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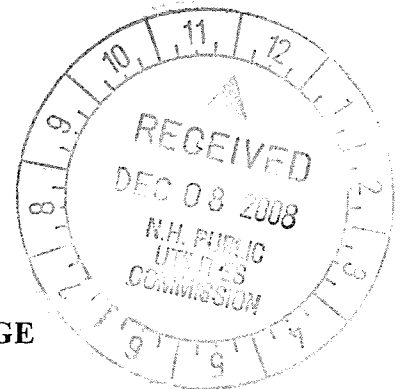
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December 4, 2008

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

DE 08-113
2009 DEFAULT ENERGY SERVICE RATE CHANGE



Dear Ms. Howland:

I am writing on behalf of Intervenor Freedom Logistics, LLC, and Halifax-American Energy Company, LLC in the above-captioned matter.

On or about November 13, 2008, Freedom Logistics and HAEC filed a Petition for the Commission to Determine Whether Certain Modifications to Merrimack Station are in the Public Interest. PSNH filed a Motion to Dismiss on the Petition on November 24, 2008 in Docket No. DE 08-145. Freedom Logistics and HAEC will be filing their reply later today.

The purpose of this letter is to address certain issues raised by PSNH in its Motion to Dismiss in Docket No. DE 08-145 that have some bearing on this proceeding.¹

¹ Freedom Logistics, LLC is a New Hampshire limited liability company that specializes in providing high-end management services to large end-users that are Market Participant End-Users (MPEU). An MPEU is a member of NEPOOL and ISO-NE and purchases electricity directly from the ISO-NE hourly wholesale market.

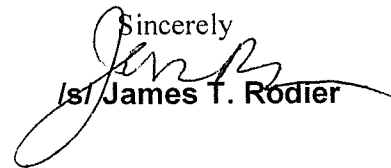
HAEC is a New Hampshire limited liability company and acts as the exclusive New England agent for South Jersey Energy Company, a subsidiary of South Jersey Industries. South Jersey Energy Company is a registered competitive electric power supplier in New Hampshire. Halifax American Operating Company is also a trade name held by South Jersey Energy Company. HAEC's product offering consists of streaming power from the hourly wholesale market directly to end users, using its membership in the power pool to do so.

In its Motion to Dismiss, PSNH states that costs of capital improvements made by PSNH at Merrimack Station that increase its net capability to offset power consumption requirements of the scrubber have been included in its proposed default energy service ("ES") rate for bills rendered on or after January 1, 2009. We have seen no information in this proceeding addressing the issue of whether these capital improvements will be used and useful in rendering service during 2009.

On another matter, other information made available in this proceeding indicates that PSNH has committed to power purchases for 2009 at prices that appear to exceed current market prices by approximately \$75,000,000. Exhibit RAB-2, page 3. Whether or not these costs could have been avoided under a different hedging philosophy will certainly be an issue.

We do understand that full consideration by the Commission of these matters will be undertaken in the midyear reconciliation for 2009 energy cost recovery. We look forward to participating in that proceeding.

Thank you.

Sincerely

/s/ James T. Rodier

PSNH has contended in its Motion to Dismiss in Docket No. DE 08-145 that Freedom Logistics and HAEC are not registered under the requirements of Chapter Puc 2000 of the Commission's rules as either a competitive electric power supplier or as an aggregator. However, Freedom Logistics does not sell electricity, nor does it aggregate customer loads. HAEC is a trade name held by South Jersey Energy Company, a registered competitive supplier. South Jersey Energy signed an Electric Services Supplier Agreement and an Electric Supplier Trading Partner Agreement with PSNH on November 3, 2008.