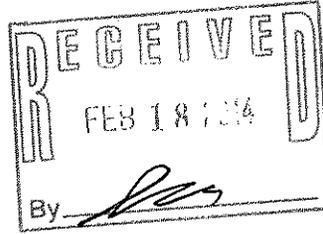




**Public Service
of New Hampshire**

PSNH Energy Park
780 No. Commercial Street,
Manchester, NH 03101



Public Service Company of New Hampshire
P.O. Box 330
Manchester, NH 03105-0330
(603) 634-2459
Fax (603) 634-2438

The Northeast Utilities System

Christopher J. Allwarden
Senior Counsel

February 14, 2014

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Board of Selectmen
Town of Allentown
16 School Street
Allentown, NH 03275

Dear Sir/Madam:

Enclosed is Public Service Company of New Hampshire's Application for Abatement of Taxes Pursuant to New Hampshire RSA 76:16, which is filed with respect to taxes assessed by Allentown as of April 1, 2013.

Should you have any questions concerning our abatement request, you may direct them to me or to Northeast Utilities' Tax Manager, Richard Heitz at (860) 665-2746.

Very truly yours,

Christopher J. Allwarden
Senior Counsel

CJA:acm
Enclosure

cc: R. Heitz
L. Evans
M. Nelson

STATE OF NEW HAMPSHIRE

Town of Allenstown

Application for Abatement of Taxes
Pursuant to New Hampshire RSA 76:16

To the Board of Selectmen:

Pursuant to New Hampshire RSA 76:16, Public Service Company of New Hampshire, a New Hampshire corporation with a principal place of business at 780 North Commercial Street, Manchester, New Hampshire 03101 (hereinafter "PSNH"), applies for abatement of taxes as follows:

(1) PSNH was, on April 1, 2013, the owner of certain real estate and other property located in Allenstown, and was liable to pay not more than a just and proportionate tax on its taxable property in Allenstown.

(2) PSNH duly complied with all the requirements of New Hampshire RSA Chapter 74 with respect to its 2013 property taxes in Allenstown.

(3) Allenstown, by its Assessor, appraised PSNH's property for the purposes of ad valorem taxes as of April 1, 2013, in the aggregate sum of \$4,082,400.00 and assessed against PSNH a tax upon its said property aggregating \$119,084.00 and notified PSNH of said tax on or about December 12, 2013. PSNH paid said tax in full by delivering to Allentowns' Collector of Taxes checks totaling \$119,084.00, said payment being made under protest.

(4) Said appraisal of \$4,082,400.00 is in excess of a just and proportionate valuation of PSNH's taxable property in Allenstown; the said tax assessed thereon is illegal, excessive in amount, disproportionate and unjust; and therefore PSNH maintains that just cause exists for the abatement of a portion of the taxes assessed against its property as of April 1, 2013.

(5) In support of its abatement request, PSNH submits that:

(a) The Town's assessment substantially exceeds the fair market value of PSNH's taxable property in Allenstown.

(b) The Town's assessment of PSNH's taxable property in Allenstown does not adequately and fairly reflect the impact of continued economic regulation and other market forces on the value of such property.

(6) Among other things, PSNH submits that the following evidence demonstrates that the Town's assessment is excessive and disproportional and does not reflect the fair market value of its real estate.

(a) Pursuant to RSA 83-F, the New Hampshire Department of Revenue Administration ("DRA") annually conducts an appraisal to determine the market value of PSNH and allocates the aggregate value to all communities served by PSNH. In doing its appraisals, the DRA employs generally accepted appraisal techniques and methodology and utilizes the same standard of market value as prescribed for *ad valorem* assessments under RSA 75:1. See RSA 83-F:3.

PSNH understands that the DRA advises all communities of the value allocated to each community under its appraisal. Based on the DRA's 2013 appraisal, the fair market value of PSNH's taxable real estate in the Town of Allenstown for 2013 was \$2,182,436.75.

(b) PSNH understands that there have been a number of sales or proposed sales of utility property in New England, all of which transacted at or about the property's net book cost, the base of utility earnings. Those sales include the 2012 sale of the assets and operations of Granite State Electric Company, a New Hampshire electric distribution utility, to Liberty Energy, which was approved by the New Hampshire Public Utilities Commission.

(7) PSNH further notes that to the extent, Allenstown's assessment includes an assessment relating to PSNH's use of the public rights of way, Allenstown would need to impose taxes on all users of the public rights of way in a lawful uniform and consistent manner in order to comply with constitutional requirements of equal protection under the United States and New Hampshire constitutions. Absent such lawful, uniform and consistent treatment, PSNH is entitled to an abatement of all taxes paid with respect to such assessment relating to its use of the public rights of way in Allenstown.

(8) PSNH reserves the right to present additional information in support of its request for abatement, including an appraisal by an independent appraisal firm utilizing all applicable approaches to value.

(9) PSNH is willing to respond to all reasonable requests for information the Selectmen require to consider this application.

(10) By signing below, PSNH certifies and swears under the penalties of perjury that this application has a good faith basis and the facts stated are true to the best of its knowledge.

WHEREFORE, PSNH requests (a) that the Board of Selectmen reconsider the matter of a just and proportional valuation of PSNH's property for the purpose of ad valorem property taxation as of April 1, 2013, and re-determine a just and proportional valuation thereof and a just and proportional tax thereon; and (b) that so much of the taxes assessed against PSNH on account of said property as of April 1, 2013, as may be found to have been unjust, disproportional and unreasonable in light of such re-determined valuation be abated and refunded to PSNH together with interest from the date of payment of said taxes to the date of repayment; and (c) such other or further relief on account of said taxes as may be just and equitable.

Respectfully submitted,

PUBLIC SERVICE COMPANY
OF NEW HAMPSHIRE

Dated: _____

2/14/14

By: _____



Christopher J. Allwarden
Senior Counsel
Law Department
780 North Commercial Street
Manchester, NH 03101
(603) 634-2459



**Public Service
of New Hampshire**



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780 North Commercial Street, Manchester, NH 03101

Public Service Company of New Hampshire
P.O. Box 330
Manchester, NH 03105-0330
(603) 669-4000
www.psnh.com

The Northeast Utilities System

January 28, 2014

Town of Allenstown
16 School Street
Allenstown, NH 03275

Dear Sir/Madam:

Our check in the amount of \$74,226.57 has been sent to the Town of Allenstown, Tax Collector, in payment of the tax bill received by Public Service Company of New Hampshire on November 25, 2013 because of ownership of property in your community as of April 1, 2013. The total taxes paid were \$119,084.00.

Please be advised that we are paying the 2013 tax under protest on the grounds that the tax is disproportionate and excessive in amount. If you would like to discuss our position further, please give me a call at (860) 665-2746.

Sincerely,

Richard Heitz
Manager, Taxes

Certified Mail No. 7011 3500 0002 2967 0634
Return Receipt Requested

cc: Tax Collector, Town of Allenstown
Certified Mail No. 7011 3500 0002 2967 0634
Return Receipt Requested

Chris Allwarden, Esquire



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of New Hampshire**

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Sincerely,

A handwritten signature in black ink, appearing to read "Richard Heitz".

Richard Heitz
Manager, Taxes

Certified Mail No. 7011 3500 0002 2967 0634
Return Receipt Requested

cc: Tax Collector, Town of Allentown
Certified Mail No. 7011 3500 0002 2967 0634
Return Receipt Requested

Chris Allwarden, Esquire