

STATE OF NEW HAMPSHIRE
BEFORE THE
PUBLIC UTILITIES COMMISSION

NEW HAMPSHIRE TRANSMISSION, LLC

DOCKET NO. _____

PETITION OF NEW HAMPSHIRE TRANSMISSION, LLC
FOR APPROVAL OF FINANCING

New Hampshire Transmission, LLC (“NHT”) respectfully petitions the New Hampshire Public Utilities Commission (“the Commission”) for approval of financing pursuant to RSA 369:1 and the Settlement Agreement approved in Order No. 24,321 in DE 03-186. NHT further requests that the Commission issue a final order granting the approvals requested herein no later than July 1, 2013. In support of its petition, NHT states the following:

Petitioner

1. New Hampshire Transmission, LLC is a public utility in New Hampshire for the purpose of operating the transmission substation on the grounds of the Seabrook nuclear power plant (“Seabrook Substation”), subject to the conditions set forth in the Settlement Agreement approved in Order No. 24,321 in DE 03-186, 89 NH PUC 267 (2004). See Order No. 25,105 issued on May 26, 2010 in DE 10-042, 95 NH PUC 235 (2010), approving the transfer of Seabrook Substation from Florida Power & Light Company to NHT. NHT is an 88.23% owner of the Seabrook Substation; the balance of the Seabrook Substation is owned

by Massachusetts Municipal Wholesale Electric Company, Taunton Municipal Lighting Plant, and Hudson Light & Power Department. NHT is a wholly owned subsidiary of NextEra Energy Transmission, LLC, which in turn is a wholly owned subsidiary of NextEra Energy Infrastructure, LLC (“NEEI”), which is a wholly owned subsidiary of NextEra Energy Capital Holdings, Inc. (“NextEra Capital”), which is a wholly owned subsidiary of NextEra Energy, Inc.

Background

2. Section II, 1 of the Settlement Agreement in DE 03-108 contained a provision that required:

“With respect to any financing of FPL-NED’s interest in the Seabrook Substation, including any borrowing or the issuance of any notes, bonds or other evidence of indebtedness or securities of any nature, being subject to the provisions of RSA 369 and other applicable regulatory laws of New Hampshire unless FPL or FPL-NED files with the Commission the appropriate certification of another regulatory agency as set forth in RSA 374-A:7, II(c) or any successor statute;”

3. RSA 369:1 requires that a “public utility lawfully engaged in business in this state may, with the approval of the commission but not otherwise, issue and sell its stock, bonds, notes and other evidences of indebtedness payable more than 12 months after the date thereof for lawful corporate purposes.” Under this statute the “proposed issue and sale of securities will be approved by the commission where it finds that the same is consistent with the public good.” This approval extends to “the amount of the issue authorized and the purpose or purposes to which the securities or the proceeds thereof are to be applied, and shall be subject to such reasonable terms and conditions as the commission may find to be necessary in the public interest.” Admin. Rule Puc 308.12 requires a utility to file a Form F-4, which includes a petition for approval of authority to issue securities.

4. This Commission has previously approved a financing and an amendment to that financing for NHT and its predecessor, FPL-NED. See Order No. 24,935 issued on January 30, 2009 in DE 08-164, 94 NH PUC 37 (2009), and Order No. 25,138 issued on August 12, 2010 in DE 10-062, 95 NH PUC 429 (2010). The first order approved a financing of \$36 million for certain planned reliability upgrade improvements at the Seabrook Substation and the second order approved a request to increase the authorized limit to \$63 million, also to finance the Seabrook Substation improvements. That indebtedness has since been paid down by NHT to a current level of approximately \$16 million (the "Current Obligation Amount").

Proposed Financing

5. NHT is seeking authorization to enter into an amended and restated loan agreement (the "New Loan Agreement") with NextEra Capital, NHT's lender and indirect parent company. NHT and NextEra Capital intend to consummate agreements for the financing shortly after NHT receives approval from this Commission and other necessary regulatory agencies. NHT wishes to issue long-term, secured debt securities in an aggregate principal amount not to exceed \$36 million during the two year period beginning no later than the closing date of such financing. The proceeds of the financing will be used by NHT to repay existing indebtedness to NextEra Capital, as previously described, to fund its share of future repairs and upgrades at Seabrook Substation and for other capital costs and operating expenditures. The Seabrook Nuclear Generating Station is an operating subsidiary of NextEra Capital and pays a percentage of the interest expense associated with any borrowings related to the assets included in its tariff with NHT. This financing is also

described in the prefiled testimony of Matthew S. Valle, which is attached as Exhibit 3, and which explains why the financing is for the public good. NHT is applying for approval from the Federal Energy Regulatory Commission pursuant to section 204 of the Federal Power Act in the same time frame as it is seeking approval from this Commission.

Seabrook Substation

6. The Seabrook Substation is a 345 kV Pool Transmission Facility operated as part of the transmission network of ISO New England, Inc. ("ISO-NE"). It interconnects the Seabrook Nuclear Generating Station, the largest single electric generation resource in New England, with three major 345 kV transmission lines that are key components of the backbone ISO-NE network. Even when the Seabrook Nuclear Generating Station is not operating, the transformer and interconnection facilities associated with the Seabrook Substation are essential to the reliable operation of the ISO-NE transmission network.

Form F-4 Statements

7. NHT proposes to use the net proceeds derived from the loans from NextEra Capital to repay existing indebtedness of approximately \$16 million, to fund its share of future repairs and upgrades at Seabrook Substation and for other capital costs and operating expenses.

8. Form F-4 requests certain information which is not applicable to this financing because of the form that the financing will take, i.e. a loan from an affiliated corporation. These items include a description and present amount of authorized and outstanding long term debt, a promissory note, and a statement of capitalization ratios after

giving effect to the proposed financing. There is no promissory note involved with this transaction.

9. Form F-4 also asks for a balance sheet adjusted for the financing, and a current income statement adjusted for the maximum amount of the financing. The financial statements are attached hereto as Exhibit 4. Attached as Exhibit 5 is the Written Consent of Sole Member, also required by Form F-4.

Exhibits

10. Attached hereto are the following exhibits:

Exhibit 1 – Draft Amended Loan Agreement

Exhibit 2 – Draft Security Agreement

Exhibit 3 – Prefiled testimony of Matthew S. Valle

Exhibit 4 – Financial Statements

Exhibit 5 – Written Consent of Sole Member

Conclusion

11. NHT believes and, therefore alleges, that the New Loan Agreement with NextEra Capital described in this Petition and the attachments hereto will be consistent with the public good and that NHT is entitled to enter into this financing agreement under RSA 369:1 for the purposes herein set forth.

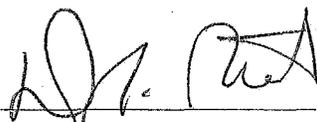
Prayer for Relief

Wherefore, NHT respectfully requests that the New Hampshire Public Utilities Commission:

- a) Find that the New Loan Agreement for the purposes set forth herein and in the manner and on the terms set forth herein is consistent with the public good;
- b) Pursuant to RSA 369:1 and the Settlement Agreement in DE 03-186, approve and authorize the financing in the manner and upon the terms set forth herein;
- c) Authorize NHT to do all things, take all steps, and execute and deliver all documents necessary or desirable to implement and carry out the proposed financing; and
- d) Grant the authorizations sought without a hearing, by an order Nisi to be final and effective no later than July 1, 2013, and take such further steps and make such further findings and orders as in its judgment may be necessary and consistent with the above-stated request.

Respectfully submitted,

NHT
By Its Attorneys

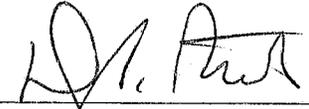


Douglas L. Patch
Orr & Reno, P.A.
One Eagle Square
Concord, N.H. 03302-3550
(603) 223-9161
dpatch@orr-reno.com

Dated: May 8, 2013

Certificate of Service

A copy of this Motion and Application has been served by email and first class mail this day of May 8, 2013 on the Office of Consumer Advocate.



Douglas L. Patch

Dated: May 8, 2013

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