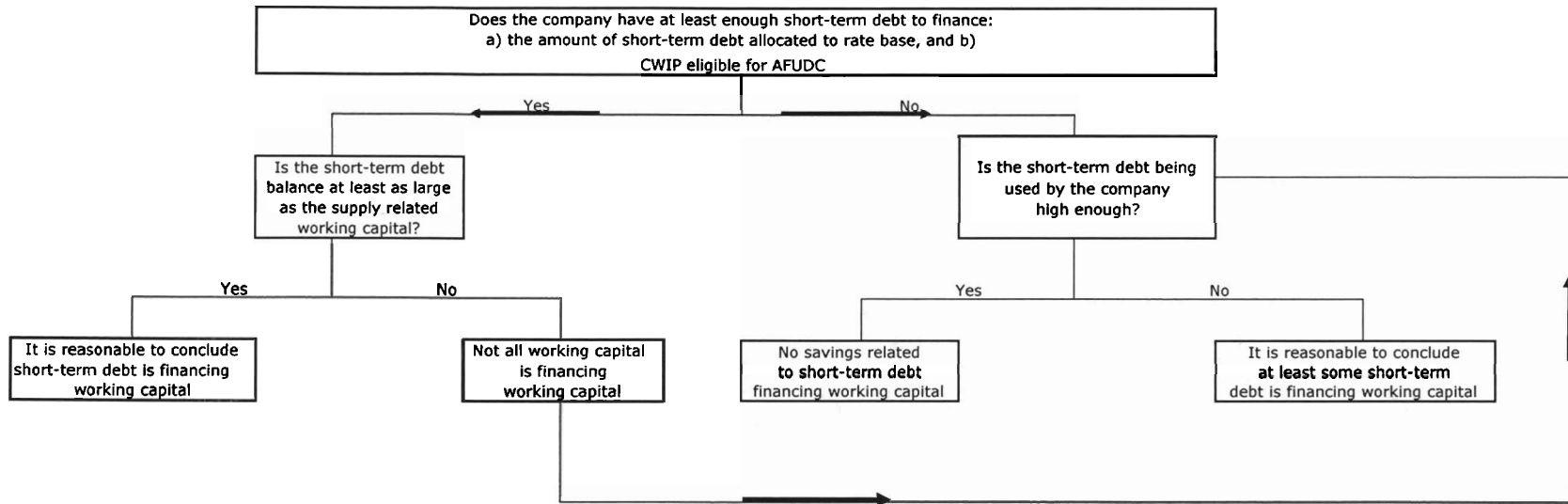


### Supply Related Working Capital Cost Rate Decision Tree



JAR Schedule 2

<b>Energy North</b>					
Line	(\$000s)				Source
	Mar-07	Jun-07	Sep-07	Dec-07	
1 Total Actual ST-Debt	\$35,610	\$34,746	\$37,270	\$59,262	Response to Request No.: Staff 1-8
2 Usage of ST-Debt					
a. Total Estimated Rate base					Response to Request No.: Staff 1-7
1. Capitalization	\$246,910	\$246,910	\$246,910	\$246,910	
2. All CWIP	\$ 8,872	\$ 8,823	\$ 8,922	\$ 8,410	Response to Request No.: Staff 1-10
3. Supply Related Working Capital	\$ (3)	\$ 22	\$ 29	\$ 119	
Total Estimated Rate Base (Capitalization - All CWIP - Supply Related Working Capital)	\$238,041	\$238,065	\$237,959	\$238,381	Line 2a1 - Line 2a2 - Line 2a3
4. Percentage of ST-Debt In The Capital Structure	3.7%	3.7%	3.7%	3.7%	Response to Request No.: Staff 1-7
Estimated ST-Debt Accounted For In Rate Base	\$ 9,136	\$ 9,136	\$ 9,136	\$ 9,136	Line 2a1 X Line 2a4
b. CWIP Earning AFUDC	\$ 1,313	\$ 2,743	\$ 4,862	\$ 6,663	Response to Request No.: Staff 1-10
<b>Total ST-Debt Already Accounted For In Rate Making Process</b>	<b>\$ 10,449</b>	<b>\$ 11,879</b>	<b>\$ 13,998</b>	<b>\$ 15,799</b>	Line 2a + Line 2b
3 St-Debt Balance As Yet Unaccounted For In The Rate Making Process	\$ 25,161	\$ 22,867	\$ 23,272	\$ 43,463	Line 1 - Line 2
4 Supply Related Working Capital*	\$ (3)	\$ 22	\$ 29	\$ 119	Response to Request No.: Staff 1-2
<b>5 ST-Debt Remaining After Covering: Rate Base, CWIP Earning AFUDC and Supply Related Working Capital</b>	<b>\$ 25,164</b>	<b>\$ 22,845</b>	<b>\$ 23,243</b>	<b>\$ 43,344</b>	Line 3 - Line 4

\* Average Balance For The Month

JAR Schedule 3

<b>PSNH</b>					
<u>Line</u>	(\$000s)				<u>Source</u>
	<u>Mar-07</u>	<u>Jun-07</u>	<u>Sep-07</u>	<u>Dec-07</u>	
1 Total Actual ST-Debt	\$27,600	\$73,800	\$0	\$21,900	Response to Request No.: Staff 1-8
2 Usage of ST-Debt					
a. Total Estimated Rate base					Response to Request No.: Staff 1-7
1. Capitalization	\$997,105	\$1,071,154	\$1,086,527	\$1,118,352	
2. All CWIP	\$ 84,746	\$ 69,774	\$ 101,198	\$ 116,077	Response to Request No.: Staff 1-10
3. Supply Related Working Capital	\$ -	\$ -	\$ -	\$ -	
Total Estimated Rate Base (Capitalization - All CWIP - Supply Related Working Capital)	\$912,359	\$1,001,380	\$985,329	\$1,002,275	Line 2a1 - Line 2a2 - Line 2a3
4. Percentage of ST-Debt in The Capital Structure	1.2%	1.2%	1.2%	1.2%	Response to Request No.: Staff 1-7
Estimated ST-Debt Accounted For In Rate Base	\$ 11,766	\$ 12,640	\$ 12,821	\$ 13,197	Line 2a1 X Line 2a4
b. CWIP Earning AFUDC	\$ 70,489	\$ 59,030	\$ 85,277	\$ 96,954	Response to Request No.: Staff 1-10
<b>Total ST-Debt Already Accounted For In Rate Making Process</b>	<b>\$ 82,255</b>	<b>\$ 71,670</b>	<b>\$ 98,098</b>	<b>\$ 110,151</b>	Line 2a + Line 2b
3 St-Debt Balance As Yet Unaccounted For In The Rate Making Process	\$ (54,655)	\$ 2,130	\$ (98,098)	\$ (88,251)	Line 1 - Line 2
4 Supply Related Working Capital	\$ -	\$ -	\$ -	\$ -	Response to Request No.: Staff 1-2
<b>5 ST-Debt Remaining After Covering: Rate Base, CWIP Earning AFUDC and Supply Related Working Capital</b>	<b>\$ (54,655)</b>	<b>\$ 2,130</b>	<b>\$ (98,098)</b>	<b>\$ (88,251)</b>	Line 3 - Line 4

JAR Schedule 4

<b>Granite State Doing Business As National Grid</b>					
Line	(\$000s)				Source
	Mar-07	Jun-07	Sep-07	Dec-07	
1 Total Actual ST-Debt	\$0	\$0	\$0	\$0	Response to Request No.: Staff 1-8
2 Usage of ST-Debt					
a. Total Estimated Rate base					Response to Request No.: Staff 1-7
1. Capitalization	\$90,889	\$90,753	\$92,265	\$92,892	
2. All CWIP	\$ -	\$ -	\$ -	\$ -	Response to Request No.: Staff 1-10
3. Supply Related Working Capital	\$ (19)	\$ (25)	\$ (20)	\$ (23)	
Total Estimated Rate Base (Capitalization - All CWIP - Supply Related Working Capital)	\$90,908	\$90,778	\$92,285	\$92,915	Line 2a1 - Line 2a2 - Line 2a3
4. Percentage of ST-Debt in The Capital Structure	0.0%	0.0%	0.0%	0.0%	Response to Request No.: Staff 1-7
Estimated ST-Debt Accounted For In Rate Base	\$ -	\$ -	\$ -	\$ -	Line 2a1 X Line 2a4
b. CWIP Earning AFUDC	\$ -	\$ -	\$ -	\$ -	Response to Request No.: Staff 1-10
<b>Total ST-Debt Already Accounted For In Rate Making Process</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	Line 2a + Line 2b
3 St-Debt Balance As Yet Unaccounted For In The Rate Making Process	\$ -	\$ -	\$ -	\$ -	Line 1 - Line 2
4 Supply Related Working Capital	\$ (19)	\$ (25)	\$ (20)	\$ (23)	Response to Request No.: Staff 1-2
<b>5 ST-Debt Remaining After Covering: Rate Base, CWIP Earning AFUDC and Supply Related Working Capital</b>	<b>\$ 19</b>	<b>\$ 25</b>	<b>\$ 20</b>	<b>\$ 23</b>	Line 3 - Line 4

JAR Schedule 5

<b>Northern Utilities, Inc.</b>					
(\$000s)					
<u>Line</u>	<u>Mar-07</u>	<u>Jun-07</u>	<u>Sep-07</u>	<u>Dec-07</u>	<u>Source</u>
1 Total Actual ST-Debt	\$26,842	\$9,638	\$26,037	\$31,058	Response to Request No.: Staff 1-8
2 Usage of ST-Debt					
a. Total Estimated Rate base					Response to Request No.: Staff 1-7
1. Capitalization	\$168,820	\$167,507	\$164,502	\$164,892	
2. All CWIP	\$ 2,715	\$ 3,723	\$ 3,424	\$ 4,285	Response to Request No.: Staff 1-10
3. Supply Related Working Capital	\$ 12	\$ 3	\$ 3	\$ 13	
Total Estimated Rate Base (Capitalization - All CWIP - Supply Related Working Capital)	\$166,093	\$163,781	\$161,075	\$160,594	Line 2a1 - Line 2a2 - Line 2a3
4. Percentage of ST-Debt in The Capital Structure	0.0%	0.0%	0.0%	0.0%	Response to Request No.: Staff 1-7
Estimated ST-Debt Accounted For In Rate Base	\$ -	\$ -	\$ -	\$ -	Line 2a1 X Line 2a4
b. CWIP Earning AFUDC	\$ 1,569	\$ 2,735	\$ 2,262	\$ 2,336	Response to Request No.: Staff 1-10
<b>Total ST-Debt Already Accounted For In Rate Making Process</b>	<b>\$ 1,569</b>	<b>\$ 2,735</b>	<b>\$ 2,262</b>	<b>\$ 2,336</b>	Line 2a + Line 2b
3 St-Debt Balance As Yet Unaccounted For In The Rate Making Process	\$ 25,273	\$ 6,903	\$ 23,775	\$ 28,722	Line 1 - Line 2
4 Supply Related Working Capital	\$ 12	\$ 3	\$ 3	\$ 13	Response to Request No.: Staff 1-2
<b>5 ST-Debt Remaining After Covering: Rate Base, CWIP Earning AFUDC and Supply Related Working Capital</b>	<b>\$ 25,261</b>	<b>\$ 6,900</b>	<b>\$ 23,772</b>	<b>\$ 28,709</b>	Line 3 - Line 4

<b>Unitl Energy Systems</b>					
<u>Line</u>	(\$000s)				<u>Source</u>
	<u>Mar-07</u>	<u>Jun-07</u>	<u>Sep-07</u>	<u>Dec-07</u>	
1 Total Actual ST-Debt	\$12,102	\$5,876	\$9,187	\$10,188	Response to Request No.: Staff 1-8
2 Usage of ST-Debt					Response to Request No.: Staff 1-7
a. Total Estimated Rate base					
1. Capitalization	\$118,805	\$122,773	\$126,623	\$127,575	
2. All CWIP	\$ 8,425	\$ 9,169	\$ 10,504	\$ 8,393	Response to Request No.: Staff 1-10
3. Supply Related Working Capital	\$ 171	\$ 150	\$ 138	\$ 163	
Total Estimated Rate Base (Capitalization - All CWIP - Supply Related Working Capital)	\$110,209	\$113,454	\$115,981	\$119,019	Line 2a1 - Line 2a2 - Line 2a3
4. Percentage of ST-Debt in The Capital Structure	1.8%	1.8%	1.8%	1.8%	Response to Request No.: Staff 1-7
Estimated ST-Debt Accounted For In Rate Base	\$ 2,138	\$ 2,210	\$ 2,279	\$ 2,296	Line 2a1 X Line 2a4
b. CWIP Earning AFUDC	\$ 6,901	\$ 9,948	\$ 10,500	\$ 9,846	Response to Request No.: Staff 1-10
<b>Total ST-Debt Already Accounted For In Rate Making Process</b>	<b>\$ 9,039</b>	<b>\$ 12,158</b>	<b>\$ 12,779</b>	<b>\$ 12,142</b>	Line 2a + Line 2b
3 St-Debt Balance As Yet Unaccounted For In The Rate Making Process	\$ 3,063	\$ (6,282)	\$ (3,592)	\$ (1,954)	Line 1 - Line 2
4 Supply Related Working Capital	\$ 171	\$ 150	\$ 138	\$ 163	Response to Request No.: Staff 1-2
5 <b>ST-Debt Remaining After Covering: Rate Base, CWIP Earning AFUDC and Supply Related Working Capital</b>	<b>\$ 2,892</b>	<b>\$ (6,432)</b>	<b>\$ (3,730)</b>	<b>\$ (2,117)</b>	Line 3 - Line 4
6 Amount of Short-Term Debt Needed to Cover CWIP Earnings AFUDC and Short-Term Debt Accounted for In Rate Base and Supply Related Working Capital	\$9,210	\$12,308	\$12,917	\$12,305	Line 2 + Line 4