

Program Cost-Effectiveness - 2011 ACTUAL

	Total Resource Benefit/Cos t Ratio	Present Value							Number of Customers Served
		Benefit (\$000)	Utility Costs (\$000)	Customer Costs (\$000)	Annual MWh Savings	Lifetime MWh Savings	Winter kW Savings	Summer kW Savings	
Residential Programs									
Home Energy Assistance	1.18	\$ 2,094.7	\$ 1,780.4	\$ -	800.0	10,223.4	29.5	75.8	786
Home Performance w/ES (Electric)	1.34	\$ 561.0	\$ 305.4	\$ 112.3	562.6	8,407.5	207.1	21.2	499
ENERGY STAR Homes	4.94	\$ 11,711.2	\$ 1,268.2	\$ 1,101.6	1,897.9	39,595.3	235.8	128.1	652
ENERGY STAR Appliances	1.58	\$ 3,275.7	\$ 726.6	\$ 1,347.3	2,407.3	26,716.5	336.2	285.0	15,691
ENERGY STAR Lighting	3.26	\$ 3,788.1	\$ 915.9	\$ 247.6	10,185.2	52,735.2	2,354.0	625.5	244,534
EnergyStar Homes (Geothermal)	1.28	\$ 1,018.6	\$ 333.0	\$ 462.5	663.6	16,588.9	389.7	9.3	37
Other		\$ -	\$ -	\$ -	-	-	-	-	-
Subtotal Residential	2.61	\$ 22,449.4	\$ 5,329.637	\$ 3,271.3	16,516.5	154,266.8	3,552.3	1,145.0	262,199
Commercial/Industrial Programs									
New Construction / Major Renovation	3.62	\$ 8,076.3	\$ 1,731.3	\$ 499.3	5,975.9	85,783.4	842.3	2,513.7	126
Large C&I Retrofit	2.06	\$ 13,067.4	\$ 2,172.1	\$ 4,183.9	12,048.4	148,368.0	2,275.9	3,736.0	183
Small Business Energy Solutions	1.71	\$ 9,748.7	\$ 2,748.0	\$ 2,947.1	9,076.8	119,159.6	1,606.6	1,897.1	550
C&I RFP Pilot	3.53	\$ 3,734.0	\$ 437.5	\$ 621.1	3,406.2	42,257.5	842.6	1,108.4	3
Other (Education)		\$ -	\$ 121.3	\$ -	-	-	-	-	-
CI Partnerships			\$ 2.4						-
Subtotal C&I	2.24	\$ 34,626.4	\$ 7,212.6	\$ 8,251.5	30,507.4	395,568.6	5,567.5	9,255.1	862
Smart Start		\$ -	\$ 14.9	\$ -	-	-	-	-	-
HES Fuel Neutral Pilot (Fossil)	2.85	\$ 6,022.6	\$ 1,315.7	\$ 797.9	-	-	-	-	395
		\$ 6,022.6	\$ 1,330.5	\$ 797.9	-	-	-	-	395
Total	2.41	\$ 63,098.4	\$ 13,872.8	\$12,320.7	47,023.9	549,835.4	9,119.7	10,400.0	263,456

Program Cost-Effectiveness - 2011 PLAN

	Total Resource Benefit/Co st Ratio	Present Value				Annual MWh Savings	Lifetime MWh Savings	Winter kW Savings	Summer kW Savings	Number of Customers Served
		Benefit (\$000)	Utility Costs (\$000)	Customer Costs (\$000)						
Residential Programs										
Home Energy Assistance	1.70	\$ 6,053.6	\$ 1,917.4	\$ 1,652.3	643.7	8,946.9	80.3	21.3	679	
Home Performance w/ES (Electric)	0.84	\$ 402.9	\$ 402.9	\$ 74.1	609.6	5,860.1	180.5	30.1	485	
ENERGY STAR Homes	4.76	\$ 6,031.3	\$ 948.7	\$ 317.4	561.1	9,644.8	128.5	83.1	378	
ENERGY STAR Appliances	1.42	\$ 2,057.8	\$ 721.1	\$ 730.2	1,780.1	18,253.1	252.2	238.1	12,170	
ENERGY STAR Lighting	2.38	\$ 2,389.1	\$ 774.3	\$ 231.0	6,366.3	33,222.0	1,492.3	396.6	149,628	
EnergyStar Homes (Geothermal)	2.62	\$ 1,677.2	\$ 361.4	\$ 279.9	1,088.2	27,205.1	734.2	19.8	54	
Other		\$ -	\$ -	\$ -	0.0	-	-	-	-	
Subtotal Residential	2.21	\$ 18,612.0	\$ 5,125.8	\$ 3,285.0	11,048.9	103,131.9	2,867.9	788.9	163,393	
Commercial/Industrial Programs										
New Construction / Major Renovation	3.13	\$ 6,962.3	\$ 1,605.1	\$ 618.5	5,254.8	73,895.9	1,053.1	2,078.6	144	
Large C&I Retrofit	1.93	\$ 10,458.6	\$ 2,113.5	\$ 3,302.4	9,543.2	119,762.0	1,736.0	2,796.2	136	
Small Business Energy Solutions	1.67	\$ 7,356.4	\$ 2,508.6	\$ 1,900.4	7,164.1	89,551.1	1,268.0	1,497.3	573	
C&I RFP Pilot	3.16	\$ 2,658.8	\$ 475.5	\$ 367.1	2,451.4	29,295.5	451.3	874.9	6	
Other (Education)	0.00	\$ -	\$ 113.3	\$ -	0.0	-	-	-	-	
CI Partnerships		\$ -	\$ 28.1	\$ -	0.0	-	-	-	-	
Subtotal C&I	2.11	27,436.0	\$ 6,844.1	\$ 6,188.3	24,413.5	312,504.4	4,508.5	7,247.0	859	
Smart Start		\$ -	\$ 30.0	\$ -	0.0	-	-	0	-	
HES Fuel Neutral Pilot (Fossil)	2.72	\$ 5,922.5	\$ 1,223.5	\$ 953.7	-	-	-	-	680	
		\$ 5,922.5	\$ 1,253.5	\$ 953.7	0.0	-	-	0	680	
Total	2.20	51,970.5	\$ 13,223.4	\$ 10,427.0	35,462.5	415,636.3	7,376.4	8,036.0	164,932	

Note: Energy Star Lighting Program plan included 37,407 customers purchasing a total of 149,628 lighting products (4 per customer)

Present Value Benefits - 2011 ACTUAL

	CAPACITY						ENERGY			
	Total Benefits	Summer Generation	Winter Generation	Transmission	Distribution	Winter Peak	Winter Off Peak	Summer Peak	Summer Off Peak	Non Electric Resource
Residential Programs										
Home Energy Assistance	\$2,094,728	\$21,627	\$0	\$9,691	\$31,463	\$201,309	\$247,849	\$100,487	\$119,007	\$1,363,295
Home Performance w/ES (Electric)	\$561,013	\$8,487	\$0	\$3,338	\$10,837	\$169,534	\$253,314	\$52,728	\$62,775	\$0
ENERGY STAR Homes	\$11,711,230	\$95,626	\$0	\$24,523	\$79,617	\$741,327	\$904,819	\$376,579	\$454,193	\$9,034,546
ENERGY STAR Appliances	\$3,275,691	\$74,854	\$0	\$33,569	\$108,989	\$525,362	\$644,700	\$281,403	\$315,105	\$1,291,710
ENERGY STAR Lighting	\$3,788,138	\$94,216	\$0	\$37,696	\$122,387	\$1,087,765	\$1,298,227	\$530,670	\$617,175	\$0
EnergyStar Homes (Geothermal)	\$1,018,639	\$9,210	\$0	\$2,122	\$6,889	\$338,024	\$634,923	\$18,124	\$9,348	\$0
Other	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Subtotal Residential	\$22,449,439	\$304,020	\$0	\$110,939	\$360,183	\$3,063,322	\$3,983,831	\$1,359,991	\$1,577,602	\$11,689,551
Commercial/Industrial Programs										
New Construction / Major Renovation	\$8,076,345	\$843,366	\$0	\$369,961	\$1,201,139	\$1,082,464	\$1,132,551	\$1,912,050	\$1,534,815	\$0
Large C&I Retrofit	\$13,067,427	\$1,088,003	\$0	\$486,321	\$1,578,922	\$2,693,610	\$2,558,202	\$2,671,654	\$1,990,714	\$0
Small Business Energy Solutions	\$9,748,654	\$589,761	\$0	\$262,283	\$851,546	\$3,207,436	\$2,090,339	\$1,708,692	\$1,038,598	\$0
C&I RFP Pilot	\$3,734,005	\$330,177	\$0	\$147,432	\$478,664	\$506,327	\$871,079	\$769,421	\$630,904	\$0
Other (Education)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CI Partnerships	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Subtotal C&I	\$34,626,431	\$2,851,307	\$0	\$1,265,997	\$4,110,270	\$7,489,837	\$6,652,171	\$7,061,816	\$5,195,033	\$0
HES Fuel Neutral Pilot (Fossil)	\$6,022,571	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$6,022,571
Total	\$63,098,441	\$3,155,327	\$0	\$1,376,936	\$4,470,454	\$10,553,159	\$10,636,002	\$8,421,808	\$6,772,635	\$17,712,122

Shareholder Incentive Calculation 2011

	<u>Planned</u>	<u>Actual</u>
Commercial/Industrial Incentive		
1. Benefit/Cost Ratio	2.02	2.15
2. Threshold Benefit / Cost Ratio ¹	1.00	
3. Lifetime kWh Savings	312,504,380	395,568,565
4. Threshold Lifetime kWh Savings (65%) ²	203,127,847	
5. Budget ³	\$6,844,100	\$6,769,488
6. Benefit / Cost Percentage of Budget	4.00%	
7. Lifetime kWh Percentage of Budget	4.00%	
8. C/I Shareholder Incentive	\$547,528	\$631,092
9. Cap (12%)	\$821,292	
Residential Incentive		
10. Benefit / Cost Ratio	2.11	2.61
11. Threshold Benefit / Cost Ratio ¹	1.00	
12. Lifetime kWh Savings	103,131,947	154,266,831
13. Threshold Lifetime kWh Savings (65%) ²	67,035,765	
14. Budget ⁴	\$5,125,814	\$5,570,591
15. Benefit / Cost Percentage of Budget	4.00%	
16. Lifetime kWh Percentage of Budget	4.00%	
17. Residential Incentive	\$410,065	\$608,942
18. Cap (12%)	\$615,098	
19. TOTAL INCENTIVE EARNED		\$1,240,034

Notes

1. Actual Benefit / Cost Ratio for each sector must be greater than or equal to 1.0.
2. Actual Lifetime kWh Savings for each sector must be greater than or equal to 65% of projected savings.
3. Actual \$ Spent of \$7,212,590 was decreased by \$443,102 as this amount earned an incentive in 2010.
4. Actual \$ Spent of \$5,329,637 was increased by \$240,954 as this amount had not earned an incentive in 2010.
4. Did not include HPWES Fuel Neutral portion of the budget (\$1,315,668) per NHPUC Order No. 24,974.

Planned Versus Actual Benefit / Cost Ratio by Sector
2011

	<u>Planned</u>	<u>Actual</u>
Commercial & Industrial:		
1. Benefits (Value) From Eligible Programs	\$ 27,436,028	\$ 34,626,431
2. Implementation Expenses	\$ 6,844,100	\$ 7,212,590
3. Customer Contribution	\$ 6,188,313	\$ 8,251,525
4. Estimated Shareholder Incentive	<u>\$ 547,528</u>	<u>\$ 631,092</u>
5. Total Costs (including shareholder incentive)	\$ 13,579,941	\$ 16,095,208
6. Benefit/Cost Ratio - C&I Sector	2.02	2.15
Residential:		
7. Benefits (Value) From Eligible Programs	\$ 18,611,961	\$ 22,449,439
8. Implementation Expenses	\$ 5,125,814	\$ 5,329,637
9. Customer Contribution	\$ 3,284,991	\$ 3,271,335
10. Estimated Shareholder Incentive	<u>\$ 410,065</u>	<u>\$ 608,942</u>
11. Total Costs (including shareholder incentive)	\$ 8,820,869	\$ 8,600,972
12. Benefit/Cost Ratio - Residential Sector	2.11	2.61

Actual Lifetime Energy Savings by Sector and Program
2011

	Lifetime kWh Savings	
	<u>Planned</u>	<u>Actual</u>
Commercial & Industrial:		
New Construction / Major Renovation	73,895,868	85,783,390
Large C&I Retrofit	119,761,974	148,368,050
Small Business Energy Solutions	89,551,078	119,159,612
C&I RFP Pilot	29,295,460	42,257,513
Other (Education)	0	0
CI Partnerships	<u>0</u>	<u>0</u>
Total Commercial & Industrial Included for Incentive Calculation	312,504,380	395,568,565
Residential:		
Home Energy Assistance	8,946,884	10,223,431
Home Performance w/ES (Electric)	5,860,084	8,407,501
ENERGY STAR Homes	9,644,760	39,595,344
ENERGY STAR Appliances	18,253,113	26,716,522
ENERGY STAR Lighting	33,221,995	52,735,184
EnergyStar Homes (Geothermal)	27,205,110	16,588,850
Other	<u>0</u>	<u>0</u>
Total Residential Included for Incentive Calculation	103,131,947	154,266,831

2011 End of Year Reconciliation

	<u>2011</u>
Carry Forward Balance	\$ 895,372
Funding:	
System Benefit Charge	\$ 12,816,877
FCM Payments ¹	1,583,822
Interest	102,159
Total Funding for Energy Efficiency Programs	<u>\$ 14,502,858</u>
Expenses:	
Energy Efficiency Expenditures	\$ 13,909,019
Shareholder Incentive - Preliminary Estimate	1,240,034
2% for PSNH Facilities ²	230,791
Total Program Expenses	<u>\$ 15,379,844</u>
Carry Forward Balance	<u><u>\$ 18,386</u></u>

Notes

- FCM Payments net of expenses per the NHPUC Audit of 2009
FCM Payments for 2011 - \$1,671,546
FCM Expenses for 2011 - 87,724
FCM Net Amount \$1,583,822
- This amount will bring the balance at 12/31/2011 to \$600,000, PSNH's balance cap on total accumulation of RSA 125-0 funds, per Commission Letter dated November 4, 2010 (Docket 09-170)

Reconciliation
2011 General Ledger Transactions vs Energy Efficiency Program Transactions

General Ledger Balance - 01/01/2011	\$3,401,279
General Ledger Balance - 12/31/2011	<u>3,231,357</u>
2011 Net General Ledger Activity	<u><u>(\$169,922)</u></u>

	General Ledger Transactions	Deduct Impact of Prior Year GL Transactions	Deduct 2010 Transactions Included in 2011 GL	Add 2011 Transactions not Yet Recorded on GL	2011 Program Year
BEGINNING BALANCE - CARRYFORWARD					\$895,372
FUNDING:					
SBC Funding	\$12,816,877				12,816,877
FCM Payments - Net	1,583,822				1,583,822
2011 Interest: GL Jan-Nov, EE YTD	91,019			11,140	102,159
Dec 2010 Interest: Jan 11	9,506		(9,506)		-
Total Funding	\$14,501,224		(\$9,506)	11,140	14,502,858
EXPENSES:					
EE Expenses: Jan-Dec 11	\$11,923,217				\$11,923,217
SmartStart EE Expenses: Jan-Dec 11			(153)	(87,276)	(87,429)
Usage of 2% PSNH Facilities Set-aside	134,060	(134,060)		-	-
2% PSNH Facilities Set-aside				230,791	230,791
2011 EE Expenses: Jan-Apr 12				2,073,232	2,073,232
2010 EE Expenses: Jan-Apr 11 (Note 1)	1,507,827		(1,507,827)		-
2011 Shareholder Incentive	901,000			339,034	1,240,034
2010 SI Incentive True-up	205,042		(205,042)		-
Total Expenses	\$14,671,146	(\$134,060)	(1,713,022)	2,555,780	\$15,379,844
Net: Funding less Expenses	(\$169,922)	\$134,060	\$1,703,516	(2,544,640)	\$18,386

Notes:

(1) Reflects Adjustments due to NHPUC audit of 2010 Program Year.