



**Public Service
of New Hampshire**

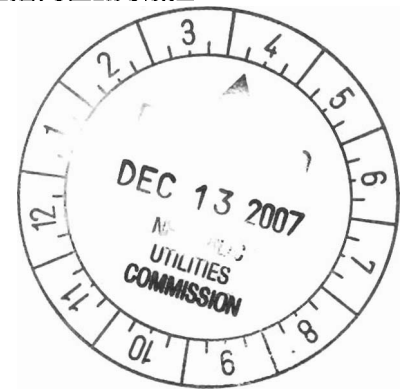
PSNH Energy Park
780 North Commercial Street, Manchester, NH 03101

Public Service Company of New Hampshire
P.O. Box 330
Manchester, NH 03105-0330
(603) 669-4000
www.psnh.com

The Northeast Utilities System

December 13, 2007

Ms. Debra A. Howland
Executive Director and Secretary
New Hampshire Public Utilities Commission
21 South Fruit Street, Suite 6
Concord, New Hampshire 03301-2429



RE: Docket No. DE 07-070
Public Service Company of New Hampshire
Motion to Amend Finance Order to Increase Authorized Credit Spread

Dear Ms. Howland,

Enclosed for filing with the Commission is an original and eight (8) copies of Public Service Company of New Hampshire's ("PSNH") "Motion to Amend Finance Order to Increase Authorized Credit Spread" and the supporting "Supplemental Testimony of Patricia C. Cosgel" in the above captioned matter. With respect to the \$200 million long-term financing authority granted in Docket No. DE 07-070 by Order No. 24,781, PSNH requests authority for a coupon rate consistent with market rates for an instrument of similar maturity and risk, with a credit spread over the Treasury rate not exceeding 300 basis points (3.0 percent). The Commission previously authorized a coupon rate consistent with market rates for an instrument of similar maturity and risk, with a credit spread above the Treasury rate not exceeding 200 basis points (2.0 percent). No other amendment or modification of the finance authority granted by Order No. 24,781 is requested.

During the third and fourth quarters of 2007 the fixed income markets have experienced extreme volatility, driven primarily by the impact to the general economy related to the sub-prime mortgage crisis. This has led to significant credit tightening along with higher than anticipated credit spreads required by investors to purchase long-term debt in all sectors, including utilities. The requested maximum credit spread of 3% in this petition is higher than the current market spreads, but allows for any additional widening of credit spreads between now and the time of issuance. The debt will be issued at prevailing market rates and credit spreads, which are determined by investors in a competitive marketplace at the time of issuance.

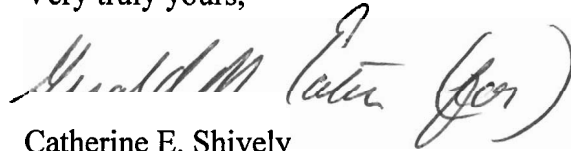
The Commission Staff, the only party to the original docket, has been advised of this Motion.

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PSNH respectfully requests that the Commission notice and schedule a hearing in accordance with RSA 365:28 in January, 2008 to allow sufficient time for an order to be issued and for the thirty day rehearing period to run prior to PSNH's currently scheduled March, 2008 debt issuance.

If you have any questions regarding the above, please let me know. I can be reached directly at (603) 634-2326.

Very truly yours,

A handwritten signature in black ink, appearing to read "Catherine E. Shively", written over a light gray rectangular background.

Catherine E. Shively
Senior Counsel

cc: Service List

Service List
Docket DE 07-070

Ms. Debra A. Howland
Executive Director & Secretary
State of New Hampshire
Public Utilities Commission
21 S. Fruit Street, Suite 10
Concord, NH 03301-2429

**** Librarian**
State of New Hampshire
Public Utilities Commission
21 S. Fruit Street, Suite 10
Concord, NH 03301-2429

Ms. Amanda Noonan
Consumer Affairs Director
State of New Hampshire
Public Utilities Commission
21 S. Fruit Street, Suite 10
Concord, NH 03301-2429

Ms. Suzanne Amidon
Staff Attorney
State of New Hampshire
Public Utilities Commission
21 S. Fruit Street, Suite 10
Concord, NH 03301-2429

Mr. Thomas C. Frantz
Director - Electric Utilities
State of New Hampshire
Public Utilities Commission
21 S. Fruit Street, Suite 10
Concord, NH 03301-2429

Mr. Steve Mullen
Utility Analyst III
State of New Hampshire
Public Utilities Commission
21 S. Fruit Street, Suite 10
Concord, NH 03301-2429

Ms. Maureen Reno
State of New Hampshire
Public Utilities Commission
21 S. Fruit Street, Suite 10
Concord, NH 03301-2429

Mr. Allen M. Desbiens
Senior Analyst
Public Service of New Hampshire
780 N. Commercial Street
Manchester, NH 03101

Atty. Gerald M. Eaton
Senior Counsel
Public Service of New Hampshire
780 No. Commercial Street
Manchester, NH 03101

Ms. K'LaRae Nolin
Admin Support
Public Service of New Hampshire
780 N. Commercial Street
Manchester, NH 03105-0330

Atty. Catherine E. Shively
Senior Counsel
Public Service of New Hampshire
780 No. Commercial Street
PO Box 330
Manchester, NH 03105-0330