



**Public Service
of New Hampshire**

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

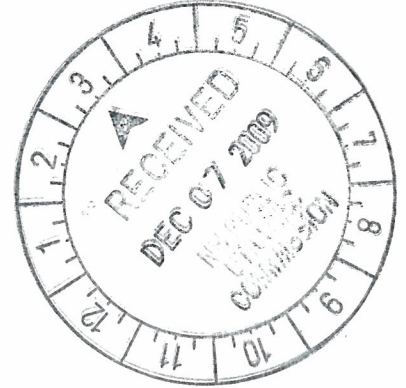
Public Service Company of New Hampshire
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Manchester, NH 03105-0330
(603) 669-4000
www.psnh.com

The Northeast Utilities System

December 7, 2009

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

Re: Public Service Company of New Hampshire
Default Energy Service Rate - Docket No. DE 09-180



Dear Secretary Howland:

Enclosed please find an original and six copies of updated exhibits to the testimony of Robert A. Baumann based upon the most recent information available. This filing reflects Public Service Company of New Hampshire's ("PSNH") final request for approval of a Default Energy Service rate of 8.96 cents per kilowatt-hour for the period from January 1, 2010 through December 31, 2010. Enclosed also is the Joint Technical Statement of Robert A. Baumann and David A. Errichetti which describes the changes in expenses and the forward price information used for this filing compared to the original September 24, 2009 filing in this proceeding.

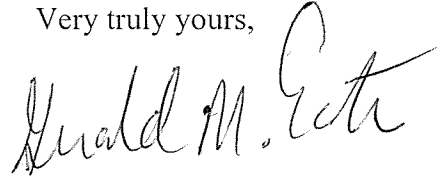
On September 24, 2009, PSNH filed preliminary information requesting the Commission to open a proceeding to establish a new Default Energy Service rate and supporting an estimated a rate for effect on January 1, 2010 of 9.31 cents per kilowatt-hour. The Staff and the Parties to this Default Energy Service proceeding agreed that today PSNH would provide an updated Default Energy Service rate and the underlying data supporting the rate. This filing contains assumptions for market and fuel prices that were known or available as of November 30, 2009. PSNH is currently billing a Default Energy Service rate of 9.03 cents per kilowatt-hour.

On November 23, 2009, PSNH filed testimony in this proceeding 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 these costs will be more properly recovered through other PSNH rate mechanisms. PSNH is formally requesting the Commission to adopt Method 2 in this proceeding. If accepted, PSNH would transfer the above market costs of the Bio-Energy replacement power contract (\$12,507,000) to the Stranded Cost Recovery Charge and the reliability costs for VAR support (\$1,420,000) to the Transmission Cost Adjustment mechanism. As shown on RAN Attachment 1, the Energy Service Rate would be 9.21 cents per kilowatt-hour absent the changes in cost recovery recommended in Method 2.

Debra A. Howland
New Hampshire Public Utilities Commission
December 7, 2009
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Copies of this filing have been provided to the persons on the attached Service List.

Very truly yours,

A handwritten signature in black ink, appearing to read "Gerald M. Eaton". The signature is fluid and cursive, with a large initial "G" and a long, sweeping tail.

Gerald M. Eaton
Senior Counsel

Enclosures
cc: Service List

Service List
Docket DE 09-180

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