

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

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**Summary of Forecasted Alternate Energy Service
Cost For January 2012 Through December 2012**

Reference

Marginal Cost

Marginal Cost of Serving Energy Service	6.33	¢/kWh	Attachment SRH/FWB-2
Adder to Marginal Cost	<u>1.00</u>	¢/kWh	
Alternate Default Energy Service Rate ADE	7.33	¢/kWh	

PSNH Rate ADE Proposal - Docket DE 11-216
2012 Marginal Cost to Serve Incremental Sales

	<u>MWh</u>	<u>Notes</u>
Sales Increment	694,627	(1)
<u>Marginal Costs to Serve Incremental Sales:</u>		(2)
	<u>\$(000)</u>	
Energy	\$ 33,814	(3)
Capacity	7,380	(4)
Ancillaries	146	
RPS	2,276	
ISO Expenses	<u>338</u>	
Total	\$ 43,954	
	<u>¢/kWh</u>	
Marginal cost to serve incremental sales	6.33	(5)

Notes:

- 1) The incremental annual peak at the meter is 141 MW.
- 2) Marginal costs are based on the modeling and assumptions used in PSNH's 12/14/11 2012 ES rate filing in Docket DE 11-215.
- 3) As per note 2), based on NYMEX 11/30/11 forward energy market prices.
- 4) Forecasted costs associated with 2,289 MW-months of capacity in ISO-NE's forward capacity market.
- 5) The marginal cost does not include any costs/adders for the coverage of risk or for profit.