THE STATE OF NEW HAMPSHIRE BEFORE THE NEW HAMPSHIRE PUBLIC UTILITIES COMMISSION

Public Service Company of New Hampshire Energy Service Rate – Revised

Docket No. DE 11-215

Technical Statement of ROBERT A. BAUMANN

December 14, 2011

Purpose of Technical Statement

This Technical Statement summarizes the revised proposed Energy Service rate based on an effective date of January 1, 2012. The summary below includes rates with and without the costs associated with the Merrimack Scrubber to facilitate a full understanding of the issues before the Commission. We fully recognize the Commission's secretarial letter of November 15, 2011 which stated that the Commission would not consider the costs of the Scrubber Project in this docket. However, to fully present this revised ES rate, PSNH believes an understanding of the future ES rate path with and without Scrubber costs is essential to a final determination in this proceeding.

Rate Summary

Energy Service Rate (cents per kWh) – No Scrubber costs included

Current rate in effect 8.89 cents/kWh

Preliminary rate filed September 23, 2011 8.39

Revised rate filed December 14, 2011 7.90

Energy Service Rate (cents per kWh) – Including Scrubber costs of 1.18¢/kWh (based upon a January 1, 2012, scrubber temporary rate effective date)

Preliminary rate filed October 14, 2011 9.57

Revised rate filed December 14, 2011 9.08

PSNH ES rate proposal for 2012

As stated in its accompanying Motion, PSNH recommends that the current ES rate of 8.89 cents per kWh be continued in the short term until review and action occurs in Docket No. DE 11-250. We believe this maintains rate continuity and is the best alternative to avoiding a seesaw ES rate and future rate spikes. This will also give all parties the appropriate time to examine the facts surrounding our temporary rates request in Docket No. DE 11-250.