# Fitchburg Gas and Electric Light Company
## Transition Charge Calculation

**$ in Thousands**

| Year | kWh Delivered (1) | Transition Charge Billed (2) | Transition Revenues for Delivered kWh (3) | Total Fixed Component (4) | Total Variable Component (5) | Total Costs to be Recovered (6) | Current Year Deferral (7) | Prior Year Deferral Balance (8) | Computed Interest (9) | Cumulative Deferral Including Interest (10) |
|---|---|---|---|---|---|---|---|---|---|---|
| Actual | | | | | | | | | | |
| 1998* | 403,021 | 2.18 | $8,785 | $1,550 | $7,505 | $9,054 | $269 | $0 | $23 | $292 |
| 1999 | 502,171 | 1.44 | 7,227 | 1,959 | 8,257 | 10,216 | 2,989 | 292 | 192 | 3,474 |
| 2000 | 470,093 | 1.27 | 5,968 | 1,668 | 8,274 | 9,942 | 3,974 | 3,474 | 706 | 8,154 |
| 2001 | 444,551 | 1.73 | 7,707 | 1,483 | 8,356 | 9,839 | 2,132 | 8,154 | 1,207 | 11,492 |
| Forecast | | | | | | | | | | |
| 2002 | 486,186 | 1.78 | 8,658 | 1,376 | 7,075 | 8,450 | (208) | 11,492 | 1,513 | 12,797 |
| 2003 | 502,937 | 1.10 | 5,510 | 1,180 | 7,128 | 8,308 | 2,798 | 12,797 | 1,339 | 16,934 |
| 2004 | 512,996 | 1.13 | 5,789 | 1,096 | 7,207 | 8,303 | 2,515 | 16,934 | 1,647 | 21,096 |
| 2005 | 523,256 | 1.16 | 6,081 | 1,012 | 7,306 | 8,318 | 2,237 | 21,096 | 2,011 | 25,343 |
| 2006 | 533,721 | 2.43 | 12,969 | 929 | 7,392 | 8,320 | (4,649) | 25,343 | 2,084 | 22,778 |
| 2007 | 544,395 | 2.43 | 13,229 | 846 | 7,512 | 8,358 | (4,871) | 22,778 | 1,842 | 19,749 |
| 2008 | 555,283 | 2.43 | 13,493 | 767 | 8,028 | 8,795 | (4,698) | 19,749 | 1,575 | 16,625 |
| 2009 | 566,389 | 2.43 | 13,763 | 688 | 8,222 | 8,910 | (4,853) | 16,625 | 1,285 | 13,058 |
| 2010 | 577,717 | 2.43 | 14,039 | | 8,336 | 8,336 | (5,703) | 13,058 | 924 | 8,279 |
| 2011 | 589,271 | 2.45 | 14,425 | | 8,467 | 8,467 | (5,958) | 8,279 | 480 | 2,801 |
| 2012 | 601,056 | 1.81 | 10,903 | | 7,981 | 7,981 | (2,922) | 2,801 | 121 | 0 |
| 2013 | 613,077 | 0.03 | 183 | | 183 | 183 | 0 | 0 | 0 | 0 |
| 2014 | 625,339 | 0.03 | 176 | | 176 | 176 | (0) | 0 | 0 | 0 |
| | | | | $14,553 | $117,406 | $131,959 | | | $16,948 | |

Column Notes:
(1) Actual deliveries for 1998 - 2001. Year 2002 = 9 months actual + 3 months forecast. Year 2003 current sales forecast. 2004 and beyond assumes 2% growth.
(2) Years 1998 - 2003 = (Column (3) / Column (1) ) * 100. For 2004 and 2005, a 3% growth in rate is assumed (i.e., through the end of the Standard Offer Service Period). Beginning in 2006, the Transition Charge Cap of 2.43¢ applies, and the rate is set at the lower of the cap or the amount to fully recover the deferred balance.
(3) Actual revenues for 1998 - 2000. Year 2001 = 9 months actual + 3 months forecast. Year 2002 current revenue forecast. Year 2003 and beyond = (Column (1) * Column (2)) /100.
(4) Page 2, Column (5)
(5) Page 3, Column (8)
(6) Column (4) + Column (5)
(7) Column (6) - Column (3)
(8) Column (10), Prior Year
(9) Years 1998 - 2003 = Computed Interest from monthly Transition Model using 12.45% carrying charge prior to 2003. Years 2003 and beyond are calculated using a 9.05% carrying charge per the DTE 01-103 Settlement Agreement.
(10) Column (7) + Column (8) + Column (9)
*3/1/98 - 12/31/98

# Fitchburg Gas and Electric Light Company
## Summary of Transition Charge
## Fixed Component

**$ in Thousands**

| Year | Pre-Tax Return on Generation Related Investment and Regulatory Assets (1) | Amortization of Generation Related Investment and Regulatory Assets (2) | Base Fixed Component (3) | Adjustment For DTE 01-103 Settlement Residual Value Credit (4) | Net Fixed Component Including Adjustment For Residual Value Credit (5) |
|---|---|---|---|---|---|
| Actual | | | | | |
| 1998* | $883 | $667 | $1,550 | $0 | $1,550 |
| 1999 | 961 | 998 | 1,959 | 0 | 1,959 |
| 2000 | 846 | 998 | 1,844 | (176) | 1,668 |
| 2001 | 731 | 998 | 1,729 | (246) | 1,483 |
| Forecast | | | | | |
| 2002 | 623 | 998 | 1,621 | (246) | 1,376 |
| 2003 | 532 | 998 | 1,530 | (350) | 1,180 |
| 2004 | 448 | 998 | 1,446 | (350) | 1,096 |
| 2005 | 364 | 998 | 1,362 | (350) | 1,012 |
| 2006 | 280 | 998 | 1,279 | (350) | 929 |
| 2007 | 198 | 998 | 1,196 | (350) | 846 |
| 2008 | 118 | 998 | 1,117 | (350) | 767 |
| 2009 | 40 | 998 | 1,038 | (350) | 688 |
| 2010 | | | | | |

Column Notes:
(1) Page 19, Column (5)
(2) Page 5, Row 11 + Page 6, Row 11
(3) Column (1) + Column (2)
(4) Page 8, Row 31 + Page 10, Row 31
(5) Sum of Columns (1) through (4)

*3/1/98 - 12/31/98

# Fitchburg Gas and Electric Light Company
## Summary of Transition Charge
## Variable Component

**$ in Thousands**

| Year End | Nuclear Decomm. (1) | Long Term Purchase Power Contracts: Total Contract Obligations (2) | Market Value (3) | Above Market Value (4) | Power Contract Buyouts (5) | Transmission in Support of Remote Generating Units (6) | Other Cost Adjustments (7) | Total Variable Component (8) |
|---|---|---|---|---|---|---|---|---|
| Actual | | | | | | | | |
| 1998* | $25 | $12,998 | $5,232 | $7,766 | $0 | $186 | ($473) | $7,505 |
| 1999 | 30 | 14,955 | 6,432 | 8,523 | 0 | 112 | (408) | $8,257 |
| 2000 | 30 | 1,668 | 686 | 982 | 8,105 | (17) | (825) | $8,274 |
| 2001 | 9 | 190 | 0 | 190 | 8,563 | 10 | (416) | 8,356 |
| Forecast | | | | | | | | |
| 2002 | 11 | 379 | | 379 | 7,253 | | (569) | 7,075 |
| 2003 | | 314 | | 314 | 7,276 | | (462) | 7,128 |
| 2004 | | 343 | | 343 | 7,326 | | (462) | 7,207 |
| 2005 | | 336 | | 336 | 7,432 | | (462) | 7,306 |
| 2006 | | 317 | | 317 | 7,536 | | (462) | 7,392 |
| 2007 | | 308 | | 308 | 7,666 | | (462) | 7,512 |
| 2008 | | 298 | | 298 | 7,807 | | (77) | 8,028 |
| 2009 | | 289 | | 289 | 7,933 | | 0 | 8,222 |
| 2010 | | 281 | | 281 | 8,055 | | 0 | 8,336 |
| 2011 | | 272 | | 272 | 8,195 | | 0 | 8,467 |
| 2012 | | 252 | | 252 | 7,729 | | 0 | 7,981 |
| 2013 | | 183 | | 183 | 0 | | 0 | 183 |
| 2014 | | 176 | | 176 | 0 | | 0 | 176 |
| 2015 | | | | | | | | |

Column Notes:
(1) Page 14
(2) and (3) Page 15
(4) Column (2) - Column (3)
(5) Page 11, Column 6
(6) Page 17
(7) Page 4
(8) Total of Columns (1) through (7)

*3/198 - 12/31/98

## Fitchburg Gas and Electric Light Company
### Other Cost Adjustments

**$ in Thousands**

| Year | PTF Credit (1) | Millstone Unit 3 Settlement (2) | Wyman IV Settlement (3) | Fuel Charge Credit (4) | Total Other Adjustments (5) |
|---|---|---|---|---|---|
| Actual | | | | | |
| 1998* | ($473) | | | | ($473) |
| 1999 | (408) | | | | ($408) |
| 2000 | (361) | (464) | | | ($825) |
| 2001 | (405) | | | (11) | ($416) |
| Forecast | | | | | |
| 2002 | (452) | | (117) | | ($569) |
| 2003 | (462) | | | | ($462) |
| 2004 | (462) | | | | ($462) |
| 2005 | (462) | | | | ($462) |
| 2006 | (462) | | | | ($462) |
| 2007 | (462) | | | | ($462) |
| 2008 | (77) ** | | | | ($77) |
| 2009 | | | | | $0 |
| 2010 | | | | | $0 |
| 2011 | | | | | $0 |
| 2012 | | | | | $0 |
| 2013 | | | | | $0 |
| 2014 | | | | | $0 |

*3/198 - 12/31/98
** Estimated termination on March 1, 2008; NEPOOL agreements provide that the PTF system will be fully "rolled in" to a common rate effective March 1, 2008.

# Fitchburg Gas and Electric Light Company
## Calculation of Transition Charge Fixed Component
## Owned Generation

**$ in Thousands**

| Line | | | | (10 months) 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | | | | | | | | | | | | | | | |
| 2 | Book Basis (3/1/98) | | 10,924 | | | | | | | | | | | | |
| 3 | | | | | | | | | | | | | | | |
| 4 | Tax Basis (3/1/98) | | 4,299 | | | | | | | | | | | | |
| 5 | | | | | | | | | | | | | | | |
| 6 | Excess Book vs. Tax | | 6,625 | | | | | | | | | | | | |
| 7 | Combined Federal and State Tax Rate | | 38.29% | | | | | | | | | | | | |
| 8 | Deferred Tax on Basis Difference | | (2,537) | | | | | | | | | | | | |
| 9 | | | | | | | | | | | | | | | |
| 10 | Beginning Plant Rate Base Balance | | | 10,924 | 10,308 | 9,371 | 8,434 | 7,497 | 6,560 | 5,623 | 4,685 | 3,748 | 2,811 | 1,874 | 937 |
| 11 | Required Amortization | | | 616 | 937 | 937 | 937 | 937 | 937 | 937 | 937 | 937 | 937 | 937 | 937 |
| 12 | Ending Plant Rate Base Balance | | | 10,308 | 9,371 | 8,434 | 7,497 | 6,560 | 5,623 | 4,685 | 3,748 | 2,811 | 1,874 | 937 | (0) |
| 13 | | | | | | | | | | | | | | | |
| 14 | Beginning Accum. Deferred Tax Balance | | | (2,537) | (2,542) | (2,493) | (2,443) | (2,394) | (2,217) | (1,917) | (1,615) | (1,312) | (1,007) | (685) | (340) |
| 15 | Deferred Tax Provision | | | (5) | 49 | 50 | 49 | 177 | 301 | 302 | 303 | 305 | 322 | 345 | 340 |
| 16 | Ending Accum. Deferred Tax Balance | | | (2,542) | (2,493) | (2,443) | (2,394) | (2,217) | (1,917) | (1,615) | (1,312) | (1,007) | (685) | (340) | 0 |
| 17 | | | | | | | | | | | | | | | |
| 18 | Beginning Plant Rate Base (Net of Deferred Taxes) | | | 8,387 | 7,766 | 6,878 | 5,991 | 5,103 | 4,342 | 3,706 | 3,071 | 2,436 | 1,804 | 1,189 | 597 |
| 19 | Ending Plant Rate Base (Net of Deferred Taxes) | | | 7,766 | 6,878 | 5,991 | 5,103 | 4,342 | 3,706 | 3,071 | 2,436 | 1,804 | 1,189 | 597 | 0 |
| 20 | Average Plant Rate Base | | | 8,077 | 7,322 | 6,434 | 5,547 | 4,722 | 4,024 | 3,388 | 2,754 | 2,120 | 1,497 | 893 | 299 |
| 21 | | | | | | | | | | | | | | | |
| 22 | Return @ BTWACC | 12.45% | | 838 | 912 | 801 | 691 | 588 | 501 | 422 | 343 | 264 | 186 | 111 | 37 |
| 23 | | | | | | | | | | | | | | | |
| 24 | | | NPV | | | | | | | | | | | | |
| 25 | | | @WATCC | | | | | | | | | | | | |
| 26 | | | 7.68% | | | | | | | | | | | | |
| 27 | Return of Investment | | | 616 | 937 | 937 | 937 | 937 | 937 | 937 | 937 | 937 | 937 | 937 | 937 |
| 28 | Return on Investment | | | 838 | 912 | 801 | 691 | 588 | 501 | 422 | 343 | 264 | 186 | 111 | 37 |
| 29 | | | | | | | | | | | | | | | |
| 30 | Total Investment | | 10,657 | 1,454 | 1,849 | 1,738 | 1,628 | 1,525 | 1,438 | 1,359 | 1,280 | 1,201 | 1,123 | 1,048 | 974 |

# Fitchburg Gas and Electric Light Company
## Calculation of Transition Charge Fixed Component
## Generation Related Regulatory Assets

**$ in Thousands**

| Line | | | | (10 months) 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | | | | | | | | | | | | | | | |
| 2 | Book Basis (3/1/98) | | 724 | | | | | | | | | | | | |
| 3 | | | | | | | | | | | | | | | |
| 4 | Tax Basis (3/1/98) | | - | | | | | | | | | | | | |
| 5 | | | | | | | | | | | | | | | |
| 6 | Excess Book vs. Tax | | 724 | | | | | | | | | | | | |
| 7 | Combined Federal and State Tax Rate | | 38.29% | | | | | | | | | | | | |
| 8 | Deferred Tax on Basis Difference | | (277) | | | | | | | | | | | | |
| 9 | | | | | | | | | | | | | | | |
| 10 | Beginning Plant Rate Base Balance | | | 724 | 673 | 612 | 551 | 489 | 428 | 367 | 306 | 245 | 184 | 122 | 61 |
| 11 | Required Amortization | | | 51 | 61 | 61 | 61 | 61 | 61 | 61 | 61 | 61 | 61 | 61 | 61 |
| 12 | Ending Plant Rate Base Balance | | | 673 | 612 | 551 | 489 | 428 | 367 | 306 | 245 | 184 | 122 | 61 | 0 |
| 13 | | | | | | | | | | | | | | | |
| 14 | Beginning Accum. Deferred Tax Balance | | | (277) | (258) | (234) | (211) | (187) | (164) | (141) | (117) | (94) | (70) | (47) | (23) |
| 15 | Deferred Tax Provision | | | (20) | (23) | (23) | (23) | (23) | (23) | (23) | (23) | (23) | (23) | (23) | (23) |
| 16 | Ending Accum. Deferred Tax Balance | | | (258) | (234) | (211) | (187) | (164) | (141) | (117) | (94) | (70) | (47) | (23) | 0 |
| 17 | | | | | | | | | | | | | | | |
| 18 | Beginning Plant Rate Base (Net of Deferred Taxes) | | | 447 | 415 | 378 | 340 | 302 | 264 | 227 | 189 | 151 | 113 | 76 | 38 |
| 19 | Ending Plant Rate Base (Net of Deferred Taxes) | | | 415 | 378 | 340 | 302 | 264 | 227 | 189 | 151 | 113 | 76 | 38 | 0 |
| 20 | Average Plant Rate Base | | | 431 | 396 | 359 | 321 | 283 | 245 | 208 | 170 | 132 | 94 | 57 | 19 |
| 21 | | | | | | | | | | | | | | | |
| 22 | Return @ BTWACC | 12.45% | | 45 | 49 | 45 | 40 | 35 | 31 | 26 | 21 | 16 | 12 | 7 | 2 |
| 23 | | | | | | | | | | | | | | | |
| 24 | | | NPV | | | | | | | | | | | | |
| 25 | | | @WATCC | | | | | | | | | | | | |
| 26 | | | 7.68% | | | | | | | | | | | | |
| 27 | Return of Investment | | | 51 | 61 | 61 | 61 | 61 | 61 | 61 | 61 | 61 | 61 | 61 | 61 |
| 28 | Return on Investment | | | 45 | 49 | 45 | 40 | 35 | 31 | 26 | 21 | 16 | 12 | 7 | 2 |
| 29 | | | | | | | | | | | | | | | |
| 30 | Total Investment | | 672 | 96 | 111 | 106 | 101 | 96 | 92 | 87 | 82 | 78 | 73 | 68 | 64 |

## Fitchburg Gas and Electric Light Company
### Net Proceeds for Residual Value Credit

**$ in Thousands**

| | New Haven Harbor | Millstone Unit No. 3 | Wyman IV | FG&E No.7 Turbine | Divestiture Costs | Total |
|---|---|---|---|---|---|---|
| Gross Proceeds | $5,288 | $0 | $0 | $0 | $0 | $5,288 |
| Less: Lost Revenues | 0 | 0 | 0 | 0 | 2,221 | 2,221 |
| Less: Capital Investments since 12/31/95 | 583 | 3 | 8 | 82 | 0 | 676 |
| Less: Fuel Inventory & M&S | 404 | 155 | 10 | 29 | | 598 |
| Less: Cost of Removal and Site Clean up | 0 | 0 | 0 | 6 | | 6 |
| Less: Transaction Costs | 0 | 0 | 0 | 0 | 342 | 342 |
| Net Proceeds | $4,301 | ($158) | ($18) | ($117) | ($2,563) | $1,445 |

# Fitchburg Gas and Electric Light Company
## Calculation of Residual Value Credit
## Divestiture of FG&E Owned Generation

**$ in Thousands**

| Line | | | | 11-months 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | **RESIDUAL VALUE CREDIT CALCULATION:** | | | | | | | | | | | | |
| 1 | Gross Sale Proceeds (Net of Transaction Costs) | | $1,445 | | | | | | | | | | |
| 2 | | | | | | | | | | | | | |
| 3 | Tax Basis @1/31/00 | | 1,308 | | | | | | | | | | |
| 4 | | | | | | | | | | | | | |
| 5 | Excess Proceeds vs. Tax | | 137 | | | | | | | | | | |
| 6 | Combined Federal and State Tax Rate | | 38.29% | | | | | | | | | | |
| 7 | Deferred Taxes On Difference | | 52 | | | | | | | | | | |
| 8 | | | | | | | | | | | | | |
| 9 | Beginning Plant Balance | | | 1,445 | 1,312 | 1,166 | 1,021 | 875 | 729 | 583 | 437 | 292 | 146 |
| 10 | Required Amortization | | | 132 | 146 | 146 | 146 | 146 | 146 | 146 | 146 | 146 | 146 |
| 11 | Ending Plant Balance | | | 1,312 | 1,166 | 1,021 | 875 | 729 | 583 | 437 | 292 | 146 | - |
| 12 | | | | | | | | | | | | | |
| 13 | Beginning Accum. Deferred Tax Balance | | | (52) | (48) | (42) | (37) | (32) | (26) | (21) | (16) | (11) | (5) |
| 14 | Deferred Tax Provision | | | (5) | (5) | (5) | (5) | (5) | (5) | (5) | (5) | (5) | (5) |
| 15 | Ending Accum. Deferred Tax Balance | | | (48) | (42) | (37) | (32) | (26) | (21) | (16) | (11) | (5) | - |
| 16 | | | | | | | | | | | | | |
| 17 | Beginning Plant Rate Base (Net of Deferred Taxes) | | | 1,392 | 1,265 | 1,124 | 984 | 843 | 703 | 562 | 422 | 281 | 141 |
| 18 | Ending Plant Rate Base (Net of Deferred Taxes) | | | 1,265 | 1,124 | 984 | 843 | 703 | 562 | 422 | 281 | 141 | - |
| 19 | Average Plant Rate Base | | | 1,329 | 1,194 | 1,054 | 913 | 773 | 632 | 492 | 351 | 211 | 70 |
| 20 | | | | | | | | | | | | | |
| 21 | Return @ BTWACC | 12.45% | | 152 | 149 | 131 | 114 | 96 | 79 | 61 | 44 | 26 | 9 |
| 22 | | | NPV | | | | | | | | | | |
| 23 | Divestiture Date @ 1/31/00 | | @ATWACC | | | | | | | | | | |
| 24 | | | 7.68% | | | | | | | | | | |
| 25 | Return of Investment | | | 132 | 146 | 146 | 146 | 146 | 146 | 146 | 146 | 146 | 146 |
| 26 | Return on Investment | | | 152 | 149 | 131 | 114 | 96 | 79 | 61 | 44 | 26 | 9 |
| 27 | | | | | | | | | | | | | |
| 28 | Total Investment | | 1,634 | 284 | 295 | 277 | 260 | 242 | 225 | 207 | 190 | 172 | 155 |
| 29 | | | | | | | | | | | | | |
| 30 | Levelized RVC | | 1,634 | $240 | $240 | $240 | $240 | $240 | $240 | $240 | $240 | $240 | $240 |
| **31** | **DTE 01-103 Settlement Agreement Levelized RVC** | | **1,634** | **$176** | **$176** | **$176** | **$279** | **$279** | **$279** | **$279** | **$279** | **$279** | **$279** |

# Fitchburg Gas and Electric Light Company
## Net Proceeds for Residual Value Credit
## Millstone Unit 3 Sale

**$ in Thousands**

| | Millstone Unit No. 3 |
|---|---|
| Gross Proceeds | $328 |
| Less: Lost Revenues | 0 |
| Less: Capital Investments since 12/31/95 | 0 |
| Less: Fuel Inventory & M&S | 0 |
| Less: Cost of Removal and Site Clean up | 0 |
| Less: Transaction Costs | 47 |
| Net Proceeds | $281 |

# Fitchburg Gas and Electric Light Company
## Calculation of Residual Value Credit
## Sale of FG&E Millstone Unit #3

**$ in Thousands**

| Line | | | | 9-months 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | **RESIDUAL VALUE CREDIT CALCULATION:** | | | | | | | | | | | |
| 1 | Sale Proceeds (Net of Transaction Costs) | | $281 | | | | | | | | | |
| 2 | | | | | | | | | | | | |
| 3 | Tax Basis @3/31/01 | | 1,094 | | | | | | | | | |
| 4 | | | | | | | | | | | | |
| 5 | Excess Proceeds vs. Tax | | (813) | | | | | | | | | |
| 6 | Combined Federal and State Tax Rate | | 38.29% | | | | | | | | | |
| 7 | Deferred Taxes On Difference | | (311) | | | | | | | | | |
| 8 | | | | | | | | | | | | |
| 9 | Beginning Plant Balance | | | 281 | 258 | 225 | 193 | 161 | 129 | 97 | 64 | 32 |
| 10 | Required Amortization | | | 23 | 32 | 32 | 32 | 32 | 32 | 32 | 32 | 32 |
| 11 | Ending Plant Balance | | | 258 | 225 | 193 | 161 | 129 | 97 | 64 | 32 | - |
| 12 | | | | | | | | | | | | |
| 13 | Beginning Accum. Deferred Tax Balance | | | 311 | 285 | 250 | 214 | 178 | 143 | 107 | 71 | 36 |
| 14 | Deferred Tax Provision | | | 26 | 36 | 36 | 36 | 36 | 36 | 36 | 36 | 36 |
| 15 | Ending Accum. Deferred Tax Balance | | | 285 | 250 | 214 | 178 | 143 | 107 | 71 | 36 | - |
| 16 | | | | | | | | | | | | |
| 17 | Beginning Plant Rate Base (Net of Deferred Taxes) | | | 592 | 543 | 475 | 407 | 339 | 271 | 204 | 136 | 68 |
| 18 | Ending Plant Rate Base (Net of Deferred Taxes) | | | 543 | 475 | 407 | 339 | 271 | 204 | 136 | 68 | - |
| 19 | Average Plant Rate Base | | | 568 | 509 | 441 | 373 | 305 | 238 | 170 | 102 | 34 |
| 20 | | | | | | | | | | | | |
| 21 | Return @ BTWACC | 12.45% | | 53 | 63 | 55 | 46 | 38 | 30 | 21 | 13 | 4 |
| 22 | | | NPV | | | | | | | | | |
| 23 | Divestiture Date @ 1/31/00 | | @ATWACC | | | | | | | | | |
| 24 | | | 7.68% | | | | | | | | | |
| 25 | Return of Investment | | | 23 | 32 | 32 | 32 | 32 | 32 | 32 | 32 | 32 |
| 26 | Return on Investment | | | 53 | 63 | 55 | 46 | 38 | 30 | 21 | 13 | 4 |
| 27 | | | | | | | | | | | | |
| 28 | Total Investment | | 445 | 76 | 96 | 87 | 79 | 70 | 62 | 53 | 45 | 36 |
| 29 | | | | | | | | | | | | |
| 30 | Levelized RVC | | 445 | $70 | $70 | $70 | $70 | $70 | $70 | $70 | $70 | $70 |
| **31** | **DTE 01-103 Settlement Agreement Levelized RVC** | | **445** | **$69** | **$69** | **$71** | **$71** | **$71** | **$71** | **$71** | **$71** | **$71** |

# Fitchburg Gas and Electric Light Company
## Purchase Power Entitlement Sale and Mitigation

**$ in Thousands**

| Year | Per Compliance Filing DTE 97-115 Total Obligation (1) | Assumed Market Value (2) | Assumed Net Excess Over Market (3) | less Hydro Quebec Fixed (4) | Adjusted Net Excess Over Market (5) | Select Retained Entitlement Obligation (6) | Total Mitigation Savings (7) |
|---|---|---|---|---|---|---|---|
| 2000 | $18,322 | $9,256 | $9,066 | $0 | $9,066 | $8,105 | $961 |
| 2001 | 17,633 | 8,755 | 8,879 | 0 | 8,879 | 8,563 | $316 |
| 2002 | 12,921 | 4,843 | 8,079 | 409 | 7,670 | 7,253 | $417 |
| 2003 | 13,185 | 4,989 | 8,197 | 400 | 7,797 | 7,276 | $521 |
| 2004 | 13,461 | 5,139 | 8,322 | 391 | 7,931 | 7,326 | $605 |
| 2005 | 13,761 | 5,294 | 8,468 | 401 | 8,067 | 7,432 | $635 |
| 2006 | 14,027 | 5,453 | 8,574 | 368 | 8,206 | 7,536 | $670 |
| 2007 | 14,301 | 5,617 | 8,684 | 335 | 8,349 | 7,666 | $683 |
| 2008 | 14,613 | 5,786 | 8,827 | 329 | 8,498 | 7,807 | $691 |
| 2009 | 14,937 | 5,960 | 8,976 | 327 | 8,649 | 7,933 | $716 |
| 2010 | 15,286 | 6,140 | 9,146 | 340 | 8,806 | 8,055 | $751 |
| 2011 | 15,612 | 6,325 | 9,288 | 322 | 8,966 | 8,195 | $771 |
| 2012 | 13,354 | 5,429 | 7,925 | 317 | 7,608 | 7,729 | ($121) |
| 2013 | 317 | 0 | 317 | 317 | 0 | 0 | $0 |
| 2014 | 315 | 0 | 315 | 315 | 0 | 0 | $0 |
| Totals | $192,047 | $78,984 | $113,063 | $4,571 | $108,492 | $100,876 | $7,615 |

Column Notes:
(1), (2) FG&E Compliance Filing (DTE 97-115), Page 9 of 14
(3) Column (1) - Column (2)
(4) HQ Fixed Cost Retained by FG&E post 2001. FG&E Compliance Filing (DTE 97-115), Schedule 1. Page 9, Column 8
(5) Column (3) - Column (4)
(6) Select Buyout Agreement - Retained Entitlement Obligation
(7) Column (5) - Column (6).

**Fitchburg Gas and Electric Light Company**
**Generation Facilities**
**Net Capability and Unrecovered Costs**
**as of December 31,**

**$ Thousands**

| Source (1) | Location (2) | Year(s) Placed In-Service (3) | Energy Source (4) | Net Capability (MW) (5) | Balance as of 12/31/95 (6) | 3/1/1998 (7) | 12/31/1998 (8) | 12/31/1999 (9) | 12/31/2000 (10) | Annual Amortization 2001 and Beyond (11) |
|---|---|---|---|---|---|---|---|---|---|---|
| Fossil Fuel Units | | | | | | | | | | |
| New Haven Harbor | CT | 1975 | Oil/Gas | 20.12 | $2,263 | $1,711 | $1,615 | $1,468 | $1,321 | $147 |
| Wyman 4 | ME | 1978 | Oil | 1.13 | 150 | 118 | 111 | 101 | 91 | 10 |
| Fitchburg #7 | MA | 1979 | Oil | 19.50 | 1,727 | 1,469 | 1,390 | 1,264 | 1,137 | 126 |
| Nuclear Units | | | | | | | | | | |
| Millstone 3 | CT | 1986 | Nuclear | 2.50 | 8,439 | 7,626 | 7,192 | 6,538 | 5,884 | 654 |
| Total | | | | 43.25 | $12,579 | $10,924 | $10,308 | $9,371 | $8,434 | $937 |

Note: Excludes Capital Additions after 12/31/95

## Fitchburg Gas and Electric Light Company
### Regulatory Asset Balances

**$ in Thousands**

| | Balance as of | | | | | Annual Amortization 2001 and Beyond |
|---|---|---|---|---|---|---|
| | December 31, 1995 (1) | March 1, 1998 (2) | December 31, 1998 (3) | December 31, 1999 (4) | December 31, 2000 (5) | (6) |
| Unamortized ITC | ($293) | ($253) | ($236) | ($214) | ($193) | ($21) |
| FAS 109 | 933 | 933 | 867 | 788 | 710 | 79 |
| Other Reg Assets under Joint Owned Agreements | 0 | 0 | 0 | 0 | 0 | 0 |
| Gas Turbine Deferral | 46 | 44 | 41 | 37 | 34 | 4 |
| Total Regulatory Assets | $685 | $724 | $673 | $612 | $551 | $61 |

## Fitchburg Gas and Electric Light Company
### Total Annual Decommissioning Costs

**$ in Thousands**

| Year | Millstone 3 (1) |
|---|---|
| Actual | |
| 1998* | $25 |
| 1999 | 30 |
| 2000 | 30 |
| 2001 | 9 |
| Forecast | |
| 2002 | 11 |
| 2003 | 0 |

*3/198 - 12/31/98

# Fitchburg Gas and Electric Light Company
## Power Contract Obligations
## Annual Obligations and Net Market Value

**$ in Thousands**

| | Purchased Power Contracts Fixed and Variable Contract Obligations | | | | | | | | | Market Value | | | | | NET EXCESS OVER MARKET |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | PSNH System | | Pinetree | | Linweave (1) | | Hydro-Quebec | | TOTAL COSTS | PSNH System | Pinetree | Linweave (1) | Hydro-Quebec | TOTAL VALUE | |
| | Variable | Fixed | Variable | Fixed | Variable | Fixed | Variable | Fixed | | | | | | | |
| Actual | | | | | | | | | | | | | | | |
| 1998* | $1,359 | $1,938 | $1,619 | $6,439 | $157 | $1,112 | | $375 | $12,998 | $2,211 | $2,503 | $518 | $0 | $5,232 | $7,766 |
| 1999 | 1,499 | 2,537 | 1,872 | 7,411 | 180 | 1,240 | | 217 | 14,955 | 2,420 | 3,391 | 621 | 0 | 6,432 | 8,523 |
| 2000 | 225 | 300 | 183 | 675 | 151 | 126 | | 8 | 1,668 | 377 | 241 | 68 | 0 | 686 | 982 |
| 2001 | | | | | 89 | | | 100 | 190 | 0 | 0 | 0 | 0 | 0 | 190 |
| Forecast | | | | | | | | | | | | | | | |
| 2002 | | | | | 82 | | | 297 | 379 | | | | | | 379 |
| 2003 | | | | | 74 | | | 240 | 314 | | | | | | 314 |
| 2004 | | | | | 74 | | | 269 | 343 | | | | | | 343 |
| 2005 | | | | | 74 | | | 262 | 336 | | | | | | 336 |
| 2006 | | | | | 74 | | | 244 | 317 | | | | | | 317 |
| 2007 | | | | | 74 | | | 234 | 308 | | | | | | 308 |
| 2008 | | | | | 74 | | | 225 | 298 | | | | | | 298 |
| 2009 | | | | | 74 | | | 216 | 289 | | | | | | 289 |
| 2010 | | | | | 74 | | | 207 | 281 | | | | | | 281 |
| 2011 | | | | | 74 | | | 199 | 272 | | | | | | 272 |
| 2012 | | | | | 62 | | | 191 | 252 | | | | | | 252 |
| 2013 | | | | | | | | 183 | 183 | | | | | | 183 |
| 2014 | | | | | | | | 176 | 176 | | | | | | 176 |
| 2015 | | | | | | | | 169 | 169 | | | | | | 169 |

*3/198 - 12/31/98
(1) Linweave contract ends October 31, 2012.

## Fitchburg Gas and Electric Light Company
### Power Contract Obligations
### Annual Obligations in MWH

### DTE 01-103 Settlement Agreement

| Year | PSNH System (1) | Pinetree (2) | Linweave (3) | Hydro Quebec (4) | TOTAL (5) |
|---|---|---|---|---|---|
| Actual | | | | | |
| 1998* | 69,082 | 78,233 | 16,182 | | 163,497 |
| 1999 | 69,504 | 97,597 | 17,888 | | 184,989 |
| 2000 | 9,931 | 6,333 | 1,796 | | 18,060 |
| 2001 | 0 | 0 | 0 | | 0 |
| Forecast | | | | | |
| 2002 | | | | | |
| 2003 | | | | | |
| 2004 | | | | | |
| 2005 | | | | | |
| 2006 | | | | | |
| 2007 | | | | | |
| 2008 | | | | | |
| 2009 | | | | | |
| 2010 | | | | | |
| 2011 | | | | | |
| 2012 | | | | | |
| 2013 | | | | | |
| 2014 | | | | | |
| 2015 | | | | | |

*3/198 - 12/31/98

## Fitchburg Gas and Electric Light Company
### Transmission in Support of Remote Generation

**$ in Thousands**

| Year | New Haven Harbor (1) | Wyman (2) | Millstone 3 (3) | Total (4) |
|---|---|---|---|---|
| Actual | | | | |
| 1998* | $169 | $9 | $8 | $186 |
| 1999 | 96 | 5 | 11 | 112 |
| 2000 | | | | (17) ** |
| 2001 | | | | 10 ** |
| Forecast | | | | |
| 2002 | | | | 0 |
| 2003 | | | | 0 |
| 2004 | | | | |
| 2005 | | | | |
| 2006 | | | | |
| 2007 | | | | |
| 2008 | | | | |
| 2009 | | | | |
| 2010 | | | | |

*3/198 - 12/31/98
** Transmission Wheeling Support Charges are not broken down by unit on the ISO-NE bill

## Fitchburg Gas and Electric Light Company
### Deferred Taxes on Fixed Component of Transition Charge

**$ in Thousands**

| | Book Basis | | | Tax Basis | | | | |
|---|---|---|---|---|---|---|---|---|
| Year End | Balance Net Book Value of Generation (1) | Balance Generation Related Regulatory Assets (2) | Total Net Book Basis (3) | Balance Net Book Value of Generation (4) | Balance Generation Related Regulatory Assets (5) | Total Tax Basis (6) | Excess Book Over Tax (7) | 38.29% Deferred Taxes (8) |
| 3/01/1998 | 10,924 | 724 | 11,648 | 4,299 | 0 | 4,299 | 7,349 | 2,814 |
| 1998 | 10,308 | 673 | 10,981 | 3,670 | 0 | 3,670 | 7,311 | 2,799 |
| 1999 | 9,371 | 612 | 9,983 | 2,860 | 0 | 2,860 | 7,122 | 2,727 |
| 2000 | 8,434 | 551 | 8,984 | 2,053 | 0 | 2,053 | 6,931 | 2,654 |
| 2001 | 7,497 | 489 | 7,986 | 1,244 | 0 | 1,244 | 6,742 | 2,582 |
| 2002 | 6,560 | 428 | 6,988 | 769 | 0 | 769 | 6,219 | 2,381 |
| 2003 | 5,623 | 367 | 5,990 | 617 | 0 | 617 | 5,372 | 2,057 |
| 2004 | 4,685 | 306 | 4,991 | 468 | 0 | 468 | 4,523 | 1,732 |
| 2005 | 3,748 | 245 | 3,993 | 322 | 0 | 322 | 3,671 | 1,406 |
| 2006 | 2,811 | 184 | 2,995 | 181 | 0 | 181 | 2,814 | 1,077 |
| 2007 | 1,874 | 122 | 1,997 | 86 | 0 | 86 | 1,911 | 732 |
| 2008 | 937 | 61 | 998 | 50 | 0 | 50 | 949 | 363 |
| 2009 | (0) | 0 | (0) | 1 | 0 | 1 | (1) | (0) |

Column Notes:

(1) Page 12, Column (7) for 3/1/98 Balance. For 1998-2009, Page 5, Row 12
(2) Page 13, Column (3) for 3/1/98 Balance. For 1998-2009, Page 6, Row 12
(3) Column (1) + Column (2)
(4) and (5) Per tax records of the Company.
(6) Column (4) + Column (5).
(7) Column (3) - Column (6).
(8) Column (7) x combined federal and state tax rate of 38.29%.

# Fitchburg Gas and Electric Light Company
## Summary of Transition Charges
## Return on Fixed Component

**$ in Thousands**

| | Base Return | | | | |
|---|---|---|---|---|---|
| Year End | Balance of Fixed Component (1) | Deferred Taxes (2) | Net Balance (3) | Average Net Balance (4) | Annual Return on Unamortized Balance Using Base ROE (5) |
| 1997 | $11,648 | $2,814 | $8,834 | | |
| 1998 | 10,981 | 2,799 | 8,182 | $8,508 | $883 |
| 1999 | 9,983 | 2,727 | 7,256 | 7,719 | 961 |
| 2000 | 8,984 | 2,654 | 6,331 | 6,793 | 846 |
| 2001 | 7,986 | 2,582 | 5,405 | 5,868 | 731 |
| 2002 | 6,988 | 2,381 | 4,607 | 5,006 | 623 |
| 2003 | 5,990 | 2,057 | 3,933 | 4,270 | 532 |
| 2004 | 4,991 | 1,732 | 3,260 | 3,596 | 448 |
| 2005 | 3,993 | 1,406 | 2,587 | 2,924 | 364 |
| 2006 | 2,995 | 1,077 | 1,917 | 2,252 | 280 |
| 2007 | 1,997 | 732 | 1,265 | 1,591 | 198 |
| 2008 | 998 | 363 | 635 | 950 | 118 |
| 2009 | (0) | (0) | 0 | 318 | 40 |

Column Notes:
(1) Page 18, Column (3).
(2) See Page 18, Column (8).
(3) Column (1) - Column (2).
(4) (Column (3) Prior Year + Column (3))/2.
(5) Column (4) x Total Rate of Return Inclusive of Taxes of 12.45%

**Return Component**

| Capital Structure: | Dec 31, 1996 | |
|---|---|---|
| LTD - Taxable | 47.03% | |
| Preferred | 3.38% | |
| Common Equity | 49.59% | |
| | 100.00% | |
| Cost Rates: | | |
| LTD - Taxable | 7.60% | |
| Preferred | 6.85% | |
| Common Equity | 10.58% | |
| Total Weighted Cost Rate | | 9.05% |
| Reimbursement for Taxes on Equity Component | 3.40% | |
| Total Rate of Return Inclusive of Taxes | 12.45% | |
| Total Weighted Cost rate Less Tax Shield on Debt | 7.68% | |