

**STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION**

DE 08-144

NEW HAMPSHIRE ELECTRIC COOPERATIVE

Request for 2009 Stranded Cost Charge

Order *Nisi* Granting Petition

ORDER NO. 24,916

December 5, 2008

On November 12, 2008, the New Hampshire Electric Cooperative (NHEC), consistent with RSA 362:2, II and RSA 374-F, filed a request for authority to change its stranded cost charge effective with bills rendered on and after January 1, 2009. NHEC proposes to decrease the stranded cost charge from the current rate of 1.580 cents per kilowatt-hour (kWh) to 1.505 cents per kWh, which would result in a 0.38 percent decrease in total estimated annual revenue. The rate change would cause the bill of a residential customer using 500 kilowatt-hours per month to decrease from \$107.74 to \$107.37, if there were no other changes to NHEC's rates.

On January 1, 2009, NHEC also plans to change certain other rates not regulated by the Commission. The NHEC projects an increase to its delivery charge rate which may approach or equal the proposed decrease in the stranded cost charge. The exact change has not yet been determined, but these two changes will result in either a slight decrease to, or no change in, the average residential monthly bill for a customer using 500 kWh per month.

The stranded cost charge includes amortization of the Seabrook regulatory asset and the amortization of a regulatory asset associated with the termination of NHEC's wholesale power

contract with Public Service of New Hampshire. The NHEC estimates that, at the end of 2008, it will have under-recovered its stranded costs for the year by approximately \$89,000 due to a decrease in actual kWh sales, a decrease in actual stranded costs, and a decrease in the beginning under-recovered balance due to last year's filing having nine months actual and three months of projected revenues and expenses compared to twelve months of actual revenues and expenses. NHEC plans to include the \$89,000 in the beginning balance in the calculation of the 2009 stranded cost charge.

Staff filed a memorandum on December 1, 2008 that recommended approval of NHEC's proposed stranded cost charge rate of 1.505 cents per kWh beginning January 1, 2009, by order *nisi*. We have reviewed NHEC's filing and Staff's recommendation and find that the proposed change to the 2009 stranded cost charge is just and reasonable.

Based upon the foregoing, it is hereby

ORDERED *NISI*, that subject to the effective date below, that New Hampshire Electric Cooperative is authorized to change its Stranded Cost Charge effective with bills rendered on and after January 1, 2009, from 1.580 cents per kWh to 1.505 cents per kWh; and it is

FURTHER ORDERED, that NHEC shall cause a copy of this Order *Nisi* to be published once in a statewide newspaper of general circulation or of circulation in those portions of the state where operations are conducted, such publication to be no later than December 12, 2008, and to be documented by affidavit filed with this office on or before January 1, 2009; and it is

FURTHER ORDERED, that all persons interested in responding to this Order *Nisi* be notified that they may submit their comments or file a written request for a hearing which states

the reason and basis for a hearing no later than December 24, 2008, for the Commission's consideration; and it is

FURTHER ORDERED, that any party interested in responding to such comments or request for hearing shall do so no later than December 29, 2008; and it is

FURTHER ORDERED, that this Order *Nisi* shall be effective January 1, 2009, unless NHEC fails to satisfy the publication obligation set forth above or the Commission provides otherwise in a supplemental order issued prior to the effective date; and it is

FURTHER ORDERED, that NHEC shall file a compliance tariff with the Commission on or before January 9, 2009, in accordance with N.H. Admin. Rules Puc 1603.02(b).

By order of the Public Utilities Commission of New Hampshire this fifth day of December, 2008.

Thomas B. Getz
Chairman

Graham J. Morrison
Commissioner

Clifton C. Below
Commissioner

Attested by:

ChristiAne G. Mason
Assistant Executive Director