| Public Service Compar Hampshire Docket No. DE 11-215 | ny of New Technical Se Dated: 12/16. Q-TECH-003 Page 1 of 1 | |
|--|--|----------------------------------|
| Witness: | Robert A. Baumann,William H. S | Smagula DO NOT CLEMOVE FROM FILE |
| Request from: | New Hampshire Public Utilities | Commission Staff |

Question:

Please provide an explanation for the change to depreciation referenced in item D of the December 14, 2011 technical statement, and shown on Attachment RAB-2, Page 5 of the both the September 23, 2011 filing and the December 14, 2011 filing.

Response:

The decrease in depreciation expense is \$4.797 or \$4.8 million as noted in the revised Joint Technical Statement filed December 14, 2011. The total depreciation value in the initial September 23, 2011 filing on Attachment RAB-5, page 5 was \$22,604,000 which was revised in the December 14 update to \$17,807,000. The reason for the decrease in depreciation expense is due to a change in the Average Year of Final Retirement (AYFR) for some of the generating stations. Please see the changes as noted below.

| Station | Current Year | Assumed Year |
|-----------------|-----------------|--|
| | | ي نه نه بي ي ي ي ي ي ي ي ي ي ي ي ي ي ي ي ي ي ي |
| 1. Wyman | 2011 | 2021 |
| 2. Newington | 2014 | 2039 |
| 3. Lost Nation | 2012 | 2017 |
| 4. MMk Jet | | 2017 |
| 5. Schiller Jet | 2012 | 2017 |
| 6. White Lake | 2012 | 2017 |
| 7. Merrimack | 2023 | 2038 |
| 8. Schiller | 2020 | 2020 |