



CONSERVATION LAW FOUNDATION

Via Hand-Delivery and E-mail (Commission) and First Class Mail and E-mail (Parties)

September 12, 2008

Debra A. Howland
Executive Director and Secretary
New Hampshire Public Utilities Commission
21 South Fruit Street, Suite Ten
Concord, New Hampshire 03301-7319

Re: DE 08-103 – Merrimack Station Scrubber Project

Dear Director Howland:



I write regarding the New Hampshire Public Utilities Commission's (Commission) August 22, 2008, Secretarial letter requesting information from Public Service Company of New Hampshire (PSNH), in connection with PSNH's planned installation of a wet flue gas desulphurization system at Merrimack Station (Scrubber Project).

The Commission's request was sent in response to Northeast Utilities' (PSNH's parent company) disclosure in its August 7, 2008, 10-Q filed with the Securities and Exchange Commission that the Scrubber Project will now cost an estimated \$457 million—an approximately 80 percent increase over the original cost estimate of \$250 million. The Commission's action correctly underscores the important and pressing public policy concerns at issue here, and CLF commends the Commission for initiating its inquiry.

Because this project raises such important policy questions, CLF urges the Commission to publicly notice the docket, and provide the normal procedural vehicles for ensuring public participation. CLF members' "rights, duties, privileges, immunities or other substantial interests may be affected by the proceeding," and thus CLF would otherwise meet the Commission's standard for intervention. *See* RSA 541-A:32.I(b).

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A robust review of the issues based on input from all relevant parties would assist the Commission in its consideration of the important questions it has posed, including the anticipated effect of the Scrubber Project on energy service rates, and the effect on energy service rates if Merrimack Station is not included among the mix of fossil and hydro facilities operated by PSNH. Most importantly, a broader inquiry would shed light on the question whether there may be other feasible alternatives, employing different technologies, that could achieve the mercury reduction targets more cost effectively. CLF respectfully requests that the Commission assure the participation of those whose vital interests are at stake by publicly noticing the docket.

Sincerely,



Melissa A. Hoffer
Director and Vice President
New Hampshire Advocacy Center

Copy to: Robert A. Bersak, Esq.
Meredith A. Hatfield, Esq.