

Public Service Company of New Hampshire
Docket No. DE 08-077

Data Request CONST-01
Dated: 07/08/2008
Q-CONST-006
Page 1 of 1

Witness: Tod Wicker
Request from: Constellation New Energy and Constellation Energy Commodities Group

Question:

Please provide a detailed explanation concerning PSNH's reasons for entering into an arrangement with the Lempster project for purchasing capacity and energy in addition to purchasing renewable energy certificates, as opposed to purchasing only renewable energy certificates.

Response:

The Commission has held that PSNH has an obligation under existing law to procure Energy Service in a manner that is reasonable and prudent. It has further held that the goal of such a reasonable and prudent purchase methodology is to reduce the cost of Energy Service for customers. PSNH's successful negotiations with the Lempster Project have resulted in the ability to procure energy and capacity at prices that meet these obligations.

Public Service Company of New Hampshire
Docket No. DE 08-077

Data Request CONST-01
Dated: 07/08/2008
Q-CONST-025
Page 1 of 1

Witness: Tod Wicker
Request from: Constellation New Energy and Constellation Energy Commodities Group

Question:

Please explain with specificity PSNH's basis, if any, for believing that the arrangement with the Lempster project is the best option for PSNH to procure the renewable energy certificates that are the subject of the arrangement. Your response should specify all other options and/or approaches that were considered and provide any supporting documentation.

Response:

PSNH is not required to show that the arrangement is the best option for procuring RECs. The arrangements with the Lempster project that are the subject of this proceeding meet the public interest test of RSA 362-F:9.

Public Service Company of New Hampshire
Docket No. DE 08-077

Data Request CONST-03
Dated: 07/31/2008
Q-CONST-008
Page 1 of 1

Witness: Tod Wicker
Request from: Constellation New Energy and Constellation Energy Commodities Group

Question:

Ref. Data Request Constellation 1-25. Please explain the basis for PSNH's statement that it is not required to show that the arrangement is the best option for procuring the renewable energy certificates that are the subject of the agreement. In particular, your response should include but not be limited to an explanation as to whether and on what basis the Commission should find that the agreements presented in this proceeding are in the public interest if PSNH could have obtained equivalent renewable energy certificates on more favorable terms.

Response:

See response to CONST-01, Q-CONST-006 and Q-CONST-025.

**Public Service Company of New Hampshire
Docket No. DE 08-077**

**Data Request CONST-01
Dated: 07/08/2008
Q-CONST-024
Page 1 of 1**

**Witness: Tod Wicker
Request from: Constellation New Energy and Constellation Energy Commodities
Group**

Question:

Did PSNH consider conducting a request for proposals to obtain the renewable energy certificates it ultimately decided to purchase from the Lempster project? If so, please explain the reason for PSNH's decision to conduct or not conduct such a process and provide any documents that reflect PSNH's consideration of such a process.

Response:

No. PSNH and Lempster entered into discussions for PSNH to buy the power and RECs from the Project in 2004, long before the NH RPS requirements became law. If PSNH needs NH RECs and power in the future, PSNH will evaluate the market and determine how to produce the best arrangement for its customers. No such documentation exists.