

**THE STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION**

DE 12-363

**NEW ENGLAND ELECTRIC TRANSMISSION CORPORATOIN AND
NEW ENGLAND POWER COMPANY**

**Petition for Authority to Transfer Certain Assets Associated with the
Monroe HVDC Phase I Converter**

NOTICE OF ORDER *NISI* NO. 25,474

March 19, 2013

On December 21, 2012, New England Electric Transmission Corporation (NEET) and New England Power Company (NEP) jointly filed a Petition for Authority to Transfer Certain Assets Associated with the Monroe HVDC Phase I Converter Facility located in Monroe New Hampshire. The petition was filed pursuant to RSA 374:30, which requires a public utility to seek Commission approval for the transfer or lease of any part of its facilities located in New Hampshire. The petition and subsequent docket filings, other than any information for which confidential treatment is requested of or granted by the Commission, is posted to the Commission's website at <http://www.puc.nh.gov/Regulatory/Docketbk/2012/12-363.html>.

The Petitioners are both wholly-owned subsidiaries of National Grid USA. NEET was formed to build, own and operate six miles of high voltage direct current transmission line and the Monroe alternating current /direct current converter facility (HVDC Phase I Converter) in Monroe, New Hampshire, built in 1986 as part of the Hydro-Quebec and New England HVDC interconnector project. NEP owns and operates approximately 2,400 miles of transmission facilities in various New England states, including New Hampshire.

The proposed transfers are as follows: (1) NEET proposes to transfer to NEP certain VAR support facility assets associated with the HVDC Phase I Converter Facility and other

limited assets for the price of \$1.00 (the price being based on the fact that these facilities have been fully depreciated); and (2) NEET and NEP propose to transfer to TransCanada certain communications-related assets, separately owned by NEET and NEP, that were previously used for communication between the HVDC Phase I Converter Facility and NEP's transmission facilities that are no longer needed because of the retirement of the converter station. On January 28, 2013, the Petitioners filed an affidavit identifying additional assets to be transferred. The Federal Energy Regulatory Commission approved the elements of the proposed transaction under its jurisdiction on January 15, 2013.

On March 4, 2013, Staff noted that the prices for the assets were reasonable and recommended that the Commission approve the petition as modified by the January 28, 2013 filing.

Based on the information in the petition and supplement and Staff's recommendation, the Commission found the transfers to be in the public interest, consistent with the requirements of RSA 374:30. The Commission approved the petition as modified by the January 28, 2013 filing on a *nisi* basis.

All persons interested in responding to the Order *Nisi* may submit comments or file a written request for a hearing which states the reason and basis for a hearing no later than March 29, 2013 for the Commission's consideration; and any party interested in responding to such comments or request for hearing shall do so not later than April 3, 2013. The Order *Nisi* shall be effective April 5, 2013 unless NEET and NEP fail to satisfy the publication obligation set forth in the full order, or the Commission provides otherwise in a supplemental order issued prior to the effective date.