

STATE OF NEW HAMPSHIRE**Inter-Department Communication****DATE:** April 4, 2018
AT (OFFICE): NHPUC**FROM:** David Goyette, Utility Analyst III**SUBJECT:** DA 17-188, Liberty Utilities Affiliate Contract - Money Pool Agreement**TO:** Debra Howland, Executive Director

On December 1, 2017, Liberty Utilities (EnergyNorth Natural Gas) Corp. and Liberty Utilities (Granite State Electric) Corp., both d/b/a Liberty Utilities (Liberty Utilities or Liberty), filed a money pool agreement (Agreement) between Liberty Utilities Co (LUCo) and several subsidiaries of LUCo, including Liberty Utilities (EnergyNorth Natural Gas) Corp. and Liberty Utilities (Granite State Electric) Corp. pursuant to RSA 366:3.

Liberty Utilities stated that the purpose of the Agreement is to create a money pool to enable LUCo subsidiaries to borrow funds from and lend funds to the pool on a short-term basis. Liberty states that, under the agreement, LUCo will not borrow from the fund but may lend to the fund; the agreement will not impact the short-term debt limit of Liberty Utilities; and the agreement will provide Liberty Utilities with a lower cost source of short-term debt and a higher return on excess funds loaned to the money pool. According to Liberty's response to a Staff data request, the Agreement, which was executed on November 27, 2017, will not become operational until instructions regarding the Agreement are provided to LUCo's financial institution, which is expected to occur during the first quarter of 2018.

Staff reviewed Liberty's filing and its responses to Staff's data requests and believes that the Agreement will benefit Liberty Utilities and its customers. Staff did not identify any detrimental effects the Agreement could have on Liberty Utilities or on Liberty Utilities' customers. Therefore, Staff recommends that the Commission acknowledge receipt of this Agreement pursuant to RSA 366:3 and take no action regarding the filing at this time. If any issues related to the agreement do arise, Staff can request that a formal investigation be opened, either as part of an existing proceeding or under a new docket. Staff, thus, recommends that the Commission issue a Secretarial Letter accepting the Agreement as filed and closing the docket.

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
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.