

nationalgrid

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Counsel

January 31, 2008

VIA ELECTRONIC & OVERNIGHT MAIL

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



Re: DE 08- ; Granite State Electric Company d/b/a National Grid Default Service Request for Proposals for the Period May 1, 2008 through July 31, 2008 for the Large Customer Group and May 1, 2008 through October 31, 2008 for the Small Customer Group

Dear Ms. Howland:

On February 13, 2008, Granite State Electric Company d/b/a National Grid ("National Grid") plans to issue a Default Service Request for Proposals ("RFP") to procure default service for the period May 1, 2008 through July 31, 2008 for its Large Customer Group and May 1, 2008 through October 31, 2008 for its Small Customer Group.

Pursuant to the terms of a Settlement Agreement approved by the Commission in Order No. 24,577 in Docket DE 05-126 (January 13, 2006) ("Settlement Agreement"), National Grid plans to solicit a bid price that includes the cost of all market products on an as-delivered energy basis ("All Inclusive Bid Price") and also solicit a second price that includes all market products on an as-delivered energy basis, except capacity market products, which shall be paid as an additional cost on a pass through basis of actual costs ("Pass Through Bid Price").

National Grid intends to communicate with Staff during the one-week period between the Company's receipt of indicative bids and the due date for final bids to review the indicative bids received. To that end, we propose to schedule a conference call with Staff shortly after receipt and analysis of the indicative bids is completed.

National Grid will include in its filing to the Commission the calculation of the approved adder for compliance with the recently enacted Renewable Portfolio Standards law.

I am also submitting, for notice purposes, National Grid's proposed timeline for this RFP, which was provided as part of our recent default service filing.

RFP

February 2008 RFP

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RFP Issued	February 13, 2008
Indicative Bids Due	March 5, 2008
Final Bids Due	March 12, 2008
Contract Execution	March 14, 2008
Default Service Filing to Commission	March 18, 2008
Commission Order Needed	March 25, 2008
Service Begins	May 1, 2008

Thank you for your time and attention to this matter. Please feel free to contact me at (508) 389-3243 with any questions.

Very truly yours,



Alexandra E. Blackmore

cc: Meredith A. Hatfield, Esq.
Donald Pfundstein, Esq.