CHAIRMAN Martin P. Honigberg

COMMISSIONER Robert R. Scott

EXECUTIVE DIRECTOR Debra A. Howland

STATE OF NEW HAMPSHIRE



PUBLIC UTILITIES COMMISSION 21 S. Fruit St., Suite 10 Concord, N.H. 03301-2429 TDD Access: Relay NH 1-800-735-2964

Tel. (603) 271-2431

FAX No. 271-3878

Website: www.puc.nh.gov

July 17, 2015

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

Re: DRM 14-234; Request for Rulemaking Pursuant to Puc 205.03 - Puc 2100
Affiliate Transactions Rules

Dear Ms. Howland:

Enclosed for filing please find seven copies of a letter confirming JLCAR's conditional approval of the Commission's final proposal in the above matter. Thank you.

Sincerely,

Michael J. Sheehan, Esq.

Milleela-

Staff Counsel

cc:

service list enclosure

## 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.

Executive.Director@puc.nh.gov
amanda.noonan@puc.nh.gov
camerinos@nhec.com
ddolan@nepga.org
denise.mckeen@puc.nh.gov
leszek.stachow@puc.nh.gov
matthew.fossum@eversource.com
michael.sheehan@puc.nh.gov
ocalitigation@oca.nh.gov
robert.bersak@nu.com
shennequin@nepga.org
tom.frantz@puc.nh.gov
wayne.jortner@oca.nh.gov

Docket #: 14-234-1 Printed: July 17, 2015

# **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.

#### STATE OF NEW HAMPSHIRE



#### **OFFICE OF LEGISLATIVE SERVICES**

STATE HOUSE 107 NORTH MAIN STREET, ROOM 109 CONCORD, NEW HAMPSHIRE 03301-4951

July 17, 2015

Public Utility Commission 21 South Fruit Street, Suite 10 Concord, NH 03301

Re: Conditional Approval of Final Proposal 2015-14

Dear Commission Members:

At its meeting on July 16, 2015, the Joint Legislative Committee on Administrative Rules (Committee) voted, pursuant to RSA 541-A:13, IV, to conditionally approve Final Proposal 2015-14 of the Public Utility Commission (Commission) containing Puc 2100 relative to affiliate transactions. The Committee's approval was conditioned on amending Final Proposal 2015-14 as specified in the Commission's conditional approval request dated July 13, 2015, and on moving and renumbering the text of Puc 2105.04(e)(9) and (10) to become Puc 2105.04(c)(24) and (25). A copy of the conditional approval request, with Committee staff's annotations, is included for your information.

Pursuant to RSA 541-A:13, V(a), you are required to submit a written explanation detailing how the rules have been amended in accordance with the conditional approval within 7 days of the date of the next regularly scheduled meeting of the Commission. Please contact the Office of Legislative Services when the date of the next meeting is established. The explanation shall include a letter and a text of the entire final proposed rule, annotated to show the amendments.

The explanation shall be reviewed by the Office of Legislative Services to determine whether the rules have been amended in accordance with the conditional approval and RSA 541-A:13, V(a). If it is determined that the rules have not been amended in accordance with the conditional approval and RSA 541-A:13, V(a), the conditional approval will be deemed a Committee vote to make a preliminary objection as of the date of the conditional approval, and you must respond to the preliminary objection as specified in RSA 541-A:13, V(a).

Public Utility Commission FP 2015-14 July 17, 2015 Page 2

Please be advised that you may not adopt the rules until the Office of Legislative Services sends written confirmation that your amendments are in accordance with the conditional approval and RSA 541-A:13, V(a).

If you have any questions concerning the provisions in RSA 541-A relative to objections, or adoptions, please call Scott Eaton at 271-3680.

Very truly yours,

Scott F. Eaton

Administrative Rules Director

Jill K. Sieveking

Director of Legislative Services

all K. Sieveking

SFE/JKS

Enc.

cc: Michael Sheehan, Esq., Staff Attorney, PUC

CHAIRMAN Martin P. Honigberg

COMMISSIONER Robert R. Scott

EXECUTIVE DIRECTOR Debra A. Howland

STATE OF NEW HAMPSHIRE



PUBLIC UTILITIES COMMISSION 21 S. Fruit St., Suite 10 Concord, N.H. 03301-2429 8-a

MM 7-13-15 TDD Access: Relay NH 1-800-735-2964

Tel. (603) 271-2431

FAX No. 271-3878

Website: www.puc.nh.gov

The proposed amendments remove the issues raised on the FP.

CONDITIONAL APPROVAL

REQUEST

2015-14

JUL 13 2015

July 13, 2015

### HAND DELIVERED

Michael A. Morrell, Esq.
Joint Legislative Committee on Administrative Rules
State House Annex, Room 219
25 Capitol Street
Concord, NH 03301

Re:

2015-14; Puc 2100, Affiliate Transactions Rules

JLCAR hearing July 16, 2015

Dear Mr. Morrell:

The Administrative Rules Office made three substantive comments to the Commission's Final Proposal for the Puc 2100 rules. I write to ask JLCAR to grant conditional approval of the rules. Enclosed with this letter is a copy of the rules in question annotated to show the amendments that the Commission would like the Committee to require as the condition for approval. Thank you.

Sincerely,

Michael J. Sheehan, Esq.

MAluekac

Staff Counsel

cc:

service list

# Conditional Approval Request, Puc 2100

Puc 2106.01

Edit. "(f)"

- (e) Any contract or arrangement not filed with the commission pursuant to this section shall be subject to the provisions of RSA 366:4 in assessing whether to approve the late filing of a contract under RSA 366:4, the commission shall take into account, in addition to the nature, extent, and gravity of the particular violation:
  - (1) The utility's prior history of violations of RSA 366 and these rules;
  - (2) The good faith efforts, if any, of the utility or affiliate to comply with RSA 366 and these rules;
  - (3) The nature and degree of economic benefit gained by the utility or its affiliate:
    - (4) Deterrence of future violations; and

(5) Such other factors that are relevant and material to the particular

circumstances of the violation.

Edit. "(h)"

(f) If a utility fails to provide the information required by Puc 2106 in the manner and time required, it shall be subject to the provisions of RSA 366:7. In assessing whether to disallow any payments or compensation to an affiliate pursuant to RSA 366:7 for violation of this rule, the commission shall take into account, in addition to the nature, extent, and gravity of the particular violation:

Edit. "(1)" - "(5)"

Edit. "(g)"

- (a) The utility's prior history of violations of RSA 366 and these rules;
- (b) The good faith efforts, if any, of the utility or affiliate to comply with RSA 366 and these rules;
  - (c) The nature and degree of economic benefit gained by the utility or its affiliate;
  - (d) Deterrence of future violations; and
- (e) Such other factors that are relevant and material to the particular circumstances of the violation.

Puc 2106.05

- (a) On the commission's own motion or upon receipt of a complaint, in order to verify that the utility is in compliance with these rules, and if it shall appear to the commission that the complaint alleges a violation of these rules or RSA 366 there are reasonable grounds therefor, the commission shall:
  - (1) Assign its staff to perform a review, investigation, or inquiry; or
  - (2) Order a compliance audit to be performed by its staff or by independent auditors.