Docket No. DE 10-121
Exhibit No. 2

STATE OF NEW HAMPSHIRE
BEFORE THE PUBLIC UTILITIES COMMISSION

Public Service Company of New Hampshire
Reconciliation of Energy Service and Stranded Costs for
Calendar Year 2009

SUPPLEMENTAL
DIRECT TESTIMONY OF
DAVID A. ERRICHETTI

I. INTRODUCTION

Q. Please state your name.

A. My name is David A. Errichetti.

Q. Mr. Errichetti, please provide your business address and title.

A. My business address is 107 Selden St. , Berlin, Connecticut. I am a Manager in the Wholesale Power Contracts department of Northeast Utilities Service Company (NUSCo).

Q. Did you provide direct testimony in this proceeding?

A. Yes. My Direct Testimony was filed on April 30, 2010.

Q. Does that testimony now need to be corrected?

A. Yes it does.

Q. Please describe the changes that need to be made to your direct testimony.

A. In preparing responses to Staff's first set of data requests it was discovered that the bilateral purchases identified in Attachment DAE-3 and the corresponding Q and A only addressed bilateral purchases that served ES load and not total bilateral purchases as had been the case in previous reconciliation filings. Attached to this Supplemental Testimony is a supplemental Q and A for the last question on page 3 that carried over to page 4 of my direct testimony in both corrected and redlined versions showing where the changes were made. Also attached is a Supplemental Attachment DAE-3. These attachments should replace the last question on page 3 that carried over to page 4 of my direct testimony and my Attachment DAE-3 in my direct testimony filed on April 30, 2010.

Q. Does that conclude your supplemental testimony?

A. Yes.

Supplemental response of last question on page 3 that carried over to page 4 of David A Errichetti's direct testimony.

Q. Please summarize how supplemental purchases were used to meet PSNH's energy requirements.

A. Supplemental Attachment DAE-3 summarizes the purchases made to supplement PSNH's generating resources. Approximately 1,589 GWh of on-peak energy were purchased bilaterally at an average cost of $98.90 per MWh (a total expense of $157.1 million). 88% of the on-peak bilateral energy was procured via fixed-price monthly contracts in order to address the forecasted supplemental requirements and planned unit outages. 9 % was procured via fixed-price, unit-contingent contracts with the Bethlehem and Tamworth Generating Plants. The remaining bilateral energy (3 %) was procured via fixed-price short-term arrangements (e.g. daily, weekly) to address unplanned outages and higher load periods. In addition, approximately 114 GWh of on-peak energy were procured via the ISO-NE hourly spot market at an average cost of $51.89 per MWh (a total expense of $5.9 million).

Approximately 994 GWh of off-peak energy were purchased bilaterally at an average cost of $80.13 per MWh (a total expense of $79.7 million). 82 % of the off-peak bilateral energy was procured via fixed-price monthly contracts. 16 % was procured via fixed-price, unit-contingent contracts with the Bethlehem and Tamworth Generating Plants. The remaining bilateral energy 2 % was procured via fixed-price short-term arrangements (e.g. daily, weekly). In addition, approximately 145 GWh of off-peak energy were procured via the ISO-NE hourly spot market at an average cost of $41.58 per MWh (a total expense of $6.0 million). The combined expense for all supplemental energy purchases was $248.8 million.

Redlined supplemental response of last question on page 3 that carried over to page 4 of David A Errichetti's direct testimony.

Q. Please summarize how supplemental purchases were used to meet PSNH's energy requirements.

A. Supplemental Attachment DAE-3 summarizes the purchases made to supplement PSNH's generating resources. Approximately 1,589 ~~1,189~~ GWh of on-peak energy were purchased bilaterally at an average cost of $98.90 ~~98.12~~ per MWh (a total expense of $157.1 ~~116.7~~ million). 88% of the on-peak bilateral energy was procured via fixed-price monthly contracts in order to address the forecasted supplemental requirements and planned unit outages. 9 ~~8~~% was procured via fixed-price, unit-contingent contracts with the Bethlehem and Tamworth Generating Plants. The remaining bilateral energy (3 4%) was procured via fixed-price short-term arrangements (e.g. daily, weekly) to address unplanned outages and higher load periods. In addition, approximately 114 GWh of on-peak energy were procured via the ISO-NE hourly spot market at an average cost of $51.89 per MWh (a total expense of $5.9 million).

Approximately 994 ~~696~~ GWh of off-peak energy were purchased bilaterally at an average cost of $80.13 ~~78.74~~ per MWh (a total expense of $79.7 ~~54.8~~ million). 82 ~~84~~% of the off-peak bilateral energy was procured via fixed-price monthly contracts. 16 ~~13~~% was procured via fixed-price, unit-contingent contracts with the Bethlehem and Tamworth Generating Plants. The remaining bilateral energy 2 ~~3~~% was procured via fixed-price short-term arrangements (e.g. daily, weekly). In addition, approximately 145 GWh of off-peak energy were procured via the ISO-NE hourly spot market at an average cost of $41.58 per MWh (a total expense of $6.0 million). The combined expense for all supplemental energy purchases was $248.8 ~~183~~ million.

Supplemental Attachment DAE-3
Summary of 2009 PSNH Bilateral and ISO-NE Spot Purchases and Sales

On-Peak

	Total Bilateral Purchases MWh	Total Bilateral Purchases $000	Avg Price $/MWh	Total ISO-NE Spot Purchases MWh	Total ISO-NE Spot Purchases $000	Avg Price $/MWh	Total ISO-NE Spot Sales MWh	Total ISO-NE Spot Sales $000	Avg Price $/MWh
Jan	87,517	11,511	131.53	14,391	1,030	71.57	20,803	1,757	84.44
Feb	95,687	11,178	116.82	20,979	1,101	52.49	12,284	696	56.67
Mar	95,002	10,327	108.70	2,464	194	78.88	33,128	1,286	38.82
Apr	150,593	14,738	97.86	3,288	154	46.80	77,314	2,924	37.82
May	90,210	9,816	108.81	12,668	537	42.40	22,618	899	39.76
Jun	138,106	14,495	104.96	1,388	61	43.99	57,277	2,155	37.62
Jul	127,905	13,652	106.74	10,713	445	41.50	33,215	1,169	35.21
Aug	176,438	15,341	86.95	31,925	1,531	47.94	5,444	332	60.92
Sep	196,529	17,224	87.64	811	37	45.34	24,644	809	32.82
Oct	170,665	14,548	85.25	4,442	193	43.38	22,008	1,048	47.62
Nov	154,908	13,209	85.27	1,317	74	56.33	58,756	2,351	40.02
Dec	105,372	11,110	105.44	9,800	569	58.06	33,855	2,236	66.06
Totals	1,588,933	157,149	98.90	114,185	5,925	51.89	401,346	17,662	44.01

Off-Peak

	Total Bilateral Purchases MWh	Total Bilateral Purchases $000	Avg Price $/MWh	Total ISO-NE Spot Purchases MWh	Total ISO-NE Spot Purchases $000	Avg Price $/MWh	Total ISO-NE Spot Sales MWh	Total ISO-NE Spot Sales $000	Avg Price $/MWh
Jan	71,622	7,059	98.55	6,779	460	67.87	41,042	2,794	68.07
Feb	72,161	6,900	95.62	21,616	1,028	47.54	23,552	996	42.28
Mar	50,318	4,974	98.86	2,840	163	57.33	44,209	1,526	34.51
Apr	77,989	7,332	94.01	7,730	291	37.62	56,158	1,586	28.25
May	52,032	5,122	98.43	11,831	455	38.49	45,043	1,406	31.20
Jun	53,699	4,626	86.14	6,054	193	31.91	32,390	899	27.76
Jul	44,909	4,402	98.02	10,946	354	32.34	28,846	712	24.70
Aug	145,598	10,200	70.06	35,841	1,408	39.29	9,013	172	19.10
Sep	124,002	8,612	69.45	12,057	367	30.41	13,648	287	21.05
Oct	126,215	7,916	62.72	8,618	354	41.04	22,958	712	31.00
Nov	128,616	8,084	62.85	5,320	256	48.19	32,195	903	28.04
Dec	47,205	4,455	94.37	15,279	696	45.56	39,805	2,078	52.21
Totals	994,365	79,682	80.13	144,914	6,025	41.58	388,859	14,071	36.19