

March 16, 2009

VIA HAND DELIVERY & ELECTRONIC MAIL

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

**CONFIDENTIAL
MATERIAL
IN COMM FILE**



RE: DE 09-010; Granite State Electric Company d/b/a National Grid Proposed Default Service Rates for the Large Customer Group for the period May 1, 2009 through July 31, 2009 and for the Small Customer Group for the period May 1, 2009 through October 31, 2009

Dear Ms. Howland:

I have enclosed seven copies of Granite State Electric Company's d/b/a National Grid ("National Grid" or "Company") proposed Default Service rates for the period May 1, 2009 through July 31, 2009 for the Large Customer Group and for the period May 1, 2009 through October 31, 2009 for the Small Customer Group. This letter summarizes our filing. This filing includes the testimony of John D. Warshaw, and accompanying schedules. Confidential sections of certain schedules to Mr. Warshaw's testimony have been omitted from the public version of this filing and have been provided to the Commission under separate cover, together with a motion for confidential treatment. Seven copies of the confidential materials have also been provided. This filing also includes the testimony and accompanying schedules of Scott M. McCabe regarding the proposed Default Service rates and the Company's annual Default Service reconciliation.

National Grid undertook a Request for Proposals ("RFP") to provide Default Service in accordance with RSA 374-F:3, V(c) and pursuant to the Commission's Order No. 24,577 issued on January 13, 2006 in Docket No. DE 05-126. National Grid circulated the RFP to over twenty-five potential wholesale suppliers, every member of the NEPOOL Markets Committee and posted the RFP on the Company's energy supply website. National Grid employed a procurement process consistent with those previously approved by the Commission on several occasions.¹

National Grid believes the proposed Default Service rates are consistent with RSA 374-F:3, V(c), Commission precedent, and are in the public interest as reflective of "competitive market" prices. See RSA 374-F:3, V(c). Accordingly, the Company respectfully requests that the Commission approve the proposed rates to become effective for usage on and after May 1, 2009 no later than March 23, 2009.

¹ See Order No. 24,736 at 10 (March 26, 2007), Order No. 24,764 at 9 (June 22, 2007), Order No. 24,787 at 11 (September 21, 2007), Order No. 24,810 at 10-11 (December 17, 2007), Order No. 24,836 at 11-12 (March 21, 2008), Order No. 24,862 at 9-10 (June 20, 2008), Order No. 24,902 at 12-13 (September 29, 2008) and Order No. 24,922 at 13-14 (December 19, 2008).

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Thank you very much for your time and attention to this filing. If you have any questions, please feel free to contact me at (781) 907-1849.

Very truly yours,

Alexandra E. Blackmore

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Enclosures

cc: Meredith A. Hatfield, Esq.
Service List (via electronic mail)