

Biography of Robert A. Baumann

Mr. Baumann graduated from Lafayette College in 1974 with a Bachelor of Arts degree in Economics. In 1976 he received a Masters Degree in Business Administration from the University of Connecticut. From 1976 to 1981, Mr. Baumann was employed by the international accounting firms of Touche Ross and Company and Coopers & Lybrand. He received his designation in Connecticut as a Certified Public Accountant in 1979.

Mr. Baumann assumed his current position of Director – Revenue Regulation and Load Resources in 2001. In 1981, he joined Northeast Utilities (NU) in the Revenue Requirements Department and has worked in various regulatory capacities for all of the operating subsidiaries of NU. His current responsibilities include all revenue requirement issues associated with Public Service Company of New Hampshire, all NU regulatory issues related to generation, load, and standard offer contracts for all of the NU operating subsidiaries as well as all regulatory issues associated with the Purchase Gas Adjustment Clause for Yankee Gas Services Company, an NU affiliate. He has provided testimony on many occasions before state commissions in New Hampshire, Connecticut and Massachusetts as well as before the Federal Energy Regulatory Commission.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
 DISTRIBUTION SEGMENT RATE CASE

Major Ice Storm Costs

(Thousands of Dollars)

	<u>Distribution Segment</u>
1 December 2008 major ice storm costs (1)	
2 Storm costs, net of amounts capitalized, deferred to 186 account at December 31, 2008	\$ 62,709
3 Additional costs expected to be incurred during 2009 to complete restoration	10,000
4 Portion of 2009 costs PSNH expects to capitalize	(3,000)
5 Estimated insurance proceeds	(12,709)
6 Return on the average balance over the recovery period (see page 2 of 2)	10,689
7 Total December 2008 major ice storm costs, including return on the average balance	<u>\$ 67,689</u>
8 Unrecovered balance Acct 182.ST (Deferred Major Storm Costs) at June 30, 2009	5,486
9 Plus : Return, including tax gross up, for the July 2009 through June 2010 (DE 08-071)	431
10 Unrecovered revenue requirements for Acct 182.ST at June 30, 2009	<u>\$ 5,917</u>
11 Total (Line 7 and Line 10)	<u>\$ 73,606</u>
12 Annual recovery of deferred major storm costs over a 72 month recovery period	12,268
13 Less amortization for Acct 182.ST, and return	5,917
14 Revenue requirements increase in recovery of deferred major storm costs over the test year	<u><u>\$ 6,351</u></u>

15 (1) The numbers shown represent estimated costs which will be updated during 2009 as
 16 additional actual information becomes available.

17 Amounts shown above may not add due to rounding.

000102

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
DISTRIBUTION SEGMENT RATE CASE

MAJOR ICE STORM COSTS

(Thousands of Dollars, excluding Percentage Data)

1 Return on the December 2008 major ice storm costs (1)

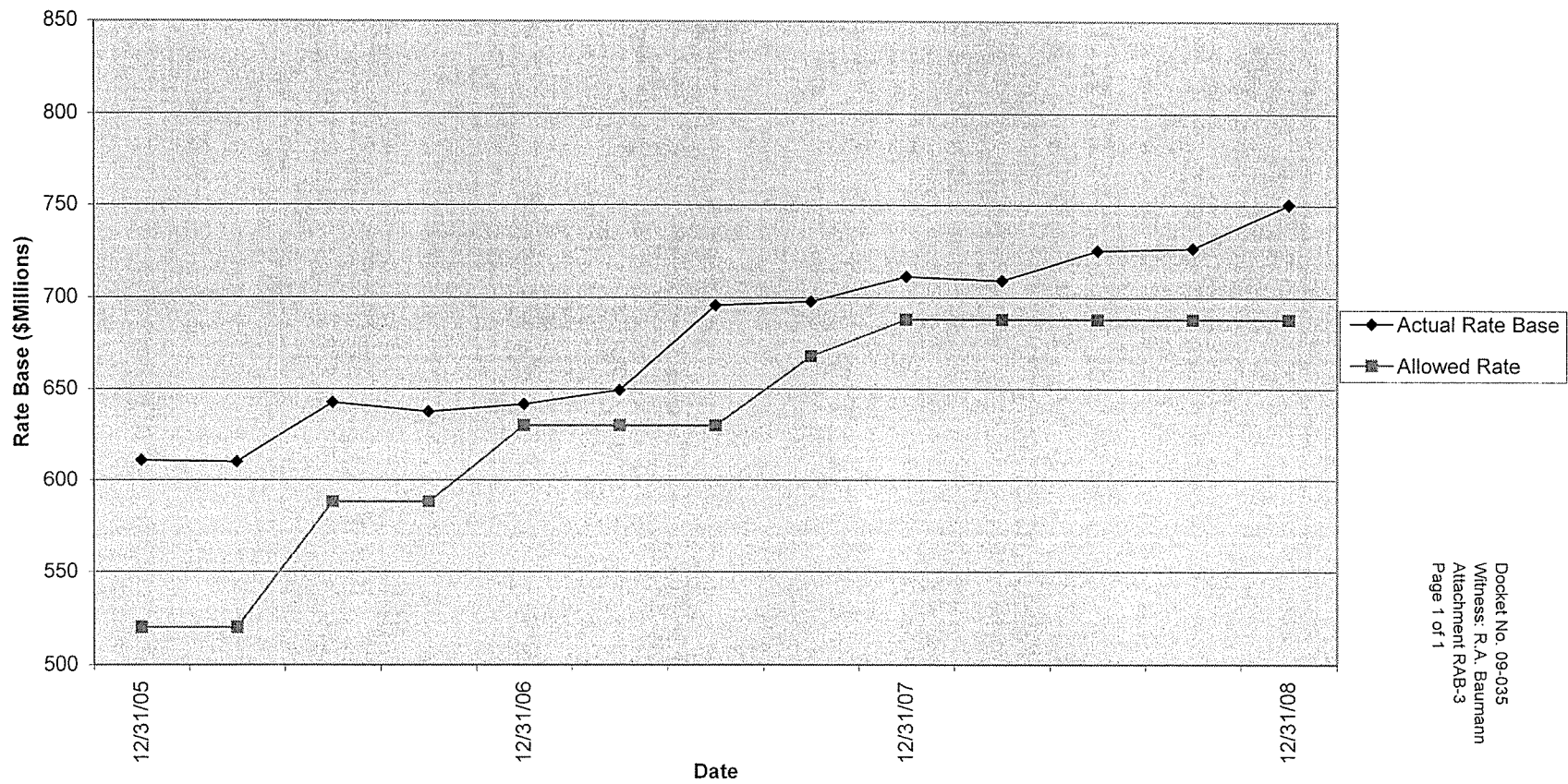
3	2008 Dec	Mar	Quarter ended 2009				Quarter ended 2010				Quarter ended 2011				Quarter ended 2012			
	Dec	Mar	June	Sept	Dec	Mar	June	Sept	Dec	Mar	June	Sept	Dec	Mar	June	Sept	Dec	
4 Beginning balance	-	62,709	67,049	58,652	57,725	56,786	55,837	54,877	52,419	49,932	47,417	44,874	42,301	39,699	37,068	34,406	31,714	
5 Additional 2009 costs, net		3,500	3,500															
6 Insurance proceeds			(12,709)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
7 Amortization		-	-	(1,588)	(1,588)	(1,588)	(1,588)	(3,067)	(3,067)	(3,067)	(3,067)	(3,067)	(3,067)	(3,067)	(3,067)	(3,067)	(3,067)	
8 Balance prior to return	62,709	66,209	57,840	57,064	56,136	55,198	54,249	51,810	49,352	46,865	44,350	41,807	39,234	36,632	34,001	31,339	28,647	
9 Average balance to calculate return		64,459	62,444	57,858	56,931	55,992	55,043	53,343	50,885	48,399	45,884	43,340	40,768	38,166	35,534	32,873	30,181	
10 Def taxes calculated at 39.55%	-	(25,494)	(24,697)	(22,883)	(22,516)	(22,145)	(21,769)	(21,097)	(20,125)	(19,142)	(18,147)	(17,141)	(16,124)	(15,095)	(14,054)	(13,001)	(11,937)	
11 Net def costs to calculate return	-	38,966	37,747	34,975	34,414	33,847	33,273	32,246	30,760	29,257	27,737	26,199	24,644	23,071	21,481	19,872	18,244	
12 x Return (1)		2.15%	2.15%	1.89%	1.89%	1.89%	1.89%	1.89%	1.89%	1.89%	1.89%	1.89%	1.89%	1.89%	1.89%	1.89%	1.89%	
13 Return on def major storm costs		839	813	660	650	639	628	609	581	552	524	495	465	435	405	375	344	
14 Ending balance, including the return	62,709	67,049	58,652	57,725	56,786	55,837	54,877	52,419	49,932	47,417	44,874	42,301	39,699	37,068	34,406	31,714	28,992	
15 182ST \$5.917M amortization, incl return				(1,479)	(1,479)	(1,479)	(1,479)											
16 Increase in revenue requirements				(3,067)	(3,067)	(3,067)	(3,067)	(3,067)	(3,067)	(3,067)	(3,067)	(3,067)	(3,067)	(3,067)	(3,067)	(3,067)	(3,067)	

	Quarter ended 2013				Quarter ended 2014				2015		
	Mar	June	Sept	Dec	Mar	June	Sept	Dec	Mar	June	Total
19 Beginning balance	28,992	26,238	23,453	20,636	17,787	14,905	11,991	9,043	6,062	3,047	
20 Additional 2009 costs, net											7,000
21 Insurance proceeds	-	-	-	-	-	-	-	-	-	-	(12,709)
22 Amortization	(3,067)	(3,067)	(3,067)	(3,067)	(3,067)	(3,067)	(3,067)	(3,067)	(3,067)	(3,064)	(67,689)
23 Balance prior to return	25,925	23,171	20,386	17,569	14,720	11,838	8,924	5,976	2,995	(18)	
24 Average balance to calculate return	27,458	24,705	21,919	19,102	16,253	13,372	10,457	7,510	4,528	1,514	
25 Def taxes calculated at 39.55%	(10,860)	(9,771)	(8,669)	(7,555)	(6,428)	(5,289)	(4,136)	(2,970)	(1,791)	(599)	
26 Net def costs to calculate return	16,599	14,934	13,250	11,547	9,825	8,083	6,321	4,540	2,737	916	
27 x Return (1)	1.89%	1.89%	1.89%	1.89%	1.89%	1.89%	1.89%	1.89%	1.89%	1.89%	
28 Return on def major storm costs	313	282	250	218	185	153	119	86	52	17	10,689
29 Ending balance, including the return	26,238	23,453	20,636	17,787	14,905	11,991	9,043	6,062	3,047	(0)	
30 182ST \$5.917M amortization, incl return											
31 Increase in revenue requirements	(3,067)	(3,067)	(3,067)	(3,067)	(3,067)	(3,067)	(3,067)	(3,067)	(3,067)	(3,064)	(73,605)

(1) 7.55% annual return (including the gross revenue conversion adjustment on the equity return for taxes) previously used in DE 06-028 and DE 08-071 in determining the return on deferred major ice storm costs.

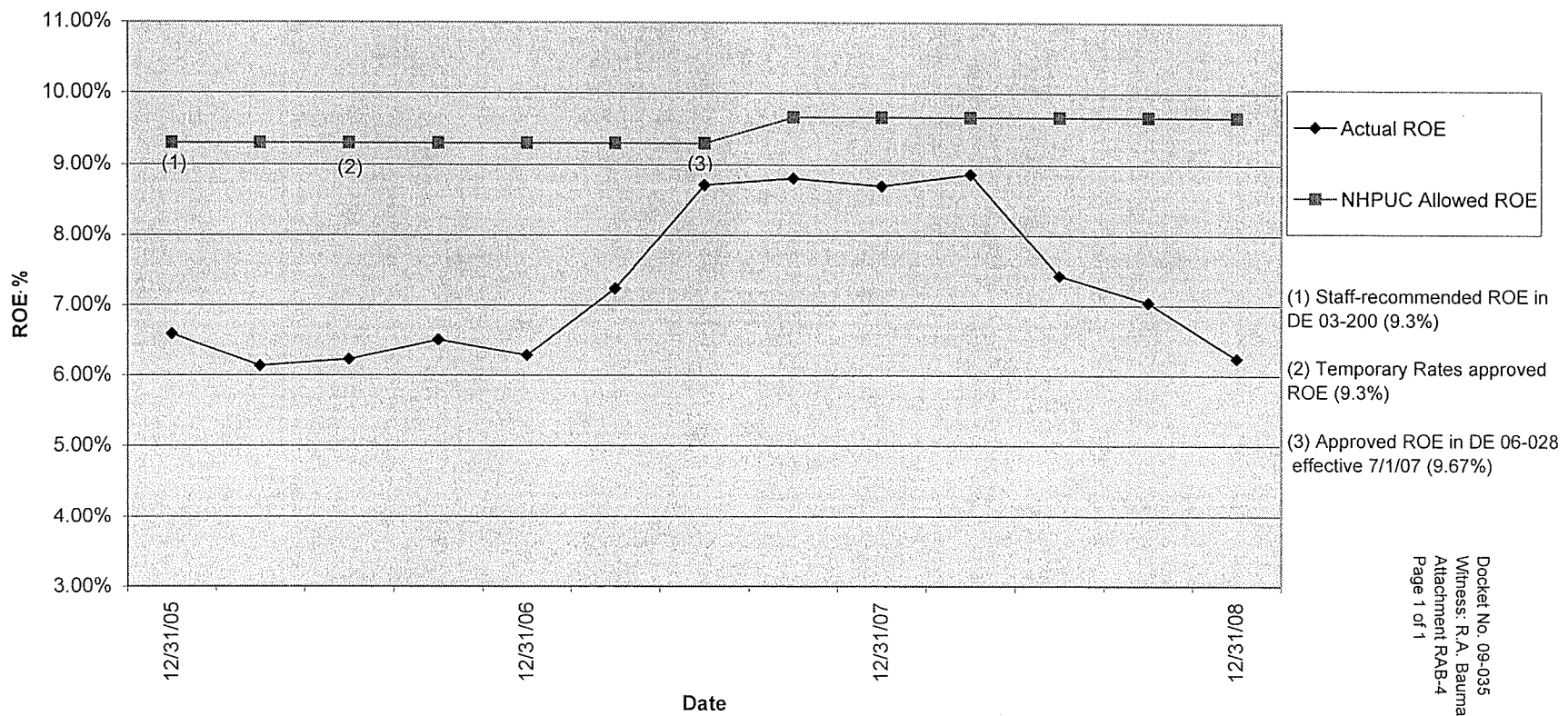
Amounts shown above may not add due to rounding.

End of Period Actual vs. Allowed Rate Base



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**ROE Percent
Based on 5 Quarter
Rate Base and Cost of Capital Data**



PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
2009 ENERGY SERVICE RECONCILIATION AND UPDATED RATE
 (Dollars in 000's, except for KWH data)

1	Summary of Actual and Forecasted Energy Service	
2	Costs For January 2009 Through December 2009 (1)	TOTAL COST
3		
4	Fossil energy costs	\$ 150,706
5	F/H O&M, Depreciation & Taxes	135,191
6	Return on rate base	40,857
7	ISO-NE Ancillary	6,162
8	Capacity	35,785
9	NH RPS	11,452
10	RGGI Costs	6,619
11	Vermont Yankee	7,573
12	IPP costs (2)	22,985
13	Purchases and Sales	267,178
14	SO2 Proceeds	(124)
15	Return on ES Deferral	(766)
16	Merrimack Incremental O&M Costs, net of proj. insurance proceeds	5,480
17	Merrimack Projected RPC Insurance Proceeds.	(6,150)
18	2008 Actual ES under/(over) recovery	(32,741)
19		
20	Total Updated Energy Service Cost	\$ 650,206
21	Total Updated Revenue at 9.92 cents per kwh	677,619
22	Energy Service Over/Under Recovery	(27,413)
23		
24	Forecasted Retail MWH Sales July - December 2009	\$ 3,453,248
25		
26	Decrease in Energy Service Rate - cents per kwh (L22/L24)	(0.79)
27		
28	Energy Service Rate as approved in DE 08-113 - cents per kwh	\$ 9.92
29		
30	Updated Energy Service Rate - cents per kwh (L26 + L28)	\$ 9.13

- 31 (1) Reflects actual data for January and February, 2009 and forecasted
 32 data for March through December, 2009.
 44 (2) The IPP costs represent the forecasted Market Value of IPP generation.
 32 Amounts shown above may not add due to rounding.

000106

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE

2009 STRANDED COST RECOVERY CHARGE RECONCILIATION AND UPDATED RATE

000'S

<u>Summary of Actual and Forecasted Stranded Costs For January 2009 Through December 2009 (1)</u>		<u>Total Cost</u>
1	Part 1 - Rate recovery bonds (RRB)	\$ 62,027
2	Part 2 - Ongoing SCRC Costs	11,856
3	Part 2 - 2008 Actual SCRC under/(over) Recovery	<u>10,274</u>
4	Total Updated SCRC Cost (L1+L2+L3)	\$ 84,157
5	Total Updated SCRC Revenue @ .98 cents/kwh	<u>78,293</u>
6	Total SCRC under/(over) Recovery (L4 - L5)	5,863
7	Forecasted Retail MWH Sales - July - December 2008	<u>4,090,937</u>
8	Increase in SCRC Rate - cents/kwh (L6/L7)	0.14
9	Current SCRC rate approved in DE 08-114 - cents/kwh	<u>0.98</u>
10	Updated SCRC Rate effective 7/1/09 - cents/kwh (L8+L9)	<u><u>1.12</u></u>
11	(1) Reflects actual data for January and February, 2009 and forecasted	
12	data for March through December, 2009.	

000107

PSNH

REQUEST FOR TEMPORARY RATES

PRO FORMA INCOME STATEMENT ADJUSTMENTS

The following adjustments can be found in Schedule 1 Attachment:

Page 2 – Special Pricing Revenue

This pro forma adjustment reflects the decrease in distribution operating revenues to reflect special pricing arrangements which will terminate and revert to billing under standard tariff rates by December 31, 2009 (within twelve months of the end of the test year).

Page 3 – Billed Retail Distribution Revenue

This pro forma adjustment relates to PSNH's retail distribution rates which decreased on July 1, 2008. This adjustment states retail revenues at the July 1, 2008 rate level for the entire year.

Page 4 – Field Collection Revenues

This pro forma adjustment increases PSNH's retail distribution revenue to reflect Field Collection revenues that were mistakenly booked to the wrong segment from January thru July 2008.

Expense Adjustments

Page 5 – Uncollectible Expense

This pro forma adjustment decreases test year operating expense to reflect a decrease in the allocation to the Distribution Segment.

Page 6 – Verizon Out-of-Period O&M Credit Associated with Tree Trimming

This pro forma adjustment eliminates a non-recurring out-of-period O&M credit associated with the reimbursement for tree trimming costs from Verizon.

Page 7 – Tilton Area Work Center O&M Costs

This pro forma adjustment eliminates non-recurring O&M costs associated with fire damage at the Tilton Area Work Center in 2008.

Page 8 – Amortization of Software Maintenance Agreement

This pro forma adjustment reflects the increase in test year operating expenses for the amortization of contract costs associated with call center technology software support and maintenance.

Page 9 – Postage Expense Increase

This pro forma adjustment increases test year operating expense to reflect higher postage expense effective May 12, 2008 and May 11, 2009.

Page 10 – Payroll Expense

This pro forma adjustment changes test year payroll expense to reflect the impact of retirements, annualization of new employee salaries, and to reflect pay increases for exempt, non-exempt and union employees, along with payroll-related overheads.

Page 11 – Other Post Employment Benefits (OPEB)

This pro forma adjustment reflects an increase in OPEB expense based on most current actuarial studies.

Page 12 – Pensions

This pro forma adjustment reflects the increased pension expense based on most current actuarial studies.

Page 13 – Property Taxes

This pro forma adjustment reflects the increased test year operating expense for higher levels of property tax expense based on 2009 property tax levels.

Page 14 – Medical Benefits

This pro forma adjustment reflects the increase in test year operating expenses for increased medical benefits based on information supplied by the PSNH's actuaries.

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5 Page 15 – Hydro Quebec Support Costs

6 This pro forma adjustment reflects the increase in test year operating expenses for 2009
7 Hydro Quebec support costs.

8 Page 16 - Current and Deferred Income Taxes

9 This pro forma adjustment adjusts both Current and Deferred income taxes based on pro
10 forma changes in pre-tax operating income.

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TEMPORARY RATES
PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
COMPUTATION OF DISTRIBUTION REVENUE DEFICIENCY
FOR TEST YEAR ENDED DECEMBER 31, 2008
(Thousands of Dollars)

				<u>Actual</u>
				<u>Distribution</u>
				<u>Segment</u>
1	Rate Base			\$ 723,882
2	Rate of Return			<u>5.933%</u>
3	Required Net Operating Income			42,948
4	Net Operating Income Applicable			
5	to Rate Base			<u>\$ 42,948</u>
6	Deficiency			<u>(0)</u>
7	Tax Effect (.59475)			
8	Revenue Deficiency	GRCF(1) ==>	1.6814	<u>\$ -</u>
				<u>5 QTR Average</u>
				<u>Proformed</u>
				<u>Distribution</u>
				<u>Segment</u>
9	Rate Base			\$ 723,882
10	Required Rate of Return			<u>7.475%</u>
11	Required Net Operating Income			54,111
12	Net Operating Income Applicable			
13	to Rate Base			<u>\$ 36,238</u>
14	Deficiency			<u>17,873</u>
15	Tax Effect (.59475)			
16	Total Revenue Deficiency	GRCF (1) ==>	1.6814	<u>\$ 30,052</u>
18	Major Ice Storm Costs			6,351
19	Total Revenue Deficiency			<u>\$ 36,403</u>
20	(1) Gross Revenue Conversion Factor (GRCF) =		$\frac{1}{(1 - \text{Tax Rate})}$	

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE

OPERATING INCOME STATEMENT

TOTAL DISTRIBUTION

(Thousands of Dollars)

		Twelve Months Ended: December 31, 2008		
		Distribution (1)	Proforma Adjustment	Proforma Distribution
1	Operating Revenues	\$ 259,599	\$ 220	\$ 259,819
2	Operating Expenses			
3	Production Expenses	223	-	223
4	Transmission Expenses	4,959	565	5,524
5	Distribution Expenses	47,728	846	48,574
6	Customers' Accounting	24,226	242	24,468
7	General Administrative	66,279	4,416	70,695
8	Other	582	-	582
9	Sub-Total	143,997	6,069	150,066
10	Depreciation	28,837	-	28,837
11	Amortization of Regulatory Assets, Net	6,011	-	6,011
12	Current Income Tax	(21,888)	(301)	(22,189)
13	Deferred Income Tax, net	32,792	(3,082)	29,710
14	Investment Tax Credit Adjustments	(132)	-	(132)
15	Other Tax	26,610	4,245	30,855
16	Gain/Loss on Disposal of Utility Plant, Net	-	-	-
17	Total Operating Expenses	\$ 216,227	\$ 6,931	\$ 223,158
18	Net Operating Income	\$ 43,372	(6,711)	36,661
19	Less:			
20	Donations, Net-of-Tax	293	-	293
21	Return on Customers' Deposits	131	-	131
22	Net Operating Income Applicable			
23	to Rate Base	\$ 42,948	\$ (6,711)	\$ 36,238

(1) Excludes Retail Transmission shown on page 2 as these costs are tracked by the Transmission Cost Adjustment Mechanism (TCAM).

Amounts shown above may not add due to rounding.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE

OPERATING INCOME STATEMENT

CALCULATION OF DISTRIBUTION

(Thousands of Dollars)

		Twelve Months Ended: December 31, 2008		
		Delivery (1)	Retail Transmission (2)	Distribution
1	Operating Revenues	\$ 328,937	\$ 69,338	\$ 259,599
2	Operating Expenses			
3	Production Expenses	349	126	223
4	Transmission Expenses	72,046	67,087	4,959
5	Distribution Expenses	47,728		47,728
6	Customers' Accounting	24,226	-	24,226
7	General Administrative	66,279	-	66,279
8	Other	582	-	582
9	Sub-Total	211,211	67,213	143,997
10	Depreciation	28,837	-	28,837
11	Amortization of Regulatory Assets, Net	7,936	1,925	6,011
12	Current Income Tax	(22,497)	(609)	(21,888)
13	Deferred Income Tax, net	33,500	708	32,792
14	Investment Tax Credit Adjustments	(132)	-	(132)
15	Other Tax	26,610	-	26,610
16	Gain/Loss on Disposal of Utility Plant, Net	-	-	-
17	Total Operating Expenses	\$ 285,465	\$ 69,237	\$ 216,227
18	Net Operating Income	\$ 43,472	\$ 101	\$ 43,372

19 (1) Schedule 1, page 3 of 5. Delivery less Retail Transmission equals Distribution.

20 (2) Prior to July 1, 2007, PSNH recovered through its Delivery Rates, both Distribution and Retail Transmission costs.
 21 Effective July 1, 2007, in accordance with an Order issued in DE 06-028, Delivery rates were split into Distribution
 22 and Retail Transmission rates. Since then, Retail Transmission costs and associated revenues are recovered
 23 separately through the TCAM and are being eliminated in this schedule to calculate the Distribution starting point
 24 for this rate filing.

25 Amounts shown above may not add due to rounding.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
OPERATING INCOME STATEMENT

(Thousands of Dollars)

		Twelve Months Ended: December 31, 2008					
		Delivery (2)	Transmission	Generation	Regulatory	Other/ Eliminations	Total Company
1	Operating Revenues	\$ 328,937	\$ 59,018	\$ 689,677	\$ 68,321	\$ (43,115)	\$ 1,102,838
2	Operating Expenses						
3	Production Expenses	349	-	581,032	16,400	3,443	601,225
4	Transmission Expenses	72,046	11,351	5,798	-	(47,216)	41,979
5	Distribution Expenses	47,728	-	-	-	1	47,729
6	Customers' Accounting	24,226	-	2,944	14,600	-	41,770
7	General Administrative	66,279	7,262	19,255	17	3	92,817
8	Other	582	6	135	-	-	723
9	Sub-Total	211,211	18,619	609,164	31,017	(43,769)	826,242
10	Depreciation	28,837	7,242	20,141	-	-	56,220
11	Amortization of Regulatory Assets, Net	7,936	(1)	17,886	29,077	-	54,898
12	Current Income Tax	(22,497)	3,021	8,576	6,134	377	(4,389)
13	Deferred Income Tax, net	33,500	4,469	(3,436)	(8,880)	(55)	25,598
14	Investment Tax Credit Adjustments	(132)	(21)	(74)	-	-	(227)
15	Other Tax	26,610	5,577	9,670	279	5	42,141
16	Gain/Loss on Disposal of Utility Plant, Net						-
17	Total Operating Expenses	285,465	38,906	661,927	57,627	(43,442)	1,000,484
18	Net Operating Income	43,472	20,112	27,750	10,694	327	102,355
19	Less:						
20	Donations, Net-of-Tax (1)	293	6	14	-	1	313
21	Return on Customers' Deposits	131	2	-	-	-	133
22	Net Operating Income Applicable						
23	to Rate Base	\$ 43,048	\$ 20,104	\$ 27,736	\$ 10,694	\$ 326	\$ 101,909
24	(1) Calculated as [(1-tax rate) * pre-tax amount]						
25	Donations, pre-tax (a)	492	10	23	-	2	527
26	(1-tax rate) = (1-.40.525%) (b)	59.48%	59.48%	59.48%	59.48%	59.48%	59.48%
27	Donations, net-of-tax (a)*(b)	293	6	14	-	1	313

28 (2) Includes Retail Transmission costs recovered through the TCAM.

29 Amounts shown above may not add due to rounding.

Docket No. DE 09-035
Witness: R. A. Baumann
Schedule 1
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PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
OPERATING INCOME STATEMENT
(Thousands of Dollars)

Twelve Months Ended December 31, 2007

	Delivery (2)	Transmission	Generation	Regulatory	Other/ Eliminations	Total
1 Operating Revenues	\$ 299,886	\$ 46,531	\$ 629,549	\$ 124,219	\$ (25,207)	\$ 1,074,978
2 Operating Expenses						
3 Production Expenses	234	-	541,201	38,251	3,377	583,063
4 Transmission Expenses	57,077	9,031	7,786	-	(28,888)	45,006
5 Distribution Expenses	42,303	(3)	-	-	1	42,301
6 Customers' Accounting	18,918	-	1,054	15,637	1	35,610
7 General Administrative	67,763	6,972	20,309	37	(269)	94,812
8 Other	476	6	384	-	-	866
9 Sub-Total	186,771	16,006	570,734	53,925	(25,778)	801,658
10 Depreciation	25,780	5,819	21,616	-	-	53,215
11 Amortization of Regulatory Assets, Net	(1,513)	(1)	225	61,103	-	59,814
12 Current Income Tax	2,548	(157)	7,780	18,280	556	29,007
13 Deferred Income Tax, net	12,716	6,597	(3,276)	(20,458)	(95)	(4,516)
14 Investment Tax Credit Adjustments	(153)	(29)	(113)	-	-	(295)
15 Other Tax	25,076	4,675	9,318	425	30	39,524
16 Gain/Loss on Disposal of Utility Plant, Net	-	-	-	-	-	-
17 Total Operating Expenses	251,225	32,910	606,284	113,275	(25,287)	978,407
18 Net Operating Income	48,661	13,621	23,265	10,944	80	96,571
19 Less:						
20 Donations, Net-of-Tax (1)	639	7	8	-	2	655
21 Return on Customers' Deposits	304	-	-	-	-	304
22 Net Operating Income Applicable 23 to Rate Base	\$ 47,718	\$ 13,614	\$ 23,257	\$ 10,944	\$ 78	\$ 95,612
24 (1) Calculated as [(1-tax rate) * pre-tax amount]						
25 Donations, pre-tax (a)	1,074	11	13	-	3	1,101
26 (1-tax rate) = (1-.40.525%) (b)	59.48%	59.48%	59.48%	59.48%	59.48%	59.48%
27 Donations, net-of-tax (a)*(b)	639	7	8	-	2	655

28 (2) Includes Retail Transmission costs recovered through the TCAM.

29 Amounts shown above may not add due to rounding.

Docket No. DE 09-035
Witness: R. A. Baumann
Schedule 1
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PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
OPERATING INCOME STATEMENT
(Thousands of Dollars)

Twelve Months Ended December 31, 2006

	Delivery (2)	Transmission	Generation	Regulatory	Other/ Eliminations	Total
1 Operating Revenues	\$ 259,348	\$ 40,832	\$ 673,481	\$ 196,346	\$ (29,180)	\$ 1,140,827
2 Operating Expenses						
3 Production Expenses	560	-	571,222	76,889	2,288	650,959
4 Transmission Expenses	46,903	7,776	6,105	-	(31,472)	29,312
5 Distribution Expenses	36,641	4	-	-	-	36,645
6 Customers' Accounting	19,381	-	-	11,854	-	31,235
7 General Administrative	60,644	6,666	19,406	36	(450)	86,302
8 Other	431	9	200	-	1	641
9 Sub-Total	164,560	14,455	596,933	88,779	(29,633)	835,094
10 Depreciation	25,411	5,251	18,978	-	-	49,640
11 Amortization of Regulatory Assets, Net	545	(1)	27,562	74,421	-	102,527
12 Current Income Tax	7,328	3,583	18,503	31,911	181	61,506
13 Deferred Income Tax, net	1,467	1,399	(12,675)	(12,607)	160	(22,256)
14 Investment Tax Credit Adjustments	(171)	(36)	(145)	-	-	(352)
15 Other Tax	23,124	5,033	8,978	450	(87)	37,498
16 Gain/Loss on Disposal of Utility Plant, Net	-	-	-	-	-	-
17 Total Operating Expenses	222,264	29,684	658,134	182,954	(29,379)	1,063,657
18 Net Operating Income	37,084	11,148	15,347	13,392	199	77,170
19 Less:						
20 Donations, Net-of-Tax (1)	335	8	4	-	1	348
21 Return on Customers' Deposits	276	-	-	-	-	276
22 Net Operating Income Applicable 23 to Rate Base	36,473	11,140	15,343	13,392	198	76,546
24 (1) Calculated as [(1-tax rate) * pre-tax amount]						
25 Donations, pre-tax (a)	564	13	7	-	1	585
26 (1-tax rate) = (1-.40.525%) (b)	59.48%	59.48%	59.48%	59.48%	59.48%	59.48%
27 Donations, net-of-tax (a)*(b)	335	8	4	-	1	348

28 (2) Includes Retail Transmission costs recovered through the TCAM.

29 Amounts shown above may not add due to rounding.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE

DISTRIBUTION SEGMENT RATE CASE

SUMMARY OF PROFORMA ADJUSTMENTS TO THE INCOME STATEMENT

(Thousands of Dollars)

		OPERATING REVENUES	OPERATING EXPENSES	DEPRECIATION	AMOR OF REGULATORY ASSETS NET	CURRENT FEDERAL INCOME TAX	DEFERRED FEDERAL INCOME TAX	INVESTMENT TAX CREDIT ADJUSTMENTS	OTHER TAX	(GAIN)/LOSS ON DISP	NET OPERATING INCOME	NHPUC ADJUSTMENTS	NOI APPLICABLE TO RATE BASE	
1	ACTUAL 12/31/2008	Reference	259,599	143,997	28,837	6,011	(21,888)	32,792	(132)	26,610	0	43,372	(424)	42,948
2	INCOME STATEMENT PROFORMAS													
3	Special Pricing Revenue	pg. 2	(93)								(93)		(93)	
4	Billed Retail Distribution Revenue	pg. 3	(199)								(199)		(199)	
5	Field Collection Revenues	pg. 4	512								512		512	
6	Uncollectible Expense	pg. 5		(522)							522		522	
7	Verizon Out-of-Period O&M Credit	pg. 6		375							(375)		(375)	
8	Tilton Area Work Center O&M Costs	pg. 7		(680)							680		680	
9	Amortization of Software Maintenance Agreement	pg. 8		75							(75)		(75)	
10	Postage Expense	pg. 9		83							(83)		(83)	
11	Payroll Expense	pg. 10		2,128					208		(2,336)		(2,336)	
12	Other Post Employment Benefits (OPEB)	pg. 11		168							(168)		(168)	
13	Pension Expense	pg. 12		3,160							(3,160)		(3,160)	
14	Property Tax	pg. 13							4,037		(4,037)		(4,037)	
15	Medical Expense	pg. 14		718							(718)		(718)	
16	Hydro Quebec Support	pg. 15		565							(565)		(565)	
17	Current and Deferred Income Taxes	pg. 16				(301)	(3,082)				3,383		3,383	
18											0		0	
19														
20														
21														
22														
23														
24														
25														
26	TOTAL REVENUE & EXPENSE ADJUSTMENTS		220	6,069	0	0	(301)	(3,082)	0	4,245	0	(6,711)	0	(6,711)
27	RATE BASE - RELATED PROFORMAS													
28	Plant Additions				0						0		0	
29	TOTAL PROFORMA ADJUSTMENTS		220	6,069	0	0	(301)	(3,082)	0	4,245	0	(6,711)	0	(6,711)
30	TOTAL AS PROFORMED		259,819	150,066	28,837	6,011	(22,189)	29,710	(132)	30,855	0	36,661	(424)	36,238
			+	-	-	-	-	-	-	-	=	+	=	

30 Amounts shown above may not add due to rounding.

Docket No. DE 09-035
Witness: R. A. Baumann
Schedule 1 Attachment
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PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
DISTRIBUTION SEGMENT RATE CASE

PROFORMA ADJUSTMENT

SPECIAL PRICING REVENUE

(Thousands of Dollars)

1 Purpose and Description:

- 2 Decrease Distribution operating revenues to reflect special pricing arrangements which
- 3 will terminate and revert to billing under standard tariff rates by December 31, 2009
- 4 (within twelve months of the end of the test year).

\$ (93)

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
 PROFORMA ADJUSTMENT - SUPPORTING SCHEDULE

SPECIAL PRICING REVENUE

(In Dollars)

- 1 Special Pricing Arrangements which will expire by December 31, 2009.
 2 Proforma Adjustment to state Distribution Revenue at Standard Tariff Rate level.

	(1)	(2)	(3)	(4)	(5)
			<u>Distribution Revenue at:</u>		
	Standard	Annual	Standard	Average	Proforma
	Tariff	Billing	Tariff	Retail	Adjustment
	Distribution	Determinant	Rates	Rate	
8	<u>Rate Class</u>	<u>Charge</u>			<u>Adjustment</u>
9	General Service Rate G				
10	Three-phase customer charge	\$ 20.13	\$ 88.00	\$ 1,771.44	
11	Load charge (over 5 KW)	6.09	6,516.00	39,682.44	
12	First 500 KWH	0.05	42,300.00	2,131.50	
13	Next 1,000 KWH	0.01	79,140.00	988.46	
14	All additional KWH	0.00	1,039,880.00	4,596.27	
15			\$ 49,170.11	\$ 35,071.86	\$ 14,098.24
16	Primary General Service Rate GV				
17	Customer charge	\$ 135.51	\$ 93.00	\$ 12,602.43	
18	First 100 KW	3.75	9,007.00	33,776.25	
19	All additional KW	3.45	20,614.00	71,118.30	
20	First 200,000 KWH	0.01	5,993,663.00	36,561.34	
21	All additional KWH	0.01	-	-	
22			\$ 154,058.32	\$ 181,008.62	\$ (26,950.30)
23	Large General Service Rate LG				
24	Customer charge	\$ 411.86	\$ 32.00	\$ 13,179.52	
25	Demand charge	3.32	43,272.00	143,663.04	
26	On-peak KWH	0.00	5,699,163.00	20,801.94	
27	Off-peak KWH	0.00	3,141,368.00	9,644.00	
28			\$ 187,288.50	\$ 266,984.04	\$ (79,695.53)
29	Total, all classes		<u>\$ 390,516.93</u>	<u>\$ 483,064.52</u>	<u>\$ (92,547.59)</u>

- 30 (1) Distribution rate level effective July 1, 2008.
 31 (2) Aggregate billing determinants for all customers whose special pricing will terminate by December 31, 2009.
 32 (3) Column (1) x Column (2).
 33 (4) Under the terms of the Restructuring Settlement, the distribution revenue from special pricing arrangements is imputed
 34 at the overall retail average distribution rate. The retail average rate as of July 1, 2008 was 3.020 ¢/KWH.
 35 (5) Equal to Column (3) minus Column (4).

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
DISTRIBUTION SEGMENT RATE CASE

PROFORMA ADJUSTMENT

BILLED RETAIL DISTRIBUTION REVENUE

(Thousands of Dollars)

1 Purpose and Description:

- 2 PSNH's retail Distribution rates decreased on July 1, 2008. This adjustment states
3 retail revenues at the July 1, 2008 rate level for the entire year.

\$ (199)

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
DISTRIBUTION SEGMENT RATE CASE

PROFORMA ADJUSTMENT

FIELD COLLECTION REVENUES

(Thousands of Dollars)

1 Purpose and Description:

- 2 To increase Distribution Miscellaneous Operating Revenue
3 that were mistakenly booked to the wrong segment from January - July 2008.

\$ 512

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
DISTRIBUTION SEGMENT RATE CASE

PROFORMA ADJUSTMENT

UNCOLLECTIBLE EXPENSE

(Thousands of Dollars)

1 Purpose and Description:

2 Decrease test year operating expense for Uncollectible Expense
3 due to the decrease in allocation to the Distribution Segment.

\$ (522)

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
PROFORMA ADJUSTMENT - SUPPORTING SCHEDULE

UNCOLLECTIBLE EXPENSE

(Thousands of Dollars)

		PSNH <u>Total Company</u>	Distribution <u>Segment</u>
1	Total PSNH 2009 Uncollectible Expense based	\$ 6,270	\$ 2,195
2	on revised allocation of 35% to Distribution		
3	Less the amount recorded in the test year	<u>5,661</u>	<u>2,717</u>
4	based on allocation of 48% to Distribution.		
6	Decrease in Uncollectible Expense		<u>\$ (522)</u>
7	Amounts shown above may not add due to rounding.		

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
DISTRIBUTION SEGMENT RATE CASE

PROFORMA ADJUSTMENT

VERIZON OUT OF PERIOD O&M CREDIT ASSOCIATED WITH TREE TRIMMING

(Thousands of Dollars)

1 Purpose and Description:

- 2 To eliminate the non-recurring out-of-period O&M credit associated with
3 the reimbursement for tree trimming costs from Verizon.

\$ 375

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
DISTRIBUTION SEGMENT RATE CASE

PROFORMA ADJUSTMENT

TILTON AREA WORK CENTER (O&M) COSTS

(Thousands of Dollars)

1 Purpose and Description:

- 2 To eliminate non-recurring O&M costs associated with the fire damage
3 at the Tilton Area Work Center in 2008.

\$ (680)

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
DISTRIBUTION SEGMENT RATE CASE

PROFORMA ADJUSTMENT

AMORTIZATION OF SOFTWARE MAINTENANCE AGREEMENT

(Thousands of Dollars)

1 Purpose and Description:

2 Amortization of contract costs associated with call center
3 technology software support and maintenance.

\$ 75

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
DISTRIBUTION SEGMENT RATE CASE

PROFORMA ADJUSTMENT - SUPPORTING SCHEDULE

AMORTIZATION OF SOFTWARE MAINTENANCE AGREEMENT

(Thousands of Dollars)

1	Prepaid software and maintenance agreement to support call center technology.	<u>\$</u>	<u>270</u>
2	Annual Amortization over 3 years (line 1 divided by 3)	\$	90
3	Less: 2 months amortization booked in test year.		<u>15</u>
4	Call Center software maintenance adjustment	<u>\$</u>	<u>75</u>

5 Amounts shown above may not add due to rounding.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
DISTRIBUTION SEGMENT RATE CASE

PROFORMA ADJUSTMENT

POSTAGE EXPENSE INCREASE

(Thousands of Dollars)

1 Purpose and Description:

- 2 Increase test year operating expense for higher postage expense
3 effective 5/12/08 and 5/11/09.

\$ 83

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
DISTRIBUTION SEGMENT RATE CASE

PROFORMA ADJUSTMENT - SUPPORTING SCHEDULE

POSTAGE EXPENSE INCREASE

(Thousands of Dollars)

			<u>Postage Exp. Increase</u>
1	PSNH 1/01/08 to 5/11/08 test year postage expense	\$ 748	
2	Postal rate increase of 4.5% effective 5/12/08	<u>4.5%</u>	\$ 34
3	PSNH 5/12/08 to 12/31/08 test year postage expense	\$ 1,456	
4	Postal rate increase of 3.4% effective 5/11/09	<u>3.4%</u>	<u>50</u>
5	Total increase in postage expense		<u>\$ 83</u>

6 Amounts shown above may not add due to rounding.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
DISTRIBUTION SEGMENT RATE CASE

PROFORMA ADJUSTMENT

PAYROLL EXPENSE

(Thousands of Dollars)

1 Purpose and Description:

2 To adjust test year payroll expense to reflect the impact of retirements,
3 annualization of new employee salaries, and to reflect pay increases for exempt,
4 non-exempt employees and union employees, along with payroll-related overheads.

5 Increase operating expenses to reflect an increase in payroll expense to be incurred
6 during the twelve months ending December 31, 2009 to fully reflect annualized base
7 payroll at December 31, 2008 in payroll expense for the entire year, net of
8 retirements which occurred in the test year ended December 31, 2008.

\$ 1,373

9 Increase operating expenses to reflect additional base payroll expense to be
10 incurred during the twelve months ending December 31, 2009 as a result of
11 estimated wage increases to be granted to individuals employed as of
12 December 31, 2008.

755

13 Total adjustment to test year payroll exclusive of overheads

\$ 2,128

14 Overheads:

15 Payroll benefits at 1.85% (L13 x 1.85%)

39

16 Payroll taxes at 7.92% (L13 x 7.52%)

169

18 Total test year proforma increase to operating expenses

\$ 2,336

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
 DISTRIBUTION SEGMENT RATE CASE

PROFORMA ADJUSTMENT - SUPPORTING SCHEDULE

DISTRIBUTION PAYROLL

(Thousands of Dollars)

Twelve Months Ended: December 31, 2008			
	Actual	Pro Forma Adjustments	Pro Forma Test Year
1 <u>Operation</u>			
2 Distribution	8,196	291	8,487
3 Customers' Accounting	12,316	637	12,953
4 Customer Service & Information	1,823	52	1,875
5 Energy Applications	85	(1)	84
6 Administration & General	22,276	638	22,914
7			
8 Total Operations	44,696	1,617	46,313
10 <u>Maintenance</u>			
11 Distribution	13,196	472	13,668
12 Administration & General	210	9	219
13 Total Maintenance	13,406	481	13,887
14 Allocation of Payroll Charged to			
15 Clearing Accounts	806	30	836
16 Total Payroll Charged to Expenses	58,908	2,128	61,036
17 <u>Construction</u>			
18 Electric Plant	25,716	481	26,197
19 Other	-	-	-
20 <u>Plant Removal</u>			
21 Electric Plant	2,818	62	2,880
22 Other	-	-	-
23 <u>Other Accounts</u>	1,459	38	1,497
24 Total Distribution Payroll	<u>\$ 88,901</u>	<u>\$ 2,709</u>	<u>\$ 91,610</u>

25 Amounts shown above may not add due to rounding.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
DISTRIBUTION SEGMENT RATE CASE

PROFORMA ADJUSTMENT

OTHER POST EMPLOYMENT BENEFITS (OPEB)

(Thousands of Dollars)

1 Purpose and Description:

2 Increase test year OPEB expense based on most current actuarial studies.

\$ 168

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
DISTRIBUTION SEGMENT RATE CASE

PROFORMA ADJUSTMENT - SUPPORTING SCHEDULE

OTHER POST EMPLOYMENT BENEFITS (OPEB)

(Thousands of Dollars)

		PSNH <u>Total Company</u>	Distribution <u>Segment</u>
1	Total PSNH 2009 OPEB	\$ 8,967	\$ 6,205
2	Less the amount recorded in the test year	<u>8,512</u>	<u>5,953</u>
3	Total Adjustment		252
4	Expense portion - based on the PSNH		
5	test year payroll capital/expense split		66.63%
6	Increase in OPEB expense		<u>\$ 168</u>
7	Amounts shown above may not add due to rounding.		

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
DISTRIBUTION SEGMENT RATE CASE

PROFORMA ADJUSTMENT

PENSIONS

(Thousands of Dollars)

1 Purpose and Description:

- 2 Increase test year pension expense based on most current actuarial studies.

\$ 3,160

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
DISTRIBUTION SEGMENT RATE CASE
PRO FORMA ADJUSTMENT--SUPPORTING SCHEDULE

PENSIONS

(Thousands of Dollars)

		PSNH <u>Total Company</u>	Distribution <u>Segment</u>
1	Total PSNH 2009 Pension Costs	\$ 27,644	\$ 20,312
2	Less amount recorded in Test Year	<u>21,805</u>	<u>15,570</u>
			4,742
3	Expense portion - based on the PSNH		
4	test year payroll capital/expense split		<u>66.63%</u>
5	Increase in pension expense		<u>\$ 3,160</u>
6	Amounts shown above may not add due to rounding.		

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
DISTRIBUTION SEGMENT RATE CASE

PROFORMA ADJUSTMENT

PROPERTY TAXES

(Thousands of Dollars)

1 Purpose and description:

- 2 Increase test year operating expense for higher levels
3 of property tax expense based on 2009 property tax levels.

\$ 4,037

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
DISTRIBUTION SEGMENT RATE CASE

PROFORMA ADJUSTMENT - SUPPORTING SCHEDULE

PROPERTY TAXES

(Thousands of Dollars)

	PSNH <u>Total Company</u>	Distribution <u>Segment</u>
1 Property tax expense for 2009	\$ 42,053	\$ 26,586
2 Less amount recorded in test year	<u>35,670</u>	<u>22,549</u>
3 Total Adjustment		<u>\$ 4,037</u>

4 Amounts shown above may not add due to rounding.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
DISTRIBUTION SEGMENT RATE CASE

PROFORMA ADJUSTMENT

MEDICAL COSTS

(Thousands of Dollars)

1 Purpose and Description:

2 Increase test year operating expenses based on information supplied
3 by the Company's actuaries.

\$ 718

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
DISTRIBUTION SEGMENT RATE CASE

PROFORMA ADJUSTMENT - SUPPORTING SCHEDULE

MEDICAL COSTS

(Thousands of Dollars)

	<u>PSNH Total Company</u>	<u>Distribution Segment</u>
1 Total PSNH 2009 medical expense based on	\$ 16,863	\$ 11,659
2 most current actuarial values.		
3 Less amount recorded in test year	<u>15,300</u>	<u>10,582</u>
4 Portion to expense based on PSNH test year		\$ 1,077
5 payroll capital / expense split		<u>66.63%</u>
6 Increase in medical expense		<u>\$ 718</u>

7 Amounts shown above may not add due to rounding.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
DISTRIBUTION SEGMENT RATE CASE

PROFORMA ADJUSTMENT

HYDRO QUEBEC SUPPORT COSTS

(Thousands of Dollars)

1 Purpose and Description:

2 To increase test year operating expense to reflect

3 2009 Hydro Quebec Costs

\$ 565

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
DISTRIBUTION SEGMENT RATE CASE

PROFORMA ADJUSTMENT - SUPPORTING SCHEDULE

HYDRO QUEBEC SUPPORT COSTS

(Thousands of Dollars)

	PSNH Distribution
1 Total Hydro Quebec support expense for 2009	\$ 5,198
2 Less amount recorded in test year	<u>4,633</u>
3 Total adjustment	<u>\$ 565</u>

4 Amounts shown above may not add due to rounding.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
DISTRIBUTION SEGMENT RATE CASE

PROFORMA ADJUSTMENT

CURRENT AND DEFERRED INCOME TAXES

(Thousands of Dollars)

1 Purpose and Description:

2 Adjust both Current and Deferred income taxes based on
3 pro forma changes in pre-tax operating income.

4 Total decrease in Current Taxes

\$ (301)

5 Total decrease in Deferred Taxes

\$ (3,082)

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
 PROFORMA ADJUSTMENT - SUPPORTING SCHEDULE
 CURRENT INCOME TAX
 (Thousands of Dollars)

	Amount		
1 State Taxable income	\$ (40,821)		
2 New Hampshire Business Profits Tax Rate	8.5%		
3 New Hampshire Business Profits Tax	\$ (3,470)		
4 Taxable income/(loss)	\$ (56,318)		
5 Less: NHBPT Tax	(3,470)		
6 Federal Taxable income	(52,848)		
7 Federal Tax Rate	35%		
8 Federal Income Tax	\$ (18,497)		
9 <u>Summary</u>			
10 New Hampshire Business Profits Tax	\$ (3,470)		
11 Federal Income Tax	(18,497)		
12 Proforma current income tax expense	<u>\$ (21,967)</u>		
13 <u>Calculation of Adjustment</u>		Test Year	Adjustment to
	Proforma current	Income Tax Exp,	Current Income
	Income Tax Exp	12-mo. ending	Taxes
14 New Hampshire Business Profits Tax	\$ (3,470)	\$ (5,467)	\$ 1,997
15 Federal Income Tax	(18,497)	(16,198)	(2,299)
16 Adjustment to current income taxes	<u>\$ (21,967)</u>	<u>\$ (21,666)</u>	<u>\$ (301)</u>
17 This schedule excludes a \$222,000 (credit) in account 409.PM, NUSCO Permanent Income Tax Expense.			
18 Amounts shown above may not add due to rounding.			

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
 PROFORMA ADJUSTMENT - SUPPORTING SCHEDULE

CURRENT INCOME TAX

(Thousands of Dollars)

	Twelve Months Ended: December 31, 2008		
	Actual	Proforma Adjustments	Test Year as Proformed
1 Operating income before income taxes	\$ 54,365	\$ (10,095)	\$ 44,270
2 Interest deduction	19,075	0	19,075
3 Operating income before income taxes	35,290	(10,095)	25,195
4 Permanent/Flow through			
5 Medicare	(1,634)	0	(1,634)
6 Depreciation/Flow through-Plant	(1,282)	0	(1,282)
8 Miscellaneous	492	0	492
9	(2,424)	-	(2,424)
10 Additions & Deductions for calculations of income tax expense:			
11 Increased Storm Reserve accrual	(54,951)	0	(54,951)
12 Depreciation	(42,227)	0	(42,227)
13 Pensions Related	12,912	3,160	16,072
14 Other post-employment benefits	1,017	168	1,185
15 Medical reserves/Injuries and Damages	468	718	1,186
16 Environmental reserve & deferred costs	770	0	770
17 Amort of Regulatory Assets/Liabilities	(681)	0	(681)
18 Provision for uncollectible accounts	140	0	140
19 Miscellaneous	(582)	0	(582)
20	(83,135)	4,046	(79,090)
21 Total Deductions	\$ (85,559)	\$ 4,046	\$ (81,513)
22 Taxable income/(Loss)	\$ (50,269)	\$ (6,049)	\$ (56,318)
23 Less: Depreciation not applicable to			
24 State Taxable Income	(15,497)	0	(15,497)
25 State Taxable Income/(Loss)	\$ (34,772)	\$ (6,049)	\$ (40,821)

26 Amounts shown above may not add due to rounding.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
PROFORMA ADJUSTMENT - SUPPORTING SCHEDULE
DEFERRED INCOME TAX
(Thousands of Dollars)

1	Test Year Deferred Income Taxes	\$ 32,792
2	Pro forma Adjustments:	
3	Adjustment of of test year deferred taxes	
4	associated with Pension	(1,281)
5	Adjustment of of test year deferred taxes	
6	associated with Other Post Employment Benefits-FAS 106	(68)
7	Adjustment of of test year deferred taxes	
8	associated with increased Medical	(291)
9	Adjustment to test year level of deferred taxes	
10	to remove the 2008 tax year return to accrual adjustment	(1,442)
11	Total Pro forma adjustment to Deferred Income Taxes	\$ (3,082)
12	Pro formed Deferred Income Taxes	\$ 29,710
13	Amounts shown above may not add due to rounding.	

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
RATE BASE
5 - QUARTER AVERAGE
PERIOD ENDED DECEMBER 31, 2008

(Thousands of Dollars)

	<u>Distribution (1)</u>
1 <u>Rate Base</u>	
2 Electric Plant In Service	\$ 1,167,679
3 Less: Accumulated Provision for Depreciation	373,648
4 Plant Held For Future Use	<u>-</u>
5 Net Utility Plant	794,031
6 Plus: Working Capital Allowance	25,741
7 Material and Supplies	6,733
8 Prepayments	1,673
9 Regulatory Assets	17,080
10 Less: Accumulated Deferred Income Taxes	110,494
11 Accumulated Investment Tax Credit	304
12 Regulatory Liabilities	7,166
13 Customer Deposits and Advances	<u>3,412</u>
14 Rate Base	<u>\$ 723,882</u>
15 Net Operating Income Applicable To Rate Base (2)	<u>\$ 42,948</u>
16 Rate of Return	<u>5.933%</u>

17 Amounts shown above may not add due to rounding.

18 (1) Schedule 3, page 2 of 2.

19 (2) Schedule 1, page 1 of 5.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE

RATE BASE BY SEGMENT
5 - QUARTER AVERAGE
PERIOD ENDED DECEMBER 31, 2008

(Thousands of Dollars)

	Distribution (1)	Retail Transmission (1)	Wholesale Transmission	Generation	Regulatory	(Other) Eliminations	Total Company
1 RATE BASE							
2 Electric Plant In Service	\$ 1,167,679	\$ -	\$ 316,591	\$ 613,475	\$ -	\$ -	\$ 2,097,745
3 Less: Accumulated Provision for Depreciation	373,648	-	91,097	357,257	-	-	822,002
4 Plant Held For Future Use	-	-	4,073	-	-	-	4,073
5 Net Utility Plant	794,031	-	229,567	256,218	-	-	1,279,816
6 Androscoggin Reservoir	-	-	-	50	-	-	50
7 Plus: Working Capital Allowance	25,741	-	2,295	13,042	-	-	41,078
8 Fuel	-	-	-	47,884	-	-	47,884
9 Material and Supplies	6,733	-	5,093	48,372	-	-	60,198
10 Prepayments	1,673	-	317	1,425	12	-	3,427
11 Regulatory Asset	17,080	5,320	2,324	11,807	16,048	-	52,579
12 Less: Accumulated Deferred Income Taxes	110,494	2,123	31,172	6,026	86,865	-	236,679
13 Accumulated Investment Tax Credit	304	-	74	91	-	-	469
14 Regulatory Liabilities	7,166	-	12	39,902	26,923	-	74,003
15 Customer Deposits	3,412	-	-	-	-	-	3,412
16 Rate Base	723,882	3,197	208,338	332,780	(97,728)	-	1,170,469
17 Net Operating Income Applicable To Rate Base	\$ 42,948	\$ 101	\$ 20,104	\$ 27,736	\$ 10,694	\$ 326	101,911

18 (1) The sum of Distribution and Retail Transmission (Transmission Cost Adjustment Mechanism or TCAM) is the Delivery Segment.

19 Amounts shown above may not add due to rounding.

Docket No. DE 09-035
Witness: R. A. Baumann
Schedule 3
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Request for Temporary Rates

000148

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE

WORKING CAPITAL ALLOWANCE

The purpose of an allowance for working capital is to include in rate base an amount reflecting the investor-supplied capital required as a result of the time intervals between the provision of service and the cash payments. If, on average, the time difference between the provision of service and the collection of revenue for that service exceeds the time difference between the receipt of service and the payment of that expense, the utility is experiencing a "net revenue receipt lag" which necessitates having cash on hand. On the other hand, if the lag in the payment of expenses is longer than the lag in collecting revenues, there is a "net expense payment lag", meaning that the collection of revenues occurs in advance of paying expenses.

The Company utilizes a modified 45-day computation for working capital, based on PSNH's average 30 day billing cycle, adjusted for donations and uncollectible accounts, before applying the 45-day factor to net operations and maintenance (O&M) expenses. Donations are added to test period O&M expense and uncollectible expenses are deducted. A 45-day factor is then applied to the net remaining O&M expenses resulting in a net working capital allowance for the test-year period ended December 31, 2008.

Use of the 45-day approach is consistent with the Commissions' requirement in PUC 1604.07(t) to use "a detailed lead-lag study or a formula based on the length of $\frac{1}{2}$ of the utility's billing cycle plus 30 days." The 45-day approach also avoids the expenses associated with regularly performing a detailed lead-lag study and expenses associated with consultants, expert witnesses, and other costs associated with prolonged litigation, all of which are ultimately charged to rate payers.

The 45-day formula is an accepted approach, is relatively straight-forward, easy to analyze and verify, and is very cost-effective to implement. The Company has used the 45-day formula approach to arrive at its working capital allowance for the test-year ended December 31, 2008 (see Schedule 3B, page 4 of 11).

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
ELECTRIC PLANT IN SERVICE - DISTRIBUTION SEGMENT

PERIOD ENDED DECEMBER 31, 2008

(Thousands of Dollars)

	Distribution Electric Plant In Service
1 December 31, 2007	\$ 1,127,589
2 March 31, 2008	1,126,962
3 June 30, 2008	1,155,267
4 September 30, 2008	1,202,097
5 December 31, 2008	<u>1,226,478</u>
6 Total	<u>\$ 5,838,393</u>
7 5 - Quarter Average	<u>\$ 1,167,679</u>

8 Amounts shown above may not add due to rounding.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
ACCUMULATED PROVISION FOR DEPRECIATION - DISTRIBUTION SEGMENT

PERIOD ENDED DECEMBER 31, 2008

(Thousands of Dollars)

	Accumulated Provision For Depreciation
1 December 31, 2007	\$ 367,246
2 March 31, 2008	362,499
3 June 30, 2008	374,509
4 September 30, 2008	382,217
5 December 31, 2008	<u>381,770</u>
6 Total	<u>\$ 1,868,241</u>
7 5 - Quarter Average	<u>\$ 373,648</u>
8 Amounts shown above may not add due to rounding.	

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
PLANT HELD FOR FUTURE USE - DISTRIBUTION SEGMENT

PERIOD ENDED DECEMBER 31, 2008

(Thousands of Dollars)

Distribution Plant Held for Future Use is not included in Rate Base.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
WORKING CAPITAL ALLOWANCE - DISTRIBUTION SEGMENT

PERIOD ENDED DECEMBER 31, 2008

(Thousands of Dollars)

	<u>Working Capital Allowance</u>
1 Total Distribution Operation and Maintenance Expense	\$ 143,998
2 Total Retail Transmission Operation and Maintenance Expense (1)	<u>67,213</u>
3 Total Operation and Maintenance Expense	\$ 211,211
4 Plus: Donations	293
5 Less: Uncollectibles	2,717
6 Net Operation and Maintenance Expenses	<u>\$ 208,787</u>
7 Net Working Capital Allowance - 45 Days	<u>\$ 25,741</u>
8 (1) Retail Transmission O&M costs included in Distribution rate base	
9 consistent with the DE 06-028 Settlement.	
10 Amounts shown above may not add due to rounding.	

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
MATERIALS AND SUPPLIES - DISTRIBUTION SEGMENT

PERIOD ENDED DECEMBER 31, 2008

(Thousands of Dollars)

	Material and Supplies
1 December 31, 2007	\$ 6,315
2 March 31, 2008	6,085
3 June 30, 2008	6,281
4 September 30, 2008	7,812
5 December 31, 2008	<u>7,171</u>
6 Total	<u>\$ 33,664</u>
7 5 - Quarter Average	<u>\$ 6,733</u>

8 Amounts shown above may not add due to rounding.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
PREPAYMENTS - DISTRIBUTION SEGMENT

PERIOD ENDED DECEMBER 31, 2008

(Thousands of Dollars)

	Prepayments
1 December 31, 2007	\$ 2,224
2 March 31, 2008	1,472
3 June 30, 2008	1,361
4 September 30, 2008	566
5 December 31, 2008	<u>2,743</u>
6 Total	<u>\$ 8,366</u>
7 5 - Quarter Average	<u>\$ 1,673</u>

8 Amounts shown above may not add due to rounding.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
PREPAYMENTS DETAIL - DISTRIBUTION SEGMENT

PERIOD ENDED DECEMBER 31, 2008

(Thousands of Dollars)

	Acct. 165AS Prepaid Software Maintenance	Acct. 16501 Prepaid Insurance	Acct. 16514 Prepaid Agency Fees	Total
1 December 31, 2007	\$ -	\$ 2,178	\$ 46	\$ 2,224
2 March 31, 2008	-	1,426	46	1,472
3 June 30, 2008	-	1,315	46	1,361
4 September 30, 2008	-	521	45	566
5 December 31, 2008	<u>255</u>	<u>2,442</u>	<u>46</u>	<u>2,743</u>
6 Total	<u>\$ 255</u>	<u>\$ 7,882</u>	<u>\$ 229</u>	<u>\$ 8,366</u>
7 5 - Quarter Average	<u>\$ 51</u>	<u>\$ 1,576</u>	<u>\$ 46</u>	<u>\$ 1,673</u>

8 Amounts shown above may not add due to rounding.

Docket No. DE 09-035
Witness: R. A. Baumann
Schedule 3B
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PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
REGULATORY ASSETS - DISTRIBUTION SEGMENT

PERIOD ENDED DECEMBER 31, 2008

(Thousands of Dollars)

	Regulatory Assets
1 December 31, 2007	\$ 15,928
2 March 31, 2008	15,413
3 June 30, 2008	19,810
4 September 30, 2008	18,020
5 December 31, 2008	<u>16,225</u>
6 Total	<u>\$ 85,396</u>
7 5 - Quarter Average	<u>\$ 17,080</u>
8 Amounts shown above may not add due to rounding.	

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
REGULATORY ASSETS DETAIL - DISTRIBUTION SEGMENT

PERIOD ENDED DECEMBER 31, 2008
(Thousands of Dollars)

	Acct. 182.DC Deferred Benefits	Acct. 182.DN NHBPT FAS 109	Acct. 182.EV Pending Environmental Deferral	Acct. 182.KC Def'd Cost Keene Claremont	Acct. 182.PL Environmental Deferral being Recovered	Acct. 182.ST Storm Cost Being Recovered	Acct. 182.SO Asset Retirement Obligation	Total
1 December 31, 2007	\$ 753	\$ 4,214	\$ 167	\$ 78	\$ 2,133	\$ 6,841	\$ 1,742	\$ 15,928
2 March 31, 2008	678	4,058	755	70	1,920	6,157	1,775	\$ 15,413
3 June 30, 2008	603	3,902	758	62	1,704	10,973	1,808	\$ 19,810
4 September 30, 2008	527	3,746	758	54	1,493	9,601	1,841	\$ 18,020
5 December 31, 2008	<u>452</u>	<u>3,590</u>	<u>761</u>	<u>46</u>	<u>1,280</u>	<u>8,229</u>	<u>1,867</u>	<u>\$ 16,225</u>
6 Total	<u>\$ 3,013</u>	<u>\$ 19,510</u>	<u>\$ 3,199</u>	<u>\$ 310</u>	<u>\$ 8,530</u>	<u>\$ 41,801</u>	<u>\$ 9,033</u>	<u>\$ 85,396</u>
7 5 - Quarter Average	<u>\$ 603</u>	<u>\$ 3,902</u>	<u>\$ 640</u>	<u>\$ 62</u>	<u>\$ 1,706</u>	<u>\$ 8,360</u>	<u>\$ 1,807</u>	<u>\$ 17,080</u>

8 Amounts shown above may not add due to rounding.

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PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
ACCUMULATED DEFERRED INCOME TAXES - DISTRIBUTION SEGMENT

PERIOD ENDED DECEMBER 31, 2008

(Thousands of Dollars)

	Accumulated Deferred Income Taxes
1 December 31, 2007	\$ (92,946)
2 March 31, 2008	(94,715)
3 June 30, 2008	(102,801)
4 September 30, 2008	(130,080)
5 December 31, 2008	<u>(131,929)</u>
6 Total	<u>\$ (552,471)</u>
7 5 - Quarter Average	<u>\$ (110,494)</u>

8 Amounts shown above may not add due to rounding.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
 ACCUMULATED DEFERRED INCOME TAXES DETAIL - DISTRIBUTION SEGMENT

PERIOD ENDED DECEMBER 31, 2008

(Thousands of Dollars)

	Acct. 190 Accum. Deferred Income Tax	Acct. 282 Accum. Deferred Income Tax	Acct. 283 Accum. Deferred Income Tax	Total
1 December 31, 2007	\$ 2,394	\$ (87,211)	\$ (8,129)	\$ (92,946)
2 March 31, 2008	2,195	(89,133)	(7,777)	(94,715)
3 June 30, 2008	2,297	(97,407)	(7,691)	(102,801)
4 September 30, 2008	2,357	(122,467)	(9,970)	(130,080)
5 December 31, 2008	<u>2,593</u>	<u>(125,121)</u>	<u>(9,401)</u>	<u>(131,929)</u>
6 Total	<u>\$ 11,836</u>	<u>\$ (521,339)</u>	<u>\$ (42,968)</u>	<u>\$ (552,471)</u>
7 5 - Quarter Average	<u>\$ 2,367</u>	<u>\$ (104,268)</u>	<u>\$ (8,594)</u>	<u>\$ (110,494)</u>

8 Amounts shown above may not add due to rounding.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
ACCUMULATED INVESTMENT TAX CREDIT - DISTRIBUTION SEGMENT

PERIOD ENDED DECEMBER 31, 2008

(Thousands of Dollars)

	Total
1 December 31, 2007	\$ (370)
2 March 31, 2008	(337)
3 June 30, 2008	(304)
4 September 30, 2008	(271)
5 December 31, 2008	(238)
6 Total	<u>\$ (1,520)</u>
7 5 - Quarter Average	<u>\$ (304)</u>

8 Amounts shown above may not add due to rounding.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE -
REGULATORY LIABILITIES - DISTRIBUTION SEGMENT

PERIOD ENDED DECEMBER 31, 2008

(Thousands of Dollars)

	<u>Regulatory Liabilities</u>
1 December 31, 2007	\$ (7,202)
2 March 31, 2008	(7,032)
3 June 30, 2008	(7,044)
4 September 30, 2008	(7,058)
5 December 31, 2008	<u>(7,496)</u>
6 Total	<u>\$ (35,832)</u>
7 5 - Quarter Average	<u>\$ (7,166)</u>
8 Amounts shown above may not add due to rounding.	

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
 REGULATORY LIABILITIES - DISTRIBUTION SEGMENT

PERIOD ENDING DECEMBER 31, 2008

(Thousands of Dollars)

	Acct. 228 Deferred Environmental Remediation Cost	Acct. 230 Asset Retirement Obligation	Acct. 254 Deferred REP Revenue	Total
1 December 31, 2007	\$ (4,449)	\$ (1,960)	\$ (793)	\$ (7,202)
2 March 31, 2008	(5,041)	(1,991)	-	(7,032)
3 June 30, 2008	(5,021)	(2,023)	-	(7,044)
4 September 30, 2008	(5,003)	(2,055)	-	(7,058)
5 December 31, 2008	<u>(4,960)</u>	<u>(2,079)</u>	<u>(457)</u>	<u>(7,496)</u>
6 Total	<u>\$ (24,474)</u>	<u>\$ (10,108)</u>	<u>\$ (1,250)</u>	<u>\$ (35,832)</u>
7 5 - Quarter Average	<u>\$ (4,895)</u>	<u>\$ (2,022)</u>	<u>\$ (250)</u>	<u>\$ (7,166)</u>

8 Amounts shown above may not add due to rounding.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
CUSTOMER DEPOSITS - DISTRIBUTION SEGMENT

PERIOD ENDED DECEMBER 31, 2008

(Thousands of Dollars)

	<u>Customer Deposits</u>
1 December 31, 2007	\$ (3,822)
2 March 31, 2008	(3,571)
3 June 30, 2008	(3,388)
4 September 30, 2008	(3,139)
5 December 31, 2008	<u>(3,139)</u>
6 Total	<u>\$ (17,059)</u>
7 5 - Quarter Average	<u>\$ (3,412)</u>
8 Amounts shown above may not add due to rounding.	

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE

ITEM I
OVERALL RATE OF RETURN - DISTRIBUTION

Cost of Capital at December 31, 2008

	Item	Component Ratio	Component Cost Rate	Weighted Average Cost Rate
1	Common Equity (1)	48.73%	6.505%	3.170%
2				
3	Long-Term Debt	51.27%	5.389%	2.763%
4				
5	Short-Term Debt (2)	0.00%	0.000%	0.000%
6				
7	Total	100.00%		5.933%
8				
9				
10	Note (1): In accordance with DE 06-028, PSNH's allowed ROE is 9.67%.			
11				
12	Note (2): See Item VI regarding the inclusion of short-term debt in PSNH's capital structure.			
13				
14	Amounts shown above may not add due to rounding.			

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE

ITEM I
OVERALL RATE OF RETURN - DISTRIBUTION

Proformed Cost of Capital at December 31, 2008

	<u>Item</u>	<u>Component Ratio</u>	<u>Component Cost Rate</u>	<u>Weighted Average Cost Rate</u>
1	Common Equity	48.73%	9.670%	4.712%
2				
3	Long-Term Debt	51.27%	5.389%	2.763%
4				
5	Short-Term Debt	<u>0.00%</u>	0.000%	<u>0.000%</u>
6				
7				
8	Total	<u>100.00%</u>		<u>7.475%</u>
9				
10				
11	Amounts shown above may not add due to rounding.			

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE

ITEM II
CAPITAL STRUCTURE FOR RATEMAKING PURPOSES - DISTRIBUTION

(Thousands of Dollars)

ITEM	At December 31, 2008	
	Amount	Component Ratio
1 Common Equity		
2 Common Stock	\$ -	0.00%
3 Other Paid-In Capital	350,496	26.92%
4 Retained Earnings (1)	284,033	21.81%
5		
6		
7 Total Common Equity	634,529	48.73%
8		
9		
10 Preferred Stock	-	0.00%
11		
12		
13 Long-Term Debt		
14 Pollution Control Revenue Bonds		
15 Series A - VR	85,494	6.57%
16 Series B - FR	84,406	6.48%
17 Series C - FR	103,715	7.97%
18 Series D Tax Exempt-FR	73,942	5.68%
19 Series E Tax Exempt-FR	44,191	3.39%
20		
21 First Mortgage Bonds		
22		
23 Series L	49,645	3.81%
24 Series M	49,380	3.79%
25 Series N	69,227	5.32%
26 Series O	107,522	8.26%
27		
28 Total Long-Term Debt	667,524	51.27%
29		
30 Short-Term Debt (2)	-	0.00%
31		
32 Total Capitalization	\$ 1,302,053	100.00%
33		
34		

Note (1): Excludes Other Comprehensive Income (OCI) of \$814,000 related to 2008 First Mortgage Bonds - Series O. OCI is excluded from common equity as it is used in calculating net proceeds on the Series O bonds.

Note (2): See Item VI regarding the inclusion of short-term debt in PSNH's capital structure.

Amounts shown above may not add due to rounding.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE

ITEM II
CAPITAL STRUCTURE FOR RATEMAKING PURPOSES - DISTRIBUTION

(Thousands of Dollars)

ITEM	Proformed At December 31, 2008	
	Amount	Component Ratio
1 Common Equity		
2 Common Stock	\$ -	0.00%
3 Other Paid-In Capital	350,496	26.92%
4 Retained Earnings	284,033	21.81%
5		
6 Total Common Equity	634,529	48.73%
7		
8		
9 Preferred Stock	-	0.00%
10		
11		
12 Long-Term Debt		
13 Pollution Control Revenue Bonds		
14 Series A - VR	85,494	6.57%
15 Series B - FR	84,406	6.48%
16 Series C - FR	103,715	7.97%
17 Series D Tax Exempt-FR	73,942	5.68%
18 Series E Tax Exempt-FR	44,191	3.39%
19		
20 First Mortgage Bonds		
21		
22 Series L	49,645	3.81%
23 Series M	49,380	3.79%
24 Series N	69,227	5.32%
25 Series O	107,522	8.26%
26		
27 Total Long-Term Debt	667,524	51.27%
28		
29 Short-Term Debt	-	0.00%
30		
31		
32 Total Capitalization	\$ 1,302,053	100.00%
33		
34		
35		
36 Amounts shown above may not add due to rounding.		

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE

ITEM III
HISTORICAL CAPITAL STRUCTURE
FOR RATEMAKING PURPOSES
AT DECEMBER 31

(Thousands of Dollars)

	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
1 Common Equity	\$ 537,867	\$ 467,562	\$ 452,505	\$ 399,677	\$ 380,260
2 Long-Term Debt	558,586	488,132	487,568	437,062	387,608
3 Short-Term Debt (1)	<u>21,900</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
4 Total Capital	<u>\$1,118,353</u>	<u>\$ 955,694</u>	<u>\$ 940,073</u>	<u>\$ 836,739</u>	<u>\$ 767,868</u>

5 Note (1): PSNH included short-term debt in its allowed capital structure in 2007 in accordance with DE 06-028.

6 Amounts shown above may not add due to rounding.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE

ITEM IV
CAPITALIZATION RATIOS
AT DECEMBER 31

	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
1 Common Equity	48.09%	48.92%	48.14%	47.77%	49.52%
2 Long-Term Debt	49.95%	51.08%	51.86%	52.23%	50.48%
3 Short-Term Debt (1)	<u>1.96%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>
4 Total Capital	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>

5 Note (1): PSNH included short-term debt in its allowed capital structure in 2007 in accordance with DE 06-028.

6 Amounts shown above may not add due to rounding.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
 ITEM V
 LONG-TERM DEBT

(Thousands of Dollars)

LONG-TERM DEBT AT DECEMBER 31, 2008--NET PROCEEDS AT OFFERING DATE

	Title (1)	Date of Offering	Date of Maturity	Interest Rate (%)	Principal Amount of Issue	Financing Costs	Net Proceeds to the Utility	Net Proceeds % (per unit)
1	Pollution Control Revenue Bonds							
2	Series A - VR (2)	12/19/01	05/01/21	0.400	89,250	5,781	83,469	93.5
3	Series B - FR	12/19/01	05/01/21	4.750	89,250	7,124	82,126	92.0
4	Series C - FR	12/19/01	05/01/21	5.450	108,985	7,787	101,198	92.9
5	Series D Tax Exempt-FR	05/01/98	05/01/21	6.000	75,000	4,149	70,851	94.5
6	Series E Tax Exempt-FR	05/01/98	05/01/21	6.000	44,800	3,088	41,712	93.1
7	First Mortgage Bonds							
8	Series L	07/22/04	07/15/14	5.250	50,000	549	49,451	98.9
9	Series M	10/05/05	10/05/35	5.600	50,000	694	49,306	98.6
10	Series N	09/24/07	09/01/17	6.150	70,000	607	69,393	99.1
11	Series O	05/27/08	05/01/18	6.000	110,000	1,465	108,535	98.7
12	Total Long-Term Debt						<u>656,040</u>	
13	Note (1): VR - Variable Rate Financing - Rates are set every 35 days.							
14	FR - Fixed Rate							
15	Note (2): Interest Rate shown is based on the December 2008 auction rate							
16	Amounts shown above may not add due to rounding.							

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
ITEM V
LONG-TERM DEBT

(Thousands of Dollars)

LONG-TERM DEBT AT DECEMBER 31, 2008

	<u>Title</u>	<u>Net Amount Outstanding</u>	<u>Cost Rate Based on Net Proceeds</u>	<u>Annual Cost of Long-Term Debt</u>	<u>Average Cost Rate (%)</u>
1	Pollution Control Revenue Bonds				
2	Series A - VR	85,494	0.901%	770	
3	Series B - FR	84,406	5.617%	4,741	
4	Series C - FR	103,715	6.139%	6,367	
5	Series D Tax Exempt-FR	73,942	6.202%	4,586	
6	Series E Tax Exempt-FR	44,191	6.194%	2,737	
7	First Mortgage Bonds				
8	Series L	49,645	5.415%	2,688	
9	Series M	49,380	5.717%	2,823	
10	Series N	69,227	6.348%	4,394	
11	Series O	<u>107,522</u>	6.385%	<u>6,865</u>	
12	Total Long-Term Debt	<u><u>667,524</u></u>		<u><u>35,973</u></u>	<u><u>5.389%</u></u>

13 Amounts shown above may not add due to rounding.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
 ITEM V
 LONG-TERM DEBT
 (Thousands of Dollars)

PROFORMED LONG-TERM DEBT AT DECEMBER 31, 2008--NET PROCEEDS AT OFFERING DATE

	Title (1)	Date of Offering	Date of Maturity	Interest Rate (%)	Principal Amount of Issue	Financing Costs	Net Proceeds to the Utility	Net Proceeds %(per unit)
1	Pollution Control Revenue Bonds							
2	Series A - VR (2)	12/19/01	05/01/21	0.400	89,250	5,781	83,469	93.5
3	Series B - FR	12/19/01	05/01/21	4.750	89,250	7,124	82,126	92.0
4	Series C - FR	12/19/01	05/01/21	5.450	108,985	7,787	101,198	92.9
5	Series D Tax Exempt-FR	05/01/98	05/01/21	6.000	75,000	4,149	70,851	94.5
6	Series E Tax Exempt-FR	05/01/98	05/01/21	6.000	44,800	3,088	41,712	93.1
7	First Mortgage Bonds							
8	Series L	07/22/04	07/15/14	5.250	50,000	549	49,451	98.9
9	Series M	10/05/05	10/05/35	5.600	50,000	694	49,306	98.6
10	Series N	09/24/07	09/01/17	6.150	70,000	607	69,393	99.1
11	Series O	05/27/08	05/01/18	6.000	110,000	1,465	108,535	98.7
12	Total Long-Term Debt						<u>656,040</u>	

13 Note (1): VR - Variable Rate Financing - Rates are set every 35 days.

14 FR - Fixed Rate

15 Note (2): Interest Rate shown is based on the December 2008 auction rate

16 Amounts shown above may not add due to rounding.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
ITEM V
LONG-TERM DEBT

(Thousands of Dollars)

PROFORMED LONG-TERM DEBT AT DECEMBER 31, 2008

	<u>Title</u>	<u>Net Amount Outstanding</u>	<u>Cost Rate Based on Net Proceeds</u>	<u>Annual Cost of Long-Term Debt</u>	<u>Average Cost Rate (%)</u>
1	Pollution Control Revenue Bonds				
2	Series A - VR	85,494	0.901%	770	
3	Series B - FR	84,406	5.617%	4,741	
4	Series C - FR	103,715	6.139%	6,367	
5	Series D Tax Exempt-FR	73,942	6.202%	4,586	
6	Series E Tax Exempt-FR	44,191	6.194%	2,737	
7	First Mortgage Bonds				
8	Series L	49,645	5.415%	2,688	
9	Series M	49,380	5.717%	2,823	
10	Series N	69,227	6.348%	4,394	
11	Series O	<u>107,522</u>	6.385%	<u>6,865</u>	
12	Total Long-Term Debt	<u>667,524</u>		<u>35,973</u>	<u>5.389%</u>

13 Amounts shown above may not add due to rounding.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE

ITEM VI
COST OF SHORT-TERM DEBT

1 PSNH's net borrowing position at December 31, 2008 was \$7.2M negative (\$45.2M of STD minus \$ 52.5M of short-term
2 liquid investments). Under normal circumstances, PSNH's STD balance would have been zero on December 31, 2008
3 since PSNH would have used its cash on hand to repay outstanding short-term borrowings. As a result of the current
4 global credit crisis, PSNH senior financial officers have determined that, until the credit crisis subsides, the Company
5 will hold cash in excess of its normal requirements in order to satisfy potential peak borrowing requirements.

6 As the short-term debt is being held as a liquidity reserve, and does not support rate base, PSNH has excluded it from
7 its capital structure.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE

ITEM VII
PREFERRED STOCK

(Thousands of Dollars)

PREFERRED STOCK OUTSTANDING AT DECEMBER 31, 2008

<u>Title and Dividend Rate</u>	<u>Date of Offering</u>	<u>Financing Costs</u>	<u>Stated Value Per Share</u>	<u>Stated Value Per Issue</u>	<u>Net Proceeds</u>	<u>Net Proceeds Per Unit (%)</u>
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- 1 There are no issues of preferred stock outstanding. The Company has no plans to issue preferred stock.