

Attachment 1

Revised RNS and S&D Rates Effective June 1, 2014 – September 30, 2014

SUMMARY

**ISO NE Transmission, Markets & Services Tariff
OATT Regional Schedule 1 - Scheduling System Control and Dispatch Service Rate
Effective June 1, 2014 - May 31, 2015**

Revised 11/19/2014

1	Total of FERC account 561-561.4 (exclude ME, REMVEC, CONVEX /ESCC costs)	\$	13,289,811	1
2	Less ISO & OATT Sch 1 costs included in above accounts		1,976,914	2
3	Sub-total (1-2)		11,312,897	3
4	Amount allocated to transmission function		11,312,897	4
5	Transmission related S&D costs from SCADA or other systems		7,361,664	5
6	Sub-total (4+5)		18,674,561	6
7	PTF allocation factors (see page 2 for details)		79.3283%	7
8	Sub-total after applying PTF allocation factors (from page 2)		14,814,216	8
9	Maine LCC costs		3,436,400	9
10	REMVEC II costs		837,157	10
11	CONVEX costs		16,468,859	11
12	Sub-total (9+10+11)		20,742,416	12
13	100% allocated to transmission function		20,742,416	13
14	Revenues credited for short-term Transmission Service		(1,081,954)	14
15	Total transmission related system & dispatch revenue requirement (8+13+14)		34,474,677	15
16	12 month CP LOAD (kW) as defined in section 46.1 of the ISO-NE Tariff		20,910,580	16
17	Long Term Firm PTP Capacity (kW)		-	17
18	Scheduling System Control and Dispatch Service Rate (\$/kW-YR): (15/(16+17))	\$	1.64867	18

ISO NE Transmission, Markets & Services Tariff																					
OATT Regional Schedule 1 - Scheduling System Control and Dispatch Service Rate																					
Effective June 1, 2014 - May 31, 2015																					
Revised 11/19/14																					
Customer #	DUNS	DUNS Name	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16			
			Total of FERC acct 561 - 561.4 (exclude ME, REMVEC, CONVEX /ESCC costs)	Less Reg Sch 1 & ISO costs included in Column 1 accounts	Sub-total (1-2)	100% allocated to transmission function	Transmission related S&D costs from SCADA or other Local Control Centers	Sub-total (4+5)	PTF Allocation Factor	Sub-total (6x7)	Maine LCC - PTF RELATED SCH 1 REV REQTS.	REMVEC II Costs	CONVEX/ESCC Costs	Sub-total (9+10+11)	100% allocated to transmission function	Revenues credited for short-term transmission service must be negative	TOTAL (8+13+14)	SCHEDULE 1 Revenue Allocation %			
1	5	17-057-1897	Braintree Electric Light Department		-	-		-		-		8,574		8,574	8,574	(252)	8,322	1	0.02414%	Braintree	
2	6	00-694-8954	Central Maine Power Company		-	-		-		-	2,983,207			2,983,207	2,983,207	(121,142)	2,862,065	2	8.30193%	CMP	
3	2	00-694-9002	Emera Maine	884,601	884,601	884,601		884,601	73.3219%	648,606	304,736			304,736	304,736		953,342	3	2.76534%	EM	
4	38	00-695-4317	Fitchburg Gas and Electric Light Company	217,987	142,351	75,636		75,636	38.4016%	29,045		10,020		10,020	10,020	(354)	38,711	4	0.11229%	FG&E	
5	45	10-775-5126	Hudson Light & Power Department		-	-		-		-		6,151		6,151	6,151	(181)	5,970	5	0.01732%	Hudson	
6	6	06-099-4258	Maine Electric Power Company	1,083		1,083		1,083	100.0000%	1,083	148,457			148,457	148,457	(6,366)	143,174	6	0.41530%	MEPCO	
7	76	07-172-4900	Massachusetts Municipal Wholesale Electric		-	-		-		-		59,778		59,778	59,778	(1,757)	58,021	7	0.16830%	MMWEC	
8	79	15-597-6665	Middleborough Gas & Electric Department		-	-		-		-		2,719		2,719	2,719	(80)	2,639	8	0.00765%	Middleboro	
9	81	00-695-2881	New England Power Company	6,731,357		6,731,357		6,731,357	71.4900%	4,812,247		729,439		729,439	729,439	(217,640)	5,324,045	9	15.44335%	NGRID	
10			Connecticut Light & Power Company	88,250		88,250		88,250	88.4217%	78,032			15,182,405	15,182,405	15,182,405	(449,780)	14,810,657	10	42.96097%	CL&P	
11			Public Service of New Hampshire	113,238		113,238		113,238	92.5652%	104,819			1,286,454	1,286,454	1,286,454	(38,874)	1,352,399	11	3.92288%	PSNH	
12			Western Massachusetts Electric Co.	35,608		35,608		35,608	93.2293%	33,197			-	-	-	(1,276)	31,921	12	0.09259%	WMECO	
13	112	95-910-8929	Northeast Utilities	237,096	-	237,096		237,096		216,048			16,468,859	16,468,859	16,468,859	(489,930)	16,194,977	13	46.97644%	Total submitted by NU	
14	3	00-695-1552	NSTAR Electric Company		-	-	7,361,664	7,361,664	86.9150%	6,398,390				-	-	(165,780)	6,232,610	14	18.07881%	NSTAR	
15	148	86-703-4654	Reading Municipal Light Plant		-	-		-		-		9,020		9,020	9,020	(265)	8,755	15	0.02540%	Reading	
16	153	04-661-6033	Taunton Municipal Light Plant		-	-		-		-		11,456		11,456	11,456	(337)	11,119	16	0.03225%	Taunton	
17	181	00-691-7967	United Illuminating Company	1,852,139	1,834,563	17,576		17,576	89.0326%	15,648				-	-	(549)	15,099	17	0.04380%	UI	
18	50853	78-039-9163	Vermont Transco LLC	3,365,548		3,365,548		3,365,548	80.0211%	2,693,149				-	-	(77,321)	2,615,828	18	7.58768%	VT Transco	
19			TOTALS	\$ 13,289,811	\$ 1,976,914	\$ 11,312,897	\$ 11,312,897	\$ 7,361,664	\$ 18,674,561	79.3283%	\$ 14,814,216	\$ 3,436,400	\$ 837,157	\$ 16,468,859	\$ 20,742,416	\$ 20,742,416	\$ (1,081,954)	\$ 34,474,677	19	100.00%	TOTALS

ISO NE Transmission, Markets & Services Tariff		
OATT Regional Schedule 1 - Scheduling System Control and Dispatch Service Rate		
Effective June 1, 2014 - May 31, 2015		
(Reflecting 2013 Schedule 1 Costs) Revised 11/19/2014		
		SCHEDULE 1
COMPANY		DISTRIBUTION %
Braintree Electric Light Department		0.02414%
Central Maine Power Company		8.30193%
Emera Maine		2.76534%
Fitchburg Gas and Electric Light Company		0.11229%
Hudson Light & Power Department		0.01732%
Maine Electric Power Company		0.41530%
Massachusetts Municipal Wholesale Electric		0.16830%
Middleborough Gas & Electric Department		0.00765%
New England Power Company		15.44335%
Northeast Utilities		46.97644%
NSTAR Electric Company		18.07881%
Reading Municipal Light Plant		0.02540%
Taunton Municipal Light Plant		0.03225%
United Illuminating Company		0.04380%
Vermont Transco LLC		7.58768%
	TOTAL =	100.00%

PTO 2013 12 CP NETWORK LOADS

	2013
Local Networks	Network Load (MW)
Central Maine Power Co.	1,418.440
Emera Maine	254.663
Fitchburg Gas & Electric Light Co.	76.971
New England Power Co.	6,019.709
Northeast Utilities	7,235.546
NSTAR Electric Co.	4,339.080
The United Illuminating Co.	734.933
VT Transco LLC	831.238
Total	20,910.580

Long Term TOUT (MW)	0
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PTO RNS Rates for 6/1/14	PRE 97 RNS Rate	Post 96 RNS Rate	RNS Rates for June 1, 2014 (Revised November 19, 2014)	RNS Rates previously in effect June 1, 2014	Delta
Total NE Rev Req	\$351,555,970	\$1,536,229,681			
Total NE Loads - kW	20,910,580	20,910,580			
Total NE RNS \$ / kW-yr.	16.81235	73.46662	90.27897	89.79639	0.48258

PTO 2013 Rev Req						
PTO Annual Input Data 2013 (Revised 11/19/14)						
	Customer #	DUNS #	DUNS Name	PTF Revenue Requirements		
				Pre-1997 PTF \$	Post-1996 PTF \$	
1	5	17-057-1897	Braintree Electric Light Department	\$ 144,673	\$ 1,362,936	1
2	6	00-694-8954	Central Maine Power Company	\$ 17,204,907	\$ 234,358,293	2
3	7	11-468-3899	Chicopee Electric Light Department	\$ 26,708	\$ 799,367	3
4	51386	96-773-8696	Connecticut Transmission Municipal Electric	\$ 343,747	\$ 8,917,213	4
5	2	00-694-9002	Emera Maine	\$ 913,486	\$ 50,353,845	5
6	38	00-695-4317	Fitchburg Gas & Electric Light Co.	\$ 162,815	\$ 381,572	6
7	44	08-465-0050	Holyoke Gas & Electric Department	\$ 1,169,086	\$ 2,081,628	7
8	45	10-775-5126	Hudson Light & Power Department	\$ 204,065	\$ -	8
9	6	06-099-4258	Maine Electric Power Company	\$ 3,105,402	\$ 1,714,115	9
10	76	07-172-4900	Massachusetts Municipal Wholesale Electric	\$ 807,579	\$ 533,025	10
11	79	15-597-6665	Middleborough Gas & Electric Department	\$ 47,246	\$ 902,712	11
12	81	00-695-2881	New England Power Company	\$171,890,583	\$184,685,097	12
13	51321	83-132-2677	New Hampshire Transmission, LLC	\$ 2,903,404	\$ 16,175,338	13
14	112	95-910-8929	Northeast Utilities	\$ 66,148,984	\$ 602,215,243	14
15	158	08-421-1572	Norwood Municipal Light Department	\$ -	\$ 2,563,775	15
16	3	00-695-1552	NSTAR Electric Company	\$ 49,558,238	\$ 190,933,064	16
17	148	86-703-4654	Reading Municipal Light Plant	\$ (142,959)	\$ 324,779	17
18	153	04-661-6033	Taunton Municipal Light Plant	\$ (73,960)	\$ 13,633	18
19	* 185	79-806-8342	Unitil Power Corp.	\$ 126,672	\$ -	19
20	181	00-691-7967	United Illuminating Company	\$ 21,271,544	\$ 94,937,914	20
21	50853	78-039-9163	Vermont Transco LLC	\$ 12,474,570	\$ 138,008,051	21
21	182	00-579-1934	Vermont Electric Power Co, Inc.	\$ 3,191,043	\$ 4,486,791	21
22	51310	01-013-9228	Wallingford Electric	\$ 78,137	\$ 481,290	22
23			Total	\$351,555,970	\$ 1,536,229,681	23
	* Revenue requirement amounts indicate payments made to support PTF owned by other Participants.					

Attachment 2

New England Power's Revised 2013 PTF Revenue Requirements

Sheet: Input Panel

ISO Tariff Billing
 ISO Annual Transmission Revenue Requirements
 per Tariff Attachment F and ISO Agreement Part 2, Section 6.3

Submitted on: _____

Revenue Requirements for (year): Calendar Year 2013

Rates Effective for the Period:
 Through: June 2014
 September 2014

Customer: New England Power Company

Customer's NABs Number: _____

Name of Participant responsible for customer's billing: _____

DUNs number of Participant responsible for customer's billing: _____

	<u>July 31, 2014 Informational Filing</u>		<u>Supplemental Filing</u>	
	<u>Pre-97 Revenue Requirements</u>	<u>Post-96 Revenue Requirements</u>	<u>Pre-97 Revenue Requirements</u>	<u>Post-96 Revenue Requirements</u>
Total of Attachment F - Sections A through I	<u>\$142,889,550</u> (a)	<u>\$162,544,944</u> (f)	<u>\$144,558,044</u> (a)	<u>\$158,541,414</u> (f)
Total of Attachment F - Section J - Support Revenue	<u>\$5,207,983</u> (b)	<u>\$0</u> (g)	<u>\$5,208,613</u> (b)	<u>\$0</u> (g)
Total of Attachment F - Section K - Support Expense	<u>\$713,765</u> (c)	<u>\$0</u> (h)	<u>\$697,433</u> (c)	<u>\$0</u> (h)
Total of Attachment F - Section (L through O)	<u>(\$322,516)</u> (d)	<u>(\$948,601)</u> (i)	<u>(\$328,037)</u> (d)	<u>(\$926,350)</u> (i)
Sub Total - Sum (A through I) - J + K + (L through O)	<u>\$138,072,817</u> (e)=(a)-(b)+(c)+(d)	<u>\$161,596,343</u> (j)	<u>\$139,718,827</u> (e)=(a)-(b)+(c)+(d)	<u>\$157,615,064</u> (j)
Forecasted Transmission Revenue Requirements (per Attachment C to Attachment F Implementation Rule)	<u>N/A</u>	<u>\$54,717,557</u> (k)	<u>N/A</u>	<u>\$55,865,456</u> (k)
Annual True-up (per Attachment C to Attachment F Implementation Rule)	<u>\$26,359,418</u> (l)	<u>(\$34,261,510)</u> (m)	<u>\$32,171,756</u> (l)	<u>(\$28,795,422)</u> (m)
Adjusted Sub Total - Sum (Sub Total + Forecast + True-up)	<u>\$164,432,235</u> (n)=(e)+(l)	<u>\$182,052,390</u> (o)=(j)+(k)+(m)	<u>\$171,890,583</u> (n)=(e)+(l)	<u>\$184,685,097</u> (o)=(j)+(k)+(m)
Annual Revenue Requirement Total = Sum of Pre-97 Revenue Requirements & Post-96 Revenue Requirements Subtotals, Forecasted Revenue Requirements and True-ups (including interest)		<u>\$346,484,625</u> (p) = (n) + (o)		<u>\$356,575,680</u> (p) = (n) + (o)

ISO Tariff Billing
 ISO Annual Transmission Revenue Requirements
 per Tariff Attachment F and ISO Agreement Part 2, Section 6.3

Shading denotes an input

Submitted on:	
Revenue Requirements for (year):	Calendar Year 2013
Rates Effective for the Period:	June 2014
Through:	September 2014
Customer:	New England Power Company
Customer's NABs Number:	
Name of Participant responsible for customer's billing:	
DUNs number of Participant responsible for customer's billing:	

	<u>Pre-97 Revenue Requirements</u>	<u>Post-96 Revenue Requirements</u>
Total of Attachment F - Sections A through I	<u>\$144,558,044</u> ^(a)	<u>\$158,541,414</u> ^(f)
Total of Attachment F - Section J - Support Revenue	<u>\$5,208,613</u> ^(b)	<u>\$0</u> ^(g)
Total of Attachment F - Section K - Support Expense	<u>\$697,433</u> ^(c)	<u>\$0</u> ^(h)
Total of Attachment F - Section (L through O)	<u>(\$328,037)</u> ^(d)	<u>(\$926,350)</u> ⁽ⁱ⁾
Sub Total - Sum (A through I) - J + K + (L through O)	<u>\$139,718,827</u> ^{(e)=(a)-(b)+(c)+(d)}	<u>\$157,615,064</u> ^(j)
Forecasted Transmission Revenue Requirements (per Attachment C to Attachment F Implementation Rule)	<u>N/A</u>	<u>\$55,865,456</u> ^(k)
Annual True-up (per Attachment C to Attachment F Implementation Rule)	<u>\$32,171,756</u> ^(l)	<u>(\$28,795,422)</u> ^(m)
Adjusted Sub Total - Sum (Sub Total + Forecast + True-up)	<u>\$171,890,583</u> ^{(n)=(e)+(l)}	<u>\$184,685,097</u> ^{(o)=(j)+(k)+(m)}
Annual Revenue Requirement Total = Sum of Pre-97 Revenue Requirements & Post-96 Revenue Requirements Subtotals, Forecasted Revenue Requirements and True-ups (including interest)		<u>\$356,575,680</u> ^{(p) = (n) + (o)}

New England Power Company
Transmission Revenue Requirements of PTF Facilities
2013 True-up

		<u>PRE 97</u>	<u>POST 1996</u>
I.	<u>ANNUAL TRUE-UP PER ROE COMPLIANCE WITH FERC ROE ORDER</u>		
1	Transmission Revenue Requirements (as billed)	\$112,563,456	\$194,752,964
2	True-up 2013 Actual Annual RR	\$139,718,827	\$157,615,064
3	(Over)/Under (Line 2 - Line 1)	\$27,155,371	(37,137,900)
4	Per Month (Line 3/12)	<u>2,262,948</u>	<u>(3,094,825)</u>
5	Total Rate Year (Over)/Under	<u>\$27,155,371</u>	<u>\$ (37,137,900)</u>

New England Power Company
FERC Interest Calculation associated with Under / (Over)
Transmission Revenue Requirements of PTF Facilities

Pre 97	Undercollection/(Overcollection)
Post 96	\$ 27,155,371
	(\$37,137,900)

Initial Billing Period	PRE 97 Balance	POST 1996 Balance	FERC Monthly Interest Rate	PRE 97 Interest	POST 1996 Interest
June 2013	\$ 27,155,371	\$ (37,137,900)	0.27%	\$ 73,320	\$ (100,272)
July 2013	27,228,691	(37,238,173)	0.28%	76,240	(104,267)
August 2013	27,228,691	(37,238,173)	0.28%	76,240	(104,267)
September 2013	27,228,691	(37,238,173)	0.27%	73,517	(100,543)
October 2013	27,454,689	(37,547,250)	0.28%	76,873	(105,132)
November 2013	27,454,689	(37,547,250)	0.27%	74,128	(101,378)
December 2013	27,454,689	(37,547,250)	0.28%	76,873	(105,132)
January 2014	27,682,563	(37,858,892)	0.28%	77,511	(106,005)
February 2014	27,682,563	(37,858,892)	0.25%	69,206	(94,647)
March 2014	27,682,563	(37,858,892)	0.28%	77,511	(106,005)
April 2014	27,906,792	(38,165,549)	0.27%	75,348	(103,047)
May 2014	27,906,792	(38,165,549)	0.28%	78,139	(106,864)
		Total Interest		\$ 904,908	\$ (1,237,559)
		True-Up		27,155,371	\$ (37,137,900)
		Total TU & Interest		\$ 28,060,279	\$ (38,375,459)
		2008-2012 PTF True-up (excludes interest)		4,111,477	9,580,037
		Total Adjusted TU & Interest		\$ 32,171,756	\$ (28,795,422)

Summary Changes in NEP PTF Revenue Requirements - for June 1, 2014 RNS Rate

Applicable Rate Period	Re-Styled			As-Filed*			Retroactive Adj		
	Pre-97	Post-96	Total	Pre-97	Post-96	Total	Pre-97	Post-96	Total
June 1, 2009 - May 31, 2010	\$ 83,053,527	\$ 87,620,328	\$ 170,673,856	\$ 82,381,954	\$ 87,489,083	\$ 169,871,037	\$ 671,573	\$ 131,245	\$ 802,819
June 1, 2010 - May 31, 2011	83,690,440	109,207,445	192,897,885	82,941,498	105,284,991	188,226,488	748,942	3,922,454	4,671,396
June 1, 2011 - May 31, 2012	82,045,420	118,624,471	200,669,891	81,629,570	114,618,878	196,248,449	415,850	4,005,593	4,421,443
June 1, 2012 - May 31, 2013	95,332,395	128,174,379	223,506,775	94,530,102	128,435,692	222,965,794	802,293	(261,313)	540,980
June 1, 2013 - May 31, 2014	113,374,092	141,428,102	254,802,193	111,901,274	139,646,043	251,547,317	1,472,818	1,782,058	3,254,876
Totals	\$ 457,495,875	\$ 585,054,724	\$ 1,042,550,599	\$ 453,384,398	\$ 575,474,687	\$ 1,028,859,085	\$ 4,111,477	\$ 9,580,037	\$ 13,691,514

	PRE-97 ATRR b/f adjustments	Post-96 ATRR b/f adjustments	Revised w/ True Up
June 1, 2014 - Sept 30, 2014	\$ 167,779,106	\$ 175,105,060	\$ 342,884,167
Plus Retroactive Adjustment	4,111,477	9,580,037	13,691,514
	\$ 171,890,583	\$ 184,685,097	\$ 356,575,680

* In compliance with FERC Docket No. EL11-66, the ROE rate was reduced from 11.64% to 11.07% for the period October 01, 2011 - December 31, 2012, Revenue Requirement (RR) years 2011 and 2012 - Rate period June 2012 to May 2014. Since the FERC order was issued in calendar year 2014 after submission of RR years 2011 and 2012, the "As-Filed" RR should be construed as follows:

- RR year 2011 (Rate period June 1, 2012 - May 31, 2013) is pro-rated at: 4 mos (June 1, 2011 - Sept 30, 2011) @ 11.64% As-Filed, and 8 mos (Oct 1, 2011 - May 31, 2012) @ 11.07% FERC revised rate - not yet filed.
- RR year 2012 (Rate period June 1, 2013 - May 31, 2014) is pro-rated at: 7 mos (June 1, 2012 - Dec 31, 2012) @ 11.07% FERC revised rate - not yet filed, and 5 mos (Jan 1, 2013 - May 2013) @ 11.64% As-Filed.

See Worksheet 1 for details.

Rate period June 1, 2012 - May 31, 2013 (RR year 2011) is pro-rated as follows: 4 mos (June 1, 2011 - Sept 30, 2011) @ 11.64% As-Filed, and 8 mos (Oct 1, 2011 - May 31, 2012) @ 11.07% FERC revised rate - not yet filed.

	As-Filed: 11.64% ROE Rate			
	June 11 - Sept 11		Pro-rated for 4 months	
	POST 1996		PRE 97	POST 1996
1 Transmission Revenue Requirements	\$ 95,301,964	\$130,452,381	\$ 31,767,321	\$ 43,484,127
2 Transmission Revenue Requirements: Re-Stated	96,102,185	130,198,129	32,034,062	43,399,376
(Over)/Under Billing (Line 2 - Line 1)	\$ 800,222	\$ (254,252)	\$ 266,741	\$ (84,751)

	FERC Order: 11.07% Revised ROE Rate			
	Oct 11 - May 12		Pro-rated for 8 months	
	PRE 97	POST 1996	PRE 97	POST 1996
1 Transmission Revenue Requirements	\$ 94,144,172	\$127,427,347	\$ 62,762,781	\$ 84,951,565
2 Transmission Revenue Requirements: Re-Stated	94,947,500	127,162,504	63,298,334	84,775,003
(Over)/Under Billing (Line 2 - Line 1)	\$ 803,329	\$ (264,843)	\$ 535,553	\$ (176,562)

	Combined		
	PRE 97	POST 1996	Total
	1 Transmission Revenue Requirements: As-Filed & FERC Order	\$ 94,530,102	\$ 128,435,692
2 Transmission Revenue Requirements: Re-Stated	95,332,395	128,174,379	223,506,775
(Over)/Under Billing (Line 2 - Line 1)	\$ 802,293	\$ (261,313)	\$ 540,980

Rate period June 1, 2013 - May 31, 2014 (RR year 2012) is pro-rated as follows: 7 mos (June 1, 2012 - Dec 31, 2012) @ 11.07% FERC revised rate - not yet filed, and 5 mos (Jan 1, 2013 - May 2013) @ 11.64% As-Filed

	FERC Order: 11.07% Revised ROE Rate			
	June 12 - Dec 12		Pro-rated for 7 months	
	PRE 97	POST 1996	PRE 97	POST 1996
1 Transmission Revenue Requirements	\$ 111,428,286	\$138,305,693	\$ 64,999,833.61	\$ 80,678,321
2 Transmission Revenue Requirements: Re-Stated	112,896,422	140,062,632	65,856,246	81,703,202
(Over)/Under Billing (Line 2 - Line 1)	\$ 1,468,135	\$ 1,756,939	\$ 856,412	\$ 1,024,881

	As-Filed: 11.64% ROE Rate			
	Jan 13 - May 13		Pro-rated for 5 months	
	PRE 97	POST 1996	PRE 97	POST 1996
1 Transmission Revenue Requirements	\$ 112,563,456	\$141,522,533	\$ 46,901,440.08	\$ 58,967,722
2 Transmission Revenue Requirements: Re-Stated	114,042,830	143,339,759	47,517,846	59,724,900
(Over)/Under Billing (Line 2 - Line 1)	\$ 1,479,373	\$ 1,817,226	\$ 616,406	\$ 757,177

	Combined		
	PRE 97	POST 1996	Total
	1 Transmission Revenue Requirements: As-Filed & FERC Order	\$111,901,274	\$ 139,646,043	$ 251,547,317
2 Transmission Revenue Requirements: Re-Stated	113,374,092	141,428,102	254,802,193
(Over)/Under Billing (Line 2 - Line 1)	\$ 1,472,818	\$ 1,782,058	\$ 3,254,876

ISO Tariff Billing
 ISO Annual Transmission Revenue Requirements
 per Tariff Attachment F and ISO Agreement Part 2, Section 6.3

Shading denotes an input

Submitted on:	
Revenue Requirements for (year):	Calendar Year 2013
Rates Effective for the Period: Through:	June 2014 September 2014
Customer:	New England Power Company
Customer's NABs Number:	
Name of Participant responsible for customer's billing:	
DUNs number of Participant responsible for customer's billing:	

	<u>Pre-97 Revenue Requirements</u>	<u>Post-96 Revenue Requirements</u>
Total of Attachment F - Sections A through I	<u>\$144,558,044</u> ^(a)	<u>\$158,541,414</u> ^(f)
Total of Attachment F - Section J - Support Revenue	<u>\$5,208,613</u> ^(b)	<u>\$0</u> ^(g)
Total of Attachment F - Section K - Support Expense	<u>\$697,433</u> ^(c)	<u>\$0</u> ^(h)
Total of Attachment F - Section (L through O)	<u>(\$328,037)</u> ^(d)	<u>(\$926,350)</u> ⁽ⁱ⁾
Sub Total - Sum (A through I) - J + K + (L through O)	<u>\$139,718,827</u> ^{(e)=(a)-(b)+(c)+(d)}	<u>\$157,615,064</u> ^(j)
Forecasted Transmission Revenue Requirements (per Attachment C to Attachment F Implementation Rule)	<u>N/A</u>	<u>\$55,865,456</u> ^(k)
Annual True-up (per Attachment C to Attachment F Implementation Rule)	<u>N/A</u> ^(l)	<u>N/A</u> ^(m)
Adjusted Sub Total - Sum (Sub Total + Forecast + True-up)	<u>\$139,718,827</u> ^{(n)=(e)+(l)}	<u>\$213,480,520</u> ^{(o)=(j)+(k)+(m)}
Annual Revenue Requirement Total = Sum of Pre-97 Revenue Requirements & Post-96 Revenue Requirements Subtotals, Forecasted Revenue Requirements and True-ups (including interest)		<u>\$353,199,347</u> ^{(p) = (n) + (o)}

New England Power Company
Annual Revenue Requirements of PTF Facilities
For Costs in 2013

POST-1996

Shading denotes an input

Line No.	I. <u>INVESTMENT BASE</u>	Attachment F Reference <i>Section:</i>	NEP	Reference
1	Transmission Plant	(A)(1)(a)	\$986,723,295	Worksheet 3, line 1&2 column 5
2	General Plant	(A)(1)(b)	\$3,236,344	Worksheet 3, line 3 column 5
3	Plant Held For Future Use	(A)(1)(c)	\$542,157	Worksheet 3, line 5 column 5
4	Total Plant (Lines 1+2+3)		<u>\$990,501,796</u>	
5	Accumulated Depreciation	(A)(1)(d)	(\$209,979,240)	Worksheet 3, line 8 column 5
6	Accumulated Deferred Income Taxes	(A)(1)(e)	(\$223,376,635)	Worksheet 3, line 11 column 5
7	Loss On Reacquired Debt	(A)(1)(f)	\$102,169	Worksheet 3, line 12 column 5
8	Other Regulatory Assets	(A)(1)(g)	\$22,676,431	Worksheet 3, line 16 column 5
9	Net Investment (Line 4+5+6+7+8)		<u>\$579,924,521</u>	
10	Prepayments	(A)(1)(h)	\$140,767	Worksheet 3, line 17 column 5
11	Materials & Supplies	(A)(1)(i)	\$1,861,480	Worksheet 3, line 18 column 5
12	Cash Working Capital	(A)(1)(j)	\$4,911,504	Worksheet 3, line 25 column 5
13	NEEWS CWIP	(A)(1)(k)	\$15,340,495	Worksheet 3, line 26 column 5
14	Total Investment Base (Line 9+10+11+12+13)		<u><u>\$602,178,767</u></u>	
II. <u>REVENUE REQUIREMENTS</u>				
15	Investment Return and Income Taxes	(A)	\$80,450,478	Worksheet 2
16	Depreciation Expense	(B)	\$21,116,358	Worksheet 4, line 3, column 5
17	Amortization of Loss on Reacquired Debt	(C)	\$47,186	Worksheet 4, line 4, column 5
18	Investment Tax Credit	(D)	(\$202,818)	Worksheet 4, line 5, column 5
19	Property Tax Expense	(E)	\$16,940,728	Worksheet 4, line 6, column 5
20	Payroll Tax Expense	(F)	\$897,449	Worksheet 4, line 22, column 5
21	Operation & Maintenance Expense	(G)	\$20,238,401	Worksheet 4, line 11, column 5
22	Administrative & General Expense	(H)	\$19,053,632	Worksheet 4, line 21, column 5
23	Transmission Related Integrated Facilities Charge	(I)	\$0	Attachment 4, line 6
24	Transmission Support Revenue	(J)	\$0	Worksheet 6
25	Transmission Support Expense	(K)	\$0	Worksheet 6
26	Transmission Related Expense from Generators	(L)	\$0	
27	Transmission Related Taxes and Fees Charge	(M)	\$0	
28	Revenue for ST Trans. Service Under NEPOOL Tariff	(N)	(\$380,112)	Attachment 7
29	Transmission Rents Received from Electric Property	(O)	(\$546,238)	Attachment 6
30	Total Revenue Requirements (Line 14 thru 28)		<u><u>\$157,615,064</u></u>	

New England Power Company
Post 1996 Regional Network Service Revenue Requirement
For Test Year Ended 12/31/2013

Shading denotes an input

Line No.	Description	Attachment F Reference	Forecasted Amount \$	Reference
1	Forecasted Revenue Requirements for Forecasted Transmission Plant Additions (FTPA)		\$ 41,123,368	Line 6
2	Forecasted Revenue Requirements for Forecasted Transmission CWIP		\$14,742,088	Line 9
3	Forecasted Transmission Revenue Requirements		\$ 55,865,456	Line 1 + Line 2
4	Forecasted Revenue Requirements for Forecasted Transmission Plant Additions (FTPA)	Appendix C iv	\$ 262,525,453	Project Detail
5	Carrying Charge Factor (CCF)	Appendix C vi	15.66453%	Line 20
6	Forecasted Revenue Requirements for FTPA		\$ 41,123,368	Line 4 * Line 5
7	Forecasted New England Power Company (NEP) NEEWS CWIP (FNCWIP)	Appendix C xiii	\$ 102,335,530	Project Detail
8	NEEWS NEP Cost of Capital Rate (NCOC)	Appendix C xiv	14.40564%	Worksheet 2, Cap Structure 12.89%
9	Forecasted Revenue Requirements for FNCWIP		\$ 14,742,088	Line 7 * Line 8
<u>Derivation of Carrying Charge (CCF)</u>				
10	Investment Return and Income Taxes	(A)	\$76,474,592	Worksheet 2, excluding NEEWS CWIP
11	Depreciation Expense	(B)	21,116,358	Summary, Line 16
12	Amortization of Loss on Reacquired Debt	(C)	47,186	Summary, Line 17
13	Investment Tax Credit	(D)	(202,818)	Summary, Line 18
14	Property Tax Expense	(E)	16,940,728	Summary, Line 19
15	Payroll Tax Expense	(F)	897,449	Summary, Line 20
16	Operation & Maintenance Expense	(G)	20,238,401	Summary, Line 21
17	Administrative & General Expense	(H)	19,053,632	Summary, Line 22
18	Total Expenses (Lines 10 thru 17)		\$154,565,528	
19	PTF Transmission Plant	(A)(1)(a)	\$986,723,295	Summary, Line 1
20	Carrying Charge Factor (FTPA)		15.66453%	Line 18 / Line 19

New England Power Company
Annual Revenue Requirements
For Costs in 2013

Shading denotes an input

	CAPITALIZATION 12/31/2012	CAPITALIZATION RATIOS	COST OF CAPITAL	COST OF CAPITAL	EQUITY PORTION
LONG-TERM DEBT	\$ 410,350,000	32.98%	0.63%	0.21%	
PREFERRED STOCK	\$ 1,111,700	0.09%	6.02%	0.01%	0.01%
COMMON EQUITY	\$ 832,696,968	66.93%	11.64%	7.79%	7.79%
TOTAL INVESTMENT RETURN	\$1,244,158,668	100.00%		8.01%	7.80%

Cost of Capital Rate=

(a) Weighted Cost of Capital = 0.0801

(b) Federal Income Tax = ($\frac{R.O.E. + \left(\frac{PTF\ Inv. (Tax\ Credit + Eq.\ AFUDC\ of\ Deprec.\ Exp.)}{PTF\ Inv.\ Base} \right)}{1} \times Federal\ Income\ Tax\ Rate}{1} - Federal\ Income\ Tax\ Rate$)

= ($\frac{0.0780 + \left(\frac{(\$202,818) + \$798,777}{\$602,178,767} \right)}{1} \times 0.35}{- 0.35}$)

= 0.0425329

(c) State Income Tax = ($\frac{R.O.E. + \left(\frac{PTF\ Inv. (Tax\ Credit + Eq.\ AFUDC\ of\ Deprec.\ Exp.)}{PTF\ Inv.\ Base} \right)}{1} + Federal\ Income\ Tax}{1} - State\ Income\ Tax\ Rate$) * State Income Tax Rate

= ($\frac{0.0780 + \left(\frac{(\$202,818) + \$798,777}{\$602,178,767} \right)}{1} + 0.0425329}{- 0.059466}$) * 0.059466

= 0.0076834

(a)+(b)+(c) Cost of Capital Rate = 0.1303163

(PTF)

INVESTMENT BASE	\$602,178,767	From Worksheet 1
x Cost of Capital Rate	0.1303163	
= Investment Return and Income Taxes	<u>\$78,473,709</u>	To Worksheet 1

INVESTMENT BASE (Excluding NEEWS CWIP)	\$586,838,272	From Worksheet 1
x Cost of Capital Rate	0.1303163	
= Investment Return and Income Taxes	<u>\$76,474,592</u>	To Worksheet 2

Post 2003 PTF Investment Base w/ Incremental 100 bps:

Plant In-Service	\$ 209,862,929	From Attachment 1
Accumulated Depreciation	(\$44,104,898)	From Worksheets 5 & 7
Accumulate Deferred Income Taxes	(\$47,203,372)	From Worksheets 5 & 7
Total Post-2003 Investment	\$ 118,554,659	Calculated

Incremental ROE:	1.00%	0.00669	Calculated
Federal Income Taxes:		0.00360	Per Attachment F
State Income Taxes:		0.00065	Per Attachment F
Cost of Capital Rate		0.01094	
Incremental Return and Taxes on Post-2003 PTF Investment		<u>\$ 1,296,988</u>	

NEEWS In-Service w/ Incremental 125 bps:

New England Power NEEWS In-Service	\$ 60,742,476	PowerPlant PTF 4 & 5 reports - PTF only
Accumulated Depreciation	(\$12,765,586)	From Worksheets 3 & 5
Accumulate Deferred Income Taxes	(\$13,662,089)	From Worksheets 3 & 5
Total New England Power NEEWS Investment	\$ 34,314,801	Calculated

Incremental ROE:	1.25%	0.00837	Calculated
Federal Income Taxes:		0.00451	Per Attachment F
State Income Taxes:		0.00081	Per Attachment F
Cost of Capital Rate		0.01369	
Incremental Return and Taxes on NEEWS PTF Investment		<u>\$ 469,770</u>	

NEEWS in CWIP

New England Power NEEWS In-Service	\$ 15,340,495	From Worksheets 3
Accumulated Depreciation	0	
Accumulate Deferred Income Taxes	0	
Total New England Power NEEWS Investment	\$ 15,340,495	Calculated

Incremental ROE:	1.25%	0.00837	Calculated
Federal Income Taxes:		0.00451	Per Attachment F
State Income Taxes:		0.00081	Per Attachment F
Cost of Capital Rate		0.01369	
Incremental Return and Taxes on NEEWS PTF Investment		<u>\$ 210,011</u>	

NEEWS Allocation Factor

Total Transmission Investment	\$1,868,987,087	Worksheet 5 Line 2
Total NEEWS In-Service - NEP	\$ 60,742,476	Plant Accounting Records
For Accumulated Depreciation	3.2500%	
NEEWS Allocation Factor	3.2500%	
Plant Allocation Factor	0.993561	Worksheet 5 Line 16
For Accumulated Deferred Income Taxes	3.2290%	

New England Power Company
Annual Revenue Requirements
For Costs in 2013

Shading denotes an input

	CAPITALIZATION 12/31/2013	CAPITALIZATION RATIOS	COST OF CAPITAL	COST OF CAPITAL	EQUITY PORTION
LONG-TERM DEBT	\$ 410,350,000	32.98%	0.63%	0.21%	
PREFERRED STOCK	\$ 1,111,700	0.09%	6.02%	0.01%	0.01%
COMMON EQUITY	\$ 832,696,968	66.93%	12.89%	8.63%	8.63%
TOTAL INVESTMENT RETURN	\$1,244,158,668	100.00%		8.85%	8.64%

Cost of Capital Rate=

(a) Weighted Cost of Capital = 0.0885

(b) Federal Income Tax =
$$\left(\frac{\text{R.O.E.} + \left(\frac{\text{PTF Inv. (Tax Credit)} + \text{Eq. AFUDC of Deprec. Exp.}}{\text{PTF Inv. Base}} \right) / \text{Federal Income Tax Rate}}{1} \right) \times \text{Federal Income Tax Rate}$$

$$\left(\frac{0.0864 + \left(\frac{(\$202,818) + \$798,777}{\$602,178,767} \right) / 0.35}{1} \right) \times 0.35$$
= 0.0470560

(c) State Income Tax =
$$\left(\frac{\text{R.O.E.} + \left(\frac{\text{PTF Inv. (Tax Credit)} + \text{Eq. AFUDC of Deprec. Exp.}}{\text{PTF Inv. Base}} \right) / \text{Federal Income Tax Rate}}{1} \right) \times \text{State Income Tax Rate}$$

$$\left(\frac{0.0864 + \left(\frac{(\$202,818) + \$798,777}{\$602,178,767} \right) / 0.0470560}{1} \right) \times 0.059466$$
= 0.0085004

(a)+(b)+(c) Cost of Capital Rate = 0.1440564

New England Power Company

Shading denotes an input

Line No.	(1) Total	(2) Wage/Plant Allocation Factors	(3) = (1)*(2) Transmission Allocated	(4) PTF Allocation Factor (b)	(5) = (3)*(4) PTF Allocated	Source Reference for Col (1)
1					\$986,723,295	Attachment 1, Page 1
2					\$0	Attachment 2
3	\$ 6,142,337	99.8004% (a)	\$6,130,077	52.7945% (b)	\$3,236,344	FERC Form 1 page 207.99g
4			<u>\$6,130,077</u>		<u>\$989,959,639</u>	
5	\$ 1,026,919		\$1,026,919	52.7945% (b)	<u>\$542,157</u>	FERC Form 1 page 214.2d,4d,9d
<u>Transmission Accumulated Depreciation</u>						
6	\$ (392,787,258)		(\$392,787,258)	52.7945% (b)	(\$207,370,069)	FERC Form 1 page 219.25b
7	\$ (4,952,011)	99.8004% (a)	(\$4,942,127)	52.7945% (b)	(\$2,609,171)	FERC Form 1 Page 219.28b
8			<u>(\$397,729,385)</u>		<u>(\$209,979,240)</u>	
<u>Transmission Accumulated Deferred Taxes</u>						
9	\$ (474,541,945)	99.3561% (c)	(\$471,486,369)	52.7945% (b)	(\$248,918,871)	FERC Form 1 page 113.62-64
10	\$ 48,694,028	99.3561% (c)	\$48,380,487	52.7945% (b)	\$25,542,236	FERC Form 1 page 111.82
11			<u>(\$423,105,882)</u>		<u>(\$223,376,635)</u>	
12	\$ 193,522	100.0000%	\$193,522	52.7945% (b)	<u>\$102,169</u>	FERC Form 1 Page 111.81c
<u>Other Regulatory Assets</u>						
13	\$ -	99.8004% (a)	\$0	52.7945% (b)	\$0	FERC Form 1 Page 232.8f
14	\$ 42,952,261	100.0000%	\$42,952,261	52.7945% (b)	\$22,676,431	FERC Form 1 Page 232.6f
15	\$ -	100.0000%	\$0	52.7945% (b)	\$0	FERC Form 1 Page 278
16	<u>\$42,952,261</u>		<u>\$42,952,261</u>		<u>\$22,676,431</u>	
17	\$ 267,164	99.8004% (a)	\$266,631	52.7945% (b)	<u>\$140,767</u>	FERC Form 1 Page 111.57c
18	\$ 3,525,898		\$3,525,898	52.7945% (b)	<u>\$1,861,480</u>	FERC Form 1 Page 227.8c
<u>Cash Working Capital</u>						
20					\$20,238,401	Worksheet 1, Line 20
21					\$19,053,632	Worksheet 1, Line 21
22					\$0	Worksheet 8
23					<u>\$39,292,033</u>	
24					0.1250	x 45 / 360
25					<u>\$4,911,504</u>	
26	\$ 15,340,495				<u>\$15,340,495</u>	Plant Accounting Records

(a) Worksheet 5 Line 11
(b) Worksheet 5 Line 3
(c) Worksheet 5 Line 16

New England Power Company

Shading denotes an input

Line No.	(1) Total (g)	Wage/Plant Allocation Factors	(3) = (1)*(2) Transmission Allocated	PTF Allocation Factor (b)	(5) = (3)*(4) PTF Allocated	Source Reference for Col (1)
Depreciation Expense						
1	\$39,663,532		\$39,663,532	52.7945%	\$20,940,163	FERC Form 1 Page 336.7b
2	\$334,405	99.8004% (a)	\$333,738	52.7945%	\$176,195	FERC Form 1 Page 336.10b
3			\$39,997,270		\$21,116,358	
4	\$89,376		\$89,376	52.7945%	\$47,186	FERC Form 1 Page 117.64c
5	(\$384,165)		(\$384,165)	52.7945%	(\$202,818)	FERC Form 1 Page 266.8f - Footnote (f)
6	\$32,088,055		\$32,088,055	52.7945%	\$16,940,728	Property Tax - Footnote (e)
Transmission Operation and Maintenance						
7	\$61,559,182		\$61,559,182	52.7945%	\$32,499,862	FERC Form 1 Page 321.112b
8	\$14,396,724		\$14,396,724	52.7945%	\$7,600,678	FERC Form 1 Page 321.96b
9	\$8,828,161		\$8,828,161	52.7945%	\$4,660,783	FERC Form 1 Page 321.84-92b less 87b
10	\$0		\$0		\$0	FERC Form 1 Page 321.93b & .98b
11	\$38,334,297		\$38,334,297	52.7945%	\$20,238,401	
Transmission Administrative and General						
12	\$36,234,131					FERC Form 1 Page 323.197b
13	\$904,273					FERC Form 1 Page 323.185b
14	\$2,575,980					FERC Form 1 Page 323.189b
15	\$0					FERC Form 1 Page 323.191b
16	\$32,753,878	99.8004% (a)	\$32,688,501	52.7945%	\$17,257,731	
17	\$904,273	99.3561% (c)	\$898,450	52.7945%	\$474,332	Line 13
18	\$2,418,553	99.3561% (c)	\$2,402,980	52.7945%	\$1,268,641	Attachment 5 Line 6
19	\$0		\$0		\$0	Line 15
20	\$100,454	99.8004% (a)	\$100,253	52.7945%	\$52,928	2013 FERC Form1 Page 350.15d
21	\$36,177,158		\$36,090,184		\$19,053,632	
22	\$1,703,290	99.8004% (a)	\$1,699,890	52.7945%	\$897,449	FERC Form 1 Page 263.3.4i - Footnote (d)
(d) Payroll taxes - G/L 408.1						
(e) Property Taxes						
Payroll Taxes	\$1,703,290		Massachusetts \$27,570,229			
			New Hampshire \$3,190,388			
			Vermont \$1,178,548			
			Maine \$0			
			Rhode Island \$148,889			
			Connecticut \$0			
Total	\$1,703,290		\$32,088,055			

- (a) Worksheet 5, Line 11
- (b) Worksheet 5 Line 3
- (c) Worksheet 5 Line 16
- (d) Transmission Only - Payroll Taxes - General Ledger query
- (e) Transmission Only - Property Taxes - Stephen Adams, Property Taxes
- (f) Transmission Only - Amortization of ITC - Specifically Identified in FERC Form 1

** Subtract Accounts #562 & #567 from O&M Expense to the extent that they include PTF Support Payments.

Shading denotes an input

Line No.		<u>NEP</u>	<u>Source Reference</u>
<u>PTF Transmission Plant Allocation Factor</u>			
1	PTF Transmission Investment	\$986,723,295	Attachment 1, Page 1
2	Total Transmission Investment	\$1,868,987,087	FERC Form 1 Page 207.58g - Page 200.4b
3	Percent Allocation (Line 1/Line 2)	<u>52.7945%</u>	
<u>Transmission Wages and Salaries Allocation Factor</u>			
4	Direct Transmission Wages and Salaries	\$0	FERC Form 1 Page 354.14b
5	Affiliated Company Transmission Wages and Salaries	\$18,057,103	General Ledger Query
6	Total Transmission Wages and Salaries (Line 4 + Line 5)	\$18,057,103	
7	Total Wages and Salaries	\$0	FERC Form 1 Page 354.28b
8	Administrative and General Wages and Salaries	\$0	FERC Form 1 Page 354.27b
9	Affiliated Company Wages and Salaries less A&G	\$18,093,209	General Ledger Query
10	Total Wages and Salaries net of A&G (Line 7 - 8 + 9)	\$18,093,209	
11	Percent Allocation (Line 6/Line 10)	<u>99.8004%</u>	
<u>Plant Allocation Factor</u>			
12	Total Transmission Investment	\$1,868,987,087	Line 2
13	plus Transmission-Related General Plant (Line 2 of Wkst. 3)	\$6,130,077	Worksheet 5, Line 3, Column 3
14	= Revised Numerator (Line 12 + Line 13)	<u>\$1,875,117,164</u>	
15	Total Plant in Service	\$1,887,269,647	FERC Form 1 Page 207.104g - Page 200.4b
16	Percent Allocation (Line 14 / Line 16)	<u>99.3561%</u>	
<u>Post-2003 PTF Allocation Factor</u>			
17	Total Post-2003 PTF Investment	\$ 209,862,929	Attachment 1 Line 7
18	Total Transmission Investment	\$1,868,987,087	Line 2
19	Percent Allocation (Line 17/Line 18) for Post-2003 to Total Tx	11.2287%	
20	Total Invst in Tx Plant/Total Plant in Serv *		
21	Post-2003 PTF Tx Plant/Total Invst in Tx Plant	11.1564%	Line 19 * Line 16

Shading denotes input

**New England Power Company
Pre-97 RNs Revenue Requirements
For Test Year Ended 12/31/2013**

Input Revenues associated with the PTF Supporting Facilities in columns (a) and expenses associated with the facilities in columns (b). The totals are then linked to Worksheet 1, Lines 23 and 24.

Participant	PTF Supporting Facilities	FERC Form 1 Reference	TOTAL	
			Revenues (a)	Expenses (b)
NSTAR	HQ Phase II - AC in MA	Pg 332 Line 5 Col (g)		\$0
	Bell Rock Road	Page 330.5 Line 12 Col (n)	\$0	
	Boston Edison -345 kV NH/MA border - Tewksbury 394 Line (Seabrook)	Page 330.1 Line 8 Col (n)	\$0	
NU	Public Service Co. -Moore 115 kV Substation	Page 330.1 Line 5 Col (n)	\$0	
NEP	Chester SVC	Transmission Billing		\$0
	HQ Phase II - AC in MA	Page 330 Line 11 Col (n)	\$0	
VT Elec Co.	Comerford 115 kV Substation	Page 330.1 Line 12 Col (n)	\$0	
		Totals	\$0	\$0

Amount by which Support Expense exceeds Support Revenues
(To Worksheet 3, Line 22, Column 5)

\$0

New England Power Company
2013 Informational Filing
PTF Plant Allocation

				<u>Percent Pre/Post</u>
1	2012	Pre-1997 PTF Transmission Plant	\$352,959,991	
2	2012	Post-1996 PTF Transmission Plant	\$918,015,798	
3	2013	Additions/Retirements	\$65,163,152	
4	2013	Pre-1997 PTF Transmission Plant	\$349,415,646	26.15%
5	2013	Post-1996 PTF Transmission Plant	\$986,723,295	73.85%
6	2013	Total PTF Transmission Plant	\$1,336,138,941	100.00%
7	2013	Post-2003 PTF Transmission Plant	\$209,862,929	

Sources:

- 1 PTF Plant Reports for previous year
- 2 PTF Plant Reports for previous year
- 3 Line 6 - Line 1 + Line 2
- 4 PTF Plant Reports for current year
- 5 PTF Plant Reports for current year
- 6 Line 4 + 5
- 7 PTF Plant Report: Post 2003 RSP Projects

Shading denotes an input

GROSS PLANT ASSOC. WITH HVDC LEASES
2013

LINE NO		(HVDC) NHH/NEH <u>LEASE</u>
1	Gross Plant Value Comerford Station to Tewksbury Line	\$0
	Allocation	
2	Miles used by NHH (a)	0
3	Total miles at Comerford Station	0
4	Percentage of Total Gross Plant leased by NHH (a)	0%
5	Total Gross Plant leased by NHH (a)	\$0
6	Total Land from Sandy Pond to New Hampshire	\$0
7	HVDC lines occupy 35% of Right of Way	0%
8	Total Land leased by NEH (a)	\$0
9	Total NEP Gross Plant leased by HVDC to be excluded from PTF Revenue requirement	\$0

Source:

- 1 FERC Form 1, Page 423.1, Lines 5 + 16
- 2 Total miles used per lease agreement
- 3 Total miles per lease agreement
- 4 Line 2 / Line 3
- 5 Line 1 * Line 4
- 6 FERC Form 1, Page 422-423, Line 15
- 7 Percentage per lease agreement
- 8 Line 6 * Line 7
- 9 Line 5 + Line 8

Note:

- (a) NEH and NHH are acronyms for two of the three "Hydro Companies, New England Hydro Transmission (NEH) Electric Company, New England Electric Transmission Corporation, and New England Hydro Transmission Electric Company, Inc. (NHH)".

New England Power Company
Determination of Book Depreciation on Equity AFUDC

		<u>2013</u>
1	Total Current Year Book Depreciation on Equity AFUDC	\$1,515,488
2	Less: Specifically identified Transmission-Related	
	Tewksbury Line	\$54,708
	Hydro-Quebec	\$23,543
	Montaup Transmission	\$9,664
	1998 Transmission	\$13,959
	1999 Transmission	\$42,457
	2000 Transmission	(\$8,299)
	2001 Transmission	\$23,561
	2002 Transmission	\$8,889
	2003 Transmission	\$16,500
	2004 Transmission	\$15,518
	2005 Transmission	\$49,757
	2006 Transmission	\$64,352
	2007 Transmission	\$42,418
	2008 Transmission	\$57,508
	2009 Transmission	\$98,437
	2010 Transmission	\$79,948
	2011 Transmission	\$155,706
	2012 Transmission	\$210,246
	2013 Transmission	\$169,241
		\$1,128,113
3	Total unidentified Book Depreciation on Equity AFUDC	\$387,375
4	Plant Allocator Factor	99.3561%
5	Allocated Transmission Related Book Depreciation on Equity AFUDC	\$384,881
6	Plus: Specifically Identified Transmission-Related Equity AFUDC	<u>\$1,128,113</u>
7	Total Transmission-Related Equity AFUDC	\$1,512,994
8	Post-96 PTF Allocation Factor	52.7945%
9	Transmission-Related Equity AFUDC	\$798,777

Sources:

- 1 & 2 Transmission Rates includes \$9,668 from Montaup
- 3 Line 1 - Line 2
- 4 Worksheet 5 - PTF Plant Allocation Factor
- 5 Line 3 * Line 4
- 6 Line 2
- 7 Line 5 + Line 6
- 8 Worksheet 6 - Post-96 PTF Allocation Factor
- 9 Line 7 * Line 8

New England Power Company
 Determination of the PTF Related Integrated Facilities Charges

	<u>Narragansett</u> <u>2013</u>	<u>MECO</u> <u>2013</u>
1 Total Integrated Facilities Charges	\$0	\$0
2 Total 2013 PTF Property	\$0	\$0
3 Total Transmission Plant in 2013	\$0	\$0
4 NECO or MECO PTF Plant Allocator	0.00%	0.00%
5 PTF Related Integrated Facilities Charge	\$0	\$0
6 Total Integrated Facilities		<u><u>\$0</u></u>

Source:

- 1 FF1 Page 330.4 Lines 13 & 14 Col (n)
- 2 PowerPlant Reports
- 3 FF1 Page 207 Line 58 (g)
- 4 Line 2 / Line 3
- 5 Line 1 * Line 4
- 6 Line 5 Totals for Narragansett and Massachusetts Electric

New England Power Company
 Development of 2013 Regulatory Commission Expense

Line No.		<u>2013</u>	<u>Source</u>
1	Total Regulatory Commission Expense - NEP	\$2,575,980	2013 FERC Form1 Page 350.46d (page
2	Less: New Hampshire PUC Assessment	\$56,973	2013 FERC Form1 Page 350.1d
3	Less: Mass Emergency Fund	\$0	2013 FERC Form1 Page 350.7d
4	Less Mass DPU Special Assessment	\$0	2013 FERC Form1 Page 350.8d
5	Less: Utility Expenses	\$100,454	2013 FERC Form1 Page 350.15d
6	Total Federal Assessments	\$2,418,553	Line 1 - (Line 2-5)

Transmission Rents Received from Electric Property

New England Power Company

	<u>2013</u>
Revenues	\$1,034,650
Plant Allocation Factor	100.00%
Transmission Allocated	\$1,034,650
PTF Allocation	52.7945%
Total PTF Revenue	\$546,238

Source:

Revenues: SAP account C4540000, C454000W, C4545000

Revenue for Short-Term Transmission Service under the NEPOOL Tariff

New England Power Company

	<u>2013</u>
Revenues	\$514,715
Post-96 PTF Percent	73.8489%
Total Post-96 PTF Revenue	\$380,112

Source: Short Term Through and Out Revenues from ISO New England

ISO Tariff Billing
 ISO Annual Transmission Revenue Requirements
 per Tariff Attachment F and ISO Agreement Part 2, Section 6.3

Shading denotes an input

Submitted on: _____

Revenue Requirements for (year): Calendar Year 2013

Rates Effective for the Period: June 2014
 Through: September 2014

Customer: New England Power Company

Customer's NABs Number: _____

Name of Participant responsible for customer's billing: _____

DUNs number of Participant responsible for customer's billing: _____

	<u>Pre-97 Revenue Requirements</u>	<u>Post-96 Revenue Requirements</u>
Total of Attachment F - Sections A through I	<u>\$144,558,044</u> ^(a)	<u>\$158,541,414</u> ^(f)
Total of Attachment F - Section J - Support Revenue	<u>\$5,208,613</u> ^(b)	<u>\$0</u> ^(g)
Total of Attachment F - Section K - Support Expense	<u>\$697,433</u> ^(c)	<u>\$0</u> ^(h)
Total of Attachment F - Section (L through O)	<u>(\$328,037)</u> ^(d)	<u>(\$926,350)</u> ⁽ⁱ⁾
Sub Total - Sum (A through I) - J + K + (L through O)	<u>\$139,718,827</u> ^{(e)=(a)-(b)+(c)+(d)}	<u>\$157,615,064</u> ^(j)
Forecasted Transmission Revenue Requirements (per Attachment C to Attachment F Implementation Rule)	<u>N/A</u>	<u>\$55,865,456</u> ^(k)
Annual True-up (per Attachment C to Attachment F Implementation Rule)	<u>N/A</u> ^(l)	<u>N/A</u> ^(m)
Adjusted Sub Total - Sum (Sub Total + Forecast + True-up)	<u>\$139,718,827</u> ^{(n)=(e) + (l)}	<u>\$213,480,520</u> ^{(o)=(j)+(k)+(m)}
Annual Revenue Requirement Total = Sum of Pre-97 Revenue Requirements and Post-96 Revenue Requirements Subtotals for rate calculations under the Tariff:		<u>\$353,199,347</u> ^{(p) = (n) + (o)}

**New England Power Company
Annual Revenue Requirements of PTF Facilities
For Costs in 2013**

PRE-1997

Shading denotes an input

Line No.	I. <u>INVESTMENT BASE</u>	Attachment F Reference Section:	NEP	Reference
1	Transmission Plant	(A)(1)(a)	\$335,700,109	Worksheet 3, line 1&2 column 5
2	General Plant	(A)(1)(b)	\$1,146,049	Worksheet 3, line 3 column 5
3	Plant Held For Future Use	(A)(1)(c)	\$191,988	Worksheet 3, line 5 column 5
4	Total Plant (Lines 1+2+3)		<u>\$337,038,146</u>	
5	Accumulated Depreciation	(A)(1)(d)	(\$74,357,497)	Worksheet 3, line 8 column 5
6	Accumulated Deferred Income Taxes	(A)(1)(e)	(\$79,101,760)	Worksheet 3, line 11 column 5
7	Loss On Reacquired Debt	(A)(1)(f)	\$36,180	Worksheet 3, line 12 column 5
8	Other Regulatory Assets	(A)(1)(g)	\$8,030,140	Worksheet 3, line 16 column 5
9	Net Investment (Line 4+5+6+7+8)		<u>\$191,645,209</u>	
10	Prepayments	(A)(1)(h)	\$49,848	Worksheet 3, line 17 column 5
11	Materials & Supplies	(A)(1)(i)	\$659,184	Worksheet 3, line 18 column 5
12	Cash Working Capital	(A)(1)(j)	\$1,739,254	Worksheet 3, line 25 column 5
13	Total Investment Base (Line 9+10+11+12)		<u><u>\$194,093,495</u></u>	
	II. <u>REVENUE REQUIREMENTS</u>			
14	Investment Return and Income Taxes	(A)	\$25,305,599	Worksheet 2
15	Depreciation Expense	(B)	\$7,477,690	Worksheet 4, line 3, column 5
16	Amortization of Loss on Reacquired Debt	(C)	\$16,709	Worksheet 4, line 4, column 5
17	Investment Tax Credit	(D)	(\$71,822)	Worksheet 4, line 5, column 5
18	Property Tax Expense	(E)	\$5,999,022	Worksheet 4, line 6, column 5
19	Payroll Tax Expense	(F)	\$317,803	Worksheet 4, line 22, column 5
20	Operation & Maintenance Expense	(G)	\$7,166,788	Worksheet 4, line 11, column 5
21	Administrative & General Expense	(H)	\$6,747,241	Worksheet 4, line 21, column 5
22	Transmission Related Integrated Facilities Charge	(I)	\$91,599,014	Attachment 4, line 6
23	Transmission Support Revenue	(J)	(\$5,208,613)	Worksheet 6
24	Transmission Support Expense	(K)	\$697,433	Worksheet 6
25	Transmission Related Expense from Generators	(L)	\$0	
26	Transmission Related Taxes and Fees Charge	(M)	\$0	
27	Revenue for ST Trans. Service Under NEPOOL Tariff	(N)	(\$134,604)	Attachment 7
28	Transmission Rents Received from Electric Property	(O)	(\$193,433)	Attachment 6
29	Total Revenue Requirements (Line 14 thru 28)		<u><u>\$139,718,827</u></u>	

New England Power Company
Annual Revenue Requirements
For Costs in 2013

Shading denotes an input

	CAPITALIZATION 12/31/2013	CAPITALIZATION RATIOS	COST OF CAPITAL	COST OF CAPITAL	EQUITY PORTION
LONG-TERM DEBT	\$ 410,350,000	32.98%	0.63%	0.21%	
PREFERRED STOCK	\$ 1,111,700	0.09%	6.02%	0.01%	0.01%
COMMON EQUITY	\$ 832,696,968	66.93%	11.64%	7.79%	7.79%
TOTAL INVESTMENT RETURN	\$1,244,158,668	100.00%		8.01%	7.80%

Cost of Capital Rate=

(a) Weighted Cost of Capital = 0.0801

(b) Federal Income Tax =
$$\left(\frac{\text{R.O.E.} + \left(\frac{\text{PTF Inv. (Tax Credit)} + \text{Eq. AFUDC of Deprec. Exp.}}{\text{PTF Inv. Base}} \right) / \text{Federal Income Tax Rate}}{1} \right) \times \frac{\text{Federal Income Tax Rate}}{\text{Federal Income Tax Rate}}$$

=
$$\left(\frac{0.0780 + \left(\frac{(\$71,822) + \$282,862}{\$194,093,495} \right) / 0.35}{1} \right) \times \frac{0.35}{0.35}$$

= 0.0425855

(c) State Income Tax =
$$\left(\frac{\text{R.O.E.} + \left(\frac{\text{PTF Inv. (Tax Credit)} + \text{Eq. AFUDC of Deprec. Exp.}}{\text{PTF Inv. Base}} \right) / \text{Federal Income Tax Rate}}{1} \right) + \frac{\text{Federal Income Tax}}{\text{State Income Tax Rate}}$$

=
$$\left(\frac{0.0780 + \left(\frac{(\$71,822) + \$282,862}{\$194,093,495} \right) / 0.0425855}{1} \right) + \frac{0.0425855}{0.059466}$$

= 0.0076929

(a)+(b)+(c) Cost of Capital Rate = 0.1303784

	(PTF)	
INVESTMENT BASE	\$194,093,495	From Worksheet 1
x Cost of Capital Rate	0.1303784	
= Investment Return and Income Taxes	<u>\$25,305,599</u>	To Worksheet 1

New England Power Company

Line No.	(1) Total	(2) Wage/Plant Allocation Factors	(3) = (1)*(2) Transmission Allocated	(4) PTF Allocation Factor (b)	(5) = (3)*(4) PTF Allocated	Source Reference
1					\$349,415,646	Attachment 1, Page 1
2					(\$13,715,537)	Attachment 2
3	\$ 6,142,337	99.8004% (a)	\$6,130,077	18.6955% (b)	\$1,146,049	FERC Form 1 Page 207.99g
4			\$6,130,077		\$336,846,158	
5	\$ 1,026,919		\$1,026,919	18.6955% (b)	\$191,988	FERC Form 1 page 214.2d,4d,9d
<u>Transmission Accumulated Depreciation</u>						
6	\$ (392,787,258)		(\$392,787,258)	18.6955% (b)	(\$73,433,542)	FERC Form 1 page 219.25b
7	\$ (4,952,011)	99.8004% (a)	(\$4,942,127)	18.6955% (b)	(\$923,955)	FERC Form 1 Page 219.28b
8			(\$397,729,385)		(\$74,357,497)	
<u>Transmission Accumulated Deferred Taxes</u>						
9	\$ (474,541,945)	99.3561% (c)	(\$471,486,369)	18.6955% (b)	(\$88,146,734)	FERC Form 1 Page 113.62-64
10	\$ 48,694,028	99.3561% (c)	\$48,380,487	18.6955% (b)	\$9,044,974	FERC Form 1 Page 111.82
11			(\$423,105,882)		(\$79,101,760)	
12	\$ 193,522	100.0000%	\$193,522	18.6955% (b)	\$36,180	FERC Form 1 Page 111.81c
<u>Other Regulatory Assets</u>						
13	\$ -	99.8004% (a)	\$0	18.6955% (b)	\$0	FERC Form 1 Page 232.8f
14	\$ 42,952,261	100.0000%	\$42,952,261	18.6955% (b)	\$8,030,140	FERC Form 1 Page 232.6f
15	\$ -	100.0000%	\$0	18.6955% (b)	\$0	FERC Form 1 Page 278
16	\$42,952,261		\$42,952,261		\$8,030,140	
17	\$ 267,164	99.8004% (a)	\$266,631	18.6955% (b)	\$49,848	FERC Form 1 Page 111.57c
18	\$ 3,525,898		\$3,525,898	18.6955% (b)	\$659,184	FERC Form 1 Page 227.8c
<u>Cash Working Capital</u>						
20					\$7,166,788	Worksheet 1, Line 20
21					\$6,747,241	Worksheet 1, Line 21
22					\$0	Worksheet 6
23					\$13,914,029	
24					0.1250	x 45 / 360
25					\$1,739,254	

(a) Worksheet 5 Line 11
(b) Worksheet 5 Line 3
(c) Worksheet 5 Line 16

New England Power Company

Shading denotes an input

Line No.	(1) Total	(2) Wage/Plant Allocation Factors	(3) = (1)*(2) Transmission Allocated	(4) PTF Allocation Factor (b)	(5) = (3)*(4) PTF Allocated	Source Reference for Col (1)
Depreciation Expense						
1	\$39,663,532		\$39,663,532	18.6955% (b)	\$7,415,296	FERC Form 1 Page 336.7b
2	\$334,405	99.8004% (a)	\$333,738	18.6955% (b)	\$62,394	FERC Form 1 Page 336.10b
3			\$39,997,270		\$7,477,690	
4	\$89,376	100.0000%	\$89,376	18.6955% (b)	\$16,709	FERC Form 1 Page 117.64c
5	(\$384,165)	100.0000%	(\$384,165)	18.6955% (b)	(\$71,822)	FERC Form 1 Page 266.8f - Footnote (f)
6	\$32,088,055	100.0000%	\$32,088,055	18.6955% (b)	\$5,999,022	Property Tax - Footnote (e)
Transmission Operation and Maintenance						
7	\$61,559,182		\$61,559,182	18.6955% (b)	\$11,508,797	FERC Form 1 Page 321.112b
8	\$14,396,724		\$14,396,724	18.6955% (b)	\$2,691,540	FERC Form 1 Page 321.96b
9	\$8,828,161		\$8,828,161	18.6955% (b)	\$1,650,469	FERC Form 1 Page 321.84-92b less 87b
10	\$0		\$0		\$0	FERC Form 1 Page 321.93b & .98b
11	\$38,334,297		\$38,334,297	18.6955% (b)	\$7,166,788	
Transmission Administrative and General						
12	\$36,234,131					FERC Form 1 Page 323.197b
13	\$904,273					FERC Form 1 Page 323.185b
14	\$2,575,980					FERC Form 1 Page 323.189b
15	\$0					FERC Form 1 Page 323.191b
16	\$32,753,878	99.8004% (a)	\$32,688,501	18.6955% (b)	\$6,111,279	
17	\$904,273	99.3561% (c)	\$898,450	18.6955% (b)	\$167,970	Line 13
18	\$2,418,553	99.3561% (c)	\$2,402,980	18.6955% (b)	\$449,249	Attachment 5 Line 6
19	\$0		\$0	18.6955% (b)	\$0	Line 15
20	\$100,454	99.8004% (a)	\$100,253	18.6955% (b)	\$18,743	2013 FERC Form1 Page 350.15d
21	\$36,177,158		\$36,090,184		\$6,747,241	
22	\$1,703,290	99.8004% (a)	\$1,699,890	18.6955% (b)	\$317,803	FERC Form 1 Page 263.3,4i - Footnote (d)

(d) Payroll taxes - G/L 408.1

Payroll Taxes

Total

\$1,703,290
\$1,703,290

(e) Property Taxes

Massachusetts \$27,570,229
New Hampshire \$3,190,388
Vermont \$1,178,548
Maine \$0
Rhode Island \$148,889
Connecticut \$0
\$32,088,055

(a) Worksheet 5 Line 11

(b) Worksheet 5 Line 3

(c) Worksheet 5 Line 16

(d) Transmission Only - Payroll Taxes - General Ledger query

(e) Transmission Only - Property Taxes - Stephen Adams, Property Taxes

(f) Transmission Only - Amortization of ITC - Specifically Identified in FERC Form 1

** Subtract Accounts #562 & #567 from O&M Expense to the extent that they include PTF Support Payments.

Shading denotes an input

Line No.		<u>NEP</u>	<u>Source Reference</u>
	<u>PTF Transmission Plant Allocation Factor</u>	<u>NEP</u>	
1	PTF Transmission Investment	\$349,415,646	Attachment 1, Page 1 FERC Form 1 Page 207.58g - Page 200.4b
2		\$1,868,987,087	
3	Percent Allocation (Line 1/Line 2)	<u>18.6955%</u>	
	<u>Transmission Wages and Salaries Allocation Factor</u>		
4	Direct Transmission Wages and Salaries	\$0	FERC Form 1 Page 354.14b General Ledger Query
5	Affiliated Company Transmission Wages and Salaries	<u>\$18,057,103</u>	
6	Total Transmission Wages and Salaries (Line 4 + Line 5)	\$18,057,103	
7	Total Wages and Salaries	\$0	FERC Form 1 Page 354.28b FERC Form 1 Page 354.27b General Ledger Query
8	Administrative and General Wages and Salaries	\$0	
9	Affiliated Company Wages and Salaries less A&G	<u>\$18,093,209</u>	
10	Total Wages and Salaries net of A&G (Line 7 - 8 + 9)	\$18,093,209	
11	Percent Allocation (Line 6/Line 10)	<u>99.8004%</u>	
	<u>Plant Allocation Factor</u>		
12	Total Transmission Investment	\$1,868,987,087	Line 2 Worksheet 3, Line 3, Column 3
13	plus Transmission-Related General Plant	<u>\$6,130,077</u>	
14	= Revised Numerator (Line 12 + Line 13)	\$1,875,117,164	
15	Total Plant in Service	\$1,887,269,647	FERC Form 1 Page 207.104g - Page 200.4b
16	Percent Allocation (Line 14 / Line 16)	<u>99.3561%</u>	

Shading denotes input

**New England Power Company
Pre-97 RNs Revenue Requirements
For Test Year Ended 12/31/2013**

Input Revenues associated with the PTF Supporting Facilities in columns (a) and expenses associated with the facilities in columns (b). The totals are then linked to Worksheet 1, Lines 23 and 24.

Participant	PTF Supporting Facilities	FERC Form 1 Reference	TOTAL	
			Revenues (a)	Expenses (b)
NSTAR	HQ Phase II - AC in MA	Pg 332 Line 5 Col (g)		\$109,892
	Bell Rock Road	Page 330.5 Line 12 Col (n)	\$39,828	
	Boston Edison -345 kV NH/MA border - Tewksbury 394 Line (Seabrook)	Page 330.1 Line 8 Col (n)	\$379,686	
NU	Public Service Co. -Moore 115 kV Substation	Page 330.1 Line 5 Col (n)	\$14,736	
NEP	Chester SVC	Transmission Billing		\$587,541
	HQ Phase II - AC in MA	Page 330 Line 11 Col (n)	\$4,736,248	
VT Elec Co.	Comerford 115 kV Substation	Page 330.1 Line 12 Col (n)	\$38,115	
		Totals	\$5,208,613	\$697,433

Amount by which Support Expense exceeds Support Revenues
(To Worksheet 3, Line 22, Column 5)

\$0

Attachment 1

Shading denotes an input

New England Power Company
2013 Informational Filing
PTF Plant Allocation

**Percent
Pre/Post**

1	2012	Pre-1997 PTF Transmission Plant	\$352,959,991	
2	2012	Post-1996 PTF Transmission Plant	\$918,015,798	
3	2013	Additions/Retirements	\$65,163,152	
4	2013	Pre-1997 PTF Transmission Plant	\$349,415,646	26.15%
5	2013	Post-1996 PTF Transmission Plant	\$986,723,295	73.85%
6	2013	Total PTF Transmission Plant	\$1,336,138,941	100.00%

Sources:

- 1 PTF Plant Reports for previous year
- 2 PTF Plant Reports for previous year
- 3 Line 6 - Line 1 + Line 2
- 4 PTF Plant Reports for current year
- 5 PTF Plant Reports for current year
- 6 Line 4 + 5

Shading denotes an input

GROSS PLANT ASSOC. WITH HVDC LEASES
2013

LINE NO		(HVDC) NHH/NEH LEASE
1	Gross Plant Value Comerford Station to Tewksbury Line	\$14,975,714
	<u>Allocation</u>	
2	Miles used by NHH (a)	224
3	Total miles at Comerford Station	\$253
4	Percentage of Total Gross Plant leased by NHH (a)	89%
5	Total Gross Plant leased by NHH (a)	\$13,328,385.46
6	Total Land from Sandy Pond to New Hampshire	\$1,106,146
7	HVDC lines occupy 35% of Right of Way	35%
8	Total Land leased by NEH (a)	\$387,151
9	Total NEP Gross Plant leased by HVDC to be excluded from PTF Revenue requirement	\$13,715,537

Source:

- 1 FERC Form 1, Page 422.1, 423.1, Lines 18 + 35 col (l); Page 422.2, 423.2, Line 1 col (l)
- 2 Total miles used per lease agreement
- 3 FERC Form 1, Page 422.1, Lines 18 + 35 col (f); Page 422.2, Line 1 col (f)
- 4 Line 2 / Line 3
- 5 Line 1 * Line 4
- 6 FERC Form 1, Page 422, 423, Line 20 col (j)
- 7 Percentage per lease agreement
- 8 Line 6 * Line 7
- 9 Line 5 + Line 8

Note:

- (a) NEH and NHH are acronyms for two of the three "Hydro Companies, New England Hydro Transmission (NEH) Electric Company, New England Electric Transmission Corporation, and New England Hydro Transmission Electric Company, Inc. (NHH)".

Shading denotes an input

Attachment 3

New England Power Company
Determination of Book Depreciation on Equity AFUDC

		2013
1	Total Current Year Book Depreciation on Equity AFUDC	\$1,515,488
2	Less: Specifically Identified Transmission-Related	
	Tewksbury Line	\$54,708
	Hydro-Quebec	\$23,543
	Montaup Transmission	\$9,664
	1998 Transmission	\$13,959
	1999 Transmission	\$42,457
	2000 Transmission	(\$8,299)
	2001 Transmission	\$23,561
	2002 Transmission	\$8,889
	2003 Transmission	\$16,500
	2004 Transmission	\$15,518
	2005 Transmission	\$49,757
	2006 Transmission	\$64,352
	2007 Transmission	\$42,418
	2008 Transmission	\$57,508
	2009 Transmission	\$98,437
	2010 Transmission	\$79,948
	2011 Transmission	\$155,706
	2012 Transmission	\$210,246
	2013 Transmission	\$169,241
		\$1,128,113
3	Total Unidentified Book Depreciation on Equity AFUDC	\$387,375
4	Plant Allocator Factor	99.3561%
5	Allocated Transmission Related Book Depreciation on Equity AFUDC	\$384,881
6	Plus: Specifically Identified Transmission-Related Equity AFUDC	<u>\$1,128,113</u>
7	Total Transmission-Related Equity AFUDC	\$1,512,994
8	Pre-97 PTF Allocation Factor	18.6955%
9	Transmission-Related Equity AFUDC	\$282,862

Sources:

- 1 & 2 Transmission Rates includes \$9,668 from Montaup
- 3 Line 1 - Line 2
- 4 Worksheet 5 - PTF Plant Allocation Factor
- 5 Line 3 * Line 4
- 6 Line 2
- 7 Line 5 + Line 6
- 8 Worksheet 5 - Pre-97 PTF Allocation Factor
- 9 Line 7 * Line 8

Shading denotes an input

New England Power Company
Determination of the PTF Related Integrated Facilities Charges

	<u>Narragansett</u> <u>2013</u>	<u>MECO</u> <u>2013</u>
1 Total Integrated Facilities Charges	\$98,617,356	\$15,090,817
2 Total 2013 PTF Property	\$535,734,181	\$24,833,644
3 Total Transmission Plant in 2013	\$624,367,987	\$53,681,732
4 NECO or MECO PTF Plant Allocator	85.80%	46.26%
5 PTF Related Integrated Facilities Charge	\$84,617,869	\$6,981,145
6 Total Integrated Facilities		<u><u>\$91,599,014</u></u>

Source:

- 1 FF1 Page 330.4 Lines 13 & 14 Col (n)
- 2 PowerPlant Reports
- 3 FF1 Page 207 Line 58 (g)
- 4 Line 2 / Line 3
- 5 Line 1 * Line 4
- 6 Line 5 Totals for Narragansett and Massachusetts Electric

Shading denotes an input

Attachment 5

New England Power Company
Development of 2013 Regulatory Commission Expense

<u>Line No.</u>	<u>2013</u>	<u>Source</u>
1 Total Regulatory Commission Expense - NEP	\$2,575,980	2013 FERC Form1 Page 350.46d (page 323.189b)
2 Less: New Hampshire PUC Assessment	\$56,973	2013 FERC Form1 Page 350.1d
3 Less: Mass Emergency Fund	\$0	2013 FERC Form1 Page 350.7d
4 Less Mass DPU Special Assessment	\$0	2013 FERC Form1 Page 350.8d
5 Less: Utility Expenses	\$100,454	2013 FERC Form1 Page 350.15d
6 Total Federal Assessments	\$2,418,553	Line 1 - (Line 2-5)

Transmission Rents Received from Electric Property

New England Power Company

	<u>2013</u>
Revenues	\$1,034,650
Plant Allocation Factor	100.00%
Transmission Allocated	\$1,034,650
PTF Allocation	18.6955%
Total PTF Revenue	\$193,433

Source:

Revenues: SAP account C4540000, C454000W, C4545000

Revenue for Short-Term Transmission Service under the NEPOOL Tariff

New England Power Company

	<u>2013</u>
Revenues	\$514,715
Pre-97 PTF Percent	26.1511%
Total Pre-97 PTF Revenue	\$ 134,604

Source: Short Term Through and Out Revenues from ISO New England

**SUPPORTING WORK PAPERS FOR NEW ENGLAND POWER
CORRECTIONS TO PRIOR YEARS PTF REVENUE REQUIREMENTS
FOR RNS RATES EFFECTIVE JUNE 1 OF EACH OF THE YEARS 2009-2013**

Summary Changes in NEP PTF Revenue Requirements - for June 1, 2014 RNS Rate

Applicable Rate Period	Re-Stated			As-Filed*			Retroactive Adj		
	Pre-97	Post-96	Total	Pre-97	Post-96	Total	Pre-97	Post-96	Total
June 1, 2009 - May 31, 2010	\$ 83,053,527	\$ 87,620,328	\$ 170,673,856	\$ 82,381,954	\$ 87,489,083	\$ 169,871,037	\$ 671,573	\$ 131,245	\$ 802,819
June 1, 2010 - May 31, 2011	83,690,440	109,207,445	192,897,885	82,941,498	105,284,991	188,226,488	748,942	3,922,454	4,671,396
June 1, 2011 - May 31, 2012	82,045,420	118,624,471	200,669,891	81,629,570	114,618,878	196,248,449	415,850	4,005,593	4,421,443
June 1, 2012 - May 31, 2013	95,332,395	128,174,379	223,506,775	94,530,102	128,435,692	222,965,794	802,293	(261,313)	540,980
June 1, 2013 - May 31, 2014	113,374,092	141,428,102	254,802,193	111,901,274	139,646,043	251,547,317	1,472,818	1,782,058	3,254,876
Totals	\$ 457,495,875	\$ 585,054,724	\$ 1,042,550,599	\$ 453,384,398	\$ 575,474,687	\$ 1,028,859,085	\$ 4,111,477	\$ 9,580,037	\$ 13,691,514

	PRE-97 ATRR b/f adjustments	Post-96 ATRR b/f adjustments	Revised w/ True Up
June 1, 2014 - Sept 30, 2014	\$ 167,779,106	\$ 175,105,060	\$ 342,884,167
Plus Retroactive Adjustment	4,111,477	9,580,037	13,691,514
	\$ 171,890,583	\$ 184,685,097	\$ 356,575,680

* In compliance with FERC Docket No. EL11-66, the ROE rate was reduced from 11.64% to 11.07% for the period October 01, 2011 - December 31, 2012, Revenue Requirement (RR) years 2011 and 2012 - Rate period June 2012 to May 2014. Since the FERC order was issued in calendar year 2014 after submission of RR years 2011 and 2012, the "As-Filed" RR should be construed as follows:

- RR year 2011 (Rate period June 1, 2012 - May 31, 2013) is pro-rated at: 4 mos (June 1, 2011 - Sept 30, 2011) @ 11.64% As-Filed, and 8 mos (Oct 1, 2011 - May 31, 2012) @ 11.07% FERC revised rate - not yet filed.
- RR year 2012 (Rate period June 1, 2013 - May 31, 2014) is pro-rated at: 7 mos (June 1, 2012 - Dec 31, 2012) @ 11.07% FERC revised rate - not yet filed, and 5 mos (Jan 1, 2013 - May 2013) @ 11.64% As-Filed.

Summary of New England Power Restated and Original New England Power PTF Related ATRR
For RNS Rates Effective June 1, 2009

		<u>Restated 2009 PTF ATRR</u>				
I. INVESTMENT BASE		<u>PRE-1997</u>	<u>POST-1996</u>	<u>Total</u>	<u>2009 As Filed</u>	<u>Change</u>
Line No.						
1	Transmission Plant	\$341,203,075	\$503,285,683	\$844,488,758	\$842,247,543	\$2,241,216
2	General Plant	1,924,762	2,736,482	4,661,244	4,649,059	12,185
3	Plant Held For Future Use	301,180	428,195	729,375	727,468	1,907
4	Total Plant (Lines 1+2+3)	343,429,017	506,450,360	849,879,377	847,624,070	2,255,308
5	Accumulated Depreciation	85,360,355	121,358,910	206,719,265	206,178,920	540,345
6	Accumulated Deferred Income Taxes	56,096,783	79,754,173	135,850,956	135,495,855	355,101
7	Loss On Reacquired Debt	376,247	534,919	911,166	908,785	2,381
8	Other Regulatory Assets	18,855,753	26,807,686	45,663,439	45,544,079	119,360
9	Net Investment (Line 4-5-6+7+8)	221,203,879	332,679,882	553,883,761	552,402,159	1,481,603
10	Prepayments	-	-	-	-	-
11	Materials & Supplies	1,058,465	1,504,846	2,563,311	2,556,611	6,700
12	Cash Working Capital	2,097,523	2,982,100	5,079,623	5,066,345	13,278
13	Total Investment Base (Line 9+10+11+12)	224,359,867	337,166,828	561,526,695	560,025,115	1,501,581
II. REVENUE REQUIREMENTS						
14	Investment Return and Income Taxes	29,735,176	45,902,164	75,637,340	75,419,138	218,202
15	Depreciation Expense	7,815,536	11,111,540	18,927,076	18,877,603	49,473
16	Amortization of Loss on Reacquired Debt	94,477	134,321	228,798	228,200	598
17	Investment Tax Credit	(119,118)	(169,353)	(288,471)	(287,717)	(754)
18	Property Tax Expense	4,946,078	7,031,960	11,978,038	11,946,729	31,309
19	Payroll Tax Expense	535,119	760,792	1,295,912	1,292,525	3,387
20	Operation & Maintenance Expense	10,752,632	15,287,279	26,039,911	25,971,844	68,067
21	Administrative & General Expense	6,027,552	8,569,518	14,597,070	14,558,916	38,154
22	Transmission Related Integrated Facilities Charge	31,825,752	-	31,825,752	31,429,975	395,778
23	Transmission Support Revenue	(9,231,767)	-	(9,231,767)	(9,231,767)	-
24	Transmission Support Expense	1,381,011	-	1,381,011	1,381,011	-
25	Transmission Related Expense from Generators	-	-	-	-	-
26	Transmission Related Taxes and Fees Charge	-	-	-	-	-
27	Revenue for ST Trans. Service Under NEPOOL Tariff	(488,504)	(694,521)	(1,183,025)	(1,183,025)	-
28	Transmission Rents Received from Electric Property	(220,417)	(313,372)	(533,789)	(532,394)	(1,395)
29	Total Revenue Requirements excl Forecast and True-up (Line 14 thru 28)	83,053,527	87,620,328	170,673,856	169,871,037	802,819
30	Forecast				28,985,933	
31	True-up				\$641,263	
32	Total PTF Revenue Requirement (Line 29+30+31)	83,053,527	87,620,328	170,673,856	199,498,233	

Summary of New England Power Restated and Original New England Power PTF Related ATRR
For RNS Rates Effective June 1, 2010

		Restated 2010 PTF ATRR				
I. INVESTMENT BASE		PRE-1997	POST-1996	Total	2010 As Filed	Change
Line No.						
1	Transmission Plant	\$339,300,092	\$664,596,724	\$1,003,896,817	\$977,835,452	\$26,061,364
2	General Plant	1,677,905	3,164,504	4,842,409	4,718,316	124,093
3	Plant Held For Future Use	263,347	496,668	760,015	740,539	19,476
4	Total Plant (Lines 1+2+3)	341,241,344	668,257,896	1,009,499,241	983,294,307	26,204,933
5	Accumulated Depreciation	78,995,083	148,983,596	227,978,679	222,136,464	5,842,215
6	Accumulated Deferred Income Taxes	71,067,110	134,031,553	205,098,663	199,842,774	5,255,889
7	Loss On Reacquired Debt	253,833	478,726	732,559	713,787	18,772
8	Other Regulatory Assets	15,736,382	29,678,590	45,414,972	44,251,161	1,163,811
9	Net Investment (Line 4-5-6+7+8)	207,169,366	415,400,063	622,569,430	606,280,017	16,289,412
10	Prepayments	-	-	-	-	-
11	Materials & Supplies	995,680	1,877,837	2,873,517	2,799,880	73,637
12	Cash Working Capital	2,002,723	3,777,107	5,779,830	5,631,715	148,115
13	Total Investment Base (Line 9+10+11+12)	210,167,769	421,055,007	631,222,777	614,711,612	16,511,164
II. REVENUE REQUIREMENTS						
14	Investment Return and Income Taxes	26,914,505	55,185,546	82,100,051	80,048,054	2,051,997
15	Depreciation Expense	7,325,298	13,815,406	21,140,704	20,598,948	541,756
16	Amortization of Loss on Reacquired Debt	75,151	141,733	216,884	211,326	5,558
17	Investment Tax Credit	(104,065)	(196,264)	(300,329)	(292,633)	(7,696)
18	Property Tax Expense	5,370,633	10,128,938	15,499,571	15,102,376	397,195
19	Payroll Tax Expense	502,606	947,908	1,450,514	1,413,343	37,171
20	Operation & Maintenance Expense	8,809,833	16,615,219	25,425,052	24,773,508	651,544
21	Administrative & General Expense	7,211,949	13,601,635	20,813,584	20,280,212	533,372
22	Transmission Related Integrated Facilities Charge	34,299,087	-	34,299,087	33,821,768	477,318
23	Transmission Support Revenue	(7,130,058)	-	(7,130,058)	(7,130,058)	-
24	Transmission Support Expense	963,053	-	963,053	963,053	-
25	Transmission Related Expense from Generators	-	-	-	-	-
26	Transmission Related Taxes and Fees Charge	-	-	-	-	-
27	Revenue for ST Trans. Service Under NEPOOL Tariff	(320,123)	(603,747)	(923,870)	(923,871)	1
28	Transmission Rents Received from Electric Property	(227,429)	(428,929)	(656,358)	(639,538)	(16,820)
29	Total Revenue Requirements excl Forecast and True-up (Line 14 thru 28)	83,690,440	109,207,445	192,897,885	188,226,488	4,671,396
30	Forecast				25,197,392	
31	True-up				(10,979,863)	
32	Total PTF Revenue Requirement (Line 29+30+31)	83,690,440	109,207,445	192,897,885	202,444,017	

Summary of New England Power Restated and Original New England Power PTF Related ATRR
For RNS Rates Effective June 1, 2011

		Restated 2011 PTF ATRR				
I. INVESTMENT BASE		PRE-1997	POST-1996	Total	2011 As Filed	Change
Line No.						
1	Transmission Plant	\$338,029,073	\$755,657,102	\$1,093,686,175	\$1,063,936,382	\$29,749,793
2	General Plant	1,626,789	3,501,114	5,127,903	4,990,067	137,836
3	Plant Held For Future Use	243,112	523,217	766,329	745,730	20,599
4	Total Plant (Lines 1+2+3)	339,898,974	759,681,433	1,099,580,407	1,069,672,179	29,908,228
5	Accumulated Depreciation	(78,290,517)	(168,493,923)	(246,784,440)	(240,150,981)	(6,633,459)
6	Accumulated Deferred Income Taxes	(74,349,701)	(160,012,647)	(234,362,348)	(228,062,788)	(6,299,560)
7	Loss On Reacquired Debt	164,953	355,007	519,960	505,984	13,976
8	Other Regulatory Assets	10,494,594	22,586,072	33,080,666	32,191,471	889,195
9	Net Investment (Line 4-5-6+7+8)	197,918,303	454,115,942	1,614,327,821	1,570,583,403	43,744,418
10	Prepayments	-	-	-	-	-
11	Materials & Supplies	1,056,577	2,273,926	3,330,503	3,240,981	89,522
12	Cash Working Capital	1,869,930	4,024,393	5,894,323	5,735,887	158,437
13	Total Investment Base (Line 9+10+11+12)	200,844,810	460,414,261	1,623,552,647	1,579,560,271	43,992,377
II. REVENUE REQUIREMENTS						
14	Investment Return and Income Taxes	25,499,438	59,812,781	85,312,219	83,709,819	1,602,401
15	Depreciation Expense	7,710,091	16,593,368	24,303,459	23,650,192	653,267
16	Amortization of Loss on Reacquired Debt	69,376	149,309	218,685	212,807	5,878
17	Investment Tax Credit	(93,702)	(201,661)	(295,363)	(287,423)	(7,940)
18	Property Tax Expense	5,353,194	11,520,944	16,874,138	16,420,568	453,570
19	Payroll Tax Expense	487,840	1,049,911	1,537,751	1,496,417	41,334
20	Operation & Maintenance Expense	7,814,105	16,817,224	24,631,329	23,969,249	662,080
21	Administrative & General Expense	7,145,335	15,377,923	22,523,258	21,917,843	605,415
22	Transmission Related Integrated Facilities Charge	34,881,073	-	34,881,073	34,453,101	427,973
23	Transmission Support Revenue	(6,543,377)	-	(6,543,377)	(6,543,377)	-
24	Transmission Support Expense	881,501	-	881,501	881,501	-
25	Transmission Related Expense from Generators	-	-	-	-	-
26	Transmission Related Taxes and Fees Charge	-	-	-	-	-
27	Revenue for ST Trans. Service Under NEPOOL Tariff	(893,517)	(1,922,989)	(2,816,506)	(2,816,505)	(1)
28	Transmission Rents Received from Electric Property	(265,937)	(572,339)	(838,276)	(815,742)	(22,534)
29	Total Revenue Requirements excl Forecast and True-up (Line 14 thru 28)	82,045,420	118,624,471	200,669,891	196,248,449	4,421,443
30	Forecast				19,133,246	
31	True-up				(17,747,774)	
32	Total PTF Revenue Requirement (Line 29+30+31)	82,045,420	118,624,471	200,669,891	197,633,920	

Summary of New England Power Restated and Original New England Power PTF Related ATRR
For RNS Rates Effective June 1, 2012

		Restated 2012 PTF ATRR								2012 As Filed			Change	
		June 11 - Sept 11				Oct 11 - May 12				June 11 - Sept 11	Oct 11 - May 12	Total 2012 As filed		
Line No.	I. INVESTMENT BASE	PRE-1997	POST-1996	Sub-Total	Allocated Total	PRE-1997	POST-1996	Sub-Total	Allocated Total	Total				
1	Transmission Plant	\$336,247,655	\$819,449,952	\$1,155,697,607	\$385,232,536	\$336,247,655	\$819,449,952	\$1,155,697,607	\$770,465,071	\$1,155,697,607	\$394,551,899	\$769,103,797	\$1,153,655,696	\$2,041,911
2	General Plant	1,399,489	3,282,852	4,682,341	1,560,780	1,399,489	3,282,852	4,682,341	3,121,561	4,682,341	1,558,052	3,116,104	4,674,156	8,185
3	Plant Held For Future Use	225,295	528,485	753,780	251,260	225,295	528,485	753,780	502,520	753,780	250,821	501,641	752,462	1,318
4	Total Plant (Lines 1+2+3)	337,872,439	823,261,289	1,161,133,728	387,044,576	337,872,439	823,261,289	1,161,133,728	774,089,152	1,161,133,728	386,360,771	772,721,543	1,159,082,314	2,051,414
5	Accumulated Depreciation	(77,488,640)	(181,769,040)	(259,257,680)	(86,419,227)	(77,488,640)	(181,769,040)	(259,257,680)	(172,838,453)	(259,257,680)	(86,268,166)	(172,536,332)	(258,804,498)	(453,182)
6	Accumulated Deferred Income Taxes	(76,355,405)	(179,110,753)	(255,466,158)	(85,155,386)	(76,355,405)	(179,110,753)	(255,466,158)	(170,310,772)	(255,466,158)	(85,006,535)	(170,013,070)	(255,019,605)	(446,553)
7	Loss On Reacquired Debt	91,898	215,570	307,468	102,489	91,898	215,570	307,468	204,979	307,468	102,310	204,621	306,931	537
8	Other Regulatory Assets	9,354,618	21,943,602	31,298,220	10,432,740	9,354,618	21,943,602	31,298,220	20,865,480	31,298,220	10,414,504	20,829,007	31,243,511	54,709
9	Net Investment (Line 4+5+6+7+8)	193,474,910	484,540,668	1,707,463,254	569,154,418	193,474,910	484,540,668	1,707,463,254	1,139,308,636	1,707,463,254	568,152,286	1,136,304,573	1,704,456,859	3,006,395
10	Prepayments	30,363	71,225	101,588	33,863	30,363	71,225	101,588	67,725	101,588	33,804	67,607	101,411	177
11	Materials & Supplies	838,599	1,967,145	2,805,744	935,248	838,599	1,967,145	2,805,744	2,805,744	2,805,744	933,613	1,867,227	2,800,840	4,904
12	Cash Working Capital	1,741,012	4,083,981	5,824,993	1,941,664	1,741,012	4,083,981	5,824,993	3,683,328	5,824,993	1,838,270	3,876,540	5,814,811	10,182
13	NEEWS CWIP	-	10,910,787	10,910,787	3,636,929	-	10,910,787	10,910,787	7,273,858	10,910,787	3,636,929	7,273,858	10,910,787	-
14	Total Investment Base (Line 9+10+11+12+13)	196,084,884	501,573,805	1,716,195,579	572,065,193	196,084,884	501,573,805	1,716,195,579	1,144,130,386	1,716,195,579	571,057,973	1,142,115,947	1,713,173,921	3,021,658
II. REVENUE REQUIREMENTS														
15	Investment Return and Income Taxes	25,014,431	65,757,864	90,772,295	30,257,432	23,859,746	62,722,239	86,581,985	57,721,323	87,978,755	30,441,597	58,094,643	88,536,241	(557,496)
16	Depreciation Expense	7,623,413	17,882,627	25,506,040	8,502,013	7,623,413	17,882,627	25,506,040	17,004,027	25,506,040	8,487,152	16,974,304	25,461,456	44,584
17	Amortization of Loss on Reacquired Debt	60,966	143,011	203,977	67,992	60,966	143,011	203,977	135,985	203,977	67,874	135,747	203,621	356
18	Investment Tax Credit	(86,551)	(203,026)	(289,577)	(96,526)	(86,551)	(203,026)	(289,577)	(193,051)	(289,577)	(96,357)	(192,714)	(289,071)	(506)
19	Property Tax Expense	5,956,173	13,971,698	19,927,871	6,642,624	5,956,173	13,971,698	19,927,871	13,285,247	19,927,871	6,631,012	13,262,025	19,893,037	34,834
20	Payroll Tax Expense	496,949	1,165,718	1,662,667	554,222	496,949	1,165,718	1,662,667	1,108,445	1,662,667	553,254	1,106,507	1,659,761	2,906
21	Operation & Maintenance Expense	7,644,111	17,931,179	25,575,290	8,525,097	7,644,111	17,931,179	25,575,290	17,050,193	25,575,290	8,510,195	17,020,391	25,530,586	44,704
22	Administrative & General Expense	6,283,985	14,740,665	21,024,650	7,008,217	6,283,985	14,740,665	21,024,650	14,016,433	21,024,650	6,995,966	13,991,933	20,987,899	36,751
23	Transmission Related Integrated Facilities Charge	48,556,985	-	48,556,985	16,185,662	48,556,985	-	48,556,985	32,371,324	48,556,985	15,873,531	31,747,063	47,620,594	936,391
24	Transmission Support Revenue	(5,663,545)	-	(5,663,545)	(1,887,848)	(5,663,545)	-	(5,663,545)	(3,775,697)	(5,663,545)	(1,887,848)	(3,775,697)	(5,663,545)	-
25	Transmission Support Expense	723,254	-	723,254	241,085	723,254	-	723,254	482,170	723,254	241,085	482,170	723,254	-
26	Transmission Related Expense from Generators	-	-	-	-	-	-	-	-	-	-	-	-	-
27	Transmission Related Taxes and Fees Charge	-	-	-	-	-	-	-	-	-	-	-	-	-
28	Revenue for ST Trans. Service Under NEPOOL Tariff	(241,917)	(567,475)	(809,392)	(269,797)	(241,917)	(567,475)	(809,392)	(539,595)	(809,392)	(269,797)	(539,595)	(809,392)	-
29	Transmission Rents Received from Electric Property	(266,069)	(624,132)	(890,201)	(296,734)	(266,069)	(624,132)	(890,201)	(593,467)	(890,201)	(296,215)	(592,431)	(888,646)	(1,555)
30	Total Revenue Requirements excl Forecast and True-up (Line 14 thru 28)	96,102,185	130,198,129	226,300,315	75,433,438	94,947,500	127,162,504	222,110,005	148,073,336	223,506,775	75,251,448	147,714,346	222,965,794	540,980
31	Forecast	-	-	-	-	-	-	-	-	-	12,349,804	24,128,686	36,478,290	-
32	True-up	-	-	-	-	-	-	-	-	-	3,572,768	7,285,373	10,858,141	-
33	Total PTF Revenue Requirement (Line 30+31+32)	96,102,185	130,198,129	226,300,315	75,433,438	94,947,500	127,162,504	222,110,005	148,073,336	223,506,775	91,173,820	179,128,405	270,302,225	-

Summary of New England Power Restated and Original New England Power PTF Related ATRR
For RNS Rates Effective June 1, 2013

Line No.	Restated 2013 PTF ATRR										2013 As Filed			Change
	June 12 - Dec 12				Jan 13 - May 13				Total	June 12 - Dec 12	Jan 13 - May 13	Total 2013 As Filed		
	PRE-1997	POST-1996	Sub-Total	Allocated Total	PRE-1997	POST-1996	Sub-Total	Allocated Total		June 12 - Dec 12	Jan 13 - May 13	Total 2013 As Filed		
I. INVESTMENT BASE														
1	Transmission Plant	\$339,265,312	\$918,015,798	\$1,257,281,110	\$733,413,981	\$339,265,312	\$918,015,798	\$1,257,281,110	\$523,867,129	\$1,257,281,110	\$721,403,104	\$515,287,932	\$1,236,691,036	\$20,590,074
2	General Plant	1,315,614	3,421,788	4,737,402	2,763,485	1,315,614	3,421,788	4,737,402	1,973,918	4,737,402	2,718,714	1,941,939	4,660,653	76,749
3	Plant Held For Future Use	211,853	551,011	762,864	445,004	211,853	551,011	762,864	317,860	762,864	437,795	312,710	750,505	12,359
4	Total Plant (Lines 1+2+3)	340,792,779	921,988,597	1,262,781,376	736,622,469	340,792,779	921,988,597	1,262,781,376	526,158,907	1,262,781,376	724,559,613	517,542,581	1,242,102,194	20,679,182
5	Accumulated Depreciation	(77,582,706)	(201,785,268)	(279,367,974)	(162,964,652)	(77,582,706)	(201,785,268)	(279,367,974)	(116,403,323)	(279,367,974)	(160,324,508)	(114,517,505)	(274,842,013)	(4,525,961)
6	Accumulated Deferred Income Taxes	(80,928,770)	(210,488,062)	(291,416,832)	(169,993,152)	(80,928,770)	(210,488,062)	(291,416,832)	(121,423,680)	(291,416,832)	(167,239,141)	(119,456,530)	(286,695,671)	(4,721,161)
7	Loss On Reacquired Debt	58,313	151,668	209,981	122,489	58,313	151,668	209,981	87,492	209,981	120,504	86,075	206,579	3,402
8	Other Regulatory Assets	9,554,994	24,851,635	34,406,629	20,070,534	9,554,994	24,851,635	34,406,629	14,336,095	34,406,629	19,745,377	14,103,840	33,849,217	557,412
9	Net Investment (Line 4+5+6+7+8)	191,894,610	534,718,570	1,868,162,792	1,089,773,295	191,894,610	534,718,570	1,868,162,792	778,409,497	1,868,162,792	1,071,989,143	765,706,531	1,837,695,674	30,487,118
10	Prepayments	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Materials & Supplies	1,007,829	2,621,268	3,629,097	2,116,973	1,007,829	2,621,268	3,629,097	1,512,124	3,629,097	2,082,677	1,487,626	3,570,303	58,794
12	Cash Working Capital	1,780,140	4,629,975	6,410,115	3,739,234	1,780,140	4,629,975	6,410,115	2,670,881	6,410,115	3,678,696	2,627,611	6,306,267	103,849
13	NEEWS CWIP	-	14,550,755	14,550,755	8,487,941	-	14,550,755	14,550,755	6,082,815	14,550,755	8,487,941	6,082,815	14,550,755	-
14	Total Investment Base (Line 9+10+11+12+13)	194,682,579	556,520,569	1,878,222,004	1,095,629,502	194,682,579	556,520,569	1,878,222,004	782,592,502	1,878,222,004	1,077,750,475	769,821,768	1,847,572,244	30,649,761
II. REVENUE REQUIREMENTS														
15	Investment Return and Income Taxes	23,214,340	68,174,926	91,389,266	53,310,405	24,360,748	71,452,053	95,812,801	39,922,000	93,232,406	52,952,919	39,636,851	92,589,770	642,635
16	Depreciation Expense	7,736,714	20,122,458	27,859,172	16,251,184	7,736,714	20,122,458	27,859,172	11,607,988	27,859,172	15,987,903	11,419,930	27,407,833	451,339
17	Amortization of Loss on Reacquired Debt	28,102	73,091	101,193	59,029	28,102	73,091	101,193	42,164	101,193	58,073	41,481	99,554	1,639
18	Investment Tax Credit	(80,525)	(209,438)	(289,963)	(169,145)	(80,525)	(209,438)	(289,963)	(120,818)	(289,963)	(166,405)	(118,861)	(285,266)	(4,697)
19	Property Tax Expense	5,910,565	15,372,820	21,283,385	12,415,308	5,910,565	15,372,820	21,283,385	8,868,077	21,283,385	12,214,171	8,724,408	20,938,579	344,806
20	Payroll Tax Expense	329,630	857,337	1,186,967	692,397	329,630	857,337	1,186,967	494,570	1,186,967	681,180	486,557	1,167,737	19,230
21	Operation & Maintenance Expense	6,969,104	18,125,978	25,095,082	14,638,798	6,969,104	18,125,978	25,095,082	10,456,284	25,095,082	14,401,639	10,286,885	24,688,524	406,559
22	Administrative & General Expense	7,272,016	18,913,825	26,185,841	15,275,074	7,272,016	18,913,825	26,185,841	10,910,767	26,185,841	15,027,606	10,734,005	25,761,611	424,230
23	Transmission Related Integrated Facilities Charge	66,747,070	-	66,747,070	38,935,791	66,747,070	-	66,747,070	27,811,279	66,747,070	38,362,540	27,401,814	65,764,354	982,716
24	Transmission Support Revenue	(5,407,628)	-	(5,407,628)	(3,154,450)	(5,407,628)	-	(5,407,628)	(2,253,178)	(5,407,628)	(3,154,450)	(2,253,178)	(5,407,628)	-
25	Transmission Support Expense	703,144	-	703,144	410,167	703,144	-	703,144	292,977	703,144	410,167	292,977	703,144	-
26	Transmission Related Expense from Generators	-	-	-	-	-	-	-	-	-	-	-	-	-
27	Transmission Related Taxes and Fees Charge	-	-	-	-	-	-	-	-	-	-	-	-	-
28	Revenue for ST Trans. Service Under NEPOOL Tariff	(293,308)	(762,866)	(1,056,174)	(616,102)	(293,308)	(762,866)	(1,056,174)	(440,073)	(1,056,174)	(616,102)	(440,073)	(1,056,174)	-
29	Transmission Rents Received from Electric Property	(232,803)	(605,499)	(838,302)	(489,010)	(232,803)	(605,499)	(838,302)	(349,293)	(838,302)	(481,088)	(343,634)	(624,722)	(13,580)
30	Total Revenue Requirements excl Forecast and True-up (Line 14 thru 28)	112,896,422	140,062,632	252,959,054	147,559,448	114,042,830	143,339,759	257,382,589	107,242,745	254,802,193	145,678,155	105,869,162	251,547,317	3,254,876
31	Forecast	-	-	-	-	-	-	-	-	-	30,358,210	22,179,346	52,537,556	-
32	True-up	-	-	-	-	-	-	-	-	-	-	-	-	-
33	Total PTF Revenue Requirement (Line 30+31+32)	112,896,422	140,062,632	252,959,054	147,559,448	114,042,830	143,339,759	257,382,589	107,242,745	254,802,193	176,036,365	128,048,509	304,084,873	-

**SUPPORTING WORK PAPERS FOR NEW ENGLAND POWER
DETAILED RE-CALCULATION OF PRIOR YEARS PTF REVENUE REQUIREMENTS
FOR RNS RATES EFFECTIVE JUNE 1 OF EACH OF THE YEARS 2009-2013**

ISO Tariff Billing
 ISO Annual Transmission Revenue Requirements
 per Tariff Attachment F and ISO Agreement Part 2, Section 6.3

Shading denotes an input

Submitted on:

Revenue Requirements for (year): Calendar Year 2008

Rates Effective for the Period:
 Through: June 2009
May 2010

Customer: New England Power Company

Customer's NABs Number:

Name of Participant responsible for customer's billing:

DUNs number of Participant responsible for customer's billing:

	<u>Pre-97 Revenue Requirements</u>	<u>Post-96 Revenue Requirements</u>
Total of Attachment F - Sections A through I	<u>\$91,613,205</u> ^(a)	<u>\$88,628,221</u> ^(f)
Total of Attachment F - Section J - Support Revenue	<u>\$9,231,767</u> ^(b)	<u>\$0</u> ^(g)
Total of Attachment F - Section K - Support Expense	<u>\$1,381,011</u> ^(c)	<u>\$0</u> ^(h)
Total of Attachment F - Section (L through O)	<u>(\$708,921)</u> ^(d)	<u>(\$1,007,893)</u> ⁽ⁱ⁾
Sub Total - Sum (A through I) - J + K + (L through O)	<u>\$83,053,527</u> ^{(e)=(a)-(b)+(c)+(d)}	<u>\$87,620,328</u> ^(j)
Forecasted Transmission Revenue Requirements (per Attachment C to Attachment F Implementation Rule)	<u>N/A</u>	<u>\$28,985,933</u> ^(k)
Annual True-up (per Attachment C to Attachment F Implementation Rule)	<u>N/A</u> ^(l)	<u>N/A</u> ^(m)
Adjusted Sub Total - Sum (Sub Total + Forecast + True-up)	<u>\$83,053,527</u> ^{(n)=(e)+(l)}	<u>\$116,606,261</u> ^{(o)=(j)+(k)+(m)}
Annual Revenue Requirement Total = Sum of Pre-97 Revenue Requirements & Post-96 Revenue Requirements Subtotals, Forecasted Revenue Requirements and True-ups (including interest)		<u>\$199,659,789</u> ^{(p) = (n) + (o)}

**New England Power Company
Annual Revenue Requirements of PTF Facilities
for costs in 2008**

POST-1996

Shading denotes an input

		Attachment F Reference		NEP	Reference
I. INVESTMENT BASE					
Line No.		<i>Section:</i>			
1	Transmission Plant	(A)(1)(a)		\$503,285,683	Worksheet 3, line 1&2 column 5
2	General Plant	(A)(1)(b)		\$2,736,482	Worksheet 3, line 3 column 5
3	Plant Held For Future Use	(A)(1)(c)		\$428,195	Worksheet 3, line 5 column 5
4	Total Plant (Lines 1+2+3)			\$506,450,360	
5	Accumulated Depreciation	(A)(1)(d)	24%	\$121,358,910	Worksheet 3, line 8 column 5
6	Accumulated Deferred Income Taxes	(A)(1)(e)	16%	\$79,754,173	Worksheet 3, line 11 column 5
7	Loss On Reacquired Debt	(A)(1)(f)	0%	\$534,919	Worksheet 3, line 12 column 5
8	Other Regulatory Assets	(A)(1)(g)	5%	\$26,807,686	Worksheet 3, line 16 column 5
9	Net Investment (Line 4-5-6+7+8)			\$332,679,882	
10	Prepayments	(A)(1)(h)	0%	\$0	Worksheet 3, line 17 column 5
11	Materials & Supplies	(A)(1)(i)	0%	\$1,504,846	Worksheet 3, line 18 column 5
12	Cash Working Capital	(A)(1)(j)	1%	\$2,982,100	Worksheet 3, line 25 column 5
13	Total Investment Base (Line 9+10+11+12)			\$337,166,828	
 II. REVENUE REQUIREMENTS					
14	Investment Return and Income Taxes	(A)		\$45,902,164	Worksheet 2
15	Depreciation Expense	(B)	2%	\$11,111,540	Worksheet 4, line 3, column 5
16	Amortization of Loss on Reacquired Debt	(C)	0%	\$134,321	Worksheet 4, line 4, column 5
17	Investment Tax Credit	(D)	0%	(\$169,353)	Worksheet 4, line 5, column 5
18	Property Tax Expense	(E)	1%	\$7,031,960	Worksheet 4, line 6, column 5
19	Payroll Tax Expense	(F)	0%	\$760,792	Worksheet 4, line 22, column 5
20	Operation & Maintenance Expense	(G)	3%	\$15,287,279	Worksheet 4, line 11, column 5
21	Administrative & General Expense	(H)	2%	\$8,569,518	Worksheet 4, line 21, column 5
22	Transmission Related Integrated Facilities Charge	(I)		\$0	Attachment 4, line 6
23	Transmission Support Revenue	(J)		\$0	Worksheet 6
24	Transmission Support Expense	(K)		\$0	Worksheet 6
25	Transmission Related Expense from Generators	(L)		\$0	Worksheet 7
26	Transmission Related Taxes and Fees Charge	(M)		\$0	
27	Revenue for ST Trans. Service Under NEPOOL Tariff	(N)		(\$694,521)	Attachment 7
28	Transmission Rents Received from Electric Property	(O)		(\$313,372)	Attachment 6
29	Total Revenue Requirements (Line 14 thru 28)			\$87,620,328	
				88,628,221	

New England Power Company
Forecasted Transmission Revenue Requirements of PTF Facilities

POST-1996

Shading denotes an input

Line No.	I. <u>FORECASTED TRANSMISSION REVENUE REQUIREMENTS</u>	Period	Attachment F Reference Section:	<u>NEP</u>	<u>Reference</u>
1	Forecasted Transmission Plant Additions	2008	Appendix C	164,600,000	
2	Carrying Charge Factor		Appendix C	17.61%	
3	Total Forecasted Revenue Requirements (Lines 1*2)			\$28,985,933	
	 <u>II. CARRYING CHARGE FACTOR</u>				
4	Investment Return and Income Taxes		(A)	\$45,902,164	Summary, line 14
5	Depreciation Expense		(B)	\$11,111,540	Summary, line 15
6	Amortization of Loss on Reacquired Debt		(C)	\$134,321	Summary, line 16
7	Investment Tax Credit		(D)	(\$169,353)	Summary, line 17
8	Property Tax Expense		(E)	\$7,031,960	Summary, line 18
9	Payroll Tax Expense		(F)	\$760,792	Summary, line 19
10	Operation & Maintenance Expense		(G)	\$15,287,279	Summary, line 20
11	Administrative & General Expense		(H)	\$8,569,518	Summary, line 21
12	Total Expenses (Lines 4 thru 11)			\$88,628,221	
13	PTF Transmission Plant		(A)(1)(a)	\$503,285,683	Summary, line 1
14	Carrying Charge Factor (Lines 12/13)			17.61%	

Shading denotes an input

	CAPITALIZATION 12/31/2008	CAPITALIZATION RATIOS	COST OF CAPITAL	COST OF CAPITAL	EQUITY PORTION
LONG-TERM DEBT	\$410,350,000	34.25%	2.28%	0.78%	
PREFERRED STOCK	\$1,111,700	0.09%	6.02%	0.01%	0.01%
COMMON EQUITY	\$786,651,891	65.66%	11.64%	7.64%	7.64%
TOTAL INVESTMENT RETURN	\$1,198,113,591	100.00%		8.43%	7.65%

Cost of Capital Rate=

(a) Weighted Cost of Capital	=	<u>0.0843</u>
(b) Federal Income Tax	=	$\left(\frac{\text{R.O.E.} + \left(\frac{\text{PTF Inv. (Tax Credit + of Deprec. Exp. + Eq. AFUDC)}}{\text{PTF Inv. Base}} \right) \times \text{Federal Income Tax Rate}}{\text{Federal Income Tax Rate}} \right)$ $\left(\frac{0.0765 + \left(\frac{(\$169,353) + \$311,865}{\$337,166,828} \right) \times 0.35}{0.35} \right)$
	=	<u>0.0414199</u>
(c) State Income Tax	=	$\left(\frac{\text{R.O.E.} + \left(\frac{\text{PTF Inv. (Tax Credit + of Deprec. Exp. + Eq. AFUDC)}}{\text{PTF Inv. Base}} \right) \times \text{Federal Income Tax Rate}}{\text{State Income Tax Rate}} \right) \times \text{State Income Tax Rate}$ $\left(\frac{0.0765 + \left(\frac{(\$169,353) + \$311,865}{\$337,166,828} \right) \times 0.0414199}{0.054326} \right) \times 0.054326$
	=	<u>0.0067984</u>
(a)+(b)+(c) Cost of Capital Rate	=	<u>0.1325183</u>

(PTF)

INVESTMENT BASE	\$337,166,828	From Worksheet 1
x Cost of Capital Rate	0.1325183	
= Investment Return and Income Taxes	<u>\$44,680,775</u>	To Worksheet 1

Source: Attachment 2

Post 2003 PTF Investment Base w/ Incremental 100 bps:

Plant	\$ 188,364,644	From Attachment 1	
Accum. Depreciation	\$ 44,750,429	From Worksheets 3 & 5	
Accum. Deferred	\$ 29,584,149	From Worksheets 3 & 5	
Total Post-2003 Investment	\$ 114,030,067	Calculated	
Incremental ROE:	1.00%	0.00657	Calculated
FIT:		0.00354	Per Attach. F
State Income Taxes:		0.00058	Per Attach. F
Cost of Capital Rate		0.01068	
Incremental Return and Taxes on Post-2003 PTF Investment	\$	<u>1,218,051</u>	

NEEWS PTF Investment Base w/ Incremental 125 bps:

Plant	\$ 774,674	PowerPlant PTF 4 & 5 reports - PTF only	
Accum. Depreciation	\$ 184,042	From Worksheets 3 & 5	
Accum. Deferred	\$ 121,669	From Worksheets 3 & 5	
Total NEEWS Investment	\$ 468,963	Calculated	
Incremental ROE:	1.25%	0.00438	Calculated
FIT:		0.00236	Per Attach. F
State Income Taxes:		0.00039	Per Attach. F
Cost of Capital Rate		0.00712	
Incremental Return and Taxes on NEEWS PTF Investment	\$	<u>3,338</u>	

NEEWS Allocation Factor	
Total Trans Investment	\$1,208,005,587
Total NEEWS In-Service	\$74,674
For Accum Depreciation	0.0641%
Post-2003 PTF Allocation Factor	0.0641%
Plant Allocation Factor	0.991107
For Accum Deferred	0.0636%

Shading denotes an input

Line No.	(1) Total	(2) Wage/Plant Allocation Factors	(3) = (1)*(2) Transmission Allocated	(4) PTF Allocation Factor (b)	(5) = (3)*(4) PTF Allocated	FERC Form 1 Reference for col (1)
1			\$0		\$503,285,683	Attachment 1, Page 1
2					\$0	Attachment 1, Page 2
3	\$6,586,814	99.7176% (a)	\$6,568,213	41.6625%	\$2,736,482	FERC Form 1 page 207.99
4			<u>\$6,568,213</u>		<u>\$506,022,165</u>	
5	\$1,027,771		\$1,027,771	41.6625%	<u>\$428,195</u>	Page 214, Lines 2, 4, 9
<u>Transmission Accumulated Depreciation</u>						
6	\$286,989,993		\$286,989,993	41.6625%	\$119,567,206	FERC Form 1 page 219.25
7	\$4,312,698	99.7176% (a)	\$4,300,519	41.6625%	\$1,791,704	FERC Form 1 page 219.28
8			<u>\$291,290,512</u>		<u>\$121,358,910</u>	
<u>Transmission Accumulated Deferred Taxes</u>						
9	\$0		\$0	41.6625%	\$0	See Note for Page 274, FERC Form 1
10	-\$191,429,157	100.0000%	(\$191,429,157)	41.6625%	(\$79,754,173)	See Note for Page 274, FERC Form 1
11			<u>(\$191,429,157)</u>		<u>(\$79,754,173)</u>	
12	\$1,283,935	100.0000%	\$1,283,935	41.6625%	<u>\$534,919</u>	Page 111.81c
<u>Other Regulatory Assets</u>						
13	\$0	99.7176% (a)	\$0	41.6625%	\$0	
14	\$64,344,881	100.0000%	\$64,344,881	41.6625%	\$26,807,686	Page 232.7f
15	\$0	100.0000%	\$0	41.6625%	\$0	Page 278.9
16	<u>\$64,344,881</u>		<u>\$64,344,881</u>		<u>\$26,807,686</u>	
17	\$0	99.7176% (a)	\$0	41.6625%	<u>\$0</u>	Page 111.57c
18	\$3,611,991		\$3,611,991	41.6625%	<u>\$1,504,846</u>	Page 227.8c
<u>Cash Working Capital</u>						
20					\$15,287,279	Worksheet 1, Line 20
21					\$8,569,518	Worksheet 1, Line 21
22					\$0	Worksheet 6
23					\$23,856,797	
24					0.1250	x 45 / 360
25					<u>\$2,982,100</u>	

(a) Worksheet 5 of 6, line 11
 (b) Worksheet 5 of 6 line 3
 (c) Worksheet 5 of 6, line 16

Line No.	(1) Total (g)	(2) Wage/Plant Allocation Factors	(3) = (1)*(2) Transmission Allocated	(4) PTF Allocation Factor (b)	(5) = (3)*(4) PTF Allocated	FERC Form 1 Reference for col (1)
Shading denotes an input						
<u>Depreciation Expense</u>						
1	\$26,331,765		\$26,331,765	41.6625%	\$10,970,472	Page 336.7b
2	\$339,557	99.7176% (a)	\$338,598	41.6625%	\$141,068	Page 336.10b
3			\$26,670,363 ##		\$11,111,540	
4	\$322,402	100.0000% (f)	\$322,402	41.6625%	\$134,321	Page 117.64c
5	\$406,488	100.0000% (f)	\$406,488	41.6625%	\$169,353	Page 266.8f - Footnote (f)
6	\$16,878,393	100.0000% (f)	\$16,878,393	41.6625%	\$7,031,960	Page 263i - Footnote (e)
<u>Transmission Operation and Maintenance</u>						
7	\$63,832,583		\$63,832,583	41.6625%	\$26,594,250	Page 321.112b
8	\$16,917,655		\$16,917,655	41.6625%	\$7,048,318	Page 321.96b
9	\$10,221,789		\$10,221,789	41.6625%	\$4,258,653	Page 321.84-87b
10	\$0				\$0	Page 321.93b & .98b
11	\$36,693,139		\$36,693,139	41.6625%	\$15,287,279	
<u>Transmission Administrative and General</u>						
12	\$22,288,359					Page 323.197b
13	-\$531,974					Page 323.185b
14	\$3,589,657					Page 323.189b
15	\$224,120					Page 323.191b
16	\$19,006,556	99.7176% (a)	\$18,952,881	41.6625%	\$7,896,244	
17	-\$531,974	99.1107% (c)	-\$527,243	41.6625%	-\$219,663	Line 13
18	\$1,859,626	99.1107% (c)	\$1,843,088	41.6625%	\$767,877	Attachment 5
19	\$224,120		\$224,120	41.6625%	\$93,374	
20	\$76,055		\$76,055	41.6625%	\$31,686	Page 350.17c
21	\$20,634,383		\$20,568,901		\$8,569,518	
22	\$1,831,256	99.7176% (a)	\$1,826,085	41.6625%	\$760,792	Footnote (d)
(a) Worksheet 5 of 6, line 11						
(b) Worksheet 5 of 8, line 3						
(c) Worksheet 5 of 8, line 16						
(d) Payroll taxes FERC Form 1, page 263.i						
	Federal Unemployment					
	FICA					
	Payroll Taxes					
	State Unemployment					
	Total					
	-\$1,709					
	\$1,832,965					
	\$0					
	\$0					
	\$1,831,256					
(e) Transmission Only - Property Taxes - Specifically Identified in FERC Form 1						
(f) Transmission Only - Amortization of ITC - Specifically Identified in FERC Form 1						
(e) Property Taxes FF1, Page 263i						
	Massachusetts				\$13,987,726	
	New Hampshire				\$2,200,310	
	Vermont				\$569,515	
	Maine				\$0	
	Rhode Island				\$120,842	
	Connecticut				\$0	
					\$16,878,393	

** Subtract Accounts #562 & #567 from O&M Expense to the extent that they include PTF Support Payments.

Sheet: Worksheet 5

Shading denotes an input

Line No.		NEP	FERC Form 1 Reference
<u>PTF Transmission Plant Allocation Factor</u>			
1	PTF Transmission Investment	\$503,285,683	Attachment 1, Page 1 Page 207.58g - Page 200.4b
2	Total Transmission Investment	\$1,208,005,587	
3	Percent Allocation (Line 1/Line 2)	<u>41.6625%</u>	
<u>Transmission Wages and Salaries Allocation Factor</u>			
4	Direct Transmission Wages and Salaries	\$0	Page 354.14b 2007 Business Objects Query
5	Affiliated Company Transmission Wages and Salaries	\$18,886,140	
6	Total Transmission Wages and Salaries (Line 4 + Line 5)	\$18,886,140	
7	Total Wages and Salaries	\$0	Page 354.28b Page 354.27b 2007 Business Objects Query
8	Administrative and General Wages and Salaries	\$0	
9	Affiliated Company Wages and Salaries less A&G	\$18,939,620	
10	Total Wages and Salaries net of A&G (Line 7 - 8 + 9)	\$18,939,620	
11	Percent Allocation (Line 6/Line 10)	<u>99.7176%</u>	
<u>Plant Allocation Factor</u>			
12	Total Transmission Investment	\$1,208,005,587	Worksheet 3, Line 3, Column 3
13	plus Transmission-Related General Plant (Line 2 of Wkst. 3)	\$6,568,213	
14	= Revised Numerator (Line 12 + Line 13)	\$1,214,573,800	
15	Total Plant in Service	\$1,225,471,598	Page 207.104g-Page 200.4b
16	Percent Allocation (Line 14 / Line 16)	<u>99.1107%</u>	
<u>Post-2003 PTF Allocation Factor</u>			
17	Total Post-2003 PTF Investment	\$ 188,364,644	Attachment 1, Page 1
18	Total Transmission Investment	\$1,208,005,587	
19	Percent Allocation (Line 17/Line 18) for Post-2003 to Total Tx	15.5930%	
20	Total Invst in Tx Plant/Total Plant in Serv *		
21	Post-2003 PTF Tx Plant/Total Invst in Tx Plant	15.4544%	

Sheet: Support

Input Revenues associated with the PTF Supporting Facilities in columns (a) and expenses associated with the facilities in columns (b). The totals are then linked to Worksheet 1, Lines 23 and 24.

Participant	PTF Supporting Facilities	FERC Form 1	TOTAL	
			Revenues (a)	Expenses (b)
BECO	345 kV Sherman - Medway 336 line			
	115 kV Somerville 402 Substation			
	115/345 kV North Cambridge 509 Substation			
	345 kV Golden Hills -Mystic 389 (x&y) line			\$0
	West Medway 345 kV breaker	Page 332 Line 6 Column (g)		\$0
	115 kV Millbury-Medway 201 line	Page 332 Line 2 Column (g)		\$0
	HQ Phase II - AC in MA	Page 332 Line 5 Column (g)		\$0
	345 kV "stabilizer" 342 line	Page 332 Line 3 Column (g)		\$0
	345 kV Walpole - Medway 325 line			
	345 kV Carver - Walpole 331 line	Page 332 Line 4 Column (g)		\$0
	345 kV Jordan Rd - Canal 342 line			
CEC	Second Canal line	Page 332 Line 7 Column (g)		\$0
	345 kV Pilgrim-Bridgewater - 355 line			\$0
	345 kV Myles Standish - Canal 342 line			\$0
	Bell Rock Road		\$0	\$0
CMP	345 kV Buxton-South Gorham 386 line			\$0
	115 kV Wyman 164-167 lines	Page 332.1 Line 3		\$0
	115 kV Maine Yankee transmission			
EUA	345 kV Carver - Walpole 331 line		\$0	
	345 kV Medway - Bridgewater 344 Line		\$0	
	Northern Rhode Island transmission		N/A	N/A
NEP	Chester SVC			\$0
	Fitchburg Support			\$0
	MWRA Transmission			\$0
	Comerford 115 kV Substation	Page 330.1 Line 12	\$0	
	Boston-Edison [345 kV Sandy-Tewksbury 337 line 345 kV Tewksbury-Woburn 338 line]	Page 330 Line 4	\$0	
	Boston-Edison [115 kV Tewksbury - Woburn M139 line 115 kV Tewksbury - Woburn N140 line]	Page 330 Line 3	\$0	
	Public Service Co. -Moore 115 kV Substation	Page 330.1 Line 5	\$0	
	HQ Phase II - AC in MA	Page 300 Line 10	\$0	\$0
	Boston Edison -345 kV Golden Hills-Mystic 349 line	Page 300 Line 2	\$0	
	345 kV NH/MA border-Tewksbury 394 line	Page 300.1 Line 8	\$0	\$0
	115 kV Read - Washington V148 line	Page 300.1 Line 3	\$0	\$0
NU	PSNH 345 kV 363, 369 and 394 Seabrook lines	Page 332 Line 11 & Montuap Fin		\$0
	Fairmont 115 kV Substation			
	345 kV Millstone-Manchester 310 line	Page 332.1 Line 5		\$0
	UI Substations Black Pond			
Total =			\$0	\$0

Amount by which Support Expense exceeds Support Revenues
(To Worksheet 3, Line 21, Column 5)

\$0

New England Power Company
2008 Informational Filing
PTF Plant Allocation

Percent
Pre /
Post

1	2007	Pre-1997 PTF Transmission Plant	\$358,707,072	
2	2007	Post-1996 PTF Transmission Plant	\$457,529,370	
3	2008	Additions/Retirements	\$41,045,094	
4	2008	Pre-1997 PTF Transmission Plant	\$353,995,853	41.29%
5	2008	Post-1996 PTF Transmission Plant	\$503,285,683	58.71%
6	2008	Total PTF Transmission Plant	\$857,281,536	100.00%
7	2008	Post-2003 PTF Transmission Plant	\$ 188,364,644	

Sources:

- 1 PTF Plant Reports for previous year
- 2 PTF Plant Reports for previous year
- 3 Line 6 - Line 1 + Line 2
- 4 PTF Plant Reports for current year
- 5 PTF Plant Reports for current year
- 6 Line 4 + 5
- 7 PTF Plant Report: Post 2003 RSP Projects

Shading denotes an input

GROSS PLANT ASSOC. WITH HVDC LEASES
2008

LINE NO		(HVDC) NHH/NEH LEASE
1	Gross Plant Value Comerford Station to Tewksbury Line	\$0
	Allocation	
2	Miles used by NHH (a)	0
3	Total miles at Comerford Station	0
4	Percentage of Total Gross Plant leased by NHH (a)	0%
5	Total Gross Plant leased by NHH (a)	\$0
6	Total Land from Sandy Pond to New Hampshire	\$0
7	HVDC lines occupy 35% of Right of Way	0%
8	Total Land leased by NEH (a)	\$0
9	Total NEP Gross Plant leased by HVDC to be excluded from PTF Revenue requirement	\$0

Source:

- 1 FERC Form 1, Page 423.1, Lines 5 + 16
- 2 Total miles used per lease agreement
- 3 Total miles per lease agreement
- 4 Line 2 / Line 3
- 5 Line 1 * Line 4
- 6 FERC Form 1, Page 423, Line 15
- 7 Percentage per lease agreement
- 8 Line 6 * Line 7
- 9 Line 5 + Line 8

Note:

- (a) NEH and NHH are acronyms for two of the three "Hydro Companies, New England Hydro Transmission (NEH) Electric Company, New England Electric Transmission Corporation, and New England Hydro Transmission Electric Company, Inc. (NHH)" which own and lease the HVDC interconnection facilities to the participants to the NEPOOL HVDC agreements.

New England Power Company
Determination of Book Depreciation on Equity AFUDC

		<u>2008</u>
1	Total Current Year Book Depreciation on Equity AFUDC	\$751,996
2	Less: Specifically identified Transmission-Related	
	2002 Transmission	\$8,889
	2003 Transmission	\$16,500
	2004 Transmission	\$15,518
	2005 Transmission	\$49,757
	2006 Transmission	\$64,352
	2007 Transmission	\$21,209
	2008 Transmission	\$28,754
	Tewksbury Line	\$54,708
	Hydro-Quebec	\$23,543
	Montaup Transmission Only 1990 - 1999	\$9,713
	1998 Transmission	\$13,959
	1999 Transmission	\$42,457
	2000 Transmission	(\$8,299)
	2001 Transmission	<u>\$23,561</u>
		\$364,621
3	Total unidentified Book Depreciation on Equity AFUDC	\$387,375
4	Plant Allocator Factor	99.1107%
5	Allocated Transmission Related Book Depreciation on Equity AFUDC	\$383,930
6	Plus: Specifically Identified Transmission-Related Equity AFUDC	<u>\$364,621</u>
7	Total Transmission-Related Equity AFUDC	\$748,551
8	Post-96 PTF Allocation Factor	41.6625%
9	Transmission-Related Equity AFUDC	\$311,865

Sources:

- 1 & 2 Transmission Rates includes \$9,713 from Montaup
 3 Line 1 - Line 2
 4 Worksheet 5 - PTF Plant Allocation Factor
 5 Line 3 * Line 4
 6 Line 2
 7 Line 5 + Line 6
 8 Worksheet 5 - Pre-97 or Post-96 PTF Allocation Factor
 9 Line 7 * Line 8

New England Power Company
Determination of the PTF Related Integrated Facilities Charges

	<u>Narragansett</u> <u>2008</u>	<u>MECO</u> <u>2008</u>
1 Total Integrated Facilities Charges (*)	\$0	\$0
2 Total 2008 PTF Property	\$0	\$0
3 Total Transmission Plant in 2008	\$0	\$0
4 NECO or MECO PTF Plant Allocator	0.00%	0.00%
5 PTF Related Integrated Facilities Charge	\$0	\$0

Source:

- 2 PowerPlant Reports
- 3 FF1 Page 207 Line 58
- 4 Line 2 / Line 3
- 5 Line 1 * Line 4

(*) Includes Rental Expenses from Montaup Financials

Shading denotes an input

Attachment 5

New England Power Company
Development of 2008 Regulatory Commission Expense

	<u>2008</u>	Source
1 Total Regulatory Commission Expense - NEP	\$3,589,657	FERC FF1 p350.46d
2 Less: New Hampshire PUC Assessment	\$42,981	FERC FF1 p350.2d
3 Less: Mass Emergency Fund	\$0	FERC FF1 p350.8d
4 Less Mass DPU Special Assessment	\$237,488	
5 Less: Utility Expenses	\$1,449,562	FERC FF1 p350.46c
6 Total Federal Assessments	\$1,859,626	Line 1 - (Line 2-5)

Transmission Rents Received from Electric Property
New England Power Company

Attachment 6

	<u>2008</u>
Revenues	\$752,168
Plant Allocation Factor	100.00%
Transmission Allocated	\$752,168
PTF Allocation	41.6625%
Total PTF Revenue	\$313,372

New England Power Company

	<u>2008</u>
Revenues	\$1,183,025
Post-96 PTF Percent	58.7072%
Total Post-96 PTF Revenue	\$694,521

Source: Short Term Through and Out Revenues from ISO New England

ISO Tariff Billing
 ISO Annual Transmission Revenue Requirements
 per Tariff Attachment F and ISO Agreement Part 2, Section 6.3

Shading denotes an input

Submitted on:

Revenue Requirements for (year): Calendar Year 2008

Rates Effective for the Period:
 Through: June 2009
May 2010

Customer: New England Power Company

Customer's NABs Number:

Name of Participant responsible for customer's billing:

DUNs number of Participant responsible for customer's billing:

	<u>Pre-97 Revenue Requirements</u>	<u>Post-96 Revenue Requirements</u>
Total of Attachment F - Sections A through I	<u>\$91,613,205</u> (a)	<u>\$88,628,221</u> (f)
Total of Attachment F - Section J - Support Revenue	<u>\$9,231,767</u> (b)	<u>\$0</u> (g)
Total of Attachment F - Section K - Support Expense	<u>\$1,381,011</u> (c)	<u>\$0</u> (h)
Total of Attachment F - Section (L through O)	<u>(\$708,921)</u> (d)	<u>(\$1,007,893)</u> (i)
Sub Total - Sum (A through I) - J + K + (L through O)	<u>\$83,053,527</u> (e)=(a)-(b)+(c)+(d)	<u>\$87,620,328</u> (j)
Forecasted Transmission Revenue Requirements (per Attachment C to Attachment F Implementation Rule)	<u>N/A</u>	<u>\$28,985,933</u> (k)
Annual True-up (per Attachment C to Attachment F Implementation Rule)	<u>N/A</u> (l)	<u>N/A</u> (m)
Adjusted Sub Total - Sum (Sub Total + Forecast + True-up)	<u>\$83,053,527</u> (n)=(e) + (l)	<u>\$116,606,261</u> (o)=(j)+(k)+(m)
Annual Revenue Requirement Total = Sum of Pre-97 Revenue Requirements and Post-96 Revenue Requirements Subtotals for rate calculations under the Tariff:		<u>\$199,659,789</u> (p) = (n) + (o)

New England Power Company
Annual Revenue Requirements of PTF Facilities
for costs in 2008

PRE-1997

Shading denotes an input

Line No.	I. INVESTMENT BASE	Attachment F Reference	NEP	Reference
		<i>Section:</i>		
1	Transmission Plant	(A)(1)(a)	\$341,203,075	Worksheet 3, line 1&2 column 5
2	General Plant	(A)(1)(b)	\$1,924,762	Worksheet 3, line 3 column 5
3	Plant Held For Future Use	(A)(1)(c)	\$301,180	Worksheet 3, line 5 column 5
4	Total Plant (Lines 1+2+3)		<u>\$343,429,017</u>	
5	Accumulated Depreciation	(A)(1)(d)	\$85,360,355	Worksheet 3, line 8 column 5
6	Accumulated Deferred Income Taxes	(A)(1)(e)	\$56,096,783	Worksheet 3, line 11 column 5
7	Loss On Reacquired Debt	(A)(1)(f)	\$376,247	Worksheet 3, line 12 column 5
8	Other Regulatory Assets	(A)(1)(g)	\$18,855,753	Worksheet 3, line 16 column 5
9	Net Investment (Line 4-5-6+7+8)		<u>\$221,203,879</u>	
10	Prepayments	(A)(1)(h)	\$0	Worksheet 3, line 17 column 5
11	Materials & Supplies	(A)(1)(i)	\$1,058,465	Worksheet 3, line 18 column 5
12	Cash Working Capital	(A)(1)(j)	<u>\$2,097,523</u>	Worksheet 3, line 25 column 5
13	Total Investment Base (Line 9+10+11+12)		<u><u>\$224,359,867</u></u>	
	II. REVENUE REQUIREMENTS			
14	Investment Return and Income Taxes	(A)	\$29,735,176	Worksheet 2
15	Depreciation Expense	(B)	\$7,815,536	Worksheet 4, line 3, column 5
16	Amortization of Loss on Reacquired Debt	(C)	\$94,477	Worksheet 4, line 4, column 5
17	Investment Tax Credit	(D)	(\$119,118)	Worksheet 4, line 5, column 5
18	Property Tax Expense	(E)	\$4,946,078	Worksheet 4, line 6, column 5
19	Payroll Tax Expense	(F)	\$535,119	Worksheet 4, line 22, column 5
20	Operation & Maintenance Expense	(G)	\$10,752,632	Worksheet 4, line 11, column 5
21	Administrative & General Expense	(H)	\$6,027,552	Worksheet 4, line 21, column 5
22	Transmission Related Integrated Facilities Charge	(I)	\$31,825,752	Attachment 4, line 6
23	Transmission Support Revenue	(J)	(\$9,231,767)	Worksheet 6
24	Transmission Support Expense	(K)	\$1,381,011	Worksheet 6
25	Transmission Related Expense from Generators	(L)	\$0	Worksheet 7
26	Transmission Related Taxes and Fees Charge	(M)	\$0	
27	Revenue for ST Trans. Service Under NEPOOL Tariff	(N)	(\$488,504)	Attachment 7
28	Transmission Rents Received from Electric Property	(O)	(\$220,417)	Attachment 6
29	Total Revenue Requirements (Line 14 thru 28)		<u><u>\$83,053,527</u></u>	

New England Power Company
Annual Revenue Requirements
For Costs in 2008

Shading denotes an input

	CAPITALIZATION 12/31/2008	CAPITALIZATION RATIOS	COST OF CAPITAL	COST OF CAPITAL	EQUITY PORTION
LONG-TERM DEBT	\$410,350,000	34.25%	2.28%	0.78%	
PREFERRED STOCK	\$1,111,700	0.09%	6.02%	0.01%	0.01%
COMMON EQUITY	\$786,651,891	65.66%	11.64%	7.64%	7.64%
TOTAL INVESTMENT RETURN	\$1,198,113,591	100.00%		8.43%	7.65%

Cost of Capital Rate=

(a) Weighted Cost of Capital = 0.0843

(b) Federal Income Tax =
$$\left(\frac{\text{R.O.E.} + \left(\frac{\text{PTF Inv.} + \text{Eq. AFUDC}}{\text{(Tax Credit} + \text{of Deprec. Exp.)} / \text{PTF Inv. Base}} \right)}{1} \right) \times \frac{\text{Federal Income Tax Rate}}{\text{Federal Income Tax Rate}}$$

=
$$\left(\frac{0.0765 + \left(\frac{(\$119,118) + \$219,357}{\$224,359,867} \right)}{1} \right) \times \frac{0.35}{0.35}$$

= 0.0414329

(c) State Income Tax =
$$\left(\frac{\text{R.O.E.} + \left(\frac{\text{PTF Inv.} + \text{Eq. AFUDC}}{\text{(Tax Credit} + \text{of Deprec. Exp.)} / \text{PTF Inv. Base}} \right) + \frac{\text{Federal Income Tax}}{\text{State Income Tax Rate}} \right) \times \text{State Income Tax Rate}$$

=
$$\left(\frac{0.0765 + \left(\frac{(\$119,118) + \$219,357}{\$224,359,867} \right) + \frac{0.0414329}{0.054326}}{1} \right) \times 0.054326$$

= 0.0068005

(a)+(b)+(c) Cost of Capital Rate = 0.1325334

(PTF)

INVESTMENT BASE \$224,359,867 From Worksheet 1

x Cost of Capital Rate 0.1325334

= Investment Return and Income Taxes \$29,735,176 To Worksheet 1

Source: Attachment 2

Shading denotes an input

Line No.	(1) Total	(2) Wage/Plant Allocation Factors	(3) = (1)*(2) Transmission Allocated	(4) PTF Allocation Factor (b)	(5) = (3)*(4) PTF Allocated	FERC Form 1 Reference for col (1)
1			\$0		\$353,995,853	Attachment 1, Page 1
2					(\$12,792,778)	Attachment 1, Page 2
3	\$6,586,812	99.7176% (a)	\$6,568,211	29.3042%	\$1,924,762	FERC Form 1 page 207.99g
4			<u>\$6,568,211</u>		<u>\$343,127,837</u>	
5	\$1,027,771		\$1,027,771	29.3042%	<u>\$301,180</u>	Page 214, Lines 2, 4, 9
<u>Transmission Accumulated Depreciation</u>						
6	\$286,989,993		\$286,989,993	29.3042%	\$84,100,122	FERC Form 1 page 219.25
7	\$4,312,698	99.7176% (a)	\$4,300,519	29.3042%	\$1,260,233	FERC Form 1 Page 219.28
8			<u>\$291,290,512</u>		<u>\$85,360,355</u>	
<u>Transmission Accumulated Deferred Taxes</u>						
9	\$0	100.0000%	\$0	29.3042%	\$0	See Note for Page 274, FERC Form 1
10	-\$191,429,157	100.0000%	(\$191,429,157)	29.3042%	(\$56,096,783)	See Note for Page 274, FERC Form 1
11			<u>(\$191,429,157)</u>		<u>(\$56,096,783)</u>	
12	\$1,283,935	100.0000%	\$1,283,935	29.3042%	<u>\$376,247</u>	Page 111.81c
<u>Other Regulatory Assets</u>						
13	\$0	99.7176% (a)	\$0	29.3042%	\$0	
14	\$64,344,881	100.0000%	\$64,344,881	29.3042%	\$18,855,753	Page 232.7f
15	\$0	100.0000%	\$0	29.3042%	\$0	
16	<u>\$64,344,881</u>		<u>\$64,344,881</u>		<u>\$18,855,753</u>	
17	\$0	99.7176% (a)	\$0	29.3042%	<u>\$0</u>	Page 111.57c
18	\$3,611,991		\$3,611,991	29.3042%	<u>\$1,058,465</u>	Page 227.8c
<u>Cash Working Capital</u>						
20					\$10,752,632	Worksheet 1, Line 20
21					\$6,027,552	Worksheet 1, Line 21
22					\$0	Worksheet 6
23					<u>\$16,780,184</u>	
24					0.1250	x 45 / 360
25					<u>\$2,097,523</u>	

(a) Worksheet 5 of 6, line 11
 (b) Worksheet 5 of 6 line 3
 (c) Worksheet 5 of 6, line 16

Sheet: Worksheet 5

Shading denotes an input

Line No.		NEP	Source Reference
<u>PTF Transmission Plant Allocation Factor</u>			
1	PTF Transmission Investment	\$353,995,853	Attachment 1, Page 1
2		\$1,208,005,587	Page 207.58g - Page 200.4b
3	Percent Allocation (Line 1/Line 2)	<u>29.3042%</u>	
<u>Transmission Wages and Salaries Allocation Factor</u>			
4	Direct Transmission Wages and Salaries	\$0	Page 354.14b
5	Affiliated Company Transmission Wages and Salaries	\$18,886,140	2008 Business Objects Query
6	Total Transmission Wages and Salaries (Line 4 + Line 5)	\$18,886,140	
7	Total Wages and Salaries	\$0	Page 354.28b
8	Administrative and General Wages and Salaries	\$0	Page 354.27b
9	Affiliated Company Wages and Salaries less A&G	\$18,939,620	2008 Business Objects Query
10	Total Wages and Salaries net of A&G (Line 7 - 8 + 9)	\$18,939,620	
11	Percent Allocation (Line 6/Line 10)	<u>99.7176%</u>	
<u>Plant Allocation Factor</u>			
12	Total Transmission Investment	\$1,208,005,587	
13	plus Transmission-Related General Plant (Line 2 of Wkst. 3)	\$6,568,211	Worksheet 3, Line 3, Column 3
14	= Revised Numerator (Line 12 + Line 13)	\$1,214,573,798	
15	Total Plant in Service	\$1,225,471,598	Page 207.104g-Page 200.4b
16	Percent Allocation (Line 14 / Line 16)	<u>99.1107%</u>	

Sheet: Support

Input Revenues associated with the PTF Supporting Facilities in columns (a) and expenses associated with the facilities in columns (b). The totals are then linked to Worksheet 1, Lines 23 and 24.

Participant	PTF Supporting Facilities	FERC Form 1	TOTAL	
			Revenues (a)	Expenses (b)
BECO	345 kV Sherman - Medway 336 line			
	115 kV Somerville 402 Substation			
	115/345 kV North Cambridge 509 Substation	14092582		
	345 kV Golden Hills -Mystic 389 (x&y) line	Contract Suspended Oct. 1997		\$0
	West Medway 345 kV breaker	Pg 332 Line 6 Col (g)		\$0
	115 kV Millbury-Medway 201 line	Pg 332 Line 2 Col (g)		\$14,576
	HQ Phase II - AC in MA	Pg 332 Line 5 Col (g)		\$100,648
	345 kV "stabilizer" 342 line	Pg 332 Line 3 Col (g)		\$171,978
	345 kV Walpole - Medway 325 line			
	345 kV Carver - Walpole 331 line	Pg 332 Lines 12 & 13 Col (g)		\$306,744
345 kV Jordan Rd - Canal 342 line				
CEC	Second Canal line	Pg 332 Line 4 Col (g)		\$47,040
	345 kV Pilgrim-Bridgewater - 355 line			\$0
	345 kV Myles Standish - Canal 342 line			\$0
	Bell Rock Road	Page 330.5 Line 12	\$17,268	
CMP	345 kV Buxton-South Gorham 386 line	Page 332.1, Line 4		\$0
	115 kV Wyman 164-167 lines	Pg 332.1 Line 3 Col (g)		\$0
	115 kV Maine Yankee transmission			
NEP	345 kV Carver - Walpole 331 line		\$0	
	345 kV Medway - Bridgewater 344 Line	Pg 330.5, Line 11	\$92,568	
	Northern Rhode Island transmission	Reflect in Integr. Fac. Chg. Wksh1	N/A	N/A
NEP	Chester SVC	Tx Billing		\$730,025
	Fitchburg Support	See Attachment 9		\$0
VT Elec Co.	MWRA Transmission (MDC)	Contract		\$10,000
	Comerford 115 kV Substation	Page 328.1 Line 12	\$42,602	
	Boston-Edison [345 kV Sandy-Tewksbury 337 line			
	345 kV Tewksbury-Woburn 338 line]	Page 330 Line 4	\$903,852	
	Boston-Edison [115 kV Tewksbury - Woburn M139 line			
	115 kV Tewksbury - Woburn N140 line]	Page 330 Line 3	\$160,908	
	Public Service Co. -Moore 115 kV Substation	Page 330.1 Line 5	\$13,319	
	HQ Phase II - AC in MA	Page 330 Line 11	\$4,616,942	
	Boston Edison -345 kV Golden Hills-Mystic 349 line	Page 330 Line 2	\$562,484	
345 kV NH/MA border-Tewksbury 394 line (Seabrook)	Page 330.1 Line 8	\$2,821,824		
NU	PSNH 345 kV 363, 369 and 394 Seabrook lines	Page 332 Line 11		\$0
	Fairmont 115 kV Substation			
	345 kV Millstone-Manchester 310 line	Page 332.1 Line 5		\$0
	UI Substations			
	Black Pond			
Total =			\$9,231,767	\$1,381,011

Amount by which Support Expense exceeds Support Revenues
(To Worksheet 3, Line 21, Column 5)

\$0

Shading denotes an input

New England Power Company 2008 Informational Filing PTF Plant Allocation				Percent Pre Post
1	2007	Pre-1997 PTF Transmission Plant	\$358,707,072	
2	2007	Post-1996 PTF Transmission Plant	\$457,529,370	
3	2008	Additions/Retirements	\$41,045,094	
4	2008	Pre-1997 PTF Transmission Plant	\$353,995,853	41.29%
5	2008	Post-1996 PTF Transmission Plant	\$503,285,683	58.71%
6	2008	Total PTF Transmission Plant	\$857,281,536	100.00%

Sources:

- 1 PTF Plant Reports for previous year
- 2 PTF Plant Reports for previous year
- 3 Line 6 - Line 1 + Line 2
- 4 PTF Plant Reports for current year
- 5 PTF Plant Reports for current year
- 6 Line 4 + 5

Shading denotes an input

GROSS PLANT ASSOC. WITH HVDC LEASES
2008

LINE NO		(HVDC) NHH/NEH <u>LEASE</u>
1	Gross Plant Value Comerford Station to Tewksbury Line	\$13,938,907
	Allocation	
2	Miles used by NHH (a)	224
3	Total miles at Comerford Station	253
4	Percentage of Total Gross Plant leased by NHH (a)	89%
5	Total Gross Plant leased by NHH (a)	\$12,405,627
6	Total Land from Sandy Pond to New Hampshire	\$1,106,146
7	HVDC lines occupy 35% of Right of Way	35%
8	Total Land leased by NEH (a)	\$387,151
9	Total NEP Gross Plant leased by HVDC to be excluded from PTF Revenue requirement	\$12,792,778

Source:

- 1 FERC Form 1, Page 422.1-423.1, Lines 5 + 16
- 2 Total miles used per lease agreement
- 3 FERC Form 1, Page 422.1 Lines 5 + 16 col (f)
- 4 Line 2 / Line 3
- 5 Line 1 * Line 4
- 6 FERC Form 1, Page 422-423, Line 15
- 7 Percentage per lease agreement
- 8 Line 6 * Line 7
- 9 Line 5 + Line 8

Note:

- (a) NEH and NHH are acronyms for two of the three "Hydro Companies, New England Hydro Transmission (NEH) Electric Company, New England Electric Transmission Corporation, and New England Hydro Transmission Electric Company, Inc. (NHH)" which own and lease the HVDC interconnection facilities to the participants to the NEPOOL HVDC agreements.

New England Power Company
Determination of Book Depreciation on Equity AFUDC

		<u>2008</u>
1	Total Current Year Book Depreciation on Equity AFUDC	\$751,996
2	Less: Specifically Identified Transmission-Related	
	2002 Transmission	\$8,889
	2003 Transmission	\$16,500
	2004 Transmission	\$15,518
	2005 Transmission	\$49,757
	2006 Transmission	\$64,352
	2007 Transmission	\$21,209
	2008 Transmission	\$28,754
	Tewksbury Line	\$54,708
	Hydro-Quebec	\$23,543
	Montaup Transmission Only 1990 - 1999	\$9,713
	1998 Transmission	\$13,959
	1999 Transmission	\$42,457
	2000 Transmission	(\$8,299)
	2001 Transmission	<u>\$23,561</u>
		\$364,621
3	Total Unidentified Book Depreciation on Equity AFUDC	\$387,375
4	Plant Allocator Factor	99.1107%
5	Allocated Transmission Related Book Depreciation on Equity AFUDC	\$383,930
6	Plus: Specifically Identified Transmission-Related Equity AFUDC	<u>\$364,621</u>
7	Total Transmission-Related Equity AFUDC	\$748,551
8	Pre-97 PTF Allocation Factor	29.3042%
9	Transmission-Related Equity AFUDC	\$219,357

Sources:

- 1 & 2 Transmission Rates includes \$9,713 from Montaup
- 3 Line 1 - Line 2
- 4 Worksheet 5 - PTF Plant Allocation Factor
- 5 Line 3 * Line 4
- 6 Line 2
- 7 Line 5 + Line 6
- 8 Worksheet 5 - Pre-97 or Post-96 PTF Allocation Factor
- 9 Line 7 * Line 8

Shading denotes an input

New England Power Company
Determination of the PTF Related Integrated Facilities Charges

	Narragansett <u>2008</u>	MECO <u>2008</u>
1 Total Integrated Facilities Charges (*)	\$38,882,752	\$8,331,313
2 Total 2008 PTF Property	\$170,859,376	\$20,288,739
3 Total Transmission Plant in 2008	\$237,350,850	\$44,069,025
4 NECO or MECO PTF Plant Allocator	71.99%	46.04%
5 PTF Related Integrated Facilities Charge	\$27,990,137	\$3,835,616
6 Total Integrated Facilities		<u><u>\$31,825,752</u></u>

Source:

- 1 FF1 Page 330.4 Lines 13 & 14 col (n)
 - 2 PowerPlant Reportss
 - 3 FF1 Page 207 Line 58
 - 4 Line 2 / Line 3
 - 5 Line 1 * Line 4
 - 6 Line 5 Totals for Narragansett and Massachusetts Electric
- (*) Includes Rental Expenses from Montaup Financials

Shading denotes an input

Attachment 5

New England Power Company
Development of 2008 Regulatory Commission Expense

	<u>2008</u>	<u>Source</u>
1 Total Regulatory Commission Expense - NEP	\$3,589,657	FERC FF1 p350.46d
2 Less: New Hampshire PUC Assessment	\$42,981	FERC FF1 p350.2d
3 Less: Mass Emergency Fund	\$0	FERC FF1 p350.7d
4 Less Mass DPU Special Assessment	\$237,488	FERC FF1 p350.8d
5 Less: Utility Expenses	\$1,449,562	FERC FF1 p350.46c
6 Total Federal Assessments	\$1,859,626	Line 1 - (Line 2-5)

Transmission Rents Received from Electric Property
New England Power Company

Attachment 6

	<u>2008</u>
Revenues	\$752,168
Plant Allocation Factor	100.00%
Transmission Allocated	\$752,168
PTF Allocation	29.3042%
Total PTF Revenue	\$220,417

New England Power Company

	<u>2008</u>
Revenues	\$1,183,025
Pre-97 PTF Percent	41.2928%
Total Pre-97 PTF Revenue	\$ 488,504

Source: Short Term Through and Out Revenues from ISO New England

ISO Tariff Billing
 ISO Annual Transmission Revenue Requirements
 per Tariff Attachment F and ISO Agreement Part 2, Section 6.3

Shading denotes an input

Submitted on:	
Revenue Requirements for (year):	Calendar Year 2009
Rates Effective for the Period: Through:	June 2010 May 2011
Customer:	New England Power Company
Customer's NABs Number:	
Name of Participant responsible for customer's billing:	
DUNs number of Participant responsible for customer's billing:	

	Pre-97 Revenue Requirements	Post-96 Revenue Requirements
Total of Attachment F - Sections A through I	\$90,404,997 ^(a)	\$110,240,121 ^(f)
Total of Attachment F - Section J - Support Revenue	\$7,130,058 ^(b)	\$0 ^(g)
Total of Attachment F - Section K - Support Expense	\$963,053 ^(c)	\$0 ^(h)
Total of Attachment F - Section (L through O)	(\$547,552) ^(d)	(\$1,032,676) ⁽ⁱ⁾
Sub Total - Sum (A through I) - J + K + (L through O)	\$83,690,440 ^{(e)=(a)-(b)+(c)+(d)}	\$109,207,445 ^(j)
Forecasted Transmission Revenue Requirements (per Attachment C to Attachment F Implementation Rule)	N/A	\$25,171,563 ^(k)
Annual True-up (per Attachment C to Attachment F Implementation Rule)	N/A ^(l)	N/A ^(m)
Adjusted Sub Total - Sum (Sub Total + Forecast + True-up)	\$83,690,440 ^{(n)=(e)+(l)}	\$134,379,008 ^{(o)=(j)+(k)+(m)}
Annual Revenue Requirement Total = Sum of Pre-97 Revenue Requirements & Post-96 Revenue Requirements Subtotals, Forecasted Revenue Requirements and True-ups (including interest)		\$218,069,448 ^{(p) = (n) + (o)}

New England Power Company
Annual Revenue Requirements of PTF Facilities
For Costs in 2009

PTF Revenue Requirements
Worksheet 1 of 7

POST-1996

Shading denotes an input

Line No.	I. <u>INVESTMENT BASE</u>	Attachment F Reference	NEP	<u>Reference</u>
		<i>Section:</i>		
1	Transmission Plant	(A)(1)(a)	\$664,596,724	Worksheet 3, line 1&2 column 5
2	General Plant	(A)(1)(b)	\$3,164,504	Worksheet 3, line 3 column 5
3	Plant Held For Future Use	(A)(1)(c)	\$496,668	Worksheet 3, line 5 column 5
4	Total Plant (Lines 1+2+3)		<u>\$668,257,896</u>	
5	Accumulated Depreciation	(A)(1)(d)	\$148,983,596	Worksheet 3, line 8 column 5
6	Accumulated Deferred Income Taxes	(A)(1)(e)	\$134,031,553	Worksheet 3, line 11 column 5
7	Loss On Reacquired Debt	(A)(1)(f)	\$478,726	Worksheet 3, line 12 column 5
8	Other Regulatory Assets	(A)(1)(g)	\$29,678,590	Worksheet 3, line 16 column 5
9	Net Investment (Line 4-5-6+7+8)		<u>\$415,400,063</u>	
10	Prepayments	(A)(1)(h)	\$0	Worksheet 3, line 17 column 5
11	Materials & Supplies	(A)(1)(i)	\$1,877,837	Worksheet 3, line 18 column 5
12	Cash Working Capital	(A)(1)(j)	\$3,777,107	Worksheet 3, line 25 column 5
13	Total Investment Base (Line 9+10+11+12)		<u><u>\$421,055,007</u></u>	
	II. <u>REVENUE REQUIREMENTS</u>			
14	Investment Return and Income Taxes	(A)	\$55,185,546	Worksheet 2
15	Depreciation Expense	(B)	\$13,815,406	Worksheet 4, line 3, column 5
16	Amortization of Loss on Reacquired Debt	(C)	\$141,733	Worksheet 4, line 4, column 5
17	Investment Tax Credit	(D)	(\$196,264)	Worksheet 4, line 5, column 5
18	Property Tax Expense	(E)	\$10,128,938	Worksheet 4, line 6, column 5
19	Payroll Tax Expense	(F)	\$947,908	Worksheet 4, line 22, column 5
20	Operation & Maintenance Expense	(G)	\$16,615,219	Worksheet 4, line 11, column 5
21	Administrative & General Expense	(H)	\$13,601,635	Worksheet 4, line 21, column 5
22	Transmission Related Integrated Facilities Charge	(I)	\$0	Attachment 4, line 6
23	Transmission Support Revenue	(J)	\$0	Worksheet 6
24	Transmission Support Expense	(K)	\$0	Worksheet 6
25	Transmission Related Expense from Generators	(L)	\$0	Worksheet 7
26	Transmission Related Taxes and Fees Charge	(M)	\$0	
27	Revenue for ST Trans. Service Under NEPOOL Tariff	(N)	(\$603,747)	Attachment 7
28	Transmission Rents Received from Electric Property	(O)	(\$428,929)	Attachment 6
29	Total Revenue Requirements (Line 14 thru 28)		<u><u>\$109,207,445</u></u>	

New England Power Company
Forecasted Transmission Revenue Requirements of PTF Facilities

POST-1996

Shading denotes an input

Line No.	I. <u>FORECASTED TRANSMISSION REVENUE REQUIREMENTS</u>	Period	Attachment F Reference Section:	NEP	<u>Reference</u>
1	Forecasted Transmission Plant Additions	2009	Appendix C	\$151,750,000	
2	Carrying Charge Factor		Appendix C	16.59%	
3	Total Forecasted Revenue Requirements (Lines 1*2)			\$25,171,563	
	 II. <u>CARRYING CHARGE FACTOR</u>				
4	Investment Return and Income Taxes		(A)	\$55,185,546	Summary, line 14
5	Depreciation Expense		(B)	13,815,406	Summary, line 15
6	Amortization of Loss on Reacquired Debt		(C)	141,733	Summary, line 16
7	Investment Tax Credit		(D)	(196,264)	Summary, line 17
8	Property Tax Expense		(E)	10,128,938	Summary, line 18
9	Payroll Tax Expense		(F)	947,908	Summary, line 19
10	Operation & Maintenance Expense		(G)	16,615,219	Summary, line 20
11	Administrative & General Expense		(H)	13,601,635	Summary, line 21
12	Total Expenses (Lines 4 thru 11)			\$110,240,121	
13	PTF Transmission Plant		(A)(1)(a)	\$664,596,724	Summary, line 1
14	Carrying Charge Factor (Lines 12/13)			16.59%	

New England Power Company
Annual Revenue Requirements
For Costs in 2009

Shading denotes an input

	CAPITALIZATION 12/31/2009	CAPITALIZATION RATIOS	COST OF CAPITAL	COST OF CAPITAL	EQUITY PORTION
LONG-TERM DEBT	\$410,350,000	35.48%	1.58%	0.56%	
PREFERRED STOCK	\$1,111,700	0.10%	6.02%	0.01%	0.01%
COMMON EQUITY	\$745,076,320	64.42%	11.64%	7.50%	7.50%
TOTAL INVESTMENT RETURN	\$1,156,538,020	100.00%		8.07%	7.51%

Cost of Capital Rate=

(a) Weighted Cost of Capital	=	<u>0.0807</u>
(b) Federal Income Tax	=	$\left(\frac{\text{R.O.E.} + \left(\frac{\text{PTF Inv.} + \text{Eq. AFUDC}}{\text{Tax Credit} + \text{of Deprec. Exp.}} \right) / \text{PTF Inv. Base}}{1} \right) \times \frac{\text{Federal Income Tax Rate}}{\text{Federal Income Tax Rate}}$ $\left(\frac{0.0751 + \left(\frac{(\$196,264) + \$433,647}{\$421,055,007} \right)}{1} \right) \times \frac{0.35}{0.35}$
	=	<u>0.0407420</u>
(c) State Income Tax	=	$\left(\frac{\text{R.O.E.} + \left(\frac{\text{PTF Inv.} + \text{Eq. AFUDC}}{\text{Tax Credit} + \text{of Deprec. Exp.}} \right) / \text{PTF Inv. Base}}{1} \right) + \frac{\text{Federal Income Tax}}{\text{State Income Tax Rate}} \times \text{State Income Tax Rate}$ $\left(\frac{0.0751 + \left(\frac{(\$196,264) + \$433,647}{\$421,055,007} \right)}{1} \right) + \frac{0.0407420}{0.053641} \times 0.053641$
	=	<u>0.0065980</u>
(a)+(b)+(c) Cost of Capital Rate	=	<u>0.1280400</u>

(PTF)

INVESTMENT BASE	\$421,055,007	From Worksheet 1
x Cost of Capital Rate	0.1280400	
= Investment Return and Income Taxes	<u>\$53,911,883</u>	To Worksheet 1

Source: Attachment 2

Post 2003 PTF Investment Base w/ Incremental 100 bps:

Plant	\$ 206,004,443	From Attachment 1	
Accum. Depreciation	\$ 45,482,926	From Worksheets 3 & 5	
Accum. Deferred	\$ 41,220,054	From Worksheets 3 & 5	
Total Post-2003 Investment	\$ 119,301,463	Calculated	
Incremental ROE:	1.00%	0.00644	Calculated
FIT:		0.00347	Per Attach. F
State Income Taxes:		0.00056	Per Attach. F
Cost of Capital Rate		0.01047	
Incremental Return and Taxes on Post-2003 PTF Investment	\$	<u>1,249,388</u>	

NEEWS PTF Investment Base w/ Incremental 125 bps:

Plant	\$ 5,893,661	PowerPlant PTF 4 & 5 reports - PTF only	
Accum. Depreciation	\$ 1,301,239	From Worksheets 3 & 5	
Accum. Deferred	\$ 1,179,281	From Worksheets 3 & 5	
Total NEEWS Investment	\$ 3,413,142	Calculated	
Incremental ROE:	1.25%	0.00438	Calculated
FIT:		0.00236	Per Attach. F
State Income Taxes:		0.00038	Per Attach. F
Cost of Capital Rate		0.00711	
Incremental Return and Taxes on NEEWS PTF Investment	\$	<u>24,275</u>	

NEEWS Allocation Factor	
Total Trans Investment	\$1,375,270,230
Total NEEWS In-Service	\$5,893,661
For Accum Depreciation	0.4285%
Post-2003 PTF Allocation Factor	0.4285%
Plant Allocation Factor	0.992163
For Accum Deferred	0.4252%

New England Power Company

Line No.	(1) Total	(2) Wage/Plant Allocation Factors	(3) = (1)*(2) Transmission Allocated	(4) PTF Allocation Factor (b)	(5) = (3)*(4) PTF Allocated	Source Reference for Col (1)
1			\$0		\$664,596,724	Attachment 1, Page 1
2					\$0	Attachment 1, Page 2
3	\$6,563,943	99.7633% (a)	\$6,548,406	48.3248%	\$3,164,504	FERC Form 1 page 207.99
4			<u>\$6,548,406</u>		<u>\$667,761,228</u>	
5	\$1,027,771		\$1,027,771	48.3248%	\$496,668	FERC Form 1 page 214.2,4,9
<u>Transmission Accumulated Depreciation</u>						
6	\$303,640,607		\$303,640,607	48.3248%	\$146,733,716	FERC Form 1 page 219.25
7	\$4,666,793	99.7633% (a)	\$4,655,747	48.3248%	\$2,249,880	FERC Form 1 Page 219.28
8			<u>\$308,296,354</u>		<u>\$148,983,596</u>	
<u>Transmission Accumulated Deferred Taxes</u>						
9	-\$430,463,140	99.2163%	(\$427,089,600)	48.3248%	(\$206,390,195)	FERC Form 1 page 113.62-64
10	\$150,916,705	99.2163%	\$149,733,971	48.3248%	\$72,358,642	FERC Form 1 page 111.82
11			<u>(\$277,355,629)</u>		<u>(\$134,031,553)</u>	
12	\$990,643	100.0000%	\$990,643	48.3248%	\$478,726	FERC Form 1 Page 111.81c
<u>Other Regulatory Assets</u>						
13	\$0	99.7633% (a)	\$0	48.3248%	\$0	
14	\$61,414,823	100.0000%	\$61,414,823	48.3248%	\$29,678,590	FERC Form 1 Page 232.7f
15	\$0	100.0000%	\$0	48.3248%	\$0	
16	<u>\$61,414,823</u>		<u>\$61,414,823</u>		<u>\$29,678,590</u>	
17	\$0	99.7633% (a)	\$0	48.3248%	\$0	FERC Form 1 Page 111.57c
18	\$3,885,867		\$3,885,867	48.3248%	\$1,877,837	FERC Form 1 Page 227.8c
<u>Cash Working Capital</u>						
19					\$16,615,219	Worksheet 1, Line 20
20					\$13,601,635	Worksheet 1, Line 21
21					\$0	Worksheet 6
22					\$30,216,854	
23					0.1250	
24					<u>\$3,777,107</u>	x 45 / 360
25						

(a) Worksheet 6 Line 11

(b) Worksheet 6 Line 3

New England Power Company

Shading denotes an input

Line No.	(1) Total (g)	Wage/Plant Allocation Factors	(3) = (1)*(2) Transmission Allocated	PTF Allocation Factor (b)	(5) = (3)*(4) PTF Allocated	Source Reference for Col (1)
Depreciation Expense						
1	\$28,239,845		\$28,239,845	48.3248%	\$13,646,849	FERC Form 1 Page 336.7b
2	\$349,629	99.7633% (a)	\$348,801	48.3248%	\$168,557	FERC Form 1 Page 336.10b
3			\$28,588,646		\$13,815,406	
4	\$293,292	100.0000%	\$293,292	48.3248%	\$141,733	FERC Form 1 Page 117.64c
5	\$406,136	100.0000%	\$406,136	48.3248%	\$196,264	FERC Form 1 Page 266.8f - Footnote (f)
6	\$20,960,123	100.0000%	\$20,960,123	48.3248%	\$10,128,938	FERC Form 1 Page 263.10,17,23,28i - Footnote (e)
Transmission Operation and Maintenance						
7	\$62,195,739		\$62,195,739	48.3248%	\$30,055,966	FERC Form 1 Page 321.112b
8	\$15,883,436		\$15,883,436	48.3248%	\$7,675,639	FERC Form 1 Page 321.96b
9	\$11,929,915		\$11,929,915	48.3248%	\$5,765,108	FERC Form 1 Page 321.84-92b less 87b
10	\$0		\$0		\$0	FERC Form 1 Page 321.93b & .98b
11	\$34,382,388		\$34,382,388	48.3248%	\$16,615,219	
Transmission Administrative and General						
12	\$29,814,013					FERC Form 1 Page 323.197b
13	less Property Insurance (#924)					FERC Form 1 Page 323.185b
14	less Regulatory Commission Expenses (#928)					FERC Form 1 Page 323.189b
15	less General Advertising Expense (#930.1)					FERC Form 1 Page 323.191b
16	Subtotal [line 12 minus (13 thru 15)]	99.7633% (a)	\$25,927,532	48.3248%	\$12,529,428	
17	PLUS Property Insurance alloc. using Plant Allocator	99.2163% (c)	-\$437,471	48.3248%	-\$211,407	Line 13
18		99.2163% (c)	\$2,587,764	48.3248%	\$1,250,532	Attachment 5 Line 6
19	PLUS Specifically Identified Trans. Related General Advertising Expense		\$24,704	48.3248%	\$11,938	Line 15
20	PLUS Specifically Identified Trans. Related Regulatory Expense		\$43,753	48.3248%	\$21,144	FERC Form 1 Page 350.18c
21	Total A&G [line 16 + (17 thru 20)]		\$28,146,282		\$13,601,635	
22	\$1,966,189	99.7633% (a)	\$1,961,535	48.3248%	\$947,908	FERC Form 1 Page 263.3,4i - Footnote (d)
Payroll Tax Expense						
(a) Worksheet 6, Line 11						
(b) Worksheet 6 Line 3						
(c) Worksheet 6 Line 16						
(d) Payroll taxes FERC Form 1, page 263.i						
Federal Unemployment	\$13,994					
FICA	\$1,952,195					
Payroll Taxes	\$0					
State Unemployment	\$0					
Total	\$1,966,189					
(e) Transmission Only - Property Taxes - Specifically Identified in FERC Form 1						
(f) Transmission Only - Amortization of ITC - Specifically Identified in FERC Form 1						

(e) Property Taxes FF1, Page 263i

Massachusetts	\$17,745,431
New Hampshire	\$2,340,263
Vermont	\$730,106
Maine	\$0
Rhode Island	\$144,323
Connecticut	\$0
	\$20,960,123

** Subtract Accounts #562 & #567 from O&M Expense to the extent that they include PTF Support Payments.

Shading denotes an input

Line No.		NEP	Source Reference
<u>PTF Transmission Plant Allocation Factor</u>			
1	PTF Transmission Investment	\$664,596,724	
2	Total Transmission Investment	\$1,375,270,230	Attachment 1, Page 1 FERC Form 1 Page 207.58g - Page 200.4b
3	Percent Allocation (Line 1/Line 2)	<u>48.3248%</u>	
<u>Transmission Wages and Salaries Allocation Factor</u>			
4	Direct Transmission Wages and Salaries	\$0	FERC Form 1 Page 354.14b
5	Affiliated Company Transmission Wages and Salaries	\$22,154,668	General Ledger Query
6	Total Transmission Wages and Salaries (Line 4 + Line 5)	\$22,154,668	
7	Total Wages and Salaries	\$0	FERC Form 1 Page 354.28b
8	Administrative and General Wages and Salaries	\$0	FERC Form 1 Page 354.27b
9	Affiliated Company Wages and Salaries less A&G	\$22,207,232	General Ledger Query
10	Total Wages and Salaries net of A&G (Line 7 - 8 + 9)	\$22,207,232	
11	Percent Allocation (Line 6/Line 10)	<u>99.7633%</u>	
<u>Plant Allocation Factor</u>			
12	Total Transmission Investment	\$1,375,270,230	Line 2
13	plus Transmission-Related General Plant (Line 2 of Wkst. 3)	\$6,548,406	Worksheet 3, Line 3, Column 3
14	= Revised Numerator (Line 12 + Line 13)	\$1,381,818,636	
15	Total Plant in Service	\$1,392,733,917	FERC Form 1 Page 207.104g - Page 200.4b
16	Percent Allocation (Line 14 / Line 16)	<u>99.2163%</u>	
<u>Post-2003 PTF Allocation Factor</u>			
17	Total Post-2003 PTF Investment	\$ 206,004,443	Attachment 1 Line 7
18	Total Transmission Investment	\$1,375,270,230	Line 2
19	Percent Allocation (Line 17/Line 18) for Post-2003 to Total Tx	14.9792%	
20	Total Invst in Tx Plant/Total Plant in Serv *		
21	Post-2003 PTF Tx Plant/Total Invst in Tx Plant	14.8618%	Line 19 * Line 16

Input Revenues associated with the PTF Supporting Facilities in columns (a) and expenses associated with the facilities in columns (b). The totals are then linked to Worksheet 1, Lines 23 and 24.

Participant	PTF Supporting Facilities	FERC Form 1	TOTAL	
			Revenues (a)	Expenses (b)
BECO	345 kV Sherman - Medway 336 line			
	115 kV Somerville 402 Substation			
	115/345 kV North Cambridge 509 Substation			
	345 kV Golden Hills -Mystic 389 (x&y) line			\$0
	West Medway 345 kV breaker	Page 332 Line 6 Column (g)		\$0
	115 kV Millbury-Medway 201 line	Page 332 Line 2 Column (g)		\$0
	HQ Phase II - AC in MA	Page 332 Line 5 Column (g)		\$0
	345 kV "stabilizer" 342 line	Page 332 Line 3 Column (g)		\$0
	345 kV Walpole - Medway 325 line			
	345 kV Carver - Walpole 331 line	Page 332 Line 4 Column (g)		\$0
345 kV Jordan Rd - Canal 342 line				
CEC	Second Canal line	Page 332 Line 7 Column (g)		\$0
	345 kV Pilgrim-Bridgewater - 355 line			\$0
	345 kV Myles Standish - Canal 342 line			\$0
	Bell Rock Road		\$0	\$0
CMP	345 kV Buxton-South Gorham 386 line			\$0
	115 kV Wyman 164-167 lines	Page 332.1 Line 3		\$0
	115 kV Maine Yankee transmission			
EUA	345 kV Carver - Walpole 331 line		\$0	
	345 kV Medway - Bridgewater 344 Line		\$0	
	Northern Rhode Island transmission		N/A	N/A
NEP	Chester SVC			\$0
	Fitchburg Support			\$0
	MWRA Transmission			\$0
	Comerford 115 kV Substation	Page 330.1 Line 12	\$0	
	Boston-Edison [345 kV Sandy-Tewksbury 337 line			
	345 kV Tewksbury-Woburn 338 line]	Page 330 Line 4	\$0	
	Boston-Edison [115 kV Tewksbury - Woburn M139 line			
	115 kV Tewksbury - Woburn N140 line]	Page 330 Line 3	\$0	
	Public Service Co. -Moore 115 kV Substation	Page 330.1 Line 5	\$0	
	HQ Phase II - AC in MA	Page 300 Line 10	\$0	\$0
	Boston Edison -345 kV Golden Hills-Mystic 349 line	Page 300 Line 2	\$0	
	345 kV NH/MA border-Tewksbury 394 line	Page 300.1 Line 8	\$0	\$0
115 kV Read - Washington V148 line	Page 300.1 Line 3	\$0	\$0	
NU	PSNH 345 kV 363, 369 and 394 Seabrook lines	Page 332 Line 11 & Montuap Fin		\$0
	Fairmont 115 kV Substation			
	345 kV Millstone-Manchester 310 line	Page 332.1 Line 5		\$0
	UI Substations			
	Black Pond			
Total =			\$0	\$0

New England Power Company
2009 Informational Filing
PTF Plant Allocation

				<u>Percent Pre/Post</u>
1	2008	Pre-1997 PTF Transmission Plant	\$353,995,853	
2	2008	Post-1996 PTF Transmission Plant	\$503,285,683	
3	2009	Additions/Retirements	\$159,702,008	
4	2009	Pre-1997 PTF Transmission Plant	\$352,386,820	34.65%
5	2009	Post-1996 PTF Transmission Plant	\$664,596,724	65.35%
6	2009	Total PTF Transmission Plant	\$1,016,983,544	100.00%
7	2009	Post-2003 PTF Transmission Plant	\$206,004,443	

Sources:

- 1 PTF Plant Reports for previous year
- 2 PTF Plant Reports for previous year
- 3 Line 6 - Line 1 + Line 2
- 4 PTF Plant Reports for current year
- 5 PTF Plant Reports for current year
- 6 Line 4 + 5
- 7 PTF Plant Report: Post 2003 RSP Projects

Shading denotes an input

**GROSS PLANT ASSOC. WITH HVDC LEASES
2009**

LINE NO		(HVDC) NHH/NEH <u>LEASE</u>
1	Gross Plant Value Comerford Station to Tewksbury Line	\$0
	Allocation	
2	Miles used by NHH (a)	0
3	Total miles at Comerford Station	0
4	Percentage of Total Gross Plant leased by NHH (a)	0%
5	Total Gross Plant leased by NHH (a)	\$0
6	Total Land from Sandy Pond to New Hampshire	\$0
7	HVDC lines occupy 35% of Right of Way	0%
8	Total Land leased by NEH (a)	\$0
9	Total NEP Gross Plant leased by HVDC to be excluded from PTF Revenue requirement	\$0

Source:

- 1 FERC Form 1, Page 423.1, Lines 5 + 16
- 2 Total miles used per lease agreement
- 3 Total miles per lease agreement
- 4 Line 2 / Line 3
- 5 Line 1 * Line 4
- 6 FERC Form 1, Page 422-423, Line 15
- 7 Percentage per lease agreement
- 8 Line 6 * Line 7
- 9 Line 5 + Line 8

Note:

- (a) NEH and NHH are acronyms for two of the three "Hydro Companies, New England Hydro Transmission (NEH) Electric Company, New England Electric Transmission Corporation, and New England Hydro Transmission Electric Company, Inc. (NHH)" which own and lease the HVDC interconnection facilities to the participants to the NEPOOL HVDC agreements.

New England Power Company
Determination of Book Depreciation on Equity AFUDC

2009

1	Total Current Year Book Depreciation on Equity AFUDC	\$900,396
2	Less: Specifically identified Transmission-Related	
	2002 Transmission	\$8,889
	2003 Transmission	\$16,500
	2004 Transmission	\$15,518
	2005 Transmission	\$49,757
	2006 Transmission	\$64,352
	2007 Transmission	\$42,418
	2008 Transmission	\$57,508
	2009 Transmission	\$98,437
	Tewksbury Line	\$54,708
	Hydro-Quebec	\$23,543
	Montaup Transmission Only 1990 - 1999	\$9,713
	1998 Transmission	\$13,959
	1999 Transmission	\$42,457
	2000 Transmission	(\$8,299)
	2001 Transmission	<u>\$23,561</u>
		\$513,021
3	Total unidentified Book Depreciation on Equity AFUDC	\$387,375
4	Plant Allocator Factor	99.2163%
5	Allocated Transmission Related Book Depreciation on Equity AFUDC	\$384,339
6	Plus: Specifically Identified Transmission-Related Equity AFUDC	<u>\$513,021</u>
7	Total Transmission-Related Equity AFUDC	\$897,360
8	Post-96 PTF Allocation Factor	48.3248%
9	Transmission-Related Equity AFUDC	\$433,647

Sources:

- 1 & 2 Transmission Rates includes \$9,713 from Montaup
3 Line 1 - Line 2
4 Worksheet 5 - PTF Plant Allocation Factor
5 Line 3 * Line 4
6 Line 2
7 Line 5 + Line 6
8 Worksheet 6 - Post-96 PTF Allocation Factor
9 Line 7 * Line 8

New England Power Company
 Determination of the PTF Related Integrated Facilities Charges

	<u>Narragansett</u> <u>2009</u>	<u>MECO</u> <u>2009</u>
1 Total Integrated Facilities Charges	\$0	\$0
2 Total 2009 PTF Property	\$0	\$0
3 Total Transmission Plant in 2009	\$0	\$0
4 NECO or MECO PTF Plant Allocator	0.00%	0.00%
5 PTF Related Integrated Facilities Charge	\$0	\$0
6 Total Integrated Facilities		<u><u>\$0</u></u>

Source:

- 1 FF1 Page 330.4 Lines 13 & 14 Col (n)
- 2 PowerPlant Reports
- 3 FF1 Page 207 Line 58 (g)
- 4 Line 2 / Line 3
- 5 Line 1 * Line 4
- 6 Line 5 Totals for Narragansett and Massachusetts Electric

Shading denotes an input

Attachment 5

New England Power Company
Development of 2009 Regulatory Commission Expense

<u>Line</u> <u>No.</u>		<u>2009</u>	<u>Source</u>
1	Total Regulatory Commission Expense - NEP	\$4,241,188	FERC Form1 Page 350.46d
2	Less: New Hampshire PUC Assessment	\$54,748	FERC Form1 Page 350.2d
3	Less: Mass Emergency Fund	\$249,867	FERC Form1 Page 350.7d
4	Less Mass DPU Special Assessment	\$0	FERC Form1 Page 350.8d
5	Less: Utility Expenses	\$1,328,369	FERC Form1 Page 350.46c
6	Total Federal Assessments	\$2,608,204	Line 1 - (Line 2-5)

Transmission Rents Received from Electric Property
New England Power Company

	<u>2009</u>
Revenues	\$887,595
Plant Allocation Factor	100.00%
Transmission Allocated	\$887,595
PTF Allocation	48.3248%
Total PTF Revenue	\$428,929

Source: Peoplesoft Activities #454002, 454020 and 454024 - see Analysis for details

Revenue for Short-Term Transmission Service under the NEPOOL Tariff

New England Power Company

	<u>2009</u>
Revenues	\$923,870
Post-96 PTF Percent	65.3498%
Total Post-96 PTF Revenue	\$603,747

Source: Short Term Through and Out Revenues from ISO New England

ISO Tariff Billing
 ISO Annual Transmission Revenue Requirements
 per Tariff Attachment F and ISO Agreement Part 2, Section 6.3

Shading denotes an input

Submitted on:

Revenue Requirements for (year): Calendar Year 2009

Rates Effective for the Period:
 Through: June 2010
May 2011

Customer: New England Power Company

Customer's NABs Number:

Name of Participant responsible for customer's billing:

DUNS number of Participant responsible for customer's billing:

	Pre-97 Revenue Requirements	Post-96 Revenue Requirements
Total of Attachment F - Sections A through I	\$90,404,997 ^(a)	\$110,240,121 ^(f)
Total of Attachment F - Section J - Support Revenue	\$7,130,058 ^(b)	\$0 ^(g)
Total of Attachment F - Section K - Support Expense	\$963,053 ^(c)	\$0 ^(h)
Total of Attachment F - Section (L through O)	(\$547,552) ^(d)	(\$1,032,676) ⁽ⁱ⁾
Sub Total - Sum (A through I) - J + K + (L through O)	\$83,690,440 ^{(e)=(a)-(b)+(c)+(d)}	\$109,207,445 ^(j)
Forecasted Transmission Revenue Requirements (per Attachment C to Attachment F Implementation Rule)	N/A	\$25,171,563 ^(k)
Annual True-up (per Attachment C to Attachment F Implementation Rule)	N/A ^(l)	N/A ^(m)
Adjusted Sub Total - Sum (Sub Total + Forecast + True-up)	\$83,690,440 ^{(n)=(e) + (l)}	\$134,379,008 ^{(o)=(j)+(k)+(m)}
Annual Revenue Requirement Total = Sum of Pre-97 Revenue Requirements and Post-96 Revenue Requirements Subtotals for rate calculations under the Tariff:		\$218,069,448 ^{(p) = (n) + (o)}

New England Power Company
Annual Revenue Requirements of PTF Facilities
For Costs in 2009

PRE-1997

Shading denotes an input

Line No.	I. <u>INVESTMENT BASE</u>	Attachment F	NEP	Reference
		Reference		
		Section:		
1	Transmission Plant	(A)(1)(a)	\$339,300,092	Worksheet 3, line 1&2 column 5
2	General Plant	(A)(1)(b)	\$1,677,905	Worksheet 3, line 3 column 5
3	Plant Held For Future Use	(A)(1)(c)	\$263,347	Worksheet 3, line 5 column 5
4	Total Plant (Lines 1+2+3)		\$341,241,344	
5	Accumulated Depreciation	(A)(1)(d)	\$78,995,083	Worksheet 3, line 8 column 5
6	Accumulated Deferred Income Taxes	(A)(1)(e)	\$71,067,110	Worksheet 3, line 11 column 5
7	Loss On Reacquired Debt	(A)(1)(f)	\$253,833	Worksheet 3, line 12 column 5
8	Other Regulatory Assets	(A)(1)(g)	\$15,736,382	Worksheet 3, line 16 column 5
9	Net Investment (Line 4-5-6+7+8)		\$207,169,366	
10	Prepayments	(A)(1)(h)	\$0	Worksheet 3, line 17 column 5
11	Materials & Supplies	(A)(1)(i)	\$995,680	Worksheet 3, line 18 column 5
12	Cash Working Capital	(A)(1)(j)	\$2,002,723	Worksheet 3, line 25 column 5
13	Total Investment Base (Line 9+10+11+12)		\$210,167,769	
II. <u>REVENUE REQUIREMENTS</u>				
14	Investment Return and Income Taxes	(A)	\$26,914,505	Worksheet 2
15	Depreciation Expense	(B)	\$7,325,298	Worksheet 4, line 3, column 5
16	Amortization of Loss on Reacquired Debt	(C)	\$75,151	Worksheet 4, line 4, column 5
17	Investment Tax Credit	(D)	(\$104,065)	Worksheet 4, line 5, column 5
18	Property Tax Expense	(E)	\$5,370,633	Worksheet 4, line 6, column 5
19	Payroll Tax Expense	(F)	\$502,606	Worksheet 4, line 22, column 5
20	Operation & Maintenance Expense	(G)	\$8,809,833	Worksheet 4, line 11, column 5
21	Administrative & General Expense	(H)	\$7,211,949	Worksheet 4, line 21, column 5
22	Transmission Related Integrated Facilities Charge	(I)	\$34,299,087	Attachment 4, line 6
23	Transmission Support Revenue	(J)	(\$7,130,058)	Worksheet 6
24	Transmission Support Expense	(K)	\$963,053	Worksheet 6
25	Transmission Related Expense from Generators	(L)	\$0	Worksheet 7
26	Transmission Related Taxes and Fees Charge	(M)	\$0	
27	Revenue for ST Trans. Service Under NEPOOL Tariff	(N)	(\$320,123)	Attachment 7
28	Transmission Rents Received from Electric Property	(O)	(\$227,429)	Attachment 6
29	Total Revenue Requirements (Line 14 thru 28)		\$83,690,440	

New England Power Company
Annual Revenue Requirements
For Costs in 2009

Shading denotes an input

	CAPITALIZATION 12/31/2009	CAPITALIZATION RATIOS	COST OF CAPITAL	COST OF CAPITAL	EQUITY PORTION
LONG-TERM DEBT	\$410,350,000	35.48%	1.58%	0.56%	
PREFERRED STOCK	\$1,111,700	0.10%	6.02%	0.01%	0.01%
COMMON EQUITY	\$745,076,320	64.42%	11.64%	7.50%	7.50%
TOTAL INVESTMENT RETURN	\$1,156,538,020	100.00%		8.07%	7.51%

Cost of Capital Rate=

(a) Weighted Cost of Capital = 0.0807

(b) Federal Income Tax =
$$\left(\frac{\text{R.O.E.} + \left(\frac{\text{PTF Inv. (Tax Credit)} + \text{Eq. AFUDC of Deprec. Exp.}}{\text{PTF Inv. Base}} \right)}{1} \right) \times \frac{\text{Federal Income Tax Rate}}{\text{Federal Income Tax Rate}}$$

=
$$\left(\frac{0.0751 + \left(\frac{(\$104,065) + \$229,931}{\$210,167,769} \right)}{1} \right) \times \frac{0.35}{0.35}$$

= 0.0407609

(c) State Income Tax =
$$\left(\frac{\text{R.O.E.} + \left(\frac{\text{PTF Inv. (Tax Credit)} + \text{Eq. AFUDC of Deprec. Exp.}}{\text{PTF Inv. Base}} \right)}{1} \right) + \frac{\text{Federal Income Tax}}{\text{State Income Tax Rate}}$$

=
$$\left(\frac{0.0751 + \left(\frac{(\$104,065) + \$229,931}{\$210,167,769} \right)}{1} \right) + \frac{0.0407609}{0.053641}$$

= 0.0066011

(a)+(b)+(c) Cost of Capital Rate = 0.1280620

	(PTF)	
INVESTMENT BASE	\$210,167,769	From Worksheet 1
x Cost of Capital Rate	0.1280620	
= Investment Return and Income Taxes	<u>\$26,914,505</u>	To Worksheet 1

Source: Attachment 2

New England Power Company

Line No.	(1) Total	(2) Wage/Plant Allocation Factors	(3) = (1)*(2) Transmission Allocated	(4) PTF Allocation Factor (b)	(5) = (3)*(4) PTF Allocated	Source Reference for Col (1)
1			\$0		\$352,386,820	Attachment 1, Page 1
2					(\$13,086,728)	Attachment 1, Page 2
3	\$6,563,943	99.7633% (a)	\$6,548,406	25.6231%	\$1,677,905	FERC Form 1 Page 207.99g
4			<u>\$6,548,406</u>		<u>\$340,977,997</u>	
5	\$1,027,771		\$1,027,771	25.6231%	<u>\$263,347</u>	FERC Form 1 Page 214.2,4,9
<u>Transmission Plant Held for Future Use</u>						
<u>Transmission Accumulated Depreciation</u>						
6	\$303,640,607		\$303,640,607	25.6231%	\$77,802,136	FERC Form 1 Page 219.25
7	\$4,666,793	99.7633% (a)	\$4,655,747	25.6231%	\$1,192,947	FERC Form 1 Page 219.28
8			<u>\$308,296,354</u>		<u>\$78,995,083</u>	
<u>Transmission Accumulated Deferred Taxes</u>						
9	-\$430,463,140	99.2163%	(\$427,089,600)	25.6231%	(\$109,433,595)	FERC Form 1 Page 113.62-64
10	\$150,916,705	99.2163%	\$149,733,971	25.6231%	\$38,366,485	FERC Form 1 Page 111.82
11			<u>(\$277,355,629)</u>		<u>(\$71,067,110)</u>	
12	\$990,643	100.0000%	\$990,643	25.6231%	<u>\$253,833</u>	FERC Form 1 Page 111.81c
<u>Other Regulatory Assets</u>						
13	\$0	99.7633% (a)	\$0	25.6231%	\$0	
14	\$61,414,823	100.0000%	\$61,414,823	25.6231%	\$15,736,382	FERC Form 1 Page 232.7f
15	\$0	100.0000%	\$0	25.6231%	\$0	
16	<u>\$61,414,823</u>		<u>\$61,414,823</u>		<u>\$15,736,382</u>	
17	\$0	99.7633% (a)	\$0	25.6231%	\$0	FERC Form 1 Page 111.57c
18	\$3,885,867		\$3,885,867	25.6231%	<u>\$995,680</u>	FERC Form 1 Page 227.8c
<u>Cash Working Capital</u>						
20					\$8,809,833	Worksheet 1, Line 20
21					\$7,211,949	Worksheet 1, Line 21
22					\$0	Worksheet 6
23					<u>\$16,021,782</u>	
24					0.1250	x 45 / 360
25					<u>\$2,002,723</u>	

(a) Worksheet 5 Line 11
(b) Worksheet 5 Line 3

New England Power Company

Shading denotes an input

Line No.	(1) Total	(2) Wage/Plant Allocation Factors	(3) = (1)*(2) Transmission Allocated	(4) PTF Allocation Factor (b)	(5) = (3)*(4) PTF Allocated	Source Reference for Col (1)
Depreciation Expense						
1	\$28,239,845		\$28,239,845	25.6231%	\$7,235,924	FERC Form 1 Page 336.7b
2	\$349,629	99.7633% (a)	\$348,801	25.6231%	\$89,374	FERC Form 1 Page 336.10b
3			\$28,588,646		\$7,325,298	
4	\$293,292	100.0000%	\$293,292	25.6231%	\$75,151	FERC Form 1 Page 117.64c
5	\$406,136	100.0000%	\$406,136	25.6231%	\$104,065	FERC Form 1 Page 266.8f - Footnote (f)
6	\$20,960,123	100.0000%	\$20,960,123	25.6231%	\$5,370,633	FERC Form 1 Page 263.10,17,23,28i - Footnote (e)
Transmission Operation and Maintenance						
7	\$62,195,739		\$62,195,739	25.6231%	\$15,936,476	FERC Form 1 Page 321.112b
8	\$15,883,436		\$15,883,436	25.6231%	\$4,069,829	FERC Form 1 Page 321.96b
9	\$11,929,915		\$11,929,915	25.6231%	\$3,056,814	FERC Form 1 Page 321.84-92b less 87b
10	\$0		\$0		\$0	FERC Form 1 Page 321.93b & .98b
11	\$34,382,388		\$34,382,388	25.6231%	\$8,809,833	
Transmission Administrative and General						
12	\$29,814,013					FERC Form 1 Page 323.197b
13	less Property Insurance (#924)					FERC Form 1 Page 323.185b
14	\$4,241,188					FERC Form 1 Page 323.189b
15	less General Advertising Expense (#930.1)					FERC Form 1 Page 323.191b
16	\$24,704					
17	\$25,989,048	99.7633% (a)	\$25,927,532	25.6231%	\$6,643,437	
18	PLUS Property Insurance alloc. using Plant Allocator	99.2163% (c)	-\$437,471	25.6231%	-\$112,094	Line 13
19	PLUS Regulatory Comm. Exp.	99.2163% (c)	\$2,587,764	25.6231%	\$663,065	Attachment 5 Line 6
20	\$24,704		\$24,704	25.6231%	\$6,330	Line 15
21	PLUS Specifically Identified Trans. Related General Advertising Expense		\$43,753	25.6231%	\$11,211	FERC Form 1 Page 350.18c
21	Total A&G [line 16 + (17 thru 20)]		\$28,146,282		\$7,211,949	
22	\$1,966,189	99.7633% (a)	\$1,961,535	25.6231%	\$502,606	FERC Form 1 Page 263.3,4i - Footnote (d)
(a) Worksheet 5 Line 11						
(b) Worksheet 5 Line 3						
(c) Worksheet 5 Line 16						
(d) Payroll taxes FERC Form 1, page 263.i						
	\$13,994					
Federal Unemployment	\$1,952,195					
FICA	\$0					
Payroll Taxes	\$0					
State Unemployment	\$0					
Total	\$1,966,189					
(e) Property Taxes FF1, Page 263i						
					\$17,745,431	
					\$2,340,263	
					\$730,106	
					\$0	
					\$144,323	
					\$0	
					\$20,960,123	

(e) Transmission Only - Property Taxes - Specifically Identified in FERC Form 1
(f) Transmission Only - Amortization of ITC - Specifically Identified in FERC Form 1

** Subtract Accounts #562 & #567 from O&M Expense to the extent that they include PTF Support Payments.

Shading denotes an input

Line No.		NEP	Source Reference
<u>PTF Transmission Plant Allocation Factor</u>			
1	PTF Transmission Investment	\$352,386,820	
2		\$1,375,270,230	Attachment 1, Page 1 FERC Form 1 Page 207.58g - Page 200.4b
3	Percent Allocation (Line 1/Line 2)	<u>25.6231%</u>	
<u>Transmission Wages and Salaries Allocation Factor</u>			
4	Direct Transmission Wages and Salaries	\$0	FERC Form 1 Page 354.14b
5	Affiliated Company Transmission Wages and Salaries	\$22,154,668	General Ledger Query
6	Total Transmission Wages and Salaries (Line 4 + Line 5)	\$22,154,668	
7	Total Wages and Salaries	\$0	FERC Form 1 Page 354.28b
8	Administrative and General Wages and Salaries	\$0	FERC Form 1 Page 354.27b
9	Affiliated Company Wages and Salaries less A&G	\$22,207,232	General Ledger Query
10	Total Wages and Salaries net of A&G (Line 7 - 8 + 9)	\$22,207,232	
11	Percent Allocation (Line 6/Line 10)	<u>99.7633%</u>	
<u>Plant Allocation Factor</u>			
12	Total Transmission Investment	\$1,375,270,230	Line 2
13	plus Transmission-Related General Plant	\$6,548,406	Worksheet 3, Line 3, Column 3
14	= Revised Numerator (Line 12 + Line 13)	\$1,381,818,636	
15	Total Plant in Service	\$1,392,733,917	FERC Form 1 Page 207.104g - Page 200.4b
16	Percent Allocation (Line 14 / Line 16)	<u>99.2163%</u>	

Input Revenues associated with the PTF Supporting Facilities in columns (a) and expenses associated with the facilities in columns (b). The totals are then linked to Worksheet 1, Lines 23 and 24.

Participant	PTF Supporting Facilities	FERC Form 1	TOTAL	
			Revenues (a)	Expenses (b)
BECO	345 kV Sherman - Medway 336 line			
	115 kV Somerville 402 Substation			
	115/345 kV North Cambridge 509 Substation	14092582		
	345 kV Golden Hills -Mystic 389 (x&y) line	Contract Suspended Oct. 1997		\$0
	West Medway 345 kV breaker	Pg 332 Line 6 Col (g)		\$0
	115 kV Millbury-Medway 201 line	Pg 332 Line 2 Col (g)		\$9,334
	HQ Phase II - AC in MA	Pg 332 Line 5 Col (g)		\$115,229
	345 kV "stabilizer" 342 line	Pg 332 Line 3 Col (g)		\$69,187
	345 kV Walpole - Medway 325 line			
	345 kV Carver - Walpole 331 line	Pg 332 Lines 12 & 13 Col (g)		\$19,462
345 kV Jordan Rd - Canal 342 line				
CEC	Second Canal line	Pg 332 Line 4 Col (g)		\$47,040
	345 kV Pilgrim-Bridgewater - 355 line			\$0
	345 kV Myles Standish - Canal 342 line			\$0
	Bell Rock Road	Page 330.5 Line 12	-\$4,408	
CMP	345 kV Buxton-South Gorham 386 line	Page 332.1, Line 4		\$0
	115 kV Wyman 164-167 lines	Pg 332.1 Line 3 Col (g)		\$0
	115 kV Maine Yankee transmission			
NEP	345 kV Carver - Walpole 331 line			\$0
	345 kV Medway - Bridgewater 344 Line	Pg 330.5, Line 11	\$166,069	
	Northern Rhode Island transmission	Reflect in Integr. Fac. Chg. Wksh1	N/A	N/A
VT Elec Co.	Chester SVC	Tx Billing		\$692,801
	Fitchburg Support	See Attachment 9		\$0
	MWRA Transmission (MDC)	Contract		\$10,000
	Comerford 115 kV Substation	Page 330.1 Line 12	\$41,705	
	Boston-Edison [345 kV Sandy-Tewksbury 337 line 345 kV Tewksbury-Woburn 338 line]	Page 330 Line 4	\$854,688	
	Boston-Edison [115 kV Tewksbury - Woburn M139 line 115 kV Tewksbury - Woburn N140 line]	Page 330 Line 3	\$110,499	
	Public Service Co. -Moore 115 kV Substation	Page 330.1 Line 5	\$13,319	
	HQ Phase II - AC in MA	Page 330 Line 11	\$5,099,585	
	Boston Edison -345 kV Golden Hills-Mystic 349 line	Page 330 Line 2	\$425,327	
	345 kV NH/MA border-Tewksbury 394 line (Seabrook)	Page 330.1 Line 8	\$423,274*	
NU	PSNH 345 kV 363, 369 and 394 Seabrook lines	Page 332 Line 11		\$0
	Fairmont 115 kV Substation			
	345 kV Millstone-Manchester 310 line	Page 332.1 Line 5		\$0
	UI Substations			
	Black Pond			
Total =			\$7,130,058	\$963,053

* Adjusted FERC Form Pg 330.1 Line 8 to reflect FERC Order #ER09-1764-000 amending the Seabrook Transmission Support Agreement.

FF1 Pg 330.1 Line 8	\$	2,821,824
Revised @ 15% per FERC Order	\$	423,274
FF1 Adjustment	\$	<u>2,398,550</u>

Shading denotes an input

New England Power Company
2009 Informational Filing
PTF Plant Allocation

				<u>Percent Pre/Post</u>
1	2008	Pre-1997 PTF Transmission Plant	\$353,995,853	
2	2008	Post-1996 PTF Transmission Plant	\$503,285,683	
3	2009	Additions/Retirements	\$159,702,008	
4	2009	Pre-1997 PTF Transmission Plant	\$352,386,820	34.65%
5	2009	Post-1996 PTF Transmission Plant	\$664,596,724	65.35%
6	2009	Total PTF Transmission Plant	\$1,016,983,544	100.00%

Sources:

- 1 PTF Plant Reports for previous year
- 2 PTF Plant Reports for previous year
- 3 Line 6 - Line 1 + Line 2
- 4 PTF Plant Reports for current year
- 5 PTF Plant Reports for current year
- 6 Line 4 + 5

Shading denotes an input

GROSS PLANT ASSOC. WITH HVDC LEASES
2009

LINE NO		(HVDC) NHH/NEH <u>LEASE</u>
1	Gross Plant Value Comerford Station to Tewksbury Line	\$14,269,187
	Allocation	
2	Miles used by NHH (a)	224
3	Total miles at Comerford Station	253
4	Percentage of Total Gross Plant leased by NHH (a)	89%
5	Total Gross Plant leased by NHH (a)	\$12,699,576
6	Total Land from Sandy Pond to New Hampshire	\$1,106,146
7	HVDC lines occupy 35% of Right of Way	35%
8	Total Land leased by NEH (a)	\$387,151
9	Total NEP Gross Plant leased by HVDC to be excluded from PTF Revenue requirement	\$13,086,728

Source:

- 1 FERC Form 1, Page 422.1-423.1, Lines 5 + 16
- 2 Total miles used per lease agreement
- 3 FERC Form 1, Page 422.1 Lines 5 + 16 col (f)
- 4 Line 2 / Line 3
- 5 Line 1 * Line 4
- 6 FERC Form 1, Page 422-423, Line 15
- 7 Percentage per lease agreement
- 8 Line 6 * Line 7
- 9 Line 5 + Line 8

Note:

- (a) NEH and NHH are acronyms for two of the three "Hydro Companies, New England Hydro Transmission (NEH) Electric Company, New England Electric Transmission Corporation, and New England Hydro Transmission Electric Company, Inc. (NHH)" which own and lease the HVDC interconnection facilities to the participants to the NEPOOL HVDC agreements.

New England Power Company
Determination of Book Depreciation on Equity AFUDC

		<u>2009</u>
1	Total Current Year Book Depreciation on Equity AFUDC	\$900,396
2	Less: Specifically Identified Transmission-Related	
	2002 Transmission	\$8,889
	2003 Transmission	\$16,500
	2004 Transmission	\$15,518
	2005 Transmission	\$49,757
	2006 Transmission	\$64,352
	2007 Transmission	\$42,418
	2008 Transmission	\$57,508
	2009 Transmission	\$98,437
	Tewksbury Line	\$54,708
	Hydro-Quebec	\$23,543
	Montaup Transmission Only 1990 - 1999	\$9,713
	1998 Transmission	\$13,959
	1999 Transmission	\$42,457
	2000 Transmission	(\$8,299)
	2001 Transmission	<u>\$23,561</u>
		\$513,021
3	Total Unidentified Book Depreciation on Equity AFUDC	\$387,375
4	Plant Allocator Factor	99.2163%
5	Allocated Transmission Related Book Depreciation on Equity AFUDC	\$384,339
6	Plus: Specifically Identified Transmission-Related Equity AFUDC	<u>\$513,021</u>
7	Total Transmission-Related Equity AFUDC	\$897,360
8	Pre-97 PTF Allocation Factor	25.6231%
9	Transmission-Related Equity AFUDC	\$229,931

Sources:

- 1 & 2 Transmission Rates includes \$9,713 from Montaup
- 3 Line 1 - Line 2
- 4 Worksheet 5 - PTF Plant Allocation Factor
- 5 Line 3 * Line 4
- 6 Line 2
- 7 Line 5 + Line 6
- 8 Worksheet 5 - Pre-97 PTF Allocation Factor
- 9 Line 7 * Line 8

Shading denotes an input

New England Power Company
Determination of the PTF Related Integrated Facilities Charges

	REVISED PTF	
	Narragansett <u>2009</u>	MECO <u>2009</u>
1 Total Integrated Facilities Charges	\$42,294,362	\$7,830,887
2 Total 2009 PTF Property	\$173,100,030	\$21,108,649
3 Total Transmission Plant in 2009	\$239,329,792	\$44,568,938
4 NECO or MECO PTF Plant Allocator	72.33%	47.36%
5 PTF Related Integrated Facilities Charge	\$30,590,238	\$3,708,849
6 Total Integrated Facilities		<u><u>\$34,299,087</u></u>

Source:

- 1 FF1 Page 330.4 Lines 13 & 14 Col (n)
- 2 PowerPlant Reports
- 3 FF1 Page 207 Line 58 (g)
- 4 Line 2 / Line 3
- 5 Line 1 * Line 4
- 6 Line 5 Totals for Narragansett and Massachusetts Electric

Shading denotes an input

Attachment 5

New England Power Company
Development of 2009 Regulatory Commission Expense

<u>Line No.</u>		<u>2009</u>	<u>Source</u>
1	Total Regulatory Commission Expense - NEP	\$4,241,188	FERC Form1 Page 350.46d
2	Less: New Hampshire PUC Assessment	\$54,748	FERC Form1 Page 350.2d
3	Less: Mass Emergency Fund	\$249,867	FERC Form1 Page 350.7d
4	Less Mass DPU Special Assessment	\$0	FERC Form1 Page 350.8d
5	Less: Utility Expenses	\$1,328,369	FERC Form1 Page 350.46c
6	Total Federal Assessments	\$2,608,204	Line 1 - (Line 2-5)

Transmission Rents Received from Electric Property
New England Power Company

	<u>2009</u>
Revenues	\$887,595
Plant Allocation Factor	100.00%
Transmission Allocated	\$887,595
PTF Allocation	25.6231%
Total PTF Revenue	\$227,429

Source: Peoplesoft Activities #454002, 454020 and 454024 - see Analysis for details

Revenue for Short-Term Transmission Service under the NEPOOL Tariff

New England Power Company

	<u>2009</u>
Revenues	\$923,870
Pre-97 PTF Percent	34.6502%
Total Pre-97 PTF Revenue	\$ 320,123

Source: Short Term Through and Out Revenues from ISO New England

ISO Tariff Billing
 ISO Annual Transmission Revenue Requirements
 per Tariff Attachment F and ISO Agreement Part 2, Section 6.3

Shading denotes an input

Submitted on:	
Revenue Requirements for (year):	Calendar Year 2010
Rates Effective for the Period: Through:	June 2011 May 2012
Customer:	New England Power Company
Customer's NABs Number:	
Name of Participant responsible for customer's billing:	
DUNs number of Participant responsible for customer's billing:	

	<u>Pre-97 Revenue Requirements</u>	<u>Post-96 Revenue Requirements</u>
Total of Attachment F - Sections A through I	<u>\$88,866,750</u> ^(a)	<u>\$121,119,799</u> ^(f)
Total of Attachment F - Section J - Support Revenue	<u>\$6,543,377</u> ^(b)	<u>\$0</u> ^(g)
Total of Attachment F - Section K - Support Expense	<u>\$881,501</u> ^(c)	<u>\$0</u> ^(h)
Total of Attachment F - Section (L through O)	<u>(\$1,159,454)</u> ^(d)	<u>(\$2,495,328)</u> ⁽ⁱ⁾
Sub Total - Sum (A through I) - J + K + (L through O)	<u>\$82,045,420</u> ^{(e)=(a)-(b)+(c)+(d)}	<u>\$118,624,471</u> ^(j)
Forecasted Transmission Revenue Requirements (per Attachment C to Attachment F Implementation Rule)	<u>N/A</u>	<u>\$19,133,246</u> ^(k)
Annual True-up (per Attachment C to Attachment F Implementation Rule)	<u>N/A</u> ^(l)	<u>N/A</u> ^(m)
Adjusted Sub Total - Sum (Sub Total + Forecast + True-up)	<u>\$82,045,420</u> ^{(n)=(e)+(l)}	<u>\$137,757,717</u> ^{(o)=(j)+(k)+(m)}
Annual Revenue Requirement Total = Sum of Pre-97 Revenue Requirements & Post-96 Revenue Requirements Subtotals, Forecasted Revenue Requirements and True-ups (including interest)		<u>\$219,803,137</u> ^{(p) = (n) + (o)}

New England Power Company
Annual Revenue Requirements of PTF Facilities
For Costs in 2010

POST-1996

Shading denotes an input

Line No.	I. INVESTMENT BASE	Attachment F Reference	NEP	Reference
		<i>Section:</i>		
1	Transmission Plant	(A)(1)(a)	\$755,657,102	Worksheet 5, line 1&2 column 5
2	General Plant	(A)(1)(b)	\$3,501,114	Worksheet 5, line 3 column 5
3	Plant Held For Future Use	(A)(1)(c)	\$523,217	Worksheet 5, line 5 column 5
4	Total Plant (Lines 1+2+3)		<u>\$759,681,433</u>	
5	Accumulated Depreciation	(A)(1)(d)	(\$168,493,923)	Worksheet 5, line 8 column 5
6	Accumulated Deferred Income Taxes	(A)(1)(e)	(\$160,012,647)	Worksheet 5, line 11 column 5
7	Loss On Reacquired Debt	(A)(1)(f)	\$355,007	Worksheet 5, line 12 column 5
8	Other Regulatory Assets	(A)(1)(g)	\$22,586,072	Worksheet 5, line 16 column 5
9	Net Investment (Line 4+5+6+7+8)		<u>\$454,115,942</u>	
10	Prepayments	(A)(1)(h)	\$0	Worksheet 5, line 17 column 5
11	Materials & Supplies	(A)(1)(i)	\$2,273,926	Worksheet 5, line 18 column 5
12	Cash Working Capital	(A)(1)(j)	\$4,024,393	Worksheet 5, line 25 column 5
13	Total Investment Base (Line 9+10+11+12)		<u><u>\$460,414,261</u></u>	
II. REVENUE REQUIREMENTS				
14	Investment Return and Income Taxes	(A)	\$59,812,781	Worksheet 3
15	Depreciation Expense	(B)	\$16,593,368	Worksheet 6, line 3, column 5
16	Amortization of Loss on Reacquired Debt	(C)	\$149,309	Worksheet 6, line 4, column 5
17	Investment Tax Credit	(D)	(\$201,661)	Worksheet 6, line 5, column 5
18	Property Tax Expense	(E)	\$11,520,944	Worksheet 6, line 6, column 5
19	Payroll Tax Expense	(F)	\$1,049,911	Worksheet 6, line 22, column 5
20	Operation & Maintenance Expense	(G)	\$16,817,224	Worksheet 6, line 11, column 5
21	Administrative & General Expense	(H)	\$15,377,923	Worksheet 6, line 21, column 5
22	Transmission Related Integrated Facilities Charge	(I)	\$0	Attachment 4, line 6
23	Transmission Support Revenue	(J)	\$0	Worksheet 8
24	Transmission Support Expense	(K)	\$0	Worksheet 8
25	Transmission Related Expense from Generators	(L)	\$0	
26	Transmission Related Taxes and Fees Charge	(M)	\$0	
27	Revenue for ST Trans. Service Under NEPOOL Tariff	(N)	(\$1,922,989)	Attachment 7
28	Transmission Rents Received from Electric Property	(O)	(\$572,339)	Attachment 6
29	Total Revenue Requirements (Line 14 thru 28)		<u><u>\$118,624,471</u></u>	

New England Power Company
Post 1996 Regional Network Service Revenue Requirement
For Test Year Ended 12/31/2010

Shading denotes an input

<u>Line No.</u>	<u>Description</u>	<u>Attachment F Reference</u>	<u>Forecasted Amount \$</u>	<u>Reference</u>
1	Forecasted Revenue Requirements for Forecasted Transmission Plant Additions (FTP)		\$ 11,629,831	Line 6
2	Forecasted Revenue Requirements for Forecasted Transmission CWIP		7,503,415	Line 9
3	Forecasted Transmission Revenue Requirements		\$ 19,133,246	Line 1 + Line 2
4	Forecasted Revenue Requirements for Forecasted Transmission Plant Additions (FTP)	Appendix C iv	\$ 73,388,000	Project Detail
5	Carrying Charge Factor (CCF)	Appendix C vi	15.84705%	Line 20
6	Forecasted Revenue Requirements for FTP		\$ 11,629,831	Line 4 * Line 5
7	Forecasted New England Power Company (NEP) NEEWS CWIP (FNCWIP)	Appendix C xiii	\$ 53,588,131	Filing Workpaper
8	NEEWS NEP Cost of Capital Rate (NCOC)	Appendix C xiv	14.00201%	Workpaper 4
9	Forecasted Revenue Requirements for FNCWIP		\$ 7,503,415	Line 7 * Line 8
<u>Derivation of Carrying Charge (CCF)</u>				
10	Investment Return and Income Taxes	(A)	\$58,442,316	Summary, Line 14
11	Depreciation Expense	(B)	16,593,368	Summary, Line 15
12	Amortization of Loss on Reacquired Debt	(C)	149,309	Summary, Line 16
13	Investment Tax Credit	(D)	(201,661)	Summary, Line 17
14	Property Tax Expense	(E)	11,520,944	Summary, Line 18
15	Payroll Tax Expense	(F)	1,049,911	Summary, Line 19
16	Operation & Maintenance Expense	(G)	16,817,224	Summary, Line 20
17	Administrative & General Expense	(H)	15,377,923	Summary, Line 21
18	Total Expenses (Lines 10 thru 17)		\$119,749,334	
19	PTF Transmission Plant	(A)(1)(a)	\$755,657,102	Summary, Line 1
20	Carrying Charge Factor (FTP)		15.84705%	Line 18 / Line 19

New England Power Company
Annual Revenue Requirements
For Costs in 2010

Shading denotes an input

	CAPITALIZATION 12/31/2010	CAPITALIZATION RATIOS	COST OF CAPITAL	COST OF CAPITAL	EQUITY PORTION
LONG-TERM DEBT	\$410,350,000	35.93%	1.25%	0.45%	
PREFERRED STOCK	\$1,111,700	0.10%	6.02%	0.01%	0.01%
COMMON EQUITY	\$730,712,039	63.98%	11.64%	7.45%	7.45%
TOTAL INVESTMENT RETURN	\$1,142,173,739	100.01%		7.91%	7.46%

Cost of Capital Rate=

(a) Weighted Cost of Capital	=	0.0791	
(b) Federal Income Tax	= (	$\frac{R.O.E. + (PTF Inv. (Tax Credit + Eq. AFUDC of Deprec. Exp.)) / PTF Inv. Base}{1}$	x Federal Income Tax Rate
	= (	$\frac{0.0746 + (-(\$201,661) + \$497,607) / \$460,414,261}{1}$	x 0.35
	=	0.0405153	
(c) State Income Tax	= (	$\frac{R.O.E. + (PTF Inv. (Tax Credit + Eq. AFUDC of Deprec. Exp.)) / PTF Inv. Base}{1}$	+ Federal Income Tax State Income Tax Rate
	= (	$\frac{0.0746 + (-(\$201,661) + \$497,607) / \$460,414,261}{1}$	+ 0.0405153 State Income Tax Rate
	=	0.0073189	
(a)+(b)+(c) Cost of Capital Rate	=	0.1269342	

(PTF)

INVESTMENT BASE	\$460,414,261	From Worksheet 1
x Cost of Capital Rate	0.1269342	
= Investment Return and Income Taxes	\$58,442,316	To Worksheet 1

Post 2003 PTF Investment Base w/ Incremental 100 bps:

Plant In-Service	\$ 213,120,061	From Attachment 1
Accumulated Depreciation	(46,801,214)	From Worksheets 5 & 7
Accumulate Deferred Income Taxes	(44,793,319)	From Worksheets 5 & 7
Total Post-2003 Investment	\$ 121,525,527	Calculated
Incremental ROE:	1.00%	0.00640 Calculated
Federal Income Taxes:	0.00345	Per Attachment F
State Income Taxes:	0.00062	Per Attachment F
Cost of Capital Rate	0.01047	
Incremental Return and Taxes on Post-2003 PTF Investment	\$ 1,271,815	

NEEWS CWIP w/ Incremental 125 bps:

New England Power NEEWS In-Service	\$ 14,281,610	PowerPlant PTF 4 & 5 reports - PTF only
Accumulated Depreciation	(3,431,595)	From Worksheets 3 & 5
Accumulate Deferred Income Taxes	(3,308,970)	From Worksheets 3 & 5
Total New England Power NEEWS Investment	\$ 7,541,046	Calculated
Incremental ROE:	1.25%	0.00800 Calculated
Federal Income Taxes:	0.00431	Per Attachment F
State Income Taxes:	0.00078	Per Attachment F
Cost of Capital Rate	0.01308	
Incremental Return and Taxes on NEEWS PTF Investment	\$ 98,650	

NEEWS Allocation Factor		
Total Transmission Investment	\$1,484,361,243	Worksheet 7 Line 2
Total NEEWS In-Service - NEP	\$15,743,593	PowerPlant Report
For Accumulated Depreciation	1.0606%	
NEEWS Allocation Factor	1.0606%	
Plant Allocation Factor	0.92566	Worksheet 7 Line 16
For Accumulated Deferred Income Taxes	1.0527%	

New England Power Company
Annual Revenue Requirements
For Costs in 2010

Shading denotes an input

	CAPITALIZATION 12/31/2010	CAPITALIZATION RATIOS	COST OF CAPITAL	COST OF CAPITAL	EQUITY PORTION
LONG-TERM DEBT	\$410,350,000	35.93%	1.25%	0.45%	
PREFERRED STOCK	\$1,111,700	0.10%	6.02%	0.01%	0.01%
COMMON EQUITY	\$730,712,039	63.98%	12.89%	8.25%	8.25%
TOTAL INVESTMENT RETURN	\$1,142,173,739	100.01%		8.71%	8.26%

Cost of Capital Rate=

(a) Weighted Cost of Capital = 0.0871

(b) Federal Income Tax =
$$\left(\frac{\text{R.O.E.} + \left(\frac{\text{PTF Inv. (Tax Credit)} + \text{Eq. AFUDC of Deprec. Exp.}}{\text{PTF Inv. Base}} \right) / \text{Federal Income Tax Rate}}{1} \right) \times \text{Federal Income Tax Rate}$$

=
$$\left(\frac{0.0826 + \left(\frac{(\$201,661) + \$497,607}{\$460,414,261} \right) / 0.35}{1} \right) \times 0.35$$

= 0.0448230

(c) State Income Tax =
$$\left(\frac{\text{R.O.E.} + \left(\frac{\text{PTF Inv. (Tax Credit)} + \text{Eq. AFUDC of Deprec. Exp.}}{\text{PTF Inv. Base}} \right) / \text{State Income Tax Rate}}{1} \right) \times \text{State Income Tax Rate}$$

=
$$\left(\frac{0.0826 + \left(\frac{(\$201,661) + \$497,607}{\$460,414,261} \right) / 0.059466}{1} \right) \times 0.059466$$

= 0.0080971

(a)+(b)+(c) Cost of Capital Rate = 0.1400201

New England Power Company

Shading denotes an input

Line No.	(1) Total	(2) Wage/Plant Allocation Factors	(3) = (1)*(2) Transmission Allocated	(4) PTF Allocation Factor (b)	(5) = (3)*(4) PTF Allocated	Source Reference for Col (1)
1					\$755,657,102	Attachment 1, Page 1
2					\$0	Attachment 2
3	\$6,894,870	99.7459% (a)	\$6,877,350	50.9079% (b)	\$3,501,114	FERC Form 1 page 207.99
4			<u>\$6,877,350</u>		<u>\$759,158,216</u>	
5	\$1,027,771		\$1,027,771	50.9079% (b)	\$523,217	FERC Form 1 page 214.2,4,9
<u>Transmission Accumulated Depreciation</u>						
6	(\$325,966,071)		(\$325,966,071)	50.9079% (b)	(\$165,942,481)	FERC Form 1 page 219.25
7	(\$5,024,647)	99.7459% (a)	(\$5,011,879)	50.9079% (b)	(\$2,551,442)	FERC Form 1 Page 219.28
8			<u>(\$330,977,950)</u>		<u>(\$168,493,923)</u>	
<u>Transmission Accumulated Deferred Taxes</u>						
9	(\$374,482,727)	99.2566% (c)	(\$371,698,822)	50.9079% (b)	(\$189,224,065)	FERC Form 1 page 113.62-64
10	\$57,810,678	99.2566% (c)	\$57,380,913	50.9079% (b)	\$29,211,418	FERC Form 1 page 111.82
11			<u>(\$314,317,909)</u>		<u>(\$160,012,647)</u>	
12	\$697,351	100.0000%	\$697,351	50.9079% (b)	\$355,007	FERC Form 1 Page 111.81c
<u>Other Regulatory Assets</u>						
13	\$0	99.7459% (a)	\$0	50.9079% (b)	\$0	
14	\$44,366,536	100.0000%	\$44,366,536	50.9079% (b)	\$22,586,072	FERC Form 1 Page 232.7f
15	\$0	100.0000%	\$0	50.9079% (b)	\$0	FERC Form 1 Page 278
16	<u>\$44,366,536</u>		<u>\$44,366,536</u>		<u>\$22,586,072</u>	
17	\$0	99.7459% (a)	\$0	50.9079% (b)	\$0	FERC Form 1 Page 111.57c
18	\$4,466,745		\$4,466,745	50.9079% (b)	\$2,273,926	FERC Form 1 Page 227.8c
<u>Cash Working Capital</u>						
20					\$16,817,224	Worksheet 1, Line 20
21					\$15,377,923	Worksheet 1, Line 21
22					\$0	Worksheet 8
23					\$32,195,147	
24					0.1250	x 45 / 360
25					<u>\$4,024,393</u>	

- (a) Worksheet 7 Line 11
- (b) Worksheet 7 Line 3
- (c) Worksheet 7 Line 16

New England Power Company

Shading denotes an input

Line No.	(1) Total (g)	Wage/Plant Allocation Factors	(3) = (1)*(2) Transmission Allocated	PTF Allocation Factor (b)	(5) = (3)*(4) PTF Allocated	Source Reference for Col (1)
Depreciation Expense						
1	\$32,237,934		\$32,237,934	50.9079%	\$16,411,655	FERC Form 1 Page 336.7b
2	\$357,854	99.7459% (a)	\$356,945	50.9079%	\$181,713	FERC Form 1 Page 336.10b
3			\$32,594,879		\$16,593,368	
4	\$293,292		\$293,292	50.9079%	\$149,309	FERC Form 1 Page 117.64c
5	(\$396,129)		(\$396,129)	50.9079%	(\$201,661)	FERC Form 1 Page 266.8f - Footnote (f)
6	\$22,630,955		\$22,630,955	50.9079%	\$11,520,944	FERC Form 1 Page 263.10,17,23,28i - Footnote (e)
Transmission Operation and Maintenance						
7	\$60,951,521		\$60,951,521	50.9079%	\$31,029,139	FERC Form 1 Page 321.112b
8	\$16,215,370		\$16,215,370	50.9079%	\$8,254,904	FERC Form 1 Page 321.96b
9	\$11,701,546		\$11,701,546	50.9079%	\$5,957,011	FERC Form 1 Page 321.84-92b less 87b
10	\$0		\$0		\$0	FERC Form 1 Page 321.93b & .98b
11	\$33,034,605		\$33,034,605	50.9079%	\$16,817,224	
Transmission Administrative and General						
12	\$32,504,326					FERC Form 1 Page 323.197b
13	(\$179,245)					FERC Form 1 Page 323.185b
14	\$4,562,078					FERC Form 1 Page 323.189b
15	\$0					FERC Form 1 Page 323.191b
16	\$28,121,493	99.7459% (a)	\$28,050,036	50.9079%	\$14,279,684	
17	(\$179,245)	99.2566% (c)	(\$177,912)	50.9079%	(\$90,571)	Line 13
18	\$2,349,311	99.2566% (c)	\$2,331,846	50.9079%	\$1,187,094	Attachment 5 Line 6
19	\$0		\$0	50.9079%	\$0	Line 15
20	\$3,370		\$3,370	50.9079%	\$1,716	FERC Form 1 Page 350.18c
21	\$30,294,929		\$30,207,340		\$15,377,923	
22	\$2,067,627	99.7459% (a)	\$2,062,373	50.9079%	\$1,049,911	FERC Form 1 Page 263.3,4i - Footnote (d)
(d) (d) Payroll taxes FERC Form 1, page 263.i						
	\$37,667					
	\$2,105,294					
	\$0					
	\$0					
	\$2,067,627					
(e) Property Taxes FF1, Page 263i						
			\$19,219,508			
			\$2,582,427			
			\$685,578			
			\$0			
			\$143,442			
			\$0			
			\$22,630,955			

- (a) Worksheet 7, Line 11
- (b) Worksheet 7 Line 3
- (c) Worksheet 7 Line 16
- (d) Transmission Only - Payroll Taxes - Specifically identified in FERC Form 1
- (e) Transmission Only - Property Taxes - Specifically Identified in FERC Form 1
- (f) Transmission Only - Amortization of ITC - Specifically Identified in FERC Form 1

** Subtract Accounts #562 & #567 from O&M Expense to the extent that they include PTF Support Payments.

Shading denotes an input

Line No.		NEP	Source Reference
	<u>PTF Transmission Plant Allocation Factor</u>		
1	PTF Transmission Investment	\$755,657,102	
2	Total Transmission Investment	\$1,484,361,243	Attachment 1, Page 1 FERC Form 1 Page 207.58g - Page 200.4b
3	Percent Allocation (Line 1/Line 2)	<u>50.9079%</u>	
	<u>Transmission Wages and Salaries Allocation Factor</u>		
4	Direct Transmission Wages and Salaries	\$0	FERC Form 1 Page 354.14b
5	Affiliated Company Transmission Wages and Salaries	\$22,444,501	General Ledger Query
6	Total Transmission Wages and Salaries (Line 4 + Line 5)	<u>\$22,444,501</u>	
7	Total Wages and Salaries	\$0	FERC Form 1 Page 354.28b
8	Administrative and General Wages and Salaries	\$0	FERC Form 1 Page 354.27b
9	Affiliated Company Wages and Salaries less A&G	\$22,501,688	General Ledger Query
10	Total Wages and Salaries net of A&G (Line 7 - 8 + 9)	<u>\$22,501,688</u>	
11	Percent Allocation (Line 6/Line 10)	<u>99.7459%</u>	
	<u>Plant Allocation Factor</u>		
12	Total Transmission Investment	\$1,484,361,243	Line 2
13	plus Transmission-Related General Plant (Line 2 of Wkst. 3)	\$6,877,350	Worksheet 5, Line 3, Column 3
14	= Revised Numerator (Line 12 + Line 13)	<u>\$1,491,238,593</u>	
15	Total Plant in Service	\$1,502,407,856	FERC Form 1 Page 207.104g - Page 200.4b
16	Percent Allocation (Line 14 / Line 16)	<u>99.2566%</u>	
	<u>Post-2003 PTF Allocation Factor</u>		
17	Total Post-2003 PTF Investment	\$ 213,120,061	Attachment 1 Line 7
18	Total Transmission Investment	\$1,484,361,243	Line 2
19	Percent Allocation (Line 17/Line 18) for Post-2003 to Total Tx	14.3577%	
20	Total Invst in Tx Plant/Total Plant in Serv *		
21	Post-2003 PTF Tx Plant/Total Invst in Tx Plant	14.2510%	Line 19 * Line 16

**New England Power Company
Post-96 RNs Revenue Requirements
For Test Year Ended 12/31/2010**

Input Revenues associated with the PTF Supporting Facilities in columns (a) and expenses associated with the facilities in columns (b). The totals are then linked to Worksheet 1, Lines 23 and 24.

Participant	PTF Supporting Facilities	FERC Form 1 Reference	TOTAL	
			Revenues (a)	Expenses (b)
NSTAR	115 kV Millbury-Medway 201 Line	Pg 332 Line 2 Col (g)		\$0
	HQ Phase II - AC in MA	Pg 332 Line 5 Col (g)		\$0
	345 kV "stabilizer" 342 Line	Pg 332 Line 3 Col (g)		\$0
	345 kV Carver - Walpole 331 Line	Pg 332 Line 13 Col (g)		\$0
	Second Canal Line	Pg 332 Line 4 Col (g)		\$0
	Bell Rock Road	Page 330.5 Line 12	\$0	
	Boston-Edison [345 kV Sandy-Tewksbury 337 line-345kV Tewksbury-Woburn 338 Line]	Page 330 Line 4	\$0	
	Boston-Edison [115 kV Tewksbury - Woburn M139 line - 115kV Tewksbury-Woburn N140 Line]	Page 330 Line 3	\$0	
	Public Service Co. -Moore 115 kV Substation	Page 330.1 Line 5	\$0	
	Boston Edison -345 kV Golden Hills-Mystic 349 Line	Page 330 Line 2	\$0	
	Boston Edison -345 kV NH/MA border - Tewksbury 394 Line (Seabrook)	Page 330.1 Line 8	\$0	
EUA	345 kV Medway - Bridgewater 344 Line	Pg 330.5, Line 11	\$0	
NEP	Chester SVC	Transmission Billing		\$0
	HQ Phase II - AC in MA	Page 330 Line 11	\$0	
	MWRA Transmission (MDC)	Contract - Line Lease/Use		\$0
VT Elec Co.	Comerford 115 kV Substation	Page 330.1 Line 12	\$0	
		Totals	\$0	\$0

New England Power Company
2010 Informational Filing
PTF Plant Allocation

				<u>Percent Pre/Post</u>
1	2009	Pre-1997 PTF Transmission Plant	\$352,386,820	
2	2009	Post-1996 PTF Transmission Plant	\$664,596,724	
3	2010	Additions/Retirements	\$89,789,358	
4	2010	Pre-1997 PTF Transmission Plant	\$351,115,800	31.72%
5	2010	Post-1996 PTF Transmission Plant	\$755,657,102	68.28%
6	2010	Total PTF Transmission Plant	\$1,106,772,902	100.00%
7	2010	Post-2003 PTF Transmission Plant	\$213,120,061	

Sources:

- 1 PTF Plant Reports for previous year
- 2 PTF Plant Reports for previous year
- 3 Line 6 - Line 1 + Line 2
- 4 PTF Plant Reports for current year
- 5 PTF Plant Reports for current year
- 6 Line 4 + 5
- 7 PTF Plant Report: Post 2003 RSP Projects

Shading denotes an input

GROSS PLANT ASSOC. WITH HVDC LEASES
2010

LINE NO		(HVDC) NHH/NEH <u>LEASE</u>
1	Gross Plant Value Comerford Station to Tewksbury Line	\$0
	Allocation	
2	Miles used by NHH (a)	0
3	Total miles at Comerford Station	0
4	Percentage of Total Gross Plant leased by NHH (a)	0%
5	Total Gross Plant leased by NHH (a)	\$0
6	Total Land from Sandy Pond to New Hampshire	\$0
7	HVDC lines occupy 35% of Right of Way	0%
8	Total Land leased by NEH (a)	\$0
9	Total NEP Gross Plant leased by HVDC to be excluded from PTF Revenue requirement	\$0

Source:

- 1 FERC Form 1, Page 423.1, Lines 5 + 16
- 2 Total miles used per lease agreement
- 3 Total miles per lease agreement
- 4 Line 2 / Line 3
- 5 Line 1 * Line 4
- 6 FERC Form 1, Page 422-423, Line 15
- 7 Percentage per lease agreement
- 8 Line 6 * Line 7
- 9 Line 5 + Line 8

Note:

- (a) NEH and NHH are acronyms for two of the three "Hydro Companies, New England Hydro Transmission (NEH) Electric Company, New England Electric Transmission Corporation, and New England Hydro Transmission Electric Company, Inc. (NHH)" which own and lease the HVDC interconnection facilities to the participants to the NEPOOL HVDC agreements.

Shading denotes an input

Attachment 3

New England Power Company
Determination of Book Depreciation on Equity AFUDC

		2010
1	Total Current Year Book Depreciation on Equity AFUDC	\$980,344
2	Less: Specifically identified Transmission-Related	
	Tewksbury Line	\$54,708
	Hydro-Quebec	\$23,543
	Montaup Transmission Only 1990 - 1999	\$9,713
	1998 Transmission	\$13,959
	1999 Transmission	\$42,457
	2000 Transmission	(\$8,299)
	2001 Transmission	\$23,561
	2002 Transmission	\$8,889
	2003 Transmission	\$16,500
	2004 Transmission	\$15,518
	2005 Transmission	\$49,757
	2006 Transmission	\$64,352
	2007 Transmission	\$42,418
	2008 Transmission	\$57,508
	2009 Transmission	\$98,437
	2010 Transmission	\$79,948
		\$592,969
3	Total unidentified Book Depreciation on Equity AFUDC	\$387,375
4	Plant Allocator Factor	99.2566%
5	Allocated Transmission Related Book Depreciation on Equity AFUDC	\$384,495
6	Plus: Specifically Identified Transmission-Related Equity AFUDC	<u>\$592,969</u>
7	Total Transmission-Related Equity AFUDC	\$977,464
8	Post-96 PTF Allocation Factor	50.9079%
9	Transmission-Related Equity AFUDC	\$497,607

Sources:

- 1 & 2 Transmission Rates includes \$9,713 from Montaup
- 3 Line 1 - Line 2
- 4 Worksheet 5 - PTF Plant Allocation Factor
- 5 Line 3 * Line 4
- 6 Line 2
- 7 Line 5 + Line 6
- 8 Worksheet 6 - Post-96 PTF Allocation Factor
- 9 Line 7 * Line 8

Shading denotes an input

Attachment 4

New England Power Company
Determination of the PTF Related Integrated Facilities Charges

	<u>Narragansett</u> <u>2010</u>	<u>MECO</u> <u>2010</u>
1 Total Integrated Facilities Charges	\$0	\$0
2 Total 2010 PTF Property	\$0	\$0
3 Total Transmission Plant in 2010	\$0	\$0
4 NECO or MECO PTF Plant Allocator	0.00%	0.00%
5 PTF Related Integrated Facilities Charge	\$0	\$0
6 Total Integrated Facilities		<u><u>\$0</u></u>

Source:

- 1 FF1 Page 330.4 Lines 13 & 14 Col (n)
- 2 PowerPlant Reports
- 3 FF1 Page 207 Line 58 (g)
- 4 Line 2 / Line 3
- 5 Line 1 * Line 4
- 6 Line 5 Totals for Narragansett and Massachusetts Electric

Shading denotes an input

Attachment 5

New England Power Company
Development of 2010 Regulatory Commission Expense

<u>Line No.</u>		<u>2010</u>	<u>Source</u>
1	Total Regulatory Commission Expense - NEP	\$4,562,078	FERC Form1 Page 350.46d
2	Less: New Hampshire PUC Assessment	\$57,482	FERC Form1 Page 350.2d
3	Less: Mass Emergency Fund	\$0	FERC Form1 Page 350.7d
4	Less Mass DPU Special Assessment	\$293,722	FERC Form1 Page 350.8d
5	Less: Utility Expenses	\$1,861,563	FERC Form1 Page 350.46c
6	Total Federal Assessments	\$2,349,311	Line 1 - (Line 2-5)

Transmission Rents Received from Electric Property
New England Power Company

	<u>2010</u>
Revenues	\$1,124,263
Plant Allocation Factor	100.00%
Transmission Allocated	\$1,124,263
PTF Allocation	50.9079%
Total PTF Revenue	\$572,339

Source: Peoplesoft Activities #454002, 454020 and 454024 - see Analysis for details

Revenue for Short-Term Transmission Service under the NEPOOL Tariff
New England Power Company

	<u>2010</u>
Revenues	\$2,816,506
Post-96 PTF Percent	68.2757%
Total Post-96 PTF Revenue	\$1,922,989

Source: Short Term Through and Out Revenues from ISO New England

ISO Tariff Billing
ISO Annual Transmission Revenue Requirements
per Tariff Attachment F and ISO Agreement Part 2, Section 6.3

Shading denotes an input

Submitted on: _____

Revenue Requirements for (year): Calendar Year 2010

Rates Effective for the Period: June 2011
Through: May 2012

Customer: New England Power Company

Customer's NABs Number: _____

Name of Participant responsible for customer's billing: _____

DUNs number of Participant responsible for customer's billing: _____

	<u>Pre-97 Revenue Requirements</u>	<u>Post-96 Revenue Requirements</u>
Total of Attachment F - Sections A through I	<u>\$88,866,750</u> ^(a)	<u>\$121,119,799</u> ^(f)
Total of Attachment F - Section J - Support Revenue	<u>\$6,543,377</u> ^(b)	<u>\$0</u> ^(g)
Total of Attachment F - Section K - Support Expense	<u>\$881,501</u> ^(c)	<u>\$0</u> ^(h)
Total of Attachment F - Section (L through O)	<u>(\$1,159,454)</u> ^(d)	<u>(\$2,495,328)</u> ⁽ⁱ⁾
Sub Total - Sum (A through I) - J + K + (L through O)	<u>\$82,045,420</u> ^{(e)=(a)-(b)+(c)+(d)}	<u>\$118,624,471</u> ^(j)
Forecasted Transmission Revenue Requirements (per Attachment C to Attachment F Implementation Rule)	<u>N/A</u>	<u>\$19,133,246</u> ^(k)
Annual True-up (per Attachment C to Attachment F Implementation Rule)	<u>N/A</u> ^(l)	<u>N/A</u> ^(m)
Adjusted Sub Total - Sum (Sub Total + Forecast + True-up)	<u>\$82,045,420</u> ^{(n)=(e) + (l)}	<u>\$137,757,717</u> ^{(o)=(j)+(k)+(m)}
Annual Revenue Requirement Total = Sum of Pre-97 Revenue Requirements and Post-96 Revenue Requirements Subtotals for rate calculations under the Tariff:		<u>\$219,803,137</u> ^{(p) = (n) + (o)}

New England Power Company
Annual Revenue Requirements of PTF Facilities
For Costs in 2010

PRE-1997

Shading denotes an input

Line No.	I. INVESTMENT BASE	Attachment F Reference	NEP	Reference
		Section:		
1	Transmission Plant	(A)(1)(a)	\$338,029,073	Worksheet 3, line 1&2 column 5
2	General Plant	(A)(1)(b)	\$1,626,789	Worksheet 3, line 3 column 5
3	Plant Held For Future Use	(A)(1)(c)	\$243,112	Worksheet 3, line 5 column 5
4	Total Plant (Lines 1+2+3)		<u>\$339,898,974</u>	
5	Accumulated Depreciation	(A)(1)(d)	(\$78,290,517)	Worksheet 3, line 8 column 5
6	Accumulated Deferred Income Taxes	(A)(1)(e)	(\$74,349,701)	Worksheet 3, line 11 column 5
7	Loss On Reacquired Debt	(A)(1)(f)	\$164,953	Worksheet 3, line 12 column 5
8	Other Regulatory Assets	(A)(1)(g)	\$10,494,594	Worksheet 3, line 16 column 5
9	Net Investment (Line 4+5+6+7+8)		<u>\$197,918,303</u>	
10	Prepayments	(A)(1)(h)	\$0	Worksheet 3, line 17 column 5
11	Materials & Supplies	(A)(1)(i)	\$1,056,577	Worksheet 3, line 18 column 5
12	Cash Working Capital	(A)(1)(j)	\$1,869,930	Worksheet 3, line 25 column 5
13	Total Investment Base (Line 9+10+11+12)		<u>\$200,844,810</u>	
	II. REVENUE REQUIREMENTS			
14	Investment Return and Income Taxes	(A)	\$25,499,438	Worksheet 2
15	Depreciation Expense	(B)	\$7,710,091	Worksheet 4, line 3, column 5
16	Amortization of Loss on Reacquired Debt	(C)	\$69,376	Worksheet 4, line 4, column 5
17	Investment Tax Credit	(D)	(\$93,702)	Worksheet 4, line 5, column 5
18	Property Tax Expense	(E)	\$5,353,194	Worksheet 4, line 6, column 5
19	Payroll Tax Expense	(F)	\$487,840	Worksheet 4, line 22, column 5
20	Operation & Maintenance Expense	(G)	\$7,814,105	Worksheet 4, line 11, column 5
21	Administrative & General Expense	(H)	\$7,145,335	Worksheet 4, line 21, column 5
22	Transmission Related Integrated Facilities Charge	(I)	\$34,881,073	Attachment 4, line 6
23	Transmission Support Revenue	(J)	(\$6,543,377)	Worksheet 6
24	Transmission Support Expense	(K)	\$881,501	Worksheet 6
25	Transmission Related Expense from Generators	(L)	\$0	Worksheet 7
26	Transmission Related Taxes and Fees Charge	(M)	\$0	
27	Revenue for ST Trans. Service Under NEPOOL Tariff	(N)	(\$893,517)	Attachment 7
28	Transmission Rents Received from Electric Property	(O)	(\$265,937)	Attachment 6
29	Total Revenue Requirements (Line 14 thru 28)		<u>\$82,045,420</u>	

New England Power Company
Annual Revenue Requirements
For Costs in 2010

Shading denotes an input

	CAPITALIZATION 12/31/2010	CAPITALIZATION RATIOS	COST OF CAPITAL	COST OF CAPITAL	EQUITY PORTION
LONG-TERM DEBT	\$410,350,000	35.93%	1.25%	0.45%	
PREFERRED STOCK	\$1,111,700	0.10%	6.02%	0.01%	0.01%
COMMON EQUITY	\$730,712,039	63.98%	11.64%	7.45%	7.45%
TOTAL INVESTMENT RETURN	\$1,142,173,739	100.01%		7.91%	7.46%

Cost of Capital Rate=

(a) Weighted Cost of Capital = 0.0791

(b) Federal Income Tax =
$$\left(\frac{\text{R.O.E.} + \left(\frac{\text{PTF Inv. (Tax Credit + Eq. AFUDC of Deprec. Exp.)}}{\text{PTF Inv. Base}} \right) / \text{Federal Income Tax Rate}}{1} \right) \times \text{Federal Income Tax Rate}$$

=
$$\left(\frac{0.0746 + \left(\frac{(\$93,702) + \$231,212}{\$200,844,810} \right) / 0.35}{1} \right) \times 0.35$$

= 0.0405379

(c) State Income Tax =
$$\left(\frac{\text{R.O.E.} + \left(\frac{\text{PTF Inv. (Tax Credit + Eq. AFUDC of Deprec. Exp.)}}{\text{PTF Inv. Base}} \right) / \text{Federal Income Tax Rate}}{1} \right) \times \text{State Income Tax Rate} + \text{Federal Income Tax} \times \text{State Income Tax Rate}$$

=
$$\left(\frac{0.0746 + \left(\frac{(\$93,702) + \$231,212}{\$200,844,810} \right) / 0.0405379}{1} \right) \times 0.059466 + 0.0405379 \times 0.059466$$

= 0.0073230

(a)+(b)+(c) Cost of Capital Rate = 0.1269609

	(PTF)	
INVESTMENT BASE	\$200,844,810	From Worksheet 1
x Cost of Capital Rate	0.1269609	
= Investment Return and Income Taxes	<u>\$25,499,438</u>	To Worksheet 1

New England Power Company

Shading denotes an input			(2)	(3) = (1)*(2)	(4)	(5) = (3)*(4)	
Line No.		(1) Total	Wage/Plant Allocation Factors	Transmission Allocated	PTF Allocation Factor (b)	PTF Allocated	Source Reference
1	Transmission Plant					\$351,115,800	Attachment 1, Page 1
2	Less: Plant Assoc. HVDC Leases					(\$13,086,728)	Attachment 2
3	General Plant	\$6,894,870	99.7459% (a)	\$6,877,350	23.6543% (b)	\$1,626,789	FERC Form 1 Page 207.99g
4	Total (line 1+2+ 3)			\$6,877,350		\$339,655,862	
5	<u>Transmission Plant Held for Future Use</u>	\$1,027,771		\$1,027,771	23.6543% (b)	\$243,112	FERC Form 1 Page 214.2,4,9
<u>Transmission Accumulated Depreciation</u>							
6	Transmission Accumulated Depreciation	(\$325,966,071)		(\$325,966,071)	23.6543% (b)	(\$77,104,992)	FERC Form 1 Page 219.25
7	General Plant Accumulated Depreciation	(\$5,024,647)	99.7459% (a)	(\$5,011,879)	23.6543% (b)	(\$1,185,525)	FERC Form 1 Page 219.28
8	Total (line 6+ 7)			(\$330,977,950)		(\$78,290,517)	
<u>Transmission Accumulated Deferred Taxes</u>							
9	Accumulated Deferred Taxes (281-283)	(\$374,482,727)	99.2566% (c)	(\$371,698,822)	23.6543% (b)	(\$87,922,754)	FERC Form 1 Page 113.62-64
10	Accumulated Deferred Taxes (190)	\$57,810,678	99.2566% (c)	\$57,380,913	23.6543% (b)	\$13,573,053	FERC Form 1 Page 111.82
11	Total (line 9+ 10)			(\$314,317,909)		(\$74,349,701)	
12	<u>Transmission Loss on Reacquired Debt</u>	\$697,351	100.0000%	\$697,351	23.6543% (b)	\$164,953	FERC Form 1 Page 111.81c
<u>Other Regulatory Assets</u>							
13	FAS 106	\$0	99.7459% (a)	\$0	23.6543% (b)	\$0	
14	FAS 109 (Asset Account 182.3)	\$44,366,536	100.0000%	\$44,366,536	23.6543% (b)	\$10,494,594	FERC Form 1 Page 232.7f
15	FAS 109 (Liability Account 254)	\$0	100.0000%	\$0	23.6543% (b)	\$0	FERC Form 1 Page 278
16	Total (line 13+14+ 15)	\$44,366,536		\$44,366,536		\$10,494,594	
17	<u>Transmission Prepayments</u>	\$0	99.7459% (a)	\$0	23.6543% (b)	\$0	FERC Form 1 Page 111.57c
18	<u>Transmission Materials and Supplies</u>	\$4,466,745		\$4,466,745	23.6543% (b)	\$1,056,577	FERC Form 1 Page 227.8c
<u>Cash Working Capital</u>							
20	Operation & Maintenance Expense					\$7,814,105	Worksheet 1, Line 20
21	Administrative & General Expense					\$7,145,335	Worksheet 1, Line 21
22	Transmission Support Expense					\$0	Worksheet 6
23	Subtotal (line 20+21+22)					\$14,959,440	
24						0.1250	x 45 / 360
25	Total (line 23 * line 24)					\$1,869,930	

(a) Worksheet 5 Line 11
(b) Worksheet 5 Line 3
(c) Worksheet 5 Line 16

New England Power Company

Line No.	(1) Total	(2) Wage/Plant Allocation Factors	(3) = (1)*(2) Transmission Allocated	(4) PTF Allocation Factor (b)	(5) = (3)*(4) PTF Allocated	Source Reference for Col (1)
Depreciation Expense						
1	\$32,237,934		\$32,237,934	23.6543% (b)	\$7,625,658	FERC Form 1 Page 336.7b
2	\$357,854	99.7459% (a)	\$356,945	23.6543% (b)	\$84,433	FERC Form 1 Page 336.10b
3			\$32,594,879		\$7,710,091	
4	\$293,292	100.0000%	\$293,292	23.6543% (b)	\$69,376	FERC Form 1 Page 117.64c
5	(\$396,129)	100.0000%	(\$396,129)	23.6543% (b)	(\$93,702)	FERC Form 1 Page 266.8f - Footnote (f)
6	\$22,630,955	100.0000%	\$22,630,955	23.6543% (b)	\$5,353,194	FERC Form 1 Page 263.10,17,23,28i - Footnote (e)
Transmission Operation and Maintenance						
7	\$60,951,521		\$60,951,521	23.6543% (b)	\$14,417,656	FERC Form 1 Page 321.112b
8	\$16,215,370		\$16,215,370	23.6543% (b)	\$3,835,632	FERC Form 1 Page 321.96b
9	\$11,701,546		\$11,701,546	23.6543% (b)	\$2,767,919	FERC Form 1 Page 321.84-92b less 87b
10	\$0		\$0		\$0	FERC Form 1 Page 321.93b & .98b
11	\$33,034,605		\$33,034,605	23.6543% (b)	\$7,814,105	
Transmission Administrative and General						
12	\$32,504,326					FERC Form 1 Page 323.197b
13	(\$179,245)					FERC Form 1 Page 323.185b
14	\$4,562,078					FERC Form 1 Page 323.189b
15	\$0					FERC Form 1 Page 323.191b
16	\$28,121,493	99.7459% (a)	\$28,050,036	23.6543% (b)	\$6,635,040	
17	(\$179,245)	99.2566% (c)	(\$177,912)	23.6543% (b)	(\$42,084)	Line 13
18	\$2,349,311	99.2566% (c)	\$2,331,846	23.6543% (b)	\$551,582	Attachment 5 Line 6
19	\$0		\$0	23.6543% (b)	\$0	Line 15
20	\$3,370		\$3,370	23.6543% (b)	\$797	FERC Form 1 Page 350.18c
21	\$30,294,929		\$30,207,340		\$7,145,335	
22	\$2,067,627	99.7459% (a)	\$2,062,373	23.6543% (b)	\$487,840	FERC Form 1 Page 263.3,4i - Footnote (d)
(d) Payroll taxes FERC Form 1, page 263.i						
	Federal Unemployment		Massachusetts		\$19,219,508	
	FICA	\$2,105,294	New Hampshire		\$2,582,427	
	Payroll Taxes	\$0	Vermont		\$685,578	
	State Unemployment	\$0	Maine		\$0	
	Total	\$2,067,627	Rhode Island		\$143,442	
			Connecticut		\$0	
					\$22,630,955	
(e) Property Taxes FF1, Page 263i						

- (a) Worksheet 5 Line 11
- (b) Worksheet 5 Line 3
- (c) Worksheet 5 Line 16
- (d) Transmission Only - Payroll Taxes - Specifically identified in FERC Form 1
- (e) Transmission Only - Property Taxes - Specifically Identified in FERC Form 1
- (f) Transmission Only - Amortization of ITC - Specifically Identified in FERC Form 1

** Subtract Accounts #562 & #567 from O&M Expense to the extent that they include PTF Support Payments.

Shading denotes an input

Line No.		<u>NEP</u>	<u>Source Reference</u>
<u>PTF Transmission Plant Allocation Factor</u>			
1	PTF Transmission Investment	\$351,115,800	
2		\$1,484,361,243	
3	Percent Allocation (Line 1/Line 2)	<u>23.6543%</u>	
<u>Transmission Wages and Salaries Allocation Factor</u>			
4	Direct Transmission Wages and Salaries	\$0	
5	Affiliated Company Transmission Wages and Salaries	\$22,444,501	FERC Form 1 Page 354.14b General Ledger Query
6	Total Transmission Wages and Salaries (Line 4 + Line 5)	<u>\$22,444,501</u>	
7	Total Wages and Salaries	\$0	FERC Form 1 Page 354.28b
8	Administrative and General Wages and Salaries	\$0	FERC Form 1 Page 354.27b
9	Affiliated Company Wages and Salaries less A&G	\$22,501,688	General Ledger Query
10	Total Wages and Salaries net of A&G (Line 7 - 8 + 9)	<u>\$22,501,688</u>	
11	Percent Allocation (Line 6/Line 10)	<u>99.7459%</u>	
<u>Plant Allocation Factor</u>			
12	Total Transmission Investment	\$1,484,361,243	Line 2
13	plus Transmission-Related General Plant	\$6,877,350	Worksheet 3, Line 3, Column 3
14	= Revised Numerator (Line 12 + Line 13)	<u>\$1,491,238,593</u>	
15	Total Plant in Service	\$1,502,407,856	FERC Form 1 Page 207.104g - Page 200.4b
16	Percent Allocation (Line 14 / Line 16)	<u>99.2566%</u>	

Shading denotes input

**New England Power Company
Pre-97 RNS Revenue Requirements
For Test Year Ended 12/31/2010**

Input Revenues associated with the PTF Supporting Facilities in columns (a) and expenses associated with the facilities in columns (b). The totals are then linked to Worksheet 1, Lines 23 and 24.

Participant	PTF Supporting Facilities	FERC Form 1 Reference	TOTAL	
			Revenues (a)	Expenses (b)
NSTAR	115 kV Millbury-Medway 201 Line	Pg 332 Line 2 Col (g)		\$4,633
	HQ Phase II - AC in MA	Pg 332 Line 5 Col (g)		\$106,178
	345 kV "stabilizer" 342 Line	Pg 332 Line 3 Col (g)		\$63,954
	345 kV Carver - Walpole 331 Line	Pg 332 Line 13 Col (g)		\$12,079
	Second Canal Line	Pg 332 Line 4 Col (g)		\$47,040
	Bell Rock Road	Page 330.5 Line 12	\$37,353	
	Boston-Edison [345 kV Sandy-Tewksbury 337 line-345kV Tewksbury-Woburn 338 Line]	Page 330 Line 4	\$72,849	
	Boston-Edison [115 kV Tewksbury - Woburn M139 line - 115kV Tewksbury-Woburn N140 Line]	Page 330 Line 3	\$108,916	
	Boston Edison -345 kV Golden Hills-Mystic 349 Line	Page 330 Line 2	\$477,334	
	Boston Edison -345 kV NH/MA border - Tewksbury 394 Line (Seabrook)	Page 330.1 Line 8	\$240,367*	
EUA	345 kV Medway - Bridgewater 344 Line	Pg 330.5, Line 11	\$193,987	
NU	Public Service Co. -Moore 115 kV Substation	Page 330.1 Line 5	\$13,319	
NEP	Chester SVC	Transmission Billing		\$647,617
	HQ Phase II - AC in MA	Page 330 Line 11	\$5,358,445	
	MWRA Transmission (MDC)	Contract - Line Lease/Use		\$0
VT Elec Co.	Comerford 115 kV Substation	Page 330.1 Line 12	\$40,807	
		Totals	\$6,543,377	\$881,501

* Adjusted FERC Form Pg 330.1 Line 8 to reflect FERC Order #ER09-1764-000 amending the Seabrook Transmission Support Agreement.

FF1 Pg 330.1 Line 8	\$	(3,957,093)
Add Back: FP&L Write-Off	\$	3,703,371
Add Back: Refunds to MMWEC, Taunton & Hudson	\$	494,089
FF1 Adjusted for RNS	\$	<u>240,367</u>

Amount by which Support Expense exceeds Support Revenues
(To Worksheet 3, Line 22, Column 5)

\$0

Shading denotes an input

New England Power Company
2010 Informational Filing
PTF Plant Allocation

				Percent Pre/Post
1	2009	Pre-1997 PTF Transmission Plant	\$352,386,820	
2	2009	Post-1996 PTF Transmission Plant	\$664,596,724	
3	2010	Additions/Retirements	\$89,789,358	
4	2010	Pre-1997 PTF Transmission Plant	\$351,115,800	31.72%
5	2010	Post-1996 PTF Transmission Plant	\$755,657,102	68.28%
6	2010	Total PTF Transmission Plant	\$1,106,772,902	100.00%

Sources:

- 1 PTF Plant Reports for previous year
- 2 PTF Plant Reports for previous year
- 3 Line 6 - Line 1 + Line 2
- 4 PTF Plant Reports for current year
- 5 PTF Plant Reports for current year
- 6 Line 4 + 5

Shading denotes an input

GROSS PLANT ASSOC. WITH HVDC LEASES
2010

LINE NO		(HVDC) NHH/NEH <u>LEASE</u>
1	Gross Plant Value Comerford Station to Tewksbury Line	\$14,269,187
	<u>Allocation</u>	
2	Miles used by NHH (a)	224
3	Total miles at Comerford Station	253
4	Percentage of Total Gross Plant leased by NHH (a)	89%
5	Total Gross Plant leased by NHH (a)	\$12,699,576
6	Total Land from Sandy Pond to New Hampshire	\$1,106,146
7	HVDC lines occupy 35% of Right of Way	35%
8	Total Land leased by NEH (a)	\$387,151
9	Total NEP Gross Plant leased by HVDC to be excluded from PTF Revenue requirement	\$13,086,728

Source:

- 1 FERC Form 1, Page 422.1-423.1, Lines 5 + 16 col (l)
- 2 Total miles used per lease agreement
- 3 FERC Form 1, Page 422.1 Lines 5 + 16 col (f)
- 4 Line 2 / Line 3
- 5 Line 1 * Line 4
- 6 FERC Form 1, Page 422-423, Line 15
- 7 Percentage per lease agreement
- 8 Line 6 * Line 7
- 9 Line 5 + Line 8

Note:

- (a) NEH and NHH are acronyms for two of the three "Hydro Companies, New England Hydro Transmission (NEH) Electric Company, New England Electric Transmission Corporation, and New England Hydro Transmission Electric Company, Inc. (NHH)" which own and lease the HVDC interconnection facilities to the participants to the NEPOOL HVDC agreements.

New England Power Company
Determination of Book Depreciation on Equity AFUDC

		<u>2010</u>
1	Total Current Year Book Depreciation on Equity AFUDC	\$980,344
2	Less: Specifically Identified Transmission-Related	
	Tewksbury Line	\$54,708
	Hydro-Quebec	\$23,543
	Montaup Transmission Only 1990 - 1999	\$9,713
	1998 Transmission	\$13,959
	1999 Transmission	\$42,457
	2000 Transmission	(\$8,299)
	2001 Transmission	\$23,561
	2002 Transmission	\$8,889
	2003 Transmission	\$16,500
	2004 Transmission	\$15,518
	2005 Transmission	\$49,757
	2006 Transmission	\$64,352
	2007 Transmission	\$42,418
	2008 Transmission	\$57,508
	2009 Transmission	\$98,437
	2010 Transmission	\$79,948
		\$592,969
3	Total Unidentified Book Depreciation on Equity AFUDC	\$387,375
4	Plant Allocator Factor	99.2566%
5	Allocated Transmission Related Book Depreciation on Equity AFUDC	\$384,495
6	Plus: Specifically Identified Transmission-Related Equity AFUDC	<u>\$592,969</u>
7	Total Transmission-Related Equity AFUDC	<u>\$977,464</u>
8	Pre-97 PTF Allocation Factor	23.6543%
9	Transmission-Related Equity AFUDC	\$231,212

Sources:

- 1 & 2 Transmission Rates includes \$9,713 from Montaup
- 3 Line 1 - Line 2
- 4 Worksheet 5 - PTF Plant Allocation Factor
- 5 Line 3 * Line 4
- 6 Line 2
- 7 Line 5 + Line 6
- 8 Worksheet 5 - Pre-97 PTF Allocation Factor
- 9 Line 7 * Line 8

Shading denotes an input

New England Power Company
Determination of the PTF Related Integrated Facilities Charges

	Narragansett <u>2010</u>	MECO <u>2010</u>
1 Total Integrated Facilities Charges	\$43,062,545	\$8,366,692
2 Total 2010 PTF Property	\$209,109,440	\$21,182,153
3 Total Transmission Plant in 2010	\$290,660,448	\$45,434,656
4 NECO or MECO PTF Plant Allocator	71.94%	46.62%
5 PTF Related Integrated Facilities Charge	\$30,980,427	\$3,900,647
6 Total Integrated Facilities		<u><u>\$34,881,073</u></u>

Source:

- 1 FF1 Page 330.4 Lines 13 & 14 Col (n)
- 2 PowerPlant Reports
- 3 FF1 Page 207 Line 58 (g)
- 4 Line 2 / Line 3
- 5 Line 1 * Line 4
- 6 Line 5 Totals for Narragansett and Massachusetts Electric

Shading denotes an input

Attachment 5

New England Power Company
Development of 2010 Regulatory Commission Expense

<u>Line No.</u>		<u>2010</u>	<u>Source</u>
1	Total Regulatory Commission Expense - NEP	\$4,562,078	FERC Form1 Page 350.46d
2	Less: New Hampshire PUC Assessment	\$57,482	FERC Form1 Page 350.2d
3	Less: Mass Emergency Fund	\$0	FERC Form1 Page 350.7d
4	Less Mass DPU Special Assessment	\$293,722	FERC Form1 Page 350.8d
5	Less: Utility Expenses	\$1,861,563	FERC Form1 Page 350.46c
6	Total Federal Assessments	\$2,349,311	Line 1 - (Line 2-5)

Transmission Rents Received from Electric Property
New England Power Company

	<u>2010</u>
Revenues	\$1,124,263
Plant Allocation Factor	100.00%
Transmission Allocated	\$1,124,263
PTF Allocation	23.6543%
Total PTF Revenue	\$265,937

Source: Peoplesoft Activities #454002, 454020 and 454024 - see Analysis for details

Revenue for Short-Term Transmission Service under the NEPOOL Tariff

New England Power Company

	<u>2010</u>
Revenues	\$2,816,506
Pre-97 PTF Percent	31.7243%
Total Pre-97 PTF Revenue	\$ 893,517

Source: Short Term Through and Out Revenues from ISO New England

ISO Tariff Billing
 ISO Annual Transmission Revenue Requirements
 per Tariff Attachment F and ISO Agreement Part 2, Section 6.3

Shading denotes an input

Submitted on:	
Revenue Requirements for (year):	Calendar Year 2011
Rates Effective for the Period: Through:	June 2012 May 2013
Customer:	New England Power Company
Customer's NABs Number:	
Name of Participant responsible for customer's billing:	
DUNs number of Participant responsible for customer's billing:	

	<u>Pre-97 Revenue Requirements</u>	<u>Post-96 Revenue Requirements</u>
Total of Attachment F - Sections A through I	<u>\$101,550,462</u> ^(a)	<u>\$131,389,736</u> ^(f)
Total of Attachment F - Section J - Support Revenue	<u>\$5,663,545</u> ^(b)	<u>\$0</u> ^(g)
Total of Attachment F - Section K - Support Expense	<u>\$723,254</u> ^(c)	<u>\$0</u> ^(h)
Total of Attachment F - Section (L through O)	<u>(\$507,986)</u> ^(d)	<u>(\$1,191,607)</u> ⁽ⁱ⁾
Sub Total - Sum (A through I) - J + K + (L through O)	<u>\$96,102,185</u> ^{(e)=(a)-(b)+(c)+(d)}	<u>\$130,198,129</u> ^(j)
Forecasted Transmission Revenue Requirements (per Attachment C to Attachment F Implementation Rule)	<u>N/A</u>	<u>\$37,048,823</u> ^(k)
Annual True-up (per Attachment C to Attachment F Implementation Rule)	<u>N/A</u> ^(l)	<u>N/A</u> ^(m)
Adjusted Sub Total - Sum (Sub Total + Forecast + True-up)	<u>\$96,102,185</u> ^{(n)=(e)+(l)}	<u>\$167,246,952</u> ^{(o)=(j)+(k)+(m)}
Annual Revenue Requirement Total = Sum of Pre-97 Revenue Requirements & Post-96 Revenue Requirements Subtotals, Forecasted Revenue Requirements and True-ups (including interest)		<u>\$263,349,137</u> ^{(p) = (n) + (o)}

New England Power Company
Annual Revenue Requirements of PTF Facilities
For Costs in 2011

POST-1996

Shading denotes an input

Line No.	I. INVESTMENT BASE	Attachment F Reference	NEP	Reference
		Section:		
1	Transmission Plant	(A)(1)(a)	\$819,449,952	Worksheet 5, line 1&2 column 5
2	General Plant	(A)(1)(b)	\$3,282,852	Worksheet 5, line 3 column 5
3	Plant Held For Future Use	(A)(1)(c)	\$528,485	Worksheet 5, line 5 column 5
4	Total Plant (Lines 1+2+3)		\$823,261,289	
5	Accumulated Depreciation	(A)(1)(d)	(\$181,769,040)	Worksheet 5, line 8 column 5
6	Accumulated Deferred Income Taxes	(A)(1)(e)	(\$179,110,753)	Worksheet 5, line 11 column 5
7	Loss On Reacquired Debt	(A)(1)(f)	\$215,570	Worksheet 5, line 12 column 5
8	Other Regulatory Assets	(A)(1)(g)	\$21,943,602	Worksheet 5, line 16 column 5
9	Net Investment (Line 4+5+6+7+8)		\$484,540,668	
10	Prepayments	(A)(1)(h)	\$71,225	Worksheet 5, line 17 column 5
11	Materials & Supplies	(A)(1)(i)	\$1,967,145	Worksheet 5, line 18 column 5
12	Cash Working Capital	(A)(1)(j)	\$4,083,981	Worksheet 5, line 25 column 5
13	NEEWS CWIP	(A)(1)(k)	\$10,910,787	Worksheet 5, line 26 column 5
14	Total Investment Base (Line 9+10+11+12+13)		\$501,573,805	
	II. REVENUE REQUIREMENTS			
15	Investment Return and Income Taxes	(A)	\$65,757,864	Worksheet 3
16	Depreciation Expense	(B)	\$17,882,627	Worksheet 6, line 3, column 5
17	Amortization of Loss on Reacquired Debt	(C)	\$143,011	Worksheet 6, line 4, column 5
18	Investment Tax Credit	(D)	(\$203,026)	Worksheet 6, line 5, column 5
19	Property Tax Expense	(E)	\$13,971,698	Worksheet 6, line 6, column 5
20	Payroll Tax Expense	(F)	\$1,165,718	Worksheet 6, line 22, column 5
21	Operation & Maintenance Expense	(G)	\$17,931,179	Worksheet 6, line 11, column 5
22	Administrative & General Expense	(H)	\$14,740,665	Worksheet 6, line 21, column 5
23	Transmission Related Integrated Facilities Charge	(I)	\$0	Attachment 4, line 6
24	Transmission Support Revenue	(J)	\$0	Worksheet 8
25	Transmission Support Expense	(K)	\$0	Worksheet 8
26	Transmission Related Expense from Generators	(L)	\$0	
27	Transmission Related Taxes and Fees Charge	(M)	\$0	
28	Revenue for ST Trans. Service Under NEPOOL Tariff	(N)	(\$567,475)	Attachment 7
29	Transmission Rents Received from Electric Property	(O)	(\$624,132)	Attachment 6
30	Total Revenue Requirements (Line 14 thru 28)		\$130,198,129	

New England Power Company
Post 1996 Regional Network Service Revenue Requirement
For Test Year Ended 12/31/2011

Shading denotes an input

<u>Line No.</u>	<u>Description</u>	<u>Attachment F Reference</u>	<u>Forecasted Amount \$</u>	<u>Reference</u>
1	Forecasted Revenue Requirements for Forecasted Transmission Plant Additions (FTPA)		\$ 37,168,678	Line 6
2	Forecasted Revenue Requirements for Forecasted Transmission CWIP		\$119,855	Line 9
3	Forecasted Transmission Revenue Requirements		\$ 37,048,823	Line 1 + Line 2
4	Forecasted Revenue Requirements for Forecasted Transmission Plant Additions (FTPA)	Appendix C iv	\$237,573,000	Project Detail
5	Carrying Charge Factor (CCF)	Appendix C vi	15.64516%	Line 20
6	Forecasted Revenue Requirements for FTPA		\$ 37,168,678	Line 4 * Line 5
7	Forecasted New England Power Company (NEP) NEEWS CWIP (FNCWIP)	Appendix C xiii	\$ (851,389)	Project Detail
8	NEEWS NEP Cost of Capital Rate (NCOC)	Appendix C xiv	14.07757%	Workpaper 4
9	Forecasted Revenue Requirements for FNCWIP		\$ (119,855)	Line 7 * Line 8
<u>Derivation of Carrying Charge (CCF)</u>				
10	Investment Return and Income Taxes	(A)	\$62,572,390	Summary, Line 14
11	Depreciation Expense	(B)	17,882,627	Summary, Line 15
12	Amortization of Loss on Reacquired Debt	(C)	143,011	Summary, Line 16
13	Investment Tax Credit	(D)	(203,026)	Summary, Line 17
14	Property Tax Expense	(E)	13,971,698	Summary, Line 18
15	Payroll Tax Expense	(F)	1,165,718	Summary, Line 19
16	Operation & Maintenance Expense	(G)	17,931,179	Summary, Line 20
17	Administrative & General Expense	(H)	14,740,665	Summary, Line 21
18	Total Expenses (Lines 10 thru 17)		\$128,204,262	
19	PTF Transmission Plant	(A)(1)(a)	\$819,449,952	Summary, Line 1
20	Carrying Charge Factor (FTPA)		15.64516%	Line 18 / Line 19

New England Power Company
Annual Revenue Requirements
For Costs in 2011

Shading denotes an input

	CAPITALIZATION 12/31/2011	CAPITALIZATION RATIOS	COST OF CAPITAL	COST OF CAPITAL	EQUITY PORTION
LONG-TERM DEBT	\$410,350,000	35.45%	1.18%	0.42%	
PREFERRED STOCK	\$1,111,700	0.10%	6.02%	0.01%	0.01%
COMMON EQUITY	\$746,206,523	64.45%	11.64%	7.50%	7.50%
TOTAL INVESTMENT RETURN	\$1,157,668,223	100.00%		7.93%	7.51%

Cost of Capital Rate=

(a) Weighted Cost of Capital	=	<u>0.0793</u>	
(b) Federal Income Tax	= (	$\frac{R.O.E. + \left(\frac{PTF\ Inv. (Tax\ Credit + Eq.\ AFUDC\ of\ Deprec.\ Exp.)}{PTF\ Inv.\ Base} \right) \times Federal\ Income\ Tax\ Rate}{1 - Federal\ Income\ Tax\ Rate}$)
	= (	$\frac{0.0751 + \left(\frac{(\$203,026) + \$583,896}{\$501,573,805} \right) \times 0.35}{1 - 0.35}$)
	=	<u>0.0408473</u>	
(c) State Income Tax	= (	$\frac{R.O.E. + \left(\frac{PTF\ Inv. (Tax\ Credit + Eq.\ AFUDC\ of\ Deprec.\ Exp.)}{PTF\ Inv.\ Base} \right) \times Federal\ Income\ Tax\ Rate}{1 - Federal\ Income\ Tax\ Rate} + State\ Income\ Tax\ Rate$)
	= (	$\frac{0.0751 + \left(\frac{(\$203,026) + \$583,896}{\$501,573,805} \right) \times 0.0408473}{1 - 0.059466} + 0.059466$)
	=	<u>0.0073789</u>	
(a)+(b)+(c) Cost of Capital Rate	=	<u>0.1275262</u>	

	(PTF)	
INVESTMENT BASE	\$501,573,805	From Worksheet 1
x Cost of Capital Rate	0.1275262	
= Investment Return and Income Taxes	<u>\$63,963,801</u>	To Worksheet 1
INVESTMENT BASE (Excluding NEEWS CWIP)	\$490,663,019	From Worksheet 1
x Cost of Capital Rate	0.1275262	
= Investment Return and Income Taxes	<u>\$62,572,390</u>	To Worksheet 2

Post 2003 PTF Investment Base w/ Incremental 100 bps:

Plant In-Service	\$ 213,375,099	From Attachment 1	
Accumulated Depreciation	(46,695,224)	From Worksheets 5 & 7	
Accumulate Deferred Income Taxes	(46,311,697)	From Worksheets 5 & 7	
Total Post-2003 Investment	\$ 120,368,177	Calculated	
Incremental ROE:	1.00%	0.00645	Calculated
Federal Income Taxes:		0.00347	Per Attachment F
State Income Taxes:		0.00063	Per Attachment F
Cost of Capital Rate		0.01054	
Incremental Return and Taxes on Post-2003 PTF Investment	\$ 1,268,957		

NEEWS In-Service w/ Incremental 125 bps:

New England Power NEEWS In-Service	\$ 52,962,648	PowerPlant PTF 4 & 5 reports - PTF only	
Accumulated Depreciation	(12,062,457)	From Worksheets 3 & 5	
Accumulate Deferred Income Taxes	(11,963,383)	From Worksheets 3 & 5	
Total New England Power NEEWS Investment	\$ 28,936,808	Calculated	
Incremental ROE:	1.25%	0.00806	Calculated
Federal Income Taxes:		0.00434	Per Attachment F
State Income Taxes:		0.00078	Per Attachment F
Cost of Capital Rate		0.01318	
Incremental Return and Taxes on NEEWS PTF Investment	\$ 381,325		

NEEWS Allocation Factor		
Total Transmission Investment	\$1,593,625,753	Worksheet 7 Line 2
Total NEEWS In-Service - NEP	\$55,119,725	Plant Accounting Records
For Accumulated Depreciation	3.4588%	
NEEWS Allocation Factor	3.4588%	
Plant Allocation Factor	0.992997	Worksheet 7 Line 16
For Accumulated Deferred Income Taxes	3.4345%	

New England Power Company
Annual Revenue Requirements
For Costs in 2011

Shading denotes an input

	CAPITALIZATION 12/31/2011	CAPITALIZATION RATIOS	COST OF CAPITAL	COST OF CAPITAL	EQUITY PORTION
LONG-TERM DEBT	\$410,350,000	35.45%	1.18%	0.42%	
PREFERRED STOCK	\$1,111,700	0.10%	6.02%	0.01%	0.01%
COMMON EQUITY	\$746,206,523	64.46%	12.89%	8.31%	8.31%
TOTAL INVESTMENT RETURN	\$1,157,668,223	100.00%		8.74%	8.32%

Cost of Capital Rate=

(a) Weighted Cost of Capital = 0.0874

(b) Federal Income Tax =
$$\left(\frac{\text{R.O.E.} + \left(\frac{\text{PTF Inv. (Tax Credit)} + \text{Eq. AFUDC of Deprec. Exp.}}{\text{PTF Inv. Base}} \right) / \text{Federal Income Tax Rate}}{1} \right) \times \left(\frac{\text{Federal Income Tax Rate}}{\text{Federal Income Tax Rate}} \right)$$

=
$$\left(\frac{0.0832 + \left(\frac{(\$203,026) + \$583,896}{\$501,573,805} \right) / 0.35}{1} \right) \times \left(\frac{0.35}{0.35} \right)$$

= 0.0452089

(c) State Income Tax =
$$\left(\frac{\text{R.O.E.} + \left(\frac{\text{PTF Inv. (Tax Credit)} + \text{Eq. AFUDC of Deprec. Exp.}}{\text{PTF Inv. Base}} \right) / \text{State Income Tax Rate}}{1} \right) + \left(\frac{\text{Federal Income Tax}}{\text{State Income Tax Rate}} \right) \times \text{State Income Tax Rate}$$

=
$$\left(\frac{0.0832 + \left(\frac{(\$203,026) + \$583,896}{\$501,573,805} \right) / 0.059466}{1} \right) + \left(\frac{0.0452089}{0.059466} \right) \times 0.059466$$

= 0.0081668

(a)+(b)+(c) Cost of Capital Rate = 0.1407757

New England Power Company

Line No.	(1) Total	(2) Wage/Plant Allocation Factors	(3) = (1)*(2) Transmission Allocated	(4) PTF Allocation Factor (b)	(5) = (3)*(4) PTF Allocated	Source Reference for Col (1)
1					\$819,449,952	Attachment 1, Page 1
2					\$0	Attachment 2
3	\$6,396,486	99.8099% (a)	\$6,384,326	51.4205% (b)	\$3,282,852	FERC Form 1 page 207.99
4			\$6,384,326		\$822,732,804	
5	\$1,027,771		\$1,027,771	51.4205% (b)	\$528,485	FERC Form 1 page 214.2,4,10
<u>Transmission Accumulated Depreciation</u>						
6	(\$348,750,683)		(\$348,750,683)	51.4205% (b)	(\$179,329,345)	FERC Form 1 page 219.25
7	(\$4,753,633)	99.8099% (a)	(\$4,744,596)	51.4205% (b)	(\$2,439,695)	FERC Form 1 Page 219.28
8			(\$353,495,279)		(\$181,769,040)	
<u>Transmission Accumulated Deferred Taxes</u>						
9	(\$402,325,609)	99.2997% (c)	(\$399,508,123)	51.4205% (b)	(\$205,429,074)	FERC Form 1 page 113.62-64
10	\$51,543,505	99.2997% (c)	\$51,182,546	51.4205% (b)	\$26,318,321	FERC Form 1 page 111.82
11			(\$348,325,577)		(\$179,110,753)	
12	\$419,230	100.0000%	\$419,230	51.4205% (b)	\$215,570	FERC Form 1 Page 111.81c
<u>Other Regulatory Assets</u>						
13	\$0	99.8099% (a)	\$0	51.4205% (b)	\$0	
14	\$42,674,813	100.0000%	\$42,674,813	51.4205% (b)	\$21,943,602	FERC Form 1 Page 232.6f
15	\$0	100.0000%	\$0	51.4205% (b)	\$0	FERC Form 1 Page 278
16	\$42,674,813		\$42,674,813		\$21,943,602	
17	\$138,779	99.8099% (a)	\$138,515	51.4205% (b)	\$71,225	FERC Form 1 Page 111.57c
18	\$3,825,605		\$3,825,605	51.4205% (b)	\$1,967,145	FERC Form 1 Page 227.8c
<u>Cash Working Capital</u>						
20					\$17,931,179	Worksheet 1, Line 20
21					\$14,740,665	Worksheet 1, Line 21
22					\$0	Worksheet 8
23					\$32,671,844	
24					0.1250	x 45 / 360
25					\$4,083,981	
26	\$10,910,787				\$10,910,787	Plant Accounting Records

(a) Worksheet 7 Line 11
(b) Worksheet 7 Line 3
(c) Worksheet 7 Line 16

New England Power Company

Shading denotes an input

Line No.	(1) Total (g)	Wage/Plant Allocation Factors	(3) = (1)*(2) Transmission Allocated	PTF Allocation Factor (b)	(5) = (3)*(4) PTF Allocated	Source Reference for Col (1)
Depreciation Expense						
1	\$34,416,139		\$34,416,139	51.4205%	\$17,696,951	FERC Form 1 Page 336.7b
2	\$361,782	99.8099% (a)	\$361,094	51.4205%	\$185,676	FERC Form 1 Page 336.10b
3			\$34,777,233		\$17,882,627	
4	\$278,121		\$278,121	51.4205%	\$143,011	FERC Form 1 Page 117.64c
5	(\$394,835)		(\$394,835)	51.4205%	(\$203,026)	FERC Form 1 Page 266.8f - Footnote (f)
6	\$27,171,454		\$27,171,454	51.4205%	\$13,971,698	FERC Form 1 Page 263.10,17,23,28,31i - Footnote (e)
Transmission Operation and Maintenance						
7	\$61,295,709		\$61,295,709	51.4205%	\$31,518,560	FERC Form 1 Page 321.112b
8	\$14,532,110		\$14,532,110	51.4205%	\$7,472,484	FERC Form 1 Page 321.96b
9	\$11,891,943		\$11,891,943	51.4205%	\$6,114,897	FERC Form 1 Page 321.84-92b less 87b
10	\$0		\$0		\$0	FERC Form 1 Page 321.93b & .98b
11	\$34,871,656		\$34,871,656	51.4205%	\$17,931,179	
Transmission Administrative and General						
12	\$30,296,960					FERC Form 1 Page 323.197b
13	(\$135,569)					FERC Form 1 Page 323.185b
14	\$4,168,438					FERC Form 1 Page 323.189b
15	\$0					FERC Form 1 Page 323.191b
16	\$26,264,091	99.8099% (a)	\$26,214,163	51.4205%	\$13,479,454	
17	(\$135,569)	99.2997% (c)	(\$134,620)	51.4205%	(\$69,222)	Line 13
18	\$2,605,606	99.2997% (c)	\$2,587,359	51.4205%	\$1,330,433	Attachment 5 Line 6
19	\$0		\$0	51.4205%	\$0	Line 15
20	\$0		\$0	51.4205%	\$0	FERC Form 1 Page 350.18c
21	\$28,734,128		\$28,666,902		\$14,740,665	
22	\$2,271,348	99.8099% (a)	\$2,267,030	51.4205%	\$1,165,718	FERC Form 1 Page 263.3,4i - Footnote (d)

(d) Payroll taxes FERC Form 1, page 263.i

(e) Property Taxes FF1, Page 263i

Federal Unemployment FICA	\$9,327
Payroll Taxes	\$2,262,021
State Unemployment Total	\$0
Total	\$2,271,348

Massachusetts	\$23,571,202
New Hampshire	\$2,662,307
Vermont	\$786,615
Maine	\$0
Rhode Island	\$151,330
Connecticut	\$0
Total	\$27,171,454

- (a) Worksheet 7, Line 11
- (b) Worksheet 7 Line 3
- (c) Worksheet 7 Line 16
- (d) Transmission Only - Payroll Taxes - Specifically identified in FERC Form 1
- (e) Transmission Only - Property Taxes - Specifically Identified in FERC Form 1
- (f) Transmission Only - Amortization of ITC - Specifically Identified in FERC Form 1

** Subtract Accounts #562 & #567 from O&M Expense to the extent that they include PTF Support Payments.

Shading denotes an input

Line No.		NEP	Source Reference
<u>PTF Transmission Plant Allocation Factor</u>			
1	PTF Transmission Investment	\$819,449,952	
2	Total Transmission Investment	\$1,593,625,753	Attachment 1, Page 1 FERC Form 1 Page 207.58g - Page 200.4b
3	Percent Allocation (Line 1/Line 2)	<u>51.4205%</u>	
<u>Transmission Wages and Salaries Allocation Factor</u>			
4	Direct Transmission Wages and Salaries	\$0	
5	Affiliated Company Transmission Wages and Salaries	\$23,467,616	FERC Form 1 Page 354.14b General Ledger Query
6	Total Transmission Wages and Salaries (Line 4 + Line 5)	\$23,467,616	
7	Total Wages and Salaries	\$0	FERC Form 1 Page 354.28b
8	Administrative and General Wages and Salaries	\$0	FERC Form 1 Page 354.27b
9	Affiliated Company Wages and Salaries less A&G	\$23,512,307	General Ledger Query
10	Total Wages and Salaries net of A&G (Line 7 - 8 + 9)	\$23,512,307	
11	Percent Allocation (Line 6/Line 10)	<u>99.8099%</u>	
<u>Plant Allocation Factor</u>			
12	Total Transmission Investment	\$1,593,625,753	
13	plus Transmission-Related General Plant (Line 2 of Wkst. 3)	\$6,384,326	Line 2 Worksheet 5, Line 3, Column 3
14	= Revised Numerator (Line 12 + Line 13)	\$1,600,010,079	
15	Total Plant in Service	\$1,611,293,575	FERC Form 1 Page 207.104g - Page 200.4b
16	Percent Allocation (Line 14 / Line 16)	<u>99.2997%</u>	
<u>Post-2003 PTF Allocation Factor</u>			
17	Total Post-2003 PTF Investment	\$ 213,375,099	Attachment 1 Line 7
18	Total Transmission Investment	\$1,593,625,753	Line 2
19	Percent Allocation (Line 17/Line 18) for Post-2003 to Total Tx	13.3893%	
20	Total Invst in Tx Plant/Total Plant in Serv *		
21	Post-2003 PTF Tx Plant/Total Invst in Tx Plant	13.2955%	Line 19 * Line 16

**New England Power Company
Post-96 RNs Revenue Requirements
For Test Year Ended 12/31/2011**

Input Revenues associated with the PTF Supporting Facilities in columns (a) and expenses associated with the facilities in columns (b). The totals are then linked to Worksheet 1, Lines 23 and 24.

Participant	PTF Supporting Facilities	FERC Form 1 Reference	TOTAL	
			Revenues (a)	Expenses (b)
NSTAR	115 kV Millbury-Medway 201 Line	Pg 332 Line 2 Col (g)		\$0
	HQ Phase II - AC in MA	Pg 332 Line 5 Col (g)		\$0
	345 kV "stabilizer" 342 Line	Pg 332 Line 3 Col (g)		\$0
	345 kV Carver - Walpole 331 Line	Pg 332 Line 13 Col (g)		\$0
	Second Canal Line	Pg 332 Line 4 Col (g)		\$0
	Bell Rock Road	Page 330.5 Line 12	\$0	
	Boston-Edison [345 kV Sandy-Tewksbury 337 line-345kV Tewksbury-Woburn 338 Line]	Page 330 Line 4	\$0	
	Boston-Edison [115 kV Tewksbury - Woburn M139 line - 115kV Tewksbury-Woburn N140 Line]	Page 330 Line 3	\$0	
	Public Service Co. -Moore 115 kV Substation	Page 330.1 Line 5	\$0	
	Boston Edison -345 kV Golden Hills-Mystic 349 Line	Page 330 Line 2	\$0	
	Boston Edison -345 kV NH/MA border - Tewksbury 394 Line (Seabrook	Page 330.1 Line 8	\$0	
	EUA	345 kV Medway - Bridgewater 344 Line	Pg 330.5, Line 11	\$0
NEP	Chester SVC	Transmission Billing		\$0
	HQ Phase II - AC in MA	Page 330 Line 11	\$0	
	MWRA Transmission (MDC)	Contract - Line Lease/Use		\$0
VT Elec Co.	Comerford 115 kV Substation	Page 330.1 Line 12	\$0	
		Totals	\$0	\$0

New England Power Company
2011 Informational Filing
PTF Plant Allocation

				<u>Percent Pre/Post</u>
1	2010	Pre-1997 PTF Transmission Plant	\$351,115,800	
2	2010	Post-1996 PTF Transmission Plant	\$755,657,102	
3	2011	Additions/Retirements	\$62,011,432	
4	2011	Pre-1997 PTF Transmission Plant	\$349,334,382	29.89%
5	2011	Post-1996 PTF Transmission Plant	\$819,449,952	70.11%
6	2011	Total PTF Transmission Plant	\$1,168,784,335	100.00%
7	2011	Post-2003 PTF Transmission Plant	\$213,375,099	

Sources:

- 1 PTF Plant Reports for previous year
- 2 PTF Plant Reports for previous year
- 3 Line 6 - Line 1 + Line 2
- 4 PTF Plant Reports for current year
- 5 PTF Plant Reports for current year
- 6 Line 4 + 5
- 7 PTF Plant Report: Post 2003 RSP Projects

Shading denotes an input

GROSS PLANT ASSOC. WITH HVDC LEASES
2011

LINE NO		(HVDC) NHH/NEH LEASE
1	Gross Plant Value Comerford Station to Tewksbury Line	\$0
	Allocation	
2	Miles used by NHH (a)	0
3	Total miles at Comerford Station	0
4	Percentage of Total Gross Plant leased by NHH (a)	0%
5	Total Gross Plant leased by NHH (a)	\$0
6	Total Land from Sandy Pond to New Hampshire	\$0
7	HVDC lines occupy 35% of Right of Way	0%
8	Total Land leased by NEH (a)	\$0
9	Total NEP Gross Plant leased by HVDC to be excluded from PTF Revenue requirement	\$0

Source:

- 1 FERC Form 1, Page 423.1, Lines 5 + 16
- 2 Total miles used per lease agreement
- 3 Total miles per lease agreement
- 4 Line 2 / Line 3
- 5 Line 1 * Line 4
- 6 FERC Form 1, Page 422-423, Line 15
- 7 Percentage per lease agreement
- 8 Line 6 * Line 7
- 9 Line 5 + Line 8

Note:

- (a) NEH and NHH are acronyms for two of the three "Hydro Companies, New England Hydro Transmission (NEH) Electric Company, New England Electric Transmission Corporation, and New England Hydro Transmission Electric Company, Inc. (NHH)" which own and lease the HVDC interconnection facilities to the participants to the NEPOOL HVDC agreements.

New England Power Company
Determination of Book Depreciation on Equity AFUDC

		<u>2011</u>
1	Total Current Year Book Depreciation on Equity AFUDC	\$1,138,245
2	Less: Specifically identified Transmission-Related	
	Tewksbury Line	\$54,708
	Hydro-Quebec	\$23,543
	Montaup Transmission Only 1990 - 1999	\$9,713
	1998 Transmission	\$13,959
	1999 Transmission	\$42,457
	2000 Transmission	(\$8,299)
	2001 Transmission	\$23,561
	2002 Transmission	\$8,889
	2003 Transmission	\$16,500
	2004 Transmission	\$15,518
	2005 Transmission	\$49,757
	2006 Transmission	\$64,352
	2007 Transmission	\$42,418
	2008 Transmission	\$57,508
	2009 Transmission	\$98,437
	2010 Transmission	\$79,948
	2011 Transmission	\$157,814
		\$750,783
3	Total unidentified Book Depreciation on Equity AFUDC	\$387,462
4	Plant Allocator Factor	99.2997%
5	Allocated Transmission Related Book Depreciation on Equity AFUDC	\$384,749
6	Plus: Specifically Identified Transmission-Related Equity AFUDC	<u>\$750,783</u>
7	Total Transmission-Related Equity AFUDC	\$1,135,532
8	Post-96 PTF Allocation Factor	51.4205%
9	Transmission-Related Equity AFUDC	\$583,896

Sources:

- 1 & 2 Transmission Rates includes \$9,713 from Montaup
- 3 Line 1 - Line 2
- 4 Worksheet 5 - PTF Plant Allocation Factor
- 5 Line 3 * Line 4
- 6 Line 2
- 7 Line 5 + Line 6
- 8 Worksheet 6 - Post-96 PTF Allocation Factor
- 9 Line 7 * Line 8

New England Power Company
 Determination of the PTF Related Integrated Facilities Charges

	Narragansett <u>2011</u>	MECO <u>2011</u>
1 Total Integrated Facilities Charges	\$0	\$0
2 Total 2011 PTF Property	\$0	\$0
3 Total Transmission Plant in 2011	\$0	\$0
4 NECO or MECO PTF Plant Allocator	0.00%	0.00%
5 PTF Related Integrated Facilities Charge	\$0	\$0
6 Total Integrated Facilities		<u><u>\$0</u></u>

Source:

- 1 FF1 Page 330.4 Lines 13 & 14 Col (n)
- 2 PowerPlant Reports
- 3 FF1 Page 207 Line 58 (g)
- 4 Line 2 / Line 3
- 5 Line 1 * Line 4
- 6 Line 5 Totals for Narragansett and Massachusetts Electric

Shading denotes an input

Attachment 5

New England Power Company
Development of 2011 Regulatory Commission Expense

Line No.		<u>2011</u>	<u>Source</u>
1	Total Regulatory Commission Expense - NEP	\$4,168,438	FERC Form1 Page 350.46d
2	Less: New Hampshire PUC Assessment	\$78,276	FERC Form1 Page 350.2d
3	Less: Mass Emergency Fund	\$0	FERC Form1 Page 350.7d
4	Less Mass DPU Special Assessment	\$229,133	FERC Form1 Page 350.8d
5	Less: Utility Expenses	\$1,255,423	FERC Form1 Page 350.46c
6	Total Federal Assessments	\$2,605,606	Line 1 - (Line 2-5)

Transmission Rents Received from Electric Property
New England Power Company

	<u>2011</u>
Revenues	\$1,213,781
Plant Allocation Factor	100.00%
Transmission Allocated	\$1,213,781
PTF Allocation	51.4205%
Total PTF Revenue	\$624,132

Source: Peoplesoft Activities #454002, 454020 and 454024 - see Analysis for details

Revenue for Short-Term Transmission Service under the NEPOOL Tariff
New England Power Company

	<u>2011</u>
Revenues	\$809,392
Post-96 PTF Percent	70.1113%
Total Post-96 PTF Revenue	\$567,475

Source: Short Term Through and Out Revenues from ISO New England

ISO Tariff Billing
ISO Annual Transmission Revenue Requirements
per Tariff Attachment F and ISO Agreement Part 2, Section 6.3

Shading denotes an input

Submitted on:

Revenue Requirements for (year): Calendar Year 2011

Rates Effective for the Period:
Through: June 2012
May 2013

Customer: New England Power Company

Customer's NABs Number:

Name of Participant responsible for customer's billing:

DUNS number of Participant responsible for customer's billing:

	<u>Pre-97 Revenue Requirements</u>	<u>Post-96 Revenue Requirements</u>
Total of Attachment F - Sections A through I	<u>\$101,550,462</u> ^(a)	<u>\$131,389,736</u> ^(f)
Total of Attachment F - Section J - Support Revenue	<u>\$5,663,545</u> ^(b)	<u>\$0</u> ^(g)
Total of Attachment F - Section K - Support Expense	<u>\$723,254</u> ^(c)	<u>\$0</u> ^(h)
Total of Attachment F - Section (L through O)	<u>(\$507,986)</u> ^(d)	<u>(\$1,191,607)</u> ⁽ⁱ⁾
Sub Total - Sum (A through I) - J + K + (L through O)	<u>\$96,102,185</u> ^{(e)=(a)-(b)+(c)+(d)}	<u>\$130,198,129</u> ^(j)
Forecasted Transmission Revenue Requirements (per Attachment C to Attachment F Implementation Rule)	<u>N/A</u>	<u>\$37,048,823</u> ^(k)
Annual True-up (per Attachment C to Attachment F Implementation Rule)	<u>N/A</u> ^(l)	<u>N/A</u> ^(m)
Adjusted Sub Total - Sum (Sub Total + Forecast + True-up)	<u>\$96,102,185</u> ^{(n)=(e) + (l)}	<u>\$167,246,952</u> ^{(o)=(j)+(k)+(m)}
Annual Revenue Requirement Total = Sum of Pre-97 Revenue Requirements and Post-96 Revenue Requirements Subtotals for rate calculations under the Tariff:		<u>\$263,349,137</u> ^{(p) = (n) + (o)}

**New England Power Company
Annual Revenue Requirements of PTF Facilities
For Costs in 2011**

PRE-1997

Shading denotes an input

Line No.	I. INVESTMENT BASE	Attachment F Reference	NEP	Reference
		Section:		
1	Transmission Plant	(A)(1)(a)	\$336,247,655	Worksheet 3, line 1&2 column 5
2	General Plant	(A)(1)(b)	\$1,399,489	Worksheet 3, line 3 column 5
3	Plant Held For Future Use	(A)(1)(c)	\$225,295	Worksheet 3, line 5 column 5
4	Total Plant (Lines 1+2+3)		<u>\$337,872,439</u>	
5	Accumulated Depreciation	(A)(1)(d)	(\$77,488,640)	Worksheet 3, line 8 column 5
6	Accumulated Deferred Income Taxes	(A)(1)(e)	(\$76,355,405)	Worksheet 3, line 11 column 5
7	Loss On Reacquired Debt	(A)(1)(f)	\$91,898	Worksheet 3, line 12 column 5
8	Other Regulatory Assets	(A)(1)(g)	\$9,354,618	Worksheet 3, line 16 column 5
9	Net Investment (Line 4+5+6+7+8)		<u>\$193,474,910</u>	
10	Prepayments	(A)(1)(h)	\$30,363	Worksheet 3, line 17 column 5
11	Materials & Supplies	(A)(1)(i)	\$838,599	Worksheet 3, line 18 column 5
12	Cash Working Capital	(A)(1)(j)	\$1,741,012	Worksheet 3, line 25 column 5
13	Total Investment Base (Line 9+10+11+12)		<u>\$196,084,884</u>	
	II. REVENUE REQUIREMENTS			
14	Investment Return and Income Taxes	(A)	\$25,014,431	Worksheet 2
15	Depreciation Expense	(B)	\$7,623,413	Worksheet 4, line 3, column 5
16	Amortization of Loss on Reacquired Debt	(C)	\$60,966	Worksheet 4, line 4, column 5
17	Investment Tax Credit	(D)	(\$86,551)	Worksheet 4, line 5, column 5
18	Property Tax Expense	(E)	\$5,956,173	Worksheet 4, line 6, column 5
19	Payroll Tax Expense	(F)	\$496,949	Worksheet 4, line 22, column 5
20	Operation & Maintenance Expense	(G)	\$7,644,111	Worksheet 4, line 11, column 5
21	Administrative & General Expense	(H)	\$6,283,985	Worksheet 4, line 21, column 5
22	Transmission Related Integrated Facilities Charge	(I)	\$48,556,985	Attachment 4, line 6
23	Transmission Support Revenue	(J)	(\$5,663,545)	Worksheet 6
24	Transmission Support Expense	(K)	\$723,254	Worksheet 6
25	Transmission Related Expense from Generators	(L)	\$0	Worksheet 7
26	Transmission Related Taxes and Fees Charge	(M)	\$0	
27	Revenue for ST Trans. Service Under NEPOOL Tariff	(N)	(\$241,917)	Attachment 7
28	Transmission Rents Received from Electric Property	(O)	(\$266,069)	Attachment 6
29	Total Revenue Requirements (Line 14 thru 28)		<u>\$96,102,185</u>	

New England Power Company
Annual Revenue Requirements
For Costs in 2011

Shading denotes an input

	CAPITALIZATION 12/31/2011	CAPITALIZATION RATIOS	COST OF CAPITAL	COST OF CAPITAL	EQUITY PORTION
LONG-TERM DEBT	\$410,350,000	35.45%	1.18%	0.42%	
PREFERRED STOCK	\$1,111,700	0.10%	6.02%	0.01%	0.01%
COMMON EQUITY	\$746,206,523	64.46%	11.64%	7.50%	7.50%
TOTAL INVESTMENT RETURN	\$1,157,668,223	100.00%		7.93%	7.51%

Cost of Capital Rate=

(a) Weighted Cost of Capital = 0.0793

(b) Federal Income Tax =
$$\left(\frac{\text{R.O.E.} + \left(\frac{\text{PTF Inv. (Tax Credit)} + \text{Eq. AFUDC of Deprec. Exp.}}{\text{PTF Inv. Base}} \right) / \text{Federal Income Tax Rate}}{1} \right) \times \frac{\text{Federal Income Tax Rate}}{\text{Federal Income Tax Rate}}$$

=
$$\left(\frac{0.0751 + \left(\frac{(\$86,551) + \$248,755}{\$196,084,884} \right) / 0.35}{1} \right) \times \frac{0.35}{0.35}$$

= 0.0408839

(c) State Income Tax =
$$\left(\frac{\text{R.O.E.} + \left(\frac{\text{PTF Inv. (Tax Credit)} + \text{Eq. AFUDC of Deprec. Exp.}}{\text{PTF Inv. Base}} \right) / \text{Federal Income Tax Rate}}{1} \right) + \frac{\text{Federal Income Tax}}{\text{State Income Tax Rate}}$$

=
$$\left(\frac{0.0751 + \left(\frac{(\$86,551) + \$248,755}{\$196,084,884} \right) / 0.0408839}{1} \right) + \frac{0.0408839}{0.059466}$$

= 0.0073855

(a)+(b)+(c) Cost of Capital Rate = 0.1275694

(PTF)

INVESTMENT BASE	\$196,084,884	From Worksheet 1
x Cost of Capital Rate	0.1275694	
= Investment Return and Income Taxes	<u>\$25,014,431</u>	To Worksheet 1

New England Power Company

Line No.	(1) Total	(2) Wage/Plant Allocation Factors	(3) = (1)*(2) Transmission Allocated	(4) PTF Allocation Factor (b)	(5) = (3)*(4) PTF Allocated	Source Reference
1					\$349,334,382	Attachment 1, Page 1
2					(\$13,086,728)	Attachment 2
3	\$6,396,486	99.8099% (a)	\$6,384,326	21.9207% (b)	\$1,399,489	FERC Form 1 Page 207.99g
4			\$6,384,326		\$337,647,144	
5	\$1,027,771		\$1,027,771	21.9207% (b)	\$225,295	FERC Form 1 Page 214.2,4,9
<u>Transmission Accumulated Depreciation</u>						
6	(\$348,750,683)		(\$348,750,683)	21.9207% (b)	(\$76,448,591)	FERC Form 1 Page 219.25
7	(\$4,753,633)	99.8099% (a)	(\$4,744,596)	21.9207% (b)	(\$1,040,049)	FERC Form 1 Page 219.28
8			(\$353,495,279)		(\$77,488,640)	
<u>Transmission Accumulated Deferred Taxes</u>						
9	(\$402,325,609)	99.2997% (c)	(\$399,508,123)	21.9207% (b)	(\$87,574,977)	FERC Form 1 Page 113.62-64
10	\$51,543,505	99.2997% (c)	\$51,182,546	21.9207% (b)	\$11,219,572	FERC Form 1 Page 111.82
11			(\$348,325,577)		(\$76,355,405)	
12	\$419,230	100.0000%	\$419,230	21.9207% (b)	\$91,898	FERC Form 1 Page 111.81c
<u>Other Regulatory Assets</u>						
13	\$0	99.8099% (a)	\$0	21.9207% (b)	\$0	
14	\$42,674,813	100.0000%	\$42,674,813	21.9207% (b)	\$9,354,618	FERC Form 1 Page 232.7f
15	\$0	100.0000%	\$0	21.9207% (b)	\$0	FERC Form 1 Page 278
16	\$42,674,813		\$42,674,813		\$9,354,618	
17	\$138,779	99.8099% (a)	\$138,515	21.9207% (b)	\$30,363	FERC Form 1 Page 111.57c
18	\$3,825,605		\$3,825,605	21.9207% (b)	\$838,599	FERC Form 1 Page 227.8c
<u>Cash Working Capital</u>						
19					\$7,644,111	Worksheet 1, Line 20
20					\$6,283,985	Worksheet 1, Line 21
21					\$0	Worksheet 6
22					\$13,928,096	
23					0.1250	x 45 / 360
24					\$1,741,012	
25						

(a) Worksheet 5 Line 11
(b) Worksheet 5 Line 3
(c) Worksheet 5 Line 16

New England Power Company

Shading denotes an input

Line No.	(1) Total	(2) Wage/Plant Allocation Factors	(3) = (1)*(2) Transmission Allocated	(4) PTF Allocation Factor (b)	(5) = (3)*(4) PTF Allocated	Source Reference for Col (1)
Depreciation Expense						
1	\$34,416,139		\$34,416,139	21.9207% (b)	\$7,544,259	FERC Form 1 Page 336.7b
2	\$361,782	99.8099% (a)	\$361,094	21.9207% (b)	\$79,154	FERC Form 1 Page 336.10b
3			\$34,777,233		\$7,623,413	
4	\$278,121	100.0000%	\$278,121	21.9207% (b)	\$60,966	FERC Form 1 Page 117.64c
5	(\$394,836)	100.0000%	(\$394,836)	21.9207% (b)	(\$86,551)	FERC Form 1 Page 266.8f - Footnote (f)
6	\$27,171,454	100.0000%	\$27,171,454	21.9207% (b)	\$5,956,173	FERC Form 1 Page 263.10,17,23,28i - Footnote (e)
Transmission Operation and Maintenance						
7	\$61,295,709		\$61,295,709	21.9207% (b)	\$13,436,448	FERC Form 1 Page 321.112b
8	\$14,532,110		\$14,532,110	21.9207% (b)	\$3,185,540	FERC Form 1 Page 321.96b
9	\$11,891,943		\$11,891,943	21.9207% (b)	\$2,606,797	FERC Form 1 Page 321.84-92b less 87b
10	\$0		\$0		\$0	FERC Form 1 Page 321.93b & .98b
11	\$34,871,656		\$34,871,656	21.9207% (b)	\$7,644,111	
Transmission Administrative and General						
12	\$30,296,960					FERC Form 1 Page 323.197b
13	(\$135,569)					FERC Form 1 Page 323.185b
14	\$4,168,438					FERC Form 1 Page 323.189b
15	\$0					FERC Form 1 Page 323.191b
16	\$26,264,091	99.8099% (a)	\$26,214,163	21.9207% (b)	\$5,746,328	
17	(\$135,569)	99.2997% (c)	(\$134,620)	21.9207% (b)	(\$29,510)	Line 13
18	\$2,605,606	99.2997% (c)	\$2,587,359	21.9207% (b)	\$567,167	Attachment 5 Line 6
19	\$0		\$0	21.9207% (b)	\$0	Line 15
20	\$0		\$0	21.9207% (b)	\$0	FERC Form 1 Page 350.18c
21	\$28,734,128		\$28,666,902		\$6,283,985	
22	\$2,271,348	99.8099% (a)	\$2,267,030	21.9207% (b)	\$496,949	FERC Form 1 Page 263.3,4i - Footnote (d)
(d) Payroll taxes FERC Form 1, page 263.i						
	\$9,327		Massachusetts	\$23,571,202		
	\$2,262,021		New Hampshire	\$2,662,307		
	\$0		Vermont	\$786,615		
	\$0		Maine	\$0		
	\$2,271,348		Rhode Island	\$151,330		
			Connecticut	\$0		
				\$27,171,454		
(e) Property Taxes FF1, Page 263i						

- (a) Worksheet 5 Line 11
- (b) Worksheet 5 Line 3
- (c) Worksheet 5 Line 16
- (d) Transmission Only - Payroll Taxes - Specifically identified in FERC Form 1
- (e) Transmission Only - Property Taxes - Specifically Identified in FERC Form 1
- (f) Transmission Only - Amortization of ITC - Specifically Identified in FERC Form 1

** Subtract Accounts #562 & #567 from O&M Expense to the extent that they include PTF Support Payments.

Shading denotes an input

Line No.		NEP	Source Reference
<u>PTF Transmission Plant Allocation Factor</u>			
1	PTF Transmission Investment	\$349,334,382	
2		\$1,593,625,753	Attachment 1, Page 1 FERC Form 1 Page 207.58g - Page 200.4b
3	Percent Allocation (Line 1/Line 2)	<u>21.9207%</u>	
<u>Transmission Wages and Salaries Allocation Factor</u>			
4	Direct Transmission Wages and Salaries	\$0	FERC Form 1 Page 354.14b
5	Affiliated Company Transmission Wages and Salaries	\$23,467,616	General Ledger Query
6	Total Transmission Wages and Salaries (Line 4 + Line 5)	\$23,467,616	
7	Total Wages and Salaries	\$0	FERC Form 1 Page 354.28b
8	Administrative and General Wages and Salaries	\$0	FERC Form 1 Page 354.27b
9	Affiliated Company Wages and Salaries less A&G	\$23,512,307	General Ledger Query
10	Total Wages and Salaries net of A&G (Line 7 - 8 + 9)	\$23,512,307	
11	Percent Allocation (Line 6/Line 10)	<u>99.8099%</u>	
<u>Plant Allocation Factor</u>			
12	Total Transmission Investment	\$1,593,625,753	Line 2
13	plus Transmission-Related General Plant	\$6,384,326	Worksheet 3, Line 3, Column 3
14	= Revised Numerator (Line 12 + Line 13)	\$1,600,010,079	
15	Total Plant in Service	\$1,611,293,575	FERC Form 1 Page 207.104g - Page 200.4b
16	Percent Allocation (Line 14 / Line 16)	<u>99.2997%</u>	

Shading denotes input

**New England Power Company
Pre-97 RNs Revenue Requirements
For Test Year Ended 12/31/2011**

Input Revenues associated with the PTF Supporting Facilities in columns (a) and expenses associated with the facilities in columns (b). The totals are then linked to Worksheet 1, Lines 23 and 24.

Participant	PTF Supporting Facilities	FERC Form 1 Reference	TOTAL	
			Revenues (a)	Expenses (b)
NSTAR	HQ Phase II - AC in MA	Pg 332 Line 5 Col (g)		\$102,578
	345 kV "stabilizer" 342 Line	Pg 332 Line 3 Col (g)		(446)
	345 kV Switch Tap Bridge - Station 451 Whitman	Pg 332 Line 13 Col (g)		\$774
	Bell Rock Road	Page 330.5 Line 12 Col (n)	\$38,953	
	Boston-Edison [345 kV Sandy-Tewksbury 337 line-345kV Tewksbury-Woburn 338 Line]	Page 330 Line 4 Col (n)	\$61,463	
	Boston-Edison [115 kV Tewksbury - Woburn M139 line - 115kV Tewksbury-Woburn N140 Line]	Page 330 Line 3 Col (n)	\$11,594	
	Boston Edison -345 kV Golden Hills-Mystic 349 Line	Page 330 Line 2 Col (n)	\$47,313	
	Boston Edison -345 kV NH/MA border - Tewksbury 394 Line (Seabrook	Page 330.1 Line 8 Col (n)	\$423,318	
NU	Public Service Co. -Moore 115 kV Substation	Page 330.1 Line 5 Col (n)	\$13,319	
NEP	Chester SVC	Transmission Billing		\$620,348
	HQ Phase II - AC in MA	Page 330 Line 11 Col (n)	\$5,027,675	
VT Elec Co.	Comerford 115 kV Substation	Page 330.1 Line 12 Col (n)	\$39,910	
		Totals	\$5,663,545	\$723,254

Amount by which Support Expense exceeds Support Revenues
(To Worksheet 3, Line 22, Column 5)

\$0

Shading denotes an input

New England Power Company
2011 Informational Filing
PTF Plant Allocation

				<u>Percent Pre/Post</u>
1	2010	Pre-1997 PTF Transmission Plant	\$351,352,992	
2	2010	Post-1996 PTF Transmission Plant	\$725,670,117	
3	2011	Additions/Retirements	\$91,761,225	
4	2011	Pre-1997 PTF Transmission Plant	\$349,334,382	29.89%
5	2011	Post-1996 PTF Transmission Plant	\$819,449,952	70.11%
6	2011	Total PTF Transmission Plant	\$1,168,784,335	100.00%

Sources:

- 1 PTF Plant Reports for previous year
- 2 PTF Plant Reports for previous year
- 3 Line 6 - Line 1 + Line 2
- 4 PTF Plant Reports for current year
- 5 PTF Plant Reports for current year
- 6 Line 4 + 5

Shading denotes an input

GROSS PLANT ASSOC. WITH HVDC LEASES
2011

LINE NO		(HVDC) NHH/NEH <u>LEASE</u>
1	Gross Plant Value Comerford Station to Tewksbury Line	\$14,269,187
	<u>Allocation</u>	
2	Miles used by NHH (a)	224
3	Total miles at Comerford Station	253
4	Percentage of Total Gross Plant leased by NHH (a)	89%
5	Total Gross Plant leased by NHH (a)	\$12,699,576
6	Total Land from Sandy Pond to New Hampshire	\$1,106,146
7	HVDC lines occupy 35% of Right of Way	35%
8	Total Land leased by NEH (a)	\$387,151
9	Total NEP Gross Plant leased by HVDC to be excluded from PTF Revenue requirement	\$13,086,728

Source:

- 1 FERC Form 1, Page 422.1-423.1, Lines 5 + 16 col (l)
- 2 Total miles used per lease agreement
- 3 FERC Form 1, Page 422.1 Lines 5 + 16 col (f)
- 4 Line 2 / Line 3
- 5 Line 1 * Line 4
- 6 FERC Form 1, Page 422-423, Line 15
- 7 Percentage per lease agreement
- 8 Line 6 * Line 7
- 9 Line 5 + Line 8

Note:

- (a) NEH and NHH are acronyms for two of the three "Hydro Companies, New England Hydro Transmission (NEH) Electric Company, New England Electric Transmission Corporation, and New England Hydro Transmission Electric Company, Inc. (NHH)" which own and lease the HVDC interconnection facilities to the participants to the NEPOOL HVDC agreements.

New England Power Company
Determination of Book Depreciation on Equity AFUDC

2011

1	Total Current Year Book Depreciation on Equity AFUDC	\$1,137,510
2	Less: Specifically Identified Transmission-Related	
	Tewksbury Line	\$54,708
	Hydro-Quebec	\$23,543
	Montaup Transmission Only 1990 - 1999	\$9,713
	1998 Transmission	\$13,959
	1999 Transmission	\$42,457
	2000 Transmission	(\$8,299)
	2001 Transmission	\$23,561
	2002 Transmission	\$8,889
	2003 Transmission	\$16,500
	2004 Transmission	\$15,518
	2005 Transmission	\$49,757
	2006 Transmission	\$64,352
	2007 Transmission	\$42,418
	2008 Transmission	\$57,508
	2009 Transmission	\$98,437
	2010 Transmission	\$79,948
	2011 Transmission	\$157,122
		\$750,091
3	Total Unidentified Book Depreciation on Equity AFUDC	\$387,419
4	Plant Allocator Factor	99.2997%
5	Allocated Transmission Related Book Depreciation on Equity AFUDC	\$384,706
6	Plus: Specifically Identified Transmission-Related Equity AFUDC	<u>\$750,091</u>
7	Total Transmission-Related Equity AFUDC	\$1,134,797
8	Pre-97 PTF Allocation Factor	21.9207%
9	Transmission-Related Equity AFUDC	\$248,755

Sources:

- 1 & 2 Transmission Rates includes \$9,713 from Montaup
3 Line 1 - Line 2
4 Worksheet 5 - PTF Plant Allocation Factor
5 Line 3 * Line 4
6 Line 2
7 Line 5 + Line 6
8 Worksheet 5 - Pre-97 PTF Allocation Factor
9 Line 7 * Line 8

Shading denotes an input

New England Power Company
Determination of the PTF Related Integrated Facilities Charges

	REVISED PTF	
	Narragansett <u>2011</u>	MECO <u>2011</u>
1 Total Integrated Facilities Charges	\$60,868,519	\$8,564,781
2 Total 2011 PTF Property	\$234,900,022	\$21,875,675
3 Total Transmission Plant in 2011	\$321,180,057	\$46,378,064
4 NECO or MECO PTF Plant Allocator	73.14%	47.17%
5 PTF Related Integrated Facilities Charge	\$44,517,136	\$4,039,849
6 Total Integrated Facilities		<u>\$48,556,985</u>

Source:

- 1 FF1 Page 330.4 Lines 13 & 14 Col (n)
- 2 PowerPlant Reports
- 3 FF1 Page 207 Line 58 (g)
- 4 Line 2 / Line 3
- 5 Line 1 * Line 4
- 6 Line 5 Totals for Narragansett and Massachusetts Electric

Shading denotes an input

Attachment 5

New England Power Company
Development of 2011 Regulatory Commission Expense

<u>Line No.</u>		<u>2011</u>	<u>Source</u>
1	Total Regulatory Commission Expense - NEP	\$4,168,438	FERC Form1 Page 350.46d
2	Less: New Hampshire PUC Assessment	\$78,276	FERC Form1 Page 350.2d
3	Less: Mass Emergency Fund	\$0	FERC Form1 Page 350.7d
4	Less Mass DPU Special Assessment	\$229,133	FERC Form1 Page 350.8d
5	Less: Utility Expenses	\$1,255,423	FERC Form1 Page 350.46c
6	Total Federal Assessments	\$2,605,606	Line 1 - (Line 2-5)

Transmission Rents Received from Electric Property
New England Power Company

	<u>2011</u>
Revenues	\$1,213,781
Plant Allocation Factor	100.00%
Transmission Allocated	\$1,213,781
PTF Allocation	21.9207%
Total PTF Revenue	\$266,069

Source: Peoplesoft Activities #454002, 454020 and 454024 - see Analysis for details

Revenue for Short-Term Transmission Service under the NEPOOL Tariff

New England Power Company

	<u>2011</u>
Revenues	\$809,392
Pre-97 PTF Percent	29.8887%
Total Pre-97 PTF Revenue	\$ 241,917

Source: Short Term Through and Out Revenues from ISO New England

ISO Tariff Billing
 ISO Annual Transmission Revenue Requirements
 per Tariff Attachment F and ISO Agreement Part 2, Section 6.3

Shading denotes an input

Submitted on:	
Revenue Requirements for (year):	Calendar Year 2011
Rates Effective for the Period: Through:	June 2012 May 2013
Customer:	New England Power Company
Customer's NABs Number:	
Name of Participant responsible for customer's billing:	
DUNs number of Participant responsible for customer's billing:	

	<u>Pre-97 Revenue Requirements</u>	<u>Post-96 Revenue Requirements</u>
Total of Attachment F - Sections A through I	<u>\$100,395,777</u> ^(a)	<u>\$128,354,111</u> ^(f)
Total of Attachment F - Section J - Support Revenue	<u>\$5,663,545</u> ^(b)	<u>\$0</u> ^(g)
Total of Attachment F - Section K - Support Expense	<u>\$723,254</u> ^(c)	<u>\$0</u> ^(h)
Total of Attachment F - Section (L through O)	<u>(\$507,986)</u> ^(d)	<u>(\$1,191,607)</u> ⁽ⁱ⁾
Sub Total - Sum (A through I) - J + K + (L through O)	<u>\$94,947,500</u> ^{(e)=(a)-(b)+(c)+(d)}	<u>\$127,162,504</u> ^(j)
Forecasted Transmission Revenue Requirements (per Attachment C to Attachment F Implementation Rule)	<u>N/A</u>	<u>\$36,193,039</u> ^(k)
Annual True-up (per Attachment C to Attachment F Implementation Rule)	<u>N/A</u> ^(l)	<u>N/A</u> ^(m)
Adjusted Sub Total - Sum (Sub Total + Forecast + True-up)	<u>\$94,947,500</u> ^{(n)=(e)+(l)}	<u>\$163,355,543</u> ^{(o)=(j)+(k)+(m)}
Annual Revenue Requirement Total = Sum of Pre-97 Revenue Requirements & Post-96 Revenue Requirements Subtotals, Forecasted Revenue Requirements and True-ups (including interest)		<u>\$258,303,043</u> ^{(p) = (n) + (o)}

New England Power Company
Annual Revenue Requirements of PTF Facilities
For Costs in 2011

POST-1996

Shading denotes an input

Line No.	I. <u>INVESTMENT BASE</u>	Attachment F Reference	NEP	<u>Reference</u>
		<i>Section:</i>		
1	Transmission Plant	(A)(1)(a)	\$819,449,952	Worksheet 5, line 1&2 column 5
2	General Plant	(A)(1)(b)	\$3,282,852	Worksheet 5, line 3 column 5
3	Plant Held For Future Use	(A)(1)(c)	\$528,485	Worksheet 5, line 5 column 5
4	Total Plant (Lines 1+2+3)		<u>\$823,261,289</u>	
5	Accumulated Depreciation	(A)(1)(d)	(\$181,769,040)	Worksheet 5, line 8 column 5
6	Accumulated Deferred Income Taxes	(A)(1)(e)	(\$179,110,753)	Worksheet 5, line 11 column 5
7	Loss On Reacquired Debt	(A)(1)(f)	\$215,570	Worksheet 5, line 12 column 5
8	Other Regulatory Assets	(A)(1)(g)	\$21,943,602	Worksheet 5, line 16 column 5
9	Net Investment (Line 4+5+6+7+8)		<u>\$484,540,668</u>	
10	Prepayments	(A)(1)(h)	\$71,225	Worksheet 5, line 17 column 5
11	Materials & Supplies	(A)(1)(i)	\$1,967,145	Worksheet 5, line 18 column 5
12	Cash Working Capital	(A)(1)(j)	\$4,083,981	Worksheet 5, line 25 column 5
13	NEEWS CWIP	(A)(1)(k)	\$10,910,787	Worksheet 5, line 26 column 5
14	Total Investment Base (Line 9+10+11+12+13)		<u>\$501,573,805</u>	
II. <u>REVENUE REQUIREMENTS</u>				
15	Investment Return and Income Taxes	(A)	\$62,722,239	Worksheet 3
16	Depreciation Expense	(B)	\$17,882,627	Worksheet 6, line 3, column 5
17	Amortization of Loss on Reacquired Debt	(C)	\$143,011	Worksheet 6, line 4, column 5
18	Investment Tax Credit	(D)	(\$203,026)	Worksheet 6, line 5, column 5
19	Property Tax Expense	(E)	\$13,971,698	Worksheet 6, line 6, column 5
20	Payroll Tax Expense	(F)	\$1,165,718	Worksheet 6, line 22, column 5
21	Operation & Maintenance Expense	(G)	\$17,931,179	Worksheet 6, line 11, column 5
22	Administrative & General Expense	(H)	\$14,740,665	Worksheet 6, line 21, column 5
23	Transmission Related Integrated Facilities Charge	(I)	\$0	Attachment 4, line 6
24	Transmission Support Revenue	(J)	\$0	Worksheet 8
25	Transmission Support Expense	(K)	\$0	Worksheet 8
26	Transmission Related Expense from Generators	(L)	\$0	
27	Transmission Related Taxes and Fees Charge	(M)	\$0	
28	Revenue for ST Trans. Service Under NEPOOL Tariff	(N)	(\$567,475)	Attachment 7
29	Transmission Rents Received from Electric Property	(O)	(\$624,132)	Attachment 6
30	Total Revenue Requirements (Line 14 thru 28)		<u>\$127,162,504</u>	

New England Power Company
Post 1996 Regional Network Service Revenue Requirement
For Test Year Ended 12/31/2011

Shading denotes an input

<u>Line No.</u>	<u>Description</u>	<u>Attachment F Reference</u>	<u>Forecasted Amount \$</u>	<u>Reference</u>
1	Forecasted Revenue Requirements for Forecasted Transmission Plant Additions (FTPAs)		\$ 36,307,741	Line 6
2	Forecasted Revenue Requirements for Forecasted Transmission CWIP		\$114,702	Line 9
3	Forecasted Transmission Revenue Requirements		\$ 36,193,039	Line 1 + Line 2
4	Forecasted Revenue Requirements for Forecasted Transmission Plant Additions (FTPAs)	Appendix C iv	\$237,573,000	Project Detail
5	Carrying Charge Factor (CCF)	Appendix C vi	15.28277%	Line 20
6	Forecasted Revenue Requirements for FTPAs		\$ 36,307,741	Line 4 * Line 5
7	Forecasted New England Power Company (NEP) NEEWS CWIP (FNCWIP)	Appendix C xiii	\$ (851,389)	Project Detail
8	NEEWS NEP Cost of Capital Rate (NCOC)	Appendix C xiv	13.47235%	Workpaper 4
9	Forecasted Revenue Requirements for FNCWIP		\$ (114,702)	Line 7 * Line 8

Derivation of Carrying Charge (CCF)

10	Investment Return and Income Taxes	(A)	\$59,602,800	Summary, Line 14
11	Depreciation Expense	(B)	17,882,627	Summary, Line 15
12	Amortization of Loss on Reacquired Debt	(C)	143,011	Summary, Line 16
13	Investment Tax Credit	(D)	(203,026)	Summary, Line 17
14	Property Tax Expense	(E)	13,971,698	Summary, Line 18
15	Payroll Tax Expense	(F)	1,165,718	Summary, Line 19
16	Operation & Maintenance Expense	(G)	17,931,179	Summary, Line 20
17	Administrative & General Expense	(H)	14,740,665	Summary, Line 21
18	Total Expenses (Lines 10 thru 17)		\$125,234,672	
19	PTF Transmission Plant	(A)(1)(a)	\$819,449,952	Summary, Line 1
20	Carrying Charge Factor (FTPAs)		15.28277%	Line 18 / Line 19

New England Power Company
Annual Revenue Requirements
For Costs in 2011

Shading denotes an input

	CAPITALIZATION 12/31/2011	CAPITALIZATION RATIOS	COST OF CAPITAL	COST OF CAPITAL	EQUITY PORTION
LONG-TERM DEBT	\$410,350,000	35.45%	1.18%	0.42%	
PREFERRED STOCK	\$1,111,700	0.10%	6.02%	0.01%	0.01%
COMMON EQUITY	\$746,206,523	64.45%	11.07%	7.13%	7.13%
TOTAL INVESTMENT RETURN	\$1,157,668,223	100.00%		7.56%	7.14%

Cost of Capital Rate=

(a) Weighted Cost of Capital	=	<u>0.0756</u>
(b) Federal Income Tax	= (	$\frac{\text{R.O.E.} + \left(\frac{\text{PTF Inv. (Tax Credit)}}{1} + \frac{\text{Eq. AFUDC of Deprec. Exp.}}{1} \right) / \text{PTF Inv. Base}}{1} \times \frac{\text{Federal Income Tax Rate}}{\text{Federal Income Tax Rate}}$
	= (	$\frac{0.0714 + \left(\frac{(\$203,026)}{1} + \frac{\$583,896}{\$501,573,805} \right) / 1}{1} \times \frac{0.35}{0.35}$
	=	<u>0.0388550</u>
(c) State Income Tax	= (	$\frac{\text{R.O.E.} + \left(\frac{\text{PTF Inv. (Tax Credit)}}{1} + \frac{\text{Eq. AFUDC of Deprec. Exp.}}{1} \right) / \text{PTF Inv. Base}}{1} + \frac{\text{Federal Income Tax}}{\text{State Income Tax Rate}} \times \text{State Income Tax Rate}$
	= (	$\frac{0.0714 + \left(\frac{(\$203,026)}{1} + \frac{\$583,896}{\$501,573,805} \right) / 1}{1} + \frac{0.0388550}{0.059466} \times 0.059466$
	=	<u>0.0070190</u>
(a)+(b)+(c) Cost of Capital Rate	=	<u>0.1214740</u>

(PTF)

INVESTMENT BASE	\$501,573,805	From Worksheet 1
x Cost of Capital Rate	0.1214740	
= Investment Return and Income Taxes	<u>\$60,928,176</u>	To Worksheet 1
INVESTMENT BASE (Excluding NEEWS CWIP)	\$490,663,019	From Worksheet 1
x Cost of Capital Rate	0.1214740	
= Investment Return and Income Taxes	<u>\$59,602,800</u>	To Worksheet 2

Post 2003 PTF Investment Base w/ Incremental 100 bps:

Plant In-Service	\$ 213,375,099	From Attachment 1
Accumulated Depreciation	(46,695,224)	From Worksheets 5 & 7
Accumulate Deferred Income Taxes	(46,311,697)	From Worksheets 5 & 7
Total Post-2003 Investment	\$ 120,368,177	Calculated
Incremental ROE:	1.00%	0.00645 Calculated
Federal Income Taxes:	0.00347	Per Attachment F
State Income Taxes:	0.00063	Per Attachment F
Cost of Capital Rate	0.01054	
Incremental Return and Taxes on Post-2003 PTF Investment	<u>\$ 1,268,957</u>	

NEEWS In-Service w/ Incremental 125 bps:

New England Power NEEWS In-Service	\$ 52,962,648	PowerPlant PTF 4 & 5 reports - PTF only
Accumulated Depreciation	(12,062,457)	From Worksheets 3 & 5
Accumulate Deferred Income Taxes	(11,963,383)	From Worksheets 3 & 5
Total New England Power NEEWS Investment	\$ 28,936,808	Calculated
Incremental ROE:	1.25%	0.00806 Calculated
Federal Income Taxes:	0.00434	Per Attachment F
State Income Taxes:	0.00078	Per Attachment F
Cost of Capital Rate	0.01318	
Incremental Return and Taxes on NEEWS PTF Investment	<u>\$ 381,325</u>	

NEEWS Allocation Factor		
Total Transmission Investment	\$1,593,625,753	Worksheet 7 Line 2
Total NEEWS In-Service - NEP	\$55,119,725	Plant Accounting Records
For Accumulated Depreciation	3.4588%	
NEEWS Allocation Factor	3.4588%	
Plant Allocation Factor	0.992997	Worksheet 7 Line 16
For Accumulated Deferred Income Taxes	3.4345%	

New England Power Company
Annual Revenue Requirements
For Costs in 2011

Shading denotes an input

	CAPITALIZATION 12/31/2011	CAPITALIZATION RATIOS	COST OF CAPITAL	COST OF CAPITAL	EQUITY PORTION
LONG-TERM DEBT	\$410,350,000	35.45%	1.18%	0.42%	
PREFERRED STOCK	\$1,111,700	0.10%	6.02%	0.01%	0.01%
COMMON EQUITY	\$746,206,523	64.46%	12.32%	7.94%	7.94%
TOTAL INVESTMENT RETURN	\$1,157,668,223	100.00%		8.37%	7.95%

Cost of Capital Rate=

(a) Weighted Cost of Capital = 0.0837

(b) Federal Income Tax =
$$\left(\frac{\text{R.O.E.} + \left(\frac{\text{PTF Inv. (Tax Credit} + \text{Eq. AFUDC of Deprec. Exp.)}}{\text{PTF Inv. Base}} \right)}{1} \right) \times \frac{\text{Federal Income Tax Rate}}{\text{Federal Income Tax Rate}}$$

=
$$\left(\frac{0.0795 + \left(\frac{(\$203,026) + \$583,896}{\$501,573,805} \right)}{1} \right) \times \frac{0.35}{0.35}$$

= 0.0432166

(c) State Income Tax =
$$\left(\frac{\text{R.O.E.} + \left(\frac{\text{PTF Inv. (Tax Credit} + \text{Eq. AFUDC of Deprec. Exp.)}}{\text{PTF Inv. Base}} \right)}{1} \right) \times \frac{\text{Federal Income Tax} + \text{State Income Tax Rate}}{\text{State Income Tax Rate}}$$

=
$$\left(\frac{0.0795 + \left(\frac{(\$203,026) + \$583,896}{\$501,573,805} \right)}{1} \right) \times \frac{0.0432166 + 0.059466}{0.059466}$$

= 0.0078069

(a)+(b)+(c) Cost of Capital Rate = 0.1347235

New England Power Company

Shading denotes an input

Line No.	(1) Total	(2) Wage/Plant Allocation Factors	(3) = (1)*(2) Transmission Allocated	(4) PTF Allocation Factor (b)	(5) = (3)*(4) PTF Allocated	Source Reference for Col (1)
1					\$819,449,952	Attachment 1, Page 1
2					\$0	Attachment 2
3	\$6,396,486	99.8099% (a)	\$6,384,326	51.4205% (b)	\$3,282,852	FERC Form 1 page 207.99
4			<u>\$6,384,326</u>		<u>\$822,732,804</u>	
5	\$1,027,771		\$1,027,771	51.4205% (b)	<u>\$528,485</u>	FERC Form 1 page 214.2,4,10
<u>Transmission Accumulated Depreciation</u>						
6	(\$348,750,683)		(\$348,750,683)	51.4205% (b)	(\$179,329,345)	FERC Form 1 page 219.25
7	(\$4,753,633)	99.8099% (a)	(\$4,744,596)	51.4205% (b)	(\$2,439,695)	FERC Form 1 Page 219.28
8			<u>(\$353,495,279)</u>		<u>(\$181,769,040)</u>	
<u>Transmission Accumulated Deferred Taxes</u>						
9	(\$402,325,609)	99.2997% (c)	(\$399,508,123)	51.4205% (b)	(\$205,429,074)	FERC Form 1 page 113.62-64
10	\$51,543,505	99.2997% (c)	\$51,182,546	51.4205% (b)	\$26,318,321	FERC Form 1 page 111.82
11			<u>(\$348,325,577)</u>		<u>(\$179,110,753)</u>	
12	\$419,230	100.0000%	\$419,230	51.4205% (b)	<u>\$215,570</u>	FERC Form 1 Page 111.81c
<u>Other Regulatory Assets</u>						
13	\$0	99.8099% (a)	\$0	51.4205% (b)	\$0	
14	\$42,674,813	100.0000%	\$42,674,813	51.4205% (b)	\$21,943,602	FERC Form 1 Page 232.6f
15	\$0	100.0000%	\$0	51.4205% (b)	\$0	FERC Form 1 Page 278
16	<u>\$42,674,813</u>		<u>\$42,674,813</u>		<u>\$21,943,602</u>	
17	\$138,779	99.8099% (a)	\$138,515	51.4205% (b)	<u>\$71,225</u>	FERC Form 1 Page 111.57c
18	\$3,825,605		\$3,825,605	51.4205% (b)	<u>\$1,967,145</u>	FERC Form 1 Page 227.8c
<u>Cash Working Capital</u>						
20					\$17,931,179	Worksheet 1, Line 20
21					\$14,740,665	Worksheet 1, Line 21
22					\$0	Worksheet 8
23					\$32,671,844	
24					0,1250	x 45 / 360
25					<u>\$4,083,981</u>	
26	\$10,910,787				<u>\$10,910,787</u>	Plant Accounting Records

(a) Worksheet 7 Line 11
(b) Worksheet 7 Line 3
(c) Worksheet 7 Line 16

New England Power Company

Shading denotes an input

Line No.	(1) Total (g)	Wage/Plant Allocation Factors	(3) = (1)*(2) Transmission Allocated	PTF Allocation Factor (b)	(5) = (3)*(4) PTF Allocated	Source Reference for Col (1)
Depreciation Expense						
1	\$34,416,139		\$34,416,139	51.4205%	\$17,696,951	FERC Form 1 Page 336.7b
2	\$361,782	99.8099% (a)	\$361,094	51.4205%	\$185,676	FERC Form 1 Page 336.10b
3			\$34,777,233		\$17,882,627	
4	\$278,121		\$278,121	51.4205%	\$143,011	FERC Form 1 Page 117.64c
5	(\$394,835)		(\$394,835)	51.4205%	(\$203,026)	FERC Form 1 Page 266.8f - Footnote (f)
6	\$27,171,454		\$27,171,454	51.4205%	\$13,971,698	FERC Form 1 Page 263.10,17,23,28,31i - Footnote (e)
Transmission Operation and Maintenance						
7	\$61,295,709		\$61,295,709	51.4205%	\$31,518,560	FERC Form 1 Page 321.112b
8	\$14,532,110		\$14,532,110	51.4205%	\$7,472,484	FERC Form 1 Page 321.96b
9	\$11,891,943		\$11,891,943	51.4205%	\$6,114,897	FERC Form 1 Page 321.84-92b less 87b
10	\$0		\$0		\$0	FERC Form 1 Page 321.93b & .98b
11	\$34,871,656		\$34,871,656	51.4205%	\$17,931,179	
Transmission Administrative and General						
12	\$30,296,960					FERC Form 1 Page 323.197b
13	(\$135,569)					FERC Form 1 Page 323.185b
14	\$4,168,438					FERC Form 1 Page 323.189b
15	\$0					FERC Form 1 Page 323.191b
16	\$26,264,091	99.8099% (a)	\$26,214,163	51.4205%	\$13,479,454	
17	(\$135,569)	99.2997% (c)	(\$134,620)	51.4205%	(\$69,222)	Line 13
18	\$2,605,606	99.2997% (c)	\$2,587,359	51.4205%	\$1,330,433	Attachment 5 Line 6
19	\$0		\$0	51.4205%	\$0	Line 15
20	\$0		\$0	51.4205%	\$0	FERC Form 1 Page 350.18c
21	\$28,734,128		\$28,666,902		\$14,740,665	
22	\$2,271,348	99.8099% (a)	\$2,267,030	51.4205%	\$1,165,718	FERC Form 1 Page 263.3.4i - Footnote (d)
(d) (d) Payroll taxes FERC Form 1, page 263.i						
	Federal Unemployment	\$9,327	Massachusetts	\$23,571,202		
	FICA	\$2,262,021	New Hampshire	\$2,662,307		
	Payroll Taxes	\$0	Vermont	\$786,615		
	State Unemployment	\$0	Maine	\$0		
	Total	\$2,271,348	Rhode Island	\$151,330		
			Connecticut	\$0		
				\$27,171,454		
(e) Property Taxes FF1, Page 263i						

- (a) Worksheet 7, Line 11
- (b) Worksheet 7 Line 3
- (c) Worksheet 7 Line 16
- (d) Transmission Only - Payroll Taxes - Specifically identified in FERC Form 1
- (e) Transmission Only - Property Taxes - Specifically Identified in FERC Form 1
- (f) Transmission Only - Amortization of ITC - Specifically Identified in FERC Form 1

** Subtract Accounts #562 & #567 from O&M Expense to the extent that they include PTF Support Payments.

Shading denotes an input

Line No.		NEP	Source Reference
<u>PTF Transmission Plant Allocation Factor</u>			
1	PTF Transmission Investment	\$819,449,952	
2	Total Transmission Investment	\$1,593,625,753	Attachment 1, Page 1 FERC Form 1 Page 207.58g - Page 200.4b
3	Percent Allocation (Line 1/Line 2)	<u>51.4205%</u>	
<u>Transmission Wages and Salaries Allocation Factor</u>			
4	Direct Transmission Wages and Salaries	\$0	
5	Affiliated Company Transmission Wages and Salaries	\$23,467,616	FERC Form 1 Page 354.14b General Ledger Query
6	Total Transmission Wages and Salaries (Line 4 + Line 5)	\$23,467,616	
7	Total Wages and Salaries	\$0	FERC Form 1 Page 354.28b
8	Administrative and General Wages and Salaries	\$0	FERC Form 1 Page 354.27b
9	Affiliated Company Wages and Salaries less A&G	\$23,512,307	General Ledger Query
10	Total Wages and Salaries net of A&G (Line 7 - 8 + 9)	\$23,512,307	
11	Percent Allocation (Line 6/Line 10)	<u>99.8099%</u>	
<u>Plant Allocation Factor</u>			
12	Total Transmission Investment	\$1,593,625,753	Line 2
13	plus Transmission-Related General Plant (Line 2 of Wkst. 3)	\$6,384,326	Worksheet 5, Line 3, Column 3
14	= Revised Numerator (Line 12 + Line 13)	\$1,600,010,079	
15	Total Plant in Service	\$1,611,293,575	FERC Form 1 Page 207.104g - Page 200.4b
16	Percent Allocation (Line 14 / Line 16)	<u>99.2997%</u>	
<u>Post-2003 PTF Allocation Factor</u>			
17	Total Post-2003 PTF Investment	\$ 213,375,099	Attachment 1 Line 7
18	Total Transmission Investment	\$1,593,625,753	Line 2
19	Percent Allocation (Line 17/Line 18) for Post-2003 to Total Tx	13.3893%	
20	Total Invst in Tx Plant/Total Plant in Serv *		
21	Post-2003 PTF Tx Plant/Total Invst in Tx Plant	13.2955%	Line 19 * Line 16

**New England Power Company
Post-96 RNs Revenue Requirements
For Test Year Ended 12/31/2011**

Input Revenues associated with the PTF Supporting Facilities in columns (a) and expenses associated with the facilities in columns (b). The totals are then linked to Worksheet 1, Lines 23 and 24.

Participant	PTF Supporting Facilities	FERC Form 1 Reference	TOTAL	
			Revenues (a)	Expenses (b)
NSTAR	115 kV Millbury-Medway 201 Line	Pg 332 Line 2 Col (g)		\$0
	HQ Phase II - AC in MA	Pg 332 Line 5 Col (g)		\$0
	345 kV "stabilizer" 342 Line	Pg 332 Line 3 Col (g)		\$0
	345 kV Carver - Walpole 331 Line	Pg 332 Line 13 Col (g)		\$0
	Second Canal Line	Pg 332 Line 4 Col (g)		\$0
	Bell Rock Road	Page 330.5 Line 12	\$0	
	Boston-Edison [345 kV Sandy-Tewksbury 337 line-345kV Tewksbury-Woburn 338 Line]	Page 330 Line 4	\$0	
	Boston-Edison [115 kV Tewksbury - Woburn M139 line - 115kV Tewksbury-Woburn N140 Line]	Page 330 Line 3	\$0	
	Public Service Co. -Moore 115 kV Substation	Page 330.1 Line 5	\$0	
	Boston Edison -345 kV Golden Hills-Mystic 349 Line	Page 330 Line 2	\$0	
	Boston Edison -345 kV NH/MA border - Tewksbury 394 Line (Seabrook	Page 330.1 Line 8	\$0	
	EUA	345 kV Medway - Bridgewater 344 Line	Pg 330.5, Line 11	\$0
NEP	Chester SVC	Transmission Billing		\$0
	HQ Phase II - AC in MA	Page 330 Line 11	\$0	
	MWRA Transmission (MDC)	Contract - Line Lease/Use		\$0
VT Elec Co.	Comerford 115 kV Substation	Page 330.1 Line 12	\$0	
		Totals	\$0	\$0

New England Power Company
2011 Informational Filing
PTF Plant Allocation

				<u>Percent Pre/Post</u>
1	2010	Pre-1997 PTF Transmission Plant	\$351,115,800	
2	2010	Post-1996 PTF Transmission Plant	\$755,657,102	
3	2011	Additions/Retirements	\$62,011,432	
4	2011	Pre-1997 PTF Transmission Plant	\$349,334,382	29.89%
5	2011	Post-1996 PTF Transmission Plant	\$819,449,952	70.11%
6	2011	Total PTF Transmission Plant	\$1,168,784,335	100.00%
7	2011	Post-2003 PTF Transmission Plant	\$213,375,099	

Sources:

- 1 PTF Plant Reports for previous year
- 2 PTF Plant Reports for previous year
- 3 Line 6 - Line 1 + Line 2
- 4 PTF Plant Reports for current year
- 5 PTF Plant Reports for current year
- 6 Line 4 + 5
- 7 PTF Plant Report: Post 2003 RSP Projects

Shading denotes an input

GROSS PLANT ASSOC. WITH HVDC LEASES
2011

LINE NO		(HVDC) NHH/NEH <u>LEASE</u>
1	Gross Plant Value Comerford Station to Tewksbury Line	\$0
	Allocation	
2	Miles used by NHH (a)	0
3	Total miles at Comerford Station	0
4	Percentage of Total Gross Plant leased by NHH (a)	0%
5	Total Gross Plant leased by NHH (a)	\$0
6	Total Land from Sandy Pond to New Hampshire	\$0
7	HVDC lines occupy 35% of Right of Way	0%
8	Total Land leased by NEH (a)	\$0
9	Total NEP Gross Plant leased by HVDC to be excluded from PTF Revenue requirement	\$0

Source:

- 1 FERC Form 1, Page 423.1, Lines 5 + 16
- 2 Total miles used per lease agreement
- 3 Total miles per lease agreement
- 4 Line 2 / Line 3
- 5 Line 1 * Line 4
- 6 FERC Form 1, Page 422-423, Line 15
- 7 Percentage per lease agreement
- 8 Line 6 * Line 7
- 9 Line 5 + Line 8

Note:

- (a) NEH and NHH are acronyms for two of the three "Hydro Companies, New England Hydro Transmission (NEH) Electric Company, New England Electric Transmission Corporation, and New England Hydro Transmission Electric Company, Inc. (NHH)" which own and lease the HVDC interconnection facilities to the participants to the NEPOOL HVDC agreements.

New England Power Company
Determination of Book Depreciation on Equity AFUDC

		<u>2011</u>
1	Total Current Year Book Depreciation on Equity AFUDC	\$1,138,245
2	Less: Specifically identified Transmission-Related	
	Tewksbury Line	\$54,708
	Hydro-Quebec	\$23,543
	Montaup Transmission Only 1990 - 1999	\$9,713
	1998 Transmission	\$13,959
	1999 Transmission	\$42,457
	2000 Transmission	(\$8,299)
	2001 Transmission	\$23,561
	2002 Transmission	\$8,889
	2003 Transmission	\$16,500
	2004 Transmission	\$15,518
	2005 Transmission	\$49,757
	2006 Transmission	\$64,352
	2007 Transmission	\$42,418
	2008 Transmission	\$57,508
	2009 Transmission	\$98,437
	2010 Transmission	\$79,948
	2011 Transmission	\$157,814
		<u>\$750,783</u>
3	Total unidentified Book Depreciation on Equity AFUDC	\$387,462
4	Plant Allocator Factor	99.2997%
5	Allocated Transmission Related Book Depreciation on Equity AFUDC	\$384,749
6	Plus: Specifically Identified Transmission-Related Equity AFUDC	<u>\$750,783</u>
7	Total Transmission-Related Equity AFUDC	\$1,135,532
8	Post-96 PTF Allocation Factor	51.4205%
9	Transmission-Related Equity AFUDC	\$583,896

Sources:

- 1 & 2 Transmission Rates includes \$9,713 from Montaup
 3 Line 1 - Line 2
 4 Worksheet 5 - PTF Plant Allocation Factor
 5 Line 3 * Line 4
 6 Line 2
 7 Line 5 + Line 6
 8 Worksheet 6 - Post-96 PTF Allocation Factor
 9 Line 7 * Line 8

New England Power Company
 Determination of the PTF Related Integrated Facilities Charges

	<u>Narragansett</u> <u>2011</u>	<u>MECO</u> <u>2011</u>
1 Total Integrated Facilities Charges	\$0	\$0
2 Total 2011 PTF Property	\$0	\$0
3 Total Transmission Plant in 2011	\$0	\$0
4 NECO or MECO PTF Plant Allocator	0.00%	0.00%
5 PTF Related Integrated Facilities Charge	\$0	\$0
6 Total Integrated Facilities		<u><u>\$0</u></u>

Source:

- 1 FF1 Page 330.4 Lines 13 & 14 Col (n)
- 2 PowerPlant Reports
- 3 FF1 Page 207 Line 58 (g)
- 4 Line 2 / Line 3
- 5 Line 1 * Line 4
- 6 Line 5 Totals for Narragansett and Massachusetts Electric

Shading denotes an input

Attachment 5

New England Power Company
Development of 2011 Regulatory Commission Expense

<u>Line No.</u>		<u>2011</u>	<u>Source</u>
1	Total Regulatory Commission Expense - NEP	\$4,168,438	FERC Form1 Page 350.46d
2	Less: New Hampshire PUC Assessment	\$78,276	FERC Form1 Page 350.2d
3	Less: Mass Emergency Fund	\$0	FERC Form1 Page 350.7d
4	Less Mass DPU Special Assessment	\$229,133	FERC Form1 Page 350.8d
5	Less: Utility Expenses	\$1,255,423	FERC Form1 Page 350.46c
6	Total Federal Assessments	\$2,605,606	Line 1 - (Line 2-5)

Transmission Rents Received from Electric Property
New England Power Company

	<u>2011</u>
Revenues	\$1,213,781
Plant Allocation Factor	100.00%
Transmission Allocated	\$1,213,781
PTF Allocation	51.4205%
Total PTF Revenue	\$624,132

Source: Peoplesoft Activities #454002, 454020 and 454024 - see Analysis for details

Revenue for Short-Term Transmission Service under the NEPOOL Tariff
New England Power Company

	<u>2011</u>
Revenues	\$809,392
Post-96 PTF Percent	70.1113%
Total Post-96 PTF Revenue	\$567,475

Source: Short Term Through and Out Revenues from ISO New England

ISO Tariff Billing
 ISO Annual Transmission Revenue Requirements
 per Tariff Attachment F and ISO Agreement Part 2, Section 6.3

Shading denotes an input

Submitted on:

Revenue Requirements for (year): Calendar Year 2011

Rates Effective for the Period:
 Through: June 2012
May 2013

Customer: New England Power Company

Customer's NABs Number:

Name of Participant responsible for customer's billing:

DUNS number of Participant responsible for customer's billing:

	<u>Pre-97 Revenue Requirements</u>	<u>Post-96 Revenue Requirements</u>
Total of Attachment F - Sections A through I	<u>\$100,395,777</u> ^(a)	<u>\$128,354,111</u> ^(f)
Total of Attachment F - Section J - Support Revenue	<u>\$5,663,545</u> ^(b)	<u>\$0</u> ^(g)
Total of Attachment F - Section K - Support Expense	<u>\$723,254</u> ^(c)	<u>\$0</u> ^(h)
Total of Attachment F - Section (L through O)	<u>(\$507,986)</u> ^(d)	<u>(\$1,191,607)</u> ⁽ⁱ⁾
Sub Total - Sum (A through I) - J + K + (L through O)	<u>\$94,947,500</u> ^{(e)=(a)-(b)+(c)+(d)}	<u>\$127,162,504</u> ^(j)
Forecasted Transmission Revenue Requirements (per Attachment C to Attachment F Implementation Rule)	<u>N/A</u>	<u>\$36,193,039</u> ^(k)
Annual True-up (per Attachment C to Attachment F Implementation Rule)	<u>N/A</u> ^(l)	<u>N/A</u> ^(m)
Adjusted Sub Total - Sum (Sub Total + Forecast + True-up)	<u>\$94,947,500</u> ^{(n)=(e) + (l)}	<u>\$163,355,543</u> ^{(o)=(j)+(k)+(m)}
Annual Revenue Requirement Total = Sum of Pre-97 Revenue Requirements and Post-96 Revenue Requirements Subtotals for rate calculations under the Tariff:		<u>\$258,303,043</u> ^{(p) = (n) + (o)}

New England Power Company
Annual Revenue Requirements of PTF Facilities
For Costs in 2011

PRE-1997

Shading denotes an input

Line No.	I. INVESTMENT BASE	Attachment F Reference	NEP	Reference
		Section:		
1	Transmission Plant	(A)(1)(a)	\$336,247,655	Worksheet 3, line 1&2 column 5
2	General Plant	(A)(1)(b)	\$1,399,489	Worksheet 3, line 3 column 5
3	Plant Held For Future Use	(A)(1)(c)	\$225,295	Worksheet 3, line 5 column 5
4	Total Plant (Lines 1+2+3)		<u>\$337,872,439</u>	
5	Accumulated Depreciation	(A)(1)(d)	(\$77,488,640)	Worksheet 3, line 8 column 5
6	Accumulated Deferred Income Taxes	(A)(1)(e)	(\$76,355,405)	Worksheet 3, line 11 column 5
7	Loss On Reacquired Debt	(A)(1)(f)	\$91,898	Worksheet 3, line 12 column 5
8	Other Regulatory Assets	(A)(1)(g)	\$9,354,618	Worksheet 3, line 16 column 5
9	Net Investment (Line 4+5+6+7+8)		<u>\$193,474,910</u>	
10	Prepayments	(A)(1)(h)	\$30,363	Worksheet 3, line 17 column 5
11	Materials & Supplies	(A)(1)(i)	\$838,599	Worksheet 3, line 18 column 5
12	Cash Working Capital	(A)(1)(j)	\$1,741,012	Worksheet 3, line 25 column 5
13	Total Investment Base (Line 9+10+11+12)		<u><u>\$196,084,884</u></u>	
	II. REVENUE REQUIREMENTS			
14	Investment Return and Income Taxes	(A)	\$23,859,746	Worksheet 2
15	Depreciation Expense	(B)	\$7,623,413	Worksheet 4, line 3, column 5
16	Amortization of Loss on Reacquired Debt	(C)	\$60,966	Worksheet 4, line 4, column 5
17	Investment Tax Credit	(D)	(\$86,551)	Worksheet 4, line 5, column 5
18	Property Tax Expense	(E)	\$5,956,173	Worksheet 4, line 6, column 5
19	Payroll Tax Expense	(F)	\$496,949	Worksheet 4, line 22, column 5
20	Operation & Maintenance Expense	(G)	\$7,644,111	Worksheet 4, line 11, column 5
21	Administrative & General Expense	(H)	\$6,283,985	Worksheet 4, line 21, column 5
22	Transmission Related Integrated Facilities Charge	(I)	\$48,556,985	Attachment 4, line 6
23	Transmission Support Revenue	(J)	(\$5,663,545)	Worksheet 6
24	Transmission Support Expense	(K)	\$723,254	Worksheet 6
25	Transmission Related Expense from Generators	(L)	\$0	Worksheet 7
26	Transmission Related Taxes and Fees Charge	(M)	\$0	
27	Revenue for ST Trans. Service Under NEPOOL Tariff	(N)	(\$241,917)	Attachment 7
28	Transmission Rents Received from Electric Property	(O)	(\$266,069)	Attachment 6
29	Total Revenue Requirements (Line 14 thru 28)		<u><u>\$94,947,500</u></u>	

New England Power Company
Annual Revenue Requirements
For Costs in 2011

Shading denotes an input

	CAPITALIZATION 12/31/2011	CAPITALIZATION RATIOS	COST OF CAPITAL	COST OF CAPITAL	EQUITY PORTION
LONG-TERM DEBT	\$410,350,000	35.45%	1.18%	0.42%	
PREFERRED STOCK	\$1,111,700	0.10%	6.02%	0.01%	0.01%
COMMON EQUITY	\$746,206,523	64.46%	11.07%	7.14%	7.14%
TOTAL INVESTMENT RETURN	\$1,157,668,223	100.00%		7.57%	7.15%

Cost of Capital Rate=

(a) Weighted Cost of Capital = 0.0757

(b) Federal Income Tax =
$$\left(\frac{\text{R.O.E.} + \left(\frac{\text{PTF Inv. of Deprec. Exp.} + \text{Eq. AFUDC}}{\text{PTF Inv. Base}} \right) \times \text{Federal Income Tax Rate}}{1} \right) - \text{Federal Income Tax Rate}$$

$$= \left(\frac{0.0715 + \left(\frac{(\$86,551) + \$248,755}{\$196,084,884} \right) \times 0.35}{1} \right) - 0.35$$
0.0389454

(c) State Income Tax =
$$\left(\frac{\text{R.O.E.} + \left(\frac{\text{PTF Inv. of Deprec. Exp.} + \text{Eq. AFUDC}}{\text{PTF Inv. Base}} \right) \times \text{Federal Income Tax Rate}}{1} \right) + \text{State Income Tax Rate}$$

$$= \left(\frac{0.0715 + \left(\frac{(\$86,551) + \$248,755}{\$196,084,884} \right) \times 0.0389454}{1} \right) + 0.059466$$
0.0070353

(a)+(b)+(c) Cost of Capital Rate = 0.1216807

	(PTF)	
INVESTMENT BASE	\$196,084,884	From Worksheet 1
x Cost of Capital Rate	0.1216807	
= Investment Return and Income Taxes	<u>\$23,859,746</u>	To Worksheet 1

New England Power Company

Line No.	(1) Total	(2) Wage/Plant Allocation Factors	(3) = (1)*(2) Transmission Allocated	(4) PTF Allocation Factor (b)	(5) = (3)*(4) PTF Allocated	Source Reference
1					\$349,334,382	Attachment 1, Page 1
2					(\$13,086,728)	Attachment 2
3	\$6,396,486	99.8099% (a)	\$6,384,326	21.9207% (b)	\$1,399,489	FERC Form 1 Page 207.99g
4			\$6,384,326		\$337,647,144	
5	\$1,027,771		\$1,027,771	21.9207% (b)	\$225,295	FERC Form 1 Page 214.2,4,9
Transmission Accumulated Depreciation						
6	(\$348,750,683)		(\$348,750,683)	21.9207% (b)	(\$76,448,591)	FERC Form 1 Page 219.25
7	(\$4,753,633)	99.8099% (a)	(\$4,744,596)	21.9207% (b)	(\$1,040,049)	FERC Form 1 Page 219.28
8			(\$353,495,279)		(\$77,488,640)	
Transmission Accumulated Deferred Taxes						
9	(\$402,325,609)	99.2997% (c)	(\$399,508,123)	21.9207% (b)	(\$87,574,977)	FERC Form 1 Page 113.62-64
10	\$51,543,505	99.2997% (c)	\$51,182,546	21.9207% (b)	\$11,219,572	FERC Form 1 Page 111.82
11			(\$348,325,577)		(\$76,355,405)	
12	\$419,230	100.0000%	\$419,230	21.9207% (b)	\$91,898	FERC Form 1 Page 111.81c
Other Regulatory Assets						
13	\$0	99.8099% (a)	\$0	21.9207% (b)	\$0	
14	\$42,674,813	100.0000%	\$42,674,813	21.9207% (b)	\$9,354,618	FERC Form 1 Page 232.7f
15	\$0	100.0000%	\$0	21.9207% (b)	\$0	FERC Form 1 Page 278
16	\$42,674,813		\$42,674,813		\$9,354,618	
17	\$138,779	99.8099% (a)	\$138,515	21.9207% (b)	\$30,363	FERC Form 1 Page 111.57c
18	\$3,825,605		\$3,825,605	21.9207% (b)	\$838,599	FERC Form 1 Page 227.8c
Cash Working Capital						
19					\$7,644,111	Worksheet 1, Line 20
20					\$6,283,985	Worksheet 1, Line 21
21					\$0	Worksheet 6
22					\$13,928,096	
23					0.1250	x 45 / 360
24					\$1,741,012	
25						

(a) Worksheet 5 Line 11
(b) Worksheet 5 Line 3
(c) Worksheet 5 Line 16

New England Power Company

Shading denotes an input

Line No.	(1) Total	(2) Wage/Plant Allocation Factors	(3) = (1)*(2) Transmission Allocated	(4) PTF Allocation Factor (b)	(5) = (3)*(4) PTF Allocated	Source Reference for Col (1)
Depreciation Expense						
1	\$34,416,139		\$34,416,139	21.9207% (b)	\$7,544,259	FERC Form 1 Page 336.7b
2	\$361,782	99.8099% (a)	\$361,094	21.9207% (b)	\$79,154	FERC Form 1 Page 336.10b
3			\$34,777,233		\$7,623,413	
4	\$278,121	100.0000%	\$278,121	21.9207% (b)	\$60,966	FERC Form 1 Page 117.64c
5	(\$394,836)	100.0000%	(\$394,836)	21.9207% (b)	(\$86,551)	FERC Form 1 Page 266.8f - Footnote (f)
6	\$27,171,454	100.0000%	\$27,171,454	21.9207% (b)	\$5,956,173	FERC Form 1 Page 263.10,17,23,28i - Footnote (e)
Transmission Operation and Maintenance						
7	\$61,295,709		\$61,295,709	21.9207% (b)	\$13,436,448	FERC Form 1 Page 321.112b
8	\$14,532,110		\$14,532,110	21.9207% (b)	\$3,185,540	FERC Form 1 Page 321.96b
9	\$11,891,943		\$11,891,943	21.9207% (b)	\$2,606,797	FERC Form 1 Page 321.84-92b less 87b
10	\$0		\$0		\$0	FERC Form 1 Page 321.93b & .98b
11	\$34,871,656		\$34,871,656	21.9207% (b)	\$7,644,111	
Transmission Administrative and General						
12	\$30,296,960					FERC Form 1 Page 323.197b
13	(\$135,569)					FERC Form 1 Page 323.185b
14	\$4,168,438					FERC Form 1 Page 323.189b
15	\$0					FERC Form 1 Page 323.191b
16	\$26,264,091	99.8099% (a)	\$26,214,163	21.9207% (b)	\$5,746,328	
17	(\$135,569)	99.2997% (c)	(\$134,620)	21.9207% (b)	(\$29,510)	Line 13
18	\$2,605,606	99.2997% (c)	\$2,587,359	21.9207% (b)	\$567,167	Attachment 5 Line 6
19	\$0		\$0	21.9207% (b)	\$0	Line 15
20	\$0		\$0	21.9207% (b)	\$0	FERC Form 1 Page 350.18c
21	\$28,734,128		\$28,666,902		\$6,283,985	
22	\$2,271,348	99.8099% (a)	\$2,267,030	21.9207% (b)	\$496,949	FERC Form 1 Page 263.3,4i - Footnote (d)
(d) Payroll taxes FERC Form 1, page 263.i						
	\$9,327		Massachusetts	\$23,571,202		
	\$2,262,021		New Hampshire	\$2,662,307		
	\$0		Vermont	\$786,615		
	\$0		Maine	\$0		
	\$2,271,348		Rhode Island	\$151,330		
			Connecticut	\$0		
				\$27,171,454		
(e) Property Taxes FF1, Page 263i						

- (a) Worksheet 5 Line 11
- (b) Worksheet 5 Line 3
- (c) Worksheet 5 Line 16
- (d) Transmission Only - Payroll Taxes - Specifically identified in FERC Form 1
- (e) Transmission Only - Property Taxes - Specifically Identified in FERC Form 1
- (f) Transmission Only - Amortization of ITC - Specifically Identified in FERC Form 1

** Subtract Accounts #562 & #567 from O&M Expense to the extent that they include PTF Support Payments.

Shading denotes an input

Line No.		NEP	Source Reference
<u>PTF Transmission Plant Allocation Factor</u>			
1	PTF Transmission Investment	\$349,334,382	
2		\$1,593,625,753	Attachment 1, Page 1 FERC Form 1 Page 207.58g - Page 200.4b
3	Percent Allocation (Line 1/Line 2)	<u>21.9207%</u>	
<u>Transmission Wages and Salaries Allocation Factor</u>			
4	Direct Transmission Wages and Salaries	\$0	FERC Form 1 Page 354.14b
5	Affiliated Company Transmission Wages and Salaries	\$23,467,616	General Ledger Query
6	Total Transmission Wages and Salaries (Line 4 + Line 5)	\$23,467,616	
7	Total Wages and Salaries	\$0	FERC Form 1 Page 354.28b
8	Administrative and General Wages and Salaries	\$0	FERC Form 1 Page 354.27b
9	Affiliated Company Wages and Salaries less A&G	\$23,512,307	General Ledger Query
10	Total Wages and Salaries net of A&G (Line 7 - 8 + 9)	\$23,512,307	
11	Percent Allocation (Line 6/Line 10)	<u>99.8099%</u>	
<u>Plant Allocation Factor</u>			
12	Total Transmission Investment	\$1,593,625,753	Line 2
13	plus Transmission-Related General Plant	\$6,384,326	Worksheet 3, Line 3, Column 3
14	= Revised Numerator (Line 12 + Line 13)	\$1,600,010,079	
15	Total Plant in Service	\$1,611,293,575	FERC Form 1 Page 207.104g - Page 200.4b
16	Percent Allocation (Line 14 / Line 16)	<u>99.2997%</u>	

Shading denotes input

**New England Power Company
Pre-97 RNs Revenue Requirements
For Test Year Ended 12/31/2011**

Input Revenues associated with the PTF Supporting Facilities in columns (a) and expenses associated with the facilities in columns (b). The totals are then linked to Worksheet 1, Lines 23 and 24.

Participant	PTF Supporting Facilities	FERC Form 1 Reference	TOTAL	
			Revenues (a)	Expenses (b)
NSTAR	HQ Phase II - AC in MA	Pg 332 Line 5 Col (g)		\$102,578
	345 kV "stabilizer" 342 Line	Pg 332 Line 3 Col (g)		(446)
	345 kV Switch Tap Bridge - Station 451 Whitman	Pg 332 Line 13 Col (g)		\$774
	Bell Rock Road	Page 330.5 Line 12 Col (n)	\$38,953	
	Boston-Edison [345 kV Sandy-Tewksbury 337 line-345kV Tewksbury-Woburn 338 Line]	Page 330 Line 4 Col (n)	\$61,463	
	Boston-Edison [115 kV Tewksbury - Woburn M139 line - 115kV Tewksbury-Woburn N140 Line]	Page 330 Line 3 Col (n)	\$11,594	
	Boston Edison -345 kV Golden Hills-Mystic 349 Line	Page 330 Line 2 Col (n)	\$47,313	
	Boston Edison -345 kV NH/MA border - Tewksbury 394 Line (Seabrook	Page 330.1 Line 8 Col (n)	\$423,318	
NU	Public Service Co. -Moore 115 kV Substation	Page 330.1 Line 5 Col (n)	\$13,319	
NEP	Chester SVC	Transmission Billing		\$620,348
	HQ Phase II - AC in MA	Page 330 Line 11 Col (n)	\$5,027,675	
VT Elec Co.	Comerford 115 kV Substation	Page 330.1 Line 12 Col (n)	\$39,910	
		Totals	\$5,663,545	\$723,254

Amount by which Support Expense exceeds Support Revenues
(To Worksheet 3, Line 22, Column 5)

\$0

Shading denotes an input

New England Power Company
2011 Informational Filing
PTF Plant Allocation

				<u>Percent Pre/Post</u>
1	2010	Pre-1997 PTF Transmission Plant	\$351,352,992	
2	2010	Post-1996 PTF Transmission Plant	\$725,670,117	
3	2011	Additions/Retirements	\$91,761,225	
4	2011	Pre-1997 PTF Transmission Plant	\$349,334,382	29.89%
5	2011	Post-1996 PTF Transmission Plant	\$819,449,952	70.11%
6	2011	Total PTF Transmission Plant	\$1,168,784,335	100.00%

Sources:

- 1 PTF Plant Reports for previous year
- 2 PTF Plant Reports for previous year
- 3 Line 6 - Line 1 + Line 2
- 4 PTF Plant Reports for current year
- 5 PTF Plant Reports for current year
- 6 Line 4 + 5

Shading denotes an input

GROSS PLANT ASSOC. WITH HVDC LEASES
2011

LINE NO		(HVDC) NHH/NEH <u>LEASE</u>
1	Gross Plant Value Comerford Station to Tewksbury Line	\$14,269,187
	<u>Allocation</u>	
2	Miles used by NHH (a)	224
3	Total miles at Comerford Station	253
4	Percentage of Total Gross Plant leased by NHH (a)	89%
5	Total Gross Plant leased by NHH (a)	\$12,699,576
6	Total Land from Sandy Pond to New Hampshire	\$1,106,146
7	HVDC lines occupy 35% of Right of Way	35%
8	Total Land leased by NEH (a)	\$387,151
9	Total NEP Gross Plant leased by HVDC to be excluded from PTF Revenue requirement	\$13,086,728

Source:

- 1 FERC Form 1, Page 422.1-423.1, Lines 5 + 16 col (l)
- 2 Total miles used per lease agreement
- 3 FERC Form 1, Page 422.1 Lines 5 + 16 col (f)
- 4 Line 2 / Line 3
- 5 Line 1 * Line 4
- 6 FERC Form 1, Page 422-423, Line 15
- 7 Percentage per lease agreement
- 8 Line 6 * Line 7
- 9 Line 5 + Line 8

Note:

- (a) NEH and NHH are acronyms for two of the three "Hydro Companies, New England Hydro Transmission (NEH) Electric Company, New England Electric Transmission Corporation, and New England Hydro Transmission Electric Company, Inc. (NHH)" which own and lease the HVDC interconnection facilities to the participants to the NEPOOL HVDC agreements.

New England Power Company
Determination of Book Depreciation on Equity AFUDC

2011

1	Total Current Year Book Depreciation on Equity AFUDC	\$1,137,510
2	Less: Specifically Identified Transmission-Related	
	Tewksbury Line	\$54,708
	Hydro-Quebec	\$23,543
	Montaup Transmission Only 1990 - 1999	\$9,713
	1998 Transmission	\$13,959
	1999 Transmission	\$42,457
	2000 Transmission	(\$8,299)
	2001 Transmission	\$23,561
	2002 Transmission	\$8,889
	2003 Transmission	\$16,500
	2004 Transmission	\$15,518
	2005 Transmission	\$49,757
	2006 Transmission	\$64,352
	2007 Transmission	\$42,418
	2008 Transmission	\$57,508
	2009 Transmission	\$98,437
	2010 Transmission	\$79,948
	2011 Transmission	\$157,122
		\$750,091
3	Total Unidentified Book Depreciation on Equity AFUDC	\$387,419
4	Plant Allocator Factor	99.2997%
5	Allocated Transmission Related Book Depreciation on Equity AFUDC	\$384,706
6	Plus: Specifically Identified Transmission-Related Equity AFUDC	<u>\$750,091</u>
7	Total Transmission-Related Equity AFUDC	\$1,134,797
8	Pre-97 PTF Allocation Factor	21.9207%
9	Transmission-Related Equity AFUDC	\$248,755

Sources:

- 1 & 2 Transmission Rates includes \$9,713 from Montaup
3 Line 1 - Line 2
4 Worksheet 5 - PTF Plant Allocation Factor
5 Line 3 * Line 4
6 Line 2
7 Line 5 + Line 6
8 Worksheet 5 - Pre-97 PTF Allocation Factor
9 Line 7 * Line 8

Shading denotes an input

New England Power Company
Determination of the PTF Related Integrated Facilities Charges

	Narragansett <u>2011</u>	MECO <u>2011</u>
1 Total Integrated Facilities Charges	\$60,868,519	\$8,564,781
2 Total 2011 PTF Property	\$234,900,022	\$21,875,675
3 Total Transmission Plant in 2011	\$321,180,057	\$46,378,064
4 NECO or MECO PTF Plant Allocator	73.14%	47.17%
5 PTF Related Integrated Facilities Charge	\$44,517,136	\$4,039,849
6 Total Integrated Facilities		<u><u>\$48,556,985</u></u>

Source:

- 1 FF1 Page 330.4 Lines 13 & 14 Col (n)
- 2 PowerPlant Reports
- 3 FF1 Page 207 Line 58 (g)
- 4 Line 2 / Line 3
- 5 Line 1 * Line 4
- 6 Line 5 Totals for Narragansett and Massachusetts Electric

Shading denotes an input

Attachment 5

New England Power Company
Development of 2011 Regulatory Commission Expense

<u>Line No.</u>		<u>2011</u>	<u>Source</u>
1	Total Regulatory Commission Expense - NEP	\$4,168,438	FERC Form1 Page 350.46d
2	Less: New Hampshire PUC Assessment	\$78,276	FERC Form1 Page 350.2d
3	Less: Mass Emergency Fund	\$0	FERC Form1 Page 350.7d
4	Less Mass DPU Special Assessment	\$229,133	FERC Form1 Page 350.8d
5	Less: Utility Expenses	\$1,255,423	FERC Form1 Page 350.46c
6	Total Federal Assessments	\$2,605,606	Line 1 - (Line 2-5)

Transmission Rents Received from Electric Property
New England Power Company

	<u>2011</u>
Revenues	\$1,213,781
Plant Allocation Factor	100.00%
Transmission Allocated	\$1,213,781
PTF Allocation	21.9207%
Total PTF Revenue	\$266,069

Source: Peoplesoft Activities #454002, 454020 and 454024 - see Analysis for details

Revenue for Short-Term Transmission Service under the NEPOOL Tariff

New England Power Company

	<u>2011</u>
Revenues	\$809,392
Pre-97 PTF Percent	29.8887%
Total Pre-97 PTF Revenue	\$ 241,917

Source: Short Term Through and Out Revenues from ISO New England

ISO Tariff Billing
 ISO Annual Transmission Revenue Requirements
 per Tariff Attachment F and ISO Agreement Part 2, Section 6.3

Shading denotes an input

Submitted on:	
Revenue Requirements for (year):	Calendar Year 2012
Rates Effective for the Period: Through:	June 2013 May 2014
Customer:	New England Power Company
Customer's NABs Number:	
Name of Participant responsible for customer's billing:	
DUNs number of Participant responsible for customer's billing:	

	<u>Pre-97 Revenue Requirements</u>	<u>Post-96 Revenue Requirements</u>
Total of Attachment F - Sections A through I	<u>\$119,273,424</u> ^(a)	<u>\$144,708,124</u> ^(f)
Total of Attachment F - Section J - Support Revenue	<u>\$5,407,628</u> ^(b)	<u>\$0</u> ^(g)
Total of Attachment F - Section K - Support Expense	<u>\$703,144</u> ^(c)	<u>\$0</u> ^(h)
Total of Attachment F - Section (L through O)	<u>(\$526,111)</u> ^(d)	<u>(\$1,368,365)</u> ⁽ⁱ⁾
Sub Total - Sum (A through I) - J + K + (L through O)	<u>\$114,042,830</u> ^{(e)=(a)-(b)+(c)+(d)}	<u>\$143,339,759</u> ^(j)
Forecasted Transmission Revenue Requirements (per Attachment C to Attachment F Implementation Rule)	<u>N/A</u>	<u>\$53,230,475</u> ^(k)
Annual True-up (per Attachment C to Attachment F Implementation Rule)	<u>N/A</u> ^(l)	<u>N/A</u> ^(m)
Adjusted Sub Total - Sum (Sub Total + Forecast + True-up)	<u>\$114,042,830</u> ^{(n)=(e)+(l)}	<u>\$196,570,234</u> ^{(o)=(j)+(k)+(m)}
Annual Revenue Requirement Total = Sum of Pre-97 Revenue Requirements & Post-96 Revenue Requirements Subtotals, Forecasted Revenue Requirements and True-ups (including interest)		<u>\$310,613,063</u> ^{(p) = (n) + (o)}

New England Power Company
Annual Revenue Requirements of PTF Facilities
For Costs in 2012

POST-1996

Shading denotes an input

Line No.	I. <u>INVESTMENT BASE</u>	Attachment F	NEP	Reference
		Reference		
		Section:		
1	Transmission Plant	(A)(1)(a)	\$918,015,798	Worksheet 5, line 1&2 column 5
2	General Plant	(A)(1)(b)	\$3,421,788	Worksheet 5, line 3 column 5
3	Plant Held For Future Use	(A)(1)(c)	\$551,011	Worksheet 5, line 5 column 5
4	Total Plant (Lines 1+2+3)		<u>\$921,988,597</u>	
5	Accumulated Depreciation	(A)(1)(d)	(\$201,785,268)	Worksheet 5, line 8 column 5
6	Accumulated Deferred Income Taxes	(A)(1)(e)	(\$210,488,062)	Worksheet 5, line 11 column 5
7	Loss On Reacquired Debt	(A)(1)(f)	\$151,668	Worksheet 5, line 12 column 5
8	Other Regulatory Assets	(A)(1)(g)	\$24,851,635	Worksheet 5, line 16 column 5
9	Net Investment (Line 4+5+6+7+8)		<u>\$534,718,570</u>	
10	Prepayments	(A)(1)(h)	\$0	Worksheet 5, line 17 column 5
11	Materials & Supplies	(A)(1)(i)	\$2,621,268	Worksheet 5, line 18 column 5
12	Cash Working Capital	(A)(1)(j)	\$4,629,975	Worksheet 5, line 25 column 5
13	NEEWS CWIP	(A)(1)(k)	\$14,550,755	Worksheet 5, line 26 column 5
14	Total Investment Base (Line 9+10+11+12+13)		<u>\$556,520,569</u>	
II. <u>REVENUE REQUIREMENTS</u>				
15	Investment Return and Income Taxes	(A)	\$71,452,053	Worksheet 3
16	Depreciation Expense	(B)	\$20,122,458	Worksheet 6, line 3, column 5
17	Amortization of Loss on Reacquired Debt	(C)	\$73,091	Worksheet 6, line 4, column 5
18	Investment Tax Credit	(D)	(\$209,438)	Worksheet 6, line 5, column 5
19	Property Tax Expense	(E)	\$15,372,820	Worksheet 6, line 6, column 5
20	Payroll Tax Expense	(F)	\$857,337	Worksheet 6, line 22, column 5
21	Operation & Maintenance Expense	(G)	\$18,125,978	Worksheet 6, line 11, column 5
22	Administrative & General Expense	(H)	\$18,913,825	Worksheet 6, line 21, column 5
23	Transmission Related Integrated Facilities Charge	(I)	\$0	Attachment 4, line 6
24	Transmission Support Revenue	(J)	\$0	Worksheet 8
25	Transmission Support Expense	(K)	\$0	Worksheet 8
26	Transmission Related Expense from Generators	(L)	\$0	
27	Transmission Related Taxes and Fees Charge	(M)	\$0	
28	Revenue for ST Trans. Service Under NEPOOL Tariff	(N)	(\$762,866)	Attachment 7
29	Transmission Rents Received from Electric Property	(O)	(\$605,499)	Attachment 6
30	Total Revenue Requirements (Line 14 thru 28)		<u>\$143,339,759</u>	

New England Power Company
Post 1996 Regional Network Service Revenue Requirement
For Test Year Ended 12/31/2012

Shading denotes an input

<u>Line No.</u>	<u>Description</u>	<u>Attachment F Reference</u>	<u>Forecasted Amount \$</u>	<u>Reference</u>
1	Forecasted Revenue Requirements for Forecasted Transmission Plant Additions (FTPA)		\$ 53,403,146	Line 6
2	Forecasted Revenue Requirements for Forecasted Transmission CWIP		\$172,671	Line 9
3	Forecasted Transmission Revenue Requirements		\$ 53,230,475	Line 1 + Line 2
4	Forecasted Revenue Requirements for Forecasted Transmission Plant Additions (FTPA)	Appendix C iv	\$ 347,591,621	Project Detail
5	Carrying Charge Factor (CCF)	Appendix C vi	15.36376%	Line 20
6	Forecasted Revenue Requirements for FTPA		\$ 53,403,146	Line 4 * Line 5
7	Forecasted New England Power Company (NEP) NEEWS CWIP (FNCWIP)	Appendix C xiii	\$ (1,248,323)	Project Detail
8	NEEWS NEP Cost of Capital Rate (NCOC)	Appendix C xiv	13.83223%	Workpaper 4
9	Forecasted Revenue Requirements for FNCWIP		\$ (172,671)	Line 7 * Line 8
<u>Derivation of Carrying Charge (CCF)</u>				
10	Investment Return and Income Taxes	(A)	\$67,785,682	Summary, Line 14
11	Depreciation Expense	(B)	20,122,458	Summary, Line 15
12	Amortization of Loss on Reacquired Debt	(C)	73,091	Summary, Line 16
13	Investment Tax Credit	(D)	(209,438)	Summary, Line 17
14	Property Tax Expense	(E)	15,372,820	Summary, Line 18
15	Payroll Tax Expense	(F)	857,337	Summary, Line 19
16	Operation & Maintenance Expense	(G)	18,125,978	Summary, Line 20
17	Administrative & General Expense	(H)	18,913,825	Summary, Line 21
18	Total Expenses (Lines 10 thru 17)		\$141,041,753	
19	PTF Transmission Plant	(A)(1)(a)	\$918,015,798	Summary, Line 1
20	Carrying Charge Factor (FTPA)		15.36376%	Line 18 / Line 19

New England Power Company
Annual Revenue Requirements
For Costs in 2012

Shading denotes an input

	CAPITALIZATION 12/31/2012	CAPITALIZATION RATIOS	COST OF CAPITAL	COST OF CAPITAL	EQUITY PORTION
LONG-TERM DEBT	\$ 410,350,000	35.77%	0.65%	0.23%	
PREFERRED STOCK	\$ 1,111,700	0.10%	6.02%	0.01%	0.01%
COMMON EQUITY	\$ 735,600,299	64.13%	11.64%	7.46%	7.46%
TOTAL INVESTMENT RETURN	\$1,147,061,999	100.00%		7.70%	7.47%

Cost of Capital Rate=

(a) Weighted Cost of Capital	=	<u>0.0770</u>
(b) Federal Income Tax	= (	$\frac{R.O.E. + \left(\frac{PTF\ Inv. (Tax\ Credit + Eq.\ AFUDC\ of\ Deprec.\ Exp.)}{PTF\ Inv.\ Base} \right) \times \left(\frac{Federal\ Income\ Tax\ Rate}{Federal\ Income\ Tax\ Rate} \right)}{1}$
	= (	$\frac{0.0747 + \left(\frac{(\$209,438) + \$720,355}{\$556,520,569} \right) \times 0.35}{1}$
	=	<u>0.0407174</u>
(c) State Income Tax	= (	$\frac{R.O.E. + \left(\frac{PTF\ Inv. (Tax\ Credit + Eq.\ AFUDC\ of\ Deprec.\ Exp.)}{PTF\ Inv.\ Base} \right) + \left(\frac{Federal\ Income\ Tax}{State\ Income\ Tax\ Rate} \right) \times State\ Income\ Tax\ Rate}{1}$
	= (	$\frac{0.0747 + \left(\frac{(\$209,438) + \$720,355}{\$556,520,569} \right) + \left(\frac{0.0407174}{0.059466} \right)}{1}$
	=	<u>0.0073554</u>
(a)+(b)+(c) Cost of Capital Rate	=	<u>0.1250728</u>

	(PTF)	
INVESTMENT BASE	\$556,520,569	From Worksheet 1
x Cost of Capital Rate	0.1250728	
= Investment Return and Income Taxes	<u>\$69,605,586</u>	To Worksheet 1
INVESTMENT BASE (Excluding NEEWS CWIP)	\$541,969,813	From Worksheet 1
x Cost of Capital Rate	0.1250728	
= Investment Return and Income Taxes	<u>\$67,785,682</u>	To Worksheet 2

Post 2003 PTF Investment Base w/ Incremental 100 bps:

Plant In-Service	\$ 213,518,137	From Attachment 1	
Accumulated Depreciation	(46,296,429)	From Worksheets 5 & 7	
Accumulate Deferred Income Taxes	(48,612,947)	From Worksheets 5 & 7	
Total Post-2003 Investment	<u>\$ 118,608,761</u>	Calculated	
Incremental ROE:	1.00%	0.00641	Calculated
Federal Income Taxes:		0.00345	Per Attachment F
State Income Taxes:		0.00062	Per Attachment F
Cost of Capital Rate		0.01049	
Incremental Return and Taxes on Post-2003 PTF Investment		<u>\$ 1,244,200</u>	

NEEWS In-Service w/ Incremental 125 bps:

New England Power NEEWS In-Service	\$ 56,490,343	PowerPlant PTF 4 & 5 reports - PTF only	
Accumulated Depreciation	(12,248,613)	From Worksheets 3 & 5	
Accumulate Deferred Income Taxes	(12,861,493)	From Worksheets 3 & 5	
Total New England Power NEEWS Investment	<u>\$ 31,380,236</u>	Calculated	
Incremental ROE:	1.25%	0.00802	Calculated
Federal Income Taxes:		0.00432	Per Attachment F
State Income Taxes:		0.00078	Per Attachment F
Cost of Capital Rate		0.01311	
Incremental Return and Taxes on NEEWS PTF Investment		<u>\$ 411,471</u>	

NEEWS Allocation Factor		
Total Transmission Investment	\$1,712,325,359	Worksheet 7 Line 2
Total NEEWS In-Service - NEP	<u>\$ 56,490,343</u>	Plant Accounting Records
For Accumulated Depreciation	3.2990%	
NEEWS Allocation Factor	3.2990%	
Plant Allocation Factor	0.992978	Worksheet 7 Line 16
For Accumulated Deferred Income Taxes	3.2759%	

New England Power Company
Annual Revenue Requirements
For Costs in 2012

Shading denotes an input

	CAPITALIZATION 12/31/2012	CAPITALIZATION RATIOS	COST OF CAPITAL	COST OF CAPITAL	EQUITY PORTION
LONG-TERM DEBT	\$ 410,350,000	35.77%	0.65%	0.23%	
PREFERRED STOCK	\$ 1,111,700	0.10%	6.02%	0.01%	0.01%
COMMON EQUITY	\$ 735,600,299	64.13%	12.89%	8.27%	8.27%
TOTAL INVESTMENT RETURN	\$1,147,061,999	100.00%		8.51%	8.28%

Cost of Capital Rate=

(a) Weighted Cost of Capital = 0.0851

(b) Federal Income Tax =
$$\left(\frac{\text{R.O.E.} + \left(\frac{\text{PTF Inv. (Tax Credit)} + \text{Eq. AFUDC of Deprec. Exp.}}{\text{PTF Inv. Base}} \right)}{1} \right) \times \left(\frac{\text{Federal Income Tax Rate}}{\text{Federal Income Tax Rate}} \right)$$

=
$$\left(\frac{0.0828 + \left(\frac{(\$209,438) + \$720,355}{\$556,520,569} \right)}{1} \right) \times \left(\frac{0.35}{0.35} \right)$$

= 0.0450790

(c) State Income Tax =
$$\left(\frac{\text{R.O.E.} + \left(\frac{\text{PTF Inv. (Tax Credit)} + \text{Eq. AFUDC of Deprec. Exp.}}{\text{PTF Inv. Base}} \right)}{1} \right) \times \left(\frac{\text{Federal Income Tax Rate}}{\text{State Income Tax Rate}} \right) + \text{State Income Tax Rate}$$

=
$$\left(\frac{0.0828 + \left(\frac{(\$209,438) + \$720,355}{\$556,520,569} \right)}{1} \right) \times \left(\frac{0.0450790}{0.059466} \right) + 0.059466$$

= 0.0081433

(a)+(b)+(c) Cost of Capital Rate = 0.1383223

New England Power Company

Shading denotes an input

Line No.	(1) Total	(2) Wage/Plant Allocation Factors	(3) = (1)*(2) Transmission Allocated	(4) PTF Allocation Factor (b)	(5) = (3)*(4) PTF Allocated	Source Reference for Col (1)
1					\$918,015,798	Attachment 1, Page 1
2					\$0	Attachment 2
3	\$ 6,396,194	99.7856% (a)	\$6,382,481	53.6122% (b)	\$3,421,788	FERC Form 1 page 207.99g
4			<u>\$6,382,481</u>		<u>\$921,437,586</u>	
5	\$ 1,027,771		\$1,027,771	53.6122% (b)	<u>\$551,011</u>	FERC Form 1 page 214.2d,4d,9d
<u>Transmission Accumulated Depreciation</u>						
6	\$ (371,277,823)		(\$371,277,823)	53.6122% (b)	(\$199,050,209)	FERC Form 1 page 219.25b
7	\$ (5,112,522)	99.7856% (a)	(\$5,101,561)	53.6122% (b)	(\$2,735,059)	FERC Form 1 Page 219.28b
8			<u>(\$376,379,384)</u>		<u>(\$201,785,268)</u>	
<u>Transmission Accumulated Deferred Taxes</u>						
9	\$ (508,206,767)	99.2978% (c)	(\$504,638,139)	53.6122% (b)	(\$270,547,608)	FERC Form 1 page 113.62-64
10	\$ 112,818,102	99.2978% (c)	\$112,025,893	53.6122% (b)	\$60,059,546	FERC Form 1 page 111.82
11			<u>(\$392,612,246)</u>		<u>(\$210,488,062)</u>	
12	\$ 282,898	100.0000%	\$282,898	53.6122% (b)	<u>\$151,668</u>	FERC Form 1 Page 111.81c
<u>Other Regulatory Assets</u>						
13	\$ -	99.7856% (a)	\$0	53.6122% (b)	\$0	FERC Form 1 Page 232.8f
14	\$ 46,354,440	100.0000%	\$46,354,440	53.6122% (b)	\$24,851,635	FERC Form 1 Page 232.6f
15	\$ -	100.0000%	\$0	53.6122% (b)	\$0	FERC Form 1 Page 278
16	<u>\$46,354,440</u>		<u>\$46,354,440</u>		<u>\$24,851,635</u>	
17	\$ -	99.7856% (a)	\$0	53.6122% (b)	<u>\$0</u>	FERC Form 1 Page 111.57c
18	\$ 4,889,313		\$4,889,313	53.6122% (b)	<u>\$2,621,268</u>	FERC Form 1 Page 227.8c
<u>Cash Working Capital</u>						
20					\$18,125,978	Worksheet 1, Line 20
21					\$18,913,825	Worksheet 1, Line 21
22					\$0	Worksheet 8
23					\$37,039,803	
24					0.1250	x 45 / 360
25					<u>\$4,629,975</u>	
26	\$ 14,550,755				<u>\$14,550,755</u>	Plant Accounting Records

(a) Worksheet 7 Line 11
(b) Worksheet 7 Line 3
(c) Worksheet 7 Line 16

New England Power Company

Shading denotes an input

Line No.	(1) Total (g)	Wage/Plant Allocation Factors	(3) = (1)*(2) Transmission Allocated	PTF Allocation Factor (b)	(5) = (3)*(4) PTF Allocated	Source Reference for Col (1)
Depreciation Expense						
1	\$37,176,180		\$37,176,180	53.6122%	\$19,930,968	FERC Form 1 Page 336.7b
2	\$357,944	99.7856% (a)	\$357,177	53.6122%	\$191,490	FERC Form 1 Page 336.10b
3			\$37,533,357		\$20,122,458	
4	\$136,332		\$136,332	53.6122%	\$73,091	FERC Form 1 Page 117.64c
5	(\$390,654)		(\$390,654)	53.6122%	(\$209,438)	FERC Form 1 Page 266.8f - Footnote (f)
6	\$28,674,108		\$28,674,108	53.6122%	\$15,372,820	FERC Form 1 Page 263.10,17,23,28,31i - Footnote (e)
Transmission Operation and Maintenance						
7	\$56,023,206		\$56,023,206	53.6122%	\$30,035,273	FERC Form 1 Page 321.112b
8	\$12,561,903		\$12,561,903	53.6122%	\$6,734,712	FERC Form 1 Page 321.96b
9	\$9,651,875		\$9,651,875	53.6122%	\$5,174,583	FERC Form 1 Page 321.84-92b less 87b
10	\$0		\$0		\$0	FERC Form 1 Page 321.93b & .98b
11	\$33,809,428		\$33,809,428	53.6122%	\$18,125,978	
Transmission Administrative and General						
12	\$36,456,496					FERC Form 1 Page 323.197b
13	\$113,624					FERC Form 1 Page 323.185b
14	\$3,645,548					FERC Form 1 Page 323.189b
15	\$0					FERC Form 1 Page 323.191b
16	\$32,697,324	99.7856% (a)	\$32,627,221	53.6122%	\$17,492,171	
17	\$113,624	99.2978% (c)	\$112,826	53.6122%	\$60,489	Line 13
18	\$2,502,632	99.2978% (c)	\$2,485,059	53.6122%	\$1,332,295	Attachment 5 Line 6
19	\$0		\$0	53.6122%	\$0	Line 15
20	\$53,850		\$53,850	53.6122%	\$28,870	FERC Form 1 Page 350.18c
21	\$35,367,430		\$35,278,956		\$18,913,825	
22	\$1,602,581	99.7856% (a)	\$1,599,145	53.6122%	\$857,337	FERC Form 1 Page 263.3.4i - Footnote (d)
(d) Payroll taxes - G/L 408.1						
	\$0	Line 4(i)	Massachusetts	\$24,657,699		Property Taxes
	\$0	Line 3(i)	New Hampshire	\$2,788,702		FERC Form 1 Page 263.10(i)
	\$1,602,581		Vermont	\$1,080,853		FERC Form 1 Page 263.17(i)
	\$0	Line 9 (i)	Maine	\$0		FERC Form 1 Page 263.23(i)
	\$1,602,581		Rhode Island	\$146,854		n/a
			Connecticut	\$0		FERC Form 1 Page 263.28(i) & 35(i)
				\$28,674,108		FERC Form 1 Page 263.31(i)
(e) Property Taxes FF1, Page 263i						

- (a) Worksheet 7, Line 11
- (b) Worksheet 7 Line 3
- (c) Worksheet 7 Line 16
- (d) Transmission Only - Payroll Taxes - Specifically identified in FERC Form 1
- (e) Transmission Only - Property Taxes - Specifically Identified in FERC Form 1
- (f) Transmission Only - Amortization of ITC - Specifically Identified in FERC Form 1

** Subtract Accounts #562 & #567 from O&M Expense to the extent that they include PTF Support Payments.

Shading denotes an input

Line No.		NEP	Source Reference
<u>PTF Transmission Plant Allocation Factor</u>			
1	PTF Transmission Investment	\$918,015,798	
2	Total Transmission Investment	<u>\$1,712,325,359</u>	Attachment 1, Page 1 FERC Form 1 Page 207.58g - Page 200.4b
3	Percent Allocation (Line 1/Line 2)	<u>53.6122%</u>	
<u>Transmission Wages and Salaries Allocation Factor</u>			
4	Direct Transmission Wages and Salaries	\$0	
5	Affiliated Company Transmission Wages and Salaries	\$18,493,757	FERC Form 1 Page 354.14b General Ledger Query
6	Total Transmission Wages and Salaries (Line 4 + Line 5)	\$18,493,757	
7	Total Wages and Salaries	\$0	FERC Form 1 Page 354.28b
8	Administrative and General Wages and Salaries	\$0	FERC Form 1 Page 354.27b
9	Affiliated Company Wages and Salaries less A&G	\$18,533,501	General Ledger Query
10	Total Wages and Salaries net of A&G (Line 7 - 8 + 9)	\$18,533,501	
11	Percent Allocation (Line 6/Line 10)	<u>99.7856%</u>	
<u>Plant Allocation Factor</u>			
12	Total Transmission Investment	\$1,712,325,359	
13	plus Transmission-Related General Plant (Line 2 of Wkst. 3)	\$6,382,481	Line 2
14	= Revised Numerator (Line 12 + Line 13)	<u>\$1,718,707,840</u>	Worksheet 5, Line 3, Column 3
15	Total Plant in Service	\$1,730,862,090	FERC Form 1 Page 207.104g - Page 200.4b
16	Percent Allocation (Line 14 / Line 16)	<u>99.2978%</u>	
<u>Post-2003 PTF Allocation Factor</u>			
17	Total Post-2003 PTF Investment	\$ 213,518,137	
18	Total Transmission Investment	\$1,712,325,359	Attachment 1 Line 7 Line 2
19	Percent Allocation (Line 17/Line 18) for Post-2003 to Total Tx	12.4695%	
20	Total Invst in Tx Plant/Total Plant in Serv *		
21	Post-2003 PTF Tx Plant/Total Invst in Tx Plant	12.3819%	Line 19 * Line 16

Shading denotes input

**New England Power Company
Pre-97 RNs Revenue Requirements
For Test Year Ended 12/31/2012**

Input Revenues associated with the PTF Supporting Facilities in columns (a) and expenses associated with the facilities in columns (b). The totals are then linked to Worksheet 1, Lines 23 and 24.

Participant	PTF Supporting Facilities	FERC Form 1 Reference	TOTAL	
			Revenues (a)	Expenses (b)
NSTAR	HQ Phase II - AC in MA	Pg 332 Line 5 Col (g)		\$0
	Bell Rock Road	Page 330.5 Line 12 Col (n)	\$0	
	Boston Edison -345 kV NH/MA border - Tewksbury 394 Line (Seabrook)	Page 330.1 Line 8 Col (n)	\$0	
NU	Public Service Co. -Moore 115 kV Substation	Page 330.1 Line 5 Col (n)	\$0	
NEP	Chester SVC	Transmission Billing		\$0
	HQ Phase II - AC in MA	Page 330 Line 11 Col (n)	\$0	
VT Elec Co.	Comerford 115 kV Substation	Page 330.1 Line 12 Col (n)	\$0	
		Totals	\$0	\$0

Amount by which Support Expense exceeds Support Revenues
(To Worksheet 3, Line 22, Column 5)

\$0

New England Power Company
2012 Informational Filing
PTF Plant Allocation

				<u>Percent Pre/Post</u>
1	2011	Pre-1997 PTF Transmission Plant	\$349,334,382	
2	2011	Post-1996 PTF Transmission Plant	\$819,449,952	
3	2012	Additions/Retirements	\$102,191,455	
4	2012	Pre-1997 PTF Transmission Plant	\$352,959,991	27.77%
5	2012	Post-1996 PTF Transmission Plant	\$918,015,798	72.23%
6	2012	Total PTF Transmission Plant	\$1,270,975,789	100.00%
7	2012	Post-2003 PTF Transmission Plant	\$213,518,137	172.23%

Sources:

- 1 PTF Plant Reports for previous year
- 2 PTF Plant Reports for previous year
- 3 Line 6 - Line 1 + Line 2
- 4 PTF Plant Reports for current year
- 5 PTF Plant Reports for current year
- 6 Line 4 + 5
- 7 PTF Plant Report: Post 2003 RSP Projects

Shading denotes an input

GROSS PLANT ASSOC. WITH HVDC LEASES
2012

LINE NO		(HVDC) NHH/NEH <u>LEASE</u>
1	Gross Plant Value Comerford Station to Tewksbury Line	\$0
	Allocation	
2	Miles used by NHH (a)	0
3	Total miles at Comerford Station	0
4	Percentage of Total Gross Plant leased by NHH (a)	0%
5	Total Gross Plant leased by NHH (a)	\$0
6	Total Land from Sandy Pond to New Hampshire	\$0
7	HVDC lines occupy 35% of Right of Way	0%
8	Total Land leased by NEH (a)	\$0
9	Total NEP Gross Plant leased by HVDC to be excluded from PTF Revenue requirement	\$0

Source:

- 1 FERC Form 1, Page 423.1, Lines 5 + 16
- 2 Total miles used per lease agreement
- 3 Total miles per lease agreement
- 4 Line 2 / Line 3
- 5 Line 1 * Line 4
- 6 FERC Form 1, Page 422-423, Line 15
- 7 Percentage per lease agreement
- 8 Line 6 * Line 7
- 9 Line 5 + Line 8

Note:

- (a) NEH and NHH are acronyms for two of the three "Hydro Companies, New England Hydro Transmission (NEH) Electric Company, New England Electric Transmission Corporation, and New England Hydro Transmission Electric Company, Inc. (NHH)" which own and lease the HVDC interconnection facilities to the participants to the NEPOOL HVDC agreements.

New England Power Company
Determination of Book Depreciation on Equity AFUDC

		<u>2012</u>
1	Total Current Year Book Depreciation on Equity AFUDC	\$1,346,360
2	Less: Specifically identified Transmission-Related	
	Tewksbury Line	\$54,708
	Hydro-Quebec	\$23,543
	Montaup Transmission	\$9,777
	1998 Transmission	\$13,959
	1999 Transmission	\$42,457
	2000 Transmission	(\$8,299)
	2001 Transmission	\$23,561
	2002 Transmission	\$8,889
	2003 Transmission	\$16,500
	2004 Transmission	\$15,518
	2005 Transmission	\$49,757
	2006 Transmission	\$64,352
	2007 Transmission	\$42,418
	2008 Transmission	\$57,508
	2009 Transmission	\$98,437
	2010 Transmission	\$79,948
	2011 Transmission	\$155,706
	2012 Transmission	\$210,246
		\$958,985
3	Total unidentified Book Depreciation on Equity AFUDC	\$387,375
4	Plant Allocator Factor	99.2978%
5	Allocated Transmission Related Book Depreciation on Equity AFUDC	\$384,655
6	Plus: Specifically Identified Transmission-Related Equity AFUDC	\$958,985
7	Total Transmission-Related Equity AFUDC	\$1,343,640
8	Post-96 PTF Allocation Factor	53.6122%
9	Transmission-Related Equity AFUDC	\$720,355

Sources:

- 1 & 2 Transmission Rates includes \$9,777 from Montaup
- 3 Line 1 - Line 2
- 4 Worksheet 5 - PTF Plant Allocation Factor
- 5 Line 3 * Line 4
- 6 Line 2
- 7 Line 5 + Line 6
- 8 Worksheet 6 - Post-96 PTF Allocation Factor
- 9 Line 7 * Line 8

New England Power Company
 Determination of the PTF Related Integrated Facilities Charges

	<u>Narragansett</u> <u>2012</u>	<u>MECO</u> <u>2012</u>
1 Total Integrated Facilities Charges	\$0	\$0
2 Total 2012 PTF Property	\$0	\$0
3 Total Transmission Plant in 2012	\$0	\$0
4 NECO or MECO PTF Plant Allocator	0.00%	0.00%
5 PTF Related Integrated Facilities Charge	\$0	\$0
6 Total Integrated Facilities		<u><u>\$0</u></u>

Source:

- 1 FF1 Page 330.4 Lines 13 & 14 Col (n)
- 2 PowerPlant Reports
- 3 FF1 Page 207 Line 58 (g)
- 4 Line 2 / Line 3
- 5 Line 1 * Line 4
- 6 Line 5 Totals for Narragansett and Massachusetts Electric

Shading denotes an input

Attachment 5

New England Power Company
Development of 2012 Regulatory Commission Expense

<u>Line No.</u>		<u>2012</u>	<u>Source</u>
1	Total Regulatory Commission Expense - NEP	\$3,645,548	FERC Form1 Page 350.46d
2	Less: New Hampshire PUC Assessment	\$63,704	FERC Form1 Page 350.2d
3	Less: Mass Emergency Fund	\$0	FERC Form1 Page 350.7d
4	Less Mass DPU Special Assessment	\$229,133	FERC Form1 Page 350.8d
5	Less: Utility Expenses	\$850,079	FERC Form1 Page 350.46c
6	Total Federal Assessments	\$2,502,632	Line 1 - (Line 2-5)

Transmission Rents Received from Electric Property

New England Power Company

	<u>2012</u>
Revenues	\$1,129,406
Plant Allocation Factor	100.00%
Transmission Allocated	\$1,129,406
PTF Allocation	53.6122%
Total PTF Revenue	\$605,499

Source: Peoplesoft Activities #454002, 454020 and 454024 - see Analysis for details

Revenue for Short-Term Transmission Service under the NEPOOL Tariff

New England Power Company

	<u>2012</u>
Revenues	\$1,056,174
Post-96 PTF Percent	72.2292%
Total Post-96 PTF Revenue	\$762,866

Source: Short Term Through and Out Revenues from ISO New England

ISO Tariff Billing
ISO Annual Transmission Revenue Requirements
per Tariff Attachment F and ISO Agreement Part 2, Section 6.3

Shading denotes an input

Submitted on:

Revenue Requirements for (year): Calendar Year 2012

Rates Effective for the Period: June 2013
Through: May 2014

Customer: New England Power Company

Customer's NABs Number:

Name of Participant responsible for customer's billing:

DUNs number of Participant responsible for customer's billing:

	<u>Pre-97 Revenue Requirements</u>	<u>Post-96 Revenue Requirements</u>
Total of Attachment F - Sections A through I	<u>\$119,273,424</u> ^(a)	<u>\$144,708,124</u> ^(f)
Total of Attachment F - Section J - Support Revenue	<u>\$5,407,628</u> ^(b)	<u>\$0</u> ^(g)
Total of Attachment F - Section K - Support Expense	<u>\$703,144</u> ^(c)	<u>\$0</u> ^(h)
Total of Attachment F - Section (L through O)	<u>(\$526,111)</u> ^(d)	<u>(\$1,368,365)</u> ⁽ⁱ⁾
Sub Total - Sum (A through I) - J + K + (L through O)	<u>\$114,042,830</u> ^{(e)=(a)-(b)+(c)+(d)}	<u>\$143,339,759</u> ^(j)
Forecasted Transmission Revenue Requirements (per Attachment C to Attachment F Implementation Rule)	<u>N/A</u>	<u>\$53,230,475</u> ^(k)
Annual True-up (per Attachment C to Attachment F Implementation Rule)	<u>N/A</u> ^(l)	<u>N/A</u> ^(m)
Adjusted Sub Total - Sum (Sub Total + Forecast + True-up)	<u>\$114,042,830</u> ^{(n)=(e) + (l)}	<u>\$196,570,234</u> ^{(o)=(j)+(k)+(m)}
Annual Revenue Requirement Total = Sum of Pre-97 Revenue Requirements and Post-96 Revenue Requirements Subtotals for rate calculations under the Tariff:		<u>\$310,613,063</u> ^{(p) = (n) + (o)}

New England Power Company
Annual Revenue Requirements of PTF Facilities
For Costs in 2012

PRE-1997

Shading denotes an input

Line No.	I. <u>INVESTMENT BASE</u>	Attachment F Reference Section:	NEP	Reference
1	Transmission Plant	(A)(1)(a)	\$339,265,312	Worksheet 3, line 1&2 column 5
2	General Plant	(A)(1)(b)	\$1,315,614	Worksheet 3, line 3 column 5
3	Plant Held For Future Use	(A)(1)(c)	\$211,853	Worksheet 3, line 5 column 5
4	Total Plant (Lines 1+2+3)		\$340,792,779	
5	Accumulated Depreciation	(A)(1)(d)	(\$77,582,706)	Worksheet 3, line 8 column 5
6	Accumulated Deferred Income Taxes	(A)(1)(e)	(\$80,928,770)	Worksheet 3, line 11 column 5
7	Loss On Reacquired Debt	(A)(1)(f)	\$58,313	Worksheet 3, line 12 column 5
8	Other Regulatory Assets	(A)(1)(g)	\$9,554,994	Worksheet 3, line 16 column 5
9	Net Investment (Line 4+5+6+7+8)		\$191,894,610	
10	Prepayments	(A)(1)(h)	\$0	Worksheet 3, line 17 column 5
11	Materials & Supplies	(A)(1)(i)	\$1,007,829	Worksheet 3, line 18 column 5
12	Cash Working Capital	(A)(1)(j)	\$1,780,140	Worksheet 3, line 25 column 5
13	Total Investment Base (Line 9+10+11+12)		\$194,682,579	
	II. <u>REVENUE REQUIREMENTS</u>			
14	Investment Return and Income Taxes	(A)	\$24,360,748	Worksheet 2
15	Depreciation Expense	(B)	\$7,736,714	Worksheet 4, line 3, column 5
16	Amortization of Loss on Reacquired Debt	(C)	\$28,102	Worksheet 4, line 4, column 5
17	Investment Tax Credit	(D)	(\$80,525)	Worksheet 4, line 5, column 5
18	Property Tax Expense	(E)	\$5,910,565	Worksheet 4, line 6, column 5
19	Payroll Tax Expense	(F)	\$329,630	Worksheet 4, line 22, column 5
20	Operation & Maintenance Expense	(G)	\$6,969,104	Worksheet 4, line 11, column 5
21	Administrative & General Expense	(H)	\$7,272,016	Worksheet 4, line 21, column 5
22	Transmission Related Integrated Facilities Charge	(I)	\$66,747,070	Attachment 4, line 6
23	Transmission Support Revenue	(J)	(\$5,407,628)	Worksheet 6
24	Transmission Support Expense	(K)	\$703,144	Worksheet 6
25	Transmission Related Expense from Generators	(L)	\$0	Worksheet 7
26	Transmission Related Taxes and Fees Charge	(M)	\$0	
27	Revenue for ST Trans. Service Under NEPOOL Tariff	(N)	(\$293,308)	Attachment 7
28	Transmission Rents Received from Electric Property	(O)	(\$232,803)	Attachment 6
29	Total Revenue Requirements (Line 14 thru 28)		\$114,042,830	

New England Power Company
Annual Revenue Requirements
For Costs in 2012

Shading denotes an input

	CAPITALIZATION 12/31/2012	CAPITALIZATION RATIOS	COST OF CAPITAL	COST OF CAPITAL	EQUITY PORTION
LONG-TERM DEBT	\$ 410,350,000	35.77%	0.65%	0.23%	
PREFERRED STOCK	\$ 1,111,700	0.10%	6.02%	0.01%	0.01%
COMMON EQUITY	\$ 735,600,299	64.13%	11.64%	7.46%	7.46%
TOTAL INVESTMENT RETURN	\$1,147,061,999	100.00%		7.70%	7.47%

Cost of Capital Rate=

(a) Weighted Cost of Capital = 0.0770

(b) Federal Income Tax =
$$\left(\frac{\text{R.O.E.} + \left(\frac{\text{PTF Inv. (Tax Credit)} + \text{Eq. AFUDC of Deprec. Exp.}}{\text{PTF Inv. Base}} \right) / \text{Federal Income Tax Rate}}{1} \right) \times \text{Federal Income Tax Rate}$$

=
$$\left(\frac{0.0747 + \left(\frac{(\$80,525) + \$276,963}{\$194,682,579} \right) / 0.35}{1} \right) \times 0.35$$

= 0.0407664

(c) State Income Tax =
$$\left(\frac{\text{R.O.E.} + \left(\frac{\text{PTF Inv. (Tax Credit)} + \text{Eq. AFUDC of Deprec. Exp.}}{\text{PTF Inv. Base}} \right) / \text{State Income Tax Rate}}{1} \right) \times \text{State Income Tax Rate}$$

=
$$\left(\frac{0.0747 + \left(\frac{(\$80,525) + \$276,963}{\$194,682,579} \right) / 0.059466}{1} \right) \times 0.059466$$

= 0.0073642

(a)+(b)+(c) Cost of Capital Rate = 0.1251306

	<u>(PTF)</u>	
INVESTMENT BASE	\$194,682,579	From Worksheet 1
x Cost of Capital Rate	0.1251306	
= Investment Return and Income Taxes	<u>\$24,360,748</u>	To Worksheet 1

New England Power Company

Line No.	(1) Total	(2) Wage/Plant Allocation Factors	(3) = (1)*(2) Transmission Allocated	(4) PTF Allocation Factor (b)	(5) = (3)*(4) PTF Allocated	Source Reference
1					\$352,959,991	Attachment 1, Page 1
2					(\$13,694,679)	Attachment 2
3	\$ 6,396,194	99.7856% (a)	\$6,382,481	20.6129% (b)	\$1,315,614	FERC Form 1 Page 207.99g
4			<u>\$6,382,481</u>		<u>\$340,580,926</u>	
5	\$ 1,027,771		\$1,027,771	20.6129% (b)	\$211,853	FERC Form 1 page 214.2d,4d,9d
6	\$ (371,277,823)		(\$371,277,823)	20.6129% (b)	(\$76,531,126)	FERC Form 1 page 219.25b
7	\$ (5,112,522)	99.7856% (a)	(\$5,101,561)	20.6129% (b)	(\$1,051,580)	FERC Form 1 Page 219.28b
8			<u>(\$376,379,384)</u>		<u>(\$77,582,706)</u>	
9	\$ (508,206,767)	99.2978% (c)	(\$504,638,139)	20.6129% (b)	(\$104,020,555)	FERC Form 1 Page 113.62-64
10	\$ 112,818,102	99.2978% (c)	\$112,025,893	20.6129% (b)	\$23,091,785	FERC Form 1 Page 111.82
11			<u>(\$392,612,246)</u>		<u>(\$80,928,770)</u>	
12	\$ 282,898	100.0000%	\$282,898	20.6129% (b)	\$58,313	FERC Form 1 Page 111.81c
13	\$ -	99.7856% (a)	\$0	20.6129% (b)	\$0	FERC Form 1 Page 232.8f
14	\$ 46,354,440	100.0000%	\$46,354,440	20.6129% (b)	\$9,554,994	FERC Form 1 Page 232.6f
15	\$ -	100.0000%	\$0	20.6129% (b)	\$0	FERC Form 1 Page 278
16	<u>\$46,354,440</u>		<u>\$46,354,440</u>		<u>\$9,554,994</u>	
17	\$ -	99.7856% (a)	\$0	20.6129% (b)	\$0	FERC Form 1 Page 111.57c
18	\$ 4,889,313		\$4,889,313	20.6129% (b)	\$1,007,829	FERC Form 1 Page 227.8c
19					\$6,969,104	Worksheet 1, Line 20
20					\$7,272,016	Worksheet 1, Line 21
21					\$0	Worksheet 6
22					\$14,241,120	
23					0.1250	x 45 / 360
24					<u>\$1,780,140</u>	
25						

(a) Worksheet 5 Line 11
(b) Worksheet 5 Line 3
(c) Worksheet 5 Line 16

New England Power Company

Shading denotes an input

Line No.	(1) Total	(2) Wage/Plant Allocation Factors	(3) = (1)*(2) Transmission Allocated	(4) PTF Allocation Factor (b)	(5) = (3)*(4) PTF Allocated	Source Reference for Col (1)
Depreciation Expense						
1	\$37,176,180		\$37,176,180	20.6129% (b)	\$7,663,089	FERC Form 1 Page 336.7b
2	\$357,944	99.7856% (a)	\$357,177	20.6129% (b)	\$73,625	FERC Form 1 Page 336.10b
3			\$37,533,357		\$7,736,714	
Amortization of Loss on Recquired Debt						
4	\$136,332	100.0000%	\$136,332	20.6129% (b)	\$28,102	FERC Form 1 Page 117.64c
Amortization of Investment Tax Credits						
5	(\$390,654)	100.0000%	(\$390,654)	20.6129% (b)	(\$80,525)	FERC Form 1 Page 266.8f - Footnote (f)
Property Taxes						
6	\$28,674,108	100.0000%	\$28,674,108	20.6129% (b)	\$5,910,565	FERC Form 1 Page 263.10,17,23,28i - Footnote (e)
Transmission Operation and Maintenance						
7	\$56,023,206		\$56,023,206	20.6129% (b)	\$11,548,007	FERC Form 1 Page 321.112b
8	\$12,561,903		\$12,561,903	20.6129% (b)	\$2,589,372	FERC Form 1 Page 321.96b
9	\$9,651,875		\$9,651,875	20.6129% (b)	\$1,989,531	FERC Form 1 Page 321.84-92b less 87b
10	\$0		\$0		\$0	FERC Form 1 Page 321.93b & .98b
11	\$33,809,428		\$33,809,428	20.6129% (b)	\$6,969,104	
Transmission Administrative and General						
12	\$36,456,496					FERC Form 1 Page 323.197b
13	\$113,624					FERC Form 1 Page 323.185b
14	\$3,645,548					FERC Form 1 Page 323.189b
15	\$0					FERC Form 1 Page 323.191b
16	\$32,697,324	99.7856% (a)	\$32,627,221	20.6129% (b)	\$6,725,416	
17	\$113,624	99.2978% (c)	\$112,826	20.6129% (b)	\$23,257	Line 13
18	\$2,502,632	99.2978% (c)	\$2,485,059	20.6129% (b)	\$512,243	Attachment 5 Line 6
19	\$0		\$0	20.6129% (b)	\$0	Line 15
20	\$53,850		\$53,850	20.6129% (b)	\$11,100	FERC Form 1 Page 350.10c
21	\$35,367,430		\$35,278,956		\$7,272,016	
Payroll Tax Expense						
22	\$1,602,581	99.7856% (a)	\$1,599,145	20.6129% (b)	\$329,630	FERC Form 1 Page 263.3,4i - Footnote (d)
(d) Payroll taxes - G/L 408.1						
	\$0					
	\$0					
	\$1,602,581					
	\$0					
	\$1,602,581					
(e) Property Taxes FF1, Page 263i						
					\$24,657,699	FERC Form 1 Page 263.10(i)
					\$2,788,702	FERC Form 1 Page 263.17(i)
					\$1,080,853	FERC Form 1 Page 263.23(i)
					\$0	n/a
					\$146,854	FERC Form 1 Page 263.28(i) & 35(i)
					\$0	FERC Form 1 Page 263.31(i)
					\$28,674,108	

- (a) Worksheet 5 Line 11
- (b) Worksheet 5 Line 3
- (c) Worksheet 5 Line 16
- (d) Transmission Only - Payroll Taxes - Specifically identified in FERC Form 1
- (e) Transmission Only - Property Taxes - Specifically Identified in FERC Form 1
- (f) Transmission Only - Amortization of ITC - Specifically Identified in FERC Form 1

** Subtract Accounts #562 & #567 from O&M Expense to the extent that they include PTF Support Payments.

Shading denotes an input

Line No.		<u>NEP</u>	<u>Source Reference</u>
	<u>PTF Transmission Plant Allocation Factor</u>		
1	PTF Transmission Investment	\$352,959,991	
2		\$1,712,325,359	Attachment 1, Page 1 FERC Form 1 Page 207.58g - Page 200.4b
3	Percent Allocation (Line 1/Line 2)	<u>20.6129%</u>	
	<u>Transmission Wages and Salaries Allocation Factor</u>		
4	Direct Transmission Wages and Salaries	\$0	FERC Form 1 Page 354.14b
5	Affiliated Company Transmission Wages and Salaries	<u>\$18,493,757</u>	General Ledger Query
6	Total Transmission Wages and Salaries (Line 4 + Line 5)	\$18,493,757	
7	Total Wages and Salaries	\$0	FERC Form 1 Page 354.28b
8	Administrative and General Wages and Salaries	\$0	FERC Form 1 Page 354.27b
9	Affiliated Company Wages and Salaries less A&G	<u>\$18,533,501</u>	General Ledger Query
10	Total Wages and Salaries net of A&G (Line 7 - 8 + 9)	\$18,533,501	
11	Percent Allocation (Line 6/Line 10)	<u>99.7856%</u>	
	<u>Plant Allocation Factor</u>		
12	Total Transmission Investment	\$1,712,325,359	Line 2
13	plus Transmission-Related General Plant	<u>\$6,382,481</u>	Worksheet 3, Line 3, Column 3
14	= Revised Numerator (Line 12 + Line 13)	\$1,718,707,840	
15	Total Plant in Service	\$1,730,862,090	FERC Form 1 Page 207.104g - Page 200.4b
16	Percent Allocation (Line 14 / Line 16)	<u>99.2978%</u>	

Shading denotes input

**New England Power Company
Pre-97 RNs Revenue Requirements
For Test Year Ended 12/31/2012**

Input Revenues associated with the PTF Supporting Facilities in columns (a) and expenses associated with the facilities in columns (b). The totals are then linked to Worksheet 1, Lines 23 and 24.

Participant	PTF Supporting Facilities	FERC Form 1 Reference	TOTAL	
			Revenues (a)	Expenses (b)
NSTAR	HQ Phase II - AC in MA	Pg 332 Line 5 Col (g)		\$99,271
	Bell Rock Road	Page 330.5 Line 12 Col (n)	\$44,768	
	Boston Edison -345 kV NH/MA border - Tewksbury 394 Line (Seabrook)	Page 330.1 Line 8 Col (n)	\$366,468	
NU	Public Service Co. -Moore 115 kV Substation	Page 330.1 Line 5 Col (n)	\$13,571	
NEP	Chester SVC	Transmission Billing		\$603,873
	HQ Phase II - AC in MA	Page 330 Line 11 Col (n)	\$4,946,997	
VT Elec Co.	Comerford 115 kV Substation	Page 330.1 Line 12 Col (n)	\$35,824	
		Totals	\$5,407,628	\$703,144

Amount by which Support Expense exceeds Support Revenues
(To Worksheet 3, Line 22, Column 5)

\$0

Shading denotes an input

New England Power Company
2012 Informational Filing
PTF Plant Allocation

				<u>Percent Pre/Post</u>
1	2011	Pre-1997 PTF Transmission Plant	\$349,334,382	
2	2011	Post-1996 PTF Transmission Plant	\$819,449,952	
3	2012	Additions/Retirements	\$102,191,455	
4	2012	Pre-1997 PTF Transmission Plant	\$352,959,991	27.77%
5	2012	Post-1996 PTF Transmission Plant	\$918,015,798	72.23%
6	2012	Total PTF Transmission Plant	\$1,270,975,789	100.00%

Sources:

- 1 PTF Plant Reports for previous year
- 2 PTF Plant Reports for previous year
- 3 Line 6 - Line 1 + Line 2
- 4 PTF Plant Reports for current year
- 5 PTF Plant Reports for current year
- 6 Line 4 + 5

Shading denotes an input

GROSS PLANT ASSOC. WITH HVDC LEASES
2012

LINE NO		(HVDC) NHH/NEH <u>LEASE</u>
1	Gross Plant Value Comerford Station to Tewksbury Line	\$14,952,279
	<u>Allocation</u>	
2	Miles used by NHH (a)	224
3	Total miles at Comerford Station	253
4	Percentage of Total Gross Plant leased by NHH (a)	89%
5	Total Gross Plant leased by NHH (a)	\$13,307,528
6	Total Land from Sandy Pond to New Hampshire	\$1,106,146
7	HVDC lines occupy 35% of Right of Way	35%
8	Total Land leased by NEH (a)	\$387,151
9	Total NEP Gross Plant leased by HVDC to be excluded from PTF Revenue requirement	\$13,694,679

Source:

- 1 FERC Form 1, Page 422.1-423.1, Lines 5 + 16 col (l)
- 2 Total miles used per lease agreement
- 3 FERC Form 1, Page 422.1 Lines 5 + 16 col (f)
- 4 Line 2 / Line 3
- 5 Line 1 * Line 4
- 6 FERC Form 1, Page 422-423, Line 15 col (j)
- 7 Percentage per lease agreement
- 8 Line 6 * Line 7
- 9 Line 5 + Line 8

Note:

- (a) NEH and NHH are acronyms for two of the three "Hydro Companies, New England Hydro Transmission (NEH) Electric Company, New England Electric Transmission Corporation, and New England Hydro Transmission Electric Company, Inc. (NHH)" which own and lease the HVDC interconnection facilities to the participants to the NEPOOL HVDC agreements.

Shading denotes an input

New England Power Company
Determination of Book Depreciation on Equity AFUDC

		2012
1	Total Current Year Book Depreciation on Equity AFUDC	\$1,346,360
2	Less: Specifically Identified Transmission-Related	
	Tewksbury Line	\$54,708
	Hydro-Quebec	\$23,543
	Montaup Transmission	\$9,777
	1998 Transmission	\$13,959
	1999 Transmission	\$42,457
	2000 Transmission	(\$8,299)
	2001 Transmission	\$23,561
	2002 Transmission	\$8,889
	2003 Transmission	\$16,500
	2004 Transmission	\$15,518
	2005 Transmission	\$49,757
	2006 Transmission	\$64,352
	2007 Transmission	\$42,418
	2008 Transmission	\$57,508
	2009 Transmission	\$98,437
	2010 Transmission	\$79,948
	2011 Transmission	\$155,706
	2012 Transmission	\$210,246
		\$958,985
3	Total Unidentified Book Depreciation on Equity AFUDC	\$387,375
4	Plant Allocator Factor	99.2978%
5	Allocated Transmission Related Book Depreciation on Equity AFUDC	\$384,655
6	Plus: Specifically Identified Transmission-Related Equity AFUDC	<u>\$958,985</u>
7	Total Transmission-Related Equity AFUDC	\$1,343,640
8	Pre-97 PTF Allocation Factor	20.6129%
9	Transmission-Related Equity AFUDC	\$276,963

Sources:

- 1 & 2 Transmission Rates includes \$9,777 from Montaup
- 3 Line 1 - Line 2
- 4 Worksheet 5 - PTF Plant Allocation Factor
- 5 Line 3 * Line 4
- 6 Line 2
- 7 Line 5 + Line 6
- 8 Worksheet 5 - Pre-97 PTF Allocation Factor
- 9 Line 7 * Line 8

Shading denotes an input

New England Power Company
Determination of the PTF Related Integrated Facilities Charges

		Narragansett <u>2012</u>	MECO <u>2012</u>
1	Total Integrated Facilities Charges	\$77,884,781	\$9,279,091
2	Total 2012 PTF Property (NECO includes \$88M topside)	\$386,991,881	\$24,868,977
3	Total Transmission Plant in 2012 (NECO includes \$88M topside)	\$486,729,573	\$47,856,277
4	NECO or MECO PTF Plant Allocator	79.51%	51.97%
5	PTF Related Integrated Facilities Charge	\$61,925,101	\$4,821,969
6	Total Integrated Facilities		<u><u>\$66,747,070</u></u>

Source:

- 1 FF1 Page 330.4 Lines 13 & 14 Col (n)
- 2 PowerPlant Reports
- 3 FF1 Page 207 Line 58 (g)
- 4 Line 2 / Line 3
- 5 Line 1 * Line 4
- 6 Line 5 Totals for Narragansett and Massachusetts Electric

Shading denotes an input

Attachment 5

New England Power Company
Development of 2012 Regulatory Commission Expense

<u>Line No.</u>		<u>2012</u>	<u>Source</u>
1	Total Regulatory Commission Expense - NEP	\$3,645,548	FERC Form1 Page 350.46d
2	Less: New Hampshire PUC Assessment	\$63,704	FERC Form1 Page 350.2d
3	Less: Mass Emergency Fund	\$0	FERC Form1 Page 350.7d
4	Less Mass DPU Special Assessment	\$229,133	FERC Form1 Page 350.8d
5	Less: Utility Expenses	\$850,079	FERC Form1 Page 350.46c
6	Total Federal Assessments	\$2,502,632	Line 1 - (Line 2-5)

Transmission Rents Received from Electric Property

New England Power Company

	2012
Revenues	\$1,129,406
Plant Allocation Factor	100.00%
Transmission Allocated	\$1,129,406
PTF Allocation	20.6129%
Total PTF Revenue	\$232,803

Source: Peoplesoft Activities #454002, 454020 and 454024 - see Analysis for details

Revenue for Short-Term Transmission Service under the NEPOOL Tariff

New England Power Company

	<u>2012</u>
Revenues	\$1,056,174
Pre-97 PTF Percent	27.7708%
Total Pre-97 PTF Revenue	\$ 293,308

Source: Short Term Through and Out Revenues from ISO New England

ISO Tariff Billing
 ISO Annual Transmission Revenue Requirements
 per Tariff Attachment F and ISO Agreement Part 2, Section 6.3

Shading denotes an input

Submitted on:	
Revenue Requirements for (year):	Calendar Year 2012
Rates Effective for the Period: Through:	June 2013 May 2014
Customer:	New England Power Company
Customer's NABs Number:	
Name of Participant responsible for customer's billing:	
DUNs number of Participant responsible for customer's billing:	

	<u>Pre-97 Revenue Requirements</u>	<u>Post-96 Revenue Requirements</u>
Total of Attachment F - Sections A through I	<u>\$118,127,016</u> ^(a)	<u>\$141,430,997</u> ^(f)
Total of Attachment F - Section J - Support Revenue	<u>\$5,407,628</u> ^(b)	<u>\$0</u> ^(g)
Total of Attachment F - Section K - Support Expense	<u>\$703,144</u> ^(c)	<u>\$0</u> ^(h)
Total of Attachment F - Section (L through O)	<u>(\$526,111)</u> ^(d)	<u>(\$1,368,365)</u> ⁽ⁱ⁾
Sub Total - Sum (A through I) - J + K + (L through O)	<u>\$112,896,422</u> ^{(e)=(a)-(b)+(c)+(d)}	<u>\$140,062,632</u> ^(j)
Forecasted Transmission Revenue Requirements (per Attachment C to Attachment F Implementation Rule)	<u>N/A</u>	<u>\$52,042,711</u> ^(k)
Annual True-up (per Attachment C to Attachment F Implementation Rule)	<u>N/A</u> ^(l)	<u>N/A</u> ^(m)
Adjusted Sub Total - Sum (Sub Total + Forecast + True-up)	<u>\$112,896,422</u> ^{(n)=(e)+(l)}	<u>\$192,105,342</u> ^{(o)=(j)+(k)+(m)}
Annual Revenue Requirement Total = Sum of Pre-97 Revenue Requirements & Post-96 Revenue Requirements Subtotals, Forecasted Revenue Requirements and True-ups (including interest)		<u>\$305,001,764</u> ^{(p) = (n) + (o)}

New England Power Company
Annual Revenue Requirements of PTF Facilities
For Costs in 2012

POST-1996

Shading denotes an input

Line No.	I. <u>INVESTMENT BASE</u>	Attachment F	NEP	Reference
		Reference		
		Section:		
1	Transmission Plant	(A)(1)(a)	\$918,015,798	Worksheet 5, line 1&2 column 5
2	General Plant	(A)(1)(b)	\$3,421,788	Worksheet 5, line 3 column 5
3	Plant Held For Future Use	(A)(1)(c)	\$551,011	Worksheet 5, line 5 column 5
4	Total Plant (Lines 1+2+3)		\$921,988,597	
5	Accumulated Depreciation	(A)(1)(d)	(\$201,785,268)	Worksheet 5, line 8 column 5
6	Accumulated Deferred Income Taxes	(A)(1)(e)	(\$210,488,062)	Worksheet 5, line 11 column 5
7	Loss On Reacquired Debt	(A)(1)(f)	\$151,668	Worksheet 5, line 12 column 5
8	Other Regulatory Assets	(A)(1)(g)	\$24,851,635	Worksheet 5, line 16 column 5
9	Net Investment (Line 4+5+6+7+8)		\$534,718,570	
10	Prepayments	(A)(1)(h)	\$0	Worksheet 5, line 17 column 5
11	Materials & Supplies	(A)(1)(i)	\$2,621,268	Worksheet 5, line 18 column 5
12	Cash Working Capital	(A)(1)(j)	\$4,629,975	Worksheet 5, line 25 column 5
13	NEEWS CWIP	(A)(1)(k)	\$14,550,755	Worksheet 5, line 26 column 5
14	Total Investment Base (Line 9+10+11+12+13)		\$556,520,569	
II. <u>REVENUE REQUIREMENTS</u>				
15	Investment Return and Income Taxes	(A)	\$68,174,926	Worksheet 3
16	Depreciation Expense	(B)	\$20,122,458	Worksheet 6, line 3, column 5
17	Amortization of Loss on Reacquired Debt	(C)	\$73,091	Worksheet 6, line 4, column 5
18	Investment Tax Credit	(D)	(\$209,438)	Worksheet 6, line 5, column 5
19	Property Tax Expense	(E)	\$15,372,820	Worksheet 6, line 6, column 5
20	Payroll Tax Expense	(F)	\$857,337	Worksheet 6, line 22, column 5
21	Operation & Maintenance Expense	(G)	\$18,125,978	Worksheet 6, line 11, column 5
22	Administrative & General Expense	(H)	\$18,913,825	Worksheet 6, line 21, column 5
23	Transmission Related Integrated Facilities Charge	(I)	\$0	Attachment 4, line 6
24	Transmission Support Revenue	(J)	\$0	Worksheet 8
25	Transmission Support Expense	(K)	\$0	Worksheet 8
26	Transmission Related Expense from Generators	(L)	\$0	
27	Transmission Related Taxes and Fees Charge	(M)	\$0	
28	Revenue for ST Trans. Service Under NEPOOL Tariff	(N)	(\$762,866)	Attachment 7
29	Transmission Rents Received from Electric Property	(O)	(\$605,499)	Attachment 6
30	Total Revenue Requirements (Line 14 thru 28)		\$140,062,632	

**New England Power Company
Post 1996 Regional Network Service Revenue Requirement
For Test Year Ended 12/31/2012**

Shading denotes an input

<u>Line No.</u>	<u>Description</u>	<u>Attachment F Reference</u>	<u>Forecasted Amount \$</u>	<u>Reference</u>
1	Forecasted Revenue Requirements for Forecasted Transmission Plant Additions (FTPA)		\$ 52,194,758	Line 6
2	Forecasted Revenue Requirements for Forecasted Transmission CWIP		\$152,047	Line 9
3	Forecasted Transmission Revenue Requirements		\$ 52,042,711	Line 1 + Line 2
4	Forecasted Revenue Requirements for Forecasted Transmission Plant Additions (FTPA)	Appendix C iv	\$347,591,621	Project Detail
5	Carrying Charge Factor (CCF)	Appendix C vi	15.01612%	Line 20
6	Forecasted Revenue Requirements for FTPA		\$ 52,194,758	Line 4 * Line 5
7	Forecasted New England Power Company (NEP) NEEWS CWIP (FNCWIP)	Appendix C xiii	\$ (1,248,323)	Project Detail
8	NEEWS NEP Cost of Capital Rate (NCOC)	Appendix C xiv	12.18014%	Workpaper 4
9	Forecasted Revenue Requirements for FNCWIP		\$ (152,047)	Line 7 * Line 8

Derivation of Carrying Charge (CCF)

10	Investment Return and Income Taxes	(A)	\$64,594,239	Summary, Line 14
11	Depreciation Expense	(B)	20,122,458	Summary, Line 15
12	Amortization of Loss on Reacquired Debt	(C)	73,091	Summary, Line 16
13	Investment Tax Credit	(D)	(209,438)	Summary, Line 17
14	Property Tax Expense	(E)	15,372,820	Summary, Line 18
15	Payroll Tax Expense	(F)	857,337	Summary, Line 19
16	Operation & Maintenance Expense	(G)	18,125,978	Summary, Line 20
17	Administrative & General Expense	(H)	18,913,825	Summary, Line 21
18	Total Expenses (Lines 10 thru 17)		\$137,850,309	
19	PTF Transmission Plant	(A)(1)(a)	\$918,015,798	Summary, Line 1
20	Carrying Charge Factor (FTPA)		15.01612%	Line 18 / Line 19

New England Power Company
Annual Revenue Requirements
For Costs in 2012

Shading denotes an input

	CAPITALIZATION 12/31/2012	CAPITALIZATION RATIOS	COST OF CAPITAL	COST OF CAPITAL	EQUITY PORTION
LONG-TERM DEBT	\$ 410,350,000	35.77%	0.65%	0.23%	
PREFERRED STOCK	\$ 1,111,700	0.10%	6.02%	0.01%	0.01%
COMMON EQUITY	\$ 735,600,299	64.13%	11.07%	7.10%	7.10%
TOTAL INVESTMENT RETURN	\$1,147,061,999	100.00%		7.34%	7.11%

Cost of Capital Rate=

(a) Weighted Cost of Capital	=	<u>0.0734</u>
(b) Federal Income Tax	= (	$\frac{\text{R.O.E.} + \left(\frac{\text{PTF Inv.} + \text{Eq. AFUDC of Deprec. Exp.}}{\text{Tax Credit} + \text{PTF Inv. Base}} \right) \times \text{Federal Income Tax Rate}}{1}$
	= (	$\frac{0.0711 + \left(\frac{(\$209,438) + \$720,355}{\$556,520,569} \right) \times 0.35}{1}$
	=	<u>0.0387790</u>
(c) State Income Tax	= (	$\frac{\text{R.O.E.} + \left(\frac{\text{PTF Inv.} + \text{Eq. AFUDC of Deprec. Exp.}}{\text{Tax Credit} + \text{PTF Inv. Base}} \right) + \text{Federal Income Tax State Income Tax Rate}}{1}$
	= (	$\frac{0.0711 + \left(\frac{(\$209,438) + \$720,355}{\$556,520,569} \right) + 0.0387790}{1} \times 0.059466$
	=	<u>0.0070052</u>
(a)+(b)+(c) Cost of Capital Rate	=	<u><u>0.1191842</u></u>

	(PTF)	
INVESTMENT BASE	\$556,520,569	From Worksheet 1
x Cost of Capital Rate	0.1191842	
= Investment Return and Income Taxes	<u>\$66,328,459</u>	To Worksheet 1
INVESTMENT BASE (Excluding NEEWS CWIP)	\$541,969,813	From Worksheet 1
x Cost of Capital Rate	0.1191842	
= Investment Return and Income Taxes	<u>\$64,594,239</u>	To Worksheet 2

Post 2003 PTF Investment Base w/ Incremental 100 bps:

Plant In-Service	\$ 213,518,137	From Attachment 1	
Accumulated Depreciation	(46,296,429)	From Worksheets 5 & 7	
Accumulate Deferred Income Taxes	(48,612,947)	From Worksheets 5 & 7	
Total Post-2003 Investment	\$ 118,608,761	Calculated	
Incremental ROE:	1.00%	0.00641	Calculated
Federal Income Taxes:		0.00345	Per Attachment F
State Income Taxes:		0.00062	Per Attachment F
Cost of Capital Rate		0.01049	
Incremental Return and Taxes on Post-2003 PTF Investment	\$ 1,244,200		

NEEWS In-Service w/ Incremental 125 bps:

New England Power NEEWS In-Service	\$ 56,490,343	PowerPlant PTF 4 & 5 reports - PTF only	
Accumulated Depreciation	(12,248,613)	From Worksheets 3 & 5	
Accumulate Deferred Income Taxes	(12,861,493)	From Worksheets 3 & 5	
Total New England Power NEEWS Investment	\$ 31,380,236	Calculated	
Incremental ROE:	1.25%	0.00802	Calculated
Federal Income Taxes:		0.00432	Per Attachment F
State Income Taxes:		0.00078	Per Attachment F
Cost of Capital Rate		0.01311	
Incremental Return and Taxes on NEEWS PTF Investment	\$ 411,471		

NEEWS Allocation Factor		
Total Transmission Investment	\$1,712,325,359	Worksheet 7 Line 2
Total NEEWS In-Service - NEP	\$ 56,490,343	Plant Accounting Records
For Accumulated Depreciation	3.2990%	
NEEWS Allocation Factor	3.2990%	
Plant Allocation Factor	0.992978	Worksheet 7 Line 16
For Accumulated Deferred Income Taxes	3.2759%	

New England Power Company
Annual Revenue Requirements
For Costs in 2012

Shading denotes an input

	CAPITALIZATION 12/31/2012	CAPITALIZATION RATIOS	COST OF CAPITAL	COST OF CAPITAL	EQUITY PORTION
LONG-TERM DEBT	\$ 410,350,000	35.77%	0.65%	0.23%	
PREFERRED STOCK	\$ 1,111,700	0.10%	6.02%	0.01%	0.01%
COMMON EQUITY	\$ 735,600,299	64.13%	11.32%	7.26%	7.26%
TOTAL INVESTMENT RETURN	\$1,147,061,999	100.00%		7.50%	7.27%

Cost of Capital Rate=

(a) Weighted Cost of Capital = 0.0750

(b) Federal Income Tax =
$$\left(\frac{\text{R.O.E.} + \left(\frac{\text{PTF Inv. (Tax Credit)} + \text{Eq. AFUDC of Deprec. Exp.}}{\text{PTF Inv. Base}} \right) / \text{Federal Income Tax Rate}}{1} \right) \times \text{Federal Income Tax Rate}$$

$$\left(\frac{0.0727 + \left(\frac{(\$209,438) + \$720,355}{\$556,520,569} \right) / 0.35}{1} \right) \times 0.35$$
= 0.0396405

(c) State Income Tax =
$$\left(\frac{\text{R.O.E.} + \left(\frac{\text{PTF Inv. (Tax Credit)} + \text{Eq. AFUDC of Deprec. Exp.}}{\text{PTF Inv. Base}} \right) / \text{State Income Tax Rate}}{1} \right) \times \text{State Income Tax Rate}$$

$$\left(\frac{0.0727 + \left(\frac{(\$209,438) + \$720,355}{\$556,520,569} \right) / 0.0396405}{1} \right) \times 0.059466$$
= 0.0071609

(a)+(b)+(c) Cost of Capital Rate = 0.1218014

New England Power Company

Shading denotes an input

Line No.	(1) Total	(2) Wage/Plant Allocation Factors	(3) = (1)*(2) Transmission Allocated	(4) PTF Allocation Factor (b)	(5) = (3)*(4) PTF Allocated	Source Reference for Col (1)
1					\$918,015,798	Attachment 1, Page 1
2					\$0	Attachment 2
3	\$ 6,396,194	99.7856% (a)	\$6,382,481	53.6122% (b)	\$3,421,788	FERC Form 1 page 207.99g
4			<u>\$6,382,481</u>		<u>\$921,437,586</u>	
5	\$ 1,027,771		\$1,027,771	53.6122% (b)	<u>\$551,011</u>	FERC Form 1 page 214.2d,4d,9d
<u>Transmission Accumulated Depreciation</u>						
6	\$ (371,277,823)		(\$371,277,823)	53.6122% (b)	(\$199,050,209)	FERC Form 1 page 219.25b
7	\$ (5,112,522)	99.7856% (a)	(\$5,101,561)	53.6122% (b)	(\$2,735,059)	FERC Form 1 Page 219.28b
8			<u>(\$376,379,384)</u>		<u>(\$201,785,268)</u>	
<u>Transmission Accumulated Deferred Taxes</u>						
9	\$ (508,206,767)	99.2978% (c)	(\$504,638,139)	53.6122% (b)	(\$270,547,608)	FERC Form 1 page 113.62-64
10	\$ 112,818,102	99.2978% (c)	\$112,025,893	53.6122% (b)	\$60,059,546	FERC Form 1 page 111.82
11			<u>(\$392,612,246)</u>		<u>(\$210,488,062)</u>	
12	\$ 282,898	100.0000%	\$282,898	53.6122% (b)	<u>\$151,668</u>	FERC Form 1 Page 111.81c
<u>Other Regulatory Assets</u>						
13	\$ -	99.7856% (a)	\$0	53.6122% (b)	\$0	FERC Form 1 Page 232.8f
14	\$ 46,354,440	100.0000%	\$46,354,440	53.6122% (b)	\$24,851,635	FERC Form 1 Page 232.6f
15	\$ -	100.0000%	\$0	53.6122% (b)	\$0	FERC Form 1 Page 278
16	<u>\$46,354,440</u>		<u>\$46,354,440</u>		<u>\$24,851,635</u>	
17	\$ -	99.7856% (a)	\$0	53.6122% (b)	<u>\$0</u>	FERC Form 1 Page 111.57c
18	\$ 4,889,313		\$4,889,313	53.6122% (b)	<u>\$2,621,268</u>	FERC Form 1 Page 227.8c
<u>Cash Working Capital</u>						
20					\$18,125,978	Worksheet 1, Line 20
21					\$18,913,825	Worksheet 1, Line 21
22					\$0	Worksheet 8
23					\$37,039,803	
24					0.1250	x 45 / 360
25					<u>\$4,629,975</u>	
26	\$ 14,550,755				<u>\$14,550,755</u>	Plant Accounting Records

(a) Worksheet 7 Line 11
(b) Worksheet 7 Line 3
(c) Worksheet 7 Line 16

New England Power Company

Shading denotes an input

Line No.	(1) Total (g)	Wage/Plant Allocation Factors	(3) = (1)*(2) Transmission Allocated	PTF Allocation Factor (b)	(5) = (3)*(4) PTF Allocated	Source Reference for Col (1)
Depreciation Expense						
1	\$37,176,180		\$37,176,180	53.6122%	\$19,930,968	FERC Form 1 Page 336.7b
2	\$357,944	99.7856% (a)	\$357,177	53.6122%	\$191,490	FERC Form 1 Page 336.10b
3			\$37,533,357		\$20,122,458	
4	\$136,332		\$136,332	53.6122%	\$73,091	FERC Form 1 Page 117.64c
5	(\$390,654)		(\$390,654)	53.6122%	(\$209,438)	FERC Form 1 Page 266.8f - Footnote (f)
6	\$28,674,108		\$28,674,108	53.6122%	\$15,372,820	FERC Form 1 Page 263.10,17,23,28,31i - Footnote (e)
Transmission Operation and Maintenance						
7	\$56,023,206		\$56,023,206	53.6122%	\$30,035,273	FERC Form 1 Page 321.112b
8	\$12,561,903		\$12,561,903	53.6122%	\$6,734,712	FERC Form 1 Page 321.96b
9	\$9,651,875		\$9,651,875	53.6122%	\$5,174,583	FERC Form 1 Page 321.84-92b less 87b
10	\$0		\$0		\$0	FERC Form 1 Page 321.93b & .98b
11	\$33,809,428		\$33,809,428	53.6122%	\$18,125,978	
Transmission Administrative and General						
12	\$36,456,496					FERC Form 1 Page 323.197b
13	\$113,624					FERC Form 1 Page 323.185b
14	\$3,645,548					FERC Form 1 Page 323.189b
15	\$0					FERC Form 1 Page 323.191b
16	\$32,697,324	99.7856% (a)	\$32,627,221	53.6122%	\$17,492,171	
17	\$113,624	99.2978% (c)	\$112,826	53.6122%	\$60,489	Line 13
18	\$2,502,632	99.2978% (c)	\$2,485,059	53.6122%	\$1,332,295	Attachment 5 Line 6
19	\$0		\$0	53.6122%	\$0	Line 15
20	\$53,850		\$53,850	53.6122%	\$28,870	FERC Form 1 Page 350.18c
21	\$35,367,430		\$35,278,956		\$18,913,825	
22	\$1,602,581	99.7856% (a)	\$1,599,145	53.6122%	\$857,337	FERC Form 1 Page 263.3.4i - Footnote (d)
(d) Payroll taxes - G/L 408.1						
	\$0	Line 4(i)	Massachusetts	\$24,657,699		Property Taxes
	\$0	Line 3(i)	New Hampshire	\$2,788,702		FERC Form 1 Page 263.10(i)
	\$1,602,581		Vermont	\$1,080,853		FERC Form 1 Page 263.17(i)
	\$0	Line 9 (i)	Maine	\$0		FERC Form 1 Page 263.23(i)
	\$1,602,581		Rhode Island	\$146,854		n/a
			Connecticut	\$0		FERC Form 1 Page 263.28(i) & 35(i)
				\$28,674,108		FERC Form 1 Page 263.31(i)
(e) Property Taxes FF1, Page 263i						

- (a) Worksheet 7, Line 11
- (b) Worksheet 7 Line 3
- (c) Worksheet 7 Line 16
- (d) Transmission Only - Payroll Taxes - Specifically identified in FERC Form 1
- (e) Transmission Only - Property Taxes - Specifically Identified in FERC Form 1
- (f) Transmission Only - Amortization of ITC - Specifically Identified in FERC Form 1

** Subtract Accounts #562 & #567 from O&M Expense to the extent that they include PTF Support Payments.

Shading denotes an input

Line No.		NEP	Source Reference
<u>PTF Transmission Plant Allocation Factor</u>			
1	PTF Transmission Investment	\$918,015,798	
2	Total Transmission Investment	<u>\$1,712,325,359</u>	Attachment 1, Page 1 FERC Form 1 Page 207.58g - Page 200.4b
3	Percent Allocation (Line 1/Line 2)	<u>53.6122%</u>	
<u>Transmission Wages and Salaries Allocation Factor</u>			
4	Direct Transmission Wages and Salaries	\$0	
5	Affiliated Company Transmission Wages and Salaries	\$18,493,757	FERC Form 1 Page 354.14b General Ledger Query
6	Total Transmission Wages and Salaries (Line 4 + Line 5)	\$18,493,757	
7	Total Wages and Salaries	\$0	FERC Form 1 Page 354.28b
8	Administrative and General Wages and Salaries	\$0	FERC Form 1 Page 354.27b
9	Affiliated Company Wages and Salaries less A&G	\$18,533,501	General Ledger Query
10	Total Wages and Salaries net of A&G (Line 7 - 8 + 9)	\$18,533,501	
11	Percent Allocation (Line 6/Line 10)	<u>99.7856%</u>	
<u>Plant Allocation Factor</u>			
12	Total Transmission Investment	\$1,712,325,359	Line 2
13	plus Transmission-Related General Plant (Line 2 of Wkst. 3)	\$6,382,481	Worksheet 5, Line 3, Column 3
14	= Revised Numerator (Line 12 + Line 13)	<u>\$1,718,707,840</u>	
15	Total Plant in Service	\$1,730,862,090	FERC Form 1 Page 207.104g - Page 200.4b
16	Percent Allocation (Line 14 / Line 16)	<u>99.2978%</u>	
<u>Post-2003 PTF Allocation Factor</u>			
17	Total Post-2003 PTF Investment	\$ 213,518,137	Attachment 1 Line 7
18	Total Transmission Investment	\$1,712,325,359	Line 2
19	Percent Allocation (Line 17/Line 18) for Post-2003 to Total Tx	12.4695%	
20	Total Invst in Tx Plant/Total Plant in Serv *		
21	Post-2003 PTF Tx Plant/Total Invst in Tx Plant	12.3819%	Line 19 * Line 16

Shading denotes input

**New England Power Company
Pre-97 RNs Revenue Requirements
For Test Year Ended 12/31/2012**

Input Revenues associated with the PTF Supporting Facilities in columns (a) and expenses associated with the facilities in columns (b). The totals are then linked to Worksheet 1, Lines 23 and 24.

Participant	PTF Supporting Facilities	FERC Form 1 Reference	TOTAL	
			Revenues (a)	Expenses (b)
NSTAR	HQ Phase II - AC in MA	Pg 332 Line 5 Col (g)		\$0
	Bell Rock Road	Page 330.5 Line 12 Col (n)	\$0	
	Boston Edison -345 kV NH/MA border - Tewksbury 394 Line (Seabrook)	Page 330.1 Line 8 Col (n)	\$0	
NU	Public Service Co. -Moore 115 kV Substation	Page 330.1 Line 5 Col (n)	\$0	
NEP	Chester SVC	Transmission Billing		\$0
	HQ Phase II - AC in MA	Page 330 Line 11 Col (n)	\$0	
VT Elec Co.	Comerford 115 kV Substation	Page 330.1 Line 12 Col (n)	\$0	
		Totals	\$0	\$0

Amount by which Support Expense exceeds Support Revenues
(To Worksheet 3, Line 22, Column 5)

\$0

New England Power Company
2012 Informational Filing
PTF Plant Allocation

			Total	<u>Percent Pre/Post</u>
1	2011	Pre-1997 PTF Transmission Plant	\$349,334,382	
2	2011	Post-1996 PTF Transmission Plant	\$819,449,952	
3	2012	Additions/Retirements	\$103,978,575	
4	2012	Pre-1997 PTF Transmission Plant	\$352,959,991	27.77%
5	2012	Post-1996 PTF Transmission Plant	\$918,015,798	72.23%
6	2012	Total PTF Transmission Plant	\$1,270,975,789	100.00%
7	2012	Post-2003 PTF Transmission Plant	\$213,518,137	172.23%

Sources:

- 1 PTF Plant Reports for previous year
- 2 PTF Plant Reports for previous year
- 3 Line 6 - Line 1 + Line 2
- 4 PTF Plant Reports for current year
- 5 PTF Plant Reports for current year
- 6 Line 4 + 5
- 7 PTF Plant Report: Post 2003 RSP Projects

Shading denotes an input

GROSS PLANT ASSOC. WITH HVDC LEASES
2012

LINE NO		(HVDC) NHH/NEH <u>LEASE</u>
1	Gross Plant Value Comerford Station to Tewksbury Line	\$0
	Allocation	
2	Miles used by NHH (a)	0
3	Total miles at Comerford Station	0
4	Percentage of Total Gross Plant leased by NHH (a)	0%
5	Total Gross Plant leased by NHH (a)	\$0
6	Total Land from Sandy Pond to New Hampshire	\$0
7	HVDC lines occupy 35% of Right of Way	0%
8	Total Land leased by NEH (a)	\$0
9	Total NEP Gross Plant leased by HVDC to be excluded from PTF Revenue requirement	\$0

Source:

- 1 FERC Form 1, Page 423.1, Lines 5 + 16
- 2 Total miles used per lease agreement
- 3 Total miles per lease agreement
- 4 Line 2 / Line 3
- 5 Line 1 * Line 4
- 6 FERC Form 1, Page 422-423, Line 15
- 7 Percentage per lease agreement
- 8 Line 6 * Line 7
- 9 Line 5 + Line 8

Note:

- (a) NEH and NHH are acronyms for two of the three "Hydro Companies, New England Hydro Transmission (NEH) Electric Company, New England Electric Transmission Corporation, and New England Hydro Transmission Electric Company, Inc. (NHH)" which own and lease the HVDC interconnection facilities to the participants to the NEPOOL HVDC agreements.

New England Power Company
Determination of Book Depreciation on Equity AFUDC

		<u>2012</u>
1	Total Current Year Book Depreciation on Equity AFUDC	\$1,346,360
2	Less: Specifically identified Transmission-Related	
	Tewksbury Line	\$54,708
	Hydro-Quebec	\$23,543
	Montaup Transmission	\$9,777
	1998 Transmission	\$13,959
	1999 Transmission	\$42,457
	2000 Transmission	(\$8,299)
	2001 Transmission	\$23,561
	2002 Transmission	\$8,889
	2003 Transmission	\$16,500
	2004 Transmission	\$15,518
	2005 Transmission	\$49,757
	2006 Transmission	\$64,352
	2007 Transmission	\$42,418
	2008 Transmission	\$57,508
	2009 Transmission	\$98,437
	2010 Transmission	\$79,948
	2011 Transmission	\$155,706
	2012 Transmission	\$210,246
		\$958,985
3	Total unidentified Book Depreciation on Equity AFUDC	\$387,375
4	Plant Allocator Factor	99.2978%
5	Allocated Transmission Related Book Depreciation on Equity AFUDC	\$384,655
6	Plus: Specifically Identified Transmission-Related Equity AFUDC	\$958,985
7	Total Transmission-Related Equity AFUDC	\$1,343,640
8	Post-96 PTF Allocation Factor	53.6122%
9	Transmission-Related Equity AFUDC	\$720,355

Sources:

- 1 & 2 Transmission Rates includes \$9,777 from Montaup
- 3 Line 1 - Line 2
- 4 Worksheet 5 - PTF Plant Allocation Factor
- 5 Line 3 * Line 4
- 6 Line 2
- 7 Line 5 + Line 6
- 8 Worksheet 6 - Post-96 PTF Allocation Factor
- 9 Line 7 * Line 8

New England Power Company
 Determination of the PTF Related Integrated Facilities Charges

	<u>Narragansett</u> <u>2012</u>	<u>MECO</u> <u>2012</u>
1 Total Integrated Facilities Charges	\$0	\$0
2 Total 2012 PTF Property	\$0	\$0
3 Total Transmission Plant in 2012	\$0	\$0
4 NECO or MECO PTF Plant Allocator	0.00%	0.00%
5 PTF Related Integrated Facilities Charge	\$0	\$0
6 Total Integrated Facilities		<u><u>\$0</u></u>

Source:

- 1 FF1 Page 330.4 Lines 13 & 14 Col (n)
- 2 PowerPlant Reports
- 3 FF1 Page 207 Line 58 (g)
- 4 Line 2 / Line 3
- 5 Line 1 * Line 4
- 6 Line 5 Totals for Narragansett and Massachusetts Electric

Shading denotes an input

Attachment 5

New England Power Company
Development of 2012 Regulatory Commission Expense

<u>Line No.</u>		<u>2012</u>	<u>Source</u>
1	Total Regulatory Commission Expense - NEP	\$3,645,548	FERC Form1 Page 350.46d
2	Less: New Hampshire PUC Assessment	\$63,704	FERC Form1 Page 350.2d
3	Less: Mass Emergency Fund	\$0	FERC Form1 Page 350.7d
4	Less Mass DPU Special Assessment	\$229,133	FERC Form1 Page 350.8d
5	Less: Utility Expenses	\$850,079	FERC Form1 Page 350.46c
6	Total Federal Assessments	\$2,502,632	Line 1 - (Line 2-5)

Transmission Rents Received from Electric Property

New England Power Company

	<u>2012</u>
Revenues	\$1,129,406
Plant Allocation Factor	100.00%
Transmission Allocated	\$1,129,406
PTF Allocation	53.6122%
Total PTF Revenue	\$605,499

Source: Peoplesoft Activities #454002, 454020 and 454024 - see Analysis for details

Revenue for Short-Term Transmission Service under the NEPOOL Tariff

New England Power Company

	<u>2012</u>
Revenues	\$1,056,174
Post-96 PTF Percent	72.2292%
Total Post-96 PTF Revenue	\$762,866

Source: Short Term Through and Out Revenues from ISO New England

ISO Tariff Billing
ISO Annual Transmission Revenue Requirements
per Tariff Attachment F and ISO Agreement Part 2, Section 6.3

Shading denotes an input

Submitted on:

Revenue Requirements for (year): Calendar Year 2012

Rates Effective for the Period:
Through: June 2013
May 2014

Customer: New England Power Company

Customer's NABs Number:

Name of Participant responsible for customer's billing:

DUNS number of Participant responsible for customer's billing:

	<u>Pre-97 Revenue Requirements</u>	<u>Post-96 Revenue Requirements</u>
Total of Attachment F - Sections A through I	<u>\$118,127,016</u> ^(a)	<u>\$141,430,997</u> ^(f)
Total of Attachment F - Section J - Support Revenue	<u>\$5,407,628</u> ^(b)	<u>\$0</u> ^(g)
Total of Attachment F - Section K - Support Expense	<u>\$703,144</u> ^(c)	<u>\$0</u> ^(h)
Total of Attachment F - Section (L through O)	<u>(\$526,111)</u> ^(d)	<u>(\$1,368,365)</u> ⁽ⁱ⁾
Sub Total - Sum (A through I) - J + K + (L through O)	<u>\$112,896,422</u> ^{(e)=(a)-(b)+(c)+(d)}	<u>\$140,062,632</u> ^(j)
Forecasted Transmission Revenue Requirements (per Attachment C to Attachment F Implementation Rule)	<u>N/A</u>	<u>\$52,042,711</u> ^(k)
Annual True-up (per Attachment C to Attachment F Implementation Rule)	<u>N/A</u> ^(l)	<u>N/A</u> ^(m)
Adjusted Sub Total - Sum (Sub Total + Forecast + True-up)	<u>\$112,896,422</u> ^{(n)=(e) + (l)}	<u>\$192,105,342</u> ^{(o)=(j)+(k)+(m)}
Annual Revenue Requirement Total = Sum of Pre-97 Revenue Requirements and Post-96 Revenue Requirements Subtotals for rate calculations under the Tariff:		<u>\$305,001,764</u> ^{(p) = (n) + (o)}

New England Power Company
Annual Revenue Requirements of PTF Facilities
For Costs in 2012

PRE-1997

Shading denotes an input

Line No.	I. INVESTMENT BASE	Attachment F Reference	NEP	Reference
		Section:		
1	Transmission Plant	(A)(1)(a)	\$339,265,312	Worksheet 3, line 1&2 column 5
2	General Plant	(A)(1)(b)	\$1,315,614	Worksheet 3, line 3 column 5
3	Plant Held For Future Use	(A)(1)(c)	\$211,853	Worksheet 3, line 5 column 5
4	Total Plant (Lines 1+2+3)		<u>\$340,792,779</u>	
5	Accumulated Depreciation	(A)(1)(d)	(\$77,582,706)	Worksheet 3, line 8 column 5
6	Accumulated Deferred Income Taxes	(A)(1)(e)	(\$80,928,770)	Worksheet 3, line 11 column 5
7	Loss On Reacquired Debt	(A)(1)(f)	\$58,313	Worksheet 3, line 12 column 5
8	Other Regulatory Assets	(A)(1)(g)	\$9,554,994	Worksheet 3, line 16 column 5
9	Net Investment (Line 4+5+6+7+8)		<u>\$191,894,610</u>	
10	Prepayments	(A)(1)(h)	\$0	Worksheet 3, line 17 column 5
11	Materials & Supplies	(A)(1)(i)	\$1,007,829	Worksheet 3, line 18 column 5
12	Cash Working Capital	(A)(1)(j)	\$1,780,140	Worksheet 3, line 25 column 5
13	Total Investment Base (Line 9+10+11+12)		<u><u>\$194,682,579</u></u>	
	II. REVENUE REQUIREMENTS			
14	Investment Return and Income Taxes	(A)	\$23,214,340	Worksheet 2
15	Depreciation Expense	(B)	\$7,736,714	Worksheet 4, line 3, column 5
16	Amortization of Loss on Reacquired Debt	(C)	\$28,102	Worksheet 4, line 4, column 5
17	Investment Tax Credit	(D)	(\$80,525)	Worksheet 4, line 5, column 5
18	Property Tax Expense	(E)	\$5,910,565	Worksheet 4, line 6, column 5
19	Payroll Tax Expense	(F)	\$329,630	Worksheet 4, line 22, column 5
20	Operation & Maintenance Expense	(G)	\$6,969,104	Worksheet 4, line 11, column 5
21	Administrative & General Expense	(H)	\$7,272,016	Worksheet 4, line 21, column 5
22	Transmission Related Integrated Facilities Charge	(I)	\$66,747,070	Attachment 4, line 6
23	Transmission Support Revenue	(J)	(\$5,407,628)	Worksheet 6
24	Transmission Support Expense	(K)	\$703,144	Worksheet 6
25	Transmission Related Expense from Generators	(L)	\$0	Worksheet 7
26	Transmission Related Taxes and Fees Charge	(M)	\$0	
27	Revenue for ST Trans. Service Under NEPOOL Tariff	(N)	(\$293,308)	Attachment 7
28	Transmission Rents Received from Electric Property	(O)	(\$232,803)	Attachment 6
29	Total Revenue Requirements (Line 14 thru 28)		<u><u>\$112,896,422</u></u>	

New England Power Company
Annual Revenue Requirements
For Costs in 2012

Shading denotes an input

	CAPITALIZATION 12/31/2012	CAPITALIZATION RATIOS	COST OF CAPITAL	COST OF CAPITAL	EQUITY PORTION
LONG-TERM DEBT	\$ 410,350,000	35.77%	0.65%	0.23%	
PREFERRED STOCK	\$ 1,111,700	0.10%	6.02%	0.01%	0.01%
COMMON EQUITY	\$ 735,600,299	64.13%	11.07%	7.10%	7.10%
TOTAL INVESTMENT RETURN	\$1,147,061,999	100.00%		7.34%	7.11%

Cost of Capital Rate=

(a) Weighted Cost of Capital = 0.0734

(b) Federal Income Tax =
$$\left(\frac{\text{R.O.E.} + \left(\frac{\text{PTF Inv. (Tax Credit)} + \text{Eq. AFUDC of Deprec. Exp.}}{\text{PTF Inv. Base}} \right) / \text{Federal Income Tax Rate}}{1} \right) \times \frac{\text{Federal Income Tax Rate}}{\text{Federal Income Tax Rate}}$$

=
$$\left(\frac{0.0711 + \left(\frac{(\$80,525) + \$276,963}{\$194,682,579} \right) / 0.35}{1} \right) \times \frac{0.35}{0.35}$$

= 0.0388279

(c) State Income Tax =
$$\left(\frac{\text{R.O.E.} + \left(\frac{\text{PTF Inv. (Tax Credit)} + \text{Eq. AFUDC of Deprec. Exp.}}{\text{PTF Inv. Base}} \right) / \text{Federal Income Tax Rate}}{1} \right) + \frac{\text{Federal Income Tax}}{\text{State Income Tax Rate}}$$

=
$$\left(\frac{0.0711 + \left(\frac{(\$80,525) + \$276,963}{\$194,682,579} \right) / 0.0388279}{1} \right) + \frac{0.0388279}{0.059466}$$

= 0.0070141

(a)+(b)+(c) Cost of Capital Rate = 0.1192420

	(PTF)	
INVESTMENT BASE	\$194,682,579	From Worksheet 1
x Cost of Capital Rate	0.1192420	
= Investment Return and Income Taxes	<u>\$23,214,340</u>	To Worksheet 1

New England Power Company

Line No.	(1) Total	(2) Wage/Plant Allocation Factors	(3) = (1)*(2) Transmission Allocated	(4) PTF Allocation Factor (b)	(5) = (3)*(4) PTF Allocated	Source Reference
1					\$352,959,991	Attachment 1, Page 1
2					(\$13,694,679)	Attachment 2
3	\$ 6,396,194	99.7856% (a)	\$6,382,481	20.6129% (b)	\$1,315,614	FERC Form 1 Page 207.99g
4			<u>\$6,382,481</u>		<u>\$340,580,926</u>	
5	\$ 1,027,771		\$1,027,771	20.6129% (b)	<u>\$211,853</u>	FERC Form 1 page 214.2d,4d,9d
<u>Transmission Accumulated Depreciation</u>						
6	\$ (371,277,823)		(\$371,277,823)	20.6129% (b)	(\$76,531,126)	FERC Form 1 page 219.25b
7	\$ (5,112,522)	99.7856% (a)	(\$5,101,561)	20.6129% (b)	(\$1,051,580)	FERC Form 1 Page 219.28b
8			<u>(\$376,379,384)</u>		<u>(\$77,582,706)</u>	
<u>Transmission Accumulated Deferred Taxes</u>						
9	\$ (508,206,767)	99.2978% (c)	(\$504,638,139)	20.6129% (b)	(\$104,020,555)	FERC Form 1 Page 113.62-64
10	\$ 112,818,102	99.2978% (c)	\$112,025,893	20.6129% (b)	\$23,091,785	FERC Form 1 Page 111.82
11			<u>(\$392,612,246)</u>		<u>(\$80,928,770)</u>	
12	\$ 282,898	100.0000%	\$282,898	20.6129% (b)	<u>\$58,313</u>	FERC Form 1 Page 111.81c
<u>Other Regulatory Assets</u>						
13	\$ -	99.7856% (a)	\$0	20.6129% (b)	\$0	FERC Form 1 Page 232.8f
14	\$ 46,354,440	100.0000%	\$46,354,440	20.6129% (b)	\$9,554,994	FERC Form 1 Page 232.6f
15	\$ -	100.0000%	\$0	20.6129% (b)	\$0	FERC Form 1 Page 278
16	<u>\$46,354,440</u>		<u>\$46,354,440</u>		<u>\$9,554,994</u>	
17	\$ -	99.7856% (a)	\$0	20.6129% (b)	<u>\$0</u>	FERC Form 1 Page 111.57c
18	\$ 4,889,313		\$4,889,313	20.6129% (b)	<u>\$1,007,829</u>	FERC Form 1 Page 227.8c
<u>Cash Working Capital</u>						
20					\$6,969,104	Worksheet 1, Line 20
21					\$7,272,016	Worksheet 1, Line 21
22					\$0	Worksheet 6
23					<u>\$14,241,120</u>	
24					0.1250	x 45 / 360
25					<u>\$1,780,140</u>	

(a) Worksheet 5 Line 11
(b) Worksheet 5 Line 3
(c) Worksheet 5 Line 16

New England Power Company

Line No.	(1) Total	(2) Wage/Plant Allocation Factors	(3) = (1)*(2) Transmission Allocated	(4) PTF Allocation Factor (b)	(5) = (3)*(4) PTF Allocated	Source Reference for Col (1)
<u>Depreciation Expense</u>						
1	\$37,176,180		\$37,176,180	20.6129% (b)	\$7,663,089	FERC Form 1 Page 336.7b
2	\$357,944	99.7856% (a)	\$357,177	20.6129% (b)	\$73,625	FERC Form 1 Page 336.10b
3			\$37,533,357		\$7,736,714	
4	\$136,332	100.0000%	\$136,332	20.6129% (b)	\$28,102	FERC Form 1 Page 117.64c
5	(\$390,654)	100.0000%	(\$390,654)	20.6129% (b)	(\$80,525)	FERC Form 1 Page 266.8f - Footnote (f)
6	\$28,674,108	100.0000%	\$28,674,108	20.6129% (b)	\$5,910,565	FERC Form 1 Page 263.10,17,23,28i - Footnote (e)
<u>Transmission Operation and Maintenance</u>						
7	\$56,023,206		\$56,023,206	20.6129% (b)	\$11,548,007	FERC Form 1 Page 321.112b
8	\$12,561,903		\$12,561,903	20.6129% (b)	\$2,589,372	FERC Form 1 Page 321.96b
9	\$9,651,875		\$9,651,875	20.6129% (b)	\$1,989,531	FERC Form 1 Page 321.84-92b less 87b
10	\$0		\$0		\$0	FERC Form 1 Page 321.93b & .98b
11	\$33,809,428		\$33,809,428	20.6129% (b)	\$6,969,104	
<u>Transmission Administrative and General</u>						
12	\$36,456,496					FERC Form 1 Page 323.197b
13	\$113,624					FERC Form 1 Page 323.185b
14	\$3,645,548					FERC Form 1 Page 323.189b
15	\$0					FERC Form 1 Page 323.191b
16	\$32,697,324	99.7856% (a)	\$32,627,221	20.6129% (b)	\$6,725,416	
17	\$113,624	99.2978% (c)	\$112,826	20.6129% (b)	\$23,257	Line 13
18	\$2,502,632	99.2978% (c)	\$2,485,059	20.6129% (b)	\$512,243	Attachment 5 Line 6
19	\$0		\$0	20.6129% (b)	\$0	Line 15
20	\$53,850		\$53,850	20.6129% (b)	\$11,100	FERC Form 1 Page 350.10c
21	\$35,367,430		\$35,278,956		\$7,272,016	
22	\$1,602,581	99.7856% (a)	\$1,599,145	20.6129% (b)	\$329,630	FERC Form 1 Page 263.3,4i - Footnote (d)
<u>(d) Payroll taxes - G/L 408.1</u>						
	\$0					
	\$0					
	\$1,602,581					
	\$0					
	\$1,602,581					
<u>(e) Property Taxes FF1, Page 263i</u>						
		Massachusetts	\$24,657,699			FERC Form 1 Page 263.10(i)
		New Hampshire	\$2,788,702			FERC Form 1 Page 263.17(i)
		Vermont	\$1,080,853			FERC Form 1 Page 263.23(i)
		Maine	\$0			n/a
		Rhode Island	\$146,854			FERC Form 1 Page 263.28(i) & 35(i)
		Connecticut	\$0			FERC Form 1 Page 263.31(i)
			\$28,674,108			

(a) Worksheet 5 Line 11

(b) Worksheet 5 Line 3

(c) Worksheet 5 Line 16

(d) Transmission Only - Payroll Taxes - Specifically identified in FERC Form 1

(e) Transmission Only - Property Taxes - Specifically Identified in FERC Form 1

(f) Transmission Only - Amortization of ITC - Specifically Identified in FERC Form 1

** Subtract Accounts #562 & #567 from O&M Expense to the extent that they include PTF Support Payments.

Shading denotes an input

Line No.		NEP	Source Reference
<u>PTF Transmission Plant Allocation Factor</u>			
1	PTF Transmission Investment	\$352,959,991	
2		<u>\$1,712,325,359</u>	Attachment 1, Page 1 FERC Form 1 Page 207.58g - Page 200.4b
3	Percent Allocation (Line 1/Line 2)	<u>20.6129%</u>	
<u>Transmission Wages and Salaries Allocation Factor</u>			
4	Direct Transmission Wages and Salaries	\$0	
5	Affiliated Company Transmission Wages and Salaries	<u>\$18,493,757</u>	FERC Form 1 Page 354.14b General Ledger Query
6	Total Transmission Wages and Salaries (Line 4 + Line 5)	\$18,493,757	
7	Total Wages and Salaries	\$0	FERC Form 1 Page 354.28b
8	Administrative and General Wages and Salaries	\$0	FERC Form 1 Page 354.27b
9	Affiliated Company Wages and Salaries less A&G	<u>\$18,533,501</u>	General Ledger Query
10	Total Wages and Salaries net of A&G (Line 7 - 8 + 9)	\$18,533,501	
11	Percent Allocation (Line 6/Line 10)	<u>99.7856%</u>	
<u>Plant Allocation Factor</u>			
12	Total Transmission Investment	\$1,712,325,359	
13	plus Transmission-Related General Plant	<u>\$6,382,481</u>	Line 2 Worksheet 3, Line 3, Column 3
14	= Revised Numerator (Line 12 + Line 13)	\$1,718,707,840	
15	Total Plant in Service	<u>\$1,730,862,090</u>	FERC Form 1 Page 207.104g - Page 200.4b
16	Percent Allocation (Line 14 / Line 16)	<u>99.2978%</u>	

Shading denotes input

**New England Power Company
Pre-97 RNs Revenue Requirements
For Test Year Ended 12/31/2012**

Input Revenues associated with the PTF Supporting Facilities in columns (a) and expenses associated with the facilities in columns (b). The totals are then linked to Worksheet 1, Lines 23 and 24.

Participant	PTF Supporting Facilities	FERC Form 1 Reference	TOTAL	
			Revenues (a)	Expenses (b)
NSTAR	HQ Phase II - AC in MA	Pg 332 Line 5 Col (g)		\$99,271
	Bell Rock Road	Page 330.5 Line 12 Col (n)	\$44,768	
	Boston Edison -345 kV NH/MA border - Tewksbury 394 Line (Seabrook	Page 330.1 Line 8 Col (n)	\$366,468	
NU	Public Service Co. -Moore 115 kV Substation	Page 330.1 Line 5 Col (n)	\$13,571	
NEP	Chester SVC	Transmission Billing		\$603,873
	HQ Phase II - AC in MA	Page 330 Line 11 Col (n)	\$4,946,997	
VT Elec Co.	Comerford 115 kV Substation	Page 330.1 Line 12 Col (n)	\$35,824	
		Totals	\$5,407,628	\$703,144

Amount by which Support Expense exceeds Support Revenues
(To Worksheet 3, Line 22, Column 5)

\$0

Shading denotes an input

New England Power Company
2012 Informational Filing
PTF Plant Allocation

			Total	<u>Percent Pre/Post</u>
1	2011	Pre-1997 PTF Transmission Plant	\$349,334,382	
2	2011	Post-1996 PTF Transmission Plant	\$819,449,952	
3	2012	Additions/Retirements	\$103,978,575	
4	2012	Pre-1997 PTF Transmission Plant	\$352,959,991	27.77%
5	2012	Post-1996 PTF Transmission Plant	\$918,015,798	72.23%
6	2012	Total PTF Transmission Plant	\$1,270,975,789	100.00%

Sources:

- 1 PTF Plant Reports for previous year
- 2 PTF Plant Reports for previous year
- 3 Line 6 - Line 1 + Line 2
- 4 PTF Plant Reports for current year
- 5 PTF Plant Reports for current year
- 6 Line 4 + 5

Shading denotes an input

GROSS PLANT ASSOC. WITH HVDC LEASES
2012

LINE NO		(HVDC) NHH/NEH <u>LEASE</u>
1	Gross Plant Value Comerford Station to Tewksbury Line	\$14,952,279
	<u>Allocation</u>	
2	Miles used by NHH (a)	224
3	Total miles at Comerford Station	253
4	Percentage of Total Gross Plant leased by NHH (a)	89%
5	Total Gross Plant leased by NHH (a)	\$13,307,528
6	Total Land from Sandy Pond to New Hampshire	\$1,106,146
7	HVDC lines occupy 35% of Right of Way	35%
8	Total Land leased by NEH (a)	\$387,151
9	Total NEP Gross Plant leased by HVDC to be excluded from PTF Revenue requirement	\$13,694,679

Source:

- 1 FERC Form 1, Page 422.1-423.1, Lines 5 + 16 col (l)
- 2 Total miles used per lease agreement
- 3 FERC Form 1, Page 422.1 Lines 5 + 16 col (f)
- 4 Line 2 / Line 3
- 5 Line 1 * Line 4
- 6 FERC Form 1, Page 422-423, Line 15 col (j)
- 7 Percentage per lease agreement
- 8 Line 6 * Line 7
- 9 Line 5 + Line 8

Note:

- (a) NEH and NHH are acronyms for two of the three "Hydro Companies, New England Hydro Transmission (NEH) Electric Company, New England Electric Transmission Corporation, and New England Hydro Transmission Electric Company, Inc. (NHH)" which own and lease the HVDC interconnection facilities to the participants to the NEPOOL HVDC agreements.

Shading denotes an input

New England Power Company
Determination of Book Depreciation on Equity AFUDC

		2012
1	Total Current Year Book Depreciation on Equity AFUDC	\$1,346,360
2	Less: Specifically Identified Transmission-Related	
	Tewksbury Line	\$54,708
	Hydro-Quebec	\$23,543
	Montaup Transmission	\$9,777
	1998 Transmission	\$13,959
	1999 Transmission	\$42,457
	2000 Transmission	(\$8,299)
	2001 Transmission	\$23,561
	2002 Transmission	\$8,889
	2003 Transmission	\$16,500
	2004 Transmission	\$15,518
	2005 Transmission	\$49,757
	2006 Transmission	\$64,352
	2007 Transmission	\$42,418
	2008 Transmission	\$57,508
	2009 Transmission	\$98,437
	2010 Transmission	\$79,948
	2011 Transmission	\$155,706
	2012 Transmission	\$210,246
		\$958,985
3	Total Unidentified Book Depreciation on Equity AFUDC	\$387,375
4	Plant Allocator Factor	99.2978%
5	Allocated Transmission Related Book Depreciation on Equity AFUDC	\$384,655
6	Plus: Specifically Identified Transmission-Related Equity AFUDC	<u>\$958,985</u>
7	Total Transmission-Related Equity AFUDC	\$1,343,640
8	Pre-97 PTF Allocation Factor	20.6129%
9	Transmission-Related Equity AFUDC	\$276,963

Sources:

- 1 & 2 Transmission Rates includes \$9,777 from Montaup
- 3 Line 1 - Line 2
- 4 Worksheet 5 - PTF Plant Allocation Factor
- 5 Line 3 * Line 4
- 6 Line 2
- 7 Line 5 + Line 6
- 8 Worksheet 5 - Pre-97 PTF Allocation Factor
- 9 Line 7 * Line 8

Shading denotes an input

New England Power Company
Determination of the PTF Related Integrated Facilities Charges

		Narragansett <u>2012</u>	MECO <u>2012</u>
1	Total Integrated Facilities Charges	\$77,884,781	\$9,279,091
2	Total 2012 PTF Property (NECO includes \$88M topside)	\$386,991,881	\$24,868,977
3	Total Transmission Plant in 2012 (NECO includes \$88M topside)	\$486,729,573	\$47,856,277
4	NECO or MECO PTF Plant Allocator	79.51%	51.97%
5	PTF Related Integrated Facilities Charge	\$61,925,101	\$4,821,969
6	Total Integrated Facilities		<u><u>\$66,747,070</u></u>

Source:

- 1 FF1 Page 330.4 Lines 13 & 14 Col (n)
- 2 PowerPlant Reports
- 3 FF1 Page 207 Line 58 (g)
- 4 Line 2 / Line 3
- 5 Line 1 * Line 4
- 6 Line 5 Totals for Narragansett and Massachusetts Electric

Shading denotes an input

Attachment 5

New England Power Company
Development of 2012 Regulatory Commission Expense

Line No.		<u>2012</u>	<u>Source</u>
1	Total Regulatory Commission Expense - NEP	\$3,645,548	FERC Form1 Page 350.46d
2	Less: New Hampshire PUC Assessment	\$63,704	FERC Form1 Page 350.2d
3	Less: Mass Emergency Fund	\$0	FERC Form1 Page 350.7d
4	Less Mass DPU Special Assessment	\$229,133	FERC Form1 Page 350.8d
5	Less: Utility Expenses	\$850,079	FERC Form1 Page 350.46c
6	Total Federal Assessments	\$2,502,632	Line 1 - (Line 2-5)

Transmission Rents Received from Electric Property

New England Power Company

	2012
Revenues	\$1,129,406
Plant Allocation Factor	100.00%
Transmission Allocated	\$1,129,406
PTF Allocation	20.6129%
Total PTF Revenue	\$232,803

Source: Peoplesoft Activities #454002, 454020 and 454024 - see Analysis for details

Revenue for Short-Term Transmission Service under the NEPOOL Tariff

New England Power Company

	<u>2012</u>
Revenues	\$1,056,174
Pre-97 PTF Percent	27.7708%
Total Pre-97 PTF Revenue	\$ 293,308

Source: Short Term Through and Out Revenues from ISO New England