

**STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION**

DE 10-314

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE

Petition for Approval of Proposed Renewable Default Energy Service Rate

Order *Nisi* Approving Petition

ORDER NO. 25,204

March 15, 2011

On December 1, 2010, Public Service Company of New Hampshire (PSNH or Company), filed a petition requesting approval of its proposed renewable default energy service rate (Renewable Rate) tariff, pursuant to RSA 374-F:3, V(f) and a partial settlement agreement approved by the Commission in Order No. 25,080 (March 5, 2010). In Order No. 25,080, the Commission approved the Company's Renewable Rate structure, subject to the condition that changes to the Renewable Rate tariff would be made on January 1 or July 1, beginning in 2011, or on such dates that PSNH's default energy service rates change. PSNH proposes to decrease the charges for the 100%, 50%, and 25% Renewable Service Options offered by the Company under the Renewable Rate tariff from 3.532 cents, 1.766 cents, and 0.883 cents per kilowatt-hour (kWh), to 1.972 cents, 0.986 cents, and 0.493 cents per kWh, respectively. These Renewable Rates are added to the Energy Charge. The proposed tariff represents a cost reduction of 44% compared to the current Renewable Rate, and the rate change would cause the bill of a Renewable Rate-participating residential customer using 500 kWh per month to be reduced by \$9.86 per month for the 100% Renewable Service Option, \$4.93 for the 50% Renewable Service Option, and \$2.47 per month for the 25% Renewable Service Option. 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/2010/10-314.html>.

The Company, in its filing, noted that, from the beginning of the Renewable Rate offering in May 2010 through December 2010, its total Renewable Energy Credit (REC) purchase obligation was approximately 200 megawatt-hours, at a cost of approximately \$3,272. Under the current Renewable Rate, PSNH collected approximately \$7,022, resulting in an over-collection of approximately \$3,750. In response to declining REC prices, PSNH seeks to pass savings on to its Renewable Rate customers.

Staff filed a memorandum on February 11, 2011, which indicated that Staff and the Office of Consumer Advocate had conducted discovery. Staff recommends approval by order *nisi* of PSNH's proposed revised Renewable Rate tariff. The OCA indicated that it had no objection to Staff's recommendation. In its memorandum, Staff further recommends that the \$3,750 over-collection be held in an escrow account with carrying charges until the issue is fully considered as part of the 12-month review process outlined in the partial settlement agreement under Docket No. DE 09-186 (*see* Order No. 25,080 at 8-9).

We have reviewed PSNH's filing and Staff's recommendations and find that the proposed change to the Renewable Rate is just and reasonable. We adopt Staff's recommendation that PSNH place the current Renewable Rate over-collection in an escrow account with carrying charges, for resolution as part of the 12-month Renewable Rate review process stipulated by Order No. 25,080.

Based upon the foregoing, it is hereby

ORDERED *NISI*, that subject to the effective date below, PSNH is authorized to reduce its Renewable Rate tariff with service rendered on or after April 1, 2011, from 3.532 cents, 1.766 cents, and 0.883 cents per kilowatt-hour in addition to the Energy Charge, to 1.972 cents, 0.986 cents, and 0.493 cents per kilowatt-hour, for the 100%, 50%, and 25% Renewable Service Options, respectively; and it is

FURTHER ORDERED, that PSNH place the Renewable Rate over-collection (approximately \$3,750) in an escrow account with carrying charges, until the issue is fully reviewed as part of the 12-month review process stipulated in Order No. 25,080; and it is

FURTHER ORDERED, that PSNH shall cause a copy of this Order *Nisi* to be published once in a statewide newspaper of general circulation or of circulation in those portions of the state where operations are conducted, such publication to be no later than March 25, 2011 and to be documented by affidavit filed with this office on or before April 15, 2011; and it is

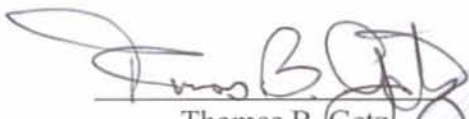
FURTHER ORDERED, that all persons interested in responding to this Order *Nisi* be notified that they may submit their comments or file a written request for a hearing which states the reason and basis for a hearing no later than April 1, 2011 for the Commission's consideration; and it is

FURTHER ORDERED, that any party interested in responding to such comments or request for hearing shall do so no later than April 8, 2011; and it is

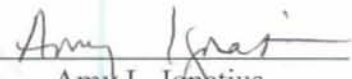
FURTHER ORDERED, that this Order *Nisi* shall be effective April 15 2011, unless PSNH fails to satisfy the publication obligation set forth above or the Commission provides otherwise in a supplemental order issued prior to the effective date; and it is

FURTHER ORDERED, that PSNH shall file a compliance tariff with the Commission on or before April 29, 2011, in accordance with N.H. Code Admin. Rules Puc 1603.02(b).

By order of the Public Utilities Commission of New Hampshire this fifteenth day of March, 2011.

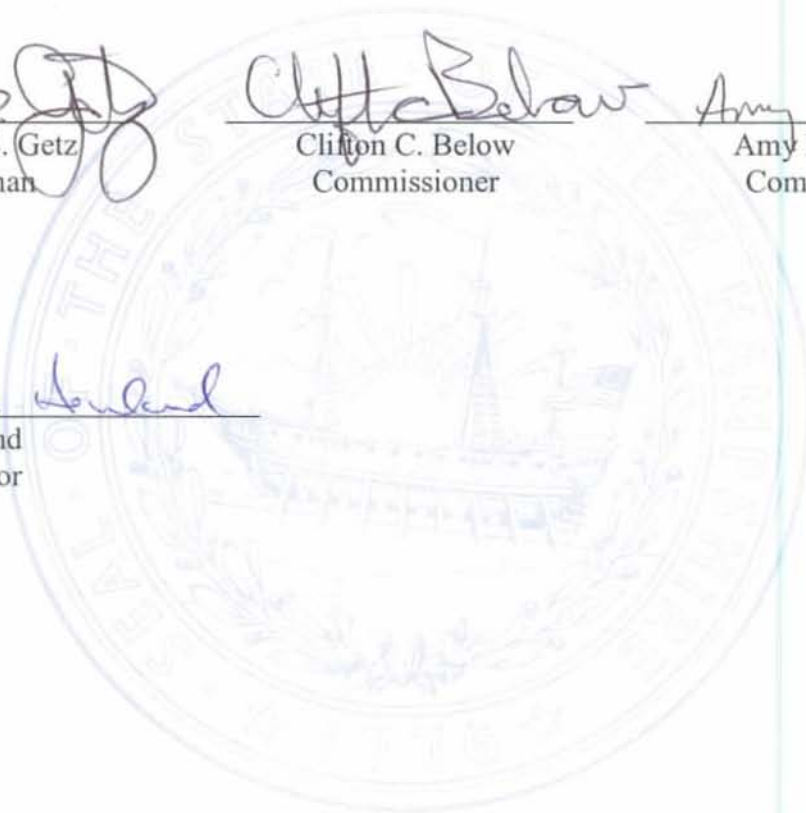

Thomas B. Getz
Chairman


Clifton C. Below
Commissioner


Amy L. Ignatius
Commissioner

Attested by:


Debra A. Howland
Executive Director



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Docket #: 10-314 Printed: March 15, 2011

FILING INSTRUCTIONS: **PURSUANT TO N.H. ADMIN RULE PUC 203.02(a),**
WITH THE EXCEPTION OF DISCOVERY, FILE 7 COPIES (INCLUDING COVER LETTER) TO:
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