

THE STATE OF NEW HAMPSHIRE

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September 29, 2010

Mr. Robert A. Bersak, Esq.
Assistant General Counsel
Public Service Company of New Hampshire
P.O. Box 330
Manchester, NH 03105

Re: DE 08-103, Public Service Company of New Hampshire
Merrimack Station Scrubber Project
Request for Information

Dear Mr. Bersak:

This docket serves as the repository for materials filed by PSNH concerning its installation of a wet flue gas desulphurization system (scrubber) at Merrimack Station in Bow. In Order No. 24,279, the Commission indicated that it would be "monitoring PSNH's costs of construction of the scrubber technology at Merrimack Station [and] the prudence of PSNH's actions during the construction of the scrubber, including whether it avails itself of the variance procedure under RSA 125-O:17 in the event of escalating costs." *Public Service Company of New Hampshire*, Order No. 24,979 (June 19, 2009) at 18.

Pursuant to authority granted under RSA 374:4, which requires the Commission "to keep informed" of the public utilities in the state, not only with respect to safety and services, but "also with respect to their compliance with all provisions of law, orders of the commission and charter requirements," the Commission directs PSNH to file updated information concerning the status of PSNH's Merrimack scrubber project. Accordingly, PSNH shall file, by October 12, 2010, a comprehensive status report on its installation progress, a detailed cost estimate for the project (including costs incurred and committed), an analysis of the anticipated effect of the project on energy service rates, and an analysis of the effect on energy service rates if Merrimack Station were not in the mix of fossil and hydro facilities operated by PSNH.

The report should address the current state of the electric power markets, PSNH's forecast of power market prices, and how the scrubber project conforms to PSNH's Least Cost Integrated Resource Plan. The report should clearly set forth the assumptions used in the analysis and the sources upon which forecasts are based.

Sincerely,

Debra A. Howland
Executive Director