

STATE OF NEW HAMPSHIRE

Inter-Department Communication

**CONFIDENTIAL
MATERIAL
IN COMM FILE**DATE: March 20, 2014
AT (OFFICE): NHPUC

MARCH 20 10:41 AM '14

FROM: David K. Wiesner *DKW*

SUBJECT: DG 11-040 National Grid *et al.* Petition for Transfer of Assets
Authorization of Pool A Escrow Release

CC: Docket Service List (by e-mail)

TO: Debra A. Howland, Executive Director

The attached documents authorizing a release to National Grid of \$3,189,600 from the Pool A Escrow Fund per the terms of settlement in Docket No. DG 11-040 were signed today by General Counsel F. Anne Ross. The original copy of the signed documents will be mailed to Attorney Camerino of McLane, Graf, Raulerson & Middleton. Confidential treatment of the Disbursement Request form was authorized in Commission Order No. 25,400 (August 21, 2012).

Staff submitted a memorandum on March 19, 2014 confirming its review and verification of the TSA Transfer Certifications supporting this disbursement in accordance with Commission Order No. 25,370 (May 30, 2012).

Please let me know if you have any questions regarding this matter.

Attachments

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THE STATE OF NEW HAMPSHIRE

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COMMISSIONERS
Robert R. Scott
Martin P. Honigberg

EXECUTIVE DIRECTOR
Debra A. Howland



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March 20, 2014

Richard Burlingame, Jr.
Director, U.S. Mergers and Acquisitions
National Grid USA
40 Sylvan Road,
Waltham, MA 02451

Richard Lehr, President
Liberty Utilities (EnergyNorth Natural Gas) Corp.
d/b/a Liberty Utilities
Liberty Utilities (Granite State Electric) Corp.
d/b/a Liberty Utilities
11 Northeastern Boulevard
Salem, NH 03079

Re: DG 11-040 NATIONAL GRID USA, et al.
Joint Petition for Authority to Transfer Ownership of Granite State Electric
and EnergyNorth Natural Gas, Inc. to Liberty Energy Utilities Corp.
Pool A Escrow Pro Rata Release Authorization

Dear Mssrs. Burlingame and Lehr:

Per the terms of the settlement agreement reached in the above-captioned docket, Commission Staff have reviewed your disbursement request filing dated February 25, 2014, and confirmed that the transition services described in your TSA Transfer Certification have been fully transferred in accordance with the terms of the Transition Service Agreements. Accordingly, attached please find Staff's confirmation and a signed, confidential Schedule 3.1 Disbursement Request form authorizing the release by the escrow agent to National Grid USA of \$3,189,600 from Pool A Escrow Funds.

Please let me know if I can be of further assistance in connection with this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "F. Anne Ross".

F. Anne Ross
General Counsel

Attachments

Schedule 2

Pool A Release Certification

On this 20th day of ~~February~~ ^{March}, 2014, the Staff of the New Hampshire Public Utilities Commission ("Staff") hereby confirms that National Grid USA has completed and transferred the following Transition Services¹ to Granite State Electric Company in accordance with the terms of the respective Transition Service Agreement(s) for the three-month period October 1, 2013 – December 31, 2013 ("Current Period"):

1. Fin-1 Financial Reporting
2. Fin-4 Accounts Payable Processes
3. Fin-6 Cash Management
4. Fin-8 Property Tax Services
5. Fin-9 Claims Handling/Investigation
6. Elec Ops-3 Field Crew Dispatching and Scheduling
7. Elec Ops-5 Resource and Workload Planning
8. Elec Ops-16 Mutual Assistance
9. Energy Supply-4 Energy Procurement Consulting
10. Project Mgt-2 Cost Management Access
11. Security-2 Security Consulting
12. Supply-2 Materials Management System Support
13. Records-1 Identification of Books and Records
14. Records-2 Separation and Transfer of Books and Records

¹ All capitalized terms used but not otherwise defined herein shall have the same meanings as in the Settlement Agreement dated April 10, 2012 and approved by Order No. 25,370.

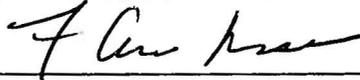
In addition, Staff hereby confirms that National Grid USA has completed and transferred the following Transition Services to EnergyNorth Natural Gas, Inc. in accordance with the terms of the respective Transition Service Agreement(s) for the Current Period:

1. **Fin-1 Financial Reporting**
2. **Fin-4 Accounts Payable Processes**
3. **Fin-6 Cash Management**
4. **Fin-8 Property Tax Services**
5. **Fin-9 Claims Handling/Investigation**
6. **Gas Ops-7 LNG Compliance and Training**
7. **Gas Ops-10 Gas Support Services/Workload Planning**
8. **Gas Ops-11 Gas Meter Operations/Meter Shop**
9. **Gas Ops-12 Customer Meter Support**
10. **Gas Ops-14 System Integrity, Asset Replacement, & Corrosion Control**
11. **Gas Ops-16 Ops Misc**
12. **Gas Supply-2 Gas Procurement Services – General**
13. **Gas Supply-3 Energy Transactions**
14. **Gas Supply-5 Gas Procurement Consulting**
15. **Gas Supply-6 Gas Procurement Miscellaneous**
16. **ESD&E-2 Sales/Support for Commercial, Industrial and Municipal Customers**
17. **Project Mgt-2 Cost Management Access**
18. **HS&E-5 Site Investigation and Remediation**
19. **Security-2 Security Consulting**
20. **Supply-2 Materials Management System Support**
21. **Customer Svc-1 Call Center Operations**
22. **Customer Svc-3 Collections Process Support**
23. **Customer Svc-4 New Business Administration**
24. **Customer Svc-5 Revenue Protection/Diversion & Investigation**
25. **Customer Svc-6 Customer Data Migration**
26. **Records-1 Identification of Books and Records**
27. **Records-2 Separation and Transfer of Books and Records**

Accordingly and pursuant to the Settlement Agreement dated April 10, 2012 and approved by Order No. 25,370, Staff hereby authorizes the prompt release and disbursement of the following amount from the Pool A Escrow Funds to National Grid USA:

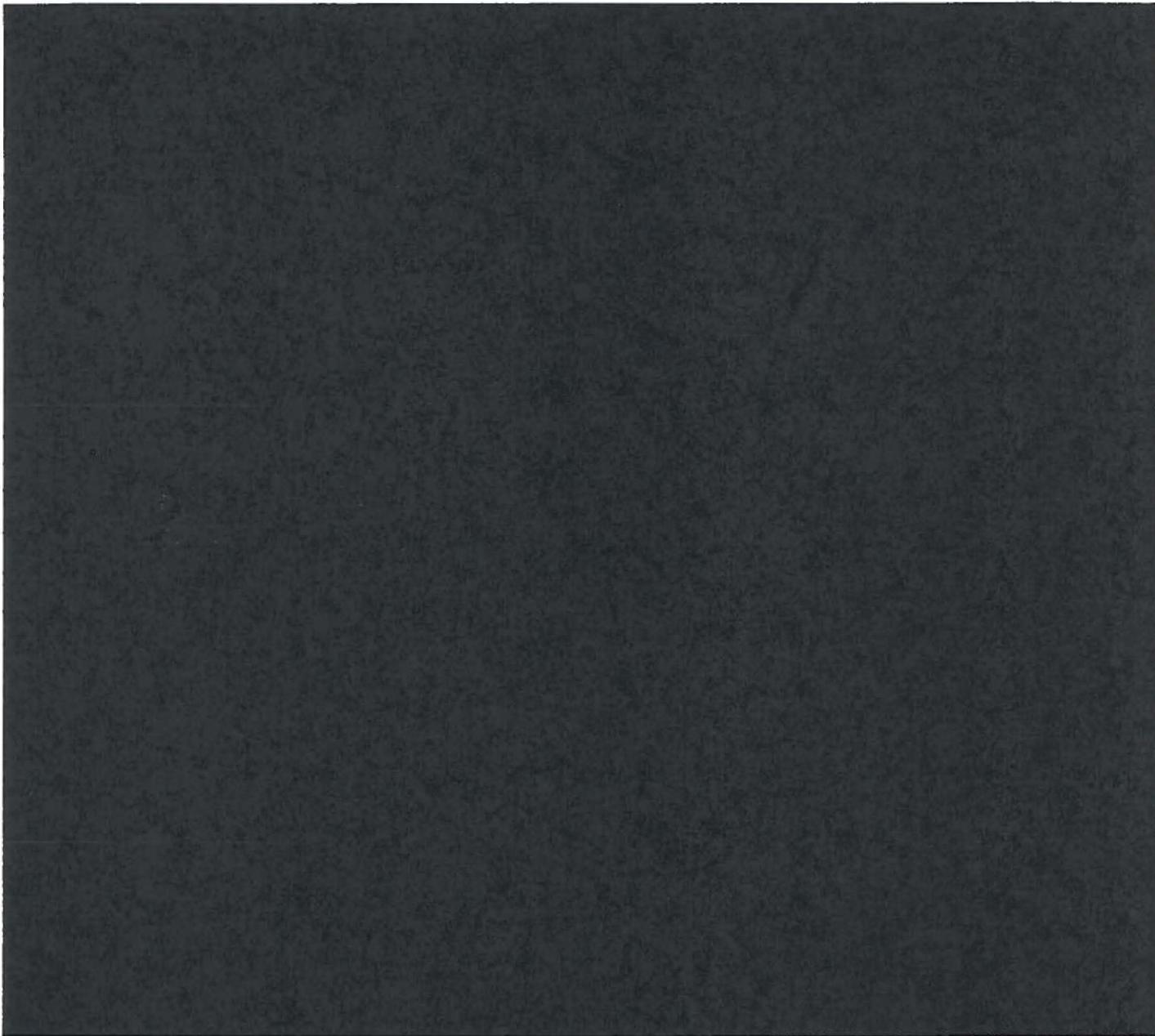
	# of TSA Services	# of Schedule L TSA Services	Adjusted # of TSA
Services:			
Completed in Current Period:	41	3	38
Previously Completed:	57	5	52
Cumulative Completed:	98	8	90
Total # of TSAs:	153	10	143
Adjusted Cumulative Completed Divided by Adjusted Total:			62.94%
Total Pool A Escrow Funds (non-reserved):			\$ 12,000,000
Pool A Escrow Funds for Disbursal (% x total):			\$ 7,552,800
Less Pool A Escrow Funds Previously Disbursed:			\$ 4,363,200
Total Disbursement Amount for Current Period:			\$ 3,189,600

STAFF OF THE NEW HAMPSHIRE PUBLIC
UTILITIES COMMISSION



By: F. Anne Ross, Esq.
General Counsel

SCHEDULE 3.1
DISBURSEMENT REQUEST



¹ All capitalized terms used but not otherwise defined herein shall have the same meanings as in the Escrow Agreement.

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 #: 11-040-1 Printed: March 21, 2014

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.