



**Public Service  
of New Hampshire**

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The Northeast Utilities System

DE10-216

August 13, 2010

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

Re: Net Metering and House Bill 1353



Dear Secretary Howland:

On June 14, 2010 House Bill 1353 was adopted as 2010 N.H. Laws Chapter 143. The law becomes effective today. This law changes the way in which the distribution utilities deal with independent small scale power producers who wish to utilize net metering. Public Service Company of New Hampshire (“PSNH”) respectfully requests the Commission to open an adjudicative proceeding, to begin the rulemaking process contemplated by the new law, and provide direction as to how PSNH may handle requests for net metering before new regulations and tariffs are in effect. By this letter, PSNH is requesting a rulemaking under RSA 541-A :4, I; N. H. Code Admin. Rule § 202.01(e) and § 205.03. Rulemaking to set interconnection standards and implement the new law is required under RSA 362-A:9, X. We have also attached the original and six copies of a petition for adjudicatory proceeding under N. H. Code Admin. Rule § 202.01(a) and § 203.06.

The new law creates two categories of “eligible customer generators” or “customer generators”. The small customer generator is one which employs generating equipment with total peak generating capacity of up to 100 kilowatts. The large customer generator is sized from 100 kilowatts to 1,000 kilowatts of total peak generating capacity. RSA 362-A:1-a,II-b. The new law introduces few changes to the interaction between the utility and the small net metering customer. The major changes involve the new category of the large customer generator.

The new law calls for standard tariffs to be filed “in accordance with net metering rules adopted and orders issued by the commission.” RSA 362-A:9, I. PSNH believes those tariffs must await new rules and orders of the Commission as the existing Chapter Puc 900 Rules apply only to interconnection of generators with a capacity of 100 kilowatts or less and do not address certain features of the new law such as the options for crediting or paying for generation in excess of usage. RSA 362-A:9, X. The issues

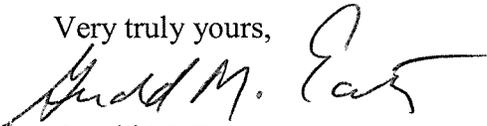
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which the new law raises may include, but are not limited to, standards for interconnection, how customer generators are paid or credited for the excess energy delivered to the distribution utility's distribution system, and how the utilities may calculate the net effect of the net metering law on its distribution revenues and expenses. Utility specific issues, such as the application of PSNH's Backup Delivery Service Rate B may need to be addressed. RSA 362-A:9, XI.

The rulemaking and other proceedings contemplated by the new law may take a long period of time to complete as they will involve all four electric public utilities and several interested parties addressing issues such as those listed above. PSNH respectfully suggests that the Commission issue an order of notice and conduct a prehearing conference. The order of notice should put interested persons on notice that they should address any issues of how new customer generators should be addressed in the interim before final rules are adopted and tariffs are approved by the Commission.

A copy of this letter and the attached Petition for Adjudicatory Proceeding are being supplied to the Office of Consumer Advocate and the persons on the attached service list. Thank you for your assistance in this matter.

Very truly yours,

A handwritten signature in black ink, appearing to read "Gerald M. Eaton", written in a cursive style.

Gerald M. Eaton  
Senior Counsel

Enclosures  
cc: Service List

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