national**grid**

Alexandra E. Blackmore Senior Attorney

December 8, 2006

BY HAND DELIVERY & ELECTRONIC MAIL

Ms. Debra A. Howland Executive Director and Secretary New Hampshire Public Utilities Commission 21 South Fruit Street, Suite 10 Concord, NH 03301-2429

Re: DE 06-115; Granite State Electric Company's Proposed Default Service Rates for the Large Customer Group for the period February 1, 2007 through April 30, 2007

Dear Ms. Howland:

I have enclosed seven copies of Granite State Electric Company's d/b/a National Grid ("National Grid" or "Company") proposed Default Service rates for the period February 1, 2007 through April 30, 2007 for medium and large commercial and industrial customers. This filing includes the testimony of Michael J. Hager and accompanying schedules. Confidential sections of certain schedules to Mr. Hager's testimony have been omitted from the public version of this filing and have been provided only to the Commission under separate cover, together with a motion for confidential treatment. Seven copies of the confidential materials have also been provided. I have also submitted an electronic version of the non-confidential materials to the Commission's electronic mail address. An electronic version of the confidential materials is being submitted on a disk. This letter summarizes our filing.

National Grid undertook a Request for Proposals ("RFP") to provide Default Service in accordance with RSA 374-F:3, V(c) and pursuant to the Commission's Order No. 24,577 issued on January 13, 2006 in Docket No. DE 05-126. National Grid circulated the RFP to approximately twenty-five potential wholesale suppliers, every member of the NEPOOL Markets Committee and posted the RFP on the Company's energy supply website. National Grid employed a procurement process consistent with those previously approved by the Commission on several occasions.¹

¹ See Order No. 24,675, Docket No. DE 06-115 (September 29, 2006); Order No. 24,637, Docket No. DE 05-126 (June 22, 2006); Order No. 24,609, Docket No. DE 05-126 (March 28, 2006); Order No. 24,539, Docket No. DE 05-163 (October 31, 2005) (approving default service rates for November 1, 2005 through April 30, 2006); Order No. 24,412, Docket No. DE 04-189 (December 22, 2004) (approving default service rates for January 1, 2005 through October 31, 2005); Order No. 24,318, Docket No. DE 04-057 (approving default service rates for May 1, 2004 through December 31, 2004); Order No. 24,163, Docket No. DE 03-179 (approving default service rates for May 1, 2003 through April 30, 2004); Order No. 23,393, Docket No. DE 99-205 (approving default service rates for February 1, 2000 through April 30, 2000)).

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National Grid believes the proposed Default Service rates are consistent with RSA 374-F:3, V(c), Commission precedent, and are in the public interest as reflective of "competitive market" prices. See RSA 374-F:3, V(c). Accordingly, the Company respectfully requests that the Commission approve the proposed rates to become effective for usage on and after February 1, 2007, no later than December 15, 2006.

Thank you very much for your time and attention to this filing. If you have any questions, please feel free to contact me at (508) 389-3243.

Very truly yours,

Alexandra E. Blackmore

Alexandra E. Blackmore

Enclosures

cc: Meredith A. Hatfield, Esq.

Kenneth Traum

Donald Pfundstein, Esq.

Service List (via electronic mail)

STATE OF NEW HAMPSHIRE BEFORE THE PUBLIC UTILITIES COMMISSION

RE:	GRANITE STATE	_,
	ELECTRIC COMPANY	•
	DEFAULT SERVICE	,
	RATES FOR FEBRUARY	•
	1, 2007 THROUGH	,
	APRIL 30, 2007	٠
	Al Ril 50, 2007	:

DOCKET NO. DE 06-115

MOTION FOR CONFIDENTIAL TREATMENT

To the Public Utilities Commission:

NOW COMES Granite State Electric Company d/b/a National Grid ("National Grid" or "Company") and hereby moves pursuant to N.H. Code of Administrative Rules Puc 203.08 for confidential treatment by the Commission with respect to the master power agreement between National Grid and the winning supplier, Consolidated Edison Energy, Inc. ("ConEd") to provide Default Service for the period February 1, 2007 through April 30, 2007. The Company also requests confidential treatment for its summary of the RFP bid evaluation and for its analysis comparing changes in electric and gas futures costs to changes in procurement costs. In support of this Motion, National Grid states as follows:

- 1. National Grid and ConEd entered into an agreement whereby ConEd committed to provide, among other things, service to National Grid's Large Customer Group Default Service load for the period February 1, 2007 through April 30, 2007.
- 2. The contract with ConEd and the RFP bid evaluation, as well as the Company's analysis comparing futures costs are being provided as separate schedules to the testimony of Mr. Hager in the above-referenced docket.

- 3. The contract, the RFP bid evaluation and the analysis comparing futures costs contain competitive energy pricing and contract terms which are commercially sensitive, the disclosure of which could be harmful to the competitive position of ConEd and participants in the RFP which could chill the willingness of these suppliers to participate in providing energy services in New Hampshire in the future. In negotiating power supply contracts in New Hampshire, competitive suppliers are sensitive to the protection of information they deem confidential or commercially sensitive. The parties have taken steps to avoid disclosure of this information and the disclosure of such information could adversely affect the business position of the parties in the future.
- 4. N.H. Code of Administrative Rules Puc 203.08(a) provides in pertinent part that "the Commission shall upon motion issue a protective order providing for the confidential treatment of one or more documents upon a finding that the document or documents are entitled to such treatment pursuant to RSA 91-A:5, IV or other provisions of law based upon the information submitted pursuant to Puc 203.08(b)."
- 5. Documents exempted from public disclosure under RSA 91-A:5, IV include "records relating to...confidential, commercial, or financial information...." In addition, RSA 91-A:5, IV exempts from public disclosure "other files whose disclosure would constitute an invasion of privacy."
- 6. As the Commission has previously recognized in Order Nisi No. 24,000 (June 27, 2002) as well as Order No. 23,486 (May 22, 2000), Order Nisi No. 23,681 (April 19, 2001), Order Nisi No. 23,834 (November 2, 2001), and Order No. 24,412 (December 22, 2004), the information contained within the wholesale power contracts for Default Service is "confidential, commercial, or financial information" and that disclosure of such information could adversely

affect the business position of the parties in the future. The same rationale for protecting the contracts from public disclosure applies equally to the information contained within the RFP bid evaluation and in the Company's analysis comparing futures costs.

7. The contract with ConEd, the RFP bid evaluation and the Company's analysis comparing futures costs provided as schedules to the testimony of Mr. Hager, qualify for confidential treatment under state law and Commission rules and as such should be protected.

WHEREFORE, National Grid respectfully requests that the Commission grant confidential treatment for the contract with ConEd, the RFP bid evaluation and for the Company's analysis comparing futures costs provided as schedules to the testimony of Mr. Hager in this docket. In accordance with N.H. Code of Administrative Rules Puc 203.08(g), this information should, at minimum, be labeled "Confidential," held in a secure location within the Commission's offices, and not disclosed to the public or any of the parties in this proceeding other than the Commission Staff without National Grid's consent.

Respectfully submitted,

GRANITE STATE ELECTRIC COMPANY By its attorneys,

December 8, 2006

Alexandra E. Blackmore

Alexandra E. Blackmore Senior Attorney National Grid 25 Research Drive Westborough, MA 01582 (508) 389-3243

Donald J. Pfundstein Gallagher, Callahan & Gartrell, P.C. P.O. Box 1415 Concord, NH 03302-1415 (603) 228-1181

CERTIFICATE OF SERVICE

I certify that an electronic copy of the foregoing Motion for Confidential Treatment has been served this date to the Office of the Consumer Advocate and to the parties named on the Service List in this proceeding.

Alexandra E. Blackmore

December 8, 2006

Alexandra E. Blackmore