



**Public Service
of New Hampshire**

A Northeast Utilities Company

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October 15, 2013

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

Re: IR 13-233, PNE Energy Supply, LLC
PSNH Response to Staff Report of September 27, 2013

Dear Director Howland:

On August 8, 2013, the Commission issued a secretarial letter directing Staff to begin an investigation regarding a complaint filed by PNE Energy Supply, LLC ("PNE") against Public Service Company of New Hampshire ("PSNH") in the above-referenced docket. According to that secretarial letter, a report from Staff was to be filed on or before September 30, 2013 and exceptions, if any, from PSNH and PNE were due on or before October 15, 2013. Staff filed its report on September 27, 2013, and PSNH hereby responds to that report.

PSNH concurs with the Staff Report that there are various factual and/or legal matters upon which PSNH and PNE do not agree. PSNH maintains the positions it has espoused throughout this process that it did not, and has not, violated its tariff or any of the agreements at issue here and that it is entitled to be compensated for the expenses it was required to incur in responding to PNE's determination to default.

As to one specific item, noted in item 4 of the Staff Report, PSNH had made an effort to participate in the alternative dispute resolution process called for in the agreements, but PNE had determined that it would not likely be fruitful. PSNH remains willing to participate in a form of alternative dispute resolution, or other reasonable settlement of this matter, as it has been throughout the entirety of this process.

Except as stated above, PSNH does not take any particular position with respect to the recommendations in the Staff Report, but does note that the statute cited in the Staff Report as providing the Commission the discretionary authority to alter the venue of this matter, RSA 491:7, is a statute granting general jurisdiction to the Superior Court. It does not grant the Commission any authority to alter the venue. Insofar as PSNH is aware, the only statute providing the Commission such authority is RSA 365:20, which permits the Commission to certify questions of law for transfer to the Supreme Court. PNE has chosen to raise the matter with the Commission rather than another forum, and PSNH is amenable to finding a resolution

either through discussions and settlement with PNE, or through the Commission's process if PNE continues to believe that such discussions would not be fruitful.

Very truly yours,

A handwritten signature in blue ink, appearing to read 'Matthew J. Fossum', with a long horizontal flourish extending to the right.

Matthew J. Fossum
Counsel