

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
 2011 ENERGY SERVICE RATE CALCULATION
 (Dollars in 000's)

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Summary of Forecasted Energy Service

Cost For January 2011 Through December 2011

TOTAL COST Cents per KWH Reference

	TOTAL COST	Cents per KWH	Reference
Fossil energy costs	\$ 145,689	\$ 2.70	Attachment RAB-2, page 2
F/H O&M, depreciation & taxes	152,339	2.83	Attachment RAB-2, page 2
Return on rate base--adjusted for refinancing Ser D & E	42,974	0.80	Attachment RAB-2, page 2
ISO-NE ancillary	6,624	0.12	Attachment RAB-2, page 2
Capacity	13,806	0.26	Attachment RAB-2, page 2
NH RPS	10,808	0.20	Attachment RAB-2, page 2
RGGI costs	3,707	0.07	Attachment RAB-2, page 2
Vermont Yankee	7,602	0.14	Attachment RAB-2, page 2
IPP costs (1)	28,836	0.54	Attachment RAB-2, page 2
Purchases and sales	56,830	1.05	Attachment RAB-2, page 2
Return on ES Deferral	(44)	(0.00)	Attachment RAB-2, page 2
Total Forecasted Energy Service Cost	\$ 469,171	\$ 8.71	
2009 ES Over/Under Recovery	(1,482)	(0.03)	Attachment RAB-3, page 1
Net Forecasted Energy Service Cost	\$ 467,689		
Forecasted Retail MWH Sales	5,389,252	8.68	
Forecasted Energy Service Rate - cents Per KWH (line 30 / Line 32)	\$ 8.68		<--Based on Q3 2010 capital structure, pro forma adjustments
Forecasted Energy Service Rate - cents Per KWH as filed	\$ 8.68		<--Based on Q2 2010 capital structure
Difference (Decrease)/Increase	\$ (0.00)		

(1) The IPP costs represent the forecasted market value of IPP generation.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
2011 ENERGY SERVICE RATE CALCULATION
FOSSIL/HYDRO RETURN ON RATE BASE
(Dollars in 000's)

	January 2011 Estimate	February 2011 Estimate	March 2011 Estimate	April 2011 Estimate	May 2011 Estimate	June 2011 Estimate	July 2011 Estimate	August 2011 Estimate	September 2011 Estimate	October 2011 Estimate	November 2011 Estimate	December 2011 Estimate	Total
14	Rate base												
15	Net Plant	304,337	302,924	301,512	303,316	307,464	306,320	305,437	306,740	308,994	316,113	315,713	
17	Working Capital Allow. (45 days of O&M)	14,309	14,309	14,309	14,309	14,309	14,309	14,309	14,309	14,309	14,309	14,309	
18	Fossil Fuel Inventory	55,326	54,628	47,108	47,141	47,178	47,216	47,253	47,321	47,353	47,396	47,446	
19	Mat'l's and Supplies	55,501	55,552	55,677	55,823	56,037	56,427	56,635	56,927	57,029	57,355	58,198	
20	Prepayments	2,428	2,428	2,428	2,428	2,428	2,428	2,428	2,428	2,428	2,428	2,428	
21	Deferred Taxes	(17,123)	(15,961)	(16,020)	(15,918)	(14,905)	(18,194)	(15,788)	(17,418)	(20,177)	(19,210)	(17,099)	
22	Other Regulatory Obligations	(17,551)	(18,844)	(20,337)	(21,549)	(22,778)	(12,567)	(14,034)	(17,158)	(18,411)	(19,653)	(20,936)	
23	Total Rate Base (L15 thru L22)	397,226	395,035	384,676	385,549	389,732	395,938	394,865	393,148	391,524	398,736	400,058	
25	Average Rate Base (prev + curr month)	397,226	396,131	389,856	385,113	387,641	392,835	395,401	393,486	392,336	395,130	399,397	
26	x Return	0.9107%	0.9107%	0.9107%	0.9107%	0.9107%	0.9107%	0.9107%	0.9107%	0.9107%	0.9107%	0.9107%	
27	Return (L25 x L26)	\$ 3,617	\$ 3,608	\$ 3,550	\$ 3,507	\$ 3,530	\$ 3,577	\$ 3,601	\$ 3,583	\$ 3,573	\$ 3,598	\$ 3,637	\$ 42,974

Amounts shown above may not add due to rounding.

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 2011 ENERGY SERVICE RATE CALCULATION
 (Dollars in 000's)

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10 Summary of Forecasted Energy Service

11 Cost For January 2011 Through December 2011	TOTAL COST	Cents per KWH	Reference
12			
13 Fossil energy costs	\$ 145,689	\$ 2.70	Attachment RAB-2, page 2
14 F/H O&M, depreciation & taxes	152,339	2.83	Attachment RAB-2, page 2
15 Return on rate base--adjusted for refinancing Ser A	44,220	0.82	Attachment RAB-2, page 2
16 ISO-NE ancillary	6,624	0.12	Attachment RAB-2, page 2
17 Capacity	13,806	0.26	Attachment RAB-2, page 2
18 NH RPS	10,808	0.20	Attachment RAB-2, page 2
19 RGGI costs	3,707	0.07	Attachment RAB-2, page 2
20 Vermont Yankee	7,602	0.14	Attachment RAB-2, page 2
21 IPP costs (1)	28,836	0.54	Attachment RAB-2, page 2
22 Purchases and sales	56,830	1.05	Attachment RAB-2, page 2
23 Return on ES Deferral	(44)	(0.00)	Attachment RAB-2, page 2
24			
25 Total Forecasted Energy Service Cost	\$ 470,416	\$ 8.73	
26			
27 2009 ES Over/Under Recovery	(1,482)	(0.03)	Attachment RAB-3, page 1
28			
29 Net Forecasted Energy Service Cost	\$ 468,934		
30			
31 Forecasted Retail MWH Sales	5,389,252	8.70	
32			
33			
34 Forecasted Energy Service Rate -			
35 cents Per KWH (line 30 / Line 32)	\$ 8.70		<--Based on Q3 2010 capital structure, pro forma adjustments
36			
37 Forecasted Energy Service Rate -			
38 cents Per KWH as filed	\$ 8.68		<--Based on Q2 2010 capital structure
39			
40 Difference (Decrease)/Increase	\$ 0.02		
41			

42 (1) The IPP costs represent the forecasted market value of IPP generation.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
2011 ENERGY SERVICE RATE CALCULATION
FOSSIL/HYDRO RETURN ON RATE BASE
(Dollars in 000's)

	January 2011 Estimate	February 2011 Estimate	March 2011 Estimate	April 2011 Estimate	May 2011 Estimate	June 2011 Estimate	July 2011 Estimate	August 2011 Estimate	September 2011 Estimate	October 2011 Estimate	November 2011 Estimate	December 2011 Estimate	Total
11 Return on Rate Base	304,337	302,924	301,512	303,316	307,464	306,320	305,437	304,437	306,740	308,994	316,113	315,713	
14 Rate base													
15 Net Plant													
17 Working Capital Allow. (45 days of O&M)													
18 Fossil Fuel Inventory	14,309	14,309	14,309	14,309	14,309	14,309	14,309	14,309	14,309	14,309	14,309	14,309	14,309
19 Marts and Supplies	55,326	54,628	47,108	47,141	47,178	47,216	47,253	47,291	47,321	47,353	47,396	47,446	47,446
20 Prepayments	55,501	55,552	55,677	55,823	56,037	56,427	56,520	56,635	56,927	57,029	57,355	58,198	58,198
21 Deferred Taxes	2,428	2,428	2,428	2,428	2,428	2,428	2,428	2,428	2,428	2,428	2,428	2,428	2,428
22 Other Regulatory Obligations	(17,123)	(15,961)	(16,020)	(15,918)	(14,905)	(18,194)	(17,048)	(15,788)	(17,418)	(20,177)	(19,210)	(17,099)	(17,099)
23 Total Rate Base (L15 thru L22)	(17,551)	(18,844)	(20,337)	(21,548)	(22,778)	(12,567)	(14,034)	(15,487)	(17,158)	(18,411)	(19,653)	(20,836)	(20,836)
24	397,226	395,035	384,676	385,549	389,732	395,938	394,865	393,824	393,148	391,524	398,736	400,058	
25 Average Rate Base (prev + curr month)	397,226	396,131	389,856	385,113	387,641	392,835	395,401	394,345	393,486	392,336	395,130	399,397	399,397
26 x Return	0.9371%	0.9371%	0.9371%	0.9371%	0.9371%	0.9371%	0.9371%	0.9371%	0.9371%	0.9371%	0.9371%	0.9371%	0.9371%
27 Return (L25 x L26)	\$ 3,722	\$ 3,712	\$ 3,653	\$ 3,609	\$ 3,632	\$ 3,681	\$ 3,705	\$ 3,695	\$ 3,687	\$ 3,676	\$ 3,703	\$ 3,743	\$ 44,220

Amounts shown above may not add due to rounding.

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2011 ENERGY SERVICE RATE CALCULATION
(Dollars in 000's)

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14 F/H O&M, depreciation & taxes	152,339	2.83	Attachment RAB-2, page 2
15 Return on rate base	43,187	0.80	Attachment RAB-2, page 2
16 ISO-NE ancillary	6,624	0.12	Attachment RAB-2, page 2
17 Capacity	13,806	0.26	Attachment RAB-2, page 2
18 NH RPS	10,808	0.20	Attachment RAB-2, page 2
19 RGGI costs	3,707	0.07	Attachment RAB-2, page 2
20 Vermont Yankee	7,602	0.14	Attachment RAB-2, page 2
21 IPP costs (1)	28,836	0.54	Attachment RAB-2, page 2
22 Purchases and sales	56,830	1.05	Attachment RAB-2, page 2
23 Return on ES Deferral	(44)	(0.00)	Attachment RAB-2, page 2
24			
25 Total Forecasted Energy Service Cost	\$ 469,384	\$ 8.71	
26			
27 2009 ES Over/Under Recovery	(1,482)	(0.03)	Attachment RAB-3, page 1
28			
29 Net Forecasted Energy Service Cost	\$ 467,902		
30			
31 Forecasted Retail MWH Sales	5,389,252	8.68	
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33			
34 Forecasted Energy Service Rate -			
35 cents Per KWH (line 30 / Line 32)	\$ 8.68		

36 (1) The IPP costs represent the forecasted market value of IPP generation.

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PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
2011 ENERGY SERVICE RATE CALCULATION
FOSSIL/HYDRO RETURN ON RATE BASE
(Dollars in 000's)

As Filed

	January 2011 Estimate	February 2011 Estimate	March 2011 Estimate	April 2011 Estimate	May 2011 Estimate	June 2011 Estimate	July 2011 Estimate	August 2011 Estimate	September 2011 Estimate	October 2011 Estimate	November 2011 Estimate	December 2011 Estimate	Total
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Amounts shown above may not add due to rounding.

Public Service Company of New Hampshire and Subsidiaries
 Capitalization @ 9/30/10 - Pro Forma--Refin of Series D PCRBs and Series E PCRBs--for FH Purposes Only

Attachment SRH-1
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	[A]	[B]	[C]	[D]	[E]	[F]	[G]	[H]
	Balance-LTD	Unamort Issuance Expense	Net Balance [A] + [B]	Annualized Amort. Expense [D]	Int Rate [E]	Ann. Int. Exp. [A] X [E]	Total Ann. Exp. [D] + [F]	Eff. Int. Rate [G]/[C]
8 PCRB Series A Tax-Exempt	89,250,000	(3,255,479)	85,994,521	413,404	0.40%	357,000	770,404	
9 PCRB Series B Tax-Exempt-FR	89,250,000	(4,190,122)	85,059,878	501,744	4.75%	4,239,375	4,741,119	
10 PCRB Series C Tax-Exempt	108,985,000	(4,522,270)	104,462,730	427,301	5.45%	5,939,683	6,366,984	
11 PCRB Series D Tax-Exempt--REFIN	75,000,000	(2,398,511)	72,601,489	230,507	3.65%	2,737,500	2,968,007	
12 PCRB Series E Tax-Exempt--REFIN	44,800,000	(1,501,174)	43,298,826	144,387	3.65%	1,635,200	1,779,587	
13 FMB Series L - 2004	50,000,000	(243,402)	49,756,598	63,486	5.25%	2,625,000	2,688,496	
14 FMB Series M - 2005	50,000,000	(578,996)	49,421,004	23,160	5.60%	2,800,000	2,823,160	
15 FMB Series N - 2007	70,000,000	(627,993)	69,372,007	89,211	6.15%	4,305,000	4,394,211	
16 FMB Series O - 2008	110,000,000	(1,563,058)	108,436,942	206,117	6.00%	6,600,000	6,806,117	
17 FMB Series P - 2009	150,000,000	(1,609,830)	148,390,170	175,651	4.50%	6,750,000	6,925,651	
18 Total Debt	837,285,000	(20,490,834)	816,794,166	2,274,978		37,988,758	40,263,736	4.9295% Pro forma
20								5.2290% Actual Q3 2010

	[A]	[B]	[C]	[D]	[E]	[F]	[G]
	Balance-LTD	Capitalization Percentage	Embedded Cost/Return	Pro forma Weighted Avg. [D] / [B] * [C]	Tax Gross-up [E] / [1-TR]	Pro forma Tax-Adjusted Return [F]	Pro forma Return By Month [G]
27 Capitalization--	816,794,166	48.1294%	4.9295%	2.3725%	N/A	2.3725%	
28 LTD--use net of issuance exp-above	880,285,981	51.8706%	9.8100%	5.0885%	8.5557%	8.5557%	
29 Total OCI Adj Equity	1,697,080,147	100.0000%		7.4610%		10.9282%	0.910687%
30 Total							
31							
32				7.6017%		11.0639%	0.921992% Actual Q3 2010
33							
34						(Decrease)	-0.0113%

Public Service Company of New Hampshire and Subsidiaries
 Capitalization @ 9/30/10 - Pro Forma--Refin of Series A PCRBs--for FH Purposes Only

Attachment SRH-1
 Page 8 of 10

	[A]	[B]	[C]	[D]	[E]	[F]	[G]	[H]
	Balance-LTD	Unamort Issuance Expense	Net Balance [A] + [B]	Annualized Amort. Expense	Int Rate	Ann. Int. Exp. [A] X [E]	Total Ann. Exp. [D] + [F]	Eff. Int. Rate [G]/[C]
8	89,250,000	(4,094,804)	85,155,196	494,892	3.65%	3,257,625	3,752,517	
9	89,250,000	(4,190,122)	85,059,878	501,744	4.75%	4,239,375	4,741,119	
10	108,985,000	(4,522,270)	104,462,730	427,301	5.45%	5,939,683	6,366,984	
11	75,000,000	(907,511)	74,092,489	85,749	6.00%	4,500,000	4,585,749	
12	44,800,000	(522,554)	44,277,446	49,375	6.00%	2,688,000	2,737,375	
13	50,000,000	(243,402)	49,756,598	63,496	5.25%	2,625,000	2,688,496	
14	50,000,000	(578,996)	49,421,004	23,160	5.60%	2,800,000	2,823,160	
15	70,000,000	(627,993)	69,372,007	89,211	6.15%	4,305,000	4,394,211	
16	110,000,000	(1,563,058)	108,436,942	206,117	6.00%	6,600,000	6,806,117	
17	150,000,000	(1,609,830)	148,390,170	175,651	4.50%	6,750,000	6,925,651	
18	837,285,000	(18,860,539)	818,424,461	2,116,697		43,704,683	45,821,380	5.5987% Pro forma
19								
20								
21								5.2290% Actual Q3 2010
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23								
24								
25								
26								
27	Capitalization--							
28	LTD--use net of issuance exp-above							
29	Total OCI Adj Equity							
30	Total							
31								
32								
33								
34								

	[A]	[B]	[C]	[D]	[E]	[F]	[G]
	Balance-LTD	Capitalization Percentage	Embedded Cost/Return	Pro forma Weighted Avg. [B] * [C]	Tax Gross-up [D]/[1-TR]	Tax-Adjusted Return [F]	Pro forma Return By Month [G]
28	818,424,461	48.1792%	5.5987%	2.6974%	N/A	2.6974%	
29	880,285,981	51.8208%	9.8100%	5.0836%	8.5475%	8.5475%	
30	1,698,710,442	100.0000%	7.7810%	7.7810%	11.2449%	11.2449%	0.937077%
31							
32							
33							
34							

Public Service Company of New Hampshire and Subsidiaries
 Pro forma adjustments to capitalization @ 6/30/10 - for FH Purposes Only

1--Series D and Series E

[A]	[B]	[C]	[D]	[E]	[F]	[G]
Balance-LTD	Unamor Issuance Expense	Net Balance [A] + [B]	Annualized Amor. Expense	Int Rate	Ann. Int. Exp. [A] X [E]	Total Ann. Exp. [D] + [F]
75,000,000	(907,511)	74,071,051	85,749	6.00%	4,500,000	4,585,749
	(1,491,000)					
75,000,000	(2,398,511)	72,601,489	230,507	3.65%	2,737,500	2,968,007
			144,757			1,617,743
44,800,000	(522,554)	44,265,102	49,375	6.00%	2,688,000	2,737,375
	(978,620)					
44,800,000	(1,501,174)	43,298,826	144,387	3.65%	1,635,200	1,779,587
			95,012			957,788
						2,575,531

10 PCRB Series D Tax-Exempt--updated 3rd qtr

11 Refinancing costs and call premiums (1)

12 Amortization of refin/call premium over 10.3 yrs (124 mths)

13 Recalculated interest costs / new int rate

14 (Incr) / Decr in int costs-Ser D

15

16

17 PCRB Series E Tax-Exempt--updated 3rd qtr

18 Refinancing costs and call premiums (2)

19 Amortization of refin/call premium over 10.3 yrs (124 mths)

20 Recalculated interest costs / new int rate

21 (Incr) / Decr in int costs-Ser E

22

23 Total annual (Incr) / Decr in int costs

24

25 (1) Series D fees of \$741,000 and a call premium of \$750,000, totalling \$1,491,000. Amor period between 1/1/2011 and the maturity date of 5/1/2021 is 124 months

26

27 (2) Series E fees of \$530,620 and a call premium of \$448,000, totalling \$978,620. Amor period between 1/1/2011 and the maturity date of 5/1/2021 is 124 months

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37 PCRB Series A Tax-Exempt--updated 3rd qtr

38 Refinancing costs and call premiums (1)

39 Amortization of refin/call premium over 10.3 yrs (124 mths)

40 Recalculated interest costs / new int rate

41

42 Total annual (Incr) / Decr in int costs

43

44 (1) Includes Series A fees of \$839,325. There are no MBIA insurance termination costs or call premium. Amortization period between 1/1/2011 and the maturity date of

45 5/1/2021 is 124 months

[A]	[B]	[C]	[D]	[E]	[F]	[G]
Balance-LTD	Unamor Issuance Expense	Net Balance [A] + [B]	Annualized Amor. Expense	Int Rate	Ann. Int. Exp. [A] X [E]	Total Ann. Exp. [D] + [F]
89,250,000	(3,255,479)	85,994,521	413,404	0.40%	357,000	770,404
	(839,325)					
89,250,000	(4,094,804)	85,155,196	494,892	3.65%	3,257,625	3,752,517
			81,488			(2,982,113)

Public Service Company of New Hampshire and Subsidiaries
 Capitalization @ 9/30/10 - for FH Purposes Only

Attachment SRH-1
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	[A]	[B]	[C]	[D]	[E]	[F]	[G]	[H]
	Balance-LTD	Unamor Issuance Expense	Net Balance [A] + [B]	Annualized Amor. Expense	Int Rate*	Ann. Int. Exp. [A] X [E]	Total Ann. Exp. [D] + [F]	Eff. Int. Rate [G]/[C]
8	89,250,000	(3,255,479)	85,994,521	413,404	0.40%	357,000	770,404	
9	89,250,000	(4,190,122)	85,059,878	501,744	4.75%	4,239,375	4,741,119	
10	108,985,000	(4,522,270)	104,462,730	427,301	5.45%	5,939,683	6,366,984	
11	75,000,000	(907,511)	74,092,489	85,749	6.00%	4,500,000	4,585,749	
12	44,800,000	(572,554)	44,227,446	49,375	6.00%	2,688,000	2,737,375	
13	50,000,000	(243,402)	49,756,598	63,496	5.25%	2,625,000	2,688,496	
14	70,000,000	(578,996)	69,421,004	23,160	5.60%	2,800,000	2,823,160	
15	110,000,000	(627,993)	109,372,007	89,211	6.15%	4,305,000	4,394,211	
16	150,000,000	(1,563,058)	148,436,942	206,117	6.00%	6,600,000	6,806,117	
17	837,285,000	(18,021,214)	819,263,786	175,651	4.50%	6,750,000	6,925,651	
18				2,035,209		40,804,058	42,839,267	5.2290%
19								
20								
21								
22								
23								
24								
25								
26								
27	Capitalization---							
28	LTD--use net of issuance exp-above							
29	Total OCI Adj Equity	819,263,786	48.2048%	5.2290%	2.5206%			
30	Total	880,285,981	51.7952%	9.8100%	5.0811%			
31		1,699,549,767	100.0000%	7.6017%				
32	*--Series A is variable rate debt							

[A]	[B]	[C]	[D]	[E]	[F]	[G]
Balance-LTD	Capitalization Percentage	Embedded Cost/Return	Weighted Avg. [B] * [C]	Tax Gross-up [D]/ [1-TR]	Tax-Adjusted Return	Return By Month
819,263,786	48.2048%	5.2290%	2.5206%	N/A	2.5206%	
880,285,981	51.7952%	9.8100%	5.0811%	8.5433%	8.5433%	
1,699,549,767	100.0000%	7.6017%			11.0639%	0.921992%