

ORIGINAL	
N.H.P.U.C. Case No.	DE 10-160
Exhibit No.	#18
Witness	Allegretti
DO NOT REMOVE FROM FILE	

DOCKET NO. DE 10-160

**RESPONSE OF CONSTELLATION ENERGY COMMODITIES GROUP, INC.,
CONSTELLATION NEWENERGY, INC. AND THE RETAIL ENERGY SUPPLY
ASSOCIATION TO THE PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
FIRST SET OF DATA REQUESTS**

Received on September 27, 2010
Responded to on October 12, 2010
Responding witness: Daniel Allegretti

Request No. PSNH - 12

Page 10 line 1: What are the costs associated with migration risk to which you refer? Please cite examples of such costs and the typical amount of such costs. When you state "those risks and related costs are embedded in the product those FRS suppliers provide to those utilities to meet their default service customers' requirements," are you stating that the bid price includes those risks and related costs?

Response:

The costs associated with migration risks are the same costs associated with demand forecast error. To the extent aggregated demand changes as a consequence of customer migration, it may be necessary to either procure or liquidate hedges to account for that changed demand. There is no typical amount for such costs as they vary based upon the specific facts and circumstances of the hypothetical. With regards to the final question above, yes that is what Mr. Allegretti is stating.