



The Senate of the State of New Hampshire

107 North Main Street, Concord, N.H. 03301-4951

SENATOR JEANIE FORRESTER

August 2, 2013

Debra A. Howland, Executive Director
NH Public Utilities Commission
21 South Fruit Street, #10
Concord, New Hampshire 03301



Dear Ms. Howland:

I recently received a letter from Donna Gamache, Director of Governmental Affairs for PSNH (see attached) inviting me to attend an informational luncheon to learn about the Northern Pass project. By using PSNH resources, it appears that PSNH ratepayers are subsidizing this project.

As the Senator for District 2, I am writing to ask the PUC to examine the relationship between Public Service of New Hampshire and the Northern Pass LLC project.

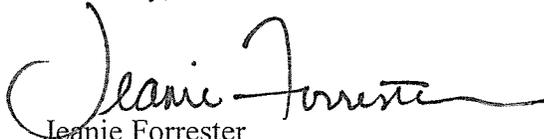
Specifically, can you address the following:

- 1) Are PSNH ratepayer funds being used to support Northern Pass project expenses, including project development, lobbying, real estate acquisitions and public relations costs? Northern Pass claims to have spent \$52 million through June 30, 2012; they claim they will have spent over \$70 million by the end of the calendar year. Ratepayers should have a right to know who is fronting these dollars, to assure that the money is not coming from their pockets. At the moment, ratepayers are easily confused as to who is paying for what services by the use of PSNH staff to manage and staff the Northern Pass project.
- 2) Is there some relationship between PSNH and Northern Pass Transmission LLC that is governed by a contract that spells out the terms by which PSNH is reimbursed for the time and expenses invested by PSNH and its employees in advancing the Northern Pass project? If so, who are the parties to these contracts, what are the terms and conditions of the contracts, and who is paying whom for which expenses incurred? And, is there a sufficient accounting that clearly documents that these contracts are in fact being closely monitored and adhered to?

- 3) If PSNH has the staff time to allocate significant resources to the non-regulated side of their business, and specifically to Northern Pass, how can ratepayers be assured that the regulated side of the business is not overpaying for resources allocated to the regulated side of the ledger? Does the Public Utilities Commission oversee this set of issues under current state law? If so, are there any documents or reports that explain how PSNH manages this that are available to the public?
- 4) Finally, who decides if and when the resources of the regulated part of PSNH are being improperly used for non-regulated activity? How is information gathered and assessed to document that ratepayer interests are being monitored and protected?

Thank you for your attention to this inquiry. Any PUC review of these issues should be transparent and prompt. It should also seek input from any and all stakeholders with an interest in these issues. I encourage you to call me directly if you would like to discuss in more detail or have questions. My cell is 380.2523.

Sincerely,



Jeanie Forrester
NH State Senate, District 2
107 North Main Street, Room 302
Concord, New Hampshire 03301-4951

Attachment