(15,391)	(22,055)	(22,055)	(13,431)	(4,901)	(5,565)	(6,193)	(7,865)	(8,378)	(8,895)	(10,389)	
Total Rate Base (L15 thru L22)	395,559	395,559	379,147	379,147	376,782	379,347	376,461	377,071	375,477	376,429	375,942	377,131	
Average Rate Base (prev + curr month)	395,413	395,559	387,353	379,147	377,965	378,065	377,904	376,766	376,274	375,953	376,185	376,536	
x Return	0.9235%	0.9235%	0.9235%	0.9186%	0.9186%	0.9186%	0.9186%	0.9186%	0.9186%	0.9186%	0.9186%	0.9186%	
Return (L25 x L26)	\$ 3,652	\$ 3,653	\$ 3,577	\$ 3,483	\$ 3,472	\$ 3,473	\$ 3,471	\$ 3,461	\$ 3,456	\$ 3,454	\$ 3,456	\$ 3,459	\$ 42,067

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PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
2012 ENERGY SERVICE RATE CALCULATION
DETAIL OF WOOD IPP PURCHASES
(000s)

		Actual January 2012	Actual February 2012	Actual March 2012	Actual April 2012	Estimate May 2012	Estimate June 2012	Estimate July 2012	Estimate August 2012	Estimate September 2012	Estimate October 2012	Estimate November 2012	Estimate December 2012	Total 2012
1	Detail of Wood IPP Purchases													
2	Generation - MWH													
3	Alexandria	3,180	7,485	8,069	10,259	10,044	9,720	10,044	10,044	9,720	10,044	9,720	10,044	108,373
4	Bethlehem	4,455	10,718	11,384	11,174	10,044	9,720	10,044	10,044	9,720	10,044	9,720	10,044	117,112
5	Bridgewater	4,015	9,874	11,248	9,413	10,044	9,720	10,044	10,044	9,720	10,044	9,720	10,044	113,930
6	Springfield	0	0	0	0	0	11,340	11,718	11,718	11,340	11,718	11,340	11,718	80,892
7	Tamworth	5,422	13,150	14,047	8,654	13,392	12,960	13,392	13,392	12,960	13,392	12,960	13,392	147,113
8		17,073	41,227	44,748	39,500	43,524	53,460	55,242	55,242	53,460	55,242	53,460	55,242	567,420
9	Contract Price Incl. Fuel Price Adj.													
10	Alexandria	\$ 219	\$ 516	\$ 632	\$ 689	\$ 734	\$ 710	\$ 734	\$ 734	\$ 710	\$ 734	\$ 710	\$ 734	7,856
11	Bethlehem	307	740	990	771	706	683	706	706	683	706	683	706	8,385
12	Bridgewater	277	681	868	649	742	718	742	742	718	742	718	742	8,339
13	Springfield	-	-	-	-	-	827	854	854	827	854	827	854	5,897
14	Tamworth	374	907	1,009	597	941	911	941	941	911	941	911	941	10,324
15		\$ 1,178	\$ 2,845	\$ 3,500	\$ 2,706	\$ 3,122	\$ 3,848	\$ 3,976	\$ 3,976	\$ 3,848	\$ 3,976	\$ 3,848	\$ 3,976	40,800
16	Contract Nodal Market Value													
17	Alexandria	\$ 102	\$ 222	\$ 205	\$ 261	\$ 252	\$ 270	\$ 341	\$ 331	\$ 285	\$ 310	\$ 323	\$ 443	3,345
18	Bethlehem	140	312	273	274	252	270	341	331	285	310	323	443	3,554
19	Bridgewater	129	295	280	243	252	270	341	331	285	310	323	443	3,502
20	Springfield	-	-	-	-	-	315	399	385	333	361	376	517	2,686
21	Tamworth	171	386	342	211	336	360	455	440	380	413	430	591	4,515
22		\$ 543	\$ 1,214	\$ 1,100	\$ 989	\$ 1,092	\$ 1,485	\$ 1,877	\$ 1,818	\$ 1,568	\$ 1,704	\$ 1,775	\$ 2,437	17,602
23	Fuel Price Adjustment													
24	Alexandria	\$ -	\$ -	\$ 76	\$ (19)	\$ 41	\$ 39	\$ 41	\$ 41	\$ 39	\$ 41	\$ 39	\$ 41	378
25	Bethlehem	-	-	204	-	13	12	13	13	12	13	12	13	304
26	Bridgewater	-	-	92	-	49	47	49	49	47	49	47	49	478
27	Springfield	-	-	-	-	-	44	46	46	44	46	44	46	315
28	Tamworth	-	-	40	-	17	16	17	17	16	17	16	17	173
29		\$ -	\$ -	\$ 412	\$ (19)	\$ 119	\$ 159	\$ 165	\$ 165	\$ 159	\$ 165	\$ 159	\$ 165	1,649
30	Over-Market													
31	Alexandria	\$ 117	\$ 295	\$ 427	\$ 428	\$ 482	\$ 440	\$ 393	\$ 403	\$ 425	\$ 424	\$ 387	\$ 291	4,511
32	Bethlehem	167	428	717	497	454	413	365	375	398	396	360	263	4,831
33	Bridgewater	148	387	588	406	490	448	401	411	433	432	395	299	4,837
34	Springfield	-	-	-	-	-	512	455	469	494	493	451	337	3,211
35	Tamworth	203	522	667	386	605	551	486	501	531	528	481	350	5,809
		\$ 635	\$ 1,631	\$ 2,400	\$ 1,718	\$ 2,030	\$ 2,363	\$ 2,099	\$ 2,158	\$ 2,280	\$ 2,272	\$ 2,073	\$ 1,539	23,200