STATE OF NEW HAMPSHIRE

Inter-Department Communication

DATE: August 13, 2013

AT (OFFICE): NHPUC

FROM: Steven E. Muller

Assistant Director, Electric Division

SUBJECT: DA 13-067, Public Service Company of New Hampshire – Affiliate

Contract with Northeast Utilities Service Company

TO: Debra A. Howland

Executive Director

On March 1, 2013, Public Service Company of New Hampshire (PSNH) filed, pursuant to RSA 366:3, copies of a Service Agreement entered into effective January 1, 2013 with its affiliate, Northeast Utilities Service Company (NUSCO). Upon request, PSNH provided a redlined copy of the contract to Staff on March 5, 2013.

As part of its review of the contract, Staff had discussions with PSNH regarding the meaning and intent of a particular paragraph in Appendix A of the contract which, it was learned, was an outdated provision that is no longer applicable. Following those discussions, PSNH filed a letter on July 26, 2013 informing the Commission that certain revisions were required to the Agreement and that a revised agreement would be filed expeditiously. On August 6, 2013, PSNH filed the revised agreement.

The services, terms and conditions remain substantially the same as those previously provided under the affiliate contract previously entered into between PSNH and NUSCO. One change, however, is that rather than having a one-year term as in prior contracts, the current contract has an automatic renewal feature with each party having the right to cancel upon notice to each other.

Staff has reviewed the agreement and, at this point, does not recommend that the Commission take any further action pursuant to RSA 366. Because any issues that may arise related to the Service Agreement can be addressed in other proceedings, Staff recommends that this docket be closed without opening a formal investigation.

Should you have any questions, please do not hesitate to contact me.

cc: Suzanne Amidon