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NEPUC IMPR'17PH4: TO

March 1, 2017

Debra A. Howland Executive Director New Hampshire Public Utilities Commission 21 South Fruit Street, Suite 10 Concord, NH 03301-2429

RE: DE 15-089, Public Service Company of New Hampshire d/b/a Eversource Energy

Line Extension Policy
Line Extension Rate Filing

Dear Director Howland:

On September 18, 2009, a settlement agreement relating to the line extension policy of Public Service Company of New Hampshire d/b/a Eversource Energy ("Eversource") was filed with the Commission in Docket No. DE 08-135. The Commission approved the policy as contained in the settlement agreement in Order No. 25,046 (November 20, 2009). Under the policy as set out in the settlement, Eversource was to phase-in, over three years, new line extension charges based upon a specified cost per foot. The phase-in period ended March 31, 2013, after which time the settlement provided a methodology for calculating the cost per foot that would apply to line extensions.

Pursuant to the settlement, at Section B.2., Eversource is to calculate the average cost per foot by construction type for the period April 1 through March 31 of each year using an average of actual costs from the three prior years. The settlement provides a specific method for calculating and updating the three year average. In this filing, Eversource provides the technical statement of Janet R. Kelliher to report on the average cost per foot calculations applicable to the period April 1, 2017 through March 31, 2018 as called for in the settlement agreement.

In addition, the settlement agreement required Eversource to provide a report to the settling parties summarizing certain information relating to line extensions by March 1 of each year, beginning in 2013. This filing incorporates the report due to the settling parties.

Eversource notes that it did not file a similar update in 2016. On February 25, 2015, Eversource submitted its required update, which the Commission docketed as Docket No. DE 15-089. On June 25, 2015, the Commission issued Order No. 25,796 in Docket No. DE 15-089 rejecting Eversource's tariff in light of the on-going generic investigation in Docket No. IR 14-190. Eversource thereafter requested a waiver from the annual filing requirement pending resolution of Docket No. IR 14-190, which the Commission granted by Secretarial Letter on April 6, 2016 in Docket Nos. DE 08-135 and DE 15-089. On July 26, 2016, the Commission

¹ By a secretarial letter dated March 18, 2015 in the above-referenced docket, Docket No. DE 08-135 was deemed closed and replaced by Docket No. DE 15-089.

issued Order No. 25,926 in Docket No. IR 14-190 which resolved the outstanding issues in that docket. Accordingly, in that Eversource's waiver only extended to the conclusion of Docket No. IR 14-190, it now resumes annual filings consistent with the settlement in Docket No. DE 08-135.

Thank you for your assistance with this matter. Please do not hesitate to contact me with any questions.

Very truly yours,

Matthew J. Fossum Senior Counsel

Enclosures cc: Service list

MW 3/2/17