



**Public Service
of New Hampshire**

A Northeast Utilities Company

PSNH Energy Park
780 No. Commercial Street, Manchester, NH 03101

Public Service Company of New Hampshire
P.O. Box 330
Manchester, NH 03105-0330
(603) 634-2961
Fax (603) 634-2438

Matthew J. Fossum
Counsel

September 27, 2013

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

ORIGINAL
N.H.P.U.C. Case No. <u>DE 13-275</u>
Exhibit No. <u># 1</u>
Witness <u>Eric H. Chung</u> <u>Frederick B. White</u>
DO NOT REMOVE FROM FILE

Re: Proposed Default Energy Service Rate for 2014 – Docket No. DE 13-XXX

Dear Director Howland:

Enclosed for filing please find an original and six copies of the testimony and attachments of Eric H. Chung containing an estimate and supporting documentation for a Default Energy Service rate applicable to customers taking service from Public Service of New Hampshire (“PSNH”) under its Default Energy Service Rate DE on and after January 1, 2013. Pursuant to RSA 369-B:3, IV(b)(1)(A), customers taking Default Energy Service from PSNH will be billed a default energy service rate equal to PSNH’s actual, prudent and reasonable costs of providing power, as approved by the Commission.

The cost of PSNH’s generation has remained stable. The small increase in the rate is primarily due to changes in state and regional environmental policies. Based upon the information contained in this filing, PSNH estimates that the rate for effect on January 1, 2014, absent scrubber-related costs, will be 7.98 cents per kilowatt-hour, an increase of 0.34 cents per kilowatt-hour over the previously effective rate of 7.64 cents per kilo-watt hour. The estimated overall rate, including scrubber-related costs, will be 8.96 cents per kilowatt-hour.

Contemporaneous with this filing, PSNH is submitting a petition to adjust its average stranded cost recovery charge to 0.39 cents per kilowatt-hour, an increase of 0.263 cents per kilowatt-hour from the currently effective average rate. Such an adjustment to the PSNH’s rate will be in conformity with PSNH’s least cost integrated resource plan most recently filed and found adequate by the Commission.

PSNH anticipates that the estimated rate in this filing will be revised during the course of the proceeding to incorporate the most up-to-date estimates of fuel and energy prices. PSNH’s requested rate will be based upon the revised estimates and relevant supporting documentation filed prior to the hearing on the merits and reflecting any estimated over or under recovery from 2013.

PSNH notes that within the attached materials is an update to PSNH’s generation report as required by Order No. 25,535 (June 27, 2013). This report contains confidential material and

such material has been redacted where appropriate. In lieu of immediately filing a motion for confidential treatment, and pursuant to Puc 203.08, PSNH states that it has a good faith basis for seeking confidential treatment of the materials, and that it will submit a motion for confidential treatment prior to the commencement of a hearing on this matter.

PSNH requests that the Commission open a docket on this matter and schedule a pre-hearing conference so that a procedural schedule may be established that will provide for an order in sufficient time to permit PSNH to institute the new rate for January 1, 2014.

Very truly yours,



Matthew J. Fossum
Counsel

Enclosures