



**Public Service
of New Hampshire**

A Northeast Utilities Company

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DE 11-216

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October 31, 2014

Debra A. Howland
Executive Director
New Hampshire Public Utilities Commission
21 S. Fruit St., Suite 10
Concord NH 03301

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ORIGINAL	
N.H.P.U.C. Case No.	DE 11-216
Exhibit No. #	18
Witness	Christopher J. Goulding Frederick B. White
DO NOT REMOVE FROM FILE	

Re: DE 11-216, Public Service Company of New Hampshire
Update to Request to Amend Alternate Default Service Rate

Dear Director Howland:

On April 8, 2013 the Commission issued Order No. 25,488 in the above-referenced docket conditionally approving a partial settlement agreement between Commission Staff, the Office of Consumer Advocate (“OCA”) and Public Service Company of New Hampshire’s (“PSNH”) relating to PSNH’s proposed Alternative Default Service Rate (“Rate ADE”). Consistent with the settlement agreement and Order, Rate ADE was implemented on a pilot basis for 36 months. On June 23, 2014, the Staff and OCA filed a joint recommendation in the docket noting that Rate ADE was not achieving the customer savings that had been anticipated. Staff and the OCA recommended “suspending” the Rate ADE pilot program, and requested that PSNH review options for addressing potential high prices in the coming winter period, including potentially implementing a “stay out” provision.

On June 25, 2014, PSNH responded to the joint recommendation stating that it agreed that circumstances warranted reviewing Rate ADE and, potentially, revising the terms and conditions for the rate, and that the rate should be closed to new customers pending this review. On June 27, 2014, the Commission issued a secretarial letter leaving the rate closed to new customers and ordering PSNH to work with others on potential modifications to Rate ADE, including whether to continue Rate ADE through the remainder of the pilot term. PSNH was ordered to make a separate filing of a proposal governing Rate ADE at the time of its energy service and stranded cost recovery filings to allow the Commission to review the filing in time for implementation on January 1, 2015. PSNH made the required filing on September 15, 2014.

Following the submission of its proposed modifications to Rate ADE, PSNH held additional discussions and received additional information that identified potential concerns with the modifications proposed by PSNH on September 15. In particular, there were concerns about customers having adequate notice of the proposed changes and about customers having little or

no opportunity to obtain alternative arrangements should the modifications to Rate ADE, as initially proposed, be implemented.

To address these concerns PSNH identified potential changes to its September 15, 2014 proposal and presented those potential changes to the parties present at the technical session on October 29, 2014 in this docket. Based upon PSNH's additional discussions, both internally and with other parties, PSNH hereby submits the enclosed technical statement of Christopher J. Goulding and Frederick B. White describing PSNH's proposed changes for consideration by the parties and the Commission. This submission is intended to supplement the prior submission and to modify the proposed terms of that submission as described.

Thank you for your assistance with this matter. Please do not hesitate to contact me with any questions.

Very truly yours,



Matthew J. Fossum
Senior Counsel

Enclosure
CC: Service List