

**PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
TRANSMISSION COST ADJUSTMENT MECHANISM (TCAM) CALCULATION**

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- 1 TCAM Rate Calculation - July 2012 through June 2013
- 1a TCAM Rate Calculation - Comparison of Forecast to Currently Allowed TCAM
- 2 Forecasted Costs - July 2012 through June 2013
- 3 Actual Costs - January 2011 through June 2011
- 4 Actual Costs - July 2011 through December 2011
- 5 Actual and Forecasted Costs - January 2012 through June 2012
- 6 Actual Revenues - January 2011 through June 2011
- 7 Actual Revenues - July 2011 through December 2011
- 8 Actual and Forecasted Revenues - January 2012 through June 2012

**PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
TRANSMISSION COST ADJUSTMENT MECHANISM (TCAM) CALCULATION**

(Dollars in 000's)

1	TCAM Rate Calculation	Forecasted	Reference:
2	July 2012 Through June 2013	Summary	Attachment RAB-1
3	Regional Network Service (RNS)	\$ 99,197	Page 2
4	Scheduling and Dispatch (S&D)	2,366	Page 2
5	Local Network Service (LNS)	8,107	Page 2
6	Reliability	5,456	Page 2
7	Hydro-Quebec Support Costs	4,986	Page 2
8	NHPUC Assessment	331	Page 2
9	Return on TCAM Working Capital	1,628	Page 2
10	Revenue Credits	<u>(4,068)</u>	Page 2
11			
12	Total Forecasted Costs	\$ 118,003	
13			
14	Cumulative Estimated (Over) / Under Recovery	<u>(13,057) (1)</u>	Page 5
15			
16	Total Costs	\$ 104,946	
17			
18	Forecasted Retail MWH Sales	7,719,723	Page 2
19			
20	Forecasted TCAM Rate--cents per kWh	<u><u>1.359</u></u>	

22 (1) - The \$(13.1) M includes \$6.4M of refund rebilling for the 2011 FY Schedule 21 true-up.

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24 Amounts shown above may not add due to rounding.

**PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
TRANSMISSION COST ADJUSTMENT MECHANISM (TCAM) CALCULATION**

(Dollars in 000's)

Note: This schedule is provided as an aid to analysis and is not part of the rate calculation

TCAM Rate Calculation	(A) Forecasted 12 mths- 06/2013	(B) Currently Allowed(1) 12 mths- 06/2012	(C) (A)-(B)=(C) Delta
1 Comparison of Forecast to Currently Allowed			
2			
3 Regional Network Service (RNS)	\$ 99,197	\$ 84,966	\$ 14,232
4 Scheduling and Dispatch (S&D)	2,366	2,102	264
5 Local Network Service (LNS)	8,107	7,787	320
6 Reliability	5,456	4,344	1,112
7 Hydro-Quebec Support Costs	4,986	5,288	(302)
8 NHPUC Assessment	331	312	19
9 Return on TCAM Working Capital	1,628	1,417	212
10 Revenue Credits	<u>(4,068)</u>	<u>(3,510)</u>	<u>(558)</u>
11			
12 Sub-total	\$ 118,003	\$ 102,705	\$ 15,298
13			
14 Prior Period (Over) / Under Recovery	<u>(13,057)</u>	<u>(9,516)</u>	<u>(3,542)</u>
15			
16 Total	\$ 104,946	\$ 93,189	\$ 11,757
17			
18 Retail MWH Sales	7,719,723	7,835,286	
19			
20 TCAM Rate--cents per kWh	<u>1.359</u>	<u>1.189</u>	

22 (1) DE 11-133; Order # 25,243 dated June 29, 2011

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PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
TRANSMISSION COST ADJUSTMENT MECHANISM (TCAM) CALCULATION
July 2012 through June 2013

(Dollars in 000's)

		Forecasted						Six Months	
		July 2012	August 2012	September 2012	October 2012	November 2012	December 2012	July-December Subtotal	
1	Retail Transmission Cost								
2									
3	Regional Network Service (RNS)	9,469	10,369	9,744	8,737	6,942	7,461	52,723	
4									
5	Scheduling and Dispatch (S&D)	226	247	232	208	166	178	1,258	
6									
7	Local Network Service (LNS)	855	855	855	855	855	855	5,130	
8									
9	Reliability	411	411	411	411	411	411	2,466	
10									
11	Hydro-Quebec Support Costs	414	414	414	414	414	414	2,484	
12									
13	NHPUC Assessment	28	28	28	28	28	28	165	
14									
15	Return on TCAM Working Capital Allowance (1)	154	167	158	144	119	126	868	
16									
17	Under-recovery TCAM, previous TCAM Year	(13,057)	-	-	-	-	-	(13,057)	
18									
19	Revenue Credits (2)	(566)	(566)	(566)	(566)	(566)	(566)	(3,396)	
20									
21	Retail Transmission Operating Costs	\$ (2,067)	\$ 11,925	\$ 11,276	\$ 10,231	\$ 8,368	\$ 8,907	\$ 48,640	
22									
23	Estimated Retail MWH Sales	734,231	709,706	622,322	611,856	612,544	667,548	3,958,208	
24									
25									
26									
27									
28									
29	Retail Transmission Cost								
30									
31	Regional Network Service (RNS)	8,218	8,481	8,155	7,786	6,873	6,961	46,475	99,197
32									
33	Scheduling and Dispatch (S&D)	196	202	195	186	164	166	1,108	2,366
34									
35	Local Network Service (LNS)	496	496	496	496	496	496	2,977	8,107
36									
37	Reliability	510	496	496	496	496	496	2,990	5,456
38									
39	Hydro-Quebec Support Costs	417	417	417	417	417	417	2,502	4,986
40									
41	NHPUC Assessment	28	28	28	28	28	28	165	331
42									
43	Return on TCAM Working Capital Allowance (1)	133	137	132	127	115	116	760	1,628
44									
45	Under-recovery TCAM, previous TCAM Year	-	-	-	-	-	-	-	(13,057)
46									
47	Revenue Credits (2)	(112)	(112)	(112)	(112)	(112)	(112)	(672)	(4,068)
48									
49	Retail Transmission Operating Costs	\$ 9,886	\$ 10,145	\$ 9,807	\$ 9,424	\$ 8,477	\$ 8,567	\$ 56,306	\$ 104,946
50									
51	Estimated Retail MWH Sales	702,402	621,022	637,432	581,331	585,607	633,721	3,761,515	7,719,723
52									
53	Note 1 - The return on the working capital allowance is monthly O&M x (45 days/365 days) x 10.9656% (allowed 7.513% incl tax gross-up)								
54									
55	Note 2 - Revenue credits include Hydro-Quebec (H-Q) revenues associated with the H-Q support contract through December 2012, ISO-NE Credits, and NOATT Schedule 2 revenues.								
56									
57									
58	Amounts shown above may not add due to rounding.								

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
TRANSMISSION COST ADJUSTMENT MECHANISM (TCAM) CALCULATION
January-June 2011

(Dollars in 000's)

	Balance 12/31/2010	Actuals						Total	Reference
		January 2011	February 2011	March 2011	April 2011	May 2011	June 2011		
1 Retail Transmission Costs									
2									
3 Retail Transmission Operating Revenues		\$ (10,254)	\$ (9,121)	\$ (9,648)	\$ (8,453)	\$ (9,507)	\$ (10,085)	\$ (57,067)	RAB-1, Pg 6
4									
5 Regional Network Service (RNS)		7,310	7,488	7,007	6,568	5,824	6,751	40,948	
6									
7 Scheduling and Dispatch		187	191	179	168	149	172	1,045	
8									
9 Local Network Service (LNS) (1)		685	671	666	674	(8,061)	521	(4,845)	
10									
11 Reliability		318	375	474	351	342	319	2,178	
12									
13 Hydro-Quebec Support Costs		398	346	474	497	402	370	2,487	
14									
15 NHPUC Assessment		30	30	30	30	30	30	179	
16									
17 Return on TCAM Working Capital Allowance (2)		121	123	119	112	(18)	110	568	
18									
19 Revenue Credits (3)		(415)	(440)	(431)	(442)	(503)	(483)	(2,715)	
20									
21 Retail Transmission Operating Costs		\$ 8,632	\$ 8,784	\$ 8,517	\$ 7,956	\$ (1,836)	\$ 7,792	\$ 39,846	
22									
23 (Over) / Under-Recovery		\$ (1,622)	\$ (337)	\$ (1,130)	\$ (497)	\$ (11,343)	\$ (2,293)	\$ (17,222)	
24									
25 Cumulative (Over) / Under-Recovery		\$ 7,729	\$ 6,107	\$ 5,770	\$ 4,639	\$ 4,143	\$ (7,200)	\$ (9,493)	
26									
27 Calculation of Return/Deferral									
28									
29 Average Balance		6,918	5,938	5,204	4,391	(1,529)	(8,346)		
30									
31 Deferred tax calculation--									
32 Deferred tax rate		39.550%	39.550%	39.550%	39.550%	39.550%	39.550%		
33									
34 ADIT on the average balance		\$ (2,736)	\$ (2,349)	\$ (2,058)	\$ (1,737)	\$ 605	\$ 3,301		
35									
36 Average Balance, Net of ADIT		\$ 4,182	\$ 3,590	\$ 3,146	\$ 2,654	\$ (924)	\$ (5,045)		
37									
38 x Return at Prime Rate		0.2708%	0.2708%	0.2708%	0.2708%	0.2708%	0.2708%		
39									
40 Return-Monthly		\$ 11	\$ 10	\$ 9	\$ 7	\$ (3)	\$ (14)	\$ 21	
41									
42 Cumulative Return		\$ 11	\$ 21	\$ 30	\$ 37	\$ 34	\$ 21		
43									
44 Cumulative (Over) / Under Recovery, Including Return		\$ 6,118	\$ 5,791	\$ 4,669	\$ 4,180	\$ (7,166)	\$ (9,472)		

46 Note 1--May 2011 LNS includes \$8.2M of rebilling for the FY 2010 Schedule 21 true-up.

47

48 Note 2-- The return on the working capital allowance is monthly O&M x (45 days/365 days) x 10.9656% (allowed 7.513% incl tax gross-up)

49

50 Note 3-- Revenue credits include Hydro-Quebec revenues, ISO-NE reliability credits, and NOATT Schedule 2 revenues.

51

52 Amounts shown above may not add due to rounding.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
TRANSMISSION COST ADJUSTMENT MECHANISM (TCAM) CALCULATION
July-December 2011

(Dollars in 000's)

Actuals

	Balance 06/30/2011	July 2011	August 2011	September 2011	October 2011	November 2011	December 2011	Total	Reference
1 Retail Transmission Costs									
2									
3 Retail Transmission Operating Revenues		\$ (8,959)	\$ (8,315)	\$ (7,421)	\$ (7,040)	\$ (7,442)	\$ (8,115)	\$ (47,290)	RAB-1, Pg 7
4									
5 Regional Network Service (RNS)		7,627	9,295	7,759	6,557	6,288	6,244	43,770	
6									
7 Scheduling and Dispatch		189	230	192	162	156	155	1,084	
8									
9 Local Network Service (LNS)		556	566	554	147	164	154	2,141	
10									
11 Reliability		373	365	433	374	335	350	2,231	
12									
13 Hydro-Quebec Support Costs		381	383	383	433	362	175	2,117	
14									
15 NHPUC Assessment		30	(13)	17	28	28	28	116	
16									
17 Return on TCAM Working Capital (1)		124	146	126	104	99	96	696	
18									
19 Revenue Credits (2)		(531)	(451)	(284)	(452)	(407)	(586)	(2,712)	
20									
21 Retail Transmission Operating Costs		\$ 8,749	\$ 10,521	\$ 9,180	\$ 7,354	\$ 7,024	\$ 6,615	\$ 49,443	
22									
23 (Over) / Under-Recovery		\$ (210)	\$ 2,206	\$ 1,759	\$ 314	\$ (418)	\$ (1,500)	\$ 2,152	
24									
25 Cumulative (Over) / Under-Recovery		\$ (9,472)	\$ (9,682)	\$ (7,476)	\$ (5,717)	\$ (5,820)	\$ (7,320)		
26									
27 Calculation of Return/Deferral									
28									
29 Average Balance		(9,577)	(8,579)	(6,596)	(5,560)	(5,611)	(6,570)		
30									
31 Deferred tax calculation--									
32 Deferred tax rate		39.550%	39.550%	39.550%	39.550%	39.550%	39.550%		
33									
34 ADIT on the average balance		\$ 3,788	\$ 3,393	\$ 2,609	\$ 2,199	\$ 2,219	\$ 2,598		
35									
36 Average Balance, Net of ADIT		\$ (5,789)	\$ (5,186)	\$ (3,988)	\$ (3,361)	\$ (3,392)	\$ (3,972)		
37									
38 x Return at Prime Rate		0.2708%	0.2708%	0.2708%	0.2708%	0.2708%	0.2708%		
39									
40 Return-Monthly		\$ (16)	\$ (14)	\$ (11)	\$ (9)	\$ (9)	\$ (11)	\$ (70)	
41									
42 Cumulative Return		\$ (16)	\$ (30)	\$ (41)	\$ (50)	\$ (59)	\$ (70)		
43									
44 Cumulative (Over) / Under Recovery, Including Return		\$ (9,698)	\$ (7,506)	\$ (5,757)	\$ (5,452)	\$ (5,879)	\$ (7,389)		
45									

46 Note 1-- The return on the working capital allowance is monthly O&M x (45 days/365 days) x 10.9656% (allowed 7.513% incl tax gross-up)

47

48 Note 2-- Revenue credits include Hydro-Quebec revenues, ISO-NE reliability credits, and NOATT Schedule 2 revenues.

49

50 Amounts shown above may not add due to rounding.

**PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
TRANSMISSION COST ADJUSTMENT MECHANISM (TCAM) CALCULATION
January - June 2011**

(Dollars in 000's)

		Actuals						
		January	February	March	April	May	June	Total
Retail Transmission Revenues		2011	2011	2011	2011	2011	2011	
1	Retail Transmission Revenues							
2								
3	Transmission Revenue - Billed	\$ (10,323)	\$ (9,974)	\$ (9,408)	\$ (9,166)	\$ (8,555)	\$ (9,781)	\$ (57,207)
4								
5	Transmission Revenue - Unbilled	\$ 69	\$ 853	\$ (240)	\$ 713	\$ (952)	\$ (303)	140
6								
7	Total	\$ (10,254)	\$ (9,121)	\$ (9,648)	\$ (8,453)	\$ (9,507)	\$ (10,085)	\$ (57,067)
8								
9								

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**PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
TRANSMISSION COST ADJUSTMENT MECHANISM (TCAM) CALCULATION
July-December 2011**

(Dollars in 000's)

		Actuals						
		July	August	September	October	November	December	Total
1 Retail Transmission Revenues		2011	2011	2011	2011	2011	2011	
3	Transmission Revenue - Billed	\$ (9,515)	\$ (8,756)	\$ (8,115)	\$ (7,425)	\$ (7,092)	\$ (7,435)	\$ (48,338)
4								
5	Transmission Revenue - Unbilled	\$ 557	\$ 442	\$ 694	\$ 385	\$ (350)	\$ (680)	1,047
6								
7	Total	\$ (8,959)	\$ (8,315)	\$ (7,421)	\$ (7,040)	\$ (7,442)	\$ (8,115)	\$ (47,290)

8
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PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
TRANSMISSION COST ADJUSTMENT MECHANISM (TCAM) CALCULATION
January-June 2012

(Dollars in 000's)

	Actuals					Forecasted	Total
	January 2012	February 2012	March 2012	April 2012	May 2012	June 2012	
1 Retail Transmission Revenues							
2							
3 Transmission Revenue - Billed	\$ (8,106)	\$ (7,641)	\$ (7,424)	\$ (7,196)	\$ (6,879)	\$ (7,596)	\$ (44,841)
4							
5 Transmission Revenue - Unbilled	\$ 118	\$ 327	\$ 105	\$ 267	\$ (729)	\$ -	88
6							
7 Total	<u>\$ (7,988)</u>	<u>\$ (7,314)</u>	<u>\$ (7,319)</u>	<u>\$ (6,929)</u>	<u>\$ (7,607)</u>	<u>\$ (7,596)</u>	<u>\$ (44,753)</u>

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