

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

DG 10-139

ORDER OF NOTICE

On May 17, 2010, EnergyNorth Natural Gas, Inc. d/b/a National Grid NH (National Grid or Company) filed with the Commission its fiscal year 2010 (April 1, 2009 – March 31, 2010) Cast Iron/Bare Steel (CIBS) Replacement Program Results. As a result of work completed in fiscal year 2010, National Grid seeks a permanent increase in its base distribution rates of \$479,462 effective for usage on an after July 1, 2010. The program results and request for a rate increase are filed pursuant to the merger settlement agreement in Docket No. DG 06-107 and approved by the Commission in *National Grid plc, et al.*, Order No. 24,777 (July 12, 2007). Further filings in this docket may be found on the Commission's website at:
<http://www.puc.nh.gov/Regulatory/Docketbk/2010/10-139.htm>.

The filing contained the following information: (1) a report on actual cast iron/bare steel capital spending for fiscal year 2010; (2) a proposed \$479,462 increase in the annual revenue requirement to be recovered through distribution rates effective for usage on and after July 1, 2010; and (3) an explanation of differences from the fiscal year 2010 budget. In reporting its actual expenditures and the amount sought for recovery through the CIBS program, the Company noted that it was only seeking recovery for those items completed and placed in service between July 1, 2009 and March 31, 2010 and that the costs for the projects completed between April 1, 2009 and June 30, 2009 are included in the Company's pending request for a base distribution rate increase in Docket No. DG 10-017.

In the attachments supporting the filing, National Grid calculated that the requested \$479,462 increase to its annual revenue requirement represents a 0.32 percent increase to distribution rates. On an overall bill basis, the increase to a residential heating customer would be \$3.98 for a customer using 1,250 therms per year, representing a 0.25 percent increase.

The filing raises, *inter alia*, issues related to whether National Grid's filing conforms to the requirements of the merger settlement agreement, whether National Grid has appropriately accounted for the costs of the CIBS replacement program, whether National Grid's CIBS-related forecasts, budgets and actual expenditures are reasonable and appropriate, whether terms of the program should be modified, and whether the resulting rates are just and reasonable as required by RSA 378:5 and 378:8. Each party has the right to have an attorney represent them at their own expense.

Based upon the foregoing, it is hereby

ORDERED, that National Grid, Staff of the Commission and any intervenors hold a technical session on June 3, 2010 at 9 a.m. at the offices of the Commission located at 21 S. Fruit St., Suite 10, Concord, New Hampshire; and it is

FURTHER ORDERED, that a hearing be held before the Commission located at 21 S. Fruit St., Suite 10, Concord, New Hampshire on June 18, 2010 at 10:00 a.m.; and it is

FURTHER ORDERED, that pursuant to N.H. Admin. Rules Puc 203.12, National Grid shall notify all persons desiring to be heard at this hearing by publishing a copy of this Order of Notice no later than May 28, 2010, in a newspaper with general circulation in those portions of the state in which operations are conducted, publication to be documented by affidavit filed with the Commission on or before June 18, 2010; and it is

FURTHER ORDERED, that pursuant to N.H. Admin. Rules Puc 203.17, any party seeking to intervene in the proceeding shall submit to the Commission seven copies of a Petition to Intervene with copies sent to National Grid and the Office of the Consumer Advocate on or before June 15, 2010, such Petition stating the facts demonstrating how its rights, duties, privileges, immunities or other substantial interest may be affected by the proceeding, as required by N.H. Admin. Rule Puc 203.17 and RSA 541-A:32,I(b); and it is

FURTHER ORDERED, that any party objecting to a Petition to Intervene make said Objection on or before June 18, 2010.

By order of the Public Utilities Commission of New Hampshire this twenty-fourth day of May, 2010.



Debra A. Howland
Executive Director

Individuals needing assistance or auxiliary communication aids due to sensory impairment or other disability, should contact the Americans with Disabilities Act Coordinator, NHPUC, 21 S. Fruit St., Suite 10, Concord, New Hampshire 03301-2429; 603-271-2431; TDD Access: Relay N.H. 1-800-735-2964. Notification of the need for assistance should be made one week prior to the scheduled event.