

**CLERKS REPORT**

DOCKET NO. & NAME: **DG 06-107 National Grid/KeySpan Merger**

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DATE: 5/30/07 OPENED AT: 10:13 CLOSED: 4:03 PHC: \_\_\_\_\_ HEARING: X

PRESIDING OFFICER: Commissioners HEARING EXAMINER: \_\_\_\_\_

COURT REPORTER: Steve Patnaude CLERK: Diane Bateman

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APPEARANCES:

**Alexandra Blackmore, Esq., for National Grid  
Steven Camerino, Esq., McLane, Graf, Raulerson & Middleton for KeySpan Energy  
Shawn Sullivan for United Steel Workers of America, Local 12012-3  
Meredith Hatfield, Esq., for the Office of Consumer Advocate for Residential Ratepayers  
Edward N. Damon, Esq., for Staff of the Public Utilities Commission**

AFFIDAVIT FILED: N/A

INTERVENTION GRANTED:

N/A

NOTES:

**A panel of witnesses were put on the stand: Ronald T. Gerwatowski and Michael D. Laflamme for KeySpan and National Grid; Stephen P. Frink and Steven E. Mullen for the Staff of the Public Utilities Commission; and Kenneth Traum for the Office of Consumer Advocate.**

**There are immediate benefits to electric customers; the first reduction will occur within 30 days of the approval of the merger and another to follow in about a year. This is a \$2.1M adjustment.**

**9.67% is the allowed ROE. The company may keep any earnings up to 11%; this is an accumulative percentage; however, after the company earns over that 11% it then will be returned to the customers.**

**EnergyNorth has not raised their rates since 1993 and it does seem that they would be seeking a rate increase soon. The company will be delaying a rate increase to 12 months after the closing of the merger.**

**Emergency Response Time – very important to Staff as they have specific standards. The company will issue this as soon as possible. It’s an extremely aggressive program and KeySpan is committed to the program.**

**Marking of Underground Facilities. Current practice of EnergyNorth is to use in-house personal only. They will continue to use this method and has made the commitment. The company would have to go to Staff and the OCA if they planned on going outside their staff. They would need to give the Commission 6-months.**

**There are many reasons why Staff feels that this merger is beneficial to customers. The safety issue is one. Replacing the piping is also another benefit.**

**The hearing broke for lunch at 12:40 and will resume at 1:30.**

**The hearing resumed at 1:40.**

**A short recess was taken at 3:01 and resumed at 3:21.**

**The panel of witnesses were dismissed at 3:25.**

**At this time, Kevin Spottiswood representing the United Steel Workers of America, Local 12012-3 was put on the stand. He was dismissed from the stand at 3:47.**

**No objections to marking the exhibits as full exhibits.**

PROCEDURAL SCHEDULE: \_\_\_\_\_ HEARINGS CONTINUED: \_\_\_\_\_  
BRIEFS DUE: \_\_\_\_\_ ORDER DUE: \_\_\_\_\_  
TRANSCRIPT DUE DATE: \_\_\_\_\_ REQUEST WHEN DUE: \_\_\_\_\_  
HEARING EXAMINER REPORT DUE: \_\_\_\_\_ ATTACH THE EXHIBITS LIST: Yes  
UNDER ADVISEMENT: \_\_\_\_\_