



**Public Service
of New Hampshire**

DE 11-216
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A Northeast Utilities Company

Heather Tebbetts
Senior Analyst, NH Revenue Requirements

January 15, 2014

NHPUC 16 JAN 14 10:59

Debra A. Howland
Executive Director
New Hampshire Public Utilities Commission
21 S. Fruit Street, Suite 10
Concord, NH 03301

**Re: DE 11-216; Public Service Company of New Hampshire Alternative
Default Energy Service Rate ADE Forecast Marginal Costs**

Dear Ms. Howland:

On April 8, 2013 the Commission issued Order No. 25,488 approving a settlement agreement between Commission Staff, the Office of Consumer Advocate and Public Service Company of New Hampshire regarding PSNH's proposal to implement an alternative default energy service rate, Rate ADE. Rate ADE became effective on July 1, 2013.

Under paragraph 2.3.3 of the settlement, PSNH agreed to monitor its forecasted marginal costs on a monthly basis and compare those forecasts to the marginal costs used to calculate the rate for Rate ADE, and provide such reports to the Commission by the 15th day of the month. The settlement agreement further provided that if projections of marginal costs for the remaining months of the period increase by more than 75% of the amount of the adder defined under the settlement, Rate ADE will be closed temporarily to returning customers. This report is being filed electronically with one paper copy being sent to the Commission.

We would be pleased to respond to any questions the Commission may have on this report.

Very truly yours,

Heather Tebbetts
Senior Analyst, NH Revenue Requirements

Enclosure

cc: Service List (by electronic mail only)