

BEFORE THE
RHODE ISLAND PUBLIC UTILITIES COMMISSION
PASCOAG UTILITY DISTRICT DOCKET NO. 3580
DIRECT PRE-FILED TESTIMONY
AND
SCHEDULES AND SUPPORTING DOCUMENTATION

JANUARY 2005

PASCOAG UTILITY DISTRICT
ELECTRIC DEPARTMENT

IN RE: PASCOAG UTILITY DISTRICT'S
SEMI-ANNUAL RATE TRUE-UP
RIPUC DOCKET NO. 3580

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December 29, 2004

Rhode Island Public Utilities Commission
Ms. Luly Massaro
Clerk of the Commission
89 Jefferson Blvd.
Warwick, RI 02888

Re: RIPUC Docket No. 3580
Pascoag's Semi-Annual Rate True-up
Financial Review and Update

Dear Ms. Massaro:

On behalf of Pascoag Utility District (Pascoag or the District), we herewith submit an original and nine copies of Pascoag's filing in the above docket. This docket is Pascoag's semi-annual reconciliation of its Standard Offer, Transition Charge, and Transmission Charge. This submittal contains two books – one containing purchased power invoices for the period June 2004 through January 2005, and one containing pre-filed testimony and supporting schedules.

The District is submitting two scenarios for Commission review. Under Scenario I, a residential customer using 500 kilowatt-hours of electricity per month, would see his bill decrease from \$56.49 to \$50.97, a decrease of \$5.52, or 9.8%. Scenario I spreads Pascoag's reconciliation of factors over the six-month period from February 2005 through July 2005.

The following rates proposed under Scenario I are:

	<u>Current</u>	<u>Proposed Scenario I Six-Months</u>	<u>Difference on 500 kwhr bill</u>
Standard Offer	\$0.05167	\$0.04801	(\$1.83)
Transition	\$0.00701	(\$0.00156)	(\$4.27)
<u>Transmission</u>	<u>\$0.00937</u>	<u>\$0.01055</u>	<u>\$0.58</u>
Net Decrease			(\$5.52)

Under Scenario II, the one preferred by Pascoag, the reconciliation and forecast in this filing is spread over a twelve-month period. Under Scenario II, a residential customer using 500 kilowatt-hours of electricity per month, would see his bill decrease from \$56.49 to \$56.26, a decrease of \$0.23, or .4%. Scenario II spreads Pascoag's reconciliation of factors over the twelve month period from February 2005 through January 2006.

	<u>Current</u>	<u>Proposed Scenario II Twelve-Months</u>	<u>Difference on 500 kwhr bill</u>
Standard Offer	\$0.05167	\$0.05482	\$1.57
Transition	\$0.00701	\$0.00234	(\$2.33)
<u>Transmission</u>	<u>\$0.00937</u>	<u>\$0.01043</u>	<u>\$0.53</u>
Net Decrease			(\$0.23)

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December 29, 2004

The District is requesting that the proposed rates become effective February 1, 2005. Pascoag has noticed the rate change at least thirty days prior to the requested effective date in its Proposed Notice of Change in Rates.

Also included as part of this docket as Schedule J is Pascoag Cash Flow Summary Reports and Schedule K Restrict Fund Account Summary. These two schedules are required under RIPUC Docket No. 3580.

If you have any questions, please do not hesitate to contact me.

Very truly yours,

Judith R. Allaire
Customer Service and Accounting Manager

Cc: Service list

Pascoag Utility District
Standard Offer & Reconciliation – Docket No. 3580
Service List – January 2005

<u>Name</u>	<u>E-mail</u>	<u>Phone/Fax</u>
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Mr. Timothy Hebert Vice President, Energy Operations Energy New England 100 Foxborough Blvd. Foxborough, MA 02035	Thebert@energynewengland.com	(508) 698-0019

CERTIFICATE OF SERVICE

I hereby certify that a copy/copies of this filing in RIPUC Docket No. 3580 (Pascoag Utility District's Semi-Annual Rate Reconciliation) were served electronically and by express/or certified mail on the individuals named in the above List of Recipients of Filing, this ____ day of _____ 2004.

Judith R. Allaire, Notary Public
My commission expires March 28, 2005

State of Rhode Island and Providence Plantations
PUBLIC UTILITIES COMMISSION

RE: PASCOAG UTILITY DISTRICT
RIPUC DOCKET NO. 3580

NOTICE OF CHANGE IN RATE

Pursuant to Rhode Island General Laws (R.I.G.L.), Section 39-3-11, and in accordance with Section 2.4 of the Rules of Practice and Procedure of the Rhode Island Public Utilities Commission (RIPUC), the Pascoag Utility District hereby gives notice of a proposed change in rates filed and published in compliance with R.I.G.L. 39-3-10.

The proposed changes are contained in the exhibits accompanying the filing. The new rates, as proposed, are to become effective February 1, 2005.

Standard Offer	Current \$0.05167	Proposed	\$0.05482
Transition	Current \$0.00701	Proposed	\$0.00234
Transmission	Current \$0.00937	Proposed	\$0.01043

A residential customer using 500 kilowatt-hours is currently paying \$56.49. Under the proposed rates, this bill would decrease to \$56.26, a decrease of \$0.23, or approximately .4%.

Be advised as follows:

- 1) Pascoag Utility District, incorporated by a special act of the General Assembly, is a quasi-municipal utility within the Village of Pascoag with offices located at 253 Pascoag Main Street, Pascoag, Rhode Island.
- 2) The Electric Department of the Pascoag Utility District operates an electric distribution system providing retail electric service to customers in the Villages of Pascoag and Harrisville, both in the Town of Burrillville, Rhode Island.
- 3) Correspondence for Pascoag Utility District in this case should be addressed to Theodore G. Garille, General Manager, Pascoag Utility District Electric Department, 253 Pascoag Main Street, P O Box 107, Pascoag, Rhode Island 02859.
- 4) In accordance with the RIPUC Rules and Regulations, the documents accompanying this filing contain data and information in support of Pascoag Utility District's application. A copy of this filing is at our offices and may be examined by the public during business hours.

Theodore G. Garille, General Manager
Pascoag Utility District

State of Rhode Island, County of Providence. Subscribed and sworn to before me on the ____ day of _____, 2004.

Judith R. Allaire, Notary Public
My Commission Expires March 28, 2005

Testimony of Judith R. Allaire

Q. Why didn't Pascoag appear before the Commission on this docket in July? Doesn't the District traditionally file semi-annually in the reconciliation of Standard Offer, Transition and Transmission?

A. Yes, Pascoag's rates are reconciled and adjusted semi-annually, as required in tariffs currently in effect with the Commission. Pascoag did file its fuel reconciliation in July, with a proposed rate decrease of 1.4%. However, after discussions with Commission and Division staff, a decision was made to defer that slight decrease, and maintain the existing rates. Those rates, in effect from February 1, 2004 were: Transition Charge of \$0.00701, Transmission Charge of \$0.00937, and Standard Offer Rate of \$0.05167

There were numerous reasons for the decision to defer the decrease. The driving factor was the expected increase in purchase power costs when Pascoag's power contracts with TransCanada and Braintree Electric Light Department expire on 12/31/04. Additionally, since Pascoag's Standard Offer was \$0.05167, well below the market value rate, District customers were not being adversely impacted. In fact, at that time, residential customers of the District had the lowest electric rates in the state. If Pascoag were allowed to maintain the rates in effect and defer the slight rate decrease, any over collection in revenues realized would be used to mitigate expected increased power costs with the inception of the new power contracts in January 2005. By doing that, customers would not be impacted with a possible substantial increase during the coldest winter months.

In that filing, Pascoag used actual purchase power expenses for January 2004 through May 2004, and estimates for June and July. The projected over collection for the period ending July 31st was \$69,000. When Pascoag reconciled its estimates to the actual costs for the months of June and July, the over collection was approximately \$200,000. Since the actual reconciliation was so much over the projections, Pascoag notified Commission and District staff to determine if rates should be reviewed at that time. However, all involved believed that by maintaining the existing rates customers of the District would benefit in the longer term.

Q. You stated that in the last filing Pascoag used billing estimates. Has the District used estimates in this submittal?

A Yes. December and January expenses and revenue are estimates. ENE provides Pascoag with the forecast for these periods. Working with these forecast numbers, Pascoag made several assumptions that reflect the following:

December Billing

- 1) For “Subtransmission”, Pascoag reduced the monthly amount from \$7,500 in the forecast to \$7,137. This amount is the actual Subtransmission bill, based on the District’s peak for the prior eleven-month period. This reduced projected expenses by \$363.
- 2) Pascoag added ISO NE sales of \$15,800. This number is an average of ISO sales for the period July through November. This reduced projected expenses by \$15,800.

- 3) Pascoag added in \$1,673 for the NYPA billing correction. This correction was discussed by the District in an earlier filing. NYPA had under billed the St. Lawrence and Niagara projects, and that under billing impacted Pascoag by approximately \$25,000. In a settlement with NYPA, Pascoag has been allowed to pay that over a fifteen month period. This added \$1,673 to the projected numbers.
- 4) Pascoag reduced the ISO billing expense by \$56,558. This is reflective of an average of ISO billing for the period July through November.

All of these adjustments had the impact of reducing the December purchase power costs from \$311,791 forecasted by ENE to \$240,743. This number more closely mirrors Pascoag's actual purchase power cost for the prior several months.

January Billing

- 1) For "Subtransmission", Pascoag reduced the monthly amount from \$7,500 in the forecast to \$7,137. This amount is the actual Subtransmission bill, based on the District's peak for the prior eleven-month period. This reduced projected expenses by \$363.
- 2) Pascoag added in \$1,673 for the NYPA billing correction. This correction was discussed by the District in an earlier filing. NYPA had an underbilling to St. Lawrence and Niagara projects that impacted Pascoag by approximately \$25,000. In a settlement with NYPA, Pascoag has been allowed to pay that over a fifteen-month period. This added \$1,673 to the projected numbers.

- 3) Because of the new contracts in place beginning on January 1, 2005, Pascoag did not make any changes to the ISO billings or sales.

The adjustments for the January period increased the purchase power costs from \$347,916 forecasted by ENE to \$ 349,226. Although this is much higher than prior months, January is historically a peak month for Pascoag. In January 2004, Pascoag's purchased power expenses were \$335,765.

For revenues for both December and January, Pascoag used actual consumption for the same period last year, but added a growth factor of 4.5%.

Q. Can you identify why Pascoag's over collection was so much higher than projected?

A. There appear to be several factors involved:

In forecasts for the period, Energy New England (ENE) based the output on the New York Power Authority (NYPA) of interruptible power at 60% based on previous plant production. However, Pascoag has received (and continues to receive) interruptible kilowatt-hours equal to (and in some cases greater) than firm kilowatt-hours. As an example, looking at St. Lawrence energy in January 2004, Pascoag received a total of 819,000 kWhrs. In June 2004, that energy increased to 1,635,000 kWhrs, almost double the January power. As NYPA power is approximately \$0.02 per kilowatt-hour, as opposed to cost of \$0.0475 from TransCanada, and even higher from Pascoag's other entitlements, the increase in NYPA energy is a contributing factor to lower monthly power costs.

Additionally, beginning July 15, 2004, ISO New England started billing interchange markets to the Massachusetts Municipal Wholesale Electric Company (MMWEC) Participants on a weekly billing cycle. Pascoag is a Project Participant in MMWEC's Project Six - the Seabrook Nuclear Unit. There are some potential benefits to this system. It reduces exposure to payment default by other NEPOOL participants through the shortening of the time window for the ISO bill collections. MMWEC set up a process to handle the weekly interchange billing with ISO, while continuing to bill the MMWEC Participants on a monthly cycle. MMWEC receives weekly ISO Interchange billing information and creates weekly Interchange bills. MMWEC holds the Participants weekly Interchange bills until a month's bills have been received, and then issues a Summary ISO Interchange Invoice showing the total of these invoices due when the final weekly Interchange billing for the month is received from ISO. MMWEC makes the payments to ISO on a weekly basis, and borrows from the Participant's Working Capital Fund to ensure that the payments to ISO are made on time. Pascoag currently maintains approximately \$101,000 in a Working Capital Account on deposit with MMWEC. This deposit is required by MMWEC based on the Participant's participation in various projects. The weekly information is summarized on the Participant's invoice each month.

In Pascoag's case, many of these weekly ISO Interchange billings resulted in a credit. When this happens, MMWEC issues a check to the Pascoag. The summary ISO Interchange statement reports only the invoices that result in an amount due. The check is sent at around the same time as the Summary ISO Interchange invoice, usually around the 25th of each month. MMWEC cannot net credits against outstanding invoices.

Therefore, if there are any credits, Pascoag receives a check from MMWEC for the total amount. These credits are included with Pascoag's invoice summaries submitted under separate cover with this filing.

Since Pascoag buys much of its power under long and short term contracts, this equates to it netting out much of the ISO NE spot market exposure, leading to relatively low settlements for the hourly markets, which are the focus of Weekly Billing. On one hand, Pascoag pays for its demand at the RI zonal prices while receiving payments at Roseton (NYPA), Seabrook and the RI zone for the BELD and TransCanada power. Due to Pascoag's generally being covered by contracts, the potential volatility in weekly funds owed to ISO NE is greatly diminished. Weekly billing only reflects the LMP value of purchasing demand or being paid LMP at the contract/resource locations, and does not include the long-term resource bills or prices agreed with counterparties through ENE.

Beginning with the July MMWEC billing, the District began receiving monthly checks through this program.

July	\$27,802
August	\$19,119
September	\$ 2,772
October	\$13,791
November	\$12,969

Another factor contributing to the over collection is that Pascoag's sales for September and October were high, resulting in increased revenues for that two month period.

Finally, there were no prolonged heat spells during the summer. Therefore the District did not have to purchase additional energy to meet ISO NE requirements. In fact, Pascoag did not reach an energy peak during the month of August, a typical peaking period for the District.

Q Please state the over collection on all factors.

A Pascoag's net over collection at this time is \$392,074. The breakdown by factor is as follows:

Standard Offer	\$242,537
Transition	\$160,964
Transmission	(\$ 11,427)

However, it is important to note that in this filing there are estimates used for December and January as described in the above testimony. These two months are subject to reconciliation in the District's next filing.

Q. What can Pascoag do to try to reduce such a large over collection in the future?

A. Pascoag is concerned to see such a large over collection (or under collection). The District has reviewed kilowatt-hour growth over the past several years, and is increasing its growth factor from 3% to 4.5% to more accurately reflect anticipated growth.

Additionally, Pascoag has modified ENE forecast to reflect the items mentioned above. Pascoag continues to work with ENE to improve both the forecasting of purchase power costs, as well as the forecasting of sales.

A large portion of the over collection can be seen on Schedule D “Summary of Budgeted Power Costs to Actual Cost.” For the first eleven months of 2004, Pascoag’s actual purchase power costs were approximately \$360,000 under budget.

Q. Has the District done anything else to impact energy consumption?

A. We believe that the District’s Demand Side Management Program does favorably impact the District energy and demand requirements. This contributes to lower costs that can be passed along to the customers of Pascoag.

Q. Please update the Commission on the new power contracts in place after January 1, 2005.

A. In his testimony, Mr. Hebert addresses this in detail, but in summary the District, working with ENE began the power procurement process in the late summer/early fall of 2004.

In September, Pascoag and ENE reviewed the feasibility of entering into an extended (two-year) power contract. At that time, power prices for the next year remained high. Although there was some price drops in natural gas price, they were limited to only a month or two duration.

The strong hurricane season also did much to impact the price of natural gas. After falling for several weeks, when the hurricanes moved through the Gulf of Mexico, gas prices began to rise.

One bright spot in the process was that capacity prices remained low through 2005, coming in at around \$0.10/kw-month.

Throughout the remainder of the fall, ENE continued to investigate various options, which Mr. Hebert will detail. However, in early December, Pascoag finalized its contracts for 2005.

The two purchased power contracts for 2005 are 2.5 MW around the clock from TransCanada and 0 to 5.5 MW for the difference with BELD. The latter will fill in Pascoag's hourly load obligations and its NYPA, Seabrook, and TransCanada contracts on a load following basis, and will provide coverage for either an unscheduled Seabrook outage or reduced NYPA output.

Overall costs increased by 8.4% compared to the February to July 2004 filing period (\$70.21/MWH compared to \$64.77/MWH). TransCanada and BELD costs are higher than last year, as are ISO and transmission expense. Capacity costs are down. Increased NYPA generation means that less energy will be purchased from the higher priced BELD entitlement.

Pascoag's resource diversity is:

24.85%	NYPA
19.0%	Seabrook
<u>56.15%</u>	Market Purchases – TransCanada and BELD
100.0%	

While Pascoag would rather see no increase in purchase power cost, in the current environment, 8.4% seems reasonable.

Copies of both the TransCanada and BELD contracts are available for Commission and Division review.

Q. What does Pascoag use for the Market Rate, and how was it calculated?

A. In this filing, Pascoag uses a Market Rate of \$0.072736/kwhr. Mr. Hebert discusses the methodology used to arrive at this rate in his testimony. However, this rate compares to Narragansett's Standard Offer of \$0.067/kwhr and Last Resort rate of \$0.08148/kwhr for the January to February time frame. Massachusetts 2005 Default Service Rates through June 2005 average \$0.07261/kwr.

Q. What is the impact of the proposed rates on Standard Offer Rate, Transition Charge and Transmission Charge?

A. Pascoag is submitting two scenarios for Commission consideration. In the first case, the rate decrease is spread over the six-month period in this filing, and is as follows:

	<u>Current</u>	<u>Proposed</u>
Standard Offer	\$0.05167	\$0.04801
Transition Charge	\$0.00701	(\$0.00156)
Transmission Charge	\$0.00937	\$0.01055

The impact on a residential customer using 500 kWhrs of electricity is:

	<u>Current</u>	<u>Proposed</u>	<u>Increase/(Decrease)</u>
Standard Offer	\$25.84	\$24.00	(\$1.83)
Transition Charge	\$ 3.50	(\$ 0.78)	(\$4.27)
Transmission Charge	\$ 4.69	\$ 5.27	\$ 0.58

A customer using 500 kilowatt-hours of electricity currently pays \$56.49. Under Scenario I, his bill would decrease by \$5.52 to \$50.97, a decrease of 9.83%.

In the second case, the rate decrease is spread over this six month filing as well as the next filing period, for a total of twelve months. This is the option preferred by Pascoag, as it will coincide with the current power contract period. Pascoag also believes that this will produce less “rate shock” to its customers. Rather than have a substantial rate decrease for the first six-month period, and then a possible rate increase in the next six-month period, the twelve-month option will even out rates paid by customers for an entire year.

	<u>Current</u>	<u>Proposed</u>
Standard Offer	\$0.05167	\$0.05482
Transition Charge	\$0.00701	\$0.00234
Transmission Charge	\$0.00937	\$0.01043

The impact on a residential customer using 500 kWhrs of electricity is:

	<u>Current</u>	<u>Proposed</u>	<u>Increase/(Decrease)</u>
Standard Offer	\$25.84	\$27.41	\$1.57
Transition Charge	\$ 3.50	\$ 1.17	(\$2.33)
Transmission Charge	\$ 4.69	\$ 5.22	\$0.53

Under Scenario II, a 500 kilowatt-hour customer would see his bill decrease from \$56.49 to \$56.26, a decrease of \$0.23, or .4%.

Q. In prior hearing, Pascoag has testified about obtaining a credit rating. Please provide an update on that process.

A. In a recent meeting with Ronald Decurzio, Chief Financial Officer and Treasurer of MMWEC, the District decided to put the process on hold until the District's 2005 audited financial reports are completed. As testified earlier, Mr. Decurzio is assisting the District in this process.

This has a two-fold advantage. First, the District will have had a full year with the new rates implemented since Pascoag's Cost of Service Study. Secondly, the financial information will be updated and fresh, rather than based on financial information based on the period through October 31, 2003, the District's last completed fiscal year.

Mr. Decurzio will accompany Ms. Allaire and Mr. Garille to Manhattan to meet with the representatives of Standard & Poor's, the credit rating agency. The District anticipates that the audited financial reports should be completed by March 31, 2005. Shortly after that time, Pascoag will submit its updated application package.

Effective January 1, 2004, Pascoag changed its fiscal year to mirror the calendar year. The change of fiscal year was beneficial to the District for several reasons, but the most significant is the term of the District's power contracts. Since the District enters into short-term power contracts based on the calendar year, the change of the fiscal year makes budgeting much more reflective of known and measurable costs. Previously, the District's fiscal year ended on October 31st.

Q. Since the District has almost one full year with its new rates, please update the Commission on Pascoag's financial position.

A. Over the past several months, Pascoag has obtained several financial goals set by its management at the beginning of the year.

- a) District’s savings account (non-restricted) increased from \$132,277 in January 2004 to \$362,403 as of December 28, 2004.
- b) A separate account, designated for Demand Side Management activity, has been established and funded to a level of \$40,000. A goal of \$100,000 is set for this fund, and Pascoag plans to fully fund this account by the time the 2006 Demand Side Management Program is designed. \$100,000 was selected as a target for this account as that is approximately equal to one year of DSM revenues collected by the District.
- c) All vendor accounts are in payment terms (thirty days).
- d) The District obtained a loan at a favorable rate for construction of a new garage and a complete remodel of the District’s business office. By refinancing existing debt, Pascoag was able to reduce its debt service payment by almost \$3,600 per month.
- e) Pascoag has encumbered \$210,000 for future Purchase Power Expenses. This is money that Pascoag will use to offset any increases in purchase power costs over the next several months as part of the existing over collection. This money is in an interest bearing account with Freedom National Bank earning an annual percentage yield of 2%.
- f) Pascoag “unofficially” allocates its non-restricted savings as follows:

Contingency/Emergency	\$ 10,000
Sinking Fund (Office Bldg)	\$ 28,222
Storm Fund	\$ 15,000
Working Cash Reserve	\$ 59,181
Dedicated DSM Fund	\$ 40,000
Purchased Power	\$210,000

Included in this filing as Schedule J are Cash Flow Summaries from July 2004 through December 28, 2004.

Q. What is the status of the District's Restricted Fund Account?

A. An annual funding level of \$376,000 was set for this account as part of the settlement agreement at Pascoag's Cost of Service Study. The new rates implemented by the COS became effective February 1, 2004. For the ten month period ending December 28, 2004, the activity in the account is as follows:

<u>Contributions</u>	<u>Interest</u>	<u>Withdrawals</u>	<u>Balance</u>
\$340,025	\$1,070	\$236,780	\$104,313

A complete summary of the Restricted Fund, submitted in this filing as Schedule K details all activity in the account.

Q. In this filing, Pascoag used a 4.5% growth rate. In filings for several of the previous periods, Pascoag used 3%. Why was the growth rate forecast increased?

A. After reviewing actual kilowatt-hour consumption over the past several years, the District realized that the actual growth was higher than forecast. Additionally kilowatt-hour sales this year (based on an eleven-month period, ending November 30th), appear to be higher than a 3% increase. (The kilowatt-hour sales for 2004 are based on unaudited figures, and do not include accruals).

Finally, after a review of pending building projects filed with the Town of Burrillville, Pascoag decided that a growth rate of 4.5% more accurately reflects the growth rate for the District.

Q. Are there any other anticipated changes that may impact Pascoag's filing with the Commission under this docket in the future?

A. Yes, there is. Currently Pascoag's tariff for the Transmission Charge, Transition Charge and Standard Offer requires a complete reconciliation every six months. The District is considering submitting a revision to that tariff for Commission review and consideration. The revision would allow for an annual filing, with a mid-year summary report of any over or under collection. If this tariff change is submitted by Pascoag, the District would work with Division and Commission staff to ensure that if the over or under collection reached a certain amount, an interim rate change would be possible.

Q. What is the requested effective date for the proposed rates?

A. Pascoag is requesting that the rates become effective for the period beginning February 1, 2005. The proposed rate change was advertised in a local publication on December 31, 2004.

Q. Does this conclude your testimony?

A. Yes, it does.

Testimony of Timothy Hebert, Energy New England

Q. Please describe the process that Energy New England and Pascoag Utility District used to arrive at the new power contracts for 2005.

A. In order to meet Pascoag Utility District's (PUD) 2005 energy requirements, Energy New England (ENE) issued a Request for Proposals (RFP) to potential suppliers for firm blocks of energy. We also solicited offers for heat rate call options and fixed price load following arrangements for comparative analysis. We approached Braintree Electric Light Department, Calpine, Constellation New Energy, Constellation Power Source, Florida Power and Light, Hydro Quebec Energy Services US, Public Service Electric and Gas, Sempra Energy Trading, TransCanada Power Marketing, Westfield Gas and Electric, WPS Energy Services, and the Vermont Public Power Supply Authority for pricing. We received responses from half the suppliers, with a wide spread in pricing.

Forward market prices have risen steadily, with a few modest pullbacks, over the past fifteen months. The rise increased dramatically in early September of this year. In early November fuel and power prices declined, fuel by around 15% and power by around 6%. This is illustrated in Figures 1 and 2 on the following page for crude oil and natural gas. While market prices remain high, this presented a buying opportunity. Current high power prices are driven by high fuel futures prices. Fuel and power prices rose substantially in the fall due to several events. The two most prominent were damage to oil and natural gas production in the Gulf of Mexico by Hurricane Ivan, and the larger of the two was the dramatic increase in speculative hedge fund activity in the energy markets. Recent pullback of hedge fund positions and an improved winter

fuel supply/demand picture have helped reduce energy prices. Power prices reflect high future fuel prices, and a relatively illiquid market has reduced the number of suppliers willing to respond and increased pricing for smaller volume transactions.

We reviewed several potential arrangements in order to provide price flexibility. Our recommendation was to lock the power pricing in rather than letting it float with fuel prices. The fixed costs of the heat rate option contracts made them unattractive relative to locking in prices. Thus, our recommendation was to purchase contracts for 2005, and wait on purchasing for 2006 as prices may drop after the winter. The 2005 contracts consist of a 2.5 MW around the clock contract from TransCanada and a contract for differences with the Braintree Electric Light Department (BELD).

The BELD contract will provide the energy that Pascoag requires to meet its load obligations each hour based on the difference between its aggregate customer demand less the cumulative expected hourly output of Seabrook, NYPA, and the TransCanada contract. The TransCanada price is \$63.50/MWH and the BELD price is \$66.50/MWH. Both contracts are delivered to the Rhode Island load zone. The latter attribute is attractive since Rhode Island does experience congestion from time to time. These contracts will help reduce any potential impact of this on Pascoag. Capacity will be procured independently of the energy. To date, 5 MW of capacity has been purchased at a price of \$0.13/kw-month. It is anticipated that monthly bilateral and spot market purchases will average this price down.

This approach provides substantial savings to purchasing a partial requirements load following product. This was due to negotiating a relatively attractive price from TransCanada and

combining Pascoag’s remaining requirements with that of BELD. Participating in a larger aggregate purchased allowed better pricing to be captured. A comparable “energy only” partial requirements price at the time would have approximated \$67.15/MWH. By contrast, the TransCanda and BELD purchases will be delivered to Pascoag at an average price of \$64.51/MWH. TransCanda and BELD 2005 purchases total 33,297 MWH. This results in a savings of around four percent or \$87,904 in 2005.

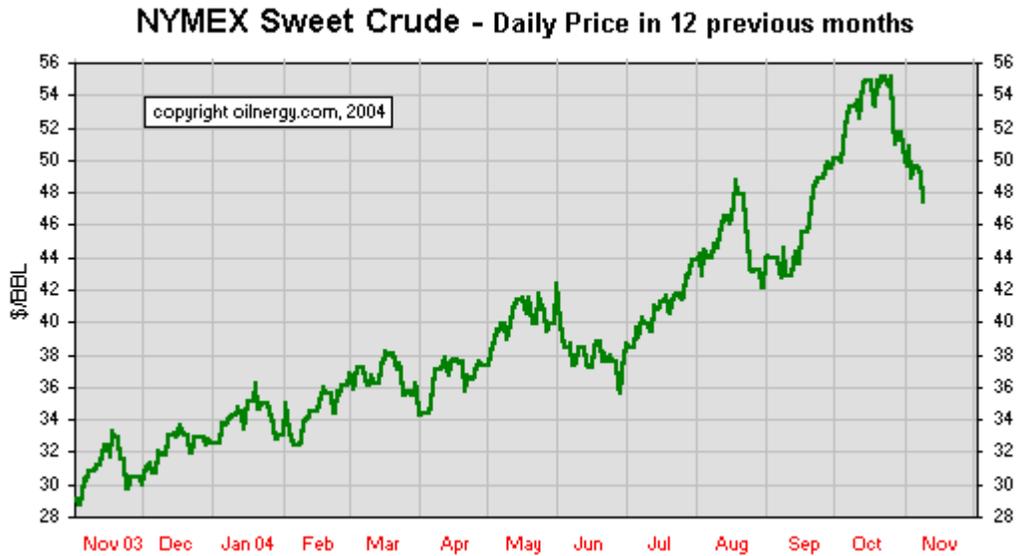


Figure 1. NYMEX light sweet crude oil contract daily closing price for past 12 months. Graphic courtesy of www.oilnergy.com

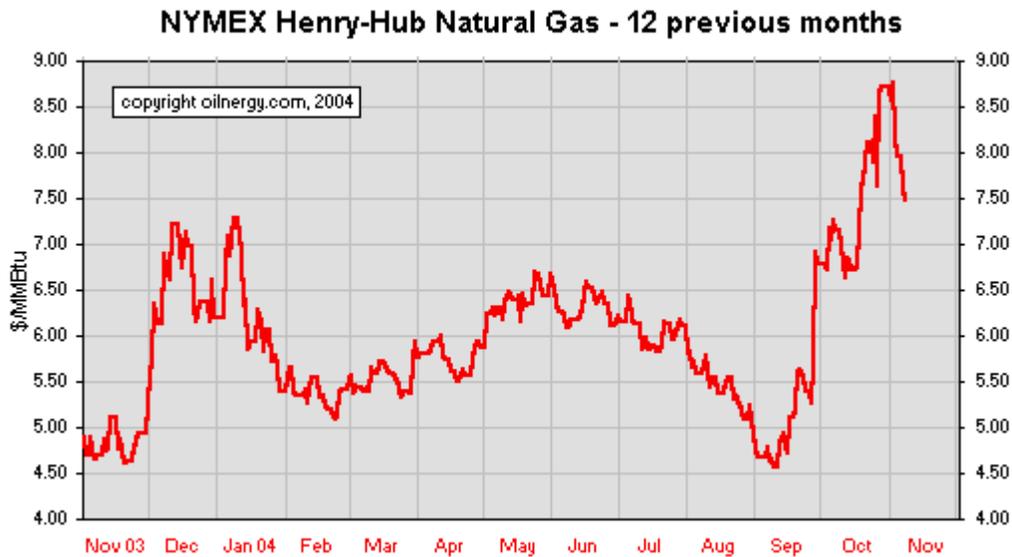


Figure 1. NYMEX natural gas futures contract daily closing price for past 12 months. Graphic courtesy of www.oilnergy.com

Q. Please describe the methodology used to arrive at the Market Rate Calculation used in this filing.

A. The February through July 2005 market rate calculation is outlined below. Fuel prices have fluctuated dramatically in the last few months. Natural gas and oil prices rose quickly to all-time highs, and of late have trended down. Despite this downtrend energy prices remain high. Natural gas spot prices have ranged between \$6.00-9.00/MMBTU in the past 6 weeks, and crude oil has ranged from \$41.00-55.67/barrel. New England's heavy reliance on gas-fired generation results in forward power contracts being priced mainly based on natural gas futures for on-peak power. Off-peak is influenced by both oil and gas prices. Natural gas prices rose this fall due to several factors. These included Gulf of Mexico production shut-ins caused by hurricane Ivan, sympathetic movement to quickly rising oil prices and the notable increase in

activity by speculative hedge funds in the energy commodities futures markets. Oil prices were driven by high global demand and slow crude oil and distillate inventory builds in the United States. Potential supply disruptions still weigh on the market, with estimates ranging widely from \$5.00-8.00 to as high as \$10.00-15.00 per barrel. We have incorporated a representation of recent forward market prices as well as “all-requirements” awards.

There are several factors that determine the type of competitive price at which a supplier will serve a customer. These include actual load factor, ancillary services, and load based ISO New England charges and expenses. The premium for these services for various customer classes varies with the same market conditions described above. We define this premium based on actual market prices for requirements, or load following service, from current Standard Offer, Default Service, and equivalent awards. Such premiums have historically ranged between 15-20% above base load market prices. Due to higher wholesale prices, this premium has approximated the lower end of the range based on market offers and recent Standard Offer, Default Service, or Last Resort Service awards. We utilize a 55% load factor (LF) to amortize the capacity value.

Requirements Market Rate = (Energy + Capacity/LF)*1.15 = (6.2+(0.0137/0.55))*1.15 = 7.2736
c/kWh

This appears to be in line with current investor utility generation charges. The current Narragansett Electric Standard Offer rate is 6.7 c/kwh and Last Resort rates for the January-February time frame are 8.148 c/kwh. Massachusetts 2005 Default Service rates through June

2005 average 7.261 c/kwh. Thus, this calculation is felt to be a fair representation of the market price for a full requirements service.

Pascoag Utility District - Expense by Rate Component						
June 2004						
Energy Component	Kwhrs	Transition	Standard Offer	Transmission	Total	Average
MMWEC - Project 6					\$ -	
Project 6	891,892	\$ 87,170.57		\$ 550.56	\$ 87,721.13	
Credit					\$ -	
Total MMWEC-Project 6	891,892	\$ 87,170.57		\$ 550.56	\$ 87,721.13	\$ 0.0984
MMWEC Non-PSA						
Admin Exp			\$ 499.18		\$ 499.18	
HQI				\$ 1,213.36	\$ 1,213.36	
HQII				\$ 91.43	\$ 91.43	
HQIII				\$ 159.88	\$ 159.88	
ISO-NE Billing	-316,790		\$ (3,022.41)	\$ 12,345.53	\$ 9,323.12	\$ (0.0294)
					\$ -	
Total MMWEC Non PSA	-316,790	\$ -	\$ (2,523.23)	\$ 13,810.20	\$ 11,286.97	
NYPA - St Lawrence						
Demand			\$ 2,736.00		\$ 2,736.00	
Energy	1,407,000		\$ 6,922.44		\$ 6,922.44	
Transmission - NYPA TSC				\$ 193.94	\$ 193.94	
Wheeling				\$ 4,539.47	\$ 4,539.47	
NYISO Ancillary				\$ 5,494.28	\$ 5,494.28	
Total - St Lawrence	1,407,000	\$ -	\$ 9,658.44	\$ 10,227.69	\$ 19,886.13	\$ 0.0141
NYPA - Niagara						
Demand			\$ 1,026.00		\$ 1,026.00	
Energy	228,000		\$ 1,121.76		\$ 1,121.76	
Transmission-NYPA TSC				\$ 27.58	\$ 27.58	
Wheeling				\$ 1,051.19	\$ 1,051.19	
NYISO Ancillary				\$ 3,288.40	\$ 3,288.40	
Total - Niagara	228,000	\$ -	\$ 2,147.76	\$ 4,367.17	\$ 6,514.93	\$ 0.0286
National Grid						
Subtransmission				\$ 7,172.00	\$ 7,172.00	
LNS				\$ 2,533.79	\$ 2,533.79	
					\$ -	
Total National Grid	0	\$ -	\$ -	\$ 9,705.79	\$ 9,705.79	
Energy New England						
All Requirements Service			\$ 2,600.00		\$ 2,600.00	
Short Term Supply Mngmnt			\$ 2,600.00		\$ 2,600.00	
Broker fees					\$ -	
ICAP, Options			\$ 6,240.00		\$ 6,240.00	
BELD purchases/sales	32,000		\$ 2,400.00		\$ 2,400.00	\$ 0.0750
Settlement Adjustment					\$ -	#DIV/0!
TransCanada	2,048,000		\$ 99,840.00		\$ 99,840.00	\$ 0.0488
Total -Energy New England	2,080,000	\$ -	\$ 113,680.00	\$ -	\$ 113,680.00	
Power Costs - June	4,290,102	\$ 87,170.57	\$ 122,962.97	\$ 38,661.41	\$ 248,794.95	\$ 0.0580

Pascoag Utility District - Expense by Rate Component						
July 2004						
Energy Component	Kwhrs	Transition	Standard Offer	Transmission	Total	Average
MMWEC - Project 6						
Project 6	919,579	\$ 86,015.75		\$ 482.12	\$ 86,497.87	
Credit		\$ (4,274.09)			\$ (4,274.09)	
Total MMWEC-Project 6	919,579	\$ 81,741.66			\$ 82,223.78	\$ 0.0894
MMWEC Non-PSA						
Admin Exp			\$ 522.78		\$ 522.78	
HQI				\$ 119.46	\$ 119.46	
HQII				\$ 93.68	\$ 93.68	
HQIII				\$ 1,179.73	\$ 1,179.73	
ISO-NE Billing	-12,900		\$ 4,057.48	\$ 15,994.28	\$ 20,051.76	\$ (1.5544)
ISO Weekly Sales	-632,150		\$ (27,802.31)		\$ (27,802.31)	\$ 0.0440
Total MMWEC Non PSA	-645,050	\$ -	\$ (23,222.05)	\$ 17,387.15	\$ (5,834.90)	
NYPA - Niagara						
Demand			\$ 1,026.00		\$ 1,026.00	
Energy	215,000		\$ 1,057.80		\$ 1,057.80	
Transmission - NYPA TSC				\$ 23.46	\$ 23.46	
Wheeling				\$ 891.50	\$ 891.50	
NYISO Ancillary				\$ 599.58	\$ 599.58	
TUC Losses				\$ 2,225.28	\$ 2,225.28	
NTAC				\$ 120.84	\$ 120.84	
Underbilled Losses (1)			\$ 1,302.49		\$ 1,302.49	
Total - Niagara	215,000	\$ -	\$ 3,386.29	\$ 3,860.66	\$ 7,246.95	\$ 0.0337
NYPA - St Lawrence						
Demand			\$ 2,736.00		\$ 2,736.00	
Energy	1,539,000		\$ 7,571.88		\$ 7,571.88	
Transmission-NYPA TSC				\$ 227.01	\$ 227.01	
Wheeling				\$ 5,297.13	\$ 5,297.13	
NYISO Ancillary				\$ 1,953.42	\$ 1,953.42	
TUC Losses				\$ 3,690.04	\$ 3,690.04	
NTAC				\$ 393.84	\$ 393.84	
Underbilled Losses (1)			\$ 370.99		\$ 370.99	
Total - Niagara	1,539,000	\$ -	\$ 10,678.87	\$ 11,561.44	\$ 22,240.31	\$ 0.0145
National Grid						
Subtransmission				\$ 7,172.00	\$ 7,172.00	
LNS				\$ (2,002.91)	\$ (2,002.91)	
Total National Grid	0		\$ -	\$ 5,169.09	\$ 5,169.09	
Energy New England						
All Requirements Service			\$ 2,600.00		\$ 2,600.00	
Short Term Supply Mngmnt			\$ 2,600.00		\$ 2,600.00	
Broker fees					\$ -	
ICAP, Options			\$ 14,880.00		\$ 14,880.00	
BELD purchases/sales					\$ -	#DIV/0!
Settlement Adjustment					\$ -	#DIV/0!
TransCanada	2,784,000		\$ 135,720.00		\$ 135,720.00	\$ 0.0488
Total -Energy New England	2,784,000	\$ -	\$ 155,800.00	\$ -	\$ 155,800.00	
Power Costs - July	4,812,529	\$ 81,741.66	\$ 146,643.11	\$ 37,978.34	\$ 266,363.11	\$ 0.0553

(1) This is month 1 of a 15 month payback on a NYPA billing error. See Pascoag's July 2004 filing

Pascoag Utility District - Expense by Rate Component						
August 2004						
Energy Component	Kwhrs	Transition	Standard Offer	Transmission	Total	Average
MMWEC - Project 6						
Project 6	920,734	\$ 85,902.91		\$ 600.18	\$ 86,503.09	
Credit		\$ (4,272.09)			\$ (4,272.09)	
Total MMWEC-Project 6	920,734	\$ 81,630.82			\$ 82,231.00	\$ 0.0893
MMWEC Non-PSA						
Admin Exp			\$ 523.60		\$ 523.60	
HQI				\$ 1,172.72	\$ 1,172.72	
HQII				\$ 159.61	\$ 159.61	
HQIII				\$ 99.74	\$ 99.74	
ISO-NE Billing	20,250		\$ 9,104.20	\$ 16,449.56	\$ 25,553.76	\$ 1.2619
ISO Weekly Sales	-502,740		\$ (19,119.61)		\$ (19,119.61)	\$ 0.0380
Total MMWEC Non PSA	-482,490	\$ -	\$ (9,491.81)	\$ 17,881.63	\$ 8,389.82	
NYPA - Niagara						
Demand			\$ 1,026.00		\$ 1,026.00	
Energy	236,000		\$ 1,161.12		\$ 1,161.12	
Transmission - NYPA TSC				\$ 22.12	\$ 22.12	
Wheeling				\$ 785.78	\$ 785.78	
NYISO Ancillary				\$ 514.83	\$ 514.83	
TUC Losses				\$ 2,220.09	\$ 2,220.09	
NTAC				\$ 73.10	\$ 73.10	
Underbilled Losses (1)			\$ 1,302.49		\$ 1,302.49	
Total - Niagara	236,000	\$ -	\$ 3,489.61	\$ 3,615.92	\$ 7,105.53	\$ 0.0301
NYPA - St Lawrence						
Demand			\$ 2,736.00		\$ 2,736.00	
Energy	1,563,000		\$ 7,689.96		\$ 7,689.96	
Transmission-NYPA TSC				\$ 248.51	\$ 248.51	
Wheeling				\$ 5,408.42	\$ 5,408.42	
NYISO Ancillary				\$ 1,992.61	\$ 1,992.61	
TUC Losses				\$ 5,274.80	\$ 5,274.80	
NTAC				\$ 282.71	\$ 282.71	
Underbilled Losses (1)			\$ 370.99		\$ 370.99	
Total - St Lawrence	1,563,000	\$ -	\$ 10,796.95	\$ 13,207.05	\$ 24,004.00	\$ 0.0154
National Grid						
Subtransmission				\$ 7,137.00	\$ 7,137.00	
LNS				\$ (2,422.32)	\$ (2,422.32)	
Total National Grid	0		\$ -	\$ 4,714.68	\$ 4,714.68	
Energy New England						
All Requirements Service			\$ 2,600.00		\$ 2,600.00	
Short Term Supply Mngmnt			\$ 2,600.00		\$ 2,600.00	
Broker fees					\$ -	
ICAP, Options			\$ 14,880.00		\$ 14,880.00	
BELD purchases/sales					\$ -	#DIV/0!
Settlement Adjustment					\$ -	#DIV/0!
TransCanada	2,832,000		\$ 138,060.00		\$ 138,060.00	\$ 0.0488
Total -Energy New England	2,832,000	\$ -	\$ 158,140.00	\$ -	\$ 158,140.00	
Power Costs - August	5,069,244	\$ 81,630.82	\$ 162,934.75	\$ 39,419.28	\$ 283,984.85	\$ 0.0560

(1) This is month 2 of a 15 month payback on a NYPA billing error. See Pascoag's July 2004 filing						
Pascoag Utility District - Expense by Rate Component						
September 2004						
Energy Component	Kwhrs	Transition	Standard Offer	Transmission	Total	Average
MMWEC - Project 6					\$ -	
Project 6	890,045	\$ 86,071.37		\$ 307.99	\$ 86,379.36	
Credit		\$ (4,274.09)			\$ (4,274.09)	
Total MMWEC-Project 6	890,045	\$ 81,797.28			\$ 82,105.27	\$ 0.0922
MMWEC Non-PSA						
Admin Exp			\$ 523.73		\$ 523.73	
HQI				\$ 99.40	\$ 99.40	
HQII				\$ 138.01	\$ 138.01	
HQIII				\$ 1,322.83	\$ 1,322.83	
ISO-NE Billing	-68,310		\$ 7,508.30	\$ 16,189.16	\$ 23,697.46	\$ (0.3469)
ISO Weekly Sales	-66,200		\$ (2,772.42)		\$ (2,772.42)	\$ 0.0419
Total MMWEC Non PSA	-134,510	\$ -	\$ 5,259.61	\$ 17,749.40	\$ 23,009.01	
NYPA - Niagara						
Demand			\$ 1,026.00		\$ 1,026.00	
Energy	243,000		\$ 1,195.56		\$ 1,195.56	
Transmission - NYPA TSC				\$ 24.29	\$ 24.29	
Wheeling				\$ 966.15	\$ 966.15	
NYISO Ancillary				\$ 671.43	\$ 671.43	
TUC Losses				\$ 2,256.29	\$ 2,256.29	
NTAC				\$ 101.48	\$ 101.48	
Underbilled Losses (1)			\$ 1,302.49		\$ 1,302.49	
Total - Niagara	243,000	\$ -	\$ 3,524.05	\$ 4,019.64	\$ 7,543.69	\$ 0.0310
NYPA - St Lawrence						
Demand			\$ 2,736.00		\$ 2,736.00	
Energy	1,480,000		\$ 7,281.60		\$ 7,281.60	
Transmission-NYPA TSC				\$ 252.35	\$ 252.35	
Wheeling				\$ 6,143.74	\$ 6,143.74	
NYISO Ancillary				\$ 2,351.22	\$ 2,351.22	
TUC Losses				\$ 4,894.82	\$ 4,894.82	
NTAC				\$ 359.11	\$ 359.11	
Underbilled Losses (1)			\$ 370.99		\$ 370.99	
Total - St Lawrence	1,480,000	\$ -	\$ 10,388.59	\$ 14,001.24	\$ 24,389.83	\$ 0.0165
National Grid						
Subtransmission				\$ 7,137.00	\$ 7,137.00	
LNS				\$ (4,407.40)	\$ (4,407.40)	
Total National Grid	0		\$ -	\$ 2,729.60	\$ 2,729.60	
Energy New England						
All Requirements Service			\$ 2,600.00		\$ 2,600.00	
Short Term Supply Mngmnt			\$ 2,600.00		\$ 2,600.00	
Broker fees					\$ -	
ICAP, Options					\$ -	
BELD purchases/sales	232,000		\$ 11,064.88		\$ 11,064.88	\$ 0.0477
Settlement Adjustment					\$ -	#DIV/0!
TransCanada	1,696,000		\$ 82,680.00		\$ 82,680.00	\$ 0.0488

Total -Energy New England	1,928,000	\$ -	\$ 98,944.88	\$ -	\$ 98,944.88	
Power Costs - September	4,406,535	\$ 81,797.28	\$ 118,117.13	\$ 38,499.88	\$ 238,414.29	\$ 0.0541
<i>(1) This is month 3 of a 15 month payback on a NYPA billing error. See Pascoag's July 2004 filing</i>						
Pascoag Utility District - Expense by Rate Component						
October 2004						
Energy Component	Kwhrs	Transition	Standard Offer	Transmission	Total	Average
MMWEC - Project 6					\$ -	
Project 6	920,848	\$ 85,948.01		\$ 556.09	\$ 86,504.10	
Credit		\$ (4,274.09)			\$ (4,274.09)	
Total MMWEC-Project 6	920,848	\$ 81,673.92		\$ 556.09	\$ 82,230.01	\$ 0.0893
MMWEC Non-PSA						
Admin Exp			\$ 520.58		\$ 520.58	
HQI				\$ 1,166.72	\$ 1,166.72	
HQII				\$ 161.97	\$ 161.97	
HQIII				\$ 91.40	\$ 91.40	
ISO-NE Billing	-78,990		\$ 1,179.59	\$ 16,700.42	\$ 17,880.01	\$ (0.2264)
ISO Weekly Sales	-387,760		\$ (13,791.10)		\$ (13,791.10)	\$ 0.0356
Total MMWEC Non PSA	-466,750	\$ -	\$ (12,090.93)	\$ 18,120.51	\$ 6,029.58	
NYPA - Niagara						
Demand			\$ 1,026.00		\$ 1,026.00	
Energy	251,000		\$ 1,234.92		\$ 1,234.92	
Transmission - NYPA TSC				\$ 25.01	\$ 25.01	
Wheeling				\$ 655.49	\$ 655.49	
NYISO Ancillary				\$ 539.43	\$ 539.43	
TUC Losses				\$ 1,661.60	\$ 1,661.60	
NTAC				\$ 55.89	\$ 55.89	
Underbilled Losses (1)			\$ 1,302.49		\$ 1,302.49	
Total - Niagara	251,000	\$ -	\$ 3,563.41	\$ 2,937.42	\$ 6,500.83	\$ 0.0259
NYPA - St Lawrence						
Demand			\$ 2,736.00		\$ 2,736.00	
Energy	1,521,000		\$ 7,483.32		\$ 7,483.32	
Transmission-NYPA TSC				\$ 238.98	\$ 238.98	
Wheeling				\$ 3,845.61	\$ 3,845.61	
NYISO Ancillary				\$ 1,736.48	\$ 1,736.48	
TUC Losses				\$ 3,823.56	\$ 3,823.56	
NTAC				\$ 181.14	\$ 181.14	
Underbilled Losses (1)			\$ 370.99		\$ 370.99	
Total - St Lawrence	1,521,000	\$ -	\$ 10,590.31	\$ 9,825.77	\$ 20,416.08	\$ 0.0134
National Grid						
Subtransmission				\$ 7,137.00	\$ 7,137.00	
LNS				\$ 813.17	\$ 813.17	
Total National Grid	0		\$ -	\$ 7,950.17	\$ 7,950.17	
Energy New England						
All Requirements Service			\$ 2,600.00		\$ 2,600.00	
Short Term Supply Mngmnt			\$ 2,600.00		\$ 2,600.00	
Broker fees					\$ -	

ICAP, Options			\$ 111.00		\$ 111.00	
BELD purchases/sales	248,000		\$ 11,332.40		\$ 11,332.40	\$ 0.0457
Settlement Adjustment					\$ -	#DIV/0!
TransCanada	1,810,000		\$ 88,237.50		\$ 88,237.50	\$ 0.0488
Total -Energy New England	2,058,000	\$ -	\$ 104,880.90	\$ -	\$ 104,880.90	
Power Costs - October	4,284,098	\$ 81,673.92	\$ 106,943.69	\$ 39,389.96	\$ 228,007.57	\$ 0.0532
<i>(1) This is month 4 of a 15 month payback on a NYPA billing error. See Pascoag's July 2004 filing</i>						
Pascoag Utility District - Expense by Rate Component						
November 2004						
Energy Component	Kwhrs	Transition	Standard Offer	Transmission	Total	Average
MMWEC - Project 6					\$ -	
Project 6	890,319	\$ 85,812.94		\$ 569.04	\$ 86,381.98	
Credit		\$ (4,274.09)			\$ (4,274.09)	
Total MMWEC-Project 6	890,319	\$ 81,538.85		\$ 569.04	\$ 82,107.89	\$ 0.0922
MMWEC Non-PSA						
Admin Exp			\$ 505.00		\$ 505.00	
HQI				\$ 1,150.84	\$ 1,150.84	
HQII				\$ 87.45	\$ 87.45	
HQIII				\$ (234.31)	\$ (234.31)	
ISO-NE Billing	74,900		\$ 6,459.00	\$ 19,745.00	\$ 26,204.00	\$ 0.3499
ISO Weekly Sales	-508,370		\$ (12,969.00)		\$ (12,969.00)	\$ 0.0255
Total MMWEC Non PSA	-433,470		\$ (6,005.00)	\$ 20,748.98	\$ 14,743.98	
NYPA - Niagara						
Demand			\$ 1,026.00		\$ 1,026.00	
Energy	242,000		\$ 1,190.64		\$ 1,190.64	
Transmission - NYPA TSC				\$ 25.83	\$ 25.83	
Wheeling				\$ 777.83	\$ 777.83	
NYISO Ancillary				\$ 548.79	\$ 548.79	
TUC Losses				\$ 2,536.36	\$ 2,536.36	
NTAC				\$ 72.83	\$ 72.83	
Underbilled Losses (1)			\$ 1,302.49		\$ 1,302.49	
Total - Niagara	242,000	\$ -	\$ 3,519.13	\$ 3,961.64	\$ 7,480.77	\$ 0.0309
NYPA - St Lawrence						
Demand			\$ 2,736.00		\$ 2,736.00	
Energy	1,424,000		\$ 7,006.08		\$ 7,006.08	
Transmission-NYPA TSC				\$ 245.62	\$ 245.62	
Wheeling				\$ 4,553.96	\$ 4,553.96	
NYISO Ancillary				\$ 1,786.90	\$ 1,786.90	
TUC Losses				\$ 5,307.66	\$ 5,307.66	
NTAC				\$ 237.32	\$ 237.32	
Underbilled Losses (1)			\$ 370.99		\$ 370.99	
Total - St Lawrence	1,424,000	\$ -	\$ 10,113.07	\$ 12,131.46	\$ 22,244.53	\$ 0.0156
National Grid						
Subtransmission				\$ 7,137.00	\$ 7,137.00	
LNS				\$ (1,500.00)	\$ (1,500.00)	Estimate
Total National Grid	0		\$ -	\$ 5,637.00	\$ 5,637.00	
Energy New England						

		0	\$ -	\$ -	\$ -	\$ -	#DIV/0!
National Grid							
Subtransmission				\$ 7,137.00	\$ 7,137.00		
LNS				\$ 600.00	\$ 600.00		
Total National Grid		0	\$ -	\$ 7,737.00	\$ 7,737.00		
Energy New England							
All Requirements Service			\$ 2,600.00		\$ 2,600.00		
Short Term Supply Mngmnt			\$ 2,600.00		\$ 2,600.00		
Broker fees					\$ -		
ICAP, Options			\$ 800.00		\$ 800.00		
BELD purchases/sales	1,006,000		\$ 66,888.00		\$ 66,888.00	\$ 0.0665	
Settlement Adjustment					\$ -	#DIV/0!	
TransCanada	1,860,000		\$ 118,110.00		\$ 118,110.00	\$ 0.0635	
Total -Energy New England	2,866,000	\$ -	\$ 190,998.00	\$ -	\$ 190,998.00		
ESTIMATED JAN COSTS	5,149,000	\$ 81,602.91	\$ 220,577.48	\$ 47,046.00	\$ 349,226.39	\$ 0.0678	
<i>(1) This is month 7 of a 15 month payback on a NYPA billing error. See Pascoag's July 2004 filing</i>							

True up of Estimated June Costs to Actual

	<u>June Estimated</u>	<u>Restated June Estimate</u>	<u>June Actual</u>	<u>Restated June Actual</u>
Transition	\$ 88,001.00	\$ 27,285.45	\$ 87,170.57	\$ 26,455.02
Standard Offer	\$ 155,276.00	\$ 215,991.55	\$ 122,962.97	\$ 183,678.52
Transmission	\$ 39,892.00	\$ 39,892.00	\$ 38,661.41	\$ 38,661.41
Total	\$ 283,169.00	\$ 283,169.00	\$ 248,794.95	\$ 248,794.95
Requirements Market Value	\$ 0.068075			
Seabrook kwhrs	891,892			
Market Value	\$ 60,715.55			

Restated Estimated June Costs vs. Restated Actual June Costs Costs

	<u>Restated June Estimate</u>	<u>Restated June Actual</u>	<u>Variation</u>
Transition	\$ 27,285.45	\$ 26,455.02	\$ (830.43)
Standard Offer	\$ 215,991.55	\$ 183,678.52	\$ (32,313.03)
Transmission	\$ 39,892.00	\$ 38,661.41	\$ (1,230.59)
Over/(Under) Estimate to Actual	\$ 283,169.00	\$ 248,794.95	\$ (34,374.05)

True up of Estimated July Costs to Actual

	<u>July</u> <u>Estimated</u>	<u>Restated</u> <u>July</u> <u>Estimate</u>	<u>July</u> <u>Actual</u>	<u>Restated</u> <u>July</u> <u>Actual</u>
Transition	\$ 88,152.00	\$ 25,551.66	\$ 81,741.66	\$ 19,141.32
Standard Offer	\$ 205,345.00	\$ 267,945.34	\$ 146,643.11	\$ 209,243.45
Transmission	\$ 40,892.00	\$ 40,892.00	\$ 37,978.34	\$ 37,978.34
Total	\$ 334,389.00	\$ 334,389.00	\$ 266,363.11	\$ 266,363.11
Requirements Market Value	\$ 0.068075			
Seabrook kwhrs	919,579			
Market Value	\$ 62,600.34			

Restated Estimated July Costs vs. Restated Actual July Costs Costs

	<u>Restated</u> <u>July</u> <u>Estimate</u>	<u>Restated</u> <u>July</u> <u>Actual</u>	<u>Variation</u>
Transition	\$ 25,551.66	\$ 19,141.32	\$ (6,410.34)
Standard Offer	\$ 267,945.34	\$ 209,243.45	\$ (58,701.89)
Transmission	\$ 40,892.00	\$ 37,978.34	\$ (2,913.66)
Over/(Under) Estimate to Actual	\$ 334,389.00	\$ 266,363.11	\$ (68,025.89)

Pascoag Utility District
Summary of Purchase Power Costs (1)

	Aug 2004	Sept 2004	Oct 2004	Nov 2004	Dec 2004 Estimate	Jan 2005 Estimate	Total
Purchased Energy (kWhrs)							
1	NYPA	1,799,000	1,723,000	1,772,000	1,666,000	1,467,000	9,842,000
2	Seabrook	920,734	890,045	920,848	890,319	868,000	5,357,946
3	ISO Energy Market	20,250	-68,310	(78,990)	(508,370)	-	(635,420)
4	ISO Energy Sales	(502,740)	(66,200)	(387,760)	74,900	(397,000)	(1,278,800)
5	TransCanada	2,832,000	1,696,000	1,810,000	1,968,000	2,232,000	12,398,000
6	BELD		232,000	248,000	232,000	62,000	1,780,000
	Total	5,069,244	4,406,535	4,284,098	4,322,849	4,232,000	27,463,726
Purchased Power Cost							
7	NYPA	\$ 14,286.56	\$ 13,912.64	\$ 14,153.72	\$ 13,632.20	\$ 10,419.48	\$ 77,797.08
8	Seabrook	\$ 85,902.91	\$ 86,071.37	\$ 85,948.01	\$ 85,812.94	\$ 85,877.00	\$ 515,489.23
9	Excess Funds Adj	\$ (4,272.09)	\$ (4,274.09)	\$ (4,274.09)	\$ (4,274.09)	\$ (4,274.09)	\$ (25,642.54)
10	MMWEC Admin Chg	\$ 523.60	\$ 523.73	\$ 520.58	\$ 505.00	\$ 550.00	\$ 3,172.91
11	ISO Energy	\$ 9,104.20	\$ 7,508.30	\$ 1,179.59	\$ 6,459.00	\$ 2,500.00	\$ 44,388.09
12	TransCanada	\$ 138,060.00	\$ 82,680.00	\$ 88,237.50	\$ 95,940.00	\$ 108,810.00	\$ 631,837.50
13	BELD		\$ 11,064.88	\$ 11,332.40	\$ 10,663.60	\$ 2,948.00	\$ 102,896.88
14	ENE - All Requirements	\$ 5,200.00	\$ 5,200.00	\$ 5,200.00	\$ 5,200.00	\$ 5,200.00	\$ 31,200.00
15	ISO Sales	\$ (19,119.61)	\$ (2,772.42)	\$ (13,791.10)	\$ (12,969.00)	\$ (15,800.00)	\$ (64,452.13)
16	ICAP, Options	\$ 14,880.00		\$ 111.00	\$ (22.66)	\$ 3,600.00	\$ 19,368.34
17	Transmission	\$ 39,419.28	\$ 38,499.88	\$ 39,389.96	\$ 43,048.12	\$ 40,913.00	\$ 248,316.24
18							\$ -
19							\$ -
20	Total	\$ 283,984.85	\$ 238,414.29	\$ 228,007.57	\$ 243,995.11	\$ 240,743.39	\$ 1,584,371.60
							\$ -
	Net Expense	\$ 283,984.85	\$ 238,414.29	\$ 228,007.57	\$ 243,995.11	\$ 240,743.39	\$ 1,584,371.60
Market Value is based on Seabrook kWhrs's times Market Value listed below							
21	Seabrook	920,734	890,045	920,848	890,319	868,000	5,357,946
22	Market Value Rate	\$ 0.068075	\$ 0.068075	\$ 0.068075	\$ 0.068075	\$ 0.068075	\$ 0.068075
23	Market Value Total	\$ 62,678.97	\$ 60,589.81	\$ 62,686.73	\$ 60,608.47	\$ 59,089.10	\$ 364,742.17

(1) Information on Schedule A-1 is from Pascoag's Summary of Purchased Power Invoices, submitted under separate cover as "Book 2"

**Pascoag Utility District
Restated Purchased Power Costs**

	Aug 2004	Sept 2004	Oct 2004	Nov 2004	Dec 2004 Estimate	Jan 2005 Estimate	Total
<u>Restated Costs (Dollars) - Tra</u>							
1	Seabrook	\$ 85,902.91	\$ 86,071.37	\$ 85,948.01	\$ 85,812.94	\$ 85,877.00	\$ 515,489.23
2	Seabrook Cr	\$ (4,272.09)	\$ (4,274.09)	\$ (4,274.09)	\$ (4,274.09)	\$ (4,274.09)	\$ (25,642.54)
3							\$ -
4	Sub-Total	\$ 81,630.82	\$ 81,797.28	\$ 81,673.92	\$ 81,538.85	\$ 81,602.91	\$ 489,846.69
5	Less Market Value	\$ (62,678.97)	\$ (60,589.81)	\$ (62,686.73)	\$ (60,608.47)	\$ (59,089.10)	\$ (364,742.17)
6	<u>Restated Transition Cost</u>	\$ 18,951.85	\$ 21,207.47	\$ 18,987.19	\$ 20,930.38	\$ 22,513.81	\$ 125,104.52
7	<u>Transmission</u>	\$ 39,419.28	\$ 38,499.88	\$ 39,389.96	\$ 43,048.12	\$ 40,913.00	\$ 248,316.24
8	<u>Net Transmission</u>	\$ 39,419.28	\$ 38,499.88	\$ 39,389.96	\$ 43,048.12	\$ 40,913.00	\$ 248,316.24
<u>Restated Costs (Dollars) Standard Offer</u>							
9	NYPA	\$ 14,286.56	\$ 13,912.64	\$ 14,153.72	\$ 13,632.20	\$ 10,419.48	\$ 77,797.08
10	MMWEC Admin Chg	\$ 523.60	\$ 523.73	\$ 520.58	\$ 505.00	\$ 550.00	\$ 3,172.91
11	ISO Energy	\$ 9,104.20	\$ 7,508.30	\$ 1,179.59	\$ 6,459.00	\$ 2,500.00	\$ 44,388.09
12	ISO Sales	\$ (19,119.61)	\$ (2,772.42)	\$ (13,791.10)	\$ (12,969.00)	\$ (15,800.00)	\$ (64,452.13)
13	ICAP, Options	\$ 14,880.00	\$ -	\$ 111.00	\$ (22.66)	\$ 3,600.00	\$ 19,368.34
14	ENE	\$ 143,260.00	\$ 98,944.88	\$ 104,769.90	\$ 111,803.60	\$ 116,958.00	\$ 765,934.38
15	MMWEC/ISO Settlement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
16							\$ -
17	Sub-Total	\$ 162,934.75	\$ 118,117.13	\$ 106,943.69	\$ 119,408.14	\$ 118,227.48	\$ 846,208.67
18	Plus Market Value	\$ 62,678.97	\$ 60,589.81	\$ 62,686.73	\$ 60,608.47	\$ 59,089.10	\$ 364,742.17
19	<u>Restated Cost - Standard Offer</u>	\$ 225,613.72	\$ 178,706.94	\$ 169,630.42	\$ 180,016.61	\$ 177,316.58	\$ 1,210,950.84
20	Restated Power Costs	\$ 283,984.85	\$ 238,414.29	\$ 228,007.57	\$ 243,995.11	\$ 240,743.39	\$ 1,584,371.60

**Pascoag Utility District
Summary of Revenue and Expenses**

	Aug 2004	Sept 2004	Oct 2004	Nov 2004	Dec 2004 Estimate	Jan 2005 Estimate	Total
Energy Sales to Consumers:							
1 Kwhrs sold (1)	4,109,747	4,604,622	4,349,563	3,792,559	3,849,535	5,219,119	25,925,145
Current Cost Recovery(kWhr sales*rate)							-
2 Transition	\$ 28,809	\$ 32,278	\$ 30,490	\$ 26,585	\$ 26,985	\$ 36,586	\$ 181,734.00
3 Standard Offer	\$ 212,352	\$ 237,921	\$ 224,742	\$ 195,962	\$ 198,905	\$ 269,672	\$ 1,339,554.28
4 Transmission	\$ 38,508	\$ 43,145	\$ 40,755	\$ 35,536	\$ 36,070	\$ 48,903	\$ 242,917.93
5 Total	\$ 279,670	\$ 313,345	\$ 295,987	\$ 258,083	\$ 261,961	\$ 355,161.05	\$ 1,764,206.20

6 Over/(Under) Recovery Reconciliation	\$ (4,315.11)	\$ 74,930.24	\$ 67,979.43	\$ 14,087.89	\$ 21,217.50	\$ 5,934.66	\$ 179,834.60
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	Purchased Energy: (kWhrs)						Total
7 NYPA	1,799,000	1,723,000	1,772,000	1,666,000	1,467,000	1,415,000	9,842,000
8 Seabrook	920,734	890,045	920,848	890,319	868,000	868,000	5,357,946
9 ISO Energy Market	20,250	(68,310)	(78,990)	(508,370)	-	-	(635,420)
10 ISO Energy Sales	(502,740)	(66,200)	(387,760)	74,900	(397,000)	-	(1,278,800)
11 ENE - BELD	-	232,000	248,000	1,968,000	2,232,000	1,860,000	6,540,000
12 ENE-TransCanada	2,832,000	1,696,000	1,810,000	232,000	62,000	1,006,000	7,638,000
13 Total	5,069,244	4,406,535	4,284,098	4,322,849	4,232,000	5,149,000	27,463,726

	Energy Sales to Consumers: (kWhrs)						
14 Sales	4,109,747	4,604,622	4,349,563	3,792,559	3,849,535	5,219,119	25,925,145
15 street lights	44,797	50,189	57,748	61,966	63,107	64,295	342,102
16 Total	4,154,544	4,654,811	4,407,311	3,854,525	3,912,642	5,283,414	26,267,247
17 Kwhr (Losses)	914,700	(248,276)	(123,213)	468,324	319,358	(134,414)	1,196,479
18 Percent Line Losses	18.04%	-5.63%	-2.88%	10.83%	7.55%	-2.61%	4.36%

(1) See Schedule B1 to B7 for Sales to Customers

Pascoag Utility District

Summary of Purchase Power Costs (1)

		Feb 2004	Mar 2004	Apr 2004	May 2004	June 2004	July 2004	Total
Purchased Energy (kWhrs)								
1	NYPA	1,015,000	1,030,000	1,071,000	1,470,000	1,635,000	1,754,000	7,975,000
2	Seabrook	860,191	920,266	889,908	921,249	891,892	919,579	5,403,085
3	ISO Energy Market			112,570	(325,590)	(316,790)	(12,900)	(542,710)
4	ISO Energy Sales	(299,090)	(148,710)				(632,150)	(1,079,950)
5	TransCanada	2,552,000	2,360,000	1,694,000	1,808,000	2,048,000	2,784,000	13,246,000
6	BELD	232,000	248,000	240,000	240,000	32,000	-	992,000
	Total	4,360,101	4,409,556	4,007,478	4,113,659	4,290,102	4,812,529	25,993,425
Purchased Power Cost								
7	NYPA	\$ 8,183.80	\$ 8,257.60	\$ 8,459.32	\$ 10,994.40	\$ 11,806.20	\$ 14,065.16	\$ 61,766.48
8	Seabrook	\$ 87,071.07	\$ 87,378.68	\$ 87,116.18	\$ 87,256.36	\$ 87,170.57	\$ 86,015.75	\$ 522,008.61
9	Excess Funds Adj						\$ (4,274.09)	\$ (4,274.09)
10	MMWEC Admin Chg	\$ 521.37	\$ 515.14	\$ 523.75	\$ 550.00	\$ 499.18	\$ 522.78	\$ 3,132.22
11	ISO Energy		\$ 5,099.48	\$ 19,121.31	\$ (3,846.25)	\$ (3,022.41)	\$ 4,057.48	\$ 21,409.61
12	MMWEC/ISO Settlement	\$ (439.99)						\$ (439.99)
13	ISO sales	\$ (2,413.82)					\$ (27,802.31)	\$ (30,216.13)
14	Transmission	\$ 36,792.39	\$ 39,799.66	\$ 35,011.76	\$ 35,436.13	\$ 38,661.41	\$ 37,978.34	\$ 223,679.69
15								\$ -
16	Iso/Ancillary/SMD				\$ 8,899.00	\$ -		\$ 8,899.00
17	ENE	\$ 145,568.40	\$ 134,326.64	\$ 101,391.78	\$ 106,361.60	\$ 113,680.00	\$ 155,800.00	\$ 757,128.42
18								\$ -
19								\$ -
20	Total	\$ 275,283.22	\$ 275,377.20	\$ 251,624.10	\$ 245,651.24	\$ 248,794.95	\$ 266,363.11	\$ 1,563,093.82
								\$ -
	Net Expense	\$ 275,283.22	\$ 275,377.20	\$ 251,624.10	\$ 245,651.24	\$ 248,794.95	\$ 266,363.11	\$ 1,563,093.82

Market Value is based on Seabrook Kwhrs's times Market Value listed below

21	Seabrook	860,191	920,266	889,908	921,249	891,892	919,579	5,403,085
22	Market Value Rate	\$ 0.05897	\$ 0.05897	\$ 0.05897	\$ 0.05897	\$ 0.06808	\$ 0.06808	
23	Market Value Total	\$ 50,725.46	\$ 54,268.09	\$ 52,477.87	\$ 54,326.05	\$ 60,715.55	\$ 62,604.94	\$ 335,117.96

(1) Information on Schedule A-1 is from Pascoag's Summary of Purchased Power Invoices, submitted under separate cover as "Book 2"

**Pascoag Utility District
Restated Purchased Power Costs**

	Feb 2004	Mar 2004	Apr 2004	May 2004	June 2004	July 2004	Total	
<u>Restated Costs (Dollars) - Transition</u>								
1	Seabrook	\$ 87,071.07	\$ 87,378.68	\$ 87,116.18	\$ 87,256.36	\$ 87,170.57	\$ 86,015.75	\$ 522,008.61
2	Seabrook Cr	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (4,274.09)	\$ (4,274.09)
3								
4	Sub-Total	\$ 87,071.07	\$ 87,378.68	\$ 87,116.18	\$ 87,256.36	\$ 87,170.57	\$ 81,741.66	\$ 517,734.52
5	Less Market Value	\$ (50,725.46)	\$ (54,268.09)	\$ (52,477.87)	\$ (54,326.05)	\$ (60,715.55)	\$ (62,604.94)	\$ (335,117.96)
6	<u>Restated Transition Cost</u>	\$ 36,345.61	\$ 33,110.59	\$ 34,638.31	\$ 32,930.31	\$ 26,455.02	\$ 19,136.72	\$ 182,616.56
7	<u>Transmission</u>	\$ 36,792.39	\$ 39,799.66	\$ 35,011.76	\$ 35,436.13	\$ 38,661.41	\$ 37,978.34	\$ 223,679.69
8	<u>Net Transmission</u>	\$ 36,792.39	\$ 39,799.66	\$ 35,011.76	\$ 35,436.13	\$ 38,661.41	\$ 37,978.34	\$ 223,679.69
<u>Restated Costs (Dollars) Standard Offer</u>								
9	NYPA	\$ 8,183.80	\$ 8,257.60	\$ 8,459.32	\$ 10,994.40	\$ 11,806.20	\$ 14,065.16	\$ 61,766.48
10	MMWEC Admin Chg	\$ 521.37	\$ 515.14	\$ 523.75	\$ 550.00	\$ 499.18	\$ 522.78	\$ 3,132.22
11	ISO Energy		\$ 5,099.48	\$ 19,121.31	\$ (3,846.25)	\$ (3,022.41)	\$ 4,057.48	\$ 21,409.61
12	ISO Sales	\$ (2,413.82)		\$ -	\$ -	\$ -		\$ (2,413.82)
13	Iso/Ancillary/SMD	\$ -	\$ -	\$ -	\$ 8,899.00	\$ -	\$ (27,802.31)	\$ (18,903.31)
14	ENE	\$ 145,568.40	\$ 134,326.64	\$ 101,391.78	\$ 106,361.60	\$ 113,680.00	\$ 155,800.00	\$ 757,128.42
15	MMWEC/ISO Settlement	\$ (439.99)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (439.99)
16								
17	Sub-Total	\$ 151,419.76	\$ 148,198.86	\$ 129,496.16	\$ 122,958.75	\$ 122,962.97	\$ 146,643.11	\$ 821,679.61
18	Plus Market Value	\$ 50,725.46	\$ 54,268.09	\$ 52,477.87	\$ 54,326.05	\$ 60,715.55	\$ 62,604.94	\$ 335,117.96
19	<u>Restated Cost - Standard Offer</u>	\$ 202,145.22	\$ 202,466.95	\$ 181,974.03	\$ 177,284.80	\$ 183,678.52	\$ 209,248.05	\$ 1,156,797.57
20	Restated Power \$	-	\$ 275,283.22	\$ 275,377.20	\$ 251,624.10	\$ 245,651.24	\$ 248,794.95	\$ 266,363.11
								\$ 1,563,093.82

**Pascoag Utility District
Summary of Revenue and Expenses**

	Feb 2004	Mar 2004	Apr 2004	May 2004	June 2004	July 2004	Total
Energy Sales to Consumers:							
1 Kwhrs sold (1)	4,207,586	4,026,847	4,391,491	3,804,559	3,743,768	4,800,533	24,974,784
Current Cost Recovery(kWhr sales*rate)							-
2 Transition	\$ 51,656.36	\$ 28,233.35	\$ 30,786.44	\$ 26,672.54	\$ 26,244.50	\$ 33,651.81	\$ 197,245.00
3 Standard Offer	\$ 232,964.77	\$ 208,075.09	\$ 226,914.20	\$ 196,587.41	\$ 193,442.73	\$ 248,044.13	\$ 1,306,028.33
4 Transmission	\$ 22,774.13	\$ 37,732.36	\$ 41,150.98	\$ 35,651.07	\$ 35,079.86	\$ 44,981.15	\$ 217,369.55
5 Total	\$ 307,395.26	\$ 274,040.80	\$ 298,851.62	\$ 258,911.02	\$ 254,767.09	\$ 326,677.09	\$ 1,720,642.88

6 Over/(Under) Recovery Reconciliation	\$ 32,112.04	\$ (1,336.40)	\$ 47,227.52	\$ 13,259.78	\$ 5,972.14	\$ 60,313.98	\$ 157,549.06
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							Total	
7	NYPA	1,015,000	1,030,000	1,071,000	1,470,000	1,635,000	1,754,000	7,975,000
8	Seabrook	860,191	920,266	889,908	921,249	891,892	919,579	5,403,085
9	ISO Energy Market		-	112,570	(325,590)	(316,790)	(12,900)	(542,710)
10	ISO Energy Sales	(299,090)	(148,710)	-	-	-	(632,150)	(1,079,950)
11	ENE - BELD	232,000	248,000	1,694,000	1,808,000	2,048,000	2,784,000	8,814,000
12	ENE-TransCanada	2,552,000	2,360,000	240,000	240,000	32,000	-	5,424,000
13	Total	4,360,101	4,409,556	4,007,478	4,113,659	4,290,102	4,812,529	25,993,425

								Total
14	Sales	4,207,586	4,026,847	4,391,491	3,804,559	3,743,768	4,800,533	24,974,784
15	street lights	54,469	53,749	45,981	41,864	39,904	39,000	274,967
16	Total	4,262,055	4,080,596	4,437,472	3,846,423	3,783,672	4,839,533	25,249,751
17	Kwhr (Losses)	(98,046)	(328,960)	429,994	(267,236)	(506,430)	27,004	(743,674)
18	Percent Line Losses	-2.25%	-7.46%	10.73%	-6.50%	-11.80%	0.56%	-2.86%

(1) See Schedule B1 to B7 for Sales to Customers

Pascoag Utility District
Summary of Purchase Power Costs (1)

	June 2004	July 2004	Total	
	Purchased Energy (kWhrs)			
1	NYPA	1,635,000	1,754,000	3,389,000
2	Seabrook	891,892	919,579	1,811,471
3	ISO Energy Market	(316,790)	(12,900)	(329,690)
4	ISO Weekly Transactions		(632,150)	(632,150)
5	TransCanada	2,048,000	2,784,000	4,832,000
6	BELD	32,000		32,000
	Total	4,290,102	4,812,529	9,102,631
	Purchased Power Cost			
7	NYPA	\$ 11,806.20	\$ 14,065.16	\$ 25,871.36
8	Seabrook	\$ 87,170.57	\$ 86,015.75	\$ 173,186.32
9	Excess Funds Adj	\$ -	\$ (4,274.09)	\$ (4,274.09)
10	MMWEC Admin Chg	\$ 499.18	\$ 522.78	\$ 1,021.96
11	ISO Energy	\$ (3,022.41)	\$ 4,057.48	\$ 1,035.07
12	TransCanada	\$ 99,840.00	\$ 135,720.00	\$ 235,560.00
13	BELD	\$ 2,400.00		\$ 2,400.00
14	Transmission	\$ 38,661.41	\$ 37,978.34	\$ 76,639.75
15	ISO Weekly Transactions		\$ (27,802.31)	\$ (27,802.31)
16	ICAP, Otions	\$ 6,240.00	\$ 14,880.00	\$ 21,120.00
17	ENE	\$ 5,200.00	\$ 5,200.00	\$ 10,400.00
18	ISO Fiscal Policy			\$ -
19				\$ -
20	Total	\$ 248,794.95	\$ 266,363.11	\$ 515,158.06
				\$ -
	Net Expense	\$ 248,794.95	\$ 266,363.11	\$ 515,158.06
Market Valvue is based on Seabrook Kwhrs's plus Hydro-Quebec kwhr's times Market Value listed below				
21	Seabrook	891,892	919,579	1,811,471
22	Market Value Rate	\$ 0.068075	\$ 0.068075	
23	Market Value Total	\$ 60,715.55	\$ 62,600.34	\$ 123,315.89

(1) Information on Schedule A-1 is from Pascoag's Summary of Purchased Power Invoices, submitted under separate cover as "Book 2"

**Pascoag Utility District
Restated Purchased Power Costs**

	June 2004	July 2004	Total	
<u>Restated Costs (Dollars) - Transition</u>				
1	Seabrook	\$ 87,170.57	\$ 86,015.75	\$ 173,186.32
2	Seabrook Cr	\$ -	\$ (4,274.09)	\$ (4,274.09)
3				\$ -
				\$ -
4	Sub-Total	\$ 87,170.57	\$ 81,741.66	\$ 168,912.23
5	Less Market Value	\$ (60,715.55)	\$ (62,600.34)	\$(123,315.89)
6	<u>Restated Transition Cost</u>	\$ 26,455.02	\$ 19,141.32	\$ 45,596.34
7	<u>Transmission</u>	\$ 38,661.41	\$ 37,978.34	\$ 76,639.75
				\$ -
8	<u>Net Transmission</u>	\$ 38,661.41	\$ 37,978.34	\$ 76,639.75
<u>Restated Costs (Dollars) Standard Offer</u>				
9	NYPA	\$ 11,806.20	\$ 14,065.16	\$ 25,871.36
10	MMWEC Admin Chg	\$ 499.18	\$ 522.78	\$ 1,021.96
11	ISO Energy	\$ (3,022.41)	\$ 4,057.48	\$ 1,035.07
12	ISO weekly transactions		\$ (27,802.31)	\$ (27,802.31)
13	ICAP, Options	\$ 6,240.00	\$ 14,880.00	\$ 21,120.00
14	ENE	\$ 5,200.00	\$ 5,200.00	\$ 10,400.00
15	TransCanada	\$ 99,840.00	\$ 135,720.00	\$ 235,560.00
16	BELD	\$ 2,400.00		\$ 2,400.00
17	Sub-Total	\$ 122,962.97	\$ 146,643.11	\$ 269,606.08
18	Plus Market Value	\$ 60,715.55	\$ 62,600.34	\$ 123,315.89
19	<u>Restated Cost - Standard Offer</u>	\$ 183,678.52	\$ 209,243.45	\$ 392,921.97
20	Restated Power Costs	<u>\$ 248,794.95</u>	<u>\$ 266,363.11</u>	<u>\$ 515,158.06</u>

**Pascoag Utility District
Summary of Revenue and Expenses**

		June 2004	July 2004	Total
Energy Sales to Consumers:				
1	Kwhrs sold (1)	3,743,768	4,800,533	8,544,301
Current Cost Recovery(kWhr sales*rate)				
2	Transition	\$ 26,244.50	\$ 33,651.81	\$ 59,896.31
3	Standard Offer	\$ 193,442.73	\$ 248,044.13	\$ 441,486.86
4	Transmission	\$ 35,079.86	\$ 44,981.15	\$ 80,061.01
5	Total	<u>\$ 254,767.09</u>	<u>\$ 326,677.09</u>	<u>\$ 581,444.18</u>
<hr/>				
6	Over/(Under) Recovery Reconciliation	\$ 5,972.14	\$ 60,313.98	<u>\$ 66,286.12</u>
<hr/>				
Purchased Energy: (kWhrs)				Total
7	NYPA	1,635,000	1,754,000	3,389,000
8	Seabrook	891,892	919,579	1,811,471
9	ISO Energy Market	(316,790)	(12,900)	(329,690)
10	ISO Energy Sales	-	(632,150)	(632,150)
11	ENE	32,000	-	32,000
12	ENE Westfield	<u>2,048,000</u>	<u>2,784,000</u>	<u>4,832,000</u>
13	Total	<u>4,290,102</u>	<u>4,812,529</u>	<u>9,102,631</u>
<hr/>				
Energy Sales to Consumers: (kWhrs)				
14	Sales	3,743,768	4,800,533	8,544,301
15	street lights	<u>38,045</u>	<u>39,904</u>	<u>77,949</u>
16	Total	<u>3,781,813</u>	<u>4,840,437</u>	<u>8,622,250</u>
17	Kwhr (Losses)	(508,289)	27,908	(480,381)
18	Percent Line Losses	-11.85%	0.58%	-5.28%

(1) See Schedule B1 to B7 for Sales to Customers

Combined Standard Offer, Transition Charge, and Transmission Charge

Beginning Bal Nov 2000		(From January 2002 filing "Prior Period")			(\$77,680)		
	Start Bal	Revenue	Expense	Adjust	Monthly Over/(Under)	Cumulative	
1	Dec-00	(\$77,680)	\$231,754	\$273,755		(\$42,001)	(\$119,681)
2	Jan-01	(\$119,681)	\$271,799	\$384,614		(\$112,815)	(\$232,496)
3	Feb-01	(\$232,496)	\$330,778	\$300,003		\$30,775	(\$201,721)
4	Mar-01	(\$201,721)	\$332,249	\$307,575		\$24,674	(\$177,047)
5	Apr-01	(\$177,047)	\$320,076	\$268,010		\$52,066	(\$124,981)
6	May-01	(\$124,981)	\$289,094	\$290,562		(\$1,468)	(\$126,449)
7	Jun-01	(\$126,449)	\$317,812	\$309,665		\$8,147	(\$118,302)
8	Jul-01	(\$118,302)	\$321,891	\$282,924		\$38,967	(\$79,335)
9	Aug-01	(\$79,335)	\$364,278	\$323,005		\$41,273	(\$38,062)
10	Sep-01	(\$38,062)	\$379,979	\$275,763		\$104,216	\$66,154
11	Oct-01	\$66,154	\$325,095	\$270,784		\$54,311	\$120,465
12	Nov-01	\$120,465	\$342,789	\$274,883		\$67,906	\$188,371
13	Dec-01	\$188,371	\$304,037	\$286,287		\$17,750	\$206,121
14	Jan-02	\$206,121	\$347,794	\$261,540		\$86,254	\$292,375
15	Feb-02	\$292,375	\$280,829	\$249,919	\$834	\$31,744	\$324,119
16	Mar-02	\$324,119	\$242,856	\$257,412	\$834	(\$13,722)	\$310,397
17	Apr-02	\$310,397	\$236,800	\$245,382	\$18,625	\$10,043	\$320,440
18	May-02	\$320,440	\$241,878	\$255,300	\$834	(\$12,588)	\$307,852
19	Jun-02	\$307,852	\$260,315	\$266,513	\$834	(\$5,364)	\$302,488
20	Jul-02	\$302,488	\$275,380	\$303,429	\$832	(\$27,217)	\$275,271
21	Aug-02	\$275,271	\$260,182	\$312,813	(\$3,333)	(\$55,964)	\$219,307
22	Pro 6	\$219,307	\$82,677			\$82,677	\$301,984
23	Sep-02	\$301,984	\$248,161	\$268,691	(\$3,333)	(\$23,863)	\$278,121
24	Oct-02	\$278,121	\$216,287	\$252,976	(\$3,333)	(\$40,022)	\$238,099
25	Nov-02	\$238,099	\$227,656	\$253,160	(\$3,333)	(\$28,837)	\$209,262 (Carry over to 7/03 filing)
26	Dec-02	\$209,262	\$ 212,246	\$ 264,232	\$ (3,333)	(\$55,319)	\$153,943
27	Jan-03	\$153,943	\$ 262,127	\$ 319,941	\$ (3,333)	(\$61,147)	\$92,796
28	Feb-03	\$92,796	\$276,332	\$303,659	\$0	(\$27,327)	\$65,469
29	Mar-03	\$65,469	\$233,766	\$286,494	\$0	(\$52,728)	\$12,741
30	Apr-03	\$12,741	\$233,558	\$257,366	\$0	(\$23,808)	(\$11,067)
31	May-03	(\$11,067)	\$ 230,131	\$ 258,510	\$ -	(\$28,379)	(\$39,446)
32	Jun-03	(\$39,446)	\$ 220,889	\$ 213,967	\$ 5,997	12,919	(\$26,527) (carry over to 1/04 filing)
33	Jul 03	(\$26,527)	\$ 247,794	\$ 322,391		(74,597)	(\$101,124)
34	Aug 03	(\$101,124)	\$ 364,829	\$ 335,199		29,630	(\$71,494)
35	Sept 03	(\$71,494)	\$ 330,638	\$ 288,493		42,145	(\$29,349)
36	Oct 03	(\$29,349)	\$ 308,376	\$ 266,471		41,905	\$12,556
37	Nov 03	\$12,556	\$ 302,410	\$ 279,844		22,566	\$35,122
38	Dec 03	\$35,122	\$ 273,238	\$ 305,009		(31,772)	\$3,350 (Carry over to 7/04 filing)
39	Jan-04	\$ 3,350	\$ 387,101	\$ 335,757		\$51,345	\$54,695 (Carry over to 1/5 filing - 12 mt)
40	Feb-04	\$ 54,695	\$ 307,395	\$ 275,283		\$32,112	\$86,807
41	Mar-04	\$ 86,807	\$ 274,041	\$ 275,377		(\$1,336)	\$85,471
42	Apr-04	\$ 85,471	\$ 298,852	\$ 251,624		\$47,228	\$132,698
43	May-04	\$ 132,698	\$ 258,911	\$ 245,651		\$13,260	\$145,958
44	Jun-04	\$ 145,958	\$ 254,767	\$ 248,795		\$5,972	\$151,930
45	Jul-04	\$ 151,930	\$ 326,677	\$ 266,363		\$60,314	\$212,244 (Carry over to 1/05 filing - 6 mt)

Combined Standard Offer, Transition Charge, and Transmission Charge

Period Start Balance - From July 2004					\$212,244
	Start Bal	Revenue	Expense	Adjust	Monthly
1	Aug-04	\$212,244	\$ 279,670	\$ 283,985	(\$4,315) \$ 207,929
2	Sep-04	\$ 207,929	\$ 313,345	\$ 238,414	\$74,930 \$ 282,859
3	Oct-04	\$ 282,859	\$ 295,987	\$ 228,008	\$67,979 \$ 350,839
4	Nov-04	\$ 350,839	\$ 258,083	\$ 243,995	\$14,088 \$ 364,927
5	Dec-04	\$ 364,927	\$ 261,961	\$ 240,743	\$21,217 \$ 386,144
6	Jan-05	\$ 386,144	\$ 355,161	\$ 349,226	\$5,935 \$ 392,079
7					
8					
9					\$0
10		<u>Period Over/(Under) Collection</u>		\$179,835	Supporting Schedule A-3, Line 6
11		<u>Cumulative Over/(Under) Collection</u>			<u>\$ 392,079</u>

Note: June 2003 Purchase Power Expense reflects the full Surplus Fund credit (\$77,029) applied against this invoice.

Standard Offer**Beginning Balance Nov 2000**

(From January 2002 filing "Prior Period:)

\$40,616

		Start Bal	Revenue	Expense	Adjust	Monthly Over/(Under)	Cumulative	
1	Dec-00	\$40,616	\$125,401	\$173,063		(\$47,662)	(\$7,046)	
2	Jan-01	(\$7,046)	\$147,074	\$284,756		(\$137,682)	(\$144,728)	
3	Feb-01	(\$144,728)	\$220,723	\$201,631		\$19,092	(\$125,636)	
4	Mar-01	(\$125,636)	\$222,724	\$207,256		\$15,468	(\$110,168)	
5	Apr-01	(\$110,168)	\$214,423	\$173,764		\$40,659	(\$69,509)	
6	May-01	(\$69,509)	\$192,965	\$200,715		(\$7,750)	(\$77,259)	
7	Jun-01	(\$77,259)	\$212,133	\$204,613		\$7,520	(\$69,739)	
8	Jul-01	(\$69,739)	\$214,856	\$183,492		\$31,364	(\$38,375)	
9	Aug-01	(\$38,375)	\$243,149	\$217,285		\$25,864	(\$12,511)	
10	Sep-01	(\$12,511)	\$253,629	\$176,735		\$76,894	\$64,383	
11	Oct-01	\$64,383	\$216,991	\$166,148		\$50,843	\$115,226	
12	Nov-01	\$115,226	\$228,805	\$172,448		\$56,357	\$171,583	
13	Dec-01	\$171,583	\$193,137	\$182,121		\$11,016	\$182,599	
14	Jan-02	\$182,599	\$220,938	\$160,679		\$60,259	\$242,858	
15	Feb-02	\$242,858	\$184,334	\$146,842	(\$3,333)	\$34,159	\$277,017	(1)
16	Mar-02	\$277,017	\$159,409	\$152,963	(\$3,333)	\$3,113	\$280,130	
17	Apr-02	\$280,130	\$155,235	\$142,209	(\$3,333)	\$9,693	\$289,823	
18	May-02	\$289,823	\$158,766	\$142,158	(\$3,333)	\$13,275	\$303,098	
19	Jun-02	\$303,098	\$170,868	\$165,362	(\$3,333)	\$2,173	\$305,271	
20	Jul-02	\$305,271	\$180,756	\$214,003	(\$3,333)	(\$36,580)	\$268,691	
21	Aug-02	\$268,691	\$208,156	\$217,958	(\$3,333)	(\$13,135)	\$255,556	
22	Sep-02	\$255,556	\$198,543	\$174,612	(\$3,333)	\$20,598	\$276,154	
23	Oct-02	\$276,154	\$173,042	\$160,671	(\$3,333)	\$9,038	\$285,192	
24	Nov-02	\$285,192	\$182,137	\$164,020	(\$3,333)	\$14,784	\$299,976	(Carry over to 7/03)
25	Dec-02	\$299,976	\$169,809	\$190,660	\$ (3,333)	(\$24,184)	\$275,792	
26	Jan-03	\$275,792	\$209,713	\$239,511	\$ (3,333)	(\$33,131)	\$242,661	
27	Feb-03	\$242,661	\$157,386	\$217,551	\$0	(\$60,165)	\$182,496	
28	Mar-03	\$182,496	\$133,141	\$206,797	\$0	(\$73,656)	\$108,840	
29	Apr-03	\$108,840	\$133,023	\$181,713		(\$48,690)	\$60,150	
30	May-03	\$60,150	\$131,071	\$183,305		(\$52,234)	\$7,916	
31	Jun-03	\$7,916	\$125,806	\$211,947	\$ 5,997	(\$80,144)	(\$72,228)	(2) (1/04 filing)
32	Jul 03	(\$72,228)	\$144,624	\$233,076		(\$88,452)	(\$160,681)	
33	Aug 03	(\$160,681)	\$269,237	\$253,955		\$15,282	(\$145,398)	
34	Sept 03	(\$145,398)	\$250,483	\$203,211		\$47,273	(\$98,126)	
35	Oct 03	(\$98,126)	\$233,618	\$181,234		\$52,384	(\$45,742)	
36	Nov 03	(\$45,742)	\$229,096	\$206,281		\$22,814	(\$22,927)	
37	Dec 03	(\$22,927)	\$206,998	\$239,549		(\$32,552)	(\$55,479)	(Carry over to 7/04)
38	Jan-04	(\$55,479)	\$293,259	\$273,082		\$20,177	(\$35,302)	
39	Feb-04	(\$35,302)	\$232,965	\$202,145		\$30,820	(\$4,483)	
40	Mar-04	(\$4,483)	\$208,075	\$202,467		\$5,608	\$1,125	
41	Apr-04	\$1,125	\$226,914	\$181,974		\$44,940	\$46,066	
42	May-04	\$46,066	\$196,587	\$177,285		\$19,303	\$65,368	
43	Jun-04	\$65,368	\$193,443	\$183,679		\$9,764	\$75,132	
44	July 04	\$75,132	\$248,044	\$209,243		\$38,801	\$113,933	(Carry over to 1/05)

Standard Offer

1	Period Start Balance From July 2004						\$113,933
		Start Bal	Revenue	Expense	Adjust	Monthly	
						Over/(Under)	
2	Aug-04	\$113,933	\$ 212,352	\$ 225,614		\$ (13,262)	\$100,671
3	Sep-04	\$100,671	\$ 237,921	\$ 178,707		\$ 59,214	\$159,885
4	Oct-04	\$159,885	\$ 224,742	\$ 169,630		\$ 55,112	\$214,997
5	Nov-04	\$214,997	\$ 195,962	\$ 180,017		\$ 15,945	\$230,942
6	Dec-04	\$230,942	\$ 198,905	\$ 177,317		\$ 21,589	\$252,531
7	Jan-05	\$252,531	\$ 269,672	\$ 279,667		\$ (9,995)	\$242,537
8							
9							
10	Period Over/(Under) Collection					\$128,603	
11	Cumulative Over/(Under) Collection						<u>\$242,537</u>

- (1) \$40,000 charge to customers, spread over 12 months, to reimburse PUD for previous payments for Working Capital account for ISO "Fiscal Responsibility Policy". From July 2002 filing
- (2) NYPA refund received by the District on June 4, 2003. This credit is for Pascoag's share of hydro preference rate refund for the period 12/18/02 to 4/30/03.

Transition Charge

Beginning Bal Nov 2000		(From January 2002 filing, "Prior Period")				\$(122,012)		
	Start Bal	Revenue	Expense	Adjust	Monthly Over/(Under)	Cumulative		
1	Dec-00	(\$122,012)	\$87,194	\$80,300		\$6,894	(\$115,118)	
2	Jan-01	(\$115,118)	\$102,257	\$79,834		\$22,423	(\$92,695)	
3	Feb-01	(\$92,695)	\$93,341	\$78,528		\$14,813	(\$77,882)	
4	Mar-01	(\$77,882)	\$92,973	\$86,538		\$6,435	(\$71,447)	
5	Apr-01	(\$71,447)	\$89,693	\$73,963		\$15,730	(\$55,717)	
6	May-01	(\$55,717)	\$81,535	\$73,976		\$7,559	(\$48,158)	
7	Jun-01	(\$48,158)	\$89,636	\$83,690		\$5,946	(\$42,212)	
8	Jul-01	(\$42,212)	\$90,786	\$81,277		\$9,509	(\$32,703)	
9	Aug-01	(\$32,703)	\$102,740	\$82,090		\$20,650	(\$12,053)	
10	Sep-01	(\$12,053)	\$107,168	\$83,486		\$23,682	\$11,629	
11	Oct-01	\$11,629	\$91,688	\$87,468		\$4,220	\$15,849	
12	Nov-01	\$15,849	\$96,680	\$84,675		\$12,005	\$27,854	
13	Dec-01	\$27,854	\$75,982	\$81,376		(\$5,394)	\$22,460	
14	Jan-02	\$22,460	\$86,961	\$77,578		\$9,383	\$31,843	
15	Feb-02	\$31,843	\$68,976	\$81,185		(\$12,209)	\$19,634	
16	Mar-02	\$19,634	\$59,649	\$77,547		(\$17,898)	\$1,736	
17	Apr-02	\$1,736	\$57,512	\$78,490	\$17,791	(\$3,187)	(\$1,451)	(1)
18	May-02	(\$1,451)	\$59,409	\$91,981		(\$32,572)	(\$34,023)	
19	Jun-02	(\$34,023)	\$63,938	\$80,963		(\$17,025)	(\$51,048)	
20	Jul-02	(\$51,048)	\$67,638	\$63,578		\$4,060	(\$46,988)	
21	Aug-02	(\$46,988)	\$29,567	\$63,488		(\$33,921)	(\$80,909)	
22	Aug-02	(\$80,909)	\$82,667			\$82,667	\$1,758	(2)
23	Sep-02	\$1,758	\$28,194	\$63,024		(\$34,830)	(\$33,072)	
24	Oct-02	(\$33,072)	\$24,575	\$60,737		(\$36,162)	(\$69,234)	
25	Nov-02	(\$69,234)	\$25,866	\$61,292		(\$35,426)	(\$104,660)	(Carry over to 7/03)
26	Dec-02	(\$104,660)	\$ 24,115	\$ 52,630	\$0	(\$28,515)	(\$133,175)	
27	Jan-03	(\$133,175)	\$ 29,786	\$ 52,585	\$0	(\$22,799)	(\$155,974)	
28	Feb-03	(\$155,974)	\$ 86,789	\$ 56,818	\$0	\$ 29,971	(\$126,003)	
29	Mar-03	(\$126,003)	\$ 73,421	\$ 52,622	\$0	\$ 20,799	(\$105,204)	
30	Apr-03	(\$105,204)	\$ 73,355	\$ 54,011	\$0	\$ 19,344	(\$85,860)	
31	May-03	(\$85,860)	\$ 72,279	\$ 52,440	\$ -	\$ 19,839	(\$66,021)	
32	Jun-03	(\$66,021)	\$ 69,376	\$(14,884)	\$ -	\$ 84,260	\$18,239	(Carry over to 1/04)
33	Jul-03	\$18,239	\$ 75,361	\$ 60,504		\$ 14,857	\$33,096	
34	Aug-03	\$33,096	\$ 71,205	\$ 60,493		\$ 10,712	\$43,808	
35	Sep-03	\$43,808	\$ 59,959	\$ 62,726		\$ (2,767)	\$41,041	
36	Oct-03	\$41,041	\$ 55,922	\$ 61,486		\$ (5,565)	\$35,477	
37	Nov-03	\$35,477	\$ 54,842	\$ 45,426		\$ 9,416	\$44,893	
38	Dec-03	\$44,893	\$ 49,550	\$ 36,917		\$ 12,633	\$57,526	
39	Jan-04	\$57,526	\$ 70,198	\$ 38,014		\$ 32,184	\$89,711	
40	Feb-04	\$89,711	\$ 51,656	\$ 36,346		\$ 15,311	\$105,021	
41	Mar-04	\$105,021	\$ 28,233	\$ 33,111		\$ (4,877)	\$100,144	
42	Apr-04	\$100,144	\$ 30,786	\$ 34,638		\$ (3,852)	\$96,292	
43	May-04	\$96,292	\$ 26,673	\$ 32,930		\$ (6,258)	\$90,034	
44	Jun-04	\$90,034	\$ 26,245	\$ 26,455		\$ (211)	\$89,824	
45	Jul-04	\$89,824	\$ 33,652	\$ 19,141		\$ 14,510	\$104,334	(Carry over to 1/5)

Transition Charge

1	Period Start Balance From July 2004						\$104,334
2		Start Bal	Revenue	Expense	Adjust	Monthly	
3						Over/(Under)	
4	Aug-04	\$104,334	\$ 28,809	\$ 18,952		\$ 9,857	\$114,192
5	Sep-04	\$114,192	\$ 32,278	\$ 21,207		\$ 11,071	\$125,263
6	Oct-04	\$125,263	\$ 30,490	\$ 18,987		\$ 11,503	\$136,766
7	Nov-04	\$136,766	\$ 26,585	\$ 20,930		\$ 5,655	\$142,420
8	Dec-04	\$142,420	\$ 26,985	\$ 22,514		\$ 4,471	\$146,892
9	Jan-05	\$146,892	\$ 36,586	\$ 22,514		\$ 14,072	\$160,964
10							
11							
12		<u>\$769,866</u>					
13		Period Over/(Under) Collection				\$56,629	
14							
15		Cumulative Over/(Under) Collection					<u>\$160,964</u>

16 (1) Refund of \$17,791 for Seabrook Project 6 "Vermont Settlement", from November 1999

17 (2) Refund from MMWEC of \$82,677 for "Unnecessary Decommissioning Funds - Project 6"

Note: June 2003 Transition Expense is reduced by the Surplus Fund credit for \$77,029. This credit was applied to the June invoice, instead of being spread over 11 months. This was done with Division and Commission review prior to payment.

Transmission Charge

		Beginning Bal Nov 2000		(From January 2002 filing "Prior Period)			\$3,716
		Start Bal	Revenue	Expense	Adjust	Monthly Over/(Under)	Cumulative
1	Dec-00	\$3,716	\$19,159	\$20,393		(\$1,234)	\$2,482
2	Jan-01	\$2,482	\$22,468	\$20,023		\$2,445	\$4,927
3	Feb-01	\$4,927	\$16,714	\$19,843		(\$3,129)	\$1,798
4	Mar-01	\$1,798	\$16,522	\$13,781		\$2,741	\$4,539
5	Apr-01	\$4,539	\$15,959	\$20,283		(\$4,324)	\$215
6	May-01	\$215	\$14,594	\$15,871		(\$1,277)	(\$1,062)
7	Jun-01	(\$1,062)	\$16,043	\$21,363		(\$5,320)	(\$6,382)
8	Jul-01	(\$6,382)	\$16,249	\$18,155		(\$1,906)	(\$8,288)
9	Aug-01	(\$8,288)	\$18,388	\$23,626		(\$5,238)	(\$13,526)
10	Sep-01	(\$13,526)	\$19,181	\$15,542		\$3,639	(\$9,887)
11	Oct-01	(\$9,887)	\$16,414	\$17,168		(\$754)	(\$10,641)
12	Nov-01	(\$10,641)	\$17,304	\$17,761		(\$457)	(\$11,098)
13	Dec-01	(\$11,098)	\$34,918	\$22,791		\$12,127	\$1,029
14	Jan-02	\$1,029	\$39,935	\$23,283		\$16,652	\$17,681
15	Feb-02	\$17,681	\$27,519	\$21,892	\$4,167	\$9,794	\$27,475
16	Mar-02	\$27,475	\$23,799	\$26,902	\$4,167	\$1,064	\$28,539
17	Apr-02	\$28,539	\$24,053	\$24,683	\$4,167	\$3,537	\$32,076
18	May-02	\$32,076	\$23,703	\$21,161	\$4,167	\$6,709	\$38,785
19	Jun-02	\$38,785	\$25,510	\$20,188	\$4,167	\$9,489	\$48,274
20	Jul-02	\$48,274	\$26,986	\$25,848	\$4,165	\$5,303	\$53,577
21	Aug-02	\$53,577	\$22,459	\$31,367		(\$8,908)	\$44,669
22	Sep-02	\$44,669	\$21,423	\$31,055		(\$9,632)	\$35,037
23	Oct-02	\$35,037	\$18,671	\$31,567		(\$12,896)	\$22,141
24	Nov-02	\$22,141	\$19,652	\$27,848		(\$8,196)	\$13,945 (Carry over to 7/03 filing)
25	Dec-02	\$13,945	\$ 18,322	\$ 20,942	\$ -	(\$2,620)	\$11,325
26	Jan-03	\$11,325	\$ 22,628	\$ 27,845	\$ -	(\$5,217)	\$6,108
27	Feb-03	\$6,108	\$ 32,157	\$ 29,291		\$2,866	\$8,974
28	Mar-03	\$8,974	\$ 27,204	\$ 27,076		\$128	\$9,102
29	Apr-03	\$9,102	\$ 27,180	\$ 21,642		\$5,538	\$14,640
30	May-03	\$14,640	26,781	22,765		4,016	\$18,656
31	Jun-03	\$18,656	\$ 25,706	\$ 16,905		\$8,801	\$27,457 (Carry over to 1/04 filing)
32	Jul-03	\$27,457	\$ 27,810	\$ 28,812		(\$1,002)	\$26,455
33	Aug-03	\$26,455	\$ 24,386	\$ 20,751		\$3,635	\$30,090
34	Sep-03	\$30,090	\$ 20,196	\$ 22,556		(\$2,360)	\$27,730
35	Oct-03	\$27,730	\$ 18,836	\$ 23,751		(\$4,915)	\$22,815
36	Nov-03	\$22,815	\$ 18,472	\$ 28,137		(\$9,664)	\$13,151
37	Dec-03	\$13,151	\$ 16,690	\$ 28,543		(\$11,853)	\$1,298 (Carry over to 7/04 filing)
38	Jan-04	\$1,298	\$ 23,644	\$ 24,661		\$ (1,016)	\$281
39	Feb-04	\$281	\$ 22,774	\$ 36,792		\$ (14,018)	(\$13,737) (2) Included NYPA Transmission
40	Mar-04	(\$13,737)	\$ 37,732	\$ 39,800		\$ (2,067)	(\$15,804)
41	Apr-04	(\$15,804)	\$ 41,151	\$ 35,012		\$ 6,139	(\$9,665)
42	May-04	(\$9,665)	\$ 35,651	\$ 35,436		\$ 215	(\$9,450)
43	Jun-04	(\$9,450)	\$ 35,080	\$ 38,661		\$ (3,582)	(\$13,032)
44	Jul-04	(\$13,032)	\$ 44,981	\$ 37,978		\$ 7,003	(\$6,029)

Transmission Charge

1	Period Start Balance From July 2004					(\$6,029)
2	Start Bal	Revenue	Expense	Adjust	Monthly	
3					Over/(Under)	
4	Aug-04	(\$6,029)	\$ 38,508	\$ 39,419	\$ (911)	(\$6,940)
5	Sep-04	(\$6,940)	\$ 43,145	\$ 38,500	\$ 4,645	(\$2,294)
6	Oct-04	(\$2,294)	\$ 40,755	\$ 39,390	\$ 1,365	(\$929)
7	Nov-04	(\$929)	\$ 35,536	\$ 43,048	\$ (7,512)	(\$8,441)
8	Dec-04	(\$8,441)	\$ 36,070	\$ 40,913	\$ (4,843)	(\$13,284)
9	Jan-05	(\$13,284)	\$ 48,903	\$ 47,046	\$ 1,857	(\$11,427)

10

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14 Period Over/(Under) Collection

(\$5,398)

15

16 Cumulative Over/(Under) Collection

(\$11,427)

17

18 (1) Refund of \$25,000, over 6 months, from November 1999. Open Access Transmission Fund

19 Refund received by Pascoag, but not flowed through to customers. From July 2002 filing.

20 From January 2003 filing "Prior Period"

21 (2) At the January 2004 RIPUC hearing, Pascoag's Transmission Tariff was changed to include the cost of
22 transmission from the NYPA allotment. Previously, this was part of Pascoag's Standard Offer.

23

24

Tracking Restated Costs to Revenue - Current Period

	Month	Transition	Transmission	Standard Offer	Total
	August 2004				
1	Cost	\$ 18,952	\$ 39,419	\$ 225,614	\$ 283,985
2	Revenue	\$ 28,809	\$ 38,508	\$ 212,352	\$ 279,670
3	August Net Over/(Under)	\$ 9,857	\$ (911)	\$ (13,262)	\$ (4,315)
	September 2004				
4	Cost	\$ 21,207	\$ 38,500	\$ 178,707	\$ 238,414
5	Revenue	\$ 32,278	\$ 43,145	\$ 237,921	\$ 313,345
6	September Net Over/(Under)	\$ 11,071	\$ 4,645	\$ 59,214	\$ 74,930
	October 2004				
7	Cost	\$ 18,987	\$ 39,390	\$ 169,630	\$ 228,008
8	Revenue	\$ 30,490	\$ 40,755	\$ 224,742	\$ 295,987
9	Adjustment	\$ -			
10	October Net Over/(Under)	\$ 11,503	\$ 1,365	\$ 55,112	\$ 67,979
	November 2004				
11	Cost	\$ 20,930	\$ 43,048	\$ 180,017	\$ 243,995
12	Revenue	\$ 26,585	\$ 35,536	\$ 195,962	\$ 258,083
13	Adjustment				
14	November Net Over/(Under)	\$ 5,655	\$ (7,512)	\$ 15,945	\$ 14,088
	December 2004				
15	Cost	\$ 22,514	\$ 40,913	\$ 177,317	\$ 240,743
16	Revenue	\$ 26,985	\$ 36,070	\$ 198,905	\$ 261,961
17	Adjustment				\$ -
18	December Net Over/(Under)	\$ 4,471	\$ (4,843)	\$ 21,589	\$ 21,217
	January 2005				
19	Cost	\$ 22,514	\$ 47,046	\$ 279,667	\$ 349,226
20	Revenue	\$ 36,586	\$ 48,903	\$ 269,672	\$ 355,161
21	Adjustment				
22	January Net Over/(Under)	\$ 14,072	\$ 1,857	\$ (9,995)	\$ 5,935
23	Net Period Reconciliation	\$ 56,629	\$ (5,398)	\$ 128,603	\$ 179,835
24		Please see	Please see	Please see	Please see
25		Schedule C-3,	Schedule C-4,	Schedule C-2,	Schedule C-1,
26		Page 2	Page 2	Page 2	Page 2
		Line 13	Line 14	Line 10	Line 10

Bulk Power Cost Projection Reconciliation
Summary of Budgeted Cost to Actual Cost
Power Year 2004

Month	Budget	Actual	Difference	Energy (MWH) Budget	Energy (MWH) Actual	Difference (Energy)	Actual Cost MWH	Budget Cost MWH
Jan-04	\$ 307,985	\$ 335,757	\$ 27,772	5,035	5,020	-15	\$ 66.88	\$ 61.17
Feb-04	\$ 290,781	\$ 275,283	\$ (15,498)	4,324	4,360	36	\$ 63.14	\$ 67.25
Mar-04	\$ 282,604	\$ 275,377	\$ (7,227)	4,426	4,410	(16)	\$ 62.45	\$ 63.85
Apr-04	\$ 267,290	\$ 251,624	\$ (15,666)	4,077	4,007	(70)	\$ 62.79	\$ 65.56
May-04	\$ 264,956	\$ 245,651	\$ (19,305)	4,103	4,114	11	\$ 59.72	\$ 64.58
Jun-04	\$ 284,393	\$ 248,795	\$ (35,598)	4,326	4,290	(36)	\$ 57.99	\$ 65.74
Jul-04	\$ 328,813	\$ 266,363	\$ (62,450)	5,233	4,813	(420)	\$ 55.35	\$ 62.83
Aug-04	\$ 344,516	\$ 283,985	\$ (60,531)	5,409	5,069	(340)	\$ 56.02	\$ 63.69
Sep-04	\$ 285,472	\$ 238,414	\$ (47,058)	4,331	4,407	76	\$ 54.10	\$ 65.91
Oct-04	\$ 305,953	\$ 228,008	\$ (77,945)	4,336	4,284	(52)	\$ 53.22	\$ 70.56
Nov-04	\$ 290,641	\$ 243,995	\$ (46,646)	4,388	4,322	(66)		
Dec-04			\$ -			0		
Total	\$ 3,253,404	\$ 2,893,252	\$ (360,152)	49,988	49,095	(893)	\$ 58.93	\$ 65.08
						"Average" MWH cost	\$ 58.93	\$ 65.08

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Historic Electric Sales

	MWH Sales	St Light MWH	Total MWH Sales
Feb-04	4,208	54	4,262
Mar-04	4,026	54	4,080
Apr-04	4,391	46	4,437
May-04	3,804	42	3,846
Jun-04	3,743	38	3,781
Jul-04	<u>4,800</u>	40	4,840
	24,972		
Growth Rate 4.5%	<u>1,124</u>		
Net for 6 months	26,096		
Aug-04	4,109	45	4,154
Sep-04	4,604	50	4,654
Oct-04	4,349	58	4,407
Nov-04	3,792	62	3,854
Dec-04	3,849	63	3,912
Jan-05	<u>5,219</u>	64	5,283
	25,922		
Growth Rate 4.5%	<u>1,166</u>		
Net for 6 months	27,088		
Total for 12 months	53,184		

**Pascoag Utility District
Forecast Purchased Power Costs (1)**

	<u>Resources</u>	Feb-05 (MWH)	Mar-05 (MWH)	Apr-05 (MWH)	May-05 (MWH)	Jun-05 (MWH)	Jul-05 (MWH)	Period Total
1	NYPA - Firm	1,210	1,272	1,102	1,004	972	1,004	6,564
2	Seabrook	784	868	840	868	840	868	5,068
	Sub-total Base	1,994	2,140	1,942	1,872	1,812	1,872	11,632
3	Capacity Market	-	-	-	-	-	-	-
4	BELD	779	511	358	451	777	1,203	4,079
5	TransCanada	1,680	1,860	1,800	1,860	1,800	1,860	10,860
	Sub-total Intermediate	2,459	2,371	2,158	2,311	2,577	3,063	14,939
6								-
7	NYPA - Peak	8	9	9	9	9	9	53
	Sub-total Peaking	8	9	9	9	9	9	53
8	ISO Energy Net Interchange							-
9	Total MWH Purchased	4,461	4,520	4,109	4,192	4,398	4,944	26,624
	Purchased Power Cost							
10	NYPA Firm	\$ 8,561	\$ 8,869	\$ 8,030	\$ 7,552	\$ 7,392	\$ 7,552	\$ 47,956
11	(2) Seabrook	\$ 81,183	\$ 81,603	\$ 81,463	\$ 81,603	\$ 81,463	\$ 81,603	\$ 488,918
12								\$ -
	Sub-total Base	\$ 89,744	\$ 90,472	\$ 89,493	\$ 89,155	\$ 88,855	\$ 89,155	\$ 536,874
13	Capacity Market	\$ 800	\$ 800	\$ 800	\$ 800	\$ 800	\$ 800	\$ 4,800
14	BELD	\$ 51,825	\$ 33,955	\$ 23,775	\$ 29,994	\$ 51,696	\$ 79,975	\$ 271,220
15	TransCanada/Bilateral	\$ 106,680	\$ 118,110	\$ 114,300	\$ 118,110	\$ 114,300	\$ 118,110	\$ 689,610
16	Sub-total Intermediate	\$ 159,305	\$ 152,865	\$ 138,875	\$ 148,904	\$ 166,796	\$ 198,885	\$ 965,630
17								\$ -
18	NYPA - Peak	\$ 186	\$ 191	\$ 189	\$ 191	\$ 189	\$ 191	\$ 1,137
19	Sub-total Peaking	\$ 186	\$ 191	\$ 189	\$ 191	\$ 189	\$ 191	\$ 1,137
20	ISO Energy Net Interchange							\$ -
21	Service Billing	\$ 550	\$ 550	\$ 550	\$ 550	\$ 550	\$ 550	\$ 3,300
22	ISO Expense	\$ 6,426	\$ 7,674	\$ 5,882	\$ 6,236	\$ 6,140	\$ 5,211	\$ 37,569
23	ENE All Req/Short Supply	\$ 5,200	\$ 5,200	\$ 5,200	\$ 5,200	\$ 5,200	\$ 5,200	\$ 31,200
24	Ancillary Services	\$ 3,330	\$ 2,604	\$ 2,236	\$ 1,466	\$ 1,771	\$ 1,615	\$ 13,022
25	Forward Reserve	\$ 2,784	\$ 2,819	\$ 2,887	\$ 2,867	\$ 2,680	\$ 2,756	\$ 16,793
26	(3) NYPA billing error	\$ 1,673	\$ 1,673	\$ 1,673	\$ 1,673	\$ 1,673	\$ 1,673	\$ 10,038
27	Transmission	\$ 46,210	\$ 44,040	\$ 43,596	\$ 41,742	\$ 42,275	\$ 46,001	\$ 263,864
28		\$ 66,173	\$ 64,560	\$ 62,024	\$ 59,734	\$ 60,289	\$ 63,006	\$ 375,786
29	Total	\$ 315,408	\$ 308,088	\$ 290,581	\$ 297,984	\$ 316,129	\$ 351,237	\$ 1,879,427
30								
31	Total forecast costs w/period adjust	\$ 315,408	\$ 308,088	\$ 290,581	\$ 297,984	\$ 316,129	\$ 351,237	\$ 1,879,427

- (1) The number on Schedule F-1 and F-2 are from Energy New England Bulk Power Cost Projections. The ENE cost projections are included in this filing as Schedule G-1 to G-7.
- (2) The total for Seabrook includes the Excess Fund credit of \$4,274 per month.
- (3) NYPA billing error for the period January 2002 through March 2003, in the amount of \$25,102. NYPA has agreed to let Pascoag pay-back this amount over a 15-month period.

Pascoag Utility District
Restated Forecast Purchased Power Costs

**** Market value is based on Seabrook kwhr's times Market Value listed below****

	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Period Total
1 Seabrook Kwhr	784,000	868,000	840,000	868,000	840,000	868,000	5,068,000
2 Market Value Rate	0.072736	0.072736	0.072736	0.072736	0.072736	0.072736	
3 Market Value	\$ 57,025	\$ 63,135	\$ 61,098	\$ 63,135	\$ 61,098	\$ 63,135	\$ 368,626

	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Period Total
Restated Costs (Dollars) - Transition							
4 Seabrook	\$ 81,183	\$ 81,603	\$ 81,463	\$ 81,603	\$ 81,463	\$ 81,603	\$ 488,918
5							
6 Sub Total	\$ 81,183	\$ 81,603	\$ 81,463	\$ 81,603	\$ 81,463	\$ 81,603	\$ 488,918
7 Less Market Value	\$ (57,025)	\$ (63,135)	\$ (61,098)	\$ (63,135)	\$ (61,098)	\$ (63,135)	\$ (368,626)
8 Restated Transition Cost	\$ 24,158	\$ 18,468	\$ 20,365	\$ 18,468	\$ 20,365	\$ 18,468	\$ 120,292

Transmission							
9 Transmission	\$ 46,210	\$ 44,040	\$ 43,596	\$ 41,742	\$ 42,275	\$ 46,001	\$ 263,864
Net Transmission	\$ 46,210	\$ 44,040	\$ 43,596	\$ 41,742	\$ 42,275	\$ 46,001	\$ 263,864

Restated Costs (Dollars) - Standard Offer							
10 NYPA Firm	\$ 8,561	\$ 8,869	\$ 8,030	\$ 7,552	\$ 7,392	\$ 7,552	\$ 47,956
11 NYPA - Peak	\$ 186	\$ 191	\$ 189	\$ 191	\$ 189	\$ 191	\$ 1,137
12 BELD	\$ 51,825	\$ 33,955	\$ 23,775	\$ 29,994	\$ 51,696	\$ 79,975	\$ 271,220
13 ISO Energy Net Interchange	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
14 TransCanada	\$ 106,680	\$ 118,110	\$ 114,300	\$ 118,110	\$ 114,300	\$ 118,110	\$ 689,610
15 Capacity Market	\$ 800	\$ 800	\$ 800	\$ 800	\$ 800	\$ 800	\$ 4,800
16 Service Billing	\$ 550	\$ 550	\$ 550	\$ 550	\$ 550	\$ 550	\$ 3,300
17 ISO Expense	\$ 6,426	\$ 7,674	\$ 5,882	\$ 6,236	\$ 6,140	\$ 5,211	\$ 37,569
18 ENE Expenses	\$ 5,200	\$ 5,200	\$ 5,200	\$ 5,200	\$ 5,200	\$ 5,200	\$ 31,200
19 Ancillary Services	\$ 3,330	\$ 2,604	\$ 2,236	\$ 1,466	\$ 1,771	\$ 1,615	\$ 13,022
Forward Reserve	\$ 2,784	\$ 2,819	\$ 2,887	\$ 2,867	\$ 2,680	\$ 2,756	\$ 16,793
20 NYPA Billing Error	\$ 1,673	\$ 1,673	\$ 1,673	\$ 1,673	\$ 1,673	\$ 1,673	\$ 10,038
21 Sub-Total	\$ 188,015	\$ 182,445	\$ 165,522	\$ 174,639	\$ 192,391	\$ 223,633	\$ 1,126,645
22 Plus Market Value	\$ 57,025	\$ 63,135	\$ 61,098	\$ 63,135	\$ 61,098	\$ 63,135	\$ 368,626
23 Restated Costs - Standard Offer	\$ 245,041	\$ 245,580	\$ 226,620	\$ 237,774	\$ 253,489	\$ 286,768	\$ 1,495,272

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Restated Costs:							
26 Transition	\$ 24,158	\$ 18,468	\$ 20,365	\$ 18,468	\$ 20,365	\$ 18,468	\$ 120,292
27 Transmission	\$ 46,210	\$ 44,040	\$ 43,596	\$ 41,742	\$ 42,275	\$ 46,001	\$ 263,864
28 Standard Offer	\$ 245,041	\$ 245,580	\$ 226,620	\$ 237,774	\$ 253,489	\$ 286,768	\$ 1,495,272
29 Total Restated Costs	\$ 315,408	\$ 308,088	\$ 290,581	\$ 297,984	\$ 316,129	\$ 351,237	\$ 1,879,427

	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	
30 Actual Sales Previous Period (1)	4,208	4,026	4,391	3,804	3,743	4,800	24,972
31 Projected 4.5% Growth	189	181	198	171	168	216	1,124
32 Estimated Sales	4,397	4,207	4,589	3,975	3,911	5,016	26,096
33 Transition	\$ 5.49	\$ 4.39	\$ 4.44	\$ 4.65	\$ 5.21	\$ 3.68	\$ 4.61
34 Transmission	\$ 10.51	\$ 10.47	\$ 9.50	\$ 10.50	\$ 10.81	\$ 9.17	\$ 10.11
35 Standard Offer	\$ 55.72	\$ 58.37	\$ 49.39	\$ 59.81	\$ 64.81	\$ 57.17	\$ 57.30
36 Total	\$ 71.73	\$ 73.23	\$ 63.33	\$ 74.96	\$ 80.82	\$ 70.02	\$ 72.02

(1) From Schedule E

**Pascoag Utility District
Forecast Purchased Power Costs (1)**

	<u>Resources</u>	Aug 05 to Jan 06	Period Total
1	NYPA - Firm	5,765	5,765
2	Seabrook	4,408	4,408
	Sub-total Base	10,173	10,173
3	Capacity Market	-	-
4	BELD	7,318	7,318
5	TransCanada	11,040	11,040
	Sub-total Intermediate	18,358	18,358
6		-	-
7	NYPA - Peak	54	54
	Sub-total Peaking	54	54
8	ISO Energy Net Interchange	-	-
9	Total MWH Purchased	28,585	28,585
	<u>Purchased Power Cost</u>		
10	NYPA Firm	\$ 44,024	\$ 44,024
11	(2) Seabrook	\$ 485,619	\$ 485,619
12		\$ -	\$ -
	Sub-total Base	\$ 529,643	\$ 529,643
13	Capacity Market	\$ 4,800	\$ 4,800
14	BELD	\$ 482,628	\$ 482,628
15	TransCanada	\$ 694,530	\$ 694,530
16	Sub-total Intermediate	\$ 1,181,958	\$ 1,181,958
17		\$ -	\$ -
18	NYPA - Peak	\$ 1,123	\$ 1,123
19	Sub-total Peaking	\$ 1,123	\$ 1,123
20	ISO Energy Net Interchange	\$ -	\$ -
21	Service Billing	\$ 3,300	\$ 3,300
22	ISO Expense	\$ 38,105	\$ 38,105
23	ENE All Req/Short Supply	\$ 31,200	\$ 31,200
24	Ancillary Services	\$ 16,722	\$ 16,722
25	Forward Reserve	\$ 15,538	\$ 15,538
26	(3) NYPA billing error	\$ 10,038	\$ 10,038
27	Transmission	\$ 279,428	\$ 279,428
28		\$ 394,331	\$ 394,331
29	Total	\$ 2,107,055	\$ 2,107,055
30			
31	Total forecast costs w/period adjust	\$ 2,107,055	\$ 2,107,055

(1) From ENE Forecast August 2005 through January 2006

The ENE cost projections are included in this filing as Schedule G-8

(2) The total for Seabrook includes the Excess Fund credit of \$4,274 per month.

(3) NYPA billing error for the period January 2002 through March 2003, in the amount of \$25,102. NYPA has agreed to let Pascoag pay-back this amount over a 15-month period.

Pascoag Utility District
Restated Forecast Purchased Power Costs

**** Market value is based on Seabrook kwhr's times Market Value listed below****

	Aug 05 to Jan 06	Period Total
1 Seabrook Kwhr	4,408,000	4,408,000
2 Market Value Rate	0.072736	
3 Market Value	\$ 320,620	\$ 320,620

	Aug 05 to Jan 06	Period Total
Restated Costs (Dollars) - Transition		
4 Seabrook	\$ 485,619	\$ 485,619
5		
6 Sub Total	\$ 485,619	\$ 485,619
7 Less Market Value	\$ (320,620)	\$ (320,620)
8 Restated Transition Cost	\$ 164,999	\$ 164,999

Transmission		
9 Transmission	\$ 279,428	\$ 279,428
Net Transmission	\$ 279,428	\$ 279,428

Restated Costs (Dollars) - Standard Offer		
10 NYPA Firm	\$ 44,024	\$ 44,024
11 NYPA - Peak	\$ 1,123	\$ 1,123
12 BELD	\$ 482,628	\$ 482,628
13 ISO Energy Net Interchange	\$ -	\$ -
14 TransCanada	\$ 694,530	\$ 694,530
15 Capacity Market	\$ 4,800	\$ 4,800
16 Service Billing	\$ 3,300	\$ 3,300
17 ISO Expense	\$ 38,105	\$ 38,105
18 ENE Expenses	\$ 31,200	\$ 31,200
19 Ancillary Services	\$ 16,722	\$ 16,722
Forward Reserve	\$ 15,538	\$ 15,538
20 NYPA Billing Error	\$ 10,038	\$ 10,038
21 Sub-Total	\$ 1,342,008	\$ 1,342,008
22 Plus Market Value	\$ 320,620	\$ 320,620
23 Restated Costs - Standard Offer	\$ 1,662,628	\$ 1,662,628

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25

Restated Costs:		
26 Transition	\$ 164,999	\$ 164,999
27 Transmission	\$ 279,428	\$ 279,428
28 Standard Offer	\$ 1,662,628	\$ 1,662,628
29 Total Restated Costs	\$ 2,107,055	\$ 2,107,055

	Aug 05 to Jan 06			Aug 05 to Jan 06
30 Actual Sales Previous Period (1)	25,925			25,925
31 Projected 4.5% Growth	1,167			1,167
32 Estimated Sales	27,092	-	-	27,092
33 Transition	\$ 6.09			\$ 6.09
34 Transmission	\$ 10.31			\$ 10.31
35 Standard Offer	\$ 61.37			\$ 61.37
36 Total	\$ 77.77			\$ 77.77

(1) From Schedule E

**Projection of Transition Costs, Transmission Costs and Standard Offer
For the Billing Period: February 2005 through July 2005**

Transition Cost Calculations:

1	Estimated Sales (MWH) to customers	<u>26,096</u>	Historical sales plus 4.5%
2			See Schedule E "Historical Electric Sales"
3	Forecast Transition Cost	\$ 120,292	See Schedule F-2, Line 26
4	Historic Transition Cost	\$ 125,105	See Schedule A-2, Line 6
5	Historic Transition Revenue	\$ (181,734)	See Schedule A-3, Line 2
6	Carry over from prior period	\$ (104,334)	See Schedule C-3, Page 2, Line 1
7	Total	\$ (40,672)	
8			
9	Cost Per MWH	<u>\$ (1.56)</u>	

Transmission Cost Calculations:

12	Estimated Sales (MWH) to customers	<u>26,096</u>	Historical sales plus 4.5%
13			See Schedule E "Historical Electric Sales"
14	Forecast Transmission cost	\$ 263,864	See Schedule F-2, Line 27
15	Historic Transmission Cost	\$ 248,316	See Schedule A-2, Line 8
16	Historic Transmission Revenue	\$ (242,918)	See Schedule A-3, Line 4
17	Carry over from prior period	\$ 6,029	See Schedule C-4, Page 2, Line 1
18	Total	\$ 275,291	
19			
20	Cost per MWH	<u>\$ 10.55</u>	

Standard Offer Calculation:

23	Estimated Sales (MWH) to customers	<u>26,096</u>	Historical sales plus 4.5%
24			See Schedule E "Historical Electric Sales"
25	Forecast Standard Offer cost	\$ 1,495,272	See Schedule F-2, Line 28
26	Historic Standard Offer Cost	\$ 1,210,951	See Schedule A-2, Line 19
27	Historic Standard Offer Revenue	\$ (1,339,554)	See Schedule A-3, Line 3
28	Carry over from prior period	\$ (113,933)	Schedule C-2, Page 2, Line 1
29	Total	\$ 1,252,735	
30			
31	Cost per MWH	<u>\$ 48.01</u>	

32			
33	Total MWH Cost	<u>\$ 57.00</u>	
34			

Proof of Revenues/Expenses

Transition

Forecast	\$ 120,292
1/04-7/04 Revenue	\$ (267,443)
8/04-1/05 Revenue	\$ (181,734)
1/04-7/04 Expense	\$ 220,630
8/4-1/5 Expense	\$ 125,105
Overcollect 12/03	<u>\$ (57,526)</u>
Net	<u><u>\$ (40,677)</u></u>

Transmission

Forecast	\$ 263,864
1/04-7/04 Revenue	\$ (241,014)
8/04-1/05 Revenue	\$ (242,918)
1/04-7/04 Expense	\$ 248,340
8/4-1/5 Expense	\$ 248,316
Overcollect 12/03	<u>\$ (1,298)</u>
Net	<u><u>\$ 275,290</u></u>

Forecast	\$ 1,495,272
1/04-7/04 Revenue	\$ (1,599,287)
8/04-1/05 Revenue	\$ (1,339,554)
1/04-7/04 Expense	\$ 1,429,879
8/4-1/5 Expense	\$ 1,210,951
Overcollect 12/03	<u>\$ 55,479</u>
Net	<u><u>\$ 1,252,739</u></u>

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**Projection of Transition Costs, Transmission Costs and Standard Offer
For the Billing Period: February 2005 through January 2006**

Transition Cost Calculations:		
1	Estimated Sales (MWH) to customers	<u>53,184</u> Historical sales plus 4.5%
2		<u>See Schedule E "Historical Electric Sales"</u>
3	Forecast Transition Cost 2/05-7/05	\$ 120,292 See Schedule F-2, Line 26
4	Forecast Transition Cost 8/5-1/06	\$ 164,999 See Schedule F-4, Line 26
5	Historic Transition Cost 8/04-1/05	\$ 125,105 See Schedule A-2, Line 6
6	Historic Transition Cost 2/04-7/04	\$ 182,617 See Schedule A-5, Line 6
	Historic Transition Revenue 8/4-1/5	\$ (181,734) See Schedule A-2, Line 2
	Historic Transition Revenue 2/4-7/04	\$ (197,245) See Schedule A6, Line 2
7	Carry over from prior period - Jan 04	<u>\$ (89,711)</u> See Schedule C-3, Page 1, Line 39
8		\$ 124,322
9	Cost Per MWH	<u>\$ 2.34</u>
10		
Transmission Cost Calculations:		
11		
12	Estimated Sales (MWH) to customers	<u>53,184</u> Historical sales plus 4.5%
13		<u>See Schedule E "Historical Electric Sales"</u>
14	Forecast Transmission Cost 2/05-7/05	<u>\$ 263,864</u> See Schedule F-2, Line 27
15	Forecast Transmission Cost 8/5-1/06	\$ 279,428 See Schedule F-4, Line 27
16	Historic Transmission Cost 8/04-1/05	\$ 248,316 See Schedule A-2, Line 8
17	Historic Transmission Cost 2/04-7/04	\$ 223,680 See Schedule A-5, Line 8
18	Historic Transmission Revenue 8/4-1/5	\$ (242,918) See Schedule A-3, Line 4
19	Historic Transmission Revenue 2/4-7/04	\$ (217,370) See Schedule A-6, Line 4
20	Carry over from prior period - Jan 04	<u>(\$281)</u> See Schedule C-4, Page 1, Line 38
		<u>\$ 554,719</u>
		\$10.43
21		
Standard Offer Calculation:		
22		
23	Estimated Sales (MWH) to customers	<u>53,184</u> Historical sales plus 3%
24		<u>See Schedule E "Historical Electric Sales"</u>
25	Forecast Standard Offer Cost 2/05-7/05	<u>\$ 1,495,272</u> See Schedule F-2, Line 28
26	Forecast Standard Offer Cost 8/5-1/06	\$ 1,662,628 See Schedule F-4, Line 28
27	Historic Standard Offer Cost 8/04-1/05	\$ 1,210,951 See Schedule A-2, Line 19
	Historic Standard Offer Cost 2/04-7/04	\$ 1,156,798 See Schedule A-5, Line 19
	Historic Standard Offer Revenue 8/4-1/5	\$ (1,339,554) See Schedule A-3, Line 3
	Historic Standard Offer Revenue 2/4-7/04	\$ (1,306,028) See Schedule A-6, Line 3
28	Carry over from prior period - Jan 04	\$ 35,302 See Schedule C-2, Page 1, Line 38
29	Total	<u>\$ 2,915,368</u>
30		
31	Cost per MWH	<u>\$ 54.82</u>
32		
33	Total MWH Cost	<u>\$ 67.58</u>
34		

Proof of Revenues

Transition

12 month forecast	\$ 285,291
Cumulative activity	<u>\$ (160,964)</u>
	\$ 124,327
Rate/MWH	\$ 2.34

Transmission

12 month forecast	\$ 543,292
Cumulative activity	<u>\$ 11,427</u>
	\$ 554,719
Rate/MWH	\$ 10.43

Standard Offer

12 month forecast	\$ 3,157,900
Cumulative activity	<u>(\$242,537)</u>
	\$ 2,915,363
Rate/MWH	\$ 54.82

Pascoag Utility District
Comparison of Previous Rate vs Proposed Rate
Impact on 500 Kilowatt-Hour Residential Customer

1	<u>Previous Rate</u>			<u>Proposed Rate Spread Over Six Months</u>			<u>Proposed Rate Spread Over Twelve Months</u>		
				<u>Scenario I</u>			<u>Scenario II</u>		
2		Unit Cost	Total		Unit Cost	Total		Unit Cost	Total
3	Customer Charge		\$ 4.00	Customer Charge		\$ 4.00	Customer Charge		\$ 4.00
4									
5	Distribution	\$ 0.03464	\$ 17.32	Distribution	\$ 0.03464	\$ 17.32	Distribution	\$ 0.03464	\$ 17.32
6									
7	Transition	\$ 0.00701	\$ 3.50	Transition	\$ (0.00156)	\$ (0.78)	Transition	\$ 0.00234	\$ 1.17
8								\$ -	
9	Standard Offer	\$ 0.05167	\$ 25.84	Standard Offer	\$ 0.04801	\$ 24.00	Standard Offer	\$ 0.05482	\$ 27.41
10									
11	Transmission	\$ 0.00937	\$ 4.69	Transmission	\$ 0.01055	\$ 5.27	Transmission	\$ 0.01043	\$ 5.22
12									
13	DSM	\$ 0.00230	\$ 1.15	DSM	\$ 0.00230	\$ 1.15	DSM	\$ 0.00230	\$ 1.15
14									
15	Total		\$ 56.49	Total		\$ 50.97	Total		\$ 56.26
16									
17									
18									
19	Net Increase					\$ (5.52)			\$ (0.23)
20									
21	Percent Increase					-9.8%			-0.4%
22									
23									
24									
25									
26									

**Pascoag Utility District - Electric Department
 With Rates Calculated for Six Months
 Scenario I
 Effective Billing Date: January 2005
 Residential Rate Calculations**

	KWHR	Customer Charge	Distribution	Transition	Standard Offer	Transmission	DSM Conservation Renewable	Total
1								
2								
3			0.03464	-0.00156	0.04801	0.01055	0.0023	0.09394
4								
5	50	\$ 4.00	\$ 1.73	\$ (0.08)	\$ 2.40	\$ 0.53	\$ 0.12	\$ 8.70
6	100	\$ 4.00	\$ 3.46	\$ (0.16)	\$ 4.80	\$ 1.06	\$ 0.23	\$ 13.39
7	200	\$ 4.00	\$ 6.93	\$ (0.31)	\$ 9.60	\$ 2.11	\$ 0.46	\$ 22.79
8	300	\$ 4.00	\$ 10.39	\$ (0.47)	\$ 14.40	\$ 3.17	\$ 0.69	\$ 32.18
9	400	\$ 4.00	\$ 13.86	\$ (0.62)	\$ 19.20	\$ 4.22	\$ 0.92	\$ 41.58
10	500	\$ 4.00	\$ 17.32	\$ (0.78)	\$ 24.01	\$ 5.28	\$ 1.15	\$ 50.97
11	600	\$ 4.00	\$ 20.78	\$ (0.94)	\$ 28.81	\$ 6.33	\$ 1.38	\$ 60.36
12	700	\$ 4.00	\$ 24.25	\$ (1.09)	\$ 33.61	\$ 7.39	\$ 1.61	\$ 69.76
13	800	\$ 4.00	\$ 27.71	\$ (1.25)	\$ 38.41	\$ 8.44	\$ 1.84	\$ 79.15
14	900	\$ 4.00	\$ 31.18	\$ (1.40)	\$ 43.21	\$ 9.50	\$ 2.07	\$ 88.55
15	1000	\$ 4.00	\$ 34.64	\$ (1.56)	\$ 48.01	\$ 10.55	\$ 2.30	\$ 97.94
16	1500	\$ 4.00	\$ 51.96	\$ (2.34)	\$ 72.02	\$ 15.83	\$ 3.45	\$ 144.91

**Pascoag Utility District - Electric Department
 With Rates Calculated for Twelve Months
 Scenario II
 Effective Billing Date: January 2005
 Residential Rate Calculations**

	KWHR	Customer Charge	Distribution	Transition	Standard Offer	Transmission	DSM Conservation Renewable	Total
1			0.03464	0.00234	0.05482	0.01043	0.0023	0.10453
2								
3								
4								
5	50	\$ 4.00	\$ 1.73	\$ 0.12	\$ 2.74	\$ 0.52	\$ 0.12	\$ 9.23
6	100	\$ 4.00	\$ 3.46	\$ 0.23	\$ 5.48	\$ 1.04	\$ 0.23	\$ 14.45
7	200	\$ 4.00	\$ 6.93	\$ 0.47	\$ 10.96	\$ 2.09	\$ 0.46	\$ 24.91
8	300	\$ 4.00	\$ 10.39	\$ 0.70	\$ 16.45	\$ 3.13	\$ 0.69	\$ 35.36
9	400	\$ 4.00	\$ 13.86	\$ 0.94	\$ 21.93	\$ 4.17	\$ 0.92	\$ 45.81
10	500	\$ 4.00	\$ 17.32	\$ 1.17	\$ 27.41	\$ 5.22	\$ 1.15	\$ 56.27
11	600	\$ 4.00	\$ 20.78	\$ 1.40	\$ 32.89	\$ 6.26	\$ 1.38	\$ 66.72
12	700	\$ 4.00	\$ 24.25	\$ 1.64	\$ 38.37	\$ 7.30	\$ 1.61	\$ 77.17
13	800	\$ 4.00	\$ 27.71	\$ 1.87	\$ 43.86	\$ 8.34	\$ 1.84	\$ 87.62
14	900	\$ 4.00	\$ 31.18	\$ 2.11	\$ 49.34	\$ 9.39	\$ 2.07	\$ 98.08
15	1000	\$ 4.00	\$ 34.64	\$ 2.34	\$ 54.82	\$ 10.43	\$ 2.30	\$ 108.53
16	1500	\$ 4.00	\$ 51.96	\$ 3.51	\$ 82.23	\$ 15.65	\$ 3.45	\$ 160.80

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