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November 7, 2013

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By Hand Delivery

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Re: PUC Docket No. 12-295, <u>Petition for Review of the Reasonableness and Appropriateness of Certain Tariff Charges by Public Service Company of New Hampshire upon Competitive Electric Suppliers</u>

Dear Ms. Howland:

PNE has joined in the letter dated November 6, 2013 from counsel for the Retail Electricity Supplier Association (RESA) in this docket, which discusses the Commission's Order No. 23,659, 86 PUC 170, 177 (2001) ("the Order"), and its possible meaning to the matters under review in this docket.

PNE now writes separately as the Petitioner in this action. Having reviewed the Order, PNE believes that it is simply the Commission's expression of deep concern with and, perhaps, skepticism about, the cost-related efficacy and reasonableness of the \$5.00 Selection Charge – within two years of PSNH senior management's initial acknowledgement that the Charge was not cost-based and their promise to "revisit" the Charge. The Commission will recall that Mr. Goodwin testified at the October 3, 2013 hearing that the Selection Charge (and other Tariff Charges) should be considered only in the context of a larger rate proceeding. Thus, we now understand:

- That the Commission "expect[ed] to consider the question" of the cost-basis for and reasonableness of the Charge in "the next rate case," which occurred in 2003;
- That the Commission "intend[ed] to revisit the issue of whether it is appropriate to impose this charge;" and
- That PSNH failed to meet the Commission's stated concern and intention in the ensuing rate case.

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Indeed, as RESA's November 6 letter suggest, it is noteworthy that PSNH's designated witness in the 2003 rate case was the same witness who, in this docket (in apparent opposition to the remedies suggested by the Supplier Parties), urged the Commission to wait again for another rate proceeding. The record demonstrates that PSNH has had ample opportunity – in the very type of proceeding it suggests is the proper vehicle for consideration of the Charge – to make good on its promise to the Commission and the Suppliers to revisit the Charge, and failed to do so.

PNE respectfully suggests that the Commission consider, at least as to the unsupported \$5.00 Selection Charge, directing PSNH to account for and rebate to the relevant Supplier all amounts charged pursuant to Section 2(a) of the Tariff back to at least the 2003 rate-setting proceeding.

Very truly yours,

Christopher Cole

cc: Docket 12-295 Distribution List

August Fromuth

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