



IR 14-196

The Senate of the State of New Hampshire

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

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SENATOR JEANIE FORRESTER

September 5, 2013

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

Dear Ms. Howland:

I have been copied on a letter addressed to you from Robert Bersak, Assistant Secretary and Associate General Counsel for PSNH, dated August 15th, 2013, regarding my inquiry of using PSNH resources to subsidize the Northern Pass project.

While I appreciate Mr. Bersak's time and response, I am disappointed that several of my questions have been unanswered, specifically by the PUC. Furthermore, my letter was never intended to be a "complaint," but rather an inquiry into the relationship between Public Service of New Hampshire and Northern Pass.

I am writing again to ask that the New Hampshire Public Utilities Commission 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?

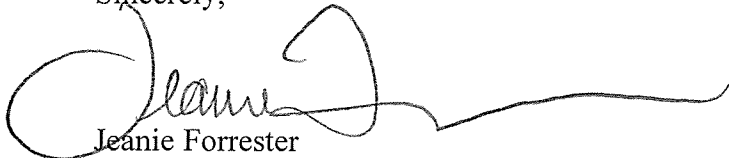
- 3) If PSNH has the staff time to allocate significant resources to the non-regulated side of their business, and specifically to Northern Pass, how can ratepayers be assured that the regulated side of the business is not overpaying for resources allocated to the regulated side of the ledger? Does the 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) 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?

In addition to my original questions, can you also answer the following?

- 5) Since my letter, dated August 2, to you, PSNH customers statewide have received the enclosed insert in their utility bills. Are ratepayers paying for the printing and distribution of this document, or does Northern Pass pay? How is a ratepayer to know for certain?
- 6) Finally, how is the PUC monitoring these transactions so that it can assure ratepayers that their pocketbooks are being properly and fully protected? Is it the PUC's responsibility to maintain a current and accurate information file of PSNH's activities?

I remain concerned that the PUC has not provided ratepayers any assurances that they are protected and I maintain that any PUC review of these issues should be transparent and prompt. If the PUC is unable or unwilling to answer these questions, I would appreciate being notified of such. If you would like to discuss this in more detail or have questions, please call my cell phone: 380.2523.

Sincerely,



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

Attachment



Public Service
of New Hampshire

A Northern Utilities Company

LIVING WITH ENERGY



ENERGIZING NEW HAMPSHIRE'S FUTURE

As you may have heard, PSNH's affiliate, Northern Pass, has announced a new proposed route for a transmission project that will bring clean, low-cost energy from Canada to New Hampshire and New England. But did you know that, if approved, the 1,200 megawatts of clean energy that will come primarily from renewable hydroelectric resources will be able to power about a million homes? Beyond the availability of this renewable power source, Northern Pass also provides substantial economic benefits to New Hampshire, including:

—an estimated \$20-\$35 million in annual energy cost savings for consumers

—about 1,200 construction jobs over the project's construction period, with a commitment to hire NH labor

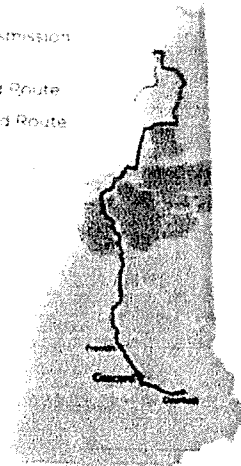
—An estimated \$28 million annually in new local, state, and county tax revenues

The new proposed route was developed in response to feedback that Northern Pass received from residents and communities about potential view impacts and property rights. It includes a new proposed North Country route that follows a more easterly path and includes partial underground construction within developed public transportation corridors. The remaining 147 miles of the 187-mile project would be located on PSNH's existing rights-of-way, where transmission and distribution lines are located today.

The Northern Pass is a rare opportunity to utilize a 'green' energy solution that can meet our growing energy demands, help lower energy costs, protect us from the risks of overreliance on fossil fuels, and boost the New Hampshire economy—and all with no cost passed on to customers. There's a lot to discover about energizing New Hampshire's future. For complete details on the Northern Pass, and for regular updates on the project, visit: www.northernpass.us.



- Existing Transmission Right-of-Way
- Old Proposed Route
- New Proposed Route



UNDERSTANDING THE ON YOUR BILL

PSNH offers a brochure that summarizes electric rates to help you better understand the charges on your bill. This brochure is available on psnh.com. Just click on *Residential*, then *Rates and Tariffs*. From there, choose *PSNH Rate Summary*. Or you can email PSNHreq@PSNH.com and request a *Summary of Rates* brochure.

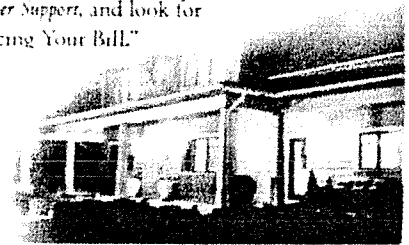
WHY YOUR MONTHLY BILL MAY BE LOWER

For many PSNH customers, this month's electric bill may be lower than what it has been recently. That's because on July 1, the NH Public Utilities Commission approved PSNH's request to reduce the Energy Service portion of our customers' bill by nearly 10 percent—8.62 cents per kilowatt hour (kWh), down from 9.54 cents/kWh.

PSNH's Energy Service rate is set twice a year by state regulators, and reflects the company's actual cost of producing or purchasing the energy necessary to meet customer demand. So, why the lower rate as of July 1? It's a result of the continued efficient operation of PSNH's diverse power generation facilities during the first quarter of this year. In fact, PSNH Energy Service customers saved more than \$42 million compared to the market price of energy during the first part of 2013.

The decrease in the Energy Service rate, combined with adjustments to three other rate components, will result in a total reduction of more than five percent in a monthly bill for residential customers who purchase energy from PSNH and consume 500 kWh/month. That translates to \$4.68 less per month.

Lower rates and lower monthly bills are always great news. But did you know you can save even more? To find out how, visit our website at www.psnh.com. Click on *Customer Support*, and look for "Tips for Reducing Your Bill."



Net Metering Rate for Renewable Energy Source Generation

A special billing option is available to any customer with a generator that produces electricity using a renewable energy source such as biomass, solar, wind, or water, and that has a capacity of 1,000 kilowatts or less. Under the Net Energy Billing option, a customer's monthly bill amount will reflect the difference between the power they generated and the power they used from PSNH during that month.

For more information on Net Energy Billing, please call PSNH at 603-634-2312, visit our website at psnh.com/net-meter, email us at NetMeters@PSNH.com, or write us at: PSNH, Supplemental Energy Sources Department, P.O. Box 330, Manchester, NH 03105.

Ask to See an ID

If someone comes to your door and says that he or she is a representative of PSNH, be sure to ask to see his or her identification card. Even though the vehicle they're driving may not have a PSNH logo, each PSNH employee is required to carry their identification card and should have it readily available to show you. The PSNH ID is similar in size to a driver's license with a color photo and name of the employee.

When in doubt, don't hesitate to call PSNH at **1-800-662-7764**. Our customer service representatives can check your account to verify an authorized PSNH employee is scheduled to be there. If you are scheduled for a meter reading, you may also check this yourself by looking for the "next meter read" date in the top right corner of your current electric bill.

It is a good practice to always ask to see some kind of identification from any unfamiliar person who comes to your door. Legitimate company representatives will be more than happy to show some proof of the business or service company they represent.



Public Service
of New Hampshire

A Northeast Utilities Company

Supporting Your Life In Every Moment



LIVING with Energy is published for PSNH customers.
280 North Commercial Street, Manchester, NH 03101
Ready to serve you 24 hours a day 1-800-662-7764

