



**Public Service
of New Hampshire**

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The Northeast Utilities System

ORIGINAL	
Case No.	DE 10-256
Exhibit No.	#2
Witness	Robert Baumann
DO NOT REMOVE FROM FILE	

December 16, 2010

Debra 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
Petition for Adjustment of Stranded Cost Recovery Charge - Docket No. DE 10-256

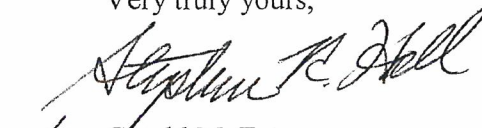
Dear Secretary Howland:

Enclosed please find an original and six copies of updated exhibits to the testimony of Robert A. Baumann based upon the most recent information available. This filing reflects Public Service Company of New Hampshire's ("PSNH") final request for approval of an average Stranded Cost Recover Charge (SCRC) rate of 1.17 cents per kilowatt-hour for the period from January 1, 2011 through December 31, 2011.

On September 21, 2010, PSNH filed preliminary information requesting the Commission to open a proceeding to establish a new SCRC rate and supporting an average estimated a rate for effect on January 1, 2011 of 1.18 cents per kilowatt-hour. As a result of an agreement reached between the Staff and the Parties, the Commission issued a Secretarial letter dated October 22, 2010 approving a procedural schedule which called for this filing to be made today. Pursuant to that requirement, PSNH is providing an updated rate and the underlying data supporting the rate.

Thank you for your cooperation in this matter.

Very truly yours,


for Gerald M. Eaton
Senior Counsel

Enclosures
cc: Service List

MPUC DEC 16 '10 PM 3:32

PURSUANT TO N.H. ADMIN RULE PUC 203.09 (d), FILE DISCOVERY

DIRECTLY WITH THE FOLLOWING STAFF

RATHER THAN WITH THE EXECUTIVE DIRECTOR

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BULK MATERIALS:

Upon request, Staff may waive receipt of some of its multiple copies of bulk materials filed as data responses. Staff cannot waive other parties' right to receive bulk materials.

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Docket #: 10-256-1 Printed: December 16, 2010

FILING INSTRUCTIONS:

- a) Pursuant to N.H. Admin Rule Puc 203.02 (a), with the exception of Discovery, file 7 copies, as well as an electronic copy, of all documents including cover letter with:
- b) Serve an electronic copy with each person identified on the Commission's service list and with the Office of Consumer Advocate.
- c) Serve a written copy on each person on the service list not able to receive electronic mail.

DEBRA A HOWLAND
EXEC DIRECTOR & SECRETARY
NHPUC
21 S. FRUIT ST, SUITE 10
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PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
PROJECTED JANUARY THROUGH DECEMBER 2011 SCRC RATE CALCULATION
000s

	<u>Total 2011 Stranded Cost</u>	<u>Source</u>
1 Part 1 - Rate Recovery Bonds (RRB)	\$ 61,203	Attachment RAB-1, Page 3
2 Part 2 - Ongoing SCRC Costs	30,885	Attachment RAB-1, Page 3
3 Part 2 - 2010 Estimated SCRC under/(over) Recovery	<u>(873)</u>	Attachment RAB-2, Page 1
4 Total Updated SCRC Cost (L1+L2+L3)	\$ 91,215	
5 Forecasted Retail MWH Sales	7,799,005	
6 Forecasted SCRC Rate - cents per kWh	<u><u>1.17</u></u>	

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
PROJECTED JANUARY THROUGH DECEMBER 2011 SCRC RATE CALCULATION

000s

<u>SCRC Cost</u>	<u>January 2011</u>	<u>February 2011</u>	<u>March 2011</u>	<u>April 2011</u>	<u>May 2011</u>	<u>June 2011</u>	<u>Total for the six months ended 6/30/11</u>	<u>Source</u>
1 SCRC Part 1 Costs	\$ 5,036	\$ 5,186	\$ 5,186	\$ 5,186	\$ 4,939	\$ 4,939	\$ 30,474	Attachment RAB-1, Page 4
2 SCRC Part 2 Costs	2,509	2,283	3,040	2,808	2,543	2,460	15,644	Attachment RAB-1, Page 6
3 2010 estimated SCRC under(over) Recovery	(873)	-	-	-	-	-	(873)	Attachment RAB-2, Page 1
4 Total SCRC Cost	\$ 6,672	\$ 7,470	\$ 8,227	\$ 7,995	\$ 7,482	\$ 7,399	\$ 45,244	
5 Total SCRC Revenue @ 1.17 cents/kwh	8,493	7,524	7,582	6,975	6,995	7,384	44,953	
6 SCRC under/(over) Recovery	\$ (1,821)	\$ (54)	\$ 645	\$ 1,020	\$ 487	\$ 15	\$ 291	
7 Retail MWH Sales	725,907	643,064	648,012	596,134	597,875	631,143	3,842,135	

8 Amounts shown above may not add due to rounding.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
PROJECTED JANUARY THROUGH DECEMBER 2011 SCRC RATE CALCULATION

000s

<u>SCRC Cost</u>	<u>July 2011</u>	<u>August 2011</u>	<u>September 2011</u>	<u>October 2011</u>	<u>November 2011</u>	<u>December 2011</u>	<u>Total for the twelve months ended 12/31/11</u>	<u>Source</u>
1 SCRC Part 1 Costs	\$ 4,939	\$ 5,260	\$ 5,260	\$ 5,260	\$ 5,006	\$ 5,006	\$ 61,203	Attachment RAB-1, Page 5
2 SCRC Part 2 Costs	2,427	2,389	2,212	2,701	2,782	2,731	30,885	Attachment RAB-1, Page 7
3 2010 estimated SCRC under(over) Recovery	-	-	-	-	-	-	(873)	Attachment RAB-2, Page 1
4 Total SCRC Cost	\$ 7,366	\$ 7,649	\$ 7,472	\$ 7,961	\$ 7,787	\$ 7,736	\$ 91,215	
5 Total SCRC Revenue @ 1.17 cents/kwh	8,379	8,113	7,316	7,200	7,220	8,068	91,248	
6 SCRC under/(over) Recovery	\$ (1,013)	\$ (464)	\$ 155	\$ 761	\$ 567	\$ (331)	\$ (33)	
7 Retail MWH Sales	716,126	693,393	625,333	615,358	617,120	689,540	7,799,005	

8 Amounts shown above may not add due to rounding.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
PROJECTED JANUARY THROUGH DECEMBER 2011 SCRC RATE CALCULATION

SECURITIZED COSTS

000s

		January 2011	February 2011	March 2011	April 2011	May 2011	June 2011	Total for the six months ended 6/30/11
SCRC Part 1 <u>Amortization of Securitized Assets</u>								
1 <u>Principal</u>								
2 Amortization of Seabrook cost	\$	4,011	\$ 4,218	\$ 4,218	\$ 4,218	\$ 4,052	\$ 4,052	\$ 24,771
3 Amortization of MP 3		127	134	134	134	129	129	786
4 Amortization of RRB1 financing cost		94	99	99	99	95	95	583
5 Total		4,232	4,451	4,451	4,451	4,276	4,276	26,139
6 <u>Interest and Fees</u>								
7 RRB1 Interest		747	678	678	678	606	606	3,992
8 RRB fees		57	57	57	57	57	57	342
9 Total		804	735	735	735	663	663	4,334
10 Total SCRC Part 1 cost	\$	<u>5,036</u>	<u>5,186</u>	<u>5,186</u>	<u>5,186</u>	<u>4,939</u>	<u>4,939</u>	<u>30,474</u>

11 Amounts shown above may not add due to rounding.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
PROJECTED JANUARY THROUGH DECEMBER 2011 SCRC RATE CALCULATION

SECURITIZED COSTS

000s

SCRC Part 1 <u>Amortization of Securitized Assets</u>	July 2011	August 2011	September 2011	October 2011	November 2011	December 2011	Total for the twelve months ended 12/31/11
1 Principal							
2 Amortization of Seabrook cost	\$ 4,052	\$ 4,422	\$ 4,422	\$ 4,422	\$ 4,253	\$ 4,253	\$ 50,593
3 Amortization of MP 3	129	140	140	140	135	135	1,606
4 Amortization of RRB1 financing cost	95	104	104	104	100	100	1,190
5 Total	4,276	4,666	4,666	4,666	4,488	4,488	53,389
6 Interest and Fees							
7 RRB1 Interest	606	537	537	537	461	461	7,130
8 RRB fees	57	57	57	57	57	57	684
9 Total	663	594	594	594	518	518	7,814
10 Total SCRC Part 1 cost	<u>\$ 4,939</u>	<u>\$ 5,260</u>	<u>\$ 5,260</u>	<u>\$ 5,260</u>	<u>\$ 5,006</u>	<u>\$ 5,006</u>	<u>\$ 61,203</u>

11 Amounts shown above may not add due to rounding.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
PROJECTED JANUARY THROUGH DECEMBER 2011 SCRC RATE CALCULATION

PART 2 ONGOING COSTS

000s

SCRC Part 2 Ongoing Costs	January 2011	February 2011	March 2011	April 2011	May 2011	June 2011	Total for the six months ended 06/30/11
Ongoing Costs - IPP							
1 Amortization and return on IPP							
2 Buydown/Buyout Savings	\$ 221	\$ 221	\$ 221	\$ 221	\$ 221	\$ 221	\$ 1,328
3 IPP Ongoing costs:							
4 Total IPP Cost	5,879	5,343	5,912	5,397	4,822	4,460	31,813
5 less: IPP at Market Cost	3,201	2,902	2,727	2,459	2,164	1,897	15,350
6 Above Market IPP Cost	2,678	2,441	3,185	2,938	2,658	2,563	16,463
7 Total Part 2 Costs	\$ 2,899	\$ 2,662	\$ 3,406	\$ 3,159	\$ 2,879	\$ 2,784	\$ 17,791
Ongoing Costs - Return							
8 Return on ADIT - Securitized							
9 Stranded Costs	(352)	(341)	(329)	(318)	(306)	(295)	(1,941)
10 Return on Yankee Decommissioning							
11 Obligations and CVEC, net of deferred taxes	(34)	(34)	(34)	(34)	(34)	(34)	(206)
12 Return on SCRC deferred balance	(4)	(4)	(3)	1	4	5	(1)
13 Total Part 2 Return	\$ (390)	\$ (379)	\$ (366)	\$ (351)	\$ (337)	\$ (324)	\$ (2,147)
14 Total Part 2 Ongoing Costs and Return	\$ 2,509	\$ 2,283	\$ 3,040	\$ 2,808	\$ 2,543	\$ 2,460	\$ 15,644
15 Amounts shown above may not add due to rounding.							

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
PROJECTED JANUARY THROUGH DECEMBER 2011 SCRC RATE CALCULATION

PART 2 ONGOING COSTS

000s

SCRC Part 2 Ongoing Costs	July 2011	August 2011	September 2011	October 2011	November 2011	December 2011	Total for the twelve months ended 12/31/11
Ongoing Costs - IPP							
1 Amortization and return on IPP							
2 Buydown/Buyout Savings	\$ 221	\$ 221	\$ 221	\$ 221	\$ 221	\$ 221	\$ 2,656
3 IPP Ongoing costs:							
4 Total IPP Cost	4,853	4,779	4,161	4,932	5,376	5,698	61,612
5 less: IPP at Market Cost	2,332	2,304	1,875	2,171	2,549	2,934	29,515
6 Above Market IPP Cost	2,521	2,475	2,286	2,761	2,827	2,764	32,097
7 Total Part 2 Costs	\$ 2,742	\$ 2,696	\$ 2,507	\$ 2,982	\$ 3,048	\$ 2,985	\$ 34,753
Ongoing Costs - Return							
8 Return on ADIT - Securitized							
9 Stranded Costs	(284)	(272)	(260)	(248)	(236)	(225)	(3,466)
10 Return on Yankee Decommissioning							
11 Obligations and CVEC, net of deferred taxes	(34)	(34)	(34)	(34)	(34)	(34)	(411)
12 Return on SCRC deferred balance	3	(0)	(1)	1	4	4	9
13 Total Part 2 Return	\$ (315)	\$ (307)	\$ (296)	\$ (281)	\$ (267)	\$ (255)	\$ (3,868)
14 Total Part 2 Ongoing Costs and Return	\$ 2,427	\$ 2,389	\$ 2,212	\$ 2,701	\$ 2,782	\$ 2,731	\$ 30,885
15 Amounts shown above may not add due to rounding.							

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE

2010 SCRC RECONCILIATION

000s

	<u>Stranded Cost</u>	<u>Source</u>
1 Part 1 - Rate Recovery Bonds (RRB)	\$ 60,851	Attachment RAB-2, Page 3
2 Part 2 - Ongoing SCRC Costs	27,856	Attachment RAB-2, Page 3
3 Part 2 - 2009 Actual SCRC under/(over) Recovery	<u>3,883</u>	Attachment RAB-2, Page 3
4 Total Updated SCRC Cost (L1+L2+L3)	\$ 92,589	
5 Total Updated SCRC Revenue	<u>93,462</u>	Attachment RAB-2, Page 3
6 Total 2010 Estimated SCRC under/(over) Recovery (L4 - L5)	<u>(873)</u>	

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE

2010 SCRC RECONCILIATION

000s

<u>SCRC Cost</u>	<u>Actual January 2010</u>	<u>Actual February 2010</u>	<u>Actual March 2010</u>	<u>Actual April 2010</u>	<u>Actual May 2010</u>	<u>Actual June 2010</u>	<u>Total for the six months ended 6/30/10</u>	<u>Source</u>
1 SCRC Part 1 Costs	\$ 4,999	\$ 5,149	\$ 5,149	\$ 5,171	\$ 4,896	\$ 4,896	\$ 30,261	Attachment RAB-2, Page 4
2 SCRC Part 2 Costs	1,721	1,975	3,150	2,702	2,229	2,206	13,984	Attachment RAB-2, Page 6
3 2009 Actual SCRC under(over) Recovery	3,883	-	-	-	-	-	3,883	
4 Total SCRC Cost	\$ 10,603	\$ 7,124	\$ 8,300	\$ 7,874	\$ 7,125	\$ 7,102	\$ 48,127	
5 Total SCRC Revenue @ 1.18 cents/kwh	8,303	7,125	7,344	6,777	7,353	7,928	44,830	
6 SCRC under/(over) Recovery	\$ 2,300	\$ (1)	\$ 956	\$ 1,097	\$ (229)	\$ (827)	\$ 3,297	
7 Retail MWH Sales	696,711	611,006	623,942	572,907	620,617	661,878	3,787,060	

8 Amounts shown above may not add due to rounding.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE

2010 SCRC RECONCILIATION

000s

<u>SCRC Cost</u>	Actual July 2010	Actual August 2010	Actual September 2010	Actual October 2010	Actual November 2010	Estimate December 2010	Total for the twelve months ended 12/31/10	Source
1 SCRC Part 1 Costs	\$ 4,896	\$ 5,224	\$ 5,219	\$ 5,219	\$ 4,985	\$ 5,046	\$ 60,851	Attachment RAB-2, Page 5
2 SCRC Part 2 Costs	2,109	2,046	1,865	2,731	2,695	2,427	27,856	Attachment RAB-2, Page 7
3 2009 Actual SCRC under(over) Recovery	-	-	-	-	-	-	3,883	
4 Total SCRC Cost	\$ 7,004	\$ 7,271	\$ 7,084	\$ 7,951	\$ 7,680	\$ 7,472	\$ 92,589	
5 Total SCRC Revenue @ 1.20 cents/kwh	9,446	8,711	7,641	7,288	7,312	8,234	93,462	
6 SCRC under/(over) Recovery	\$ (2,442)	\$ (1,441)	\$ (556)	\$ 662	\$ 368	\$ (762)	\$ (873)	
7 Retail MWH Sales	787,573	724,536	634,541	607,884	609,018	686,181	7,836,793	

8 Amounts shown above may not add due to rounding.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE

2010 SCRC RECONCILIATION

SECURITIZED COSTS

000s

SCRC Part 1 <u>Amortization of Securitized Assets</u>	Actual January 2010	Actual February 2010	Actual March 2010	Actual April 2010	Actual May 2010	Actual June 2010	Total for the six months ended 6/30/10
1 Principal							
2 Amortization of Seabrook cost	\$ 3,778	\$ 3,982	\$ 3,982	\$ 3,982	\$ 3,812	\$ 3,812	\$ 23,346
3 Amortization of MP 3	120	126	126	126	121	121	742
4 Amortization of RRB1 financing cost	89	94	94	94	90	90	549
5 Total	3,987	4,202	4,202	4,202	4,022	4,022	24,637
6 Interest and Fees							
7 RRB1 Interest	948	886	887	887	815	815	5,237
8 RRB fees	64	61	61	83	59	59	386
9 Total	1,012	947	948	970	873	873	5,623
10 Total SCRC Part 1 cost	<u>\$ 4,999</u>	<u>\$ 5,149</u>	<u>\$ 5,149</u>	<u>\$ 5,171</u>	<u>\$ 4,896</u>	<u>\$ 4,896</u>	<u>\$ 30,261</u>

11 Amounts shown above may not add due to rounding.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE

2010 SCRC RECONCILIATION

SECURITIZED COSTS

000s

SCRC Part 1 Amortization of Securitized Assets	Actual July 2010	Actual August 2010	Actual September 2010	Actual October 2010	Actual November 2010	Estimate December 2010	Total for the twelve months ended 12/31/10
1 Principal							
2 Amortization of Seabrook cost	\$ 3,812	\$ 4,180	\$ 4,180	\$ 4,180	\$ 4,011	\$ 4,011	\$ 47,718
3 Amortization of MP 3	121	133	133	133	127	127	1,516
4 Amortization of RRB1 financing cost	90	98	98	98	94	94	1,123
5 Total	4,022	4,411	4,411	4,411	4,232	4,232	50,357
6 Interest and Fees							
7 RRB1 Interest	815	753	753	753	675	747	9,732
8 RRB fees	59	61	56	56	78	67	763
9 Total	873	814	809	809	753	813	10,494
10 Total SCRC Part 1 cost	<u>\$ 4,896</u>	<u>\$ 5,224</u>	<u>\$ 5,219</u>	<u>\$ 5,219</u>	<u>\$ 4,985</u>	<u>\$ 5,046</u>	<u>\$ 60,851</u>

11 Amounts shown above may not add due to rounding.

- 17 (1) Reflects an adjustment to the amortization balance associated
with a funding obligation under the Maine Yankee FERC settlement.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE

2010 SCRC RECONCILIATION

PART 2 ONGOING COSTS

000s

SCRC Part 2 Ongoing Costs	Actual July 2010	Actual August 2010	Actual September 2010	Actual October 2010	Actual November 2010	Estimate December 2010	Total for the twelve months ended 12/31/10
Ongoing Costs - IPP							
1 Amortization and return on IPP							
2 Buydown/Buyout Savings	\$ 216	\$ 211	\$ 212	\$ 232	\$ 252	\$ 250	\$ 2,939
3 IPP Ongoing costs:							
4 Total IPP Cost	4,486	3,902	4,049	4,547	5,864	5,671	58,473
5 less: IPP at Market Cost	2,133	1,610	1,949	1,613	3,002	3,083	27,962
6 Above Market IPP Cost	2,353	2,292	2,100	2,934	2,862	2,588	30,511
7 Total Part 2 Costs	\$ 2,569	\$ 2,502	\$ 2,312	\$ 3,166	\$ 3,114	\$ 2,838	\$ 33,450
Ongoing Costs - Return							
8 2009 Adjustment	-	-	-	-	-	-	11
9 Return on ADIT - Securitized							
10 Stranded Costs	(423)	(411)	(399)	(387)	(375)	(367)	(5,126)
11 Return on Yankee Decommissioning							
12 Obligations and CVEC, net of deferred taxes	(46)	(45)	(44)	(44)	(43)	(42)	(559)
13 Yankee Contract Obligations Adjustment	-	-	-	-	-	-	(2)
14 Return on SCRC deferred balance	9	0	(4)	(4)	(2)	(2)	81
15 Total Part 2 Return	\$ (460)	\$ (456)	\$ (448)	\$ (434)	\$ (420)	\$ (411)	\$ (5,594)
16 Total Part 2 Ongoing Costs and Return	\$ 2,109	\$ 2,046	\$ 1,865	\$ 2,731	\$ 2,695	\$ 2,427	\$ 27,856

17 Amounts shown above may not add due to rounding.