

STATE OF NEW HAMPSHIRE

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PUBLIC UTILITIES COMMISSION

21 S. Fruit St., Suite 10
Concord, N.H. 03301-2429

January 10, 2014

Re: DE 10-261, Public Service Company of New Hampshire
2010 Least Cost Integrated Resource Plan
Acceptance of Newington Continued Unit Operation Study

To the Parties:

The Commission required Public Service Company of New Hampshire (PSNH) to file, pursuant to Order Nos. 24,945 and 25,061, a Newington Continued Unit Operation Study (CUO) as part of its 2010 Least Cost Integrated Resource Plan (LCIRP) filing, reviewed in the above-captioned docket. PSNH filed such a Newington CUO on September 30, 2010, with its 2010 LCIRP filing. The Commission has accepted the non-Newington CUO portion of the PSNH 2010 LCIRP filing as adequate.

The Commission ordered Staff to engage in an investigation, docketed in Docket No. IR 13-020, and conducted pursuant to RSA 365:5 and RSA 374:4, into the market conditions affecting the default service of PSNH in the near term and how PSNH proposes to maintain safe and reliable service to its default service customers at just and reasonable rates in light of those market conditions. The investigation in IR 13-020 also explores the impact, if any, of PSNH's continued ownership and operation of generation facilities, including Newington Station, on the competitive electric market in New Hampshire. Staff filed its initial Report for IR 13-020 on June 7, 2013, which was accepted by the Commission on July 15, 2013. As part of its acceptance of Staff's initial Report, the Commission ordered the retention of a valuation expert to perform a more detailed analysis of the value of PSNH's generation assets and entitlements, including Newington Station, which will help to inform any adjudicatory or legislative analysis of divestiture, possible stranded costs and their rate impacts.

Subsequently, the Legislature's Electric Utility Restructuring Oversight Committee provided additional guidance to the Commission regarding the development of this valuation analysis.

The Commission expects that this valuation analysis prepared as part of IR 13-020, which includes PSNH's Newington Station, will provide more up-to-date information regarding the performance and economics of Newington Station than the Newington CUO filed in DE 10-261 in 2010. Therefore, the Commission has accepted the Newington CUO filed by PSNH in DE 10-261 as compliant with the requirements of Order Nos. 24,945 and 25,061, without ruling on the methodologies and conclusions applied and presented therein.

Sincerely,

A handwritten signature in dark ink, appearing to read "Debra A. Howland".

Debra A. Howland
Executive Director

cc: Service List (Electronically)

SERVICE LIST - EMAIL ADDRESSES - DOCKET RELATED

Pursuant to N.H. Admin Rule Puc 203.11 (a) (1): Serve an electronic copy on each person identified on the service list.

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Docket #: 10-261-1 Printed: January 10, 2014

FILING INSTRUCTIONS:

- a) Pursuant to N.H. Admin Rule Puc 203.02 (a), with the exception of Discovery, file 7 copies, as well as an electronic copy, of all documents including cover letter with:
DEBRA A HOWLAND
EXEC DIRECTOR
NHPUC
21 S. FRUIT ST, SUITE 10
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- b) Serve an electronic copy with each person identified on the Commission's service list and with the Office of Consumer Advocate.
- c) Serve a written copy on each person on the service list not able to receive electronic mail.