

**STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION**

DG 11-040

**National Grid USA *et al* Joint Petition
for Authority To Transfer Utility Ownership
To Liberty Energy Utilities Co. *et. al.***

**GRANITE STATE HYDROPOWER ASSOCIATION'S
PETITION TO INTERVENE**

Granite State Hydropower Association ("GSHA") respectfully petitions the New Hampshire Public Utilities Commission ("Commission") for permission to intervene in this proceeding under NH RSA 541-A:32 and NH Admin Rule Puc 203.17. In support of this petition, GSHA represents as follows:

1. By Order of Notice dated March 20, 2011, the Commission opened this docket to consider the Joint Petition for Authority To Transfer Utility Ownership filed on March 4, 2011 by (1) the proposed transferors, National Grid USA, National Grid NE Holdings 2, LLC, and their New Hampshire operating subsidiaries, Granite State Electric Company d/b/a National Grid (GSEC") and Energy North Natural Gas, Inc. d/b/a/ National Grid NH, and (2) the prospective acquirers, Liberty Energy Utilities Co. and its prospective operating subsidiary Liberty Energy Utilities (New Hampshire) Corp. ("Liberty Energy NH").

2. The standard of intervention is set forth in NH RSA 541-A:32, I (b) and (c), which provide that a petition to intervene shall be granted if it "states facts demonstrating that the Petitioner's rights or other substantial interests may be affected by the proceeding..." and the presiding officer determines that "the interests of justice and

the orderly and prompt conduct of the proceedings would not be impaired by allowing the intervention”.

3. GSHA is a membership organization representing approximately 45 small hydroelectric power projects located in New Hampshire. Most GSHA member projects sell power at wholesale to one or another of New Hampshire’s four regulated electric distribution utilities under rate orders issued by the Commission or negotiated power purchase agreements. The regulated electric distribution utilities, of which GSEC is one, in turn sell power at retail to their distribution customers.

4. Liberty Energy Utilities Co. and Liberty Energy NH are wholly-owned subsidiaries of Algonquin Power & Utilities Corp (“Algonquin”), a Canadian corporation. Algonquin’s existing power generation division currently owns eight (8) small hydroelectric power projects located in New Hampshire, which, like the members of GSHA, sell power to wholesale purchasers, including New Hampshire regulated electric distribution companies.

5. The substantial interests of many of GSHA’s members are likely to be affected by this proceeding because they expect to offer to enter into power purchase agreements with wholesale power purchasers – including GSEC – upon the expiration of their current rate orders or power purchase agreements. This circumstance puts them in the same position (offering to sell power at wholesale) as Algonquin’s eight New Hampshire hydroelectric power projects, but without the affiliate relationships with a wholesale power purchaser that would be enjoyed by the Algonquin projects.

6. GSHA does not oppose the proposed transfer of ownership of GSEC to an Algonquin subsidiary, but GSHA’s members have a substantial interest in the

Commission's implementation, in this proceeding and afterward, of New Hampshire statutes and Commission rules governing the functional separation of generation from transmission and distribution services and the regulation of utility affiliate transactions, including NH RSA Chapters 374-F and 366 and Puc 2100 et. seq.

WHEREFORE, GSHA respectfully petitions for permission to intervene in this proceeding and for such other and further relief as may be deemed just and reasonable.

Respectfully submitted,

GRANITE STATE HYDROPOWER ASSOCIATION

By its attorneys,

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April 13, 2011

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CERTIFICATE OF SERVICE

In accordance with Puc 203.02 (3) and (4) and Puc 302.11, I have caused copies of this Petition to Intervene to be served on each person on the Commission's service list for Docket DG 11-040.

April 13, 2011

Howard M. Moffett
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