

THE STATE OF NEW HAMPSHIRE

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November 29, 2012



Debra A. Howland, Executive Director
N.H. Public Utilities Commission
21 South Fruit Street, Suite 10
Concord, NH 03301

Re: Docket No. DW 06-094 Aquarion Water Company of New Hampshire, Inc.
Verified Petition for Approval of the Acquisition of Aquarion Company by
Macquarie Utilities Inc.
Update on Corporate Ownership

Dear Ms. Howland:

On November 4, 2010, Aquarion informed Staff of ownership changes at corporate levels four times removed from the regulated utility. Aquarion concluded that this ownership change did not require Commission approval. Staff's recollection is that it confirmed that position with the Commission's general counsel and that the Commission decided no docket needed to be opened for this matter.

Because the Commission's oversight of regulated utilities is typically organized by docket number, the attached letter has not been kept in an easily retrievable manner. Staff is interested in preserving the attached document and believes the best way to accomplish that is to file it in the DW 06-094 docket. We hope that you agree and we thank you in advance for your assistance with this request. Staff has confirmed with Aquarion that the information contained in the 2010 letter is not confidential.

Sincerely,

A handwritten signature in cursive script that reads "Marcia A. B. Thunberg".

Marcia A. B. Thunberg
Staff Attorney

cc: Docket-Related Service List



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November 2, 2010



Mark Naylor
Director of Gas and Water Division
State of New Hampshire Public Utilities Commission
21 South Fruit Street
Suite 10
Concord, NH 03301-2429

Re: Aquarion Water Company of New Hampshire, Inc.

Dear Mark:

I am writing to follow up on the phone conversation you had several weeks ago with Chuck Firlotte regarding Aquarion Water Company of New Hampshire, Inc. (“Aquarion-NH”). The purpose of this letter is to provide you the same information (although perhaps in somewhat more detail) in case you need to provide it to others at the New Hampshire Public Utilities Commission (the “Commission”) and also to provide a record for your files regarding the information from that call. After reviewing the applicable statutes, Aquarion-NH has concluded that the transaction described below does not require approval of the Commission, but the company nevertheless wanted to be sure that you and others at the Commission were aware of the potential transaction. Specifically, the transaction that is anticipated is as follows:

As you know, Aquarion-NH is 100% owned and controlled by Macquarie Utilities, Inc. (“MUI”). There are several intermediate holding companies between MUI and Aquarion-NH. MUI is owned 55% by Macquarie Utilities Holdings Ltd. (“MUH”) and 45% by MULP Utilities LP (“MULP”). Macquarie Essential Assets Partnership (“MEAP”), which is the subject of the transaction that Chuck Firlotte spoke to you about, owns 74.06% of the limited partnership interests in MULP and 100% of MULP’s general partner (which holds an additional 0.001% interest in MULP), both of which MEAP is planning to divest. The other approximately 25.94% of MULP is owned by unrelated entities. (I am enclosing an organizational chart to help follow the corporate structure.) MEAP and MULP are substantially owned by persons that are not affiliated with MUH, Macquarie Bank Limited or Macquarie Group Limited.

MEAP is now preparing to sell all of its partnership interest in MULP, including all of its interest in the general partner, to an unaffiliated person (the “MEAP Interest Sale”). As of the date of this letter, the purchaser of MEAP’s interests in MULP has yet to be identified. The MEAP Interest Sale may also give rise certain “tag-along” or “drag-along” rights that, if they

Mark Naylor
November 1, 2010
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were exercised, would result in all of the partners in MULP selling their interests to the same purchaser (i.e., the indirect owner of the full 45% interest in MUI held by MULP would change hands).

Under the MUI Stockholders Agreement dated April 30, 2007, the Board of Directors of MUI is to be comprised of one person designated by the holders (including related entities) of 20% of the shares of MUI and two persons designated by the holders (including related entities) of 50% of the shares. As a result, MUH, in addition to owning a majority of the shares in MUI, has the right to appoint two of the three board members (i.e., a majority) of MUI and all of its subsidiaries, including Aquarion-NH. Therefore, neither MEAP nor MULP has a controlling interest in MUH, Aquarion-NH or any intermediary holding company because the majority of the directors will remain unaffected by the MEAP Interest Sale and those entities are and will remain controlled by MUH.

Because the transaction involves a stock sale by an investment company that is a minority owner of Aquarion-NH's holding company and does not result in a change of control of any regulated entity or its holding company (i.e., MUI, Aquarion-NH or any intermediary holding company), Aquarion-NH does not plan to seek the Commission's approval for the transaction. In addition, the transaction will not result in any change in the rates, terms or conditions of service of Aquarion-NH. Nevertheless, as noted above, Aquarion--NH did want to make you aware of the transaction in case you have any concerns or would like additional information regarding it.

Please let me know if you have any questions or if you would like to discuss this matter further with representatives of Aquarion-NH.

Sincerely,



Steven V. Camerino

cc: Marcia A.B. Thunberg, Esq.
Stuart Miller, Esq.
Charles Firlotte

