



**Public Service  
of New Hampshire**

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The Northeast Utilities System

March 21, 2008

Ms. Debra A. Howland  
Executive Director and Secretary  
New Hampshire Public Utilities Commission  
21 South Fruit Street, Suite 6  
Concord, New Hampshire 03301-2429



Re: Docket No. DE 07-070  
Public Service Company of New Hampshire  
Motion to Further Amend Finance Order to Increase Authorized Credit Spread

Dear Ms. Howland,

Enclosed for filing with the Commission is an original and eight (8) copies of Public Service Company of New Hampshire's ("PSNH") "Motion to Further Amend Finance Order to Increase Authorized Credit Spread" and the supporting "Supplemental Testimony of Patricia C. Cosgel" in the above captioned matter. With respect to the remainder of the \$200 million financing authority granted in Docket No. DE 07-070 by Order Nos. 24,821 and 24,781, PSNH requests authority for a coupon rate consistent with market rates for an instrument of similar maturity and risk, with a maximum credit spread over the U.S. Treasury rate not exceeding 400 basis points (4.00%).

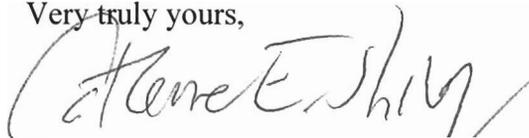
PSNH previously requested an increase in the maximum authorized credit spread from 200 basis points (2.00%) to 300 basis points (3.00%). However, during the first quarter of 2008, the fixed income markets have been extremely volatile and continue to deteriorate, driven primarily by the ongoing impacts of the sub-prime mortgage credit and liquidity crisis, which have further weakened the financial sector. These factors have led to significant credit tightening in all market sectors, and hence wider credit spreads than had been originally anticipated in December, 2007 when the Company initially requested that the Commission approve an increase in the maximum authorized credit spread.

The Commission Staff, the only party to the original docket, has been advised of this Motion.

PSNH respectfully requests that the Commission notice and schedule a hearing in accordance with RSA 365:28 in April, 2008 and issue its order as soon as possible, but not later than April 22, 2008 to allow sufficient time for an order to be issued and for the thirty day rehearing period to run prior to May 2008. If possible, the Company respectfully requests that the Commission schedule a hearing prior to April 11, 2008, as Patricia Cosgel will be out of the country on vacation after April 11<sup>th</sup>.

If you have any questions regarding the above, please let me know. I can be reached directly at (603) 634-2326.

Very truly yours,

A handwritten signature in black ink, appearing to read "Catherine E. Shively". The signature is written in a cursive style with a large initial "C" and a long horizontal stroke at the end.

Catherine E. Shively  
Senior Counsel

cc: Service List

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