



**Public Service
of New Hampshire**

DE 11.216
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Public Service Company of New Hampshire
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A Northeast Utilities Company

Stephen R. Hall
Manager, NH Revenue Requirements

August 15, 2013

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

NHPUC 19AUG'13AM11:55

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

Dear Ms. Howland:

On April 8, 2013 the Commission issued Order No. 25,488 approving a settlement agreement between Commission Staff, the Office of Consumer Advocate and Public Service Company of New Hampshire regarding PSNH's proposal to implement an alternative default energy service rate, Rate ADE. Rate ADE became effective on July 1, 2013.

Under paragraph 2.3.3 of the settlement, PSNH agreed to monitor its forecasted marginal costs on a monthly basis and compare those forecasts to the marginal costs used to calculate the rate for Rate ADE, and provide such reports to the Commission by the 15th day of the month. The settlement further provided that if projections of marginal costs for the remaining months of the period increase by more than 75% of the amount of the adder defined under the settlement, Rate ADE will be closed temporarily to returning customers.

Attached hereto is PSNH's report as required under paragraph 2.3.3 of the settlement. The report shows that PSNH's forecasted marginal costs for the remaining months of the period have decreased by 0.48¢ per kWh as compared to the forecasted marginal costs used to calculate the rate under Rate ADE for effect during the second half of 2013. Therefore, under the terms of the settlement, there is no need to temporarily close the availability of Rate ADE to returning customers at this time.

Very truly yours,

Stephen R. Hall
Manager, NH Revenue Requirements

Enclosure

cc: Service List (by electronic mail only)