

DE 03-064

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE

Petition for Approval of Special Contract with Fraser N.H. LLC

Order on Motion for Rehearing

O R D E R N O. 24,179

May 29, 2003

On April 30, 2003, Wausau Papers of New Hampshire, Inc. (Wausau) filed a motion for rehearing of Order No. 24,151, entered by the New Hampshire Public Utilities Commission (Commission) in this docket on March 31, 2003. In that order, the Commission approved a special contract between Public Service Company of New Hampshire (PSNH) and Fraser N.H. LLC (Fraser) pursuant to RSAs 378:18 and :18-a, with respect to electricity supplied to Fraser's pulp mill in Berlin and its paper mill in Gorham. Wausau owns and operates a paper mill in Groveton.

Wausau contends in its rehearing motion filed pursuant to RSA 541:3 that the Commission "may have created confusion" by opening a separate docket, No. DE 01-078, to consider Wausau's contention that it is entitled to the same terms as Fraser from PSNH lest the Fraser special contract provide an inappropriate competitive advantage to Fraser. Wausau takes the position that the opening of such a separate docket "suggests that the Commission has in fact already concluded its public interest analysis" of the Fraser special contract, which Wausau contends would be inconsistent with what it characterizes as the

Commission's statutory duty "to include a finding of competitive impact in any Order approving a special contract." Therefore, Wausau requests that the Commission modify Order No. 14,515 to condition ultimate approval of the Fraser special contract "upon the findings to be made and any remedy which may be ordered in Docket DE 03-078" and independently determine that Wausau is entitled to the relief it has sought in both dockets pursuant to RSA 378:7.

PSNH and Fraser filed objections to the rehearing motion on May 5, 2003. Both companies dispute Wausau's suggestion that the Commission has linked the two proceedings in such a way that the Commission cannot approve the special contract in this docket without deciding Docket No. DE 03-078 favorably to Wausau. Both companies point out that Wausau expressly indicated its support for the result set forth in Order No. 24,151 - approval of the Fraser special contract.

Subsequent to the submission of these pleadings, the Commission entered Order No. 24,171 (May 12, 2003) in Docket No. DE 03-078 after conducting an evidentiary hearing. In Order No. 24,171, the Commission found that Wausau had made a showing of at least some anti-competitive effects arising out of the Fraser special contract that required relief under RSA 378:7, which is the statute authorizing the Commission to determine just and reasonable utility rates.

RSA 541:3 provides that the Commission may grant a rehearing motion when in the Commission's opinion "good reason for the rehearing is stated in the motion." Particularly in light of the proceedings in Docket No. DE 03-078 and the relief granted in Order No. 24,171, it is our determination that no good reason for the rehearing of Order No. 24,151 has been shown in Wausau's motion.

Based upon the foregoing, it is hereby

ORDERED, that the motion for rehearing of Order No. 24,151 submitted by Wausau Papers of New Hampshire, Inc. is hereby DENIED.

By order of the Public Utilities Commission of New Hampshire this twenty-ninth day of May, 2003.

Thomas B. Getz
Chairman

Susan S. Geiger
Commissioner

Nancy Brockway
Commissioner

Attested by:

Claire D. DiCicco
Assistant Secretary