

THE STATE OF NEW HAMPSHIRE



PUBLIC UTILITIES COMMISSION

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June 27, 2014

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

To the Parties:

On April 8, 2013, the Commission issued Order No. 25,488 approving a partial settlement agreement among Commission Staff (Staff), the Office of Consumer Advocate (OCA) and Public Service Company of New Hampshire (PSNH) and permitting PSNH to implement its proposed Alternate Default Energy Service Rate (Rate ADE) on a pilot basis for 36 months. Rate ADE had been designed with the intention of producing benefits that would accrue to all default service customers, in particular those on PSNH's standard default energy service rate, Rate DE.

Pursuant to Section 2.3 of the settlement agreement, PSNH filed an updated tariff on June 13, 2014 that would increase Rate ADE from 9.17 cents per kWh to 9.75 cents per kWh effective on a service rendered basis as of July 1, 2014. On June 23, 2014, Staff and the OCA filed a letter stating their opinion that Rate ADE has not provided any benefits to Rate DE customers and recommended that the Commission suspend the rate and not allow it to reopen on July 1, 2014.

PSNH filed a responsive letter on June 25, 2014. PSNH agreed with the assessment that Rate ADE has not provided benefits to Rate DE customers and also agreed in the short term that the rate should not reopen to new customers on July 1, 2014. PSNH, however, requested that the new rate of 9.75 cents per kWh proposed in its June 13, 2014, filing be allowed to take effect for customers currently taking service under Rate ADE.

The Commission grants PSNH's request to allow the tariff filed on June 13, 2014, to take effect for customers who take service under Rate ADE. The Commission has determined, however, that it is appropriate and in the public interest to close Rate ADE to new customers, as of July 1, 2014, and to remain closed until further Commission order.

The Commission remains concerned about the effects of migration on PSNH's Rate DE customers and accepts PSNH's offer to revisit the terms and conditions for implementing Rate ADE. PSNH is directed to meet with the parties to this docket, in conjunction with Commission Staff, to explore whether Rate ADE should continue through the pilot period

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and, if so, whether further Rate ADE adjustments would be appropriate to mitigate the effects of customer migration on Rate DE customers. The Company shall make a separate filing of a new proposal or Rate ADE adjustments in September 2014 when it makes its energy service and stranded cost recovery filings to allow the Commission to review the proposal for effect January 1, 2015.

Sincerely,

A handwritten signature in blue ink that reads "Debra A. Howland / cel". The signature is written in a cursive style.

Debra A. Howland
Executive Director

cc: Service List (Electronically)

SERVICE LIST - EMAIL ADDRESSES - DOCKET RELATED

Pursuant to N.H. Admin Rule Puc 203.11 (a) (1): Serve an electronic copy on each person identified on the service list.

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Docket #: 11-216-1 Printed: June 27, 2014

FILING INSTRUCTIONS:

- a) Pursuant to N.H. Admin Rule Puc 203.02 (a), with the exception of Discovery, file 7 copies, as well as an electronic copy, of all documents including cover letter with:**
- DEBRA A HOWLAND
EXEC DIRECTOR
NHPUC
21 S. FRUIT ST, SUITE 10
CONCORD NH 03301-2429
- b) Serve an electronic copy with each person identified on the Commission's service list and with the Office of Consumer Advocate.**
- c) Serve a written copy on each person on the service list not able to receive electronic mail.**