STATE OF NEW HAMPSHIRE

Inter-Department Communication

NHPLIC 24JAN 17PM1:15

DATE: January 24, 2017 AT (OFFICE): NHPUC

FROM:

Rich Chagnon, Utility Analyst

SUBJECT:

Docket No. DE 17-001; Joint Petition of New Hampshire Electric Cooperative, Inc., and Eversource Energy to alter their franchise areas

in Sandown, New Hampshire

TO:

Debra A. Howland, Executive Director

Chairman Martin P. Honigberg Commissioner Robert R. Scott Commissioner Kathryn M. Bailey Tom Frantz - Director, Electric Division

Amanda O. Noonan, Director - Consumer Services & External Affairs

On January 3, 2017, the New Hampshire Electric Cooperative ("NHEC") and Eversource Energy ("Eversource") filed a joint petition with the New Hampshire Public Utilities Commission ("Commission") in which they requested the Commission issue an order approving a change in the franchise areas served by the two utilities in the town of Sandown, New Hampshire so as to accommodate the request of Eversource to have NHEC provide electric service to the Marchetti residence off Phillips Pond road.

The petition states that the public interest would be served by the amendment of their respective franchise areas in the area of Sandown so as to permit NHEC to provide service to all of the lots abutting Phillips Pond road, including lot 11and11-7 owned by the Marchetti family, located in Sandown Tax Map 6 ("Site").

The Site is located in what is Eversource's service territory and is presently served by Eversource. The lot has been served for many years by a three-phase submarine cable that crosses approximately 1,000 feet under Phillips Pond. The Marchetti' residence is the only customer being served by this submarine cable. Over the years, two of the three phases of the submarine cable have failed - leaving only one operational phase serving the Marchetti residence. Because two of the three phases that were all installed at the same time have failed, it is expected that the failure of the third phase is imminent.

NHEC's existing distribution facilities are located substantially closer to the Site and their accessibility to the Site is less restricted by wetlands than any existing Eversource facilities, other than the failing submarine cable. The extension of electric utility distribution services to the Site from NHEC's nearby facilities along Phillips Pond road is substantially less costly than the re-construction of a new submarine cable across the pond which would be required if service were still provided from Eversource's existing facilities on the opposite side of Phillips Pond.

Amending the franchise line as described would place all lots on Philips Pond Road within the franchise of a single utility.

NHEC and Eversource note that to the extent there is a cost associated with the connection of the Site to NHEC's facilities as a result of the proposed change, that any cost will be borne by Eversource and not by the Marchetti's. Given that any cost to connect the Site to NHEC's facilities is substantially less costly than other available options, Eversource believes that incurring such cost is reasonable and appropriate.

Eversource and NHEC understand that Mr. Marchetti agrees with these arrangements.

Staff has reviewed the petition and recommends that the Commission grant NHEC's and Eversource's petition to alter the franchise territory in Sandown to allow NHEC to provide service to all of the lots abutting Phillips Pond road, including lot 11 and 11-7 owned by the Marchetti family. Staff also recommends that the Commission grant such approval without hearing as all parties are in agreement. As authorized in RSA 374:26, when all parties agree, the Commission may grant the permission request without a hearing.

Please contact me if you have any questions or would like to discuss this matter.

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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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

EXEC 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.