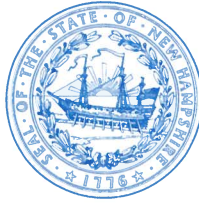


THE STATE OF NEW HAMPSHIRE

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PUBLIC UTILITIES COMMISSION

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September 21, 2016

NHPUC 21SEP'16PM3:00

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

Re: Public Service Company of New Hampshire d/b/a Eversource Energy
Auction of Electric Generation Assets
Docket No. DE 16-817

Dear Director Howland:

Following the prehearing conference on September 19, 2016, the parties to this docket met in a technical session to discuss various procedural and substantive issues. The parties have agreed to the following actions, except that Sierra Club does not agree to item 2, Berlin, Gorham and New Hampton, take no position on item 2, and the Town of Bristol supports item 4 and takes no position on the other items. With those exceptions, the parties ask that the Commission approve these actions.

1. JP Morgan, Staff and Eversource will select and contract with an appropriate independent market analysis consultant and an appropriate independent engineer for the preparation of reports for use in the auction process consistent with the JP Morgan auction proposal filed with the Commission on September 12, 2016, and entered as Exhibit 1 at the prehearing conference.
2. In accordance with JP Morgan's recommendation, Eversource is authorized to begin removal of the two mercury boilers and associated equipment located at Schiller Station pursuant to a contract with the contractor selected by Eversource following their bidding process, with Staff to oversee the contract process. Removal is estimated to cost \$20-\$30 Million and is projected to take 9-12 months to complete. Eversource shall provide monthly reports to Staff and shall notify Staff of any proposed increase in the contract costs prior to authorizing the contractor to incur additional costs. Staff will bring any substantial changed circumstances concerning the cost or progress of this removal to the Commission's and other parties' attention. All prudently incurred costs of the contract

shall be considered stranded costs following closing of the divestiture auction, and recovered by Eversource as part of the Stranded Cost Recovery Charge.

3. JP Morgan shall contact existing owners of the Wyman 4 generating facility, located in Maine, to see if any of them are interested in buying Eversource's minority interest. If none of the existing owners agree to purchase the minority interest upon reasonable terms, JP Morgan shall include the Wyman 4 facility in the auction process.
4. In order to expedite the municipal parties' receipt of information and to support their participation in the auction, Eversource shall provide confidentiality agreements for interested municipalities no later than Friday, September 23rd, and JP Morgan shall provide a description of the purpose of a CIM and an index to a CIM by the same date. JP Morgan will arrange for distribution of the CIM and access to the fully populated virtual data room for the relevant assets for those interested municipalities, as soon as possible, with a target date of early November, 2016.
5. JP Morgan will respond to follow-up questions from parties forwarded to Staff until the deadline for written comments on September 30, 2016.
6. All parties reserve the right to file written comments with the Commission on September 30, 2016, per the Order of Notice, and to take any other positions as to the nature of the expedited adjudicatory process for the development of an auction design, process and asset groupings.

If you have any questions please do not hesitate to contact me at 271-6005.

Very truly yours,



F. Anne Ross, Esq.
General Counsel

Enclosure

cc: Service List

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 #: 16-817-1 Printed: September 21, 2016

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.**