STATE OF NEW HAMPSHIRE BEFORE THE PUBLIC UTILITIES COMMISSION

Public Service Company of New Hampshire Renewable Default Energy Service Rate

Docket No. DE 11-

PETITION FOR REVISION TO RENEWABLE DEFAULT ENERGY SERVICE RATE

Public Service Company of New Hampshire ("PSNH" or the "Company"), in accordance with Puc 202.01(a) and 203.06 and RSA 374-F:3, V(f), hereby petitions the New Hampshire Public Utilities Commission (the "Commission") to revise its renewable default energy service rate established in Order No. 25,204. In support of its petition, PSNH states as follows:

- 1. On March 5, 2010, the Commission approved PSNH's Renewable Default Energy Service Rate ("Renewable Rate") structure which was established pursuant to the requirements of RSA 374-F:3, V(f). See Order No. 25,080. Order No. 25,080 requires that the Company make any changes to its Renewable Rate tariff on January 1 or July 1 each year, or on such dates as PSNH's default energy service rate changes. See id. The Company now seeks to revise its Renewable Rate for effect January 1, 2012, coincident with a proposed change to its default energy service rate. See Docket DE 11-215.
- 2. Under the Company's Renewable Rate, its default energy service customers are provided with the opportunity to support the development of new renewable sources of generation in New England. The Company purchases and retires, on behalf of those customers participating in the Renewable Rate, Renewable Energy Certificates ("RECs") from new renewable sources of generation in New England that match either all or a potion of the customers' actual energy use. The Renewable Rate is billed to participating customers as an

additional charge (in cents per kilowatt-hour) based on the renewable option chosen. *See* Prefiled Direct Testimony of Richard H. Branch, which accompanies this petition. The Commission last set the Company's Renewable Rate in Order No. 25,204.

- 3. The Company seeks an increase in its Renewable Rate to 3.579 cents/kwh for customers electing the 100% option, 1.790 cents/kwh for customers electing the 50% option and 0.895 cents/kwh for customers electing the 25% option. These increases are due to higher expected costs of acquiring RECs for 2012. As Mr. Branch explains, the market cost for Class I RECs increased throughout 2011 and is expected to continue to increase in 2012, while the market for Class II RECs in still in its infancy and thus is difficult to predict. Mr. Branch estimates that residential customers using 500 kilowatt-hours per month would pay \$17.90 for the 100% Renewable Rate option and \$4.47 for those electing the 25% Renewable Rate option. Small business customers using 10,000 kilowatt-hours per month would pay \$357.90 for customers choosing the 100% Renewable Rate option while those electing the 25% Renewable Rate option would pay \$89.48 a month.
- 4. The Company also seeks to reconcile an under collection from its 2011
 Renewable Rate with an over collection from calendar year 2010. As described in Mr. Branch's testimony, this would result in an over collection of \$1,169 which the Company proposes to maintain in an escrow account until reconciled in the next following Renewable Rate proceeding, either in July or December 2012.

WHEREFORE, PSNH respectfully requests that the Commission:

A. Grant this Petition for Revision to Renewable Default Energy Service Rate and establish the rates set forth in Mr. Branch's pre-filed direct testimony for effect on January 1, 2012;

- B. Authorize the Company to reconcile the 2011 under collection against the 2010 over collection and maintain the remainder in an escrow account; and
- B. Grant such other relief as is just and equitable.

Respectfully submitted,

Public Service Company of New Hampshire

By Its Attorneys

Dated: November 29, 2011

Sarah B. Knowlton

Senior Counsel

780 No. Commercial Street

P.O. Box 330

Manchester, NH 03105-0330

Telephone (603) 634-2326

Email: knowlsb@nu.com

Certificate of Service

I hereby certify that a copy of this Petition for Revision to Renewable Default Energy Service Rate has been hand delivered to Meredith Hatfield, Consumer Advocate, this 29th day of November, 2011.

Sarah B. Knowlton