



**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
Fax (603) 634-2438

The Northeast Utilities System

Gerald M. Eaton
Senior Counsel

E-Mail: eatongm@psnh.com

September 7, 2007

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



Re: Proposed Default Energy Service Rate for 2008 - Docket No. DE 07-__

Dear Ms. Howland:

Enclosed please find an original and six copies of the testimony and attachments of Robert A. Baumann containing an estimate and supporting documentation for a Default Energy Service rate applicable to PSNH's customers who take service under Default Energy Service Rate DE on and after January 1, 2008. Pursuant to RSA 369-B:3, IV(b)(1)(A), customers who take Default Energy Service from PSNH will be billed a Default Energy Service ("ES") rate equal to PSNH's actual, prudent and reasonable costs of providing the power, as approved by the Commission. Based upon the data contained herein, PSNH currently estimates an ES rate for effect on January 1, 2008 of 8.56 cents per kilowatt-hour. This rate is 0.73 cents per kilowatt-hour higher than the current ES rate of 7.83 cents per kilowatt-hour. PSNH is today making a contemporaneous filing for Stranded Cost Recovery Charge rate of 0.88¢ per kWh.

As in the case of the last proceeding, PSNH anticipates that the estimated ES rate will be revised during the course of this proceeding to incorporate the most recent estimates of fuel and energy prices. PSNH's requested rate will be based upon this revised estimate and supporting documentation filed prior to the final hearing on the merits and will reflect any over or under recovery of ES for 2007. Also included are an original and six copies of the testimony and attachments of Richard C. Labrecque addressing the status of the three improvement activities that were agreed to as part of the Stipulation and Settlement Agreement in DE 06-068.

PSNH requests that the Commission open a docket and schedule a pre-hearing conference so that a procedural schedule can be established that will provide for an order by the Commission in sufficient time to enable the new Default Energy Service rate to take effect January 1, 2008.

Sincerely,

Gerald M. Eaton
Senior Counsel

Enclosures
cc: Service List

Service List
Default Energy Service Rate for 2008
Docket DE 07-____

** Librarian
State of New Hampshire
Public Utilities Commission
21 S. Fruit Street, Suite 10
Concord, NH 03301-2429

Ms. Suzanne Amidon
Staff Attorney
State of New Hampshire
Public Utilities Commission
21 S. Fruit Street, Suite 10
Concord, NH 03301-2429

Atty. F. Anne Ross
State of New Hampshire
Public Utilities Commission
21 S. Fruit Street, Suite 10
Concord, NH 03301-2429

Ms. Amanda Noonan
Consumer Affairs Director
State of New Hampshire
Public Utilities Commission
21 S. Fruit Street, Suite 10
Concord, NH 03301-2429

Atty. Donald M. Kreis
General Counsel
State of New Hampshire
Public Utilities Commission
21 S. Fruit Street, Suite 10
Concord, NH 03301-2429

Mr. Steve Mullen
Utility Analyst III
State of New Hampshire
Public Utilities Commission
21 S. Fruit Street, Suite 10
Concord, NH 03301-2429

Mr. Kenneth E. Traum
Office of Consumer Advocate
21 S. Fruit Street, Suite 18
Concord, NH 03301-2429

Mr. Thomas C. Frantz
Director - Electric Utilities
State of New Hampshire
Public Utilities Commission
21 S. Fruit Street, Suite 10
Concord, NH 03301-2429

Ms. Meredith A. Hatfield
Consumer Advocate
Office of Consumer Advocate
21 S. Fruit Street, Suite 18
Concord, NH 03301-2429

Mr. Wynn E. Arnold
Senior Assistant Attorney General
NH Department of Justice Civil Bureau
33 Capitol Street
Concord, NH 03301

Atty. Tom Bessette
Constellation NewEnergy
800 Boylston Street 28th Floor
Boston, MA 02199

Atty. Steven V. Camerino
McLane Law Firm
11 South Main Street, Suite 500
Concord, NH 03301

Ms. Betsy Dunn
PO Box 120
Wilton, NH 03086

Atty. Gary Epler
Unitil
6 Liberty Lane West
Hampton, NH 03842-1720

Mr. Michael Giaimo
Vice President
Business & Industry Association
122 North Main Street
Concord, NH 03301

Atty. Amy Ignatius
Director
Office of Energy and Planning
57 Regional Drive
Concord, NH 03301-8519

Atty. Nicholas J. Lazos
Stebbins, Lazos & VanDerBeken PA
66 Hanover Street, Suite 301
Manchester, NH 03101

Atty. Donald J. Pfundstein
Gallagher Callahan & Gartrell
214 North Main St. PO Box 1415
Concord, NH 03302-1415

Atty. James T. Rodier
1500 A Lafayette Road, #112
Portsmouth, NH 03801-5918

Atty. David J. Shulock
Brown, Olson & Gould
2 Delta Drive, Suite 301
Concord, NH 03301-7426