

**Public Service Company of New Hampshire**  
**Amended and Restated First Mortgage Indenture**  
Dated as of August 15, 1978  
Effective as of September [ ], 2007  
**Issuance Capacity & Ratio of Debt to Net Plant**  
June 30, 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 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.

<b>FMB Series</b>	<b>Issue Date</b>	<b>Amount Issued</b>	<b>Amount Outstanding</b>
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
<b>Total</b>		<b>\$ 1,321,470,000</b>	<b>\$ 507,285,000</b>

Net Utility Plant in Service: \$ 1,141,172,306

Available Cash at Trustee: \$

Total: \$ 1,141,172,306

Issuance Threshold (75% of Net Plant): \$ 855,879,230

Outstanding First Mortgage Bonds: \$ 507,285,000

Allowed Issuance Capacity: \$ 348,594,230

**Ratio of Debt to Net Plant: 44.5%**

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

Description	12 Months Ended 6/30/07 (In thousands)
Operating Revenues	\$ 1,058,205
Operation Expenses	755,882
Maintenance Expense	75,775
Depreciation and Amortization Expense	77,815
Taxes other than Income Taxes	38,356
Other, Net	410
Total Expenses	948,238
Net Earnings for Interest	\$ 109,967
Annualized Bond Interest	\$ 26,217
Cash Coverage Ratio	4.19

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 June 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	3.8380% 1	89,250	3,425
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
		<u>\$ 507,285</u>	<u>\$ 26,217</u>

1. Auction rate as of May 29, 2007