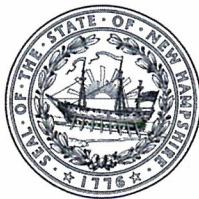


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Debra A. Howland

STATE OF NEW HAMPSHIRE



PUBLIC UTILITIES COMMISSION

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January 16, 2015

Stephen P. Frink
Assistant Director, Gas & Water Division
NH Public Utilities Commission
21 S. Fruit St., Ste. 10
Concord, NH 03301

Re: DRM 14-362, Puc 1604.07(t) Working Capital
Proposed Rule Change

Dear Mr. Frink:

On December 11, 2014, you filed a memorandum, recommending revisions to N.H. Code Admin. Rules Puc 1604.07(t), the Commission's rule for determining working capital in the context of a full rate case. Puc 1604.06(a) requires utilities, as part of a filing for a full rate case, to "complete and submit to the commission the 'Filing Requirement Schedules', the requirements of which are set forth in detail in Puc 1604.07." As currently written, Puc 1604.07(t) allows the utility to choose between basing its "Schedule 3A - Working Capital" on a "detailed lead-lag study or a formula based on the length of ½ of the utility's billing cycle plus 30 days." You recommend that Puc 1604.07(t) be revised to require utilities with gross revenues greater than \$10,000,000 to base its working capital calculation on a lead/lag study.

The Commission agrees with your recommendations to revise Puc 1604.07(t). Therefore, Commission Staff is hereby directed to prepare and file an Initial Proposal for the Commission's consideration and publication and to take such other steps as is necessary to effectuate the recommended rule revision.

Sincerely,

A handwritten signature in blue ink, appearing to read "Debra A. Howland".

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 #: 14-362-1 Printed: January 16, 2015

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.