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STATE OF NEW HAMPSHIRE

PUBLIC UTILITIES COMMISSION

October 9, 2007 - 10:06 a.m.
Concord, New Hampshire

MPUC OCT 20 2007 AM 10:06

RE: DE 07-097
PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE:
Petition to adjust its Stranded Cost
Recovery Charge for effect with bills
rendered on or after January 1, 2008.
(Prehearing conference)

PRESENT: Chairman Thomas B. Getz, Presiding
Commissioner Graham J. Morrison

Connie Fillion, Clerk

APPEARANCES: **Reptg. Public Service Co. of New Hampshire:**
Gerald M. Eaton, Esq.

Reptg. the Campaign for Ratepayers' Rights:
Patrick Arnold, Esq.

Reptg. Residential Ratepayers:
Meredith Hatfield, Esq., Consumer Advocate
Kenneth E. Traum, Asst. Consumer Advocate
Office of Consumer Advocate

Reptg. PUC Staff:
Suzanne G. Amidon, Esq.

Court Reporter: Steven E. Patnaude, CCR

ORIGINAL

1 Eaton.

2 CMSR. BELOW: Good morning.

3 CHAIRMAN GETZ: Good morning.

4 MR. ARNOLD: Good morning. For the
5 Campaign for Ratepayers' Rights, Patrick Arnold.

6 CHAIRMAN GETZ: Good morning.

7 CMSR. BELOW: Good morning.

8 MS. HATFIELD: Good morning,
9 Commissioners. Meredith Hatfield, for the Office of
10 Consumer Advocate, on behalf of residential ratepayers.
11 And, with me is Assistant Consumer Advocate, Ken Traum.

12 CHAIRMAN GETZ: Good morning.

13 CMSR. BELOW: Good morning.

14 MS. AMIDON: Good morning. I'm Suzanne
15 Amidon, for Commission Staff. And, with me today is Steve
16 Mullen, who is an Analyst with the Electric Division, and
17 he will be working on this docket.

18 CHAIRMAN GETZ: Good morning.

19 CMSR. BELOW: Good morning.

20 CHAIRMAN GETZ: Anything we need to
21 address before we provide the opportunity for statements
22 of positions?

23 (No verbal response)

24 CHAIRMAN GETZ: Hearing nothing, then,

1 Mr. Eaton.

2 MR. EATON: Good morning, Mr. Chairman.
3 We are here to approve a rate for the entire year of 2008
4 for the Stranded Cost Recovery Charge. This charge
5 collects the cost of Rate Reduction Bonds and certain
6 ongoing costs that are in Part 2 of stranded costs,
7 including the above-market costs of independent power
8 producers that sell power to PSNH. We do not propose a
9 specific rate at this time, because the definition of
10 "above-market" deserves a more timely estimate of what the
11 market costs will be. So, in this docket, as we will do
12 in the Energy Service docket, we will file updated
13 estimates as we get closer to the hearing dates, so that
14 we can have a very accurate number for the Commission to
15 look at and consider.

16 The reduction that we anticipate
17 includes a reduction in IPP costs. There are some large,
18 expensive IPPs that go off rate orders in 2008, and that's
19 reflected in our estimate. And, also, there were Rate
20 Reduction Bonds that were issued to secure and pay for the
21 buyout of the Whitefield rate Order, and those bonds are
22 completely paid off in 2008. And, that's also a reduction
23 that we know will happen in the period when this rate is
24 in effect.

1 In order to avoid any substantial
2 overcollection or undercollection and deferral of costs,
3 we will examine -- we'll examine the actual experience and
4 propose a change in rate, if necessary, in the mid year.

5 CHAIRMAN GETZ: Thank you. Mr. Arnold.

6 MR. ARNOLD: Good morning, Mr. Chairman,
7 Commissioners. As I believe everyone here knows, the
8 Campaign for Ratepayers' Rights is a statewide nonprofit
9 organization. We advocate the interests of utility
10 customers and promote responsible energy policies
11 throughout the state. To that end, of course, we're
12 interested in any adjustment to rates or charges charged
13 to the state's utility customers. And, at this time,
14 we're merely monitoring the docket.

15 CHAIRMAN GETZ: Thank you. Ms.
16 Hatfield.

17 MS. HATFIELD: Thank you. At this time,
18 the OCA doesn't have a position on PSNH's filing, but we
19 will be fully participating in the technical sessions and
20 working with the parties as we develop our position.

21 CHAIRMAN GETZ: Ms. Amidon.

22 MS. AMIDON: Thank you. Staff is still
23 in the process of reviewing the docket, and we will, you
24 know, get into discovery later on in the technical session

1 that follows the prehearing conference. We have a
2 proposed procedural schedule that comports with PSNH's
3 requirement to have an order issued by the end of the
4 year, and a proposed hearing date is on hold. So, we hope
5 that the parties will agree to the procedural schedule and
6 we'll proceed with our investigation of the docket.

7 CHAIRMAN GETZ: Thank you. Okay. Is
8 there anything else we should address this morning?

9 MR. EATON: The intervention?

10 CHAIRMAN GETZ: Ah, yes. That was on my
11 list as well. Any objections to the Petition to
12 Intervene?

13 MR. EATON: We have no objection.

14 CHAIRMAN GETZ: Okay. Hearing no
15 objection, and recognizing that Campaign for Ratepayers'
16 Rights has demonstrated rights, duties, interests,
17 privileges that are affected by this proceeding, we'll
18 grant the Petition to Intervene. Thank you, Mr. Eaton.

19 Anything else?

20 (No verbal response)

21 CHAIRMAN GETZ: Okay. Then, we'll close
22 the prehearing conference and await a recommendation on a
23 procedural schedule. Thank you.

24 **(Whereupon the prehearing conference ended at 10:13 a.m.)**