



DG 11-040

Stephen R. Hall
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NHPUC 4NOV13am 11:49

October 31, 2013

Via Electronic and US Mail

Debra A. Howland
Executive Director
New Hampshire Public Utilities Commission
21 S. Fruit Street, Suite 10
Concord, NH 03301-2429

**Re: DG 11-040 Granite State Electric Company and EnergyNorth Natural Gas, Inc.
Transition Services Monthly Report – September 2013**

Dear Ms. Howland:

On behalf of Granite State Electric Company and EnergyNorth Natural Gas, Inc., this monthly report is provided pursuant to Section V(C)(1)(b) of the Settlement Agreement in DG 11-040 approved by Order 25,370.

Under the Settlement Agreement, the test year for EnergyNorth's first base rate case after the Closing Date ends no sooner than 270 days after the date on which seventy percent of the cost of the transition services under the EnergyNorth TSA are paid. The EnergyNorth TSA services are deemed to be seventy percent paid in the month in which seventy percent of the total estimated cost of the EnergyNorth TSAs has been paid. Total estimated cost of the EnergyNorth TSAs is calculated by adding actual TSA payments to date and estimated costs for Transition Services over the remainder of the Transition Period.

In all previous monthly filings of this report, estimated costs for Transition Services over the remainder of the Transition Period have been the original estimated costs for that time period included in Attachment F to the Settlement Agreement.

Following a discussion with the Commission's Staff, EnergyNorth will now include in the above calculation revised estimated costs for Transition Services over the remainder of the Transition Period rather than the original estimated costs. These revised costs are based on EnergyNorth's projection of the remaining costs of transition services based on actual costs incurred to date and known services yet to be completed. Based on that information, seventy percent of the cost of transition services had been paid as of May 2013.

Thank you for your assistance with this matter. Please do not hesitate to contact me should you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Maureen Karzoff". The signature is stylized with a large, looped "M" and "K".

FOR
Stephen R. Hall

Enclosures

cc: Randy Knepper
Carolyn Stiles
Steve Frink
Rorie E. P. Hollenberg
Lynn Fabrizio