

ORIGINAL

N.H.P.U.C. Case No. DE 09-174

Exhibit No. #7

Witness R. Labrecque

Summary of Article 3 Price and Payment Terms

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The introduction to Article 3 provides that the price for energy sales under the Contract shall be based on an "index price" of 9.0¢/KWH.

<u>Period 1 (Years 1-8)</u>	<u>Period 2 (Years 9-20)</u>	<u>Period 3 (Years 21-30)</u>
<ul style="list-style-type: none">• Section 3.A establishes a "Contract rate" of 11.0¢/KWH (2.0¢ above the index price), subject to the adjustment provided under 3.D.2.• Section 3.D.2 provides that 1.0¢/KWH is to be subtracted from the Contract rate, resulting in a net Period 1 Contract rate of <u>10.0¢/KWH</u>, or 1.0¢/KWH in excess of the index price	<ul style="list-style-type: none">• Section 3.D.1 provides that beginning in Contract year 9, a "recovery amount" of 5.47¢/KWH is deducted from the Contract rate to allow PSNH to recover the <u>payments</u> it made during Period 1 in excess of the 9.0¢/KWH index price. This deduction continues past Period 2 (i.e. "for the term of the Contract") if necessary.• The 3.D.1 deduction of 5.47¢ decreases the Contract rate to 3.53¢/KWH, but under 3.D.2, 0.67¢/KWH is added back into the Contract rate during Period 2, resulting in a net Contract rate of <u>4.20¢/KWH</u>.	<ul style="list-style-type: none">• Under Section 3.D.2, the 0.67¢ adder terminates in year 21.• Until such time as PSNH has fully recovered the <u>payments</u> it made during Period 1 in excess of the index price, the adjusted Contract rate in Period 3 will be <u>3.53¢/KWH</u>. Once the excess payments have been recovered, the Contract rate will be the index price of <u>9.0¢/KWH</u>.