



**Public Service
of New Hampshire**

780 N. Commercial Street, Manchester, NH 03101

Public Service Company of New Hampshire
P. O. Box 330
Manchester, NH 03105-0330
(603) 634-2701

ORIGINAL
N.H.P.U.C. Case No. <i>DE 11-216</i>
Exhibit No. <i># 11</i>
Witness <i>White + Hall</i>
DO NOT REMOVE FROM FILE

Hallsr@psnh.com

A Northeast Utilities Company

Stephen R. Hall
Rate & Regulatory Services Manager

July 5, 2012

By Electronic Mail Only

James T. Rodier, Esq.
Attorney at Law
1465 Woodbury Ave. No 303
Portsmouth, NH 03801-5918

**Re: DE 11-216; Public Service Company of New Hampshire
Alternative Default Energy Service**

Dear Attorney Rodier:

I enclose Public Service Company of New Hampshire's responses to the First Set of Data Requests of Freedom Logistics, LLC in the above-captioned proceeding.

Very truly yours,

Stephen R. Hall
Rate & Regulatory Services Manager

Enclosure

cc : Discovery Service List (by electronic mail only)

Public Service Company of New Hampshire
Docket No. 11-216

Data Request PNE-FEL-01
Dated: 06/20/2012
Q-PNE-FEL-001
Page 1 of 1

Witness: Stephen R. Hall
Request from: Freedom Logistics, LLC

Question:

Is Rate ADE only available to customers who are otherwise without a supplier? Please explain.

Response:

Yes. Upon approval of Rate ADE, the Availability section of Default Energy Service Rate DE will be modified so that Rate DE will no longer be available to customers who qualify for service under Rate ADE. Therefore, if a customer has not chosen a supplier and does not otherwise qualify for Rate DE, Rate ADE will be the only rate available to such customers.

Public Service Company of New Hampshire
Docket No. 11-216

Data Request PNE-FEL-01
Dated: 06/20/2012
Q-PNE-FEL-002
Page 1 of 1

Witness: Stephen R. Hall
Request from: Freedom Logistics, LLC

Question:

Is Rate ADE designed to provide a safety net and to assure universal access and system integrity? Please explain.

Response:

Yes. Rate ADE is a default energy service rate that complies with the requirements of RSA 374-F.

Public Service Company of New Hampshire
Docket No. 11-216

Data Request PNE-FEL-01
Dated: 06/20/2012
Q-PNE-FEL-003
Page 1 of 1

Witness: **Stephen R. Hall**
Request from: **Freedom Logistics, LLC**

Question:

Does Rate ADE discourage long-term use of default service? Please explain.

Response:

Yes. Rate ADE has a two year limit on the term of service thereunder, and once a customer commences service under Rate ADE, the customer is free to choose whether they should remain on Rate ADE or again choose a competitive supplier. Moreover, following the two year period on Rate ADE, customers cannot return to Rate ADE until they once again take competitive supplier service for twelve consecutive months.

Public Service Company of New Hampshire
Docket No. 11-216

Data Request PNE-FEL-01
Dated: 06/20/2012
Q-PNE-FEL-004
Page 1 of 1

Witness: Stephen R. Hall
Request from: Freedom Logistics, LLC

Question:
Does Rate ADE encourage long-term use of default service? Please explain.

Response:
No. Please see the response to PNE-FEL-01, Q-PNE-FEL-003.

**Public Service Company of New Hampshire
Docket No. 11-216**

**Data Request PNE-FEL-01
Dated: 06/20/2012
Q-PNE-FEL-005
Page 1 of 1**

**Witness: Stephen R. Hall
Request from: Freedom Logistics, LLC**

Question:

Does the price of service under Rate ADE equal PSNH's actual, prudent, and reasonable costs of providing such power? Please explain.

Response:

Yes. Rate ADE is comprised of PSNH's marginal cost and the non-operating costs of the scrubber which are the Company's actual, prudent and reasonable costs of providing such power. The marginal cost upon which Rate ADE is based is PSNH's actual cost of providing service, and thus is reasonable and prudent. The non-operating costs of the scrubber have already been approved by the Commission for recovery on a temporary basis thus meeting the actual, prudent and reasonable standard. In addition, RSA 125-O:18 requires that the costs of the scrubber be included in PSNH's default service rate.

Public Service Company of New Hampshire
Docket No. 11-216

Data Request PNE-FEL-01
Dated: 06/20/2012
Q-PNE-FEL-006
Page 1 of 1

Witness: Stephen R. Hall
Request from: Freedom Logistics, LLC

Question:

Does the price of service under Rate DE equal PSNH's actual, prudent, and reasonable costs of providing such power? Please explain.

Response:

Yes. Rate DE includes the embedded cost of PSNH's generation and the marginal cost of PSNH's power purchases.

Public Service Company of New Hampshire
Docket No. 11-216

Data Request PNE-FEL-01
Dated: 06/20/2012
Q-PNE-FEL-007
Page 1 of 1

Witness: **Stephen R. Hall**
Request from: **Freedom Logistics, LLC**

Question:

Is the purpose of Rate ADE to provide customers who have migrated from PSNH's default service an attractive opportunity to return to the Company for energy service? Please explain.

Response:

Please see the testimony of Stephen R. Hall filed April 27, 2012, page 3, lines 16 - 18.

Public Service Company of New Hampshire
Docket No. 11-216

Data Request PNE-FEL-01
Dated: 06/20/2012
Q-PNE-FEL-008
Page 1 of 1

Witness: **Stephen R. Hall**
Request from: **Freedom Logistics, LLC**

Question:
Does PSNH compete for customers? Please explain?

Response:
PSNH does not compete for customers in the same manner as a competitive supplier. However, PSNH seeks to offer customers alternatives that provide benefit to all other customers.

Public Service Company of New Hampshire
Docket No. 11-216

Data Request PNE-FEL-01
Dated: 06/20/2012
Q-PNE-FEL-009
Page 1 of 1

Witness: **Stephen R. Hall**
Request from: **Freedom Logistics, LLC**

Question:

Does service under Rate ADE utilize PSNH's own generation assets? Please explain.

Response:

Yes. Rate ADE is a default energy service that utilizes PSNH's generation assets and, if necessary, supplemental power purchases to serve the incremental load resulting from implementation of the rate.