

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE  
DISTRIBUTION SEGMENT RATE CASE--INTERIM RATE ADJUSTMENT FILING

Step Increase--Net Plant, Excluding Additions to the Reliability Enhancement Program (REP)

Summary--Revenue Requirements Increase

(Millions of Dollars)

	<u>Reference</u>
Proposed increase to revenue requirements based on the actual increase in net plant at March 31, 2013, consistent with the DE 09-035 Settlement Agreement (Note 1)	
<u>\$ 6.1</u>	page 3

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Note 1: As shown on page 2, the DE 09-035 Settlement Agreement projected a revenue requirements increase of \$9.5 million based on the budgeted increase to the net plant balance at March 31, 2013.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE  
 DISTRIBUTION SEGMENT RATE CASE--INTERIM RATE ADJUSTMENT FILING

Step Increase--Net Plant, Excluding Additions to the Reliability Enhancement Program (REP)

(Millions of Dollars)

Per the DE 09-035 Settlement

	<u>Dec. 31, 2009</u>	<u>Dec. 31, 2010</u>	<u>Dec. 31, 2011</u>	<u>Dec. 31, 2012</u>	<u>Dec. 31, 2013</u>
Total Utility Plant in Service	1,309	1,374	1,471	1,574	1,662
Accum Provision for Depreciation	<u>(420)</u>	<u>(399)</u>	<u>(420)</u>	<u>(441)</u>	<u>(469)</u>
	<u>889</u>	<u>975</u>	<u>1,051</u>	<u>1,133</u>	<u>1,193</u>
Less: REP Capital Additions		<u>(11)</u>	<u>(13)</u>	<u>(13)</u>	<u>(13)</u>
Net Plant w/o REP	<u>889</u>	<u>964</u>	<u>1,038</u>	<u>1,120</u>	<u>1,180</u>
Net Non-REP Plant Change ( year over year)		<u>75</u>	<u>74</u>	<u>82</u>	<u>60</u>
Net Plant @ 80%		<u>60</u>	<u>59</u>	<u>66</u>	<u>48</u>
ROR per Settlement		0.07513	0.07513	0.07513	0.07513
GRCF		<u>1.6814</u>	<u>1.6814</u>	<u>1.6814</u>	<u>1.6814</u>
Return		<u>7.6</u>	<u>7.5</u>	<u>8.3</u>	<u>6.1</u>
Depreciation @2.95%		<u>1.8</u>	<u>1.7</u>	<u>1.9</u>	<u>1.4</u>
Total Revenue Requirement		<u>9.3</u>	<u>9.2</u>	<u>10.2</u>	<u>7.5</u>

Settlement  
Agreement

Revenue Requirements related to step increase and net plant allowed for these step increases:

Revenue Requirement	Rev. Req. Step 1 07/01/2010	Net Plant Allowed	Rev. Req. Step 2 07/01/2011	Net Plant Allowed	Rev. Req. Step 3 07/01/2012	Net Plant Allowed	Rev. Req. Step 4 07/01/2013	Net Plant Allowed
01/01/2010-03/31/2010	2.3	18.8						
04/01/2010-12/31/2010			7.0	56.3				
01/01/2011-03/31/2011			2.3	18.5				
04/01/2011-12/31/2011					6.9	55.5		
01/01/2012-03/31/2012					2.6	20.5		
04/01/2012-12/31/2012							7.7	61.5
01/01/2013-03/31/2013							1.9	15.0
Revenue Increase	<u>2.3</u>		<u>9.3</u>		<u>9.5</u>		<u>9.5</u>	
2009 Net Plant		889						
Add: \$14 M of new vehicle purchases to replace leases		14						
Step 1 Net Plant Allowed at 3/31/2010		922						
Step 2 Net Plant Allowed at 3/31/2011				922				
Step 3 Net Plant Allowed at 3/31/2012				997				
Step 4 Net Plant Allowed at 3/31/2013						997		
						1,073		
								1,073
								1,149

Amounts shown above may not add due to rounding.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE  
 DISTRIBUTION SEGMENT RATE CASE--INTERIM RATE ADJUSTMENT FILING

Step Increase--Net Plant, Excluding Additions to the Reliability Enhancement Program (REP)

(Millions of Dollars)

	<u>Actual</u>			
	<u>Dec. 31, 2011</u>	<u>March 31, 2012</u>	<u>Dec. 31, 2012</u>	<u>March 31, 2013</u>
Total Utility Plant in Service	1,442	1,455	1,511	1,526
Accum Provision for Depreciation	<u>(429)</u>	<u>(431)</u>	<u>(448)</u>	<u>(451)</u>
	<u>1,013</u>	<u>1,024</u>	<u>1,063</u>	<u>1,075</u>
Less: REP Capital Additions (a)	<u>(12)</u>	<u>(11)</u>	<u>(12)</u>	<u>(14)</u>
Net Plant w/o REP	<u>1,001</u>	<u>1,013</u>	<u>1,051</u>	<u>1,061</u>
Net Non-REP Plant Change April 2012 to Dec. 2012 (\$1,051 - \$1,013)			38	
Net Non-REP Plant Change Jan. 2013 to March 2013 (\$1,061 - \$1,051)				<u>11</u>
Net Plant @ 80%			30	9
ROR per Settlement			0.07513	0.07513
GRCF			<u>1.6814</u>	<u>1.6814</u>
Return			3.8	1.1
Depreciation @2.95%			<u>0.9</u>	<u>0.3</u>
Total Revenue Requirement			<u>4.7</u>	<u>1.4</u>

Revenue Requirements related to step increase:

<u>Revenue Requirement</u>	<u>Rev. Req. Step 4 07/01/2013</u>
04/01/2012-12/31/2012	4.7
01/01/2013-03/31/2013	1.4
Revenue Increase	<u>6.1</u>

(a) REP at December 31, 2012 is for the 12 month period January 2012 through December 2012, and REP at March 31, 2013 is for the 12 month period April 2012 through March 2013. See pages 7 and 8.

Amounts shown above are based on the values from pages 4 through 8 and may not add due to rounding.

Actual Values

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE  
DISTRIBUTION SEGMENT RATE CASE--INTERIM RATE ADJUSTMENT FILING

(Thousands of Dollars)

<b>Actuals At 3/31/2013</b>				
<b>Plant Account</b>	<b>Account Description</b>	<b>Plant Total</b>	<b>Accumulated Reserve</b>	<b>Net Book Value</b>
301	Organization	45	0	45
303	Miscellaneous Intangible Plant	31,889	16,754	15,135
360	Land and Land Rights	5,695	0	5,695
361	Structures and Improvements	15,008	4,814	10,195
362	Station Equipment	201,302	43,503	157,799
364	Poles, Towers and Fixtures	222,837	112,118	110,719
365	Overhead Conductors and Devices	348,169	85,362	262,807
366	Underground Conduit	21,642	3,726	17,916
367	Underground Conductors and Devices	104,100	26,693	77,407
368	Line Transformers	213,749	60,445	153,304
369	Services	123,599	23,246	100,354
370	Meters	63,343	27,449	35,894
371	Installation on Customer Premises	5,007	1,110	3,897
373	Street Lighting and Signal Systems	5,788	3,324	2,463
389	Land and Land Rights	4,432	0	4,432
390	Structures and Improvements	72,310	8,160	64,150
391	Office Furniture and Equipment	19,839	11,370	8,469
392	Transportation Equipment	25,569	7,013	18,555
393	Stores Equipment	2,164	360	1,803
394	Tools, Shop and Garage Equipment	8,736	3,309	5,428
395	Laboratory Equipment	3,637	1,647	1,990
396	Power Operated Equipment	136	29	106
397	Communication Equipment	25,331	9,647	15,684
398	Miscellaneous Equipment	1,657	695	962
	Subtotal--Plant Account Level	1,525,983	450,773	1,075,210
	Asset Retirement Obligation	372	168	204
	Provision for Amortization - Plt in Service	0	321	(321)
	<b>Total</b>	<b>1,526,355</b>	<b>451,261</b>	<b>1,075,093</b>

Amounts shown above may not add due to rounding.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE  
DISTRIBUTION SEGMENT RATE CASE--INTERIM RATE ADJUSTMENT FILING

(Thousands of Dollars)

<b>Actuals At 3/31/2012</b>				
<b>Plant Account</b>	<b>Account Description</b>	<b>Plant Total</b>	<b>Accumulated Reserve</b>	<b>Net Book Value</b>
301	Organization	45	0	45
303	Miscellaneous Intangible Plant	31,292	10,590	20,702
360	Land and Land Rights	4,522	0	4,522
361	Structures and Improvements	14,362	4,602	9,760
362	Station Equipment	179,937	41,224	138,713
364	Poles, Towers and Fixtures	214,243	108,921	105,321
365	Overhead Conductors and Devices	335,842	81,888	253,954
366	Underground Conduit	20,755	3,516	17,238
367	Underground Conductors and Devices	98,429	25,840	72,589
368	Line Transformers	206,234	57,812	148,421
369	Services	118,430	21,420	97,010
370	Meters	62,076	26,461	35,615
371	Installation on Customer Premises	4,928	1,301	3,627
373	Street Lighting and Signal Systems	5,684	3,186	2,498
389	Land and Land Rights	4,418	0	4,418
390	Structures and Improvements	71,434	8,421	63,013
391	Office Furniture and Equipment	18,344	14,831	3,513
392	Transportation Equipment	23,187	4,668	18,519
393	Stores Equipment	1,993	296	1,697
394	Tools, Shop and Garage Equipment	7,896	3,145	4,751
395	Laboratory Equipment	3,738	1,717	2,021
396	Power Operated Equipment	136	16	119
397	Communication Equipment	25,389	10,789	14,600
398	Miscellaneous Equipment	1,604	655	949
	Subtotal--Plant Account Level	1,454,917	431,300	1,023,617
	Asset Retirement Obligation	386	165	221
	Provision for Amortization - Plt in Service	0	288	(288)
	<b>Total</b>	<b>1,455,302</b>	<b>431,753</b>	<b>1,023,549</b>

Amounts shown above may not add due to rounding.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE  
DISTRIBUTION SEGMENT RATE CASE--INTERIM RATE ADJUSTMENT FILING

(Thousands of Dollars)

<b>Change Between Periods (3/31/12 - 3/31/13)</b>				
<b>Plant Account</b>	<b>Account Description</b>	<b>Plant Total</b>	<b>Accumulated Reserve</b>	<b>Net Book Value</b>
301	Organization	0	-	0
303	Miscellaneous Intangible Plant	597	6,164	(5,567)
360	Land and Land Rights	1,173	-	1,173
361	Structures and Improvements	647	212	435
362	Station Equipment	21,365	2,279	19,086
364	Poles, Towers and Fixtures	8,594	3,196	5,398
365	Overhead Conductors and Devices	12,327	3,474	8,853
366	Underground Conduit	888	210	678
367	Underground Conductors and Devices	5,671	853	4,818
368	Line Transformers	7,515	2,632	4,883
369	Services	5,169	1,826	3,343
370	Meters	1,267	988	279
371	Installation on Customer Premises	79	(191)	270
373	Street Lighting and Signal Systems	104	139	(34)
389	Land and Land Rights	13	-	13
390	Structures and Improvements	876	(261)	1,137
391	Office Furniture and Equipment	1,495	(3,461)	4,956
392	Transportation Equipment	2,382	2,345	36
393	Stores Equipment	171	65	106
394	Tools, Shop and Garage Equipment	841	164	677
395	Laboratory Equipment	(101)	(70)	(31)
396	Power Operated Equipment	0	13	(13)
397	Communication Equipment	(58)	(1,142)	1,084
398	Miscellaneous Equipment	52	39	13
	Subtotal--Plant Account Level	71,066	19,473	51,593
	Asset Retirement Obligation	(14)	3	(17)
	Provision for Amortization - Plt in Service	0	33	(33)
	<b>Total</b>	<b>71,052</b>	<b>19,508</b>	<b>51,544</b>

Amounts shown above may not add due to rounding.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE  
 DISTRIBUTION SEGMENT RATE CASE--INTERIM RATE ADJUSTMENT FILING

(Thousands of Dollars)

PSNH Reliability Enhancement Program Projects (REP 2) April 1, 2012 through March 31, 2013

Project	Project Description	Apr 2012	May 2012	June 2012	July 2012	Aug 2012	Sept 2012	Oct 2012	Nov 2012	Dec 2012	Jan 2013	Feb 2013	Mar 2013	Total
A04S34	DIRECT BURIED CABLE REPLACEMENT	8	1	15	8	(0)	10	5	9	162	578	13	7	817
A07DL41	REPLACE LEGACY ASW POLE TOP RTU'S	4	1	92	3	15	78	(3)	(28)	(0)	64	59	4	290
A07SS41	REPL SUBSTATION RTU REPLACEMENT	69	3	66	4	-	75	0	-	-	-	-	-	217
A07WI42	ENABLE SCADA TO WINDSOR BACKUP	1	-	(0)	-	-	-	-	-	-	-	-	-	1
A07X44	REPLACE 34.5KV CIRCUIT BREAKER PROGRAM	144	3	(12)	(0)	-	-	-	-	-	-	-	-	135
A07X45	REJECT POLE REPLACEMENT	33	18	26	30	21	50	44	30	41	110	80	62	546
A07X98	NESC CAPITAL REPAIRS	126	129	177	97	71	256	250	84	152	287	181	362	2,172
A07X99	POLE REINFORCEMENT	-	10	-	0	-	0	-	-	-	28	-	-	38
A08X44	AIR BRAKE SWITCH REPLACEMENT PROGRAM	(16)	10	2	32	(10)	1	142	73	0	2	9	0	246
A10X04	DIRECT BURIED CABLE INJECTION	115	(1)	-	5	30	10	0	67	398	583	(0)	9	1,216
A10X06	DIS LINE WIRE UPGRADE / ELIMINATE NARROW	(0)	-	-	56	4	107	3	(0)	58	2	-	35	264
A13X04	HAZARD TREE REMOVAL	-	-	-	-	-	-	-	-	-	-	264	156	420
C11ETT	2011 ENHANCED TREE TRIMMING FOR PSNH	-	2	0	0	0	0	-	-	(49)	-	-	-	(47)
C12ETT	2012 ENHANCED TREE TRIMMING FOR PSNH	439	384	172	197	176	210	225	303	102	2	0	-	2,212
C13ETT	ETT (REP II)	-	-	-	-	-	-	-	-	-	-	351	208	559
DR9A	RELIABILITY IMPROVEMENTS - LANCASTER	0	-	-	-	20	0	1	-	-	0	2	(0)	24
DR9C	RELIABILITY IMPROVEMENTS - CHOCORUA	-	-	-	30	(2)	-	0	-	-	0	-	-	28
DR9D	RELIABILITY IMPROVEMENTS - DERRY	3	0	4	0	3	9	2	0	1	6	0	1	30
DR9E	RELIABILITY IMPROVEMENTS - EPPING	3	-	0	0	-	-	0	-	-	-	8	2	13
DR9H	RELIABILITY IMPROVEMENTS - HILLSBORO	0	-	1	1	8	10	1	0	19	1	3	(0)	44
DR9K	RELIABILITY IMPROVEMENTS - KEENE	1	9	1	0	7	(0)	0	-	0	-	19	1	38
DR9L	RELIABILITY IMPROVEMENTS - LACONIA	15	0	0	2	0	0	8	(0)	1	2	0	-	28
DR9M	RELIABILITY IMPROVEMENTS - MILFORD	0	0	14	1	(6)	0	0	0	-	-	-	-	9
DR9N	RELIABILITY IMPROVEMENTS - NASHUA	5	(0)	1	11	0	(0)	0	-	-	3	4	4	27
DR9P	RELIABILITY IMPROVEMENTS - PORTSMOUTH	3	1	0	0	3	-	43	1	2	(0)	2	-	55
DR9R	RELIABILITY IMPROVEMENTS - PSNH	0	-	0	0	-	-	-	-	-	-	-	-	0
DR9S	RELIABILITY IMPROVEMENTS - ROCHESTER	1	1	-	(1)	-	1	(0)	-	0	3	0	(0)	5
DR9W	RELIABILITY IMPROVEMENTS - NEWPORT	19	2	4	7	9	0	0	0	2	0	0	-	43
DR9Y	RELIABILITY IMPROVEMENTS - MANCH EAST	(3)	57	8	(0)	0	-	(0)	0	2	10	0	35	109
DR9Z	RELIABILITY IMPROVEMENTS - BEDFORD	1	3	-	0	(0)	0	(0)	(0)	-	0	2	9	15
UB1231	HAZARD TREE REMOVAL TREE TRIMMIN	-	-	-	-	-	-	-	2,808	(1,601)	(0)	35	-	1,243
UB1233	FULL WIDTH ROW CLEARING TREE TRM	-	-	-	-	-	-	-	2,695	(780)	-	-	-	1,915
UB3CAD	PORCELAIN CHANGE-OUT	46	94	58	186	72	88	75	7	3	26	37	122	813
Total		1,019	727	630	670	423	906	795	6,049	(1,488)	1,707	1,070	1,016	13,525 (REP 2 Dollars)

REP by time period:

At December 31, 2012:

Total REP 2 In Service - January 1, 2012 Through March 31, 2012 (Page 8 of 8)	2,704
Total REP 2 In Service - April 1, 2012 through December 31, 2012	9,732

Total REP 2 In Service - January 1, 2012 Through December 31, 2012	12,436
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At March 31, 2013:

Total REP 2 In Service - April 1, 2012 Through March 31, 2013	13,525
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Amounts shown above may not add due to rounding.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE  
 DISTRIBUTION SEGMENT RATE CASE--INTERIM RATE ADJUSTMENT FILING

(Thousands of Dollars)

PSNH Reliability Enhancement Program Projects (REP 2) April 1, 2011 through March 31, 2012

Project	Project Description	Apr 2011	May 2011	June 2011	July 2011	Aug 2011	Sept 2011	Oct 2011	Nov 2011	Dec 2011	Jan 2012	Feb 2012	Mar 2012	Total
A04S34	DIRECT BURIED CABLE REPLACEMENT	2	722	(137)	5	(15)	-	289	59	192	15	(3)	4	1,132
A07DL41	REPLACE LEGACY ASW POLE TOP RTU'S	280	34	3	61	(42)	97	63	30	1	2	74	59	661
A07SS41	REPL SUBSTATION RTU REPLACEMENT	-	-	-	-	-	-	114	-	205	9	(2)	-	326
A07WI42	ENABLE SCADA TO WINDSOR BACKUP	(12)	0	2	0	-	-	-	-	-	-	-	24	14
A07X44	REPLACE 34.5KV CIRCUIT BREAKER PROGRAM	-	-	-	-	-	-	-	-	538	5	4	210	758
A07X45	REJECT POLE REPLACEMENT	80	62	36	68	196	63	31	28	40	199	131	(6)	927
A07X98	NESC CAPITAL REPAIRS	177	129	74	45	85	27	77	11	37	41	93	91	887
A07X99	POLE REINFORCEMENT	-	-	-	-	-	-	-	-	-	-	7	-	7
A08X44	AIR BRAKE SWITCH REPLACEMENT PROGRAM	-	20	(0)	3	(0)	-	-	-	25	0	-	220	269
A10X04	DIRECT BURIED CABLE INJECTION	-	-	7	32	(14)	-	72	0	50	(0)	-	83	230
A10X06	DIS LINE WIRE UPGRADE / ELIMINATE NARROW	1	-	-	105	3	(1)	0	-	-	103	(0)	(3)	207
C10ETT	2010 ENHANCED TREE TRIMMING FOR PSNH	-	0	0	(51)	59	(51)	55	-	-	-	-	-	13
C11ETT	2011 ENHANCED TREE TRIMMING FOR PSNH	333	75	313	204	143	36	195	40	231	0	0	0	1,571
C12ETT	2012 ENHANCED TREE TRIMMING FOR PSNH	-	-	-	-	-	-	-	-	-	-	264	305	568
DR9A	RELIABILITY IMPROVEMENTS - LANCASTER	-	2	3	0	-	-	-	-	-	-	-	5	10
DR9C	RELIABILITY IMPROVEMENTS - CHOCORUA	0	-	(0)	-	0	-	-	-	8	0	0	0	9
DR9D	RELIABILITY IMPROVEMENTS - DERRY	1	0	-	(0)	3	0	(0)	-	-	1	5	3	14
DR9E	RELIABILITY IMPROVEMENTS - EPPING	68	1	0	0	-	-	0	0	-	-	-	-	70
DR9H	RELIABILITY IMPROVEMENTS - HILLSBORO	12	7	1	1	6	2	3	0	-	10	0	0	42
DR9K	RELIABILITY IMPROVEMENTS - KEENE	42	5	0	0	-	-	0	-	-	3	31	1	82
DR9L	RELIABILITY IMPROVEMENTS - LACONIA	17	46	0	(1)	0	7	0	-	3	0	9	27	107
DR9M	RELIABILITY IMPROVEMENTS - MILFORD	1	0	6	1	0	(0)	-	-	-	-	-	2	10
DR9N	RELIABILITY IMPROVEMENTS - NASHUA	0	0	0	0	0	-	-	0	6	0	0	14	20
DR9P	RELIABILITY IMPROVEMENTS - PORTSMOUTH	(1)	6	0	0	-	-	-	0	-	-	77	5	88
DR9R	RELIABILITY IMPROVEMENTS - PSNH	65	-	-	0	-	-	-	-	-	7	(1)	46	118
DR9S	RELIABILITY IMPROVEMENTS - ROCHESTER	3	1	0	-	-	-	-	-	56	61	11	2	133
DR9W	RELIABILITY IMPROVEMENTS - NEWPORT	41	13	3	7	1	1	(0)	1	35	0	45	(0)	147
DR9Y	RELIABILITY IMPROVEMENTS - MANCH EAST	5	1	0	5	6	4	0	0	-	26	48	2	98
DR9Z	RELIABILITY IMPROVEMENTS - BEDFORD	15	2	2	0	1	1	1	-	0	-	9	16	48
UB3CAD	PORCELAIN CHANGE-OUT	359	279	139	121	440	130	281	78	688	102	144	64	2,824
Total		1,488	1,403	453	609	873	318	1,181	245	2,116	591	939	1,174	11,389 (REP 2 Dollars)

REP by time period--

Total REP 2 in service January 1, 2012 through March 31, 2012 (to page 7 of 8).

2,704

Total REP 2 In Service - April 1, 2011 Through March 31, 2012

11,389

Amounts shown above may not add due to rounding.



PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE  
 DISTRIBUTION SEGMENT RATE CASE--INTERIM RATE ADJUSTMENT FILING

MSCR / Storm Cost Status

	Actual Balance 03/31/2013	Current MSCR Funding 4/1/13-6/30/13 (\$7M/yr)	Projected Carrying Charges 4/1/13-6/30/13	Projected Balance 06/30/2013 (millions)	Proposed MSCR funding 7/1/13-6/30/15 \$12M/Yr	Projected Carrying Charges 7/1/13-6/30/15	Projected Balance 06/30/2015
Tropical Storm Irene (2011)	\$ 7.4	\$ -	\$ 0.1	\$ 7.5	\$ -	\$ 0.8	\$ 8.3
October Snowstorm (2011)	16.5	-	0.3	16.8	-	1.7	18.5
Storm Sandy (2012)	11.2	-	0.2	11.4	-	1.1	12.5
Pre-Staging Costs (12/27/12, 2/8/13, 2/27/13, 3/19/13)	2.6	-	0.0	2.6	-	0.3	2.9
Total deferred MSCR storm costs	37.7	-	0.6	38.3	-	3.9	42.2
Less MSCR balance	13.7	1.8	0.1	15.6	24.0	2.9	42.5
Net unrecovered MSCR storm costs	\$ 24.0	\$ (1.8)	\$ 0.5	\$ 22.7	\$ (24.0)	\$ 1.0	\$ (0.3)

Note: Assumes no new storm or pre-staging costs through 6/30/2015.