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STATE OF NEW HAMPSHIRE



PUBLIC UTILITIES COMMISSION
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April 27, 2017

Michael J. Sheehan
Liberty Utilities
15 Buttrick Road
Londonderry, NH 03053

Re: DA 17-014 Liberty Utilities (EnergyNorth Natural Gas) Corp. d/b/a Liberty Utilities
Electric Affiliate Service Agreement with Park Water Corp.

Dear Mr. Sheehan:

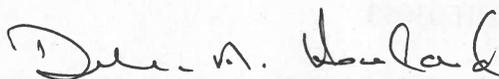
On January 24, 2017, Liberty Utilities (EnergyNorth Natural Gas) Corp. ("ENG") and Liberty Utilities (Granite State Electric) Corp. ("GSE") pursuant to RSA 366:3, filed an Affiliate Service Agreement ("the Agreement") between Liberty Utilities (Park Water) Corp. ("Park Water") and several Liberty entities including ENG and GSE. The Agreement states that Park Water, ENG and GSE are "regulated utilities that are subsidiaries within the Liberty Utilities Co. family of companies". Based on this statement, the Commission will treat these entities as affiliates under the definition of RSA 366:1

Under the terms of the Agreement, which is effective January 23, 2017, Park Water will provide information technology services and "any other services reasonably arising out of or related to such [s]ervices" to ENG and GSE. Park Water shall maintain adequate, transparent, books, records and supporting information in a manner sufficient to justify recovery of its related costs through the rates of ENG and GSE. Park Water will provide the services at actual cost, charged directly to ENG and GSE. Direct charges shall include fully loaded direct labor (i.e. including wages/salaries, insurance, taxes, pensions, and other employee welfare expenses). When a service cannot be directly charged, Park Water shall charge the cost to ENG and GSE based on a four factor allocation method implemented by the California Public Utilities Commission.

The Agreement will continue to be in effect unless terminated by either party, with 30 days written notice. The Agreement contains provisions designed to protect confidential and commercially sensitive information related to the operations and customers of ENG and GSE. The Agreement states that Park Water will provide any and all necessary supporting information relating the services to ENG and GSE, as requested by a relevant regulatory agency.

This letter serves as an acknowledgement that ENG and GSE, pursuant to the requirements of RSA 366:3, have filed an agreement between public utilities (ENG and GSE) and an affiliate (Park Water) for the provision of services in exchange for compensation that (is presumed to) exceed \$500. This acknowledgement does not constitute approval of any rate or revenue requirement change that may be claimed as a result of the service provided for in the Agreement. As any issue that may arise under the Agreement may be addressed in another docket or through the opening of a new docket, the Commission will not open an investigation at this time under RSA 366:5. The Commission will accept the Agreement as filed and will close this docket. Any further modifications of the Agreement must be filed with the Commission pursuant to RSA 366:3.

Sincerely,

A handwritten signature in black ink, appearing to read "Debra A. Howland". The signature is fluid and cursive, with a large, stylized initial "D".

Debra A. Howland
Executive Director

cc: Service List (Electronically)
Docket File

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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Docket #: 17-014-1 Printed: April 27, 2017

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.**