



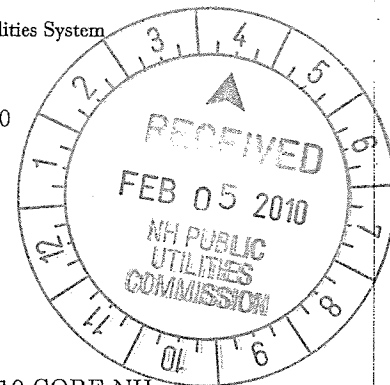
**Public Service
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The Northeast Utilities System

February 5, 2010



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

Re: Docket DE 09-170 Recommendations and Proposed Budget Revisions for the 2010 CORE NH
Energy Efficiency Programs due to Senate Bill 300

Dear Ms. Howland:

Enclosed please find the original and six copies of recommendations by the four New Hampshire Electric Utilities to address budget changes required due to the passage of Senate Bill 300. These revised budgets are based on funding from the System Benefits Charge and Forward Capacity Market revenues and do not take into consideration the potential for funding from other sources such as the Regional Greenhouse Gas Initiative (RGGI).

Cutting the 2010 budget by 0.3 mills/kWh as required by SB300 results in a shortfall of \$3.2 million. As detailed in the revised budgets, the Electric Utilities have proposed steps that will reduce this shortfall to approximately \$500,000; however, these cuts will have significant consequences. Specifically, the revised budgets will result in reduced services, a potential loss of jobs, and will require that some programs be closed beginning in the second quarter of this year. In its Supplemental Order of Notice, January 22, 2010, the Commission indicated that in addition to cutting budgets, consideration should also be given to allocating funds from RGGI. The Electric Utilities believe that this is an option that should be pursued and recommend that RGGI funds be allocated to make up the shortfall in the revised budgets.

The Electric Utilities are preparing to meet with interested parties and Staff on February 12, 2010, and to address questions regarding the proposed revised budgets. Copies of the Electric Utilities' budgets have been provided to the persons on the attached Service List.

Very truly yours,

Gilbert E. Gelineau, Jr.
Manager Marketing Support

Enclosures