



**Public Service
of New Hampshire**

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The Northeast Utilities System

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IR 13-038

By Hand Delivery

NHPUC 7AUG'13PM3:52

August 7, 2013

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

**Re: IR 13-038, Stakeholder Review of Assessment Practices
Response of PSNH to July 30, 2013 Staff Straw Proposal**

Dear Director Howland:

Public Service Company of New Hampshire ("PSNH") thanks the Commission for opening a docket to consider the interests of various stakeholders with respect to the obligations to pay the Commission's assessments under RSA chapter 363-A, and PSNH thanks the Staff of the Commission for facilitating the meetings at which these issues were extensively discussed.

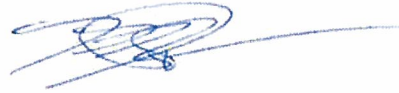
With respect to the Second Revised Straw Proposal for Recommendations to the Commission (the "Proposal") provided by Staff to the parties to Docket No. IR 13-038 on July 30, 2013, PSNH believes that it demonstrates the Staff's understanding of and appreciation for some of the issues PSNH had raised. While PSNH agrees with some of the underlying determinations in the Proposal, PSNH cannot, at this time, commit to it.

PSNH understands that the purpose of the Proposal was for the parties to agree to recommend a course of action to the Commission, including that the Commission support a joint utility proposal to the legislature. PSNH understands, however, that, as a general matter, the Commission does not advocate for or against proposed legislation, but instead offers advice, guidance and information as may be needed or requested. Accordingly, it is not clear that the Commission would be either willing or able to take a position on any legislation that may ultimately be proposed, even if supported by the utilities. Moreover, even if the Commission did accept the Proposal, it is not clear that the Commission could or would support legislation that might differ, for whatever reason, from that contained in the Proposal.

For these reasons, PSNH has concluded that it would not be in its best interests to agree to the Proposal as it stands. Nevertheless, PSNH believes that the stakeholder process has been helpful because it has allowed for a public discussion of these important issues and it has helped the various parties understand the potential roadblocks to a successful and equitable revision to the existing assessment system. Accordingly, despite not joining in the Proposal, PSNH is willing to continue working with the Commission and other parties to address these issues through either the Commission or the Legislature.

If you have any questions, please do not hesitate to contact me. Thank you for your assistance with this matter.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Matthew J. Fossum', with a long horizontal line extending to the right.

Matthew J. Fossum
Counsel

MJF:acm
cc: Service List