

June 16, 2008

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: Interim Change in the Default Energy Service Rate

Docket No. DE 07-096

Dear Ms. Howland:

On June 13, 2008, PSNH filed a revised Default Energy Service Rate of 9.57 cents per kilowatt-hour for effect from July 1, 2008 through December 31, 2008. That rate was premised upon an estimate of market prices for the second half of 2008 based on forward market prices as of June 11, 2008. At the hearing on June 11, 2008 in the Default Energy Service Rate docket, Chairman Getz requested additional information from PSNH regarding market price assumptions, including an analysis of market prices in effect during each day in June. This letter provides the additional information requested by Chairman Getz and is intended to supplement PSNH's June 13, 2008 filing.

Attached is a table showing forward market prices for energy for the second half of 2008 as of each day of June though June 11, 2008. These are the same prices for the month of June, 2008 included in Attachment RCL-1 to PSNH's June 13, 2008 filing. Also shown are average forward prices for various time periods in June. In order to provide some perspective of the impact of a change in market prices on the Energy Service rate, for every \$1.00 per MWh change in assumed market price, total energy costs for the second half of 2008 change by around \$800,000, or about 0.02 cents (\$0.00020) per kilowatt-hour. There would also be a minor offsetting change to stranded costs (around \$100,000 for every \$1.00 per MWh change in assumed market price).

Very truly yours,

Stephen R. Hall, Manager

Rate & Regulatory Services

SRH:kn Attachment cc: Service List

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The Northeast Utilities System



Service List Docket DE 07-096

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