

STATE OF NEW HAMPSHIRE

Inter-Department Communication

CONFIDENTIAL
MATERIAL
IN COMM FILE

DATE: June 12, 2014
AT (OFFICE): NHPUC

FROM: David K. Wiesner *DKW*

SUBJECT: DG 11-040 National Grid, *et al.* Petition for Transfer of Assets
Confirmation of TSA Transfers and Authorization of Escrow Release

CC: Debra A. Howland, Executive Director
Docket Service List (by e-mail)

NHPUC JUN12'14 PM 2:40

TO: F. Anne Ross, General Counsel

By letter dated May 29, 2014, National Grid USA and Liberty Utilities (EnergyNorth Natural Gas) Corp. and Liberty Utilities (Granite State Electric) Corp. filed with Staff certifications of certain transition service transfers and a disbursement request for a pro rata release of Pool A escrow funds in accordance with the terms of the settlement agreement reached in the above-captioned docket. Commission Staff (Steve Frink and Grant Siwinski) have reviewed the filing and confirmed that the transition services described in the TSA Transfer Certifications have been fully transferred in accordance with the terms of the Transition Service Agreements approved by the Commission in Order No. 25,370.

Based on Staff's confirmation of the transfers, attached are a draft letter with certification and confidential disbursement request forms for your signature authorizing the release by the escrow agent to National Grid USA of \$502,800 from Pool A Escrow Funds.

Please let me know if you have any questions regarding this matter.

Attachments

DRAFT

June 12, 2014

Richard Burlingame, Jr.
Director, U.S. Mergers and Acquisitions
National Grid USA
40 Sylvan Road,
Waltham, MA 02451

Richard Leehr, President
Liberty Utilities (EnergyNorth Natural Gas) Corp.
d/b/a Liberty Utilities
Liberty Utilities (Granite State Electric) Corp.
d/b/a Liberty Utilities
15 Buttrick Road
Londonderry, NH 03053

Re: DG 11-040 NATIONAL GRID USA, et al.
Joint Petition for Authority to Transfer Ownership of Granite State Electric
and EnergyNorth Natural Gas, Inc. to Liberty Energy Utilities Corp.
Pool A Escrow Pro Rata Release Authorization

Dear Mssrs. Burlingame and Leehr:

Per the terms of the settlement agreement reached in the above-captioned docket, Commission Staff have reviewed your disbursement request filing dated May 29, 2014, and confirmed that the transition services described in your TSA Transfer Certification have been fully transferred in accordance with the terms of the Transition Service Agreements. Accordingly, attached please find Staff's confirmation and a signed, confidential Schedule 3.1 Disbursement Request form authorizing the release by the escrow agent to National Grid USA of \$502,800 from Pool A Escrow Funds.

Please let me know if I can be of further assistance in connection with this matter.

Sincerely,

F. Anne Ross
General Counsel

Attachments

Schedule 2

Pool A Release Certification

On this ____ day of May, 2014, the Staff of the New Hampshire Public Utilities Commission ("Staff") hereby confirms that National Grid USA has completed and transferred the following Transition Services¹ to Liberty Utilities (Granite State Electric) Corp. (f/k/a Granite State Electric Company) in accordance with the terms of the respective Transition Service Agreement(s) for the three-month period January 1, 2014 – March 31, 2014 ("Current Period"):

1. Reg-1 Regulatory Support - General
2. Reg-2 Regulatory Reporting

¹ All capitalized terms used but not otherwise defined herein shall have the same meanings as in the Settlement Agreement dated April 10, 2012 and approved by Order No. 25,370.

In addition, Staff hereby confirms that National Grid USA has completed and transferred the following Transition Services to Liberty Utilities (EnergyNorth Natural Gas) Corp. (f/k/a EnergyNorth Natural Gas, Inc.) in accordance with the terms of the respective Transition Service Agreement(s) for the Current Period:

1. Gas Ops-3 Emergency Maintenance Engineering & Technical Services
2. Gas Ops-4 Gas Field Crew Dispatching and Scheduling
3. Reg-1 Regulatory Support - General
4. Reg-2 Regulatory Reporting

Accordingly and pursuant to the Settlement Agreement dated April 10, 2012 and approved by Order No. 25,370, Staff hereby authorizes the prompt release and disbursement of the following amount from the Pool A Escrow Funds to National Grid USA:

	# of TSA Services	# of Schedule L TSA Services	Adjusted # of TSA
Services:			
Completed in Current Period:	6	0	6
Previously Completed:	98	8	90
Cumulative Completed:	104	8	96
Total # of TSAs:	153	10	143
Adjusted Cumulative Completed Divided by Adjusted Total:			67.13%
Total Pool A Escrow Funds (non-reserved):			\$ 12,000,000
Pool A Escrow Funds for Disbursal (% x total):			\$ 8,055,600
Less Pool A Escrow Funds Previously Disbursed:			\$ 7,552,800
Total Disbursement Amount for Current Period:			\$ 502,800

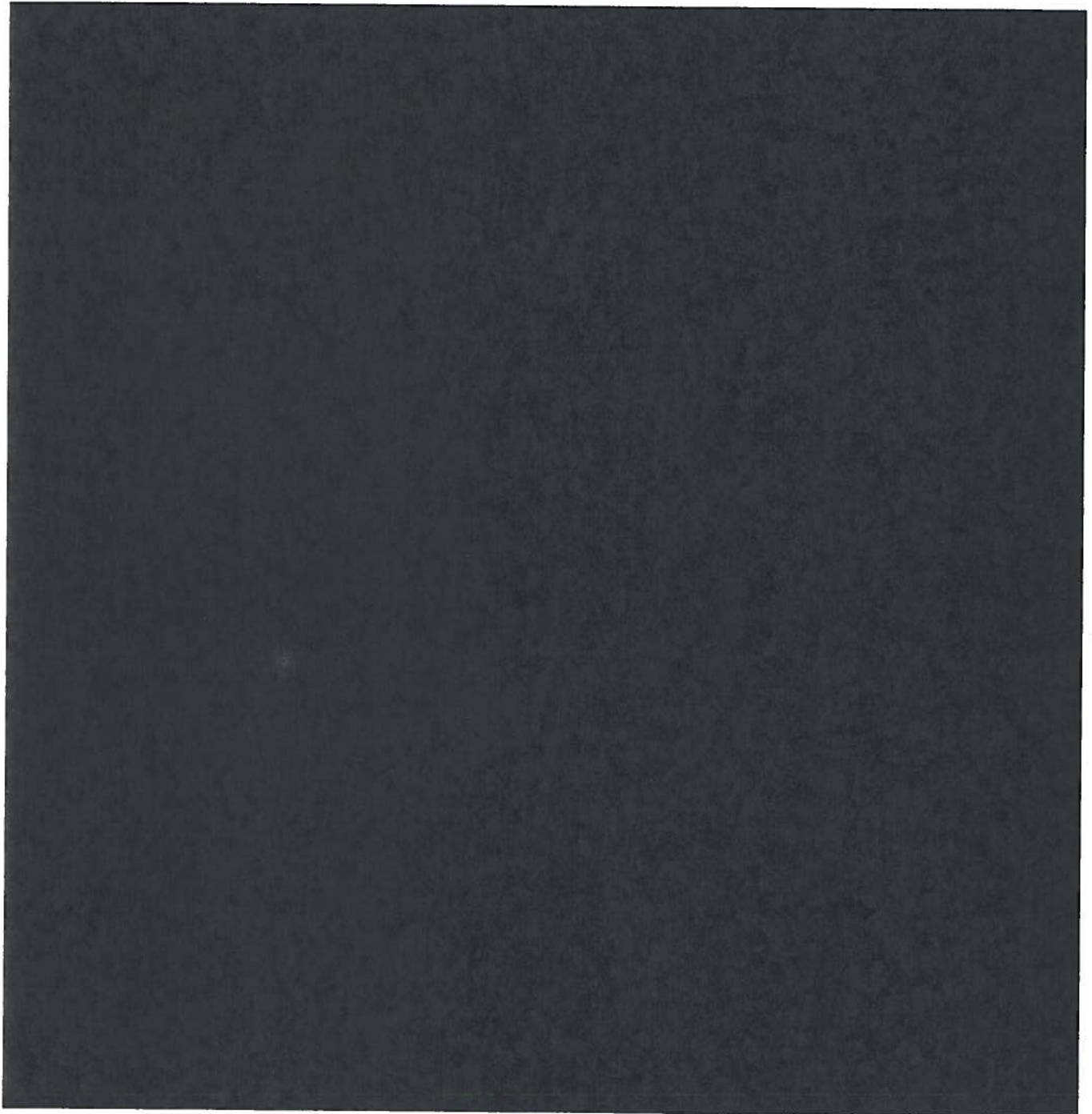
STAFF OF THE NEW HAMPSHIRE PUBLIC
UTILITIES COMMISSION

By: F. Anne Ross, Esq.
General Counsel

REDACTED

SCHEDULE 3.1

DISBURSEMENT REQUEST



¹ All capitalized terms used but not otherwise defined herein shall have the same meanings as in the Escrow Agreement.

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 #: 11-040-1 Printed: June 12, 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
EXECUTIVE 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.**