

**STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION**

DE 20-124

VANGUARD GROUP, INC.

Request for Limited Exemption from Approval Requirements of RSA 374:33

ORDER OF NOTICE

On July 31, 2020, The Vanguard Group, Inc. (VGI), on behalf of its Vanguard Advised Funds (collectively, Petitioners),¹ filed a Request for Limited Exemption from Commission Approval Requirements Pursuant to RSA 374:33. RSA 374:33 prohibits public utilities or public utility holding companies from acquiring, directly or indirectly, a certain percentage of the stocks and bonds of any public utility or public utility holding company operating in the state, unless the Commission first finds that such acquisition is lawful, proper, and in the public interest.

In the filing, VGI explained that it is an investment management company, which offers more than 190 distinct mutual funds (the “Vanguard funds”). VGI stated that it is owned by its fund shareholders, on whose behalf it makes investments exclusively for investment purposes, rather than for the purposes of managing, controlling, or entering into business transactions with portfolio companies, including publicly-traded parent companies of any New Hampshire public utilities. VGI observed that, on occasion, Vanguard Advised Funds’ collective holdings of New Hampshire public utilities, when aggregated, may exceed 10 percent, potentially resulting in an

¹ As noted in the petition, “Vanguard Advised Funds’ refers to Vanguard’s *internally* managed investment funds as well as internally managed portions of those Vanguard funds that are otherwise externally managed. Vanguard Advised Funds excludes Vanguard funds that are entirely managed *externally* (or the portions of which are managed externally) by independent external advisors, who hold independent voting power and investment discretion over the assets managed by those independent advisors.” VGI and Vanguard Advised Funds are joint petitioners in this matter.

acquisition within the scope of RSA 374:33. VGI requested an exemption from the RSA 374:33 approval requirements so long as the total holdings in aggregate of all of the Vanguard Advised Funds do not exceed 25 percent ownership of any New Hampshire public utility, or the holdings of any individual Vanguard Advised Fund do not exceed 10 percent ownership of any such public utility.

On November 2, 2020, Petitioners amended their petition to seek alternative relief. Petitioners requested that the Commission issue either: (1) a declaratory order that Petitioners are not public utility holding companies within the meaning of RSA 374:33 and the federal Public Utility Holding Company Act of 1935; or (2) an order ruling that Petitioners' acquisitions of interests in New Hampshire public utilities (including their parent companies or other affiliates) are in the "public interest" pursuant to RSA 374:33, so long as the total holdings in aggregate of all of the Vanguard Advised Funds do not exceed 25 percent ownership or exceed 10 percent ownership by any individual Vanguard fund.

The original and amended petitions and subsequent docket filings, other than any information for which confidential treatment is requested of or granted by the Commission, will be posted to the Commission's website at <https://www.puc.nh.gov/Regulatory/Docketbk/2020/20-124.html>.

The filing raises, *inter alia*, issues related to whether VGI and/or Vanguard Advised Funds is a public utility holding company for the purposes of RSA 374:33; whether acquisition by VGI and/or Vanguard Advised Funds of securities exceeding 10 percent of those issued by any New Hampshire utility or utility holding company require a finding by the Commission that such acquisition is lawful, proper, and in the public interest under RSA 374:33; and whether acquisition by VGI and/or Vanguard Advised Funds of securities exceeding 10 percent of those issued by any New Hampshire utility or utility holding company is in the public interest under

RSA 374:33. Each party has the right to have an attorney represent the party at the party's own expense.

Based upon the foregoing, it is hereby

ORDERED, that, consistent with Governor Christopher T. Sununu's Emergency Order #12, the Commission will hold a web-enabled remote prehearing conference, pursuant to N.H. Admin. R., Puc 203.15, on January 8, 2021 at 1:00 p.m., at which each party will provide a preliminary statement of its position with regard to the petition and any of the issues set forth in N.H. Admin. R., Puc 203.15. Members of the public who wish to access the prehearing conference may do so [by clicking here](#): **If you have any difficulty obtaining access to this remote event, please notify the Commission by calling (603) 271-2431 as soon as possible.**

Parties will be provided with additional instructions prior to the prehearing conference; and it is

FURTHER ORDERED, that, immediately following the prehearing conference, VGI, the Staff of the Commission, and any intervenors hold a web-enabled remote technical session to review the issues raised in this proceeding; and it is

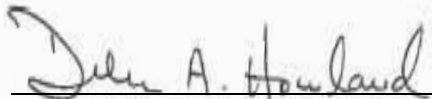
FURTHER ORDERED, that pursuant to N.H. Admin. R., Puc 203.12, VGI shall notify all persons desiring to be heard at this hearing by publishing a copy of this order of notice on its website no later than one business day after the date of issue. In addition, the Executive Director shall publish this order of notice on the Commission's website no later than one business day after the date of issue; and it is

FURTHER ORDERED, that, consistent with N.H. Admin. R., Puc 203.17 and Puc 203.02, any party seeking to intervene in the proceeding shall file with the Commission a petition to intervene with copies sent to VGI and the Office of the Consumer Advocate on or before January 5, 2021, such petition stating the facts demonstrating how its rights, duties,

privileges, immunities, or other substantial interests may be affected by the proceeding, consistent with N.H. Admin. R., Puc 203.17. Pursuant to the secretarial letter issued on March 17, 2020, which is posted on the Commission's website at <https://www.puc.nh.gov/Regulatory/Secretarial%20Letters/20200317-SecLtr-Temp-Changes-inFiling-Requirements.pdf>, any party seeking to intervene may elect to submit this filing in electronic form; and it is

FURTHER ORDERED, that any party objecting to a petition to intervene make said objection on or before January 8, 2021.

By order of the Public Utilities Commission of New Hampshire this tenth day of November, 2020.



Debra A. Howland
Executive Director

Individuals needing assistance or auxiliary communication aids due to sensory impairment or other disability should contact the Americans with Disabilities Act Coordinator, NHPUC, 21 S. Fruit St., Suite 10, Concord, New Hampshire 03301-2429; 603-271-2431; TDD Access: Relay N.H. 1-800-735-2964. Notification of the need for assistance should be made one week prior to the scheduled event.

Service List - Docket Related

Docket#: 20-124

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