



**Public Service
of New Hampshire**

DE 08-135

PSNH Energy Park
780 North Commercial Street, Manchester, NH 03101

Public Service Company of New Hampshire
P.O. Box 330
Manchester, NH 03105-0330
(603) 669-4000
www.psnh.com

November 3, 2008

The Northeast Utilities System

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

Re: Proposed Line Extension Policy
Docket No. DE 08-XXX



Dear Secretary Howland:

Pursuant to RSA 378:3 and N.H. Code Admin. Rule Puc §1605.02, Public Service Company of New Hampshire ("PSNH" or "the Company") hereby submits the original and two copies of revised tariff pages to establish a new line extension policy applicable to developers and customers requesting extension of the Company's existing facilities to receive service under a residential rate or a small business rate (Rate G or Rate G-OTOD).

In the Settlement Agreement in PSNH's last Delivery Service rate proceeding in Docket No. DE 06-028, the Parties and the Commission's Staff agreed to review the cost of initiating service to new customer locations as compared to the distribution revenue to be received from these customers, with the purpose of developing a line extension policy to better align the costs and revenues related to new customer locations. A report summarizing the results of this review was filed with the Commission on November 1, 2007 on behalf of the Office of Consumer Advocate, the Commission's Staff and PSNH. In this report, PSNH indicated it would make a filing with the Commission in 2008 seeking approval of a new line extension policy as summarized in the November 1, 2007 report to the Commission.

Enclosed herewith is the Testimony of Rhonda J. Bisson which describes the proposed line extension policy. In addition, Attachment RJB-3 of the Testimony contains the proposed tariff pages, as well as the annotated tariff pages showing the proposed changes.

Please let us know if there are any questions concerning this filing.

Very truly yours,

Gerald M. Eaton
Senior Counsel

RJB:kn

Enclosures

cc: Meredith A. Hatfield, OCA

Kendall L. Buck, CAE

Executive Vice President NHHB & RANH

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