

**PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
D/B/A EVERSOURCE ENERGY**

**SALE OF OWNERSHIP INTEREST IN
WYMAN STATION – UNIT 4
ACCOUNTING COMPLIANCE FILING**

December 15, 2017

For Submission to the New Hampshire Public Utilities Commission.

In compliance with Order No. 26,060 issued by the New Hampshire Public Utilities Commission on September 27, 2017, PSNH is providing its accounting record of all sale proceeds and expenses in relation to the sale of its ownership interest in Wyman Station – Unit 4.

The order instructs the Company to file this accounting record within 30 days of the closing on the sale. The sale of the Company's interest in Wyman Unit 4 occurred on November 1, 2017. However, under the Purchase and Sale agreement between the parties, closing proceeds were subject to a Post-Closing Proration Adjustment ("Adjustment") within 30 days after the closing date. That Post-Closing Proration Adjustment process occurred on or about December 1. This filing, along with the attached accounting entries, provides insight into how the sales proceeds and expenses were adjusted and then booked by the Company.

The final total net payment to the Company for the sale of Wyman Unit 4 was \$1,777,880.85. The net proceeds to the Company, after the removal of the \$3,500 Maine real estate tax liability attributable to Wyman Station – Unit 4, were used to offset \$331,490 in Utility Plant, \$596,807 in Fuel Inventory, \$104,876 in Receivables for October, and created a \$748,208 Gain on the disposition of the property. The accounting lines for this description is contained within the attachment. This net gain of \$748,208 will be used to offset the stranded costs that result from the sale of the remainder of PSNH's Generation Assets.

Public Service Company of New Hampshire sale of Wyman IV

Final Accounting Journal Entries Summary

| <u>Account</u> | | | |
|---|--|--------------|---------------|
| <u>No.</u> | <u>Title</u> | <u>Debit</u> | <u>Credit</u> |
| <u>Sale of Generating Plant Entitlement</u> | | | |
| 131 | Cash | \$ 1,777,881 | |
| 108 | Accumulated provision for depreciation | 6,653,780 | |
| 236 | Accrued income tax liability - Maine | 3,500 | |
| 282 | Accumulated Deferred income taxes - Property | 316,647 | |
| 236 | Accrued income tax liability | | \$ 316,647 |
| 101 | Utility Plant | | 6,985,270 |
| 102 | Electric Plant purchased or sold | | 748,208 |
| 143 | Receivable for Oct settlement | | 104,876 |
| 151 | Fuel Inventory | | 596,807 |
| | | | |
| <u>Clearance of Account 102</u> | | | |
| 102 | Electric Plant purchased or sold | 748,208 | |
| 421.1 | Gain on disposition of property | | 748,208 |
| | | | |
| <u>Deferral of Gain to regulatory liability</u> | | | |
| 421.1 | Gain on disposition of property | 748,208 | |
| 254 | Regulatory liability | | 748,208 |

Note: The current tax charge from the sale will be offset by a deferred tax benefit associated with the regulatory liability to be credited to retail customers.

Final Settlement
Allocation of Proceeds

| | | <u>Pro-Forma Amounts Due to</u> | | <u>Actual Amounts Due to</u> |
|--|-------------------------|-------------------------------------|--|----------------------------------|
| Real Property | | \$ 140,000.00 | | \$ 140,000.00 |
| PP&E | | \$ 860,000.00 | | \$ 860,000.00 |
| Fuel Inventory | | | | |
| Projected Barrels @ 11/1/17 | 372,207 | | Actual Barrels 11/1/17 | 373,778 |
| Projected Average Market Price per BBL | \$51.99545 | | Platts Mid-point price as of 10/31/17 | \$57.58000 |
| Total Value | <u>\$ 19,353,070.46</u> | | <u>\$ 21,522,137.24</u> | |
| PSNH Share | 3.1433% | \$ 608,325.06 | 3.1433% | \$ 676,505.34 |
| October Pro-forma Settlement (Attached) | | \$ 121,496.23 | October Actual | \$ 104,875.51 |
| Gross proceeds due too PSNH | | <u>\$ 1,729,821.29</u> | | <u>\$ 1,781,380.85</u> |
| Real Estate Withholding-Maine Revenue Services Maine Transfer Tax | | \$ (3,500.00) | | \$ (3,500.00) |
| Net proceeds due too PSNH | | <u>\$ 1,726,321.29</u> | | <u>\$ 1,777,880.85</u> |
| Paid at closing | | | | \$ (1,726,321.29) |
| Additional Funds due to PSNH | | | | <u>\$ 51,559.56</u> |