

Granite State Electric Company d/b/a National Grid  
Docket No. DE 08-011  
Witness: J. D. Warshaw

**REVISED DIRECT TESTIMONY**  
**OF**  
**JOHN D. WARSHAW**

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Customer Group is 10.232¢ per kilowatt-hour.

Q. How will Granite State reconcile any difference in costs associated with Default Service?

A. To the extent that the actual cost of procuring Default Service varies from the amounts billed to customers for the service, Granite State will continue to reconcile the difference through a reconciliation mechanism pursuant to Granite State's Default Service Adjustment Provision contained in its currently effective tariff on Second Revised Page 87.

Q. How and when is the Company proposing that these rate changes be implemented?

A. Consistent with the Commission's rules on the implementation of rate changes, the Company is proposing that these Default Service rates become effective for usage on and after November 1, 2008.

Q. Has the Company determined the impact of these rate changes on customer bills?

A. Yes. The Company has provided typical bill impacts in Schedule JDW-11, Revised. The effect of the Company's proposal on the monthly bill of a 500 kWh residential default service customer is a decrease of \$7.12, or 8.4%, from \$84.72 to \$77.60. In addition, a bill comparison for a Default Service residential customer with an average kilowatt-hour usage of 669, which is the average monthly usage over the 12 months ending August 2008, has also been included. The total bill impact of the rates proposed in this filing, as compared to rates in effect today, is a bill decrease of \$9.52 or 8.3%, from \$114.07 to \$104.55. For other customers in the Small Customer Group, decreases range from 8.0%

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to 10.4% (see pages 1 to 9 of Schedule JDW-11, Revised). For customers in the Large Customer Group who are billed monthly default service rates, the bill impacts from going to the October rate to the proposed November rate are decreases ranging from 23.4% to 26.3% (see pages 10 to 16 of Schedule JDW-11, Revised).

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Q. Has the Company prepared a revised Summary of Rates tariff page reflecting the proposed rates?

A. Yes. It is included as Schedule JDW-12. The Summary of Rates reflects the proposed Default Service rate changes contained in this filing. Upon receiving orders in this proceeding, the Company will file a Fifty-second Revised Page 84, Summary of Rates, reflecting the appropriate approved rates.

Q. Has the Company included the most recent quarterly report of migration information based on monthly migration by customer class and load, as required by the Commission's Order No. 24,715 in Docket No. DE 06-115?

A. The quarterly report of customer migration information for the second quarter of calendar year 2008 is included as Schedule JDW-13.

## **VII. Conclusion**

Q. When will Granite State issue the next RFP for Default Service?

A. The Large Customer Group rates proposed in this filing end on January 31, 2009. Per the terms of the Settlement Agreement, Granite State will issue an RFP for the Large

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