

EXHIBIT

Date Request Received: 7/29/2015 Request Number: GSHA 1-3

Witness: Thomas C. Frantz

Date of Response: 8/6/2015 Page 1 of 1

## Request:

GSHA 1-3. Does PSNH include QF generation as a source of power to meet its load requirements for Default Service? If so, how does PSNH value that power for purposes of setting its Energy Service rate?

## Response:

Yes, PSNH includes QF generation as a source of power to meet its default service load. PSNH values that power at its avoided cost which it calculates consistent with the 1999 Settlement Agreement.