

**THE STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION**

DE 10-257

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE

Request for Interim Change to Default Energy Service Rate

ORDER OF NOTICE

On May 4, 2011, Public Service Company of New Hampshire (PSNH) filed a request with supporting testimony and schedules to adjust its energy service rate effective with service rendered on and after July 1, 2010. At the time of its filing, PSNH estimated that the new rate would be 8.74 cents per kilowatt hour (kWh), an increase from the current rate of 8.67 cents per kWh. PSNH stated that prior to the hearing it will file updated forecasts and actual costs through May 2011 which may affect its calculation of the energy service rate. PSNH requested approval of the adjustment by June 28, 2011 to allow sufficient time to test its billing system for this change and all other rate changes scheduled for July 1, 2011.

Pursuant to RSA 369-B:3,IV (b)(1)(A), the price for PSNH's energy service shall be PSNH's actual, prudent and reasonable costs of providing the power, as approved by the Commission. Energy service costs include generation asset revenue requirements, entitlements and purchased power obligations, including the fuel used for generation; costs and revenues; N.H. Electric Renewable Portfolio Standards (RSA 362-F), Regional Greenhouse Gas Initiative costs (RSA 125-O:19-28), independent power producer (IPP) power valued at market prices; and non-fuel operation and maintenance costs, depreciation, property taxes and payroll taxes, uncollectible costs attributable to energy service, and a return on net generation investment.

The Commission established the current energy service rate of 8.67 cents per kWh in Order No. 25,187 (December 29, 2010) in the instant docket. PSNH said that the primary reason for the increase requested for July 1, 2011 is slightly higher market prices.

The petition and subsequent docket filings, other than information for which confidential treatment is requested of or granted by the Commission, will be posted to the Commission's website at <http://www.puc.nh.gov/Regulatory/Docketbk/2010/10-257.html>.

The filing raises, *inter alia*, issues related to whether the energy service rate is based on PSNH's actual, prudent and reasonable costs of providing such service consistent with RSA 369-B:3,IV(b)(1)(A); and whether the resulting rates are just and reasonable as required by RSA 378:5 and 8.. Each party has the right to have an attorney represent the party at the party's own expense.

In addition to the proposed adjustment to the energy service, PSNH made the following filings which also have rate adjustments proposed for July 1, 2011: a mid-term adjustment to its stranded cost recovery charge rate in Docket No. DE 10-256, and a request for rate recovery of February 2010 wind storm expenses in Docket No. DE 11-082. In June, PSNH is expected to make its Transmission Charge Adjustment Mechanism filing which also will have rate impacts effective July 1, 2011. The hearings on these matters are scheduled for June 23, 2011 in the following order: stranded cost recovery charge (DE 10-256); energy service (DE 10-257); Transmission Charge Adjustment Mechanism (no docket number assigned as yet) and rate recovery of wind storm expenses (DE 11-082).

Based upon the foregoing, it is hereby

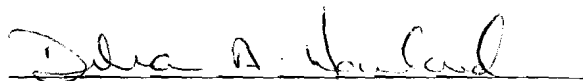
ORDERED, that a Hearing, pursuant to N.H. Code Admin. Rules Puc 203.12, be held before the Commission located at 21 S. Fruit St., Suite 10, Concord, New Hampshire on June 23, 2011 at 11:00 a.m.; and it is

FURTHER ORDERED, that pursuant to N.H. Code Admin. Rules Puc 203.12, PSNH shall notify all persons desiring to be heard at this hearing by publishing a copy of this Order of Notice no later than May 19, 2011, in a newspaper with general circulation in those portions of the state in which operations are conducted, publication to be documented by affidavit filed with the Commission on or before June 23, 2011; and it is

FURTHER ORDERED, that pursuant to N.H. Code Admin. Rules Puc 203.17, any party seeking to intervene in the proceeding shall submit to the Commission seven copies of a Petition to Intervene with copies sent to PSNH and the Office of the Consumer Advocate on or before June 20, 2011, such Petition stating the facts demonstrating how its rights, duties, privileges, immunities or other substantial interest may be affected by the proceeding, as required by N.H. Code Admin. Rule Puc 203.17 and RSA 541-A:32,I(b); and it is

FURTHER ORDERED, that any party objecting to a Petition to Intervene make said Objection on or before June 23, 2011.

By order of the Public Utilities Commission of New Hampshire this tenth day of May, 2011.



Debra A. Howland
Executive Director

Individuals needing assistance or auxiliary communication aids due to sensory impairment or other disability should contact the Americans with Disabilities Act Coordinator, NHPUC, 21 S. Fruit St., Suite 10, Concord, New Hampshire 03301-2429; 603-271-2431; TDD Access: Relay N.H. 1-800-735-2964. Notification of the need for assistance should be made one week prior to the scheduled event.