



HANOVER, NEW HAMPSHIRE 03755
P.O. BOX 483 603/643-4123

April 8, 2011



NH Public Utilities Commission
21 South Fruit Street, Suite 10
Concord, NH 03302

Subject: Order of Notice DG 11-040 - Sale of National Grid Assets to Algonquin Power and Utilities Corporation

Dear Commissioners:

As a customer of National Grid, specifically Granite State Electric, the Town of Hanover has been dissatisfied with the lack of responsiveness, commitment to infrastructure dependability and effort to provide sustainable street lighting options to our community. Since the acquisition of Granite State Electric by National Grid, we have experienced a loss of connection with the decision-makers in the company, have watched the parent company pull resources away from the Upper Valley, and have experienced increased outages due to repeated conductor failures, coupled with often slow response to outages.

These deficiencies were quite evident during the recent ice storm that impacted the Upper Valley on March 7, 2011. National Grid's initial response was to deploy just two crews to Hanover during the first 24 hours after the event. Due to the slow response, many of our rural residents remained isolated due to power outages, with numerous trees and wires down on roadways. This slow response prevented our Public Works personnel from rapid access to trouble spots so that roads could be reopened quickly. Beyond the first 24 hours, numerous crews arrived from other parts of the Northeast and Mid-Atlantic region, but we often encountered crews waiting for orders, parked on rural roads. Since the storm, we have experienced a number of intermittent and unexplained power outages throughout town.

Over the past few years, Downtown Hanover and the Route 10 corridor north have been plagued by regular power outages. We have been given to understand that older technology is to blame, along with some deferred maintenance. Given the number of customers served in these regions, we regret the unwillingness of National Grid to invest what is needed to prevent repeated outages. They could do far better, both in updating infrastructure and in keeping their customers and municipalities apprised as to the causes of outages and the proposed solutions.

Previously, the Town had key local contacts in the Granite State Electric offices in Lebanon with whom we could work during the planning phase of any private or municipal construction project involving the electric utility. Unfortunately, those days are over. The staff that remains is far less accessible than they were previously, and are not empowered to make decisions in consultation with local officials. This leads to project planning and construction delays which require additional time and money.

The recent Part-Night Tariff, while a step in the right direction, offers little incentive for energy savings due to the high up-front cost and lack of choice. The Town has sought for years to have National Grid incorporate LED streetlight technology, to no avail. We are frustrated to hear from colleagues literally just feet away in Vermont about the alternative lighting options offered by their utilities. The previous leadership of Granite State Electric met regularly with community leaders and always sought opportunities to work cooperatively to look for solutions which served both the utility and their customers. That has not been the case during the National Grid regime.

As customers seemingly at the mercy of corporate decisions, which appear to be based solely upon profits and not on the service needs of Upper Valley utility customers, we think this part of New Hampshire deserves far better. We urge the Commission to require the following as part of any acquisition:

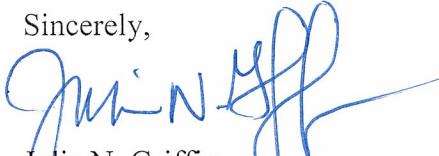
- Re-establishment of a fully-staffed service center in Lebanon. Formerly an operational hub for Granite State Electric, that busy service center has become a ghost town since the acquisition of GSE by National Grid.
- Improved communications with local community representatives, including 24/7 access to employees on-the-ground and in-the-know in the Upper Valley rather than based in a remote call center somewhere in the midwest.
- Availability of affordable energy conservation programs for communities and customers that include newer technologies such as LED, inductive lighting and alternative energy programs (solar hot water, photovoltaic, wind, geothermal) to reduce our reliability on non-renewable resources.

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- Development of an infrastructure assessment and investment plan to improve system reliability, provide redundancy and eliminate unexplained outages. As our region's electric system reliability deteriorates, so does our economic viability.

We sincerely hope Algonquin Power and Utilities Corporation is more committed to their customers. The Public Utilities Commission is in a position to require just that, and your customers in the Upper Valley ask that you exercise that influence in conjunction with this proposed acquisition.

Sincerely,

Julia N. Griffin
Town Manager

cc: Hanover Board of Selectmen
Senator Matthew Houde
Representative Sharon Nordgren
Representative Bernie Benn
Representative David Pierce
Representative Beatriz Pastor
Executive Councilor Raymond Burton
County Commissioner Michael Cryans
City Manager Greg Lewis, Lebanon
Town Manager Steve Schneider, Enfield
Town Administrator Steve Halloran, Plainfield
Board of Selectmen, Cornish