

**THE STATE OF NEW HAMPSHIRE  
PUBLIC UTILITIES COMMISSION**

**DE 07-070**

**SUPPLEMENTAL ORDER OF NOTICE**

On March 21, 2008, Public Service Company of New Hampshire (PSNH) filed a motion to amend the finance orders issued in Docket No. DE 07-070, *Public Service Company of New Hampshire, Petition for Approval of Issuance of Long Term Debt Securities*, Order No. 24,781 (August 3, 2007) and Order No. 24,821 (January 30, 2008). In Order No. 24,781, the Commission granted PSNH the authority to issue up to \$200 million aggregate principal amount of long-term debt securities through December 31, 2008 for the purposes of repayment of short-term debt and funding working capital needs. Among the approved terms was a credit spread above the comparable Treasury rate not to exceed 200 basis points (2.00 percent). On December 13, 2007, PSNH filed a motion to amend Order No. 24,781 seeking authority for an increase in its coupon rate consistent with market rates for an instrument of similar maturity and risk, with a credit spread over the Treasury rate not exceeding 300 basis points (3.00 percent). On January 30, 2008, the Commission issued Order No. 24,821 granting PSNH's petition for an increased credit spread not to exceed 300 basis points.

In the current petition, PSNH seeks to further increase the authorized credit spread over Treasury rates approved in Order No. 24,821 not to exceed 400 basis points (4.00 percent). With its motion, PSNH filed the supporting testimony of Patricia C. Cosgel, Assistant Treasurer-Finance of Northeast Utilities (NU) and other NU companies, including PSNH.

According to PSNH, during the first quarter of 2008, the fixed income markets have become extremely volatile and continue to deteriorate, driven primarily by the ongoing impacts

of the sub-prime mortgage credit and liquidity crisis which has weakened the financial sector. This, PSNH said, has led to significant credit tightening in all market sectors, including utilities, and wider credit spreads than anticipated when PSNH initially requested an increase in the allowed credit spread in December 2007. PSNH states that the requested maximum credit spread of 4.0 percent is higher than current market spreads, but allows for any additional widening of credit spreads between the present time and the time the securities are issued. Finally, PSNH indicated that, other than the change to the authorized credit spread, it is not requesting or proposing any other changes to Order No. 24,781 or Order No. 24,821.

The filing raises, inter alia, issues related to RSA 369 and whether an increase in the credit spread will be in the public good. Each party has the right to have an attorney represent them at their own expense.

**Based upon the foregoing, it is hereby**

**ORDERED**, that a hearing, pursuant to N.H. Admin. Rules Puc 203.15, be held before the Commission located at 21 S. Fruit St., Suite 10, Concord, New Hampshire on April 9, 2008 at 1:30 PM; and it is

**FURTHER ORDERED**, that pursuant to N.H. Admin. Rules Puc 203.12, PSNH shall notify all persons desiring to be heard at this hearing by publishing a copy of this Order of Notice no later than April 1, 2008, in a newspaper with general circulation in those portions of the state in which operations are conducted, publication to be documented by affidavit filed with the Commission on or before April 9, 2008; and it is

**FURTHER ORDERED**, that pursuant to N.H. Admin. Rules Puc 203.17, any party seeking to intervene in the proceeding shall submit to the Commission seven copies of a Petition to Intervene with copies sent to PSNH and the Office of the Consumer Advocate on or before

April 4, 2008, such Petition stating the facts demonstrating how its rights, duties, privileges, immunities or other substantial interest may be affected by the proceeding, as required by N.H. Admin. Rule Puc 203.17 and RSA 541-A:32,I (b); and it is

**FURTHER ORDERED**, that any party objecting to a Petition to Intervene make said Objection on or before April 9, 2008.

By order of the Public Utilities Commission of New Hampshire this twenty-seventh day of March, 2008.



Debra A. Howland  
Executive Director & Secretary

Individuals needing assistance or auxiliary communication aids due to sensory impairment or other disability, should contact the Americans with Disabilities Act Coordinator, NHPUC, 21 S. Fruit St., Suite 10, Concord, New Hampshire 03301-2429; 603-271-2431; TDD Access: Relay N.H. 1-800-735-2964. Notification of the need for assistance should be made one week prior to the scheduled event.