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May 4, 2015

Via Overnight and Electronic Mail

Debra A. Howland Executive Director New Hampshire Public Utilities Commission 21 South Fruit Street, Suite 10 Concord, New Hampshire 03301-2429

NHPUC MAY05'15 AM 9:46

Re: IR 14-190: Investigation into Line Extension Policies

Dear Ms. Howland:

The Commission issued an Order of Notice to open the above-captioned docket on July 18, 2014 for the purpose of investigating the policies of the electric distribution utilities regarding line extensions for new residential housing. The Commission directed Eversource Energy (Eversource), Liberty Utilities (Granite State Electric) Corp. (Liberty), and Unitil Energy Systems, Inc. (Unitil) to participate in the proceeding.

The Commission Staff has held several technical sessions to discuss with parties how to develop common line extension policies between the distribution utilities. As a result, Staff made several recommendations in its April 2, 2015 letter for the Commission's consideration, including number four, which recommends that the Commission require Liberty to take ownership of and maintain line extensions for all new residential underground service lines, which is consistent with the practice of Eversource and Unitil.

Currently, the Company does not take ownership of residential underground service lines, which has been its practice since Granite State Electric was purchased from National Grid in 2012. Prior owners of Granite State Electric, National Grid and New England Electric System, used the same policy during their ownership of the utility going back decades. To start to own underground services would require many additional resources, including staff, mapping systems and increased capital costs.

Due to the nature of this recommendation by Staff, Liberty is requesting the opportunity to present testimony, rather than comments, to discuss the benefits and costs associated with owning new residential underground services. The Company will work with Staff and the parties at the May 13 technical session to determine the most efficient way to proceed.

Very truly yours,

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cc: Service List