

STATE OF NEW HAMPSHIRE

Inter-Department Communication

DATE: June 5, 2012

AT (OFFICE): NHPUC

FROM: *SEM*
Steven E. Mullen, Assistant Director – Electric Division

SUBJECT: DE 12-137, Joint Petition of New Hampshire Electric Cooperative and Public Service Company of New Hampshire – Adjustment to Service Territory Boundary in North Conway, New Hampshire

TO: Amy Ignatius, Chairman
Michael Harrington, Commissioner
Robert Scott, Commissioner
Debra A. Howland, Executive Director



On May 22, 2012, the New Hampshire Electric Cooperative (NHEC) and Public Service Company of New Hampshire (PSNH) (collectively, the Joint Petitioners) jointly filed a petition requesting to adjust their respective franchise area boundaries in the Town of Conway, New Hampshire. The petition included a description of the proposed boundary alterations accompanied by a map of the adjoining service territories including the proposed revisions.

Under the existing franchise boundaries, PSNH serves most of the Town of Conway while NHEC serves the North Conway section of the Town, including providing primary electric service to Cranmore Mountain Resort, a ski area located in North Conway. According to the Joint Petitioners, the Cranmore Mountain Resort and NHEC would like to extend electric service equipment, to be owned by NHEC, to the summit of the mountain, via a Cranmore Mountain Resort service road, to provide electric service to one or more communication towers located or to be located at the summit of Cranmore Mountain. The Joint Petitioners further state that although the summit of Cranmore Mountain currently is located in PSNH's service territory, PSNH has no existing facilities that would allow it to serve the summit of the mountain.

As stated in the petition, the Joint Petitioners propose to adjust the franchise border to include the summit of Cranmore Mountain in the NHEC franchise territory, consistent with the following description:

The eastern border of the PSNH/NHEC franchise territories in North Conway runs roughly in a north-south direction and crosses Cranmore Mountain approximately halfway up the main chairlift line. PSNH and NHEC would adjust the franchise border as follows:

Approximately one mile south of the junction of the eastern franchise border with the Bartlett town line, the franchise border would turn roughly ninety degrees (90°) to the east and run for three eighths (3/8) of a mile. The border would then turn roughly ninety degrees (90°) to the south, running parallel to the existing franchise border, for five eighths (5/8) of a mile. The border would then turn roughly ninety degrees (90°) to the west for three eighths (3/8) of a mile until it joins the existing franchise border.

The Joint Petitioners represented that the Cranmore Mountain Resort is in agreement with the proposed arrangements.

Staff has reviewed the petition and the accompanying information and recommends approval of the request. Given that PSNH has no electric facilities in close proximity to Cranmore Mountain, extension of service by PSNH would appear to be cost prohibitive. In addition, whereas the Cranmore Mountain Resort is currently a customer of NHEC, it is certainly more logical for the Resort to be served solely by one electric distribution utility, particularly given the circumstances described in the petition.

In accordance with RSA 374:26, the Commission may grant permission for a utility to engage in business in a particular area without hearing when all interested parties are in agreement. Therefore, Staff recommends that the Commission approve the adjustment to the service territories of NHEC and PSNH via an order nisi.

Please let me know if you have any questions or would like to discuss this issue further.

cc: Tom Frantz
Randy Knepper
Suzanne Amidon