



**Public Service
of New Hampshire**

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The Northeast Utilities System

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February 10, 2009

Ms. Debra A. Howland
Executive Director and Secretary
New Hampshire Public Utilities Commission
21 South Fruit Street, Suite 10
Concord, New Hampshire 03301-2429

Re: Public Service Company of New Hampshire
Stranded Cost Recovery Charge - Docket No. DE 07-097
Default Energy Service Rate - Docket No. DE 07-096



Dear Secretary Howland:

Enclosed please find Public Service Company of New Hampshire's reconciliation of Stranded Cost Recovery Charge (SCRC) and Energy Service (ES) revenues and expenses for the interim period October 1, 2008 through December 31, 2008. In the Stipulation and Settlement filed in Docket No. DE 02-127, PSNH, the Office of Consumer Advocate (OCA) and Staff agreed that PSNH would make preliminary quarterly filings reconciling SCRC and ES revenues and expenses.

The preliminary results for the fourth quarter of 2008 indicate the following:

- (1) The SCRC expenses have exceeded SCRC revenues resulting in an under recovery of approximately \$9.157 million, as shown on page 1 of the attached filing. Hemphill settlement costs in DE 07-122 account for \$3.5 million of this under recovery.
- (2) The ES revenues have exceeded ES expenses resulting in an over recovery of approximately \$24.732 million, as shown on page 6 of the attached filing. Merrimack coal inventory adjustments and Insurance Proceeds for Merrimack account for \$18.7 million of this over recovery.

This report is being filed electronically and one paper copy is being sent to the Commission. Copies of this filing have been e-mailed to the persons on the attached service list.

Sincerely,

Gerald M. Eaton
Senior Counsel

Enclosures
cc: Service List

**Stranded Cost Recovery Charge
Default Energy Service Rate
Docket Nos. DE 07-096 & DE 07-097
Quarterly Interim Filing
SERVICE LIST**

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