



**Public Service
of New Hampshire**

780 N. Commercial Street, Manchester, NH 03101

Public Service Company of New Hampshire
P. O. Box 330
Manchester, NH 03105-0330
(603) 634-2961
(603) 634-2438 Law Dept. Fax
Matthew.fossum@nu.com

A Northeast Utilities Company

Matthew J. Fossum
Counsel

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



RE: DE 08-135, Public Service Company of New Hampshire
Line Extension Policy
Line Extension Rate Filing

Dear Ms. Howland:

On September 18, 2009, a settlement agreement relating to the line extension policy of Public Service Company of New Hampshire ("PSNH") was filed with the Commission in the above-referenced docket. The Commission approved the policy as contained in the settlement agreement in Order No. 25,046 (November 20, 2009). Under the policy as set out in the settlement and approved by the Commission, PSNH was to phase-in, over three years, new line extension charges based upon a specified cost per foot. The phase-in period runs until March 31, 2013, after which time the settlement provides a method for calculating the cost per foot that will apply to line extensions.

Pursuant to the settlement, at Section B.2., PSNH is to calculate the average cost per foot by construction type for the period April 1, 2013 through March 31, 2014 using an average of actual costs from the three prior years. The settlement provides a specific method for calculating the three year average and for updating that average in subsequent years. In this filing PSNH provides the technical statement of Charles R. Goodwin to report on the average cost per foot calculations as called for in the settlement agreement.

In that the cost per foot in the enclosed submission will be the rate for line extensions applied through PSNH's tariff, PSNH is requesting, pursuant to RSA 378:3 and Puc 1603.07, that this rate be effective on April 1, 2013, consistent with the settlement agreement. PSNH has included proposed tariff pages implementing the new rate with this filing.

In addition, the settlement agreement required PSNH to provide a report to the settling parties summarizing certain information relating to line extensions by March 1 of each year, beginning in 2013. This filing incorporates the report due to the settling parties.

Thank you for your assistance with this matter. Please do not hesitate to contact me with any questions.

Very truly yours,



Matthew J. Fossum
Counsel

Enclosures

cc: Service list