Date Request Received: 7/29/2015 Request Number: GSHA 1-3 Witness: Thomas C. Frantz Date of Response: 8/6/2015 Page 1 of 1

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Request:

GSHA 1-3. Does PSNH include QF generation as a source of power to meet its load requirements for Default Service? If so, how does PSNH value that power for purposes of setting its Energy Service rate?

Response:

Yes, PSNH includes QF generation as a source of power to meet its default service load. PSNH values that power at its avoided cost which it calculates consistent with the 1999 Settlement Agreement.

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