



**Public Service
of New Hampshire**

PSNH Energy Park
780 North Commercial Street, Manchester, NH 03101

Public Service Company of New Hampshire
P.O. Box 330
Manchester, NH 03105-0330
(603) 669-4000
www.psnh.com

The Northeast Utilities System

March 30, 2012

Debra A. Howland
Executive Director and Secretary
State of New Hampshire
Public Utilities Commission
21 S. Fruit Street, Suite 10
Concord, New Hampshire 03301-2429



Re: Docket Nos. DE 06-028 and DE 09-035, Delivery Service Rate Proceedings
Report to the Public Utilities Commission Detailing PSNH's Reliability Enhancement
Program (REP) Activities for the Period January 1, 2011 Through December 31, 2011.

Dear Ms. Howland:

Article II, Section 2.1.6 of the Settlement Agreement in PSNH's Delivery Service Rate Proceeding in Docket No. DE 06-028, requires that on or about April 1 of each year PSNH provide a report to the Commission showing its actual Reliability Enhancement Program (REP) activities and costs for the previous calendar year and its planned activities for the current calendar year. Pursuant to the terms contained in the settlement, "PSNH shall explain the process it used to determine the REP activities undertaken in the subject year, and will identify which REP activities recommended by Mr. Cannata were performed in the subject year." PSNH has submitted the required annual reports each year subsequent to the Settlement Agreement in that docket.

On June 28, 2010 the Commission issued Order No. 25,123 in Docket No. DE 09-035 captioned Order Approving Settlement Agreement on Permanent Rates. The Settlement Agreement approved by the Commission in that docket continued to fund PSNH's initial REP (Base REP), but also established an expanded reliability program referred to as REP II which became operational on July 1, 2010. The result is that the REP and REP II programs are now operated on a combined basis and this report provides details on the overall program.

Enclosed is a report detailing PSNH's REP activities and achievements for calendar year 2011 and a projection of major program expenditures for capital and O&M for 2012. The report has been developed as a complete reference source of information on the REP program and includes details on each operation and maintenance (O&M) and capital item.

Very truly yours,

Allen M. Desbiens
Senior Analyst

Enclosures

cc: Tom Frantz, NHPUC Staff
Steve Mullen, NHPUC Staff
Randy Knepper, NHPUC Staff
Rorie Hollenberg, OCA