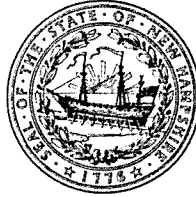


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STATE OF NEW HAMPSHIRE



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April 1, 2015

Sarah Knowlton, Esq.
Liberty Utilities
15 Buttrick Road
Londonderry, NH 03053

Re: DE 15-092; Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty Utilities
Request for Waiver of Puc 909.08(h)

Dear Ms. Knowlton:

On March 19, 2015, Liberty Utilities (Granite State Electric) Corp., d/b/a Liberty Utilities (Liberty) requested a waiver of Puc 909.08(h), which imposes an April 7, 2015 deadline to request approval of costs "necessary to upgrade [Liberty's] information systems in order to implement group net metering."

RSA 362-A:9, XIV(d) provides that "hosts shall be responsible for any costs necessary to upgrade a utility's information systems in order to implement this paragraph, as determined by the commission." The Commission subsequently adopted Puc 909.08(h), which states: "Any distribution utility that seeks to impose upon hosts the costs necessary to upgrade its information systems in order to implement group net metering ... shall, within 90 days of the effective date of this rule, file with the commission sufficient information for the commission to determine whether the proposed costs are reasonable." (Emphasis added.) The 90 day deadline expires on April 7, 2015.

Liberty has only received three host applications to date. Liberty stated that it needs more time to decide whether it will upgrade its systems or whether it will continue to administer the program manually. Liberty argued that that it would be unreasonable to force it to file under Puc 909.08(h) now to preserve its right to recover costs that it may never incur in the future. Liberty thus requested a waiver of the April 7, 2015 deadline.

Staff filed a letter dated March 26, 2015 recommending that the Commission grant the waiver and extend the deadline until May 1, 2016. Staff agreed with Liberty's argument that it is premature to force a cost analysis now for a problem that may never require a computer-based solution. If the number of group net metering customers remains small enough for Liberty to economically process manually, such an analysis would have been a waste of resources. Staff stated this is particularly true for Liberty given that only three customers have applied to become hosts. Staff also acknowledged that this is the first full year of group net metering and hosts are now filing their first annual reports. All involved with group net metering will learn from this initial run through the various group net metering procedures.

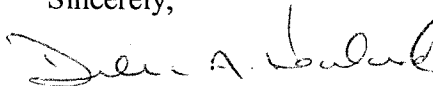
Staff identified a contrary argument -- the uncertainty created by a delay in seeking cost recovery under Puc 909.08(h). Hosts do not know whether they will be charged for computer upgrade costs, how much they may be charged, and when any such charge will be known. Puc 909.09(h) was intended to set a firm date to resolve that uncertainty.

Balancing these competing interests, Staff recommended that the Commission grant the waiver requested by Liberty and extend the deadline to May 1, 2016. Staff noted that the extended deadline would provide hosts and Liberty sufficient experience to make a more informed decision of whether to file under Puc 909.08(h). The extension may result in no filing by Liberty to the benefit of hosts, or at least a more informed filing based on the experience gained through that date.

Under Puc 201.05, the Commission may waive any rule if it finds a waiver serves the public interest and does not disrupt the orderly and efficient resolution of matters before the Commission. A waiver request requires consideration of whether compliance with the rule would be onerous given the circumstances or whether the purpose of the rule is satisfied by the alternative method proposed.

For the reasons discussed in Staff's recommendation, the Commission has determined that the standards for a waiver are satisfied here and that granting a waiver is consistent with the public good. The deadline for Liberty to file under Puc 909.08(h) shall be extended to May 1, 2016. Note that the Commission has granted a similar waiver for Public Service Company of New Hampshire, d/b/a Eversource Energy, in Docket DE 15-073.

Sincerely,

A handwritten signature in dark ink, appearing to read "Debra A. Howland", is written over a horizontal line.

Debra A. Howland
Executive Director

cc: Service list (Electronically)

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 #: 15-092-1 Printed: April 01, 2015

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
EXEC 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.**