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 DE 10-257
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Public Service Company of New
 Hampshire
 Docket No. DE 10-257

Data Request OCA-01

Dated: 11/03/2010
 Q-OCA-005
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Witness: William H. Smagula
Request from: Office of Consumer Advocate

Question:

Please provide an update on the status of insurance claims, payments, and investigations related to the Merrimack Station turbine foreign matter damage and related outages.

Response:

All of the replacement power costs and boiler and machinery repair costs associated with the Merrimack Unit #2 turbine foreign material damage have been submitted to the insurance company for reimbursement. All the documentation in support of the boiler and machinery repair claim is submitted, as is documentation providing replacement power cost calculations. Below is the summary of those costs.

Boiler and Machinery

Total	\$21,016,085	Property Damage
	\$21,016,085	All submitted
	\$13,000,000	Received
	\$ 8,016,085	Outstanding*

*less \$1M deductible

Replacement Power

Total	\$13,871,020	RPC - Jul 08 - Dec 09
	\$13,871,020	All submitted
	\$ 3,000,000	Received
	\$10,871,020	Outstanding

A summary of the most recent meetings between Northeast Utilities and insurance company representatives is below.

Boiler and Machinery Property Damage: The property damage component of the loss is in a position to be finalized. Representatives of the insurers will recommend to the insurers a payment of approximately \$7 million (after application of the \$1 million policy deductible). This will be in addition to the \$13 million of partial reimbursements received earlier and totals to our claimed amount of approximately \$21 million. We anticipate concurrence from the insurers in the next week or so (mid-November) with receipt of this payment portion by year end.

Replacement Power Cost: The insurers have asked for additional detail comprising hour -by-hour ISO sales and purchases for the entire loss period. This information is being compiled and provided by the Wholesale Power Contracts group. At this time, representatives of the insurers will recommend to the insurers a partial payment of \$2.9 million, bringing the total received to \$5.9 million. Again, we anticipate concurrence from the insurers in the next week or so with receipt of this payment by year end. Once the additional information is provided, representatives will meet to finalize the replacement power component of the loss.