

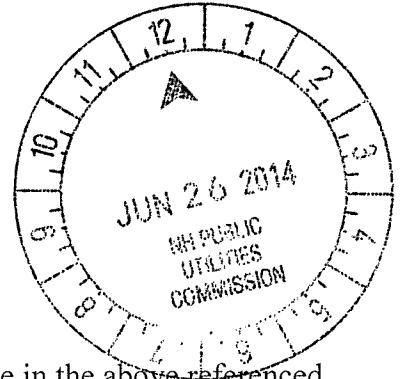
**STATE OF NEW HAMPSHIRE PUBLIC UTILITIES COMMISSION  
INTER-DEPARTMENT MEMORANDUM**

Date: June 26, 2014

**TO:** Commissioners

**FROM:** Marcia A. Brown, Hearing Examiner

**RE:** DG 14-155 Joint Petition for Authority to Transfer  
New Hampshire Gas Corporation



**HEARING EXAMINER'S REPORT**

At your request, I presided over the June 26, 2014 prehearing conference in the above-referenced case.

On June 6, 2014, Iberdrola USA Enterprises, Inc.; New Hampshire Gas Corporation, and Liberty Utilities Corporation (Owner of EnergyNorth Natural Gas) filed for approval to transfer all of the stock of New Hampshire Gas Corporation from Iberdrola to EnergyNorth. This is a cash transaction, there is no financing requested associated with this stock transfer. EnergyNorth essentially expects to maintain the same franchise area, employees, and rates. EnergyNorth reserves the right to file a petition to consolidate rates at a later date.

**Appearances**

Patrick Taylor, Esq. for Iberdrola USA Enterprises, Inc.  
Sarah B. Knowlton, Esq. for Liberty Utilities, Corp. (EnergyNorth Natural Gas)  
Rorie E.P. Hollenberg, Esq. for the Office of the Consumer Advocate (OCA)  
Mr. Michael Jesanis, for HotZero (petitioning intervenor)  
Michael Sheehan, Esq. for Commission Staff

**Affidavits of Publication**

The Joint Petitioners filed, by the deadline prescribed, an affidavit of publication showing the notice was published, no later than the June 18<sup>th</sup> deadline, in newspapers of general circulation in the Keene area.

**Intervention Requests**

HotZero filed a timely petition to intervene on June 24, 2014. According to its petition, HotZero seeks to establish a hot water district energy system in Keene. Its goal is to lower heating costs in New Hampshire through the development of hot water districts. HotZero's intervention

request is based on its interest in the rate plan and ensuring, post-transfer, that Liberty keeps track of NHGC's costs so that if and when Liberty petitions to consolidate rates, HotZero can assess whether consolidation is beneficial to NHGC customers. HotZero acknowledged that the rate plan is not before the Commission but averred that the plan must somehow relate to the benefits of the transfer, otherwise Liberty would not have included the issue in testimony. HotZero stated that if the Commission is going to give the rate plan weight in its determination on the stock transfer, then HotZero wants to participate in the proceeding.

The OCA did not object to the intervention request.

Staff argued that HotZero's request did not appear to satisfy RSA 541-A:32, I and intervention by right, but that it did appear to satisfy RSA 541-A:32, II and that the Commission could grant permissive intervention.

Liberty argued that HotZero did not satisfy the requirements of intervention but that if the Commission did grant intervention, Liberty requested the Commission limit HotZero's participation to the issue of the rate plan. Iberdrola adopted Liberty's position on the intervention.

### **Motion for Confidential Treatment**

There was no opposition to the motion.

The OCA stated that it did not oppose the motion so long as the requested material is also treated as confidential in Superior Court. If the Commission grants the motion, the OCA will abide by the confidential treatment and will expect to have access to the confidential information.

HotZero did not oppose the motion and stated it had no need to have access to the confidential information.

Staff did not object to the motion.

### **Initial Positions**

Iberdrola and Liberty summarized the arguments in their petition.

Staff stated that on its face, the petition did not demonstrate that the stock transfer will not have an adverse impact. Staff stated that it will fully evaluate the joint petition and will conduct discovery. Staff stated that it was concerned with the impact on Liberty's existing customers and the impact of any future rate plan.

The OCA also stated that it was concerned with how the stock transfer will impact Liberty's existing customers. The OCA will review the petition to see if it meets the public good standard and will assess whether there is no net harm.

HotZero stated that it does not object to the transfer of NHGC from Iberdrola to EnergyNorth. HotZero stated that the benefits that will likely result to NHGC customers warrant the Commission approving the petition. HotZero reiterated that it is concerned with the rate plan (See testimony of Stephen R. Hall, at page 3, wherein he states Liberty will consider phasing NHGC to Liberty's rates over a "period of two or more years.")

### **Technical Session**

Staff and the parties planned to meet in a technical session following the prehearing and will file a proposed procedural schedule shortly.

### **Recommendations**

The Commission grant the motion for confidential treatment and rule on HotZero's intervention request.

By Marcia A. Brown  
Marcia A. Brown, Hearing Examiner

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**SERVICE LIST - EMAIL ADDRESSES - DOCKET RELATED**

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**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  
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- 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.**