

Public Service Company of New Hampshire
 Net Earnings for Interest
 Twelve Months Ended September 2007

Description	12 Months Ended 9/30/07
	(In thousands)
Operating Revenues	\$ 1,072,904
Operation Expenses	751,572
Maintenance Expense	74,589
Depreciation and Amortization Expense	92,392
Taxes other than Income Taxes	39,085
Other, Net	584
Total Expenses	958,222
Net Earnings for Interest	\$ 114,682
Annualized Bond Interest	\$ 30,845
Cash Coverage Ratio	3.72

Covenant Calculations for the Issuance of Bonds under Section 4 of the PSNH First Mortgage Indenture (August 15, 1978 as amended). Any failure to meet this coverage ratio test (on a pro forma basis, including the proposed new debt) would require that PSNH issue unsecured debt versus first mortgage bonds to meet any funding needs.

Public Service Company of New Hampshire Indenture Test Ratio 2.00 : 1.00

Public Service Company of New Hampshire
Annualized Interest Charges on All Series Bonds
For Twelve Months Ending September 2007

<u>Series</u>	<u>Interest</u>	<u>Amount</u> <u>Outstanding</u>	<u>Annualized</u> <u>Interest</u>
		(In thousands)	
1992 Series D PCRB (Seabrook)	6.0000%	\$ 75,000	\$ 4,500
1993 Series E PCRB (Seabrook)	6.0000%	44,800	2,688
2001 Series A PCRB	4.1990% 1	89,250	3,748
2001 Series B PCRB	4.7500%	89,250	4,239
2001 Series C PCRB	5.4500%	108,985	5,940
2004 Series L FMB, Due 2014	5.2500%	50,000	2,625
2005 Series M FMB, Due 2035	5.6000%	50,000	2,800
2007 Series N FMB, Due 2017	6.1500%	70,000	4,305
		\$ 577,285	\$ 30,845

1. Auction rate as of September 11, 2007

**Public Service Company of New Hampshire
Amended and Restated First Mortgage Indenture**

Dated as of August 15, 1978

Effective as of []

Issuance Capacity & Ratio of Debt to Net Plant

September 30, 2007

Summary: Under the terms of the Amended and Restated First Mortgage Indenture, PSNH may issued new Securities or Secured Debt, if the aggregate principal amount of all Securites or Secured Debt, in each case then outstanding, will not exceed **75%** of the sum of all Property Additions and all Available Cash then held by, or deposited with, the Trustee.

FMB Series	Issue Date	Amount Issued	Amount Outstanding
Series A	05/16/1991	\$ 172,500,000	\$ -
Series B	05/16/1991	\$ 170,000,000	\$ -
Series C	05/16/1991	\$ 66,000,000	\$ -
Series D	05/16/1991	\$ 108,985,000	\$ -
Series E	05/16/1991	\$ 112,500,000	\$ -
Series F	05/16/1991	\$ 114,500,000	\$ 75,000,000
Series G	05/16/1991	\$ 114,500,000	\$ 44,800,000
Series H	04/23/1998	\$ 75,000,000	\$ -
Series I	10/01/2001	\$ 89,250,000	\$ 89,250,000
Series J	10/01/2001	\$ 89,250,000	\$ 89,250,000
Series K	10/01/2001	\$ 108,985,000	\$ 108,985,000
Series L	07/22/2004	\$ 50,000,000	\$ 50,000,000
Series M	10/05/2005	\$ 50,000,000	\$ 50,000,000
Series N	09/24/2007	\$ 70,000,000	\$ 70,000,000
Total		\$ 1,391,470,000	\$ 577,285,000

Net Utility Plant in Service: \$ 1,151,270,156 as of September 30, 2007

Available Cash at Trustee: \$

Total: \$ 1,151,270,156

Issuance Threshold (75% of Net Plant): \$ 863,452,617

Outstanding First Mortgage Bonds: \$ 577,285,000

Allowed Issuance Capacity: \$ 286,167,617

Ratio of Debt to Net Plant: 50.1%