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To: PUC:
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February 1, 2017

Debra A. Howland, Executive Director
New Hampshire Public Utilities
puc@puc.nh.gov attn: Executive Director

Docket Number DG 16-827

Thank you for this opportunity to express my opinion regarding the Joint Petition to Establish Interconnection/Transition Fund for Non-Governmental Concord Steam Customers.

For the record I am stating that in commenting on DG 16-827 that I am not representing any elected body or any board or commission of any municipality. The opinions I am expressing here are mine and are not related to any elected position that I hold or any board or commission that I am a member of. I am currently a customer of Liberty Utilities.

When I first became aware of Concord Steams (CSC) demise, my immediate concern was for the impact it would have on their customers. I expressed my concern that the costs for CSC customers to convert to natural gas through Liberty Utilities should not exceed their current utility costs, before this winters rate increase. I further stated that their costs after conversion should be amortized over ten year to determine CSC customers current costs in relation to their conversion to natural gas, with the inclusion of the cost of a natural gas fired boiler.

Both our City Manager and Senator Feltes looked for a method to establish a fund for CSC customers to assist in their conversion costs. These concerns led to Senator Feltes filing of the Joint Petition to Establish Interconnection/Transition Fund for Non-Governmental Concord Steam Customers.

As I stated earlier my sentiment for establishing a fund is to insure that no CSC customer should be paying more then they are currently. With this in mind I am taking the liberty to make a number of suggestions regarding the use of the fund, should it receive approval from the PUC.

Since it will be Liberty Utility customers who will be paying for this fund I believe it is only fair that in determining who is eligible for funding be based on the costs of converting from CSC to a steam fired natural gas boiler.

If CSC customers conversion to a natural gas fired steam boiler costs will be higher than they are currently paying to CSC (before this winters rate increase) I believe they should be eligible to apply to the fund to make up the difference between their new costs and what they are currently paying. (Again, with the cost of the conversion amortized for up to ten years.)

If a CSC customer decides to use a different heating or hot water system or convert from steam to hot water and this would incur additional costs, I do not feel that those costs should be mitigated by the fund. However if a CSC customers costs would be higher to convert to a natural gas steam boiler then they are currently paying to CSC then I feel they should be eligible to apply to the fund for that differential even if they decide to convert to a heating source other than natural gas and/or steam.

I believe the fund can be used to insure that no CSC customer are further burdened for their heating and hot water costs than they have been as CSC customers. I believe the goal of the fund should be to protect CSC customers from an even greater financial hardship, but not to be used as a windfall to further reduce costs below their current costs as CSC customers, after their conversion to a natural gas fired steam boilers.

Based on some of the information that has been submitted to the PUC it appears that some CSC customers will have lower utility bills than they are currently paying to CSC even after their costs for converting to natural gas (with conversion costs amortized for up to ten years). I do not envision that these CSC customers would be eligible for the fund.

If there are extraordinary circumstances where a CSC customer was unable to amortize their conversion costs for up to ten years and that resulted in higher costs and they had exhausted other avenues of financing and/or grants I would be open to those CSC customers having access to the fund.

Should the PUC agree to the fund, I would suggest that the money for the fund be held by Liberty Utilities. Disbursement of the fund would only occur after a review process to determine eligible CSC customers. Whether the funding would go directly to former CSC customer from Liberty or pass through another party (i.e. the PUC) can be determined. I believe the advantage of setting up the fund in this manner is that it would reduce potential interest payments to Liberty. Only funds actually expended and not funds being held in escrow and later returned to Liberty, if all funding wasn't disbursed, would accrue interest.

Respectfully,

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