

**PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE  
TRANSMISSION COST ADJUSTMENT MECHANISM (TCAM) CALCULATION**

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- 1      TCAM Rate Calculation - July 2013 through June 2014
- 1a     TCAM Rate Calculation - Comparison of Forecast to Currently Allowed TCAM
- 2      Forecasted Costs - July 2013 through June 2014
- 3      Actual Costs - January 2012 through June 2012
- 4      Actual Costs - July 2012 through December 2012
- 5      Actual and Forecasted Costs - January 2013 through June 2013
- 6      Actual Revenues - January 2012 through June 2012
- 7      Actual Revenues - July 2012 through December 2012
- 8      Actual and Forecasted Revenues - January 2013 through June 2013

**PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE  
TRANSMISSION COST ADJUSTMENT MECHANISM (TCAM) CALCULATION**

(Dollars in 000's)

	<b>TCAM Rate Calculation July 2013 Through June 2014</b>	<b>Forecasted Summary</b>	<b>Reference: Attachment MLS-1</b>
1			
2			
3	Regional Network Service (RNS)	\$ 116,390	Page 2
4	Scheduling and Dispatch (S&D)	2,276	Page 2
5	Local Network Service (LNS)	10,675	Page 2
6	Reliability	6,428	Page 2
7	Hydro-Quebec Support Costs	4,823	Page 2
8	NHPUC Assessment	315	Page 2
9	Return on TCAM Working Capital	1,905	Page 2
10	Revenue Credits	(4,858)	Page 2
11			
12	Total Forecasted Costs	\$ 137,954	
13			
14	Cumulative Estimated (Over) / Under Recovery	(3,577)	Page 5
15			
16	Total Costs	\$ 134,376	
17			
18	Forecasted Retail MWH Sales	7,838,147	Page 2
19			
20	Forecasted TCAM Rate--cents per kWh	1.714	
21			
22			
23			
24	Amounts shown above may not add due to rounding.		

**PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE  
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(Dollars in 000's)

**Note:** This schedule is provided as an aid to analysis and is not part of the rate calculation

	(A)	(B)	(C)
	Forecasted	Currently Allowed(1)	(A)-(B)=(C)
TCAM Rate Calculation	12 mths- 06/2014	12 mths- 06/2013	Delta
<b>1 Comparison of Forecast to Currently Allowed</b>			
2			
3 Regional Network Service (RNS)	\$ 116,390	\$ 99,197	\$ 17,193
4 Scheduling and Dispatch (S&D)	2,276	2,366	(90)
5 Local Network Service (LNS)	10,675	8,107	2,568
6 Reliability	6,428	5,456	972
7 Hydro-Quebec Support Costs	4,823	4,986	(163)
8 NHPUC Assessment	315	331	(16)
9 Return on TCAM Working Capital	1,905	1,628	277
10 Revenue Credits	(4,858)	(4,068)	(789)
11			
12 Sub-total	\$ 137,954	\$ 118,003	\$ 19,950
13			
14 Prior Period (Over) / Under Recovery	(3,577)	(13,057)	9,480
15			
16 Total	\$ 134,376	\$ 104,946	\$ 29,430
17			
18 Retail MWH Sales	7,838,147	7,719,723	
19			
20 TCAM Rate--cents per kWh	1.714	1.359	

22 (1) DE 12-159; Order # 25,383 dated June 27, 2012

23

24 Amounts shown above may not add due to rounding.





PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE  
TRANSMISSION COST ADJUSTMENT MECHANISM (TCAM) CALCULATION  
July - December 2012

(Dollars in 000's)

Actuals

	Balance 06/30/2012	July 2012	August 2012	September 2012	October 2012	November 2012	December 2012	Total	Reference
<b>Retail Transmission Costs</b>									
Retail Transmission Operating Revenues		\$ (10,343)	\$ (9,765)	\$ (8,299)	\$ (8,463)	\$ (8,592)	\$ (9,024)	\$ (54,486)	MLS-1, Pg 7
Regional Network Service (RNS)		10,238	9,390	9,729	8,226	6,916	7,703	52,202	
Scheduling and Dispatch		244	223	231	196	165	183	1,242	
Local Network Service (LNS)		816	761	536	687	848	813	4,461	
Reliability		320	508	435	466	541	377	2,648	
Hydro-Quebec Support Costs		380	282	339	353	463	346	2,162	
NHPUC Assessment		28	(9)	19	26	26	26	116	
Return on TCAM Working Capital (1)		163	151	153	135	121	128	849	
Revenue Credits (2)		(609)	(509)	(431)	(546)	(434)	(546)	(3,075)	
Retail Transmission Operating Costs		\$ 11,578	\$ 10,797	\$ 11,010	\$ 9,543	\$ 8,646	\$ 9,030	\$ 60,605	
(Over) / Under-Recovery		\$ 1,235	\$ 1,032	\$ 2,712	\$ 1,080	\$ 54	\$ 5	\$ 6,119	
Cumulative (Over) / Under-Recovery		\$ (13,472)	\$ (12,237)	\$ (11,204)	\$ (8,493)	\$ (7,413)	\$ (7,353)		
<b>Calculation of Return/Deferral</b>									
Average Balance		(12,855)	(11,721)	(9,849)	(7,953)	(7,386)	(7,356)		
Deferred tax calculation--									
Deferred tax rate		40.525%	40.525%	40.525%	40.525%	40.525%	40.525%		
ADIT on the average balance		\$ 5,209	\$ 4,750	\$ 3,991	\$ 3,223	\$ 2,993	\$ 2,981		
Average Balance, Net of ADIT		\$ (7,645)	\$ (6,971)	\$ (5,857)	\$ (4,730)	\$ (4,393)	\$ (4,375)		
x Return at Prime Rate		0.2708%	0.2708%	0.2708%	0.2708%	0.2708%	0.2708%		
Return-Monthly		\$ (21)	\$ (19)	\$ (16)	\$ (13)	\$ (12)	\$ (12)	\$ (92)	
Cumulative Return		\$ (21)	\$ (40)	\$ (55)	\$ (68)	\$ (80)	\$ (92)		
Cumulative (Over) / Under Recovery, Including Return		\$ (12,258)	\$ (11,244)	\$ (8,548)	\$ (7,481)	\$ (7,439)	\$ (7,445)		

Note 1-- The return on the working capital allowance is monthly O&M x (45 days/365 days) x 10.9656% (allowed 7.513% incl tax gross-up)

Note 2-- Revenue credits include Hydro-Quebec revenues, ISO-NE reliability credits, and NOATT Schedule 2 revenues.

Amounts shown above may not add due to rounding.

**PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE**  
**TRANSMISSION COST ADJUSTMENT MECHANISM (TCAM) CALCULATION**  
January - June 2013

(Dollars in 000's)

		Actuals					Forecasted			
	Balance 12/31/2012	January 2013	February 2013	March 2013	April 2013	May 2013	June 2013	Total	Reference	
1	<b><u>Retail Transmission Costs</u></b>									
2										
3	Retail Transmission Operating Revenues	\$ (9,638)	\$ (8,308)	\$ (8,810)	\$ (7,556)	\$ (8,359)	\$ (8,881)	\$ (51,553)	MLS-1, Pg 8	
4										
5	Regional Network Service (RNS)	7,815	8,691	8,112	7,534	6,992	6,810	45,954		
6										
7	Scheduling and Dispatch (S&D)	186	207	193	179	166	162	1,093		
8										
9	Local Network Service (LNS) (1)	573	610	614	585	2,232	906	5,519		
10										
11	Reliability	598	571	602	541	454	535	3,301		
12										
13	Hydro-Quebec Support Costs	377	404	362	324	361	410	2,237		
14										
15	NHPUC Assessment	26	26	26	26	26	26	157		
16										
17	Return on TCAM Working Capital (2)	129	142	134	124	138	120	788		
18										
19	Revenue Credits (3)	(548)	(548)	(620)	(620)	(620)	(621)	(3,577)		
20										
21	Retail Transmission Operating Costs	\$ 9,156	\$ 10,102	\$ 9,424	\$ 8,694	\$ 9,749	\$ 8,348	\$ 55,473		
22										
23	(Over) / Under-Recovery	\$ (482)	\$ 1,793	\$ 614	\$ 1,138	\$ 1,390	\$ (534)	\$ 3,920		
24										
25	Cumulative (Over) / Under-Recovery	\$ (7,445)	\$ (7,927)	\$ (6,133)	\$ (5,520)	\$ (2,992)	\$ (3,525)			
26										
27	<b><u>Calculation of Return/Deferral</u></b>									
28										
29	Average Balance	(7,686)	(7,030)	(5,827)	(4,951)	(3,687)	(3,258)			
30										
31	Deferred tax calculation--									
32	Deferred tax rate	40.525%	40.525%	40.525%	40.525%	40.525%	40.525%			
33										
34	ADIT on the average balance	\$ 3,115	\$ 2,849	\$ 2,361	\$ 2,006	\$ 1,494	\$ 1,320			
35										
36	Average Balance, Net of Accum. Def. Income Taxes	\$ (4,571)	\$ (4,181)	\$ (3,465)	\$ (2,945)	\$ (2,193)	\$ (1,938)			
37										
38	x Return at Prime Rate	0.2708%	0.2708%	0.2708%	0.2708%	0.2708%	0.2708%			
39										
40	Return-Monthly	\$ (12)	\$ (11)	\$ (9)	\$ (8)	\$ (6)	\$ (5)	\$ (52)		
41										
42	Cumulative Return	\$ (12)	\$ (24)	\$ (33)	\$ (41)	\$ (47)	\$ (52)			
43										
44	Cumulative (Over) / Under Recovery, Including Return	\$ (7,939)	\$ (6,157)	\$ (5,553)	\$ (4,423)	\$ (3,039)	\$ (3,577)			

45  
46 Note 1--May 2013 LNS includes a \$1.8 M charge for the FY 2012 Schedule 21 true-up.

47  
48 Note 2-- The return on the working capital allowance is monthly O&M x (45 days/365 days) x 10.9656% (allowed 7.513% incl tax gross-up)

49  
50 Note 3-- Revenue credits include Hydro-Quebec revenues, ISO-NE reliability credits, and NOATT Schedule 2 revenues.

51  
52 Amounts shown above may not add due to rounding.

**PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE  
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January - June 2012**

(Dollars in 000's)

		<b>Actuals</b>						
		January 2012	February 2012	March 2012	April 2012	May 2012	June 2012	Total
1	<b>Retail Transmission Revenues</b>							
2								
3	Transmission Revenue - Billed	\$ (8,106)	\$ (7,641)	\$ (7,424)	\$ (7,196)	\$ (6,879)	\$ (7,325)	\$ (44,571)
4								
5	Transmission Revenue - Unbilled	\$ 118	\$ 327	\$ 105	\$ 267	\$ (729)	\$ (230)	(142)
6								
7	<b>Total</b>	<u>\$ (7,988)</u>	<u>\$ (7,314)</u>	<u>\$ (7,319)</u>	<u>\$ (6,929)</u>	<u>\$ (7,607)</u>	<u>\$ (7,556)</u>	<u>\$ (44,714)</u>
8								
9								

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**PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE  
TRANSMISSION COST ADJUSTMENT MECHANISM (TCAM) CALCULATION  
July - December 2012**

(Dollars in 000's)

		<b>Actuals</b>						
		July	August	September	October	November	December	Total
	<b>Retail Transmission Revenues</b>	2012	2012	2012	2012	2012	2012	
3	Transmission Revenue - Billed	\$ (9,331)	\$ (10,371)	\$ (9,383)	\$ (8,262)	\$ (8,225)	\$ (8,859)	\$ (54,431)
5	Transmission Revenue - Unbilled	\$ (1,012)	\$ 606	\$ 1,084	\$ (202)	\$ (367)	\$ (165)	(55)
7	Total	<u>\$ (10,343)</u>	<u>\$ (9,765)</u>	<u>\$ (8,299)</u>	<u>\$ (8,463)</u>	<u>\$ (8,592)</u>	<u>\$ (9,024)</u>	<u>\$ (54,486)</u>

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**January - June 2013**

(Dollars in 000's)

	<b>Actuals</b>					<b>Forecasted</b>	<b>Total</b>
	January 2013	February 2013	March 2013	April 2013	May 2013	June 2013	
<b>1 Retail Transmission Revenues</b>							
2							
3 Transmission Revenue - Billed	\$ (9,287)	\$ (9,258)	\$ (8,321)	\$ (8,209)	\$ (8,001)	\$ (8,881)	\$ (51,957)
4							
5 Transmission Revenue - Unbilled	\$ (351)	\$ 949	\$ (489)	\$ 652	\$ (358)	\$ -	405
6							
7 <b>Total</b>	<u>\$ (9,638)</u>	<u>\$ (8,308)</u>	<u>\$ (8,810)</u>	<u>\$ (7,556)</u>	<u>\$ (8,359)</u>	<u>\$ (8,881)</u>	<u>\$ (51,553)</u>

8  
9  
10 Amounts shown above may not add due to rounding.