

ATTACHMENT INDEX

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE

INVESTIGATION OF MERRIMACK STATION SCRUBBER PROJECT

AND COST RECOVERY

DOCKET NO. DE 11-250

Attachment **Attachment RAB - 1**

- 1 Energy Service Rate (No Scrubber Costs):
 - As proposed in DE 11-215
 - As projected for 2013
- 2 Scrubber Rates and Cost Recovery Scenarios
- 3 Combined ES Rate and Cost Recovery Scenarios
- 4 Calculations Supporting Projected Rates
- 5 Calculations Supporting \$33.4 Million Projected PPA
- 6 DE 11-250, Attachment SEM-2, page 23

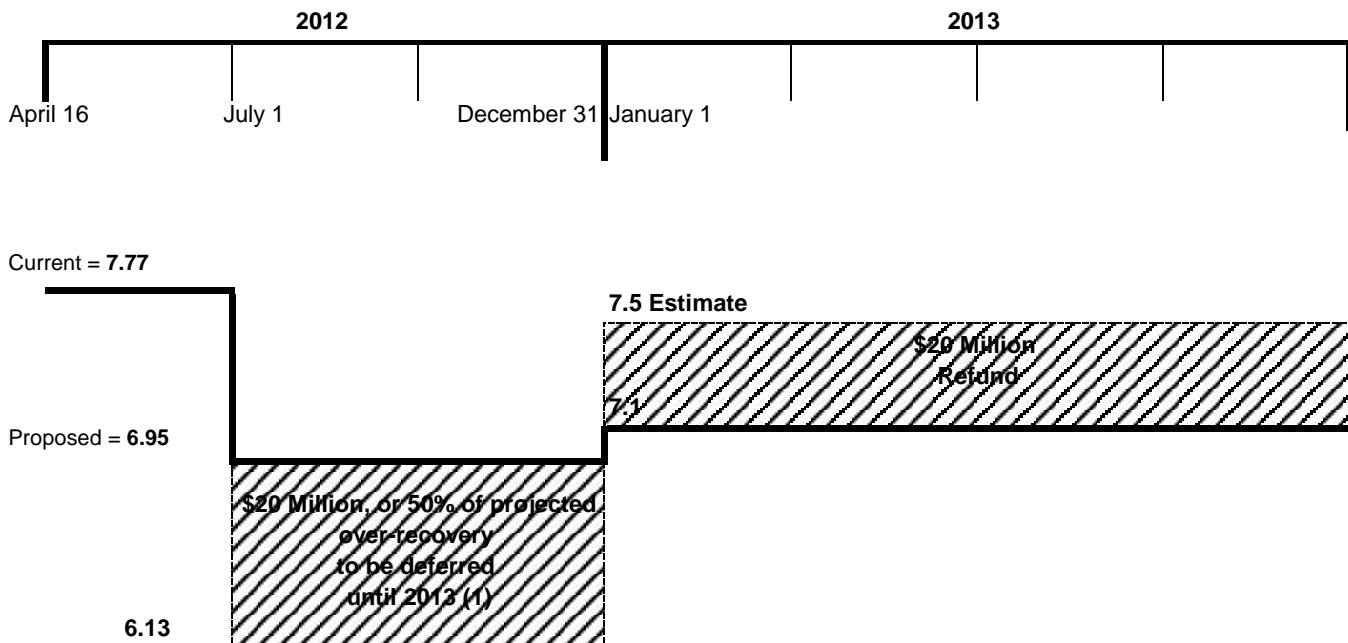
PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
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Energy Service Rate as proposed in DE 11-215

(No Scrubber Costs)

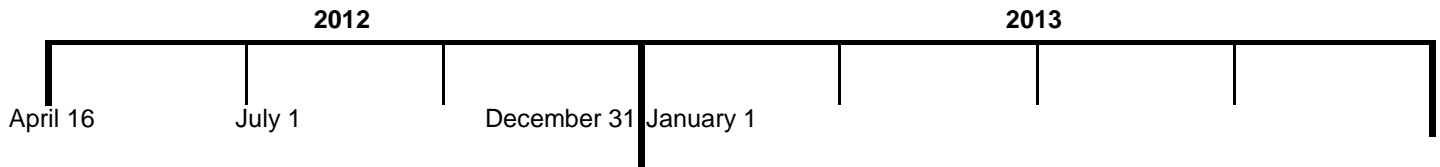
(cents per kWh)



(1) Attachment RAB-1, pg. 1, line 29, \$40,301.

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Scrubber Rates and Cost Recovery Scenarios
Recovery of \$33.4 Million Projected PPA
Scrubber Costs Only
(cents per kWh)



Reference


1 year PPA	1.8	Attach. RAB-4
2 year PPA	1.4	Attach. RAB-4
Normal Scrubber Rate Level	1.1	Attach. RAB-4
Current = .98		

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Combined ES Rate and Cost Recovery Scenarios
ES Rate Including Scrubber Costs
(cents per kWh)

	Scenarios				
	A	B	C	D	Reference
Projected 2013 ES Rates - no Scrubber	7.1	7.1	7.5	7.5	Attach. RAB-1
<u>Recover Scrubber \$33M under-recovery over:</u>					
1. 2 Year PPA	1.4		1.4		Attach. RAB-2
2. 1 Year PPA		1.8		1.8	Attach. RAB-2
Total ES Rate	8.5	8.9	8.9	9.3	


PSNH
Proposed
Rate Path

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Calculations Supporting Projected Rates

Annual level of Scrubber costs	\$ 55,500 Attachment RAB-6
Total 2012 forecasted sales (mWh)	<u>5,093,934</u>
Normal Scrubber rate level	<u>1.1 cents / kWh</u>

\$33.4 million PPA Rate Impact :

1 year	$\$33.4\text{M} / 5,093,934 \text{ mWh} = .7 \text{ cents / kWh}$
2 year	$\$33.4\text{M} / 2 / 5,093,934 \text{ mWh} = .3 \text{ cents / kWh}$

Projected Scrubber rate impact - 2013 :

1 year PPA	1.8 cents / kWh
2 year PPA	1.4 cents / kWh

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Calculations Supporting \$33.4 Million Projected PPA

Annual level of Scrubber costs	\$ 55,500	Attachment RAB-6
2011 Scrubber under-recovery	<u>13,101</u>	Attachment RAB-6
Total costs to be recovered	\$ 68,601	
Current Scrubber Rate		0.98 cents/kWh
Projected GWH sales April 16 - December 31, 2012	<u>3,592</u>	(A)
Total projected recoveries in 2012	<u>35,201</u>	<u>35,201</u>
Total projected under-recovery as of 12/31/12	<u>\$ 33,400</u>	

(A) Total 2012 forecasted sales for April - December 2012 from Attachment RAB-6: 3,784,328 MWH less April 1 - 15 sales of 192,788 MWH (385,586 (1) x 50%) for a total sales of 3,591,540 MWH.

(1) April 2012 sales - Attachment SEM-1, page 18 in Docket No. DE 11-250.

Temporary Rate Calculation

DE 11-250
Attachment SEM-2

	Per PSNH 1/28/2012	Staff Proposal
<u>PSNH Forecasted 2012 Costs:</u>		
1 Scrubber O&M, Fuel & Avoided SO ₂ cost	\$ 6,671	\$ 6,671
2 Scrubber Depreciation Expense	13,761	13,761
3 Scrubber Property Tax Expense	267	267
4 Scrubber Return on Rate Base	34,801	34,801
5 Subtotal	55,500	55,500
6 Amortization of 2011 Scrubber Under-recovery		
7 (13,101 / 3 years)	4,367	
8 Net Forecasted Scrubber Cost (PSNH)	\$ 59,867	
9 Temporary Rate Cost Percentage (see below)		66.00%
10 2012 Costs for Temporary Rate Purposes		36,631
11 2011 Scrubber Under-recovery		13,101
12 Net Scrubber Costs for Temp. Rates (Staff)		\$ 49,732
13 Forecasted April - December 2012 MWh Sales	3,784,328	3,784,328
14 ES Rate Attributable to Scrubber (4/2012 - 12/2012)	1.58 ¢/kWh	1.31 ¢/kWh
15 Total 2012 Forecasted Sales	5,093,934	5,093,934
16 ES Rate Attributable to Scrubber (12 mo. Rate)	1.18 ¢/kWh	0.98 ¢/kWh

17		(\$000)		
18	<u>Calculation of Temporary Rate Cost Percentage:</u>	DE 11-215	Accum.	Adjusted
19	13-month average of Gross Plant	Staff #1-17	Depr.	Gross Plant
20	December 31, 2011	350,358	3,100	353,458
21	January 31, 2012	349,288	4,170	353,458
22	February 29, 2012	348,218	5,240	353,458
23	March 31, 2012	356,348	6,310	362,658
24	April 30, 2012	355,249	7,409	362,658
25	May 31, 2012	354,150	8,508	362,658
26	June 30, 2012	385,351	9,607	394,958
27	July 31, 2012	384,148	10,810	394,958
28	August 31, 2012	382,945	12,013	394,958
29	September 30, 2012	383,742	13,216	396,958
30	October 31, 2012	382,527	14,431	396,958
31	November 30, 2012	381,312	15,646	396,958
32	December 31, 2012	383,097	16,861	399,958
33				4,924,054
34		Divide by 13		13
35		13-mo average		378,773

36	Original Scrubber Project Cost Estimate	(a)	250,000
37	Divide by: 13-month average gross plant for 2012	(b)	378,773
38			
39	Temporary Rate Cost Percentage (a/b)		66.00%