

Professional Association

11 South Main Street, Suite 500 Concord, NH 03301 Tel: 603.226.0400 www.mclane.com

PATRICK H. TAYLOR Direct Dial: (603) 628-1266 Email: patrick.taylor@mclane.com Licensed in NH and MA

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OFFICES IN: MANCHESTER

CONCORD

PORTSMOUTH

Debra A. Howland Executive Director and Secretary New Hampshire Public Utilities Commission Walker Building 21 S. Fruit Street, Suite 10 Concord, NH 03301-2429

Re: DG 10-017; National Grid NH 2010 Gas Rate Case

Dear Ms. Howland:

At the April 8, 2010 technical session in the above-referenced docket, Commissioner Ignatius asked EnergyNorth Natural Gas, Inc. d/b/a National Grid NH (the "Company") to report back to the New Hampshire Public Utilities Commission (the "Commission") regarding whether the ruling in Order No. 25,037 (<u>Public Service of New Hampshire</u>, DE 09-035, October 30, 2009) has any effect on the Company's motion for confidential treatment of officer compensation. Having reviewed the Order and analyzed its potential applicability to the Company's motion for confidential treatment, the Company wishes to maintain its motion without amendment.

In its motion, the Company requested that the Commission grant confidential treatment to compensation information for the Company's officers and directors provided in its rate case filing pursuant to Puc 1604.01(a)(14). The Company's position is that this confidential compensation information is exempt from disclosure as a governmental record pursuant to RSA 91-A:5, IV, which protects "personnel . . . and other files whose disclosure would constitute an invasion of privacy." As the Company explains in its motion, this information is not disclosed to the public, and disclosure would compromise the privacy of the officers to whom it relates as well as place the Company at a competitive disadvantage and potentially disrupt relations among employees of the Company.

The Company further noted in its motion that the Commission commonly grants requests for confidential treatment of officer and director salary information, citing *Pub. Serv. Co. of*

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N.H., DE 06-028, Order No. 24, 750 at 26 (May 25, 2007). The Commission reaffirmed this policy in Order 25,037, explaining that "officers whose compensation . . . information is not publicly disclosed elsewhere have a privacy interest in maintaining the confidentiality of their compensation." *Pub. Serv. Co. of N.H.*, DE 09-035, Order No. 25,037 at 9 (October 30, 2009). However, the Commission noted that confidential treatment cannot be granted to officer compensation already made public in other filings. *Id.* at 10. The Commission then declined to extend confidential treatment to the total compensation of two major officers whose full annual salaries had already been publicly disclosed, ruling that "the compensation of officers and directors already made public, in whole or in part, shall be publicly available in all of its parts." *Id.*

In this case, neither the full annual salaries nor the total compensation of the officers and directors listed in the Company's rate case filing have been publicly disclosed in any agency filing or other comparable forum. In its Annual Returns to the Commission for the years 2008 and 2009, the Company disclosed the portion of the officers' compensation for each respective year that was allocated to the Company. However, only relatively small allocated amounts were disclosed with respect to each officer (e.g., \$5,804 to the Executive Vice President in 2008), and the full annual salaries and total annual compensation of the Company's officers remain private. The officers' actual salary and compensation information cannot be extrapolated from the partial allocated amounts disclosed to the Commission by the Company, and they retain a privacy interest in the confidentiality of their compensation that outweighs the public's interest in it.

Accordingly, the Company continues to request that the Commission grant its motion for confidential treatment of officer and director salaries provided in the Company's rate case. Please do not hesitate to contact me should the Commission have any further questions with respect to this motion.

Sincerely.

Patrick H. Taylor

cc: Meredith A. Hatfield, Esq. Alan Linder, Esq. Celia B. O'Brien, Esq. Matthew Fossum, Esq.