

**THE STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION**

DE 08-069

ORDER OF NOTICE

On May 14, 2008, Public Service Company of New Hampshire (PSNH) filed a petition, with supporting testimony and attachments, requesting approval of the reconciliation of transmission costs from July 1, 2007 through June 30, 2008, as well as approval of an annual forecasted retail transmission revenue requirement and related costs for the period July 1, 2008 through June 30, 2009. The petition is PSNH's reconciliation and rate filing for the transmission cost adjustment mechanism (TCAM) approved by the Commission in Docket No. DE 06-028, *Public Service Company of New Hampshire*, Order No. 24,750 (May 25, 2007). Through the TCAM, PSNH recovers regional network service (RNS) costs, local network service (LNS) costs, reliability costs and scheduling and dispatch (S&D) costs, all of which are approved by the Federal Energy Regulatory Commission (FERC) and charged to PSNH according to FERC-approved tariffs.

PSNH stated that the reconciliation period of July 2007 through June 2008 included actual costs and recovery data for July 2007 through March 2008, and estimated amounts for the months of April, May and June 2008. In its filing, PSNH said that it expects the TCAM rate to increase effective July 1, but explained that the Independent System Operator-New England (ISO-NE) will not release the new FERC-approved tariff rates for transmission cost until approximately June 2, 2008. Based on its preliminary calculations, PSNH estimated that the current average TCAM rate of 0.752 cents per kilowatt hour (kWh) will increase to 0.910 cents per kWh, effective with bills rendered on and after July 1, 2008. PSNH attributed the increase to

ongoing investment in regional transmission reliability projects. Once the new ISO-NE rates are known, PSNH will update its filing to include the latest budget and cost forecast information and will update the reconciliation period actual data to include the month of April 2008. At that time, PSNH will file additional testimony providing the calculation of the TCAM charges for each rate class.

PSNH stated that on July 1, 2008 it will begin using a new customer service billing system and requested that the Commission approve the change to its TCAM rates by June 24, 2008 to allow PSNH sufficient time to test the rate change on the new billing system.

In addition to this filing, on April 21, 2008, PSNH filed requests in dockets DE 07-096 and DE 07-097 for mid-year adjustments to its energy service rate and stranded cost recovery charge, respectively, effective July 1, 2008. Additionally, on April 30, 2008, PSNH filed a request in docket DE 08-071 to adjust its distribution rates, effective July 1, 2008, to recover costs associated with its major storm cost reserve. For administrative efficiency, the Commission will hold hearings in each of the four proceedings on the same date; however, each proceeding will be separately noticed.

The filing raises, inter alia, issues related to whether the resulting rates are just and reasonable as required by RSA 378:5 and 378:8, whether PSNH's reconciliation and forecasted costs are reasonable and whether the rate design is reasonable and consistent with prior Commission orders. Each party has the right to have an attorney represent them at their own expense.

Based upon the foregoing, it is hereby

ORDERED, that, pursuant to N.H. Admin. Rules Puc 203, a hearing on this petition and PSNH's other rate adjustment filings be held before the Commission located at 21 S. Fruit St., Suite 10, Concord, New Hampshire on June 11, 2008 beginning at 9:00 a.m.; and it is

FURTHER ORDERED, that the sequence of hearings on that date shall be as follows: DE 08-071 (distribution rate); DE 07-096 (energy service rate); DE 07-097 (stranded cost recovery charge); and DE 08-069 (transmission cost adjustment mechanism); and it is

FURTHER ORDERED, that pursuant to N.H. Admin. Rules Puc 203.12, PSNH shall notify all persons desiring to be heard at this hearing by publishing a copy of this Order of Notice no later than May 22, 2008, in a newspaper with general circulation in those portions of the state in which operations are conducted, publication to be documented by affidavit filed with the Commission on or before June 11, 2008; and it is

FURTHER ORDERED, that pursuant to N.H. Admin. Rules Puc 203.17, any party seeking to intervene in the proceeding shall submit to the Commission seven copies of a Petition to Intervene with copies sent to PSNH and the Office of the Consumer Advocate on or before June 6, 2008, such Petition stating the facts demonstrating how its rights, duties, privileges, immunities or other substantial interest may be affected by the proceeding, as required by N.H. Admin. Rule Puc 203.17 and RSA 541-A:32,I(b); and it is

FURTHER ORDERED, that any party objecting to a Petition to Intervene make said Objection on or before June 11, 2008.

By order of the Public Utilities Commission of New Hampshire this sixteenth day
of May, 2008.



Debra A. Howland
Executive Director & Secretary

Individuals needing assistance or auxiliary communication aids due to sensory impairment or other disability, should contact the Americans with Disabilities Act Coordinator, NHPUC, 21 S. Fruit St., Suite 10, Concord, New Hampshire 03301-2429; 603-271-2431; TDD Access: Relay N.H. 1-800-735-2964. Notification of the need for assistance should be made one week prior to the scheduled event.