

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
CALCULATION OF EARNINGS SHARING MECHANISM REVENUE ADJUSTMENT
 (Thousands of Dollars, Excluding Percentage Data)

		Twelve Months Ended: March 31, 2014			
		As Filed F1 Distribution (a)	Including Rate Making Adjustments Distribution (a)	ESM Adjustment (b)	ESM Revenue Adjusted Distribution ROE
1	Net Operating Income	66,690	66,690	(1,040)	65,650
2	Less: RRBs--Net Interest Expense and Fees	-			
3	Adjusted Operating Income	66,690	66,690		65,650
4	5 Qtr. Average Rate Base	902,440	902,440		902,440
5	Rate of Return (ROR line 3 / line 4)	7.39%	7.39%		7.27%
6	Less: Long-term Debt	2.15%	2.01%		2.01%
7	Equity Component of ROR	5.24%	5.38%		5.26%
8	Equity Percentage--Debt to Equity Ratio	54.49%	52.60%		52.60%
9	Return on Equity (ROE)	9.62%	10.23%		10.00%
10	Amounts shown above may not add due to rounding.				

(a) Per PSNH NHPUC Form F-1 filed May 15, 2014
 (b) Per page 2 Line 18

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(Thousands of Dollars, Excluding Percentage Data)

		Twelve Months Ended: March 31, 2014		
		Distribution	ESM Revenue Adjustment (a)	ESM Revenue Adjusted Distribution
1	Operating Revenues	\$ 359,874	\$ (1,749)	\$ 358,125
2	Operating Expenses			
3	Production Expenses	190	-	190
4	Transmission Expenses	28	-	28
5	Distribution Expenses	61,122	-	61,122
6	Customer Accounting	28,263	-	28,263
7	General Administrative	76,908	-	76,908
8	Other	10	-	10
9	Sub-Total	166,521	-	166,521
10	Depreciation	44,140	-	44,140
11	Amortization of Regulatory Assets, Net	11,334	-	11,334
12	Current Income Taxes	9,665	709	10,373
13	Deferred Income Taxes, net	22,398	-	22,398
14	Investment Tax Credit Adjustments	(4)	-	(4)
15	Other Tax	39,130	-	39,130
16	Other - Energy Efficiency Program	-	-	-
17	Total Operating Expenses	293,184	709	293,892
18	Net Operating Income	\$ 66,690	\$ (1,040)	\$ 64,233

(a) Per DE 09-035 Section 4.4: If PSNH's 12-month rolling average ROE for distribution is greater than ten percent, then revenue equaling seventy-five percent of such difference will be deferred and refunded to customers over a 12 month period. The revenue adjustment necessary to reduce the ROE to 10 percent is \$1.749 million of which 75% or \$1.312 million are to be refunded to customers

Amounts shown above may not add due to rounding.

Public Service Company of New Hampshire
Calculation of Monthly Distribution Rates for Effect July 1, 2014
Reflecting an Earnings Sharing Adjustment of (\$1.312) million for Effect from July 1, 2014 - June 30, 2015

Annual Distribution Revenue (\$000's) based on the 2009 Test Year

Current Revenue Level effective July 1, 2013	\$ 331,239
Earnings Sharing Adjustment	\$ (1,312)
Proposed Revenue Level effective July 1, 2014	\$ 329,927
Multiplier (\$329,927 / \$331,239)	0.996039

<u>Rate Schedule</u>	<u>Charge</u>	<u>Current Rates</u>	<u>Proposed Rates (1)</u>
Residential Rate R	Customer charge	\$ 12.44	\$ 12.39
	All KWH	\$ 0.04058	\$ 0.04042
Uncontrolled Water Heating	Meter charge	\$ 4.38	\$ 4.36
	All KWH	\$ 0.01989	\$ 0.01981
Controlled Water Heating	Meter charge	\$ 7.72	\$ 7.69
	All KWH	\$ 0.00118	\$ 0.00118
Residential Rate R-OTOD	Customer charge	\$ 28.88	\$ 28.77
	On-peak KWH	\$ 0.12970	\$ 0.12919
	Off-peak KWH	\$ 0.00189	\$ 0.00188
General Service Rate G	Single phase customer charge	\$ 14.59	\$ 14.53
	Three phase customer charge	\$ 29.16	\$ 29.04
	Load charge (over 5 KW)	\$ 8.54	\$ 8.51
	First 500 KWH	\$ 0.06846	\$ 0.06819
	Next 1,000 KWH	\$ 0.01696	\$ 0.01689
Space Heating	All additional KWH	\$ 0.00600	\$ 0.00598
	Meter charge	\$ 2.92	\$ 2.91
General Service Rate G-OTOD	All KWH	\$ 0.03357	\$ 0.03344
	Single phase customer charge	\$ 37.80	\$ 37.65
Load Controlled Service Rate LCS	Three phase customer charge	\$ 54.00	\$ 53.79
	Load charge	\$ 11.91	\$ 11.86
	On-peak KWH	\$ 0.04802	\$ 0.04783
	Off-peak KWH	\$ 0.00753	\$ 0.00750
	Radio-controlled option	\$ 8.92	\$ 8.88
Primary General Service Rate GV	8, 10 or 11-hour option	\$ 7.72	\$ 7.69
	Switch option	\$ 8.92	\$ 8.88
	Radio-controlled option (all KWH)	\$ 0.00118	\$ 0.00118
	8-hour option (all KWH)	\$ 0.00118	\$ 0.00118
	10 or 11-hour option (all KWH)	\$ 0.02398	\$ 0.02389
Large General Service Rate LG	Customer charge	\$ 190.14	\$ 189.39
	First 100 KW	\$ 5.47	\$ 5.45
	All additional KW	\$ 5.23	\$ 5.21
	First 200,000 KWH	\$ 0.00594	\$ 0.00592
	All additional KWH	\$ 0.00499	\$ 0.00497
Backup Service Rate B	Customer charge	\$ 594.30	\$ 591.95
	Demand charge	\$ 4.65	\$ 4.63
	On-peak KWH	\$ 0.00498	\$ 0.00496
	Off-peak KWH	\$ 0.00419	\$ 0.00417
Backup Service Rate B	Administrative charge	\$ 334.97	\$ 333.64
	Translation charge	\$ 56.19	\$ 55.97
	Demand charge (2)	\$ 4.39	\$ 4.37
	All KWH (2)	(the energy charges contained in the Standard Rate)	

Notes:

(1) Proposed rates have been calculated in accordance with Section 10.3 of the Settlement in DE 09-035.

The current rates and charges have been proportionally adjusted by the multiplier shown above to achieve the proposed revenue level.

(2) These charges do not apply to customers who take service at 115,000 volts or higher.

Public Service Company of New Hampshire
 Calculation of Monthly Distribution Rates for Effect July 1, 2014
 Reflecting an Earnings Sharing Adjustment of (\$1.312) million for Effect from July 1, 2014 - June 30, 2015

<u>Rate Schedule</u>	<u>Charge</u>	<u>Current Rates</u>	<u>Proposed Rates (1)</u>
Outdoor Lighting Rate OL	High Pressure Sodium 4,000 L	\$ 15.52	\$ 15.46
	High Pressure Sodium 5,800 L	15.52	15.46
	High Pressure Sodium 9,500 L	20.62	20.54
	High Pressure Sodium 16,000 L	29.17	29.05
	High Pressure Sodium 30,000 L	29.89	29.77
	High Pressure Sodium 50,000 L	30.24	30.12
	High Pressure Sodium 130,000 L	48.52	48.33
	High Pressure Sodium 12,000 L	21.33	21.25
	High Pressure Sodium 34,200 L	27.30	27.19
	Mercury 3,500 L	13.69	13.64
	Mercury 7,000 L	16.46	16.39
	Mercury 11,000 L	20.36	20.28
	Mercury 20,000 L	25.13	25.03
	Mercury 56,000 L	39.95	39.79
	Mercury 15,000 L	23.29	23.20
	Metal Halide 5,000 L	16.19	16.13
	Metal Halide 8,000 L	22.14	22.05
	Metal Halide 13,000 L	30.39	30.27
	Metal Halide 13,500 L	31.03	30.91
	Metal Halide 20,000 L	31.03	30.91
	Metal Halide 36,000 L	31.32	31.20
	Metal Halide 100,000 L	46.94	46.75
	Incandescent 600 L	8.93	8.89
	Incandescent 1,000 L	9.98	9.94
	Incandescent 2,500 L	12.80	12.75
	Incandescent 6,000 L	21.98	21.89
	Fluorescent 20,000 L	34.08	33.95
	Outdoor Lighting Rate EOL	High Pressure Sodium 4,000 L	\$ 8.26
High Pressure Sodium 5,800 L		8.26	8.23
High Pressure Sodium 9,500 L		10.15	10.11
High Pressure Sodium 16,000 L		11.16	11.12
High Pressure Sodium 30,000 L		11.16	11.12
High Pressure Sodium 50,000 L		11.52	11.47
High Pressure Sodium 130,000 L		21.86	21.77
Metal Halide 5,000 L		8.57	8.54
Metal Halide 8,000 L		11.33	11.29
Metal Halide 13,000 L		12.09	12.04
Metal Halide 13,500 L		12.75	12.70
Metal Halide 20,000 L		12.95	12.90
Metal Halide 36,000 L		13.32	13.27
Metal Halide 100,000 L		23.73	23.64

Notes:

- (1) Proposed rates have been calculated in accordance with Section 10.3 of the Settlement in DE 09-035. The current rates and charges have been proportionally adjusted by the multiplier shown above to achieve the proposed revenue level.
- (2) These charges do not apply to customers who take service at 115,000 volts or higher.