

Date of Response: December 20, 2010

Exhibit 2

Request:

Please describe the information used to allocate to Granite State Electric Company's customers the transmission forecast. Please indicate whether the Company uses metered samples for each rate class. If so, please provide the size of the sample and the confidence level of these samples.

Response:

The Company develops class average customer load profiles for several of Granite State's rate classes which were used to develop the 2009 Coincident Peak Data as provided in Schedule SMM-10, page 2 of the Company's filing.

The load profiles for Granite State are developed for each rate class using one of four methods:

- 1) Sample meter designs – The original sample designs were chosen in a manner that ensures a statistically reliable representation of the population. The sample design, which was done in 2007, provided for a desired sample design accuracy of +/- 10% at the 90% confidence level for 50% or more of the annual hours. The study results are expected to be within 10% of the "true" value for the Rate Class. The design accuracy was specified in 1978 by PURPA for all major rate classes. Although the federal standards were lifted in 1992, the PURPA specification continues to be used, particularly for samples that will be used to support rate cases or other regulatory requirements.
- 2) Census meters – 100% of customers in these rate classes have interval meters and so sampling is not required.
- 3) Transferred profiles – The transferred profile rate classes indicated in Table 1 do not have sample meters or census interval meters installed within these classes. For these classes, the load profiles used as a proxy for the class are the Massachusetts Electric Company (MECO) residential time of use meters, adjusted by Granite State sales. There are currently 68 sample meters in the MECO residential time of use class.
- 4) Deemed profiles – These profiles are fixed for a specific class, and are not based on any interval metered data.

Table 1 indicates which method is used to develop load profiles for each Granite State rate class:

Table 1

<u>Rate Class</u>	Load profile developed based on	Current Number Of Granite State Sample Meters
D (standard residential, including low income)	Sample meter design	98
D-10 (Residential time of use)	Transferred profile	
T (Residential electric space heat)	Transferred profile	
G-1 (Large general service time of use)	Census meters	
G-2 (General service demand)	Sample meter design	61
G-3 (Small general service)	Sample meter design	91
V (Commercial electric space heat)	Transferred profile	
M (Streetlighting)	Deemed profile	