

STORM RECOVERY ADJUSTMENT FACTOR  
SCHEDULE SRAF

The Storm Recovery Adjustment Factor (“SRAF”) shall be billed by the Company to all customers taking Delivery Service from the Company. The purpose of the SRAF is to recover the costs of certain storms as approved by the Commission. As set out below, the total SRAF is \$0.00178 per kWh, which includes the initial SRAF of \$0.00096 per kWh and the adjustment of \$0.00082 per kWh.

The initial SRAF, which is recovering the costs incurred as result of the December 2008 ice storm and the February 2010 wind storm, was established in the Company’s last base rate case, DE 10-055, effective May 1, 2011. The initial SRAF was calculated using a total cost of \$7,651,723, the combined cost of the 2008 and 2010 storms, inclusive of carrying charges. The total cost is being recovered on a levelized basis of \$1,132,686 over a period of eight years. Any unamortized balance will accrue carrying charges at an annual rate of 4.52 percent (equaling the Company’s cost of debt of 7.60 percent, net of deferred taxes). Based on test year unit sales in DE 10-055, the initial SRAF was set at \$0.00096 per kWh and will remain in place until these storm costs have been fully recovered.

The initial SRAF will be adjusted effective May 1, 2012 to recover the costs incurred as result of Tropical Storm Irene, which occurred in August 2011, and the Snow Storm, which occurred in October 2011. The adjustment was calculated using a total cost of \$4,524,136, the estimated combined cost of the 2011 storms, inclusive of carrying charges. The total cost is being recovered on a levelized basis of \$1,004,291 over a period of five years. Any unamortized balance will accrue carrying charges at an annual rate of 4.52 percent (equaling the Company’s cost of debt of 7.60 percent, net of deferred taxes). Based on actual unit sales for twelve months ending October 2011, the adjustment is set at \$0.00082 per kWh and will remain in place until these storm costs have been fully recovered. The amounts subject to recovery shall be reconciled based on the results of the Commission Staff’s Audit.

The Company may petition to change the SRAF should significant over- or under-recoveries occur, or expect to occur. Any adjustment to the SRAF shall be in accordance with a notice filed with the Commission setting forth the amount of the proposed charge and the amount of the increase or decrease. The notice shall further specify the effective date of such charge, which shall not be earlier than forty-five (45) days after the filing of the notice, or such other date as the Commission may authorize.

The Company shall reconcile revenue billed through the SRAF and the amounts subject to recovery, and shall file the results of its recovery with the Commission no later than sixty (60) days after the conclusion of the recovery periods. The disposition of any remaining balances will be subject to Commission review and approval.

*Authorized by NHPUC Order No. 25,351 in Case No. DE 11-277 dated April 24, 2012*

Issued: May 1, 2012  
Effective: May 1, 2012

Issued by: Mark H. Collin  
Treasurer

### STORM RECOVERY ADJUSTMENT FACTOR SCHEDULE SRAF

The Storm Recovery Adjustment Factor (“SRAF”) shall be billed by the Company to all customers taking Delivery Service from the Company. The purpose of the SRAF is to recover the costs of certain storms as approved by the Commission incurred as a result of the December 2008 ice storm and the February 2010 wind storm (collectively, the “Storms”). As set out below, the total SRAF is \$0.00178 per kWh, which includes the initial SRAF of \$0.00096 per kWh and the adjustment of \$0.00082 per kWh.

The initial SRAF, which is recovering the costs incurred as result of the December 2008 ice storm and the February 2010 wind storm, was shall be a uniform per kilowatt hour factor as established in the Company’s last base rate case, DE 10-055, effective May 1, 2011 and billed to all retail delivery service customers. The initial SRAF was shall be calculated using a total cost of \$7,651,723, the combined cost of the 2008 and 2010 sStorms, inclusive of carrying charges. The total cost, and will is being recovered on a levelized basis of \$1,132,686 over a period of eight years. Any unamortized balance will accrue carrying charges at an annual rate of 4.52 percent (equaling the Company’s cost of debt of 7.60 percent, net of deferred taxes). Based on test year unit sales in DE 10-055, the initial SRAF was will be set at \$0.00096 per kWh and will remain in place until all these -storm costs have been fully recovered.

The initial SRAF will be adjusted effective May 1, 2012 to recover the costs incurred as result of Tropical Storm Irene, which occurred in August 2011, and the Snow Storm, which occurred in October 2011. The adjustment was calculated using a total cost of \$4,524,136, the estimated combined cost of the 2011 storms, inclusive of carrying charges. The total cost is being recovered on a levelized basis of \$1,004,291 over a period of five years. Any unamortized balance will accrue carrying charges at an annual rate of 4.52 percent (equaling the Company’s cost of debt of 7.60 percent, net of deferred taxes). Based on actual unit sales for twelve months ending October 2011, the adjustment is set at \$0.00082 per kWh and will remain in place until these storm costs have been fully recovered. The amounts subject to recovery shall be reconciled based on the results of the Commission Staff’s Audit.

The Company may petition to change the SRAF should significant over- or under-recoveries occur, or expect to occur. Any adjustment to the SRAF shall be in accordance with a notice filed with the Commission setting forth the amount of the proposed charge and the amount of the increase or decrease. The notice shall further specify the effective date of such charge, which shall not be earlier than forty-five (45) days after the filing of the notice, or such other date as the Commission may authorize.

~~The provisions of this tariff will terminate May 1, 2019.~~ The Company shall reconcile revenue billed through the SRAF and the amounts subject to recovery, and shall file the results of its recovery with the Commission no later than sixty (60) days after the

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conclusion of the recovery periods. The disposition of any remaining balances will be subject to Commission review and approval.

Authorized by NHPUC Order No. ~~25,214~~25,351 in Case No. ~~DE 10-055~~ DE 11-277 dated  
~~April 26, 2011~~April 24, 2012

Issued: ~~April 28, 2011~~May 1, 2012  
Effective: May 1, 2012~~+~~

Issued by: Mark H. Collin  
Treasurer