

Public Service Company of New Hampshire
Amended and Restated First Mortgage Indenture
Dated as of August 15, 1978
Amended and Restated as of June 1, 2011
Issuance Capacity & Ratio of Debt to Net Plant
June 30, 2013

Summary: Under the terms of the Amended and Restated First Mortgage Indenture, PSNH may issue new Securities or Secured Debt, if the aggregate principal amount of all Securities 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	\$ -
Series G	05/16/1991	\$ 114,500,000	\$ -
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 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
Series O	05/27/2008	\$ 110,000,000	\$ 110,000,000
Series P	12/14/2009	\$ 150,000,000	\$ 150,000,000
Series Q	05/26/2011	\$ 122,000,000	\$ 122,000,000
Series R	09/13/2011	\$ 160,000,000	\$ 160,000,000
Total		\$ 1,824,485,000	\$ 890,500,000

Net Utility Plant in Service:	\$ 2,259,199,646	as of June 30, 2013
Available Cash at Trustee:	\$ 16,141	
Total:	\$ 2,259,215,787	
Issuance Threshold (75% of Net Plant):	\$ 1,694,411,840	
Outstanding First Mortgage Bonds:	\$ 890,500,000	
Allowed Issuance Capacity:	\$ 803,911,840	
Ratio of Debt to Net Plant:	39.4%	

Public Service Company of New Hampshire
Net Earnings for Interest
Twelve Months Ended June 30, 2013

Description	12 Months Ended 6/30/13
	(In thousands)
Operating Revenues	<u>\$ 979,782</u>
Purchased Power, Fuel and Transmission	307,185
Operations and Maintenance	252,756
Depreciation	89,962
Amortization of Regulatory Assets	(26,232)
Amortization of Rate Reduction Bonds	48,649
Energy Efficiency Programs	14,496
Taxes other than Income Taxes	68,470
Other, Net	<u>(1,267)</u>
Total Expenses	754,019
Net Earnings for Interest	<u><u>\$ 225,763</u></u>
Annualized Bond Interest	<u><u>\$ 37,536</u></u>
Cash Coverage Ratio	<u><u>6.01</u></u>

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

Under Section 4 of the PSNH First Mortgage Indenture (August 15, 1978 as amended), no bonds may be issued unless the net earnings are at least twice the annual interest requirements of the company. 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
Annualized Interest Charges on All Series Bonds
For Twelve Months Ending June 2013

<u>Series</u>	<u>Interest</u>	<u>Amount</u> <u>Outstanding</u>	<u>Annualized</u> <u>Interest</u>
		(In thousands)	
2001 Series A PCRB	0.1750%	1 \$ 89,250	\$ 156
2001 Series B PCRB	4.7500%	89,250	4,239
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
2008 Series O FMB, Due 2018	6.0000%	110,000	6,600
2009 Series P FMB, Due 2019	4.5000%	150,000	6,750
2011 Series Q FMB, Due 2021	4.0500%	122,000	4,941
2011 Series R FMB, Due 2021	3.2000%	160,000	5,120
		<u>\$ 890,500</u>	<u>\$ 37,536</u>

1. Auction rate as of June 11, 2013