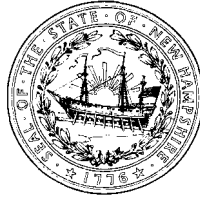


THE STATE OF NEW HAMPSHIRE

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PUBLIC UTILITIES COMMISSION

21 S. Fruit Street, Suite 10
Concord, N.H. 03301-2429

Tel. (603) 271-2431

FAX (603) 271-3878

TDD Access: Relay NH
1-800-735-2964

Website:
www.puc.nh.gov

October 26, 2010

Gerald M. Eaton
General Counsel
Public Service Company of New Hampshire
P.O. Box 330
Manchester, NH 03105

Re: DE 10-067, Public Service Company of New Hampshire et al.
Use of Electric Master Meters in Multi-Tenant Residential Building
Joint Request for Waiver of Puc Rule 303.02
Ruling on Waiver Request

Dear Mr. Eaton:

On March 24, 2010, Public Service Company of New Hampshire (PSNH), Belknap-Merrimack Counties, Inc. (BM-CAP) and Pembroke Housing for the Elderly, Inc. jointly requested a waiver of Puc 303.02 in order to allow master metering of PSNH's supply of electricity at a project known as the Village at Pembroke Farm for as long as the facility is operated as elderly subsidized housing. The Village at Pembroke Farm is a low income elderly housing project in Pembroke, New Hampshire, with 40 rental units in one building that is three stories high. BM-CAP is the sponsor and developer of the project, which was funded by the United States Department of Housing and Urban Development. The building has already been constructed and is partially occupied.

Puc 303.02 requires master metering of multi-tenant residential buildings in certain situations and prohibits master metering (and thus in effect requiring separate metering) of individual dwelling units in other situations. The Commission is asked to waive its rule requiring separate metering of individual dwelling units, Puc 303.02(b), and not to require the installation of individual wiring and meter sockets for the units.

Based on its review of the request and information submitted by the applicants, Commission Staff recommended waiver of Puc 303.02(b) in this particular instance. Staff noted that several factors relied on by the Commission in a prior docket, DE 03-217, as the basis for granting a similar waiver of the then-applicable separate metering requirement are applicable to this docket.

October 26, 2010

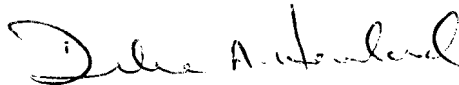
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Staff stated that, as was the case in DE 03-217, “ as a result of the contractual arrangements between the landlord and tenants [in which the rents payable by tenants are [i] based on a fixed percentage of their income without regard to their consumption of utility services and [ii] heat, hot water, air conditioning and light and other general electric uses are included in the rent paid by or on behalf of the tenants], the link between the consumption of electricity and the users is already broken and installation of meters will do nothing more than add costs to construction of the facility, for no real benefit. In addition, a number of energy efficiency measures have been installed at The Village at Pembroke Farm that will serve the same purposes of the prohibition against master metering. Finally, any revenue decrease and revenue shift from master metering is likely to be slight, and there is a greater potential that a competitive supplier would be interested in serving the project than it would be for 40 separately metered, very low use customers.”

Staff concluded that these reasons for granting a rule waiver are as persuasive in this docket as they were in DE 03-217. Accordingly, Staff recommended that the waiver request in this case be granted as to Puc 303.02(b), subject to the qualification that The Village at Pembroke Farm put any successor on notice, in a writing recorded in the County Registry of Deeds, that it may have to install separate meters upon the transfer of ownership or control.

Under Puc 201.05, the Commission may waive Puc 505.07(a) if it finds a waiver serves the public interest and does not disrupt the orderly and efficient resolution of matters before the Commission. Determination of the public interest requires consideration of whether (1) compliance with the rule would be onerous given the circumstances; or (2) the purpose of the rule is satisfied by the alternative method proposed. The Commission has determined that the applicable standards for a waiver are satisfied and that granting a waiver, subject to the conditions recommended by Staff, is consistent with the public good. Please be advised that the rule waiver only extends to the Commission rule and not to any independent requirements of the state building code.

Sincerely,

A handwritten signature in black ink, appearing to read "Debra A. Howland", is positioned above the typed name.

Debra A. Howland
Executive Director

cc: Service List
Consumer Advocate