

**THE STATE OF NEW HAMPSHIRE  
BEFORE THE  
PUBLIC UTILITIES COMMISSION**

Docket No. DE 11-250

**PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE**

**Investigation of Merrimack Station Scrubber Project and Cost Recovery**

**RESPONSE OF PSNH TO ORDER NO. 25,735**

On November 20, 2014, the Commission issued Order No. 25,735 regarding the efforts made by Public Service Company of New Hampshire (“PSNH” or the “Company”) to comply with the requirements of Rule Puc 203.09, “Discovery.” PSNH wishes to reiterate what it stated in its November 5, 2014, Objection to the Motion leading to Order No. 25,735:

PSNH wants to make it clear that it does not take its discovery obligations lightly and that it acted in good-faith, with no malice, and did not intentionally refuse to produce responsive discovery material. According to *Wiebusch On New Hampshire Civil Practice and Procedure*, Fourth Edition (2014), in discovery, a party must “in general, attempt in good faith to give the opponent the information requested.” §22.25. That is precisely what PSNH did.

As the state’s largest regulated utility, PSNH understands and fully complies with all statutory, regulatory, and ethical requirements. Again, that is precisely what PSNH did to comply with the requirements of the Scrubber Law. PSNH cooperated fully with the Legislature and myriad state agencies and officials from the initial legislative process that led to the enactment of the Scrubber Law, through the design, permitting, engineering, procurement and construction processes, to the commissioning and placement into commercial service of an emissions control device that testing shows exceeds the emissions reduction requirements of the law.

Installation of the Scrubber was an extremely complex engineering project, which PSNH pursued to comply with the Scrubber Law's mandate to reduce emissions of mercury and sulfur oxides. As such, the scrubber was not a traditional economic project undertaken as a result of management discretion but rather it was an environmental project mandated by force of law. Since "time [was] of the essence,"<sup>1</sup> PSNH took great strides to ensure that construction moved ahead swiftly, yet safely. The project was completed earlier than the statutory deadline, at a cost below the construction budget, and is on-line and reducing emissions beyond what the law required, consistent with "the public interest of the citizens of New Hampshire and the customers of the affected sources."<sup>2</sup>

PSNH notes these matters because after successfully completing a world-class effort to install the precise technology required by law in a manner which Jacobs Consultancy (the Commission's expert engineering consultant) found to be completely prudent, assertions and allegations that the Company would put recovery of its prudently incurred costs into jeopardy by failing to fully respond to less than a handful of discovery questions or by having a lack of candor are simply not credible.<sup>3</sup>

Such contentions were addressed, and refuted, directly by the sworn testimony of the Commission's own Director of the Electric Division, Mr. Frantz, during the hearing on October 15, 2014 (Transcript 2A136/3-14):

Q. I think you said, in response to Commissioner Honigberg's question, that you don't think that PSNH lied to you throughout this process, do you?

---

<sup>1</sup> Order No. 24,898 at 10.

<sup>2</sup> RSA 125-O:11, VI.

<sup>3</sup> This is especially true of discovery questions seeking information that is commercially available to all, and for which it is quite possible that the requestor, i.e., TransCanada, possessed.

A. Well, I will state that unequivocally, I'm not aware and don't believe that PSNH lied to us about this process.

Q. Do you think PSNH misrepresented facts to you at any time in this process?

A. No.

Q. Do you think PSNH was less than candid with you at any point in this process?

A. No.

In light of PSNH's clear and documented conduct and Director Frantz's direct and unequivocal testimony, accusations that PSNH did not make good-faith efforts to produce information, that it was not straight-forward with the Commission or the Legislature, or that its witnesses were not truthful are both deeply troubling and incorrect. Throughout this docket, PSNH has responded to thousands of discovery questions and produced hundreds of thousands of pages of responsive answers, documents, contracts, drawings and much more. That discovery process is precisely what Director Frantz testified should – and did – occur.<sup>4</sup> PSNH trusts that the Commission will judge the Company's actions in light of the statutory requirements of the Scrubber Law and the evidence of record in this proceeding, and not on allegations unsupported by record evidence.

Per Order No. 25,735, PSNH provides responses to the following five questions regarding its production of price forecasts as part of its discovery obligation under Rule Puc 203.09.

**A. A full and clear description of each step PSNH took to respond to the data requests at issue, including the names and titles of all individuals involved in reviewing the data requests, gathering information to respond to the requests, providing answers to questions relating to the data requests, and developing**

---

<sup>4</sup> “[T]o me, I'd say that's part of the discovery process. I mean, that's something you ask for. That's something Staff would ask for. In general, by [sic] experience is that utilities file cases supporting their case. That's why we have discovery. That's why we have hearings.” (Transcript, 2A56/15-20).

**responses to the data request at issue. In addition, PSNH should provide a summary of each person's involvement in development of discovery responses and/or the search for and production of relevant materials.**

When discovery questions were received by PSNH, it was the responsibility of the company's Rate-Regulatory Services department to enter those questions into an electronic database and to assign those questions to an appropriate team of company personnel to draft responses and to assemble relevant documents for production.

The questions at issue include TC 01-002; TC 01-004; TC 06-038 (and the identical 06-208); and TC 06-039 (and 209). Data request set TC 01 was received by PSNH on June 4, 2012; set TC 06 was received by PSNH on July 25, 2014.<sup>5</sup>

When questions TC 01-002 and TC 01-004 were received, the team of company personnel assigned to draft/review responses included:

Frederick White (Electric Supply)  
Jody J. TenBrock (Energy Supply)  
Elizabeth H. Tillotson (Generation)  
Gerald M. Eaton (Legal)  
Heather M. Arvanitis (Rates-Regulatory)  
John M. MacDonald (Generation)  
Robert A. Baumann (Rates-Regulatory)  
Robert A. Bersak (Legal)  
Sarah B. Knowlton (Legal)  
Stan Puzio (Rates-Regulatory)

---

<sup>5</sup> As noted during the hearing, since the start of Docket No. DE 11-250 there have been many staff changes within PSNH and its affiliates. For example, within the Rates-Regulatory area, none of the employees who initially were involved in this docket (from the Vice President and Director levels, through the Manager level, to the Analyst level) were still employed within NU by the time the hearings in this proceeding began. Furthermore, as the relevant time period for responsive information dates back to 2005 – almost a decade – it should not be surprising that employees in many other areas within NU have also retired, terminated their employment, or passed away.

Stephen R. Hall (Rates-Regulatory)  
William H. Smagula (Generation)  
Linda T. Landis (Legal)  
Terrance J. Large (Generation)<sup>6</sup>

Similarly for questions TC 06-038 and TC 06-039, the team of company personnel who were assigned to draft/review responses included:

Elizabeth H. Tillotson (Generation)  
William H. Smagula (Generation)  
Robert A. Bersak (Legal)  
Linda T. Landis (Legal)  
Eric H. Chung (Rates-Regulatory)  
Christine Vaughan (Rates-Regulatory)  
Heather M. Tebbetts (Rates-Regulatory)  
Terrance J. Large (Generation)  
James J. Vancho (Planning)

It was the responsibility of each team member to ensure that good-faith efforts were made to provide full and accurate responses. Team members searched their records and consulted with other colleagues throughout NU to assemble responsive answers and documents, as deemed reasonably necessary and appropriate. Specific steps these team members took to fulfill the responses included the following:

- Identified internal subject matter experts with responsibility for the business areas relevant to the information requested
- Issued requests to those subject matter experts to draft responses to the questions, including timing for receiving such responses
- Proactively followed up with subject matter experts on the status of their responses
- As necessary, facilitated internal discussions if there were challenges obtaining information related to such responses

---

<sup>6</sup> Half of the persons identified are no longer employed by NU. None of the Rates/Regulatory personnel who oversaw the data request response process were still employed by NU by the time that hearings began

- Edited and finalized responses prior to submission
- Submitted final responses in a timely manner

In addition to the individuals listed above, the following employees were also consulted as part of the discovery process at issue to locate any relevant documents held by PSNH or its affiliates:

Erica L. Menard (Planning)  
David A. Errichetti (Electric Supply)  
Christopher A. Plecs (Rates-Forecasting)  
Daniel J. Ludwig (Rates-Forecasting)

When TransCanada submitted its sixth set of data requests, which consisted of 261 separately numbered questions, response team members were challenged to provide complete and responsive answers in a timely manner.<sup>7</sup> In light of this, the PSNH Legal team took extra efforts to ensure that full and complete responses were made to all questions.

In addition to inquiries made by other team members, PSNH counsel personally contacted the following people within NU to locate any responsive information held within their areas of responsibility:<sup>8</sup>

Edna M. Karanian, Director Gas Supply  
Lisa M. Cullen, Manager Gas Supply  
James R. Shuckerow, Jr., Director Electric Supply  
Charles R. Goodwin, Director Rates and Load Forecasting  
Jody J. TenBrock, Manager Fuels Purchasing and Supply

---

<sup>7</sup> Recall that TransCanada had earlier categorized the 176 data requests it received in the one and only set of questions from PSNH as being unreasonable.

<sup>8</sup> Compare this to the testimony of TransCanada's witness who admitted he asked no one at TransCanada for information responsive to data requests. When asked whether he contacted anyone at his company to locate price forecast information, Mr. Hachey replied, "TransCanada has 5,000 employees. Who do I ask?" and when pressed for a direct response stated, "I don't recall asking." (Transcript, 4P85/5-17).

Counsel for PSNH has previously described the chain of events that led to finding the location of the EVA forecasts supplied to the parties. *See* Hearing Transcript 4P4/6-7/16.

**B. A full and clear description of the electronic document search that was conducted for forecasts held by PSNH, Northeast Utilities, and PSNH's affiliates, and, if an electronic document search was not conducted, an explanation of why that did not occur;**

PSNH counsel conducted a search of NU's rates/regulatory data request database to locate any forecasts that may be responsive to the questions in issue. The only information located as a result of that search but not provided in response to the data requests in question was one EVA forecast circa 2001, a date well before the time period relevant to the data requests in issue.

**C. Produce cop(ies) of any contract that PSNH, Northeast Utilities, or any PSNH affiliate held with EVA or any other vendor for energy forecasting information;**

As part of the search for responsive EVA forecasts, counsel for PSNH contacted NU's purchasing department to determine the nature of any contracts the company had with EVA. PSNH counsel was informed that there is no record of any formal contract between any NU affiliate and EVA. It was determined that any purchase of information from EVA was accomplished as a "sundry" transaction by individual departments, in a manner akin to the way that newspapers, periodicals, transcripts, legal notices, etc., are paid for. In compliance with Order No. 25,735,

further inquiry was made regarding the existence of contracts for any other vendor for energy forecasting information. NU's purchasing department has indicated that similar to EVA, they have no record of any contracts that are responsive to this question.

**F. Produce a copy of any document retention policy that would apply to PSNH, Northeast Utilities, and any PSNH affiliate;**

A copy of NU's document retention policy in force during the relevant time period is attached. Per the document retention policy, forecasts obtained from commercial sources would not be deemed a "record" subject to the retention policy. *See* Attachment at 2. "Non-Records are not included in the Retention Schedule." *Id.* Per the document retention policy, "Non-Records should not be retained longer than 2 years." *Id.* at 4.

**G. If PSNH claims that the relevant documents were destroyed, a full and clear explanation of what documents were destroyed, who destroyed them, and when they were destroyed.**

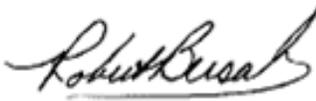
The questions in issue involve price forecasts that may have been received by PSNH or its affiliates from third party vendors during the period from 2005 to 2011 – a time period that predates the present docket and all data requests received in this docket. PSNH is not aware of any relevant documents that were "destroyed." However, in accordance with NU's record retention policy, items obtained from

third party sources many years ago that may have been responsive to the questions in issue were not to be retained for longer than 2 years.<sup>9</sup>

In conclusion, PSNH reiterates its position that it complied with all statutory, regulatory, and professional standards throughout this docket. The scrubber technology mandated by law is in operation and is producing the public interest benefits that the Legislature expressed in the Scrubber Law.

Respectfully submitted this 1<sup>st</sup> day of December, 2014.

**PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE**

By:  \_\_\_\_\_

Robert A. Bersak, Bar No. 10480  
Chief Regulatory Counsel  
Linda Landis, Bar No. 10557  
Senior Counsel  
Public Service Company of New Hampshire  
780 N. Commercial Street, P.O. Box 330  
Manchester, New Hampshire 03105-0330  
(603) 634-3355  
[Robert.Bersak@PSNH.com](mailto:Robert.Bersak@PSNH.com)  
[Linda.Landis@PSNH.com](mailto:Linda.Landis@PSNH.com)

McLANE, GRAF, RAULERSON & MIDDLETON,  
PROFESSIONAL ASSOCIATION  
Wilbur A. Glahn, III, Bar No. 937  
Barry Needleman, Bar No. 9446  
900 Elm Street, P.O. Box 326  
Manchester, New Hampshire 03105-0326  
(603) 625-6464  
[bill.glahn@mclane.com](mailto:bill.glahn@mclane.com)  
[barry.needleman@mclane.com](mailto:barry.needleman@mclane.com)

---

<sup>9</sup> PSNH wants to make it clear that nothing used or relied upon as part of the scrubber project or the economic analyses thereof have been either discarded or destroyed, as they would become “records” subject to the record retention policy.

**Certificate of Service**

I hereby certify that a copy of this filing has been served electronically on the persons on the Commission's service list in accordance with Puc 203.11 this 1<sup>st</sup> day of December, 2014.



---

Robert A. Bersak

**Attachment**

**NU RECORDS RETENTION POLICY**

# Company Resources

**Policy Name: Records and Information Management**

**NUP Number: 38**

**Effective Date: 08/09/2007**

**Revision Date: 10/23/2009**

**Responsibility: Information Technology**

## 1. OVERVIEW

Northeast Utilities (“NU” or the “Company”) has a responsibility to ensure that Records are created, managed, preserved, and disposed of properly. An effective Records and Information Management Program enables NU to meet its business needs and operate in a legally compliant manner.

## 2. PURPOSE AND SCOPE

The purpose of the Records and Information Management Policy (“Policy”) is to inform all NU part time, full time, temporary employees; contract personnel retained by NU; and any third party that is the custodian of any Company Information (“User”) of the rules that must be followed in regards to the creation, management, retention, preservation and disposal of Company Information. The directives of this policy are media independent, which means that all records are managed according to their content, and not according to the media upon which they are created, transmitted, and/or stored.

This policy sets forth the requirements for Records and Information Management, following the Records Retention Schedule, and adhering to Legal Hold Orders.

### Records and Information Management

- Provide guidance on Company Information and Records creation, including what is considered Company Information.
- Provide guidance on the security precautions needed for Confidential and Proprietary Information.
- Prohibit the use of Operational Backups Systems for the retention, preservation or production of Company Information.

### Records Retention Schedule

- Ensure that NU’s paper and Electronic Records are properly managed throughout their lifecycle in accordance with business goals and legal requirements.
- Provide directives for retention of Records in conformity with business, operational, legal, compliance and historical requirements.

### Legal Hold Orders

- Ensure that all Company Information (including all Records and Non-Records) and other Tangible Objects are preserved as required by Legal Holds.
- Ensure the consistent and systematic disposal of Records once retention periods and any applicable Legal Hold Notices have expired.

## 3. KEY TERMS

Company Information - All information produced, collected, and/or manipulated by Users during the performance of their duties on behalf of NU; or produced, collected, and/or manipulated by any third party pursuant to an agreement with NU; or stored on any information system owned or provided by NU, including copies of such information existing as printed documents or stored on

external devices or removable media. Company Information is further broken down into two categories that are defined as “Records” and “Non-Records” for the purposes of this Policy.

Record is information recorded on a tangible medium and intentionally retained and managed as evidence of an of an organization’s activities, events, or transactions because of its ongoing business, operational, legal, regulatory, and/or historical value; and must be identified in the Records Retention Schedule.

Non-Records generally have a short period of business value or no business value and are not subject to statutory or regulatory record-keeping requirements. Non-Records are not included in the Retention Schedule.

#### 4. RECORDS AND INFORMATION MANAGEMENT GENERAL

User Responsibilities – All Users with authorized access to, or responsibility for Company Information are required to read, understand, and act in accordance with this Policy. Failure to do so can result in civil and/or criminal penalties and may subject Users to disciplinary action, up to and including termination.

Creating Company Information - The following directives apply to all users creating company information:

- Appropriate Language. Be courteous and polite, and avoid vulgarity. Avoid exaggeration and the use of dramatic adjectives and/or comparisons that would not be accurate. Maintain a businesslike tone and avoid humor and sarcasm as they can very easily be misunderstood, especially in business communications.
- Express the Facts. Avoid casual speculation that others could misinterpret as fact, and always explain the factual basis for any conclusion. Separate opinion from fact, and when possible, attribute an opinion to its source if the opinion is not your own.
- Legal Considerations. Users (other than Company lawyers) should never attempt to draw legal conclusions in communications or in Records that they create.
- Act with Integrity. Common sense and ethical conduct, as expressed in good Records creation practices, enhances the Company’s business and reputation. Users should always be truthful in what they record and never attempt to cover up any action by altering, disposing or concealing a Record.
- Confidential and Proprietary Information. Users creating Company Information that concerns Confidential and Proprietary Information should refer to NU’s Standards of Business Conduct: Confidential Information Policy for instructions relating to the creation and labeling of such Company Information.

Ownership of Company Information - All Company Information is the Company’s property and does not belong to any user or third party. During their employment, all users must make available and/or provide any and all Company Information to NU upon request, at any time, for any reason. Users may not use computers or other devices that they own to store Company Information, without the express permission of NU.

Users should not expect privacy for any information contained in, on or conveyed by any NU technology or technology system. Authorized personnel may monitor the use of such technology systems and the information contained in or on them at any time as stated in the Company’s Use of Technology Policy.

When a User’s employment ceases, whether voluntarily or involuntarily, he/she must turn over the original and ALL COPIES of any Company Information in his/her possession, in any medium, to his/her supervisor prior to leaving the Company.

Third parties, working on NU's behalf, must return the original and all copies of Company Information upon the termination of their contract with the Company, and at any time during the contract's duration, upon NU's request.

Any encryption tools or keys used during a User's tenure with NU must be turned over to the office that issued them, prior to their departure, including any passwords or other information required to access such tools, keys and devices.

Location of Company Information - All Company Information located in any NU facility or in any facility managed by a third party on NU's behalf is NU property. All Company Information created, transmitted and/or stored in or on Company technology or technology systems are Company property. All Company Information pertaining to NU business, no matter where it is located, is presumed to be Company property even if it is in the possession of an individual not employed by the Company or an entity other than the Company.

All Company Information is to be stored in safe and secure locations and protected from environmental and other potential harm. All Users must also properly safeguard Confidential Proprietary Information. Reference NU's Standards of Business Conduct: Confidential Information Policy for further guidance.

Theft or appropriation of Company Information or giving access to another person who is not authorized to have access to, review, or otherwise see Company Information is strictly prohibited and may result in civil or criminal penalties, up to and including termination.

If records are destroyed or lost before the expiration of the prescribed period of retention, a certified statement listing, as far as may be determined, the records destroyed and describing the circumstances of accidental or other premature destruction or loss must be filed with NU's Assistant General Counsel - Federal Regulatory with FERC within ninety (90) days from the date of discovery of the destruction. Employees are obligated to inform NU's Assistant General Counsel within 1 business day of any known case as noted above.

Company Information Classification Labeling - Each User is responsible for securing all Company Information for which he or she is responsible, no matter where Company Information is located or in what form it is stored. Properly labeling Company Information at the time of creation or receipt promotes Company Information security by informing others of the nature of the information so that appropriate actions and precautions can be taken.

Detailed guidance regarding the labeling and handling of Confidential and Proprietary Information can be found in NU's Standards of Business Conduct: Confidential Information Policy.

Backup Systems – Backup Systems are not provided for, and under no circumstance are permitted to be used for, the routine storage, retention, version management or archiving of Company Information.

## 5. RECORDS RETENTION SCHEDULE

Records Retention Schedule - The Records Retention Schedule ("Retention Schedule") is the foundation of NU's Records and Information Management Program. It defines what Records are being managed and how long they need to be retained, and is based upon legal, compliance, business, operational and historical requirements. Implementation of a Records Retention Schedule:

- Facilitates adherence to applicable laws by establishing retention periods that satisfy recordkeeping requirements issued by federal, state and local legislatures, regulators and regulatory agencies.
- Helps the Company identify obsolete or superseded Records.

- Leads to better use of storage space by transferring older or infrequently referenced Records with continuing retention requirements to off-site Records storage.

The Company decides how long to retain its Records and when to dispose of them based on statutory and regulatory requirements, as well as business needs and judgment. The retention periods in the Retention Schedule are general retention requirements for each category of Record. Unless a Record is subject to Legal Hold, or there are extenuating circumstances that require the continued retention of a Record beyond its retention period, NU will dispose of the Record – and any and all copies of the Record – at the end of its retention period. The time periods listed in the Retention Schedule must be observed, regardless of the media (e.g., paper, microfilm, magnetic disk, etc.) on which the Record is stored. A retention period may not be extended or altered without permission from the Corporate Records Management Organization. Any User aware of a legal, regulatory or business requirement that is in conflict with the Retention Schedule should contact the Department Records Manager or the Corporate Records Management Organization.

**Determining Retention Responsibilities** - Retention responsibilities vary with the content of a Record and with who generates the Record and is considered the “owner” of the Record. Generally, if a Record is created by a NU User it is that creator’s responsibility to make sure that the Record is retained in accordance with the Retention Schedule. This rule ensures that, unless otherwise necessary, multiple recipients do not retain copies of the same Record, which would unnecessarily burden the Company’s systems.

Unless subject to Legal Hold, drafts, reference copies or duplicates of Records should be disposed of when no longer needed to do one’s job. However, they should never be retained longer than 2 years and must never be retained for longer than the retention period for the Record.

**Special Retention Rules** - It is the policy of NU that all Records, regardless of the manner in which they are created, received, transmitted, or stored should be retained in accordance with the Retention Schedule and Company Records and Information Management policies and procedures. Certain technologies do not lend themselves to the easy long-term retention of Records they create and receive such as Chat or Discussion Databases, Voicemail, Instant Messaging, and Personal Digital Assistants (PDA's). User should refrain from using such technologies to document business activities. However, if there is no other choice, Users must ensure that all such Records are promptly transcribed and/or transferred to a media that lends itself to long-term retention and retained in compliance with the Records Retention Schedule and Records and Information Management policies.

**Special Records Procedures** - Records that are no longer used on a routine basis, but nonetheless require additional retention until reaching the total required retention period stated on the Retention Schedule, may be transferred to off-site storage.

Certain Records may have historical significance to NU (e.g., memos documenting significant events in NU history, original magazine articles about the Company, etc.) and should be maintained beyond the retention periods stated on the Records Retention Schedule. Users who possess materials that might have historical significance should mark it “Archival Record” and bring it to the attention of your supervisor, Department Records Manager or the Corporate Records Management Organization.

**Dispose of Non-Records** – Non-Records should only be retained for as long as they are needed as reference or for operational purposes or to do one’s job. Unless subject to Legal Hold, Non-Records should not be retained longer than 2 years. Non-Records should not be transferred to the NU Records Center or to off-site storage unless there is a compelling reason to do so.

Records Review - All Users may be required to participate in a periodic review of paper and Electronic Records to determine, among other things, if they can be sent to off-site storage and/or whether they can be disposed of in accordance with the Retention Schedule.

Records Eligible for Disposal - Records that have exceeded their total required retention period, according to the Retention Schedule, are eligible for disposal, absent a Legal Hold or some other compelling reason to extend the period of retention.

The Department Records Manager and the Corporate Records Management Organization are responsible for ensuring that Records that have exceeded their retention periods are properly disposed of.

## 6. LEGAL HOLD ORDER

Legal Holds are the internal Company practice of finding and preserving Company Information (including all Records and Non-Records) and other Tangible Objects relating to any threatened or pending investigation, audit, tax hold or litigation of Company Information and Tangible Objects subject to Legal Hold must be preserved, and not altered, destroyed, mutilated, concealed, or falsified.

Company Information and Tangible Objects subject to Legal Hold will be identified in a Legal Hold Notice issued by the NU Legal Department. Legal Hold Notices will be disseminated to Users who may have Legal Hold materials in their possession. The following directives apply to Legal Holds:

- Once a Legal Hold Notice is issued, all Company Information (including all Records and Non-Records) or other Tangible Objects covered by the Notice must be preserved until further notice.
- A Legal Hold Notice supersedes all other Records and Information Management policies, including the Records Retention Schedule, until the Legal Hold is terminated.
- Legal Holds mandate the immediate suspension of disposal of all Company Information (including all Records and Non-Records) or other Tangible Objects identified in the Legal Hold Notice. Users in all NU locations or in possession of Company Information must comply with Legal Hold Notices.
- No Company Information (including all Records and Non-Records) or other Tangible Object subject to Legal Hold may be altered, disposed of, erased, or otherwise made inaccessible, whether in paper or electronic form, for any reason whatsoever.
- Legal Hold Notices will be reviewed periodically to determine if modification or termination is warranted. Upon termination of a Legal Hold Notice, the Retention Schedule will be resumed for the affected Records.
- Particular Company Information (including all Records and Non-Records) or other Tangible Object may be subject to more than one Legal Hold Notice, and as such would require preservation until all applicable Legal Hold notices are terminated.
- Failure to preserve Company Information (including all Records and Non-Records) or other Tangible Objects, as specified in a Legal Hold Notice can subject the Company and its Users to fines, sanctions and other legal penalties.
- Failure to preserve Company Information (including all Records and Non-Records) or other Tangible Objects as subject to Legal Hold also may subject Users to disciplinary action, up to and including termination.

Users with questions as to whether or not Company Information (including all Records and Non-Records) or other Tangible Objects in their possession are subject to a Legal Hold should contact the Legal Department before taking any action to dispose of any Company Information (including all Records and Non-Records) or other Tangible Objects.

Additionally, users who become aware of a potential legal requirement to preserve Company Information, even though they have not received a Legal Hold Notice, should contact the Legal Department. In this situation, until receiving a response to your inquiry granting you permission to do so, do not discard any Company Information about which you have questions.

## 7. GLOSSARY OF TERMS

Archival Records provide reference to significant persons, places, and events that have contributed to NU's evolution. Historical Records document the beginnings, advancements, and important events of NU that have laid the foundation for future generations. Historical Records may be films, audiotapes, photographs, documents, memorabilia, or other Records

Company or NU refers to Northeast Utilities and its subsidiaries collectively.

Company Information - all information produced, collected, and/or manipulated by Users during the performance of their duties on behalf of NU; or produced, collected, and/or manipulated by any third party pursuant to an agreement with NU; or stored on any information system owned or provided by NU, including copies of such information existing as printed documents or stored on external devices or removable media. Company Information is further broken down into two categories that are defined as "Records" and "Non-Records" for the purposes of this Policy.

Disposal or disposition are terms used to describe the process of purging Records, whether in paper or electronic form so that the information is no longer available.

Drafts are preliminary versions of Records that are superseded by more current versions or final version of the same Record.

Duplicate Records are exact reproductions or duplicate copies of a Record, which contain no additional markings of any kind, such as notes in the margins, handwriting, highlighting, or date stamping.

Electronic Records are Records created, transmitted, received or stored by or with the aid of a computer, or retained on any electronic media, including, but not limited to, hard drives, diskettes, disks, magnetic tapes, magnetic disks, optical disks, optical tapes, audio tapes, and so on.

Legal Hold is the practice of finding and preserving Company Information (including all Records, Non-Records), and Tangible Objects relating to any threatened or pending investigation, audit, tax hold or litigation.

Non-Records generally have a short period of business value or no business value and are not subject to statutory or regulatory record-keeping requirements. Non-Records are not included in the Retention Schedule.

Preservation is stopping the disposition or disposal of Company Information (including all Records and Non-Records), and Tangible Objects relating to any threatened or pending investigation, audit, tax hold or litigation. Preservation is initiated by the Company through the issuing of a Legal Hold and is a separate process from the Company's regular Records Retention Schedule.

Record is information recorded on a tangible medium and intentionally retained and managed as evidence of an of an organization's activities, events, or transactions because of its ongoing business, operational, legal, regulatory, and/or historical value; and must be identified in the Records Retention Schedule.

Records and Information Management is the systematic control of Company Information, Records and Non-Records in all phases of their lifecycle from their creation, management, retention, preservation and disposal.

Convenience Copies are exact reproductions or Duplicate copies of a Record, which contain no additional markings of any kind, such as notes in the margins, handwriting, highlighting, or date stamping.

Retention is maintaining the accuracy, integrity, and trustworthiness of Company Records for specific periods of time to satisfy various business, legal, regulatory and compliance needs, as outlined by NU's Records Retention Schedule.

Retention Schedule is a comprehensive list of the Company's Records that need to be retained to satisfy various business, legal, regulatory and compliance requirements, and how long such Records need to be retained to satisfy those requirements.

Tangible objects include, but are not limited to, displays, videos, photographs, charts and other physical objects.

User is defined as all NU part time, full time, temporary employees, contract personnel retained by NU, and any third party that is the custodian of any Company information.