

**THE STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION**

DE 09-225

GRANITE STATE ELECTRIC COMPANY D/B/A NATIONAL GRID

Petition for Approval of “GreenUp” Proposal

Order Suspending Tariff and Scheduling Prehearing Conference

ORDER NO. 25,067

January 15, 2010

On November 13, 2009, Granite State Electric Company d/b/a National Grid (National Grid or Company) filed a request for approval of a new renewable default service rate option, the GreenUp Service Proposal, pursuant to RSA 374-F:3,V(f). This statutory provision requires New Hampshire electric utilities to offer one or more renewable energy service options to its customers. With the proposal, National Grid filed the testimony and related exhibits of Edward H. White, Jr., acting Vice President of Renewable Development in the Customer and Markets organization of National Grid USA and Juliana C. Griffiths, Manager, Supplier Services in the Retail Access Group of National Grid Corporate Services, LLC’s Energy Management Portfolio Department. National Grid also filed a proposed tariff with the GreenUp Service.

National Grid described the GreenUp program as an optional tariff-based offering that allows residential, small commercial and industrial customers receiving default service from the Company to select among participating GreenUp suppliers who, for an agreed-upon price above the existing default service rates offered by the Company, will purchase renewable energy certificates (RECs) on customers’ behalf. Through the GreenUp, program National Grid’s customers will be able to support the development of renewable energy resources.

According to National Grid, RECs purchased by GreenUp suppliers will be tracked and validated in accordance with the New England Power Pool (NEPOOL) Generation Information System (GIS) administered by the Independent System Operator-New England (ISO-NE). Pursuant to RSA 374-F:3, V(f), GreenUp suppliers will purchase RECs from sources of electricity as defined in RSA 362-F:2, XV, the New Hampshire Electric Renewable Portfolio Standard Law. National Grid said that, in the event that there were insufficient RECs for GreenUp suppliers to meet their obligation to participating customers, the Company would require such suppliers to make payments to the N.H. Renewable Energy Fund. The payment would be equal to the remaining quantity of RECs needed to satisfy a GreenUp supplier's obligation to participating customers multiplied by the applicable alternative compliance payment for Class I (new renewable) RECs.

To notify customers of the availability of GreenUp, National Grid will include bill inserts in default service customers' electric bills at periodic intervals. The bill inserts will describe GreenUp, identify participating GreenUp suppliers and the products being offered, and provide each customer with a reply card that will allow the customer to select a supplier and enroll in the program. Customers will not be required to make a minimum commitment to the GreenUp program. National Grid proposes to recover the administrative costs associated with GreenUp through a uniform per kilowatt hour (kWh) factor to be included with the distribution kWh charge for billing purposes.

The Company said that its initial budget for outreach and education is \$35,800. National Grid plans to file its GreenUp offerings with the Commission once the GreenUp supplier contracts are finalized. To recover its incremental costs associated with administering the plan,

National Grid proposes to use a reconciling adjustment mechanism to be paid by all customers through distribution rates.

The filing raises, inter alia, issues related to whether National Grid's proposed renewable default service rate option complies with RSA 374-F:3,(f); whether the proposal for reconciling the rate through a kWh charge in distribution rates is just and reasonable as required by RSA 378:7; and whether the proposal is consistent with the electric utility restructuring principles in RSA 374-F:3. Each party has the right to have an attorney represent them at their own expense.

Based upon the foregoing, it is hereby

ORDERED, that National Grid's GreenUp tariff establishing a renewable service option is hereby **SUSPENDED**; and it is

FURTHER ORDERED, that a Prehearing Conference, pursuant to N.H. Admin. Rules Puc 203.15, be held before the Commission located at 21 S. Fruit St., Suite 10, Concord, New Hampshire on January 28, 2010 at 10:30 a.m. at which each party will provide a preliminary statement of its position with regard to the petition and any of the issues set forth in N.H. Admin. Rule Puc 203.15 shall be considered; and it is

FURTHER ORDERED, that, immediately following the Prehearing Conference, National Grid, the Staff of the Commission and any Intervenors hold a Technical Session to review the petition and allow National Grid to provide any amendments or updates to its filing; and it is

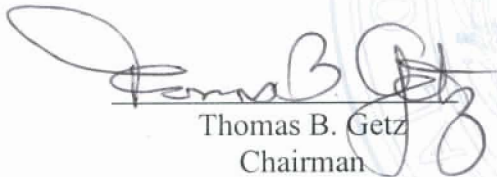
FURTHER ORDERED, that pursuant to N.H. Admin. Rules Puc 203.12, National Grid shall notify all persons desiring to be heard at this hearing by publishing a copy of this Order of Notice no later than January 20, 2010, in a newspaper with general circulation in those portions

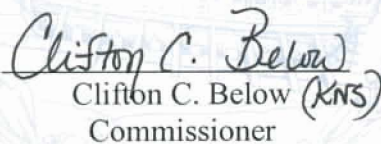
of the state in which operations are conducted, publication to be documented by affidavit filed with the Commission on or before January 28, 2010; and it is

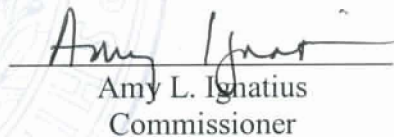
FURTHER ORDERED, that pursuant to N.H. Admin. Rules Puc 203.17, any party seeking to intervene in the proceeding shall submit to the Commission seven copies of a Petition to Intervene with copies sent to National Grid and the Office of the Consumer Advocate on or before January 25, 2010, such Petition stating the facts demonstrating how its rights, duties, privileges, immunities or other substantial interest may be affected by the proceeding, as required by N.H. Admin. Rule Puc 203.17 and RSA 541-A:32,I(b); and it is

FURTHER ORDERED, that any party objecting to a Petition to Intervene make said Objection on or before January 27, 2010.

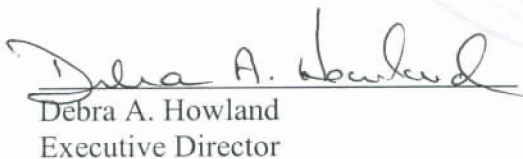
By order of the Public Utilities Commission of New Hampshire this fifteenth day of January, 2010.


Thomas B. Getz
Chairman


Clifton C. Below (KNS)
Commissioner


Amy L. Ignatius
Commissioner

Attested by:


Debra A. Howland
Executive Director

Individuals needing assistance or auxiliary communication aids due to sensory impairment or other disability, should contact the Americans with Disabilities Act Coordinator, NHPUC, 21 S. Fruit St., Suite 10, Concord, New Hampshire 03301-2429; 603-271-2431; TDD Access: Relay N.H. 1-800-735-2964. Notification of the need for assistance should be made one week prior to the scheduled event.