THE STATE OF NEW HAMPSHIRE

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December 28, 2015

RE:

DE 15-415, PSNH d/b/a Eversource Energy

Order No. 25,853

To the Parties:

Enclosed is revised page 5 of Order No. 25,853 (dated December 22, 2015). On page 5, lines 13 & 15, "RSA 369-F:3" has been changed to "RSA 369-B:3".

All other portions of this order remain unchanged.

Please substitute the enclosed revised page to your copy of Order No. 25,853.

Sincerely,

Debra A. Howland

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Executive Director

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Enclosure

the coal plants had the additional effect of reducing costs needed to comply with RGGI. Finally, Eversource said that RPS expense decreased by \$12.8 million from the initial filing due to a decrease in the Class III RPS requirements as provided in Order No. 25,844 (December 2, 2015).

With the inclusion of the proposed temporary Scrubber recovery rate of 1.72 cents per kWh, Eversource said that the overall energy service rate would be 9.99 cents per kWh. ³ Eversource requested approval of the rate proposed in its December 11, 2015 update.

B. OCA

The OCA expressed support for Eversource's proposed adjustment to its default energy service rate.

C. STAFF

Staff determined that Eversource developed the proposed energy service rate consistent with Commission order. Staff also determined that the resulting rates are consistent with RSA 369-B:3, IV(b)(1)(A) and are just and reasonable.

III. COMMISSION ANALYSIS

Pursuant to RSA 369-B:3, IV(b)(1)(A), the price of Eversource's energy service shall be its "actual, prudent and reasonable costs of providing such power, as approved by the commission." Because Eversource is entitled to recover its actual costs of providing power and those costs cannot be known prior to providing that power, the Commission has adopted a two-step process for setting energy service rates. The first step, which is determined in this docket, sets rates based on an estimate of future costs for the following calendar year. The second step,

³ Eversource's calculation assumed our approval of its proposed temporary Scrubber cost recovery rate, which we approve today in a separate order in Docket DE 11-250. In this order, we approve a permanent energy service rate of 8.27 cents per kWh, to which Eversource will add the temporary rate of 1.72 cents per kWh for Scrubber cost recovery approved in DE 11-250.