Granite State Electric Company
Lead-Lag Study
Cash Working Capital Requirement

Line	Description	Test Year Amount	Average Daily Amount	Revenue Lag	Ref.	Expense Lag	Ref.	Net (Lead)/Lag Days	Working Capital Requirement
1	Operations and Maintenance Expenses								
2	Labor-Related (Payroll) O&M Expenses	$ 11,294,348	$ 30,943	63.43	JCN-3 p. 1	(42.05)	JCN-3 p. 3	21.38	$ 661,687
3	Non-Labor O&M Expenses	7,419,166	20,326	63.43	JCN-3 p. 1	(34.07)	JCN-3 p. 3	29.36	596,816
4	Total O&M Expenses	$ 18,713,514	$ 51,270						$ 1,258,503
5	Income Taxes								
6	Current Federal Income Taxes	$ 1,510,273	$ 4,138	63.43	JCN-3 p. 1	(36.00)	JCN-3 p. 5	27.43	$ 113,503
7	Deferred Federal Income Taxes	-	-	0.00		0.00		0.00	-
8	Total Federal Income Taxes	$ 1,510,273	$ 4,138						$ 113,503
9	Taxes Other Than Income Taxes								
10	Payroll Taxes	$ 700,105	$ 1,918	63.43	JCN-3 p. 1	(20.03)	JCN-3 p. 6	43.40	$ 83,245
11	Ad Valorem Taxes	3,697,928	10,131	63.43	JCN-3 p. 1	13.31	JCN-3 p. 6	76.74	777,464
12	Taxes Other Than Income Taxes	$ 4,398,033	$ 12,049						$ 860,709
13	Depreciation Expense	$ 5,766,507	$ 15,799	0.00		0.00		0.00	$ -
14	Total	$ 30,388,327	$ 83,256					26.82	$ 2,232,715

Granite State Electric Company
Lead-Lag Study
Revenue Lag

Line	Description	Revenue Lag	Reference
1	Service Lag	15.21	(365) / 12 / 2
2	Billing Lag	2.92	WP A-1
3	Collection Lag	45.30	WP A-2
4	Composite Revenue Lag	63.43	

Granite State Electric Company
Lead-Lag Study
Collection Lag

			Revenues		A/R Balance	
Line	Month Start	Month End	Monthly Revenues	Daily Average Revenues	Monthly Balance	Collection Lag
1	1/1/2015	1/31/2015	$ 12,481,647	$ 402,634	$ 18,081,429	
2	2/1/2015	2/28/2015	13,109,984	468,214	18,352,936	
3	3/1/2015	3/31/2015	13,908,007	448,645	18,304,208	
4	4/1/2015	4/30/2015	9,104,007	303,467	15,458,784	
5	5/1/2015	5/31/2015	7,558,147	243,811	13,201,979	
6	6/1/2015	6/30/2015	10,799,794	359,993	14,561,029	
7	7/1/2015	7/31/2015	9,075,075	292,744	13,942,481	
8	8/1/2015	8/31/2015	9,508,747	306,734	14,780,075	
9	9/1/2015	9/30/2015	9,149,028	304,968	14,422,509	
10	10/1/2015	10/31/2015	7,819,201	252,232	12,352,526	
11	11/1/2015	11/30/2015	6,850,998	228,367	11,222,440	
12	12/1/2015	12/31/2015	9,532,887	307,512	12,874,139	
		Average		$ 326,610	$ 14,796,211	45.30
						45.30

Granite State Electric Company
Lead-Lag Study
O&M Expenses

Line	Description	Expense	(Lead)/Lag Days	Reference	Dollar Days
1	Labor-Related - O&M Expenses	$ 11,294,348	(42.05)	WPC-1	$ (474,898,435)
2	Non-Labor - Other O&M Expenses	7,419,166	(34.07)	WP C-5	$ (252,768,658)
3	Total O&M Expenses	$ 18,713,514	(38.88)		$ (727,667,093)

Granite State Electric Company
Lead-Lag Study
O&M Expenses - Payroll

Line	Description		Expense	Percent	(Lead)/Lag Days	Reference		Dollar Days
1	Regular Payroll - Weekly	$	4,111,176	46.36%	(8.44)	WP C-2	$	(34,707,811)
2	Regular Payroll - Bi-Weekly	$	4,757,643	53.64%	(11.92)	WP C-3	$	(56,725,749)
3	Regular Payroll - Total	$	8,868,819	100.00%	(10.31)		$	(91,433,560)
4	Regular Payroll - Regular Pay	$	8,868,819	93.70%	(10.31)		$	(91,433,560)
5	Regular Payroll - Vacation Pay		596,421	6.30%	(192.81)			(114,995,749)
6	Regular Payroll - Adjusted for Vacation Pay - Total	$	9,465,241	100.00%	(21.81)		$	(206,429,309)
7	Annual Performance Bonus Pay	$	718,141		(308.79)	WP C-4	$	(221,755,808)
8	Payroll - Total	$	10,183,381		(42.05)		$	(428,185,117)

Granite State Electric Company
Lead-Lag Study
Income Tax

Federal Income Tax

							(Lead)/Lag Days	
Line	Quarter	Service Period Start	Service Period End	Midpoint of Service Period	Payment Date	Percent of Taxes Due	Days from Midpoint to Payment Date	(Lead)/Lag Days
1	First Quarter	1/1/2015	12/31/2015	7/2/2015	4/15/2015	25.00%	78.50	19.63
2	Second Quarter	1/1/2015	12/31/2015	7/2/2015	6/15/2015	25.00%	17.50	4.38
3	Third Quarter	1/1/2015	12/31/2015	7/2/2015	9/15/2015	25.00%	(74.50)	(18.63)
4	Fourth Quarter	1/1/2015	12/31/2015	7/2/2015	12/15/2015	25.00%	(165.50)	(41.38)
5	Federal Income Tax (Lead)/Lag Days							(36.00)

Granite State Electric Company
Lead-Lag Study
Taxes Other Than Income Tax

Line	Description		Amount	(Lead)/Lag Days	Reference		Dollar Days	Composite (Lead)/Lag Days
	Payroll Taxes							
1	FICA	$	1,319,882	(13.34)	WP D-1	$	(17,610,285)	
2	Federal Unemployment		14,494	(30.75)	WP D-2		(445,681)	
3	State Unemployment		87,021	(119.70)	WP D-3		(10,416,594)	
4	Total Payroll Taxes	$	1,421,397			$	(28,472,560)	(20.03)
5	Property Taxes	$	3,697,928	13.31	WP D-4		49,210,364	13.31