



**Public Service  
of New Hampshire**

PSNH Energy Park  
780 North Commercial Street, Manchester, NH 03101

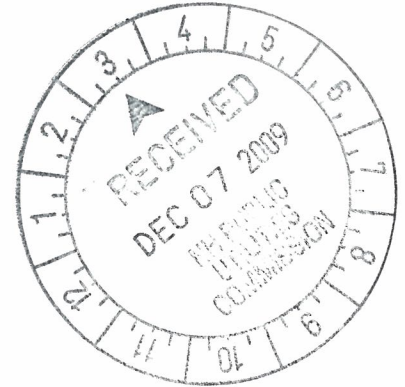
Public Service Company of New Hampshire  
P.O. Box 330  
Manchester, NH 03105-0330  
(603) 669-4000  
www.psnh.com

December 7, 2009

The Northeast Utilities System

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

Re: PSNH Stranded Cost Recovery Charge  
Docket No. DE 09-179



Dear Secretary Howland:

Enclosed please find seven copies of the revised exhibits of Robert A. Baumann, on behalf of Public Service Company of New Hampshire (PSNH), supporting a revised request for an average Stranded Cost Recovery Charge (SCRC) of 1.18 cents per kilowatt-hour for effect on January 1, 2010 through December 31, 2010. On September 24, 2009, PSNH filed for a SCRC rate of 1.02 cents per kilowatt-hour. PSNH is currently billing an average SCRC of 1.14 cents per kilowatt-hour.

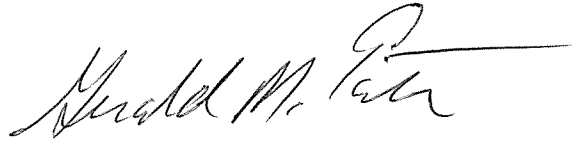
In the Default Energy Service proceeding, Docket No. DE 09-180, PSNH filed testimony on November 23, 2009 on the issue of migration. PSNH's testimony described two methods for altering the traditional approach to calculating the Energy Service Rate. Method 2 described in the testimony recommends that certain costs be moved out of Energy Service expenses as they may more properly be recovered through other PSNH rate mechanisms. One of those costs is the over market cost of the power contract entered into to replace the rate order purchases from Bio-Energy, Inc. PSNH believes these costs are more properly recovered in the Stranded Cost Recovery Charge because they represent the over market costs of a purchased power contract that replaced an above market priced independent power producer. The above market costs of IPPs are collected through Part2 of stranded costs.

In the Energy Service proceeding, PSNH is requesting the Commission to adopt the Method 2 approach; therefore, PSNH has adjusted its calculation of the Stranded Cost Recovery Charge herein to reflect the over market costs of the Bio-Energy replacement power contract. As shown on the enclosed Attachment RAB-1, the difference between the 1.02 cents per kilowatt-hour originally estimated and the 1.18 cents per kilowatt-hour requested herein is the \$12,507,000 over market value of the Bio-Energy replacement power contract.

Debra A. Howland  
New Hampshire Public Utilities Commission  
December 7, 2009  
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Copies of this filing have been mailed or hand delivered to the persons on the attached service list.

Very truly yours,

A handwritten signature in black ink, appearing to read "Gerald M. Eaton", with a long horizontal flourish extending to the right.

Gerald M. Eaton  
Senior Counsel

Enclosures  
cc: Service List

**Service List**  
**Docket DE 09-179**

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