

Public Service Company of New Hampshire
 Net Earnings for Interest
 Twelve Months Ended December 2007

Description	12 Months Ended 12/31/07
	(In thousands)
Operating Revenues	\$ 1,074,978
Operation Expenses	727,590
Maintenance Expense	74,070
Depreciation and Amortization Expense	113,029
Taxes other than Income Taxes	39,524
Other, Net	905
Total Expenses	955,118
Net Earnings for Interest	\$ 119,860
Annualized Bond Interest	\$ 31,693
Cash Coverage Ratio	3.78

Covenant Calculations for the Issuance of Bonds under Section 4 of the PSNH First Mortgage Indenture (August 15, 1978 as amended). Any failure to meet this coverage ratio test (on a pro forma basis, including the proposed new debt) would require that PSNH issue unsecured debt versus first mortgage bonds to meet any funding needs.

Public Service Company of New Hampshire Indenture Test Ratio 2.00 : 1.00

Public Service Company of New Hampshire
Annualized Interest Charges on All Series Bonds
For Twelve Months Ending December 2007

<u>Series</u>	<u>Interest</u>	<u>Amount</u> <u>Outstanding</u>	<u>Annualized</u> <u>Interest</u>
		(In thousands)	
1992 Series D PCRB (Seabrook)	6.0000%	\$ 75,000	\$ 4,500
1993 Series E PCRB (Seabrook)	6.0000%	44,800	2,688
2001 Series A PCRB	5.1500% 1	89,250	4,596
2001 Series B PCRB	4.7500%	89,250	4,239
2001 Series C PCRB	5.4500%	108,985	5,940
2004 Series L FMB, Due 2014	5.2500%	50,000	2,625
2005 Series M FMB, Due 2035	5.6000%	50,000	2,800
2007 Series N FMB, Due 2017	6.1500%	70,000	4,305
		<u>\$ 577,285</u>	<u>\$ 31,693</u>

1. Auction rate as of Dececeber 24, 2007

**Public Service Company of New Hampshire
Amended and Restated First Mortgage Indenture**

Dated as of August 15, 1978

Effective as of []

Issuance Capacity & Ratio of Debt to Net Plant

December 31, 2007

Summary: Under the terms of the Amended and Restated First Mortgage Indenture, PSNH may issued new Securities or Secured Debt, if the aggregate principal amount of all Securites or Secured Debt, in each case then outstanding, will not exceed **75%** of the sum of all Property Additions and all Available Cash then held by, or deposited with, the Trustee.

FMB Series	Issue Date	Amount Issued	Amount Outstanding
Series A	05/16/1991	\$ 172,500,000	\$ -
Series B	05/16/1991	\$ 170,000,000	\$ -
Series C	05/16/1991	\$ 66,000,000	\$ -
Series D	05/16/1991	\$ 108,985,000	\$ -
Series E	05/16/1991	\$ 112,500,000	\$ -
Series F	05/16/1991	\$ 114,500,000	\$ 75,000,000
Series G	05/16/1991	\$ 114,500,000	\$ 44,800,000
Series H	04/23/1998	\$ 75,000,000	\$ -
Series I	10/01/2001	\$ 89,250,000	\$ 89,250,000
Series J	10/01/2001	\$ 89,250,000	\$ 89,250,000
Series K	10/01/2001	\$ 108,985,000	\$ 108,985,000
Series L	07/22/2004	\$ 50,000,000	\$ 50,000,000
Series M	10/05/2005	\$ 50,000,000	\$ 50,000,000
Series N	09/24/2007	\$ 70,000,000	\$ 70,000,000
Total		\$ 1,391,470,000	\$ 577,285,000

Net Utility Plant in Service: \$ 1,189,501,495 as of December 31, 2007

Available Cash at Trustee: \$

Total: \$ 1,189,501,495

Issuance Threshold (75% of Net Plant): \$ 892,126,121

Outstanding First Mortgage Bonds: \$ 577,285,000

Allowed Issuance Capacity: \$ 314,841,121

Ratio of Debt to Net Plant: 48.5%