

STATE OF NEW HAMPSHIRE

Inter-Department Communication

DATE: December 10, 2015

AT (OFFICE): NHPUC

FROM: David K. Wiesner, Esq. *DKW*

NHPUC 10DEC15PM1:24

TO: F. Anne Ross, Esq., General Counsel

SUBJECT: DG 11-040 National Grid, *et al.* Petition for Transfer of Assets
Authorization for Release of Full Escrow Funds Balance

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

By letter dated November 17, 2015, National Grid USA (National Grid) filed a request for Commission authorization to release the full balance of non-earmarked escrow funds maintained in accordance with the terms of the Settlement Agreement reached in the above-captioned docket (Settlement Agreement). Under Section 11 of the Agreement Regarding Process for Release of Escrow Funds dated July 20, 2012 ("Escrow Release Agreement"), entered into in conjunction with the Settlement Agreement,

National Grid shall submit to Staff written confirmation, substantially in the form attached [to the Escrow Release Agreement] as Schedule 9 ("365 Days Certification"), 365 days following Day N, and thereafter National Grid may notify the Escrow Agent that it is authorized to release the balance of the non-earmarked Escrow Funds to National Grid.

The Day N certification was submitted to the Commission on October 10, 2014, confirming the occurrence of Day N as of September 30, 2014. The 365 Days Certification was submitted together with National Grid's letter dated November 17, 2015. Commission Staff (Steve Frink, Amanda Noonan, and Randy Knepper) have reviewed the November 17, 2015 filing and have confirmed that there are no "earmarked funds" as a result of issuance of a staff review notice based on National Grid's failure to comply with applicable performance metrics under the Settlement Agreement and the Escrow Release Agreement.

Based on National Grid's filing and Staff's confirmation, attached are a draft letter with the confidential Disbursement Request form for your signature, authorizing the release by the escrow agent to National Grid of the sum of \$7,500,000, representing the full principal balance of the remaining Escrow Funds.

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

Attachments

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.

December __, 2015

Celia B. O'Brien, Esq.
Assistant General Counsel and Director
National Grid USA
40 Sylvan Road
Waltham, MA 02451

David Swain, 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.
Authorization for Release of Full Escrow Funds Balance

Dear Ms. O'Brien and Mr. Swain:

Per the terms of the Settlement Agreement reached in the above-captioned docket, Commission Staff have reviewed the National Grid USA disbursement request filing dated November 17, 2015 and have confirmed that the release of the full balance of remaining Escrow Funds may be authorized. Accordingly, attached please find Staff's signed confidential Schedule 3.1 Disbursement Request form authorizing the release by the escrow agent to National Grid USA of the sum of \$7,500,000, representing the full remaining principal balance of the Escrow Funds.

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

Sincerely,

F. Anne Ross, Esq.
General Counsel

Attachments

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: December 10, 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
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.**