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The Northeast Utilities System

January 9, 2008

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

Re: Petition for Clarification and Interpretation of Commission Orders

Regarding Hemphill Power and Light Company

Docket No. DE 07-122

Dear Ms. Howland:

This letter will inform the Commission that Hemphill Power and Light Company ("Hemphill") and Public Service Company of New Hampshire ("PSNH") have decided to enter into settlement discussions to attempt to resolve the issues in this proceeding. We anticipate the participation of Staff and the Office of Consumer Advocate in these discussions.

It would be in the best interest of productive settlement for the Commission to defer any further action in this proceeding, and PSNH is hereby requesting that the Commission hold the docket in abeyance. Hemphill and PSNH are making the same request of the superior court in those proceedings. The Commission will be kept informed as to the progress of these discussions.

Very truly yours,

Gerald M. Eaton Senior Counsel

cc: Donald M. Kreis Brian K. Gould

Meredith A. Hatfield

F. Anne Ross, Hearing Examiner