

THE STATE OF NEW HAMPSHIRE

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April 28, 2016

Debra A. Howland
Executive Director
New Hampshire Public Utilities Commission
21 S. Fruit Street, Suite 10
Concord, NH 03301

Re: Staff Clarification in re: Brief of New Hampshire Municipal Pipeline Coalition;
DE 16-241 (Eversource Contract with Access Northeast)

Dear Ms. Howland:

By this letter, I seek to alert the Commission to a selective quotation/misapprehension of fact within the Brief submitted by Richard Kanoff, Esq. on behalf of the "New Hampshire Municipal Pipeline Coalition," filed with the Commission today, April 28, 2016, in the above-captioned docket.

In his Brief, Attorney Kanoff, within Footnote 3, states:

"Staff correctly noted in its memorandum in Docket IR 15-124 that that [sic] the 'acquisition of gas capacity for use of gas-fired generators and, by extension, the benefit of EDC customers, would violate the principle of separation of distribution and generation functions, and is therefore prohibited.' See Memorandum of Staff Attorney Alexander F. Speidel of July 10, 2015 in Docket IR 15-124 citing RSA 374-F:3, III at 2."

As the author of the quoted Memorandum, I would characterize the above quotation/citation charitably as a selective quotation, and misapprehension of fact. I provide, for the Commission's benefit, a fuller context of the quotation/citation referenced by Attorney Kanoff, which indicates its true meaning:

"...An acquisition of gas capacity, of the type referred to by certain stakeholders, most certainly does not qualify as a small-scale distributed generation resource [under RSA 374-F:3, III]. The Commission *may* determine that this Restructuring Policy Principle is prescriptive and overrides any other statute related to the Commission's jurisdiction, including any other Restructuring Policy Principle. On this basis, the Commission *could* reasonably conclude that an EDC acquisition of gas capacity for the

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use of gas-fired generators and, by extension, the benefit of EDC customers, would violate the principle of separation of distribution and generation functions, and is therefore prohibited....However, the Restructuring Policy Principle presented in RSA 374-F:3, III related to separation of generation and distribution functions does not stand in isolation..." Alexander Speidel Staff Legal Memorandum, IR 15-124, July 10, 2015, p.2, emphasis added, available at <http://www.puc.nh.gov/Electric/Wholesale%20Investigation/20150710%20IR%2015-124%20Staff%20Legal%20Memorandum%20on%20Authorities%207-10-15.pdf>

It is my, and Staff's, hope that this clarification is of assistance to the Commission in its assessment of the legal questions presented within DE 16-241.

Sincerely,

A handwritten signature in blue ink that reads "Alexander F. Speidel". The signature is written in a cursive style with a large initial 'A' and 'S'.

Alexander F. Speidel, Esq.
Staff Attorney