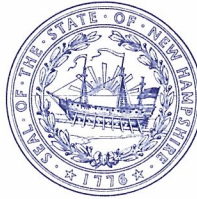


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PUBLIC UTILITIES COMMISSION

21 S. Fruit Street, Suite 10
Concord, N.H. 03301-2429

Tel. (603) 271-2431

FAX (603) 271-3878

TDD Access: Relay NH
1-800-735-2964

Website:
www.puc.nh.gov

June 3, 2010

Debra A. Howland
Executive Director
New Hampshire Public Utilities Commission
21 South Fruit Street Suite 10
Concord, New Hampshire 03301



Re: Docket No. DE 10-096
Granite State Electric Company d/b/a National Grid
Request to Increase Customer Contributions to Storm Reserve Fund
Report on Technical Session

Dear Ms. Howland:

On April 8, 2010, Granite State Electric Company d/b/a National Grid (National Grid) filed a proposed tariff to temporarily increase customer contributions to its storm reserve fund that currently has a negative balance of \$1,737,387. On April 29, 2010, the Commission issued an order suspending the tariff and scheduling a prehearing conference in the docket for June 1, 2010. No motions to intervene were filed with the Commission. Following the prehearing conference, Staff met in technical session with National Grid to discuss how to proceed in this docket.

According to the filing, National Grid intended to increase storm reserve contributions through a Storm Recovery Adjustment Factor beginning with service rendered on an after July 1, 2010. However, as the transcript of the prehearing conference will disclose, the Commission Audit Staff is conducting a review of expenditures related to the ice storm of December 11 -12, 2008, a major storm event which contributed to the depletion of the storm reserve fund. Understanding that National Grid is interested in beginning recovery as soon as possible, Staff suggested that the Company begin a partial recovery of costs on July 1, 2010 with a true-up once the audit was concluded. The Company accepted this proposal.

Staff and the Company respectfully request that a hearing be held on June 24, 2010 at 10:30 a.m., the subject of which will be the partial recovery through the Storm Recovery Adjustment Factor and the attendant increase in rates. Following the wrap-up of the Staff

June 3, 2010

Page 2

audit, we will propose a hearing date for the true-up of the final amount to be collected through the Storm Adjustment Recovery Factor.

Please let me know if you have any questions.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Suzanne G. Amidon', with a stylized, cursive script.

Suzanne G. Amidon
Staff Attorney

Service List