

STATE OF NEW HAMPSHIRE



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CHAIRMAN
Thomas B. Getz

COMMISSIONERS
Clifton C. Below
Amy Ignatius

EXECUTIVE DIRECTOR
AND SECRETARY
Debra A. Howland

PUBLIC UTILITIES COMMISSION
21 S. Fruit St., Suite 10
Concord, N.H. 03301-2429

G+C 8/19/09
Item # 51 I
Approved ✓

August 6, 2009

His Excellency, Governor John H. Lynch
and the Honorable Council
State House
Concord, NH 03301

REQUESTED ACTION

1. Authorize the Public Utilities Commission to award grant funds in the amount of \$7,646,020 to Public Service Company of New Hampshire, Vendor # 177150, to significantly increase the delivery of energy efficiency services to ratepayers, thereby reducing emissions of greenhouse gases, from Governor and Council approval through June 30, 2010. Funding is 100% Greenhouse Gas Emissions Reduction fund.
2. Further authorize the PUC to make an advance payment of up to \$1,911,505, or 25% of the total grant award, upon Governor and Council approval.

Funding is available in account, Grants to Institutions – State, as follows:

02-81-81-811010-54530000 Public Utilities Commission - Greenhouse Gas 125-O:23:

	FY 2010	FY 2011
010-081-54530000-073-500579 Grants to Institutions	\$5,734,515.00	\$1,911,505.00

EXPLANATION

The Public Utilities Commission (PUC) is charged with administering the Greenhouse Gas Emissions Reduction Fund (GHGERF) created by RSA 125-Q:23 to support energy efficiency, conservation and demand response programs aimed at reducing greenhouse gas emissions generated within New Hampshire. On February 23, 2009, the PUC issued a Request for Proposals (RFP) for programs to be funded by GHGERF grants. In response to the RFP, the Commission received 84 proposals

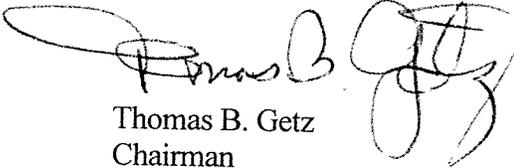
August 6, 2009
Page 2

requesting a total of more than \$50 million in grant funds. Attachment A provides additional information on the grant review and award process.

This is a joint award of funds to PSNH, Unitil Energy Systems, Inc., New Hampshire Electric Cooperative, and National Grid. The funds will be administered by PSNH. The utilities will expand the existing "CORE" efficiency programs and will offer new programs to reduce energy costs and greenhouse gas emissions. The CORE programs provide products and services tailored for business, residential, and income-eligible customers. Since their inception in 2002, these programs have created savings of 5.3 billion lifetime kilowatt hours, which equates to saving more than \$800 million at today's utility rates.

In the event that GHGERF funds become no longer available, General Funds will not be requested to support this program.

Respectfully submitted,



Thomas B. Getz
Chairman

ATTACHMENT A – GRANT REVIEW PROCESS

The PUC issued a Request for Proposals on February 23, 2009. The RFP was developed in consultation with the state's Energy Efficiency and Sustainable Energy Board, created by the legislature in 2008 "to promote and coordinate energy efficiency, demand response, and sustainable energy programs in the state."

The RFP was circulated electronically to a list of more than 300 individuals and organizations known to have an interest in energy policy and programs, including members of the Energy Efficiency and Sustainable Energy Board (EESE Board); posted on the PUC and Office of Energy and Planning websites; advertised in the Union Leader on February 28, April 1 and April 2; and announced via press release to major media outlets in the state.

The PUC formed a grant review committee to evaluate each of the 84 proposals that were submitted. The team consisted of four members of the PUC - Chairman Thomas Getz, Commissioners Clifton Below and Graham Morrison, and Jack Ruderman, Director, Sustainable Energy Division – plus Eric Steltzer of the Office of Energy and Planning, and Richard Ober of the New Hampshire Charitable Foundation. Mr. Ober also serves as the Chair of the EESE Board.

The proposals were broken down into eight separate categories¹ in order to allow for an "apples to apples" comparison. The proposals were then individually evaluated by the review committee using a list of thirteen criteria specified in the PUC administrative rules for the Greenhouse Gas Emissions Reduction Fund (Chapter 2600). The committee then met as a group on a regular basis to identify the strongest proposals within each category, and to assign an overall letter grade to each proposal based on the consensus of the group.

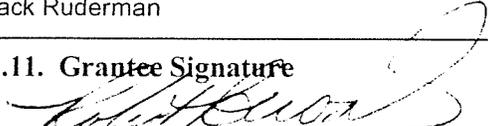
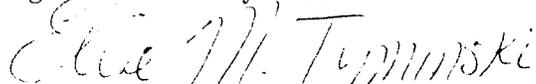
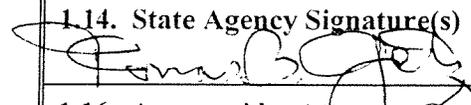
The committee has selected a total of thirty proposals to fund. The first nine were approved at the July 15 Governor and Council meeting. Seven awards (including this one) are now before Governor and Council, and fourteen more will be presented in September and October. In all, the thirty grant awards will amount to more than \$17 million.

¹ The eight categories are: job development, monitoring and measurement, multi-objective, outreach and education, revolving loan fund, public entity, commercial entity, and non-profit/educational entity.

The State of New Hampshire and the Grantee hereby mutually agree as follows:

GENERAL PROVISIONS

1. Identification and Definitions.

1.1. State Agency Name Public Utilities Commission		1.2. State Agency Address 21 S. Fruit Street, Suite 10 Concord, NH 03301	
1.3. Grantee Name Public Service Company of New Hampshire		1.4. Grantee Address 780 No. Commerical Street Manchester, NH 03101	
1.5. Effective Date G&C approval	1.6. Completion Date 06-30-2010	1.7. Audit Date	1.8. Grant Limitation \$7,646,020.00
1.9. Grant Officer for State Agency Jack Ruderman		1.10. State Agency Telephone No. 603-271-2431	
1.11. Grantee Signature 		1.12. Name & Title of Grantee Signor Robert A. Bersak, Assistant Secretary	
1.13. Acknowledgment: State of <u>CONNECTICUT</u> , County of <u>HARTFORD</u> , on <u>7/30/2009</u> //, Before the undersigned officer, personally appeared the person identified in block 1.11., known to me (or satisfactorily proven) to be the person whose name is signed in block 1.12., and acknowledged that <u>he</u> executed this document in the capacity indicated in block 1.12.			
1.13.1 Signature of Notary Public or Justice of the Peace (Seal) 		ELISE M. TYMINSKI NOTARY PUBLIC MY COMMISSION EXPIRES JAN. 31, 2016	
1.13.2. Name and Title of Notary Public or Justice of the Peace			
1.14. State Agency Signature(s) 		1.15. Name & Title of State Agency Signor(s) Thomas B. Getz, Chairman	
1.16. Approval by Attorney General (Form, Substance and Execution) By:  Assistant Attorney General, On: <u>8/13/09</u>			
1.17. Approval by the Governor and Council <p style="text-align: right;">On: //</p>			

2. SCOPE OF WORK: In exchange for grant funds provided by the State of New Hampshire, acting through the agency identified in block 1.1 (hereinafter referred to as "the State"), the Grantee identified in block 1.3 (hereinafter referred to as "the Grantee"), shall perform that work identified and more particularly described in the scope of work attached hereto as EXHIBIT A (the scope of work being hereinafter referred to as "the Project"). Except as otherwise specifically provided for herein, the Grantee shall perform the Project in the State of New Hampshire.

3. EFFECTIVE DATE; COMPLETION OF PROJECT
- 3.1. This Agreement, and all obligations of the parties hereunder, shall become effective on the date in block 1.5 or on the date of approval of this Agreement by the Governor and Council of the State of New Hampshire whichever is later (hereinafter referred to as "the effective date").
- 3.2. Except as otherwise specifically provided for herein, the Project, including all reports required by this Agreement, shall be completed in its entirety prior to the date in block 1.6 (hereinafter referred to as "the Completion Date").
4. GRANT AMOUNT; MANNER OF PAYMENT; LIMITATIONS
- 4.1. The Grant Amount is identified and more particularly described in EXHIBIT B, attached hereto.
- 4.2. The manner of, and schedule of payment shall be as set forth in EXHIBIT B.
- 4.3. In accordance with the provisions set forth in EXHIBIT B, and in consideration of the satisfactory performance of the Project, as determined by the State, and as limited by subparagraph 4.5 of these general provisions, the State shall pay the Grantee the Grant Amount. The State shall withhold from the amount otherwise payable to the Grantee those sums required, or permitted, to be withheld pursuant to N.H. RSA 80:7 through 7-c.
- 4.4. The payment by the State of the Grant amount shall be the only, and the complete payment to the Grantee for all expenses, of whatever nature, incurred by the Grantee in the performance hereof, and shall be the only, and the complete, compensation to the Grantee for the Project. The State shall have no liabilities to the Grantee other than the Grant Amount.
- 4.5. Notwithstanding anything in this Agreement to the contrary, and notwithstanding unexpected circumstances, in no event shall the total of all payments authorized, or actually made, hereunder exceed the Grant limitation set forth in block 1.8 of these general provisions.
5. SPECIAL CONDITIONS. Modifications to these General Conditions and any additional grant conditions shall be set forth in Exhibit C attached hereto.
6. COMPLIANCE BY GRANTEE WITH LAWS AND REGULATIONS. In connection with the performance of the Project, the Grantee shall comply with all applicable statutes, regulations, and orders of federal, state, county, or municipal authorities that impose any legal obligations or duty upon the Grantee, including the acquisition of any and all necessary permits.
7. RECORDS AND ACCOUNTS
- 7.1. Between the Effective Date and the date seven (7) years after the Completion Date the Grantee shall keep detailed accounts of all expenses incurred in connection with the Project, including, but not limited to, costs of administration, transportation, insurance, telephone calls, and clerical materials and services. Such accounts shall be supported by receipts, invoices, bills and other similar documents
- 7.2. Between the Effective Date and the date seven (7) years after the Completion Date, at any time during the Grantee's normal business hours, and as often as the State shall demand, the Grantee shall make available to the State all records pertaining to matters covered by this Agreement. The Grantee shall permit the State to audit, examine, and reproduce such records, and to make audits of all contracts, invoices, materials, payrolls, records of personnel, data (as that term is hereinafter defined), and other information relating to all matters covered by this Agreement. As used in this paragraph, "Grantee" includes all persons, natural or fictional, affiliated with, controlled by, or under common ownership with, the entity identified as the Grantee in block 1.3 of these general provisions.
8. PERSONNEL
- 8.1. The Grantee shall, at its own expense, contract for or provide all personnel necessary to perform the Project. The Grantee warrants that all personnel engaged in the Project shall be qualified to perform such Project, and shall be properly licensed and authorized to perform such Project under all applicable laws.
- 8.2. The Grantee shall not hire, and it shall not permit any subcontractor, subgrantee, or other person, firm or corporation with whom it is engaged in a combined effort to perform the Project, to hire any person who is a State officer or employee, elected or appointed.
- 8.3. The Grant Officer shall be the representative of the State hereunder. In the event of any dispute hereunder, the interpretation of this Agreement by the Grant Officer, and his/her decision on any dispute, shall be final.
9. DATA; RETENTION OF DATA; ACCESS
- 9.1. As used in this Agreement, the word "data" shall mean all information and things developed or obtained during the performance of, or acquired or developed by reason of, this Agreement, including, but not limited to, all studies, reports, files, formulae, surveys, maps, charts, sound recordings, video recordings, pictorial reproductions, drawings, analyses, graphic representations, computer programs or data, computer printouts, notes, letters, memoranda, papers, and documents, all whether finished or unfinished.
- 9.2. Between the Effective Date and the Completion Date the Grantee shall grant to the State, or any person designated by it, unrestricted access to all data for examination, duplication, publication, translation, sale, disposal, or for any other purpose whatsoever
- 9.3. No data shall be subject to copyright in the United States or any other country by anyone other than the State, unless otherwise specified in Exhibit C.
10. CONDITIONAL NATURE OR AGREEMENT. Notwithstanding anything in this Agreement to the contrary, all obligations of the State hereunder, including, without limitation, the continuance of payments hereunder, are contingent upon the availability or continued appropriation of funds, and in no event shall the State be liable for any payments hereunder in excess of such available or appropriated funds. In the event of a reduction or termination of those funds, the State shall have the right to withhold payment until such funds become available, if ever, and shall have the right to terminate this Agreement immediately upon giving the Grantee notice of such termination.
11. EVENT OF DEFAULT; REMEDIES
- 11.1. Any one or more of the following acts or omissions of the Grantee shall constitute an event of default hereunder (hereinafter referred to as "Events of Default"):
 - 11.1.1. failure to perform the Project satisfactorily or on schedule; or
 - 11.1.2. failure to submit any report required hereunder; or
 - 11.1.3. failure to maintain, or permit access to, the records required hereunder; or
 - 11.1.4. failure to perform any of the other covenants and conditions of this Agreement.
- 11.2. Upon the occurrence of any Event of Default, the State may take any one, or more, or all, of the following actions:
 - 11.2.1. give the Grantee a written notice specifying the Event of Default and requiring it to be remedied within, in the absence of a greater or lesser specification of time, thirty (30) days from the date of the notice; and if the Event of Default is not timely remedied, terminate this Agreement, effective two (2) days after giving the Grantee notice of termination; and
 - 11.2.2. give the Grantee a written notice specifying the Event of Default and suspending all payments to be made under this Agreement and ordering that the portion of the Grant Amount which would otherwise accrue to the grantee during the period from the date of such notice until such time as the State determines that the Grantee has cured the Event of Default shall never be paid to the Grantee; and
 - 11.2.3. set off against any other obligation the State may owe to the Grantee any damages the State suffers by reason of any Event of Default; and
 - 11.2.4. treat the agreement as breached and pursue any of its remedies at law or in equity, or both.
12. TERMINATION
- 12.1. In the event of any early termination of this Agreement for any reason other than the completion of the Project, the Grantee shall deliver to the Grant Officer, not later than fifteen (15) days after the date of termination, a report (hereinafter referred to as the "Termination Report") describing in detail all Project Work performed, and the Grant Amount earned, to and including the date of termination.
- 12.2. In the event of Termination under paragraphs 10 or 12.4 of these general provisions, the approval of such a termination Report by the State shall entitle the Grantee to receive that portion of the Grant amount earned to and including the date of termination.
- 12.3. In the event of Termination under paragraphs 10 or 12.4 of these general provisions, the approval of such a Termination Report by the State shall in no event relieve the Grantee from any and all liability for damages sustained or incurred by the State as a result of the Grantee's breach of its obligations hereunder.
- 12.4. Notwithstanding anything in this Agreement to the contrary, either the State or, except where notice default has been given to the Grantee hereunder, the Grantee, may terminate this Agreement without cause upon thirty (30) days written notice.
13. CONFLICT OF INTEREST. No representative, officer, member or employee of the Grantee, and no representative, officer or employee of the State of New Hampshire or of the governing body of the locality or localities in which the Project is to be performed, who exercises any functions or responsibilities in the review or approval of the undertaking or carrying out of such Project, shall participate in any decision relating to this Agreement which affects his or her personal interest or the interest of any corporation, partnership, or association in which he or she is directly or indirectly interested, nor shall he or she have any personal or pecuniary interest, direct or indirect, in this Agreement or the proceeds thereof.
14. GRANTEE'S RELATION TO THE STATE. In the performance of this Agreement the Grantee, its employees, and any contractor, subcontractor or subgrantee of the Grantee are in all respects independent contractors, and are neither agents nor employees of the State. Neither the Grantee nor any of its representatives, officers, employees, agents, members, subcontractors or subgrantees, shall have authority to bind the State nor are they entitled to any of the benefits, worker's compensation or emoluments provided by the State to its employees.
15. ASSIGNMENT AND SUBCONTRACTS. The Grantee shall not assign, or otherwise transfer any interest in this Agreement without the prior written consent of the State.
16. INDEMNIFICATION. The Grantee shall defend, indemnify and hold harmless the State, its officers and employees, from and against any and all losses

suffered by the State, its officers and employees, and any and all claims, liabilities or penalties asserted against the State, its officers and employees, by or on behalf of any person, on account of, based on, resulting from, arising out of (or which may be claimed to arise out of) the acts or omissions of the Grantee or its contractors, subcontractor, or subgrantee or other agent of the Grantee in the performance of the Project. Notwithstanding the foregoing, nothing herein contained shall be deemed to constitute a waiver of the sovereign immunity of the State, which immunity is hereby reserved to the State. This covenant shall survive the termination of this agreement.

17. INSURANCE AND BOND.

17.1. The Grantee shall, at its sole expense, obtain and maintain in force, or shall require any subcontractor, subgrantee or assignee performing Project work to obtain and maintain in force, both for the benefit of the State, the following insurance:

17.1.1 statutory worker's compensation and employees liability insurance for all employees engaged in the performance of the Project, and

17.1.2 comprehensive general liability insurance for all claims of bodily injuries, death or property damage, in amounts not less than \$2,000,000 for bodily injury or death any one incident, and \$500,000 for property damage in any one incident; and

17.2 The policies described in subparagraph 17.1 of this paragraph shall be the standard form employed in the State of New Hampshire, issued by underwriters acceptable to the State, and authorized to do business in the State of New Hampshire. Each policy shall contain a clause prohibiting cancellation or modification of the policy earlier than ten (10) days after written notice thereof has been received by the State. A certificate of insurance demonstrating compliance with subparagraphs 17.1 and 17.2 shall be attached to this Grant Agreement.

18. WAIVER OF BREACH. No failure by the State to enforce any provisions hereof after any Event of Default shall be deemed a waiver of its rights with regard to that Event, or any subsequent Event. No express waiver of any Event of Default shall be deemed a waiver of any provisions hereof. No such failure or waiver shall be deemed a waiver of the right of the State to enforce each and all of the provisions hereof upon any further or other default on the part of the Grantee.

19. NOTICE. Any notice by a party hereto to the other party shall be deemed to have been duly delivered or given at the time of mailing by certified mail, postage prepaid, in a United States Post Office addressed to the parties at the addresses first above given.

20. AMENDMENT. This Agreement may be amended, waived or discharged only by an instrument in writing signed by the parties hereto and only after approval of such amendment, waiver or discharge by the Governor and Council of the State of New Hampshire.

21. CONSTRUCTION OF AGREEMENT AND TERMS. This Agreement shall be construed in accordance with the law of the State of New Hampshire, and is binding upon and inures to the benefit of the parties and their respective successors and assignees. The captions and contents of the "subject" blank are used only as a matter of convenience, and are not to be considered a part of this Agreement or to be used in determining the intent of the parties hereto.

22. THIRD PARTIES. The parties hereto do not intend to benefit any third parties and this Agreement shall not be construed to confer any such benefit.

23. ENTIRE AGREEMENT. This Agreement, which may be executed in a number of counterparts, each of which shall be deemed an original, constitutes the entire agreement and understanding between the parties, and supersedes all prior agreements and understandings relating hereto.

EXHIBIT A

SCOPE OF SERVICES

In exchange for receiving grant funds in an amount not to exceed \$7,646,020 from the New Hampshire Public Utilities Commission (PUC), Granite State Electric Company d/b/a National Grid, the New Hampshire Electric Cooperative, Public Service Company of New Hampshire, and Unitil Energy Systems, Inc. (collectively, Utilities) agree to expand the existing CORE Efficiency Programs by increasing the budget for current programs and adding new program elements. The specific tasks that the Utilities will accomplish are set forth in their joint proposal to the PUC dated March 20, 2009, as modified by letter from Gilbert E. Gelineau, Jr. on behalf of the Utilities, dated June 30, 2009 and electronic message from Thomas R. Belair on behalf of the Utilities, dated July 16, 2009. These documents together constitute the proposal to be funded through this Grant Agreement. The documents are hereby incorporated by reference. The requirements set forth in the PUC's Request for Proposal dated February 23, 2009 are also incorporated by reference. The Utilities agree to undertake any additional measures necessary to achieve the program goals set forth in their proposal. The following is intended as a summary of the proposal.

Task 1: Develop the Energy Star Appliance Program to include a turn in/recycle component for room air conditioners and second refrigerators and freezers.

Task 2: Expand the Energy Star Homes Program to give home-owners the option of participating in the National Green Building Program developed by the National Association of Home Builders. The program will certify homes as meeting the nationally recognized and ANSI approved National Green Building Standard.

Task 3: Offer fuel neutral home weatherization services through the Home Energy Solutions Program. The Utilities will broaden the program to service multi-family facilities larger than four units.

Task 4: Increase spending in the Large Business Retrofit Program to support retro-commissioning projects as well as traditional energy saving measures.

Task 5: Advance educational training efforts in three areas: code training, Building Operator Certification (BOC), and BPI Building Analyst training course development. Two new self-directed educational components will also be added. The first will allow customers to better understand their energy usage by borrowing a watt-hour monitor from their local library, and the second will be a training video designed to show home-owners how they can better save energy around the house.

Task 6: Offer financing options for customer co-payments. Customers will repay no-interest loans through fixed monthly payments on their electric bills.

Grantee Initials RAB
Date 7/30/2009

DELIVERABLES

1. The grantee agrees to prepare and submit quarterly reports to the PUC, in a form and manner prescribed by the PUC, coincident with the quarterly reporting for the CORE programs but with the first report no later than 90 days from the date of Governor and Council approval of this grant agreement and continuing throughout the life of the grant. Reports shall include a detailed summary of all work completed, including an account of milestones achieved, and a description of any obstacles encountered as well as any planned milestones that were not achieved. Within sixty (60) days of the conclusion of the grant award, in lieu of a quarterly report, Grantee shall submit a final report providing a detailed summary of the results of the grant project, obstacles encountered, and any work from the Scope of Services that was not completed.

2. The grantee agrees to carefully track any and all reductions in energy use and greenhouse gas emissions resulting from the programs and activities funded herein. Grantee will work with the PUC and the University of New Hampshire, Carbon Solutions New England (CSNE) to ensure the accuracy of claimed energy and greenhouse gas emission reductions. In addition, Grantee will report on reductions in energy use on a quarterly basis to the PUC and CSNE, for purposes of documenting reductions in energy use and greenhouse gas emission reductions. Energy reductions shall be reported, in a format provided by CSNE, for the following fuels as appropriate: electricity, natural gas, distillate fuel oil (#1, 2 & 4), residual fuel oil (#5 & 6), kerosene, and LPG (propane). Where the energy use reduction under this grant is from an expansion of the CORE programs, the grantee will attribute energy savings under this grant in proportion to the overall amount of funding (CORE funding plus RGGI grant funding) for the program; where the program is exclusively funded under this grant, energy use reduction will be tracked and reported separately.

Grantee Initials

RAB

Date

7/30/2009

EXHIBIT B

GRANT AMOUNT, TERMS AND METHODS OF PAYMENT

1. In consideration of the satisfactory performance of the services described in Exhibit A, as determined by the State, the State agrees to pay Granite State Electric Company d/b/a National Grid, the New Hampshire Electric Cooperative, Public Service Company of New Hampshire, and Until Energy Systems, Inc. (collectively, Utilities, or Grantees) an amount not to exceed \$7,646,020. This not to exceed amount includes an at risk performance incentive that could range between \$0 and \$629,038 depending on the actual carbon reductions achieved as detailed in the Utilities' Proposal.
2. The grant funds will be administered by Public Service Company of New Hampshire (PSNH). PSNH will submit invoices to the Public Utilities Commission on behalf of the Utilities, and will distribute disbursements from the Greenhouse Gas Emissions Reduction Fund to Granite State Electric Company d/b/a National Grid, the New Hampshire Electric Cooperative, and Until Energy Systems, Inc. in accordance with the budgets of each of those entities for the grant proposal funded herein and taking into account any specific funding directives as may be provided by the Commission.
3. All obligations of the State, including the continuance of any payments, are contingent on the availability of funds derived from the Greenhouse Gas Emissions Reduction Fund pursuant to RSA 125-O:23.
4. Upon approval of this grant award by Governor and Council, PSNH may submit funding requests to the PUC in accordance with the following schedule:

Milestone	Funding Request
Upon approval by Governor & Council	Up to 25%
90 days after approval by Governor & Council	Up to 50%
180 days after approval by Governor & Council	Up to 75%
270 days after approval by Governor & Council	Up to 90%
Upon satisfactory completion of the Scope of Services set forth in Exhibit A	Up to 100%

Funding requests shall be supported by a summary results achieved to date, plans for the coming quarter, and documentation of expenses incurred.

5. Invoices will be reviewed and measured against the scope of services and approved by the Director of the Sustainable Energy Division or his designee.
6. The State agrees to make payments to the Grantee within 30 days from the receipt of approved funding requests.
7. Invoices will be submitted to: Business Office, New Hampshire Public Utilities Commission, 21 South Fruit Street, Suite 10, Concord, New Hampshire 03301-2429.

Grantee Initials PMB
Date 7/30/2005

EXHIBIT C

SPECIAL PROVISIONS

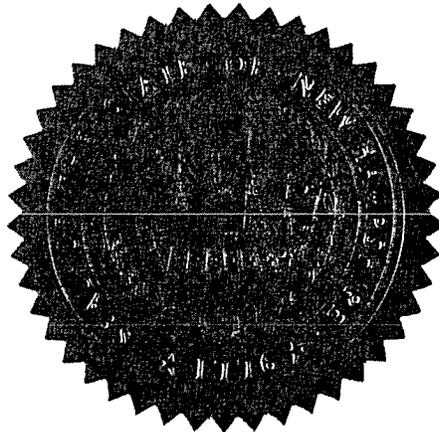
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Grantee Initials CRB
Date 7/30/2009

State of New Hampshire Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE is a New Hampshire corporation duly incorporated under the laws of the State of New Hampshire on August 16, 1926. I further certify that all fees and annual reports required by the Secretary of State's office have been received and that articles of dissolution have not been filed.



In TESTIMONY WHEREOF, I hereto set my hand and cause to be affixed the Seal of the State of New Hampshire, this 4th day of August, A.D. 2009

A handwritten signature in cursive script, appearing to read "William M. Gardner".

William M. Gardner
Secretary of State

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
INCUMBENCY CERTIFICATE

I, Samuel K. Lee, Secretary of Public Service Company of New Hampshire (the "Company"), HEREBY CERTIFY that the below named person has been duly elected and this day is an Assistant Secretary of the Company, and his signature is an exact reproduction of the signature of said person, and that the seal affixed hereto is the duly adopted seal of the Company.

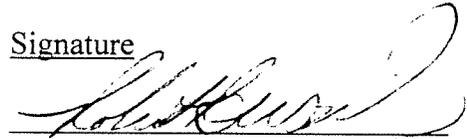
Position

Name

Signature

Assistant Secretary

Robert A. Bersak



I FURTHER CERTIFY that attached hereto is a copy of a written consent of directors of the Company, dated June 22, 2000, containing a resolution that authorizes the Assistant Secretary to sign contracts for and on behalf of the Company, which resolution remains in full force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Company this 30th day of July, 2009.

(Seal)



Samuel K. Lee
Secretary

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
(Directors Written Consent, June 22, 2000)

The undersigned, being all of the Directors of Public Service Company of New Hampshire (the Company) as of this date, hereby consent to the following action, which consent shall have the same effect, as permitted by Article VI, Section 4 of the Company's By-Laws and New Hampshire Revised Statutes Annotated, Chapter 293, Section A: 8.21, as a vote in favor of such action taken at a meeting of the Company's Directors:

ORGANIZATIONAL MATTERS

RESOLVED, that the resignation of William T. Frain, Jr. as a Director and as President and Chief Executive Officer is hereby accepted, effective July 1, 2000.

RESOLVED, that the resignation of Gary A. Long as Senior Vice President-PSNH is hereby accepted, effective July 1, 2000.

RESOLVED, that Michael G. Morris is hereby elected Chairman and Chief Executive Officer, effective July 1, 2000.

RESOLVED, that Gary A. Long is hereby elected a Director and as President and Chief Operating Officer, effective July 1, 2000.

RESOLVED, that Gary A. Long is hereby appointed a member and Chairman of the Corporate Responsibility Committee, a member of the Utility Operations Committee and as an alternate member of the Executive Committee, effective July 1, 2000.

A TRIBUTE

William T. Frain, Jr., an employee, an officer and a Director of Public Service Company of New Hampshire, will be retiring from the Board of Directors and from his position as President and Chief Executive Officer, effective July 1, 2000, after thirty-six years of service to the Company. We, your fellow Directors, take this opportunity to salute our colleague whose service has been characterized by the highest degree of duty, loyalty and extraordinary community spirit.

You have carried out your duties in an exemplary manner, bringing the benefits of your leadership, experience and insight to bear on complex matters of utmost importance to the well-being of the Company, its employees and customers during a time of significant change in the electric utility industry. Your dedication to the Company and community service has been recognized on numerous occasions, including the recent honor of being named Business Leader of the Decade by *Business NH* magazine and the New Hampshire Association of Chamber of Commerce Executives, setting a standard of excellence for others to emulate.

Through this tribute, we, your fellow Directors, record our gratitude, esteem and friendship, and our best wishes for your continued health and happiness.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
(Directors Written Consent, June 22, 2000)

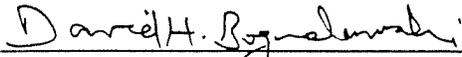
AUTHORITY TO SIGN CONTRACTS AND OTHER DOCUMENTS

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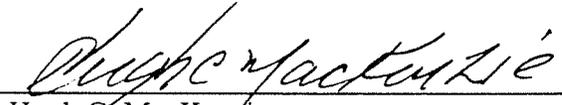
Dated as of this 22nd day of June, 2000.



David H. Boguslawski

Gerald Letendre

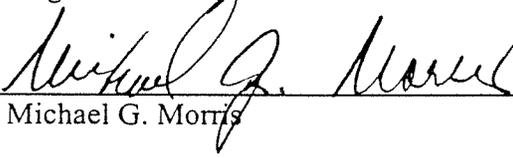
John C. Collins



Hugh C. MacKenzie



John H. Forsgren



Michael G. Morris

William T. Frain, Jr.

Jane E. Newman

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
(Directors Written Consent, June 22, 2000)

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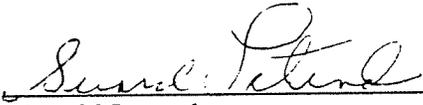
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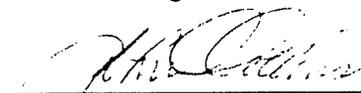
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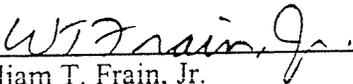
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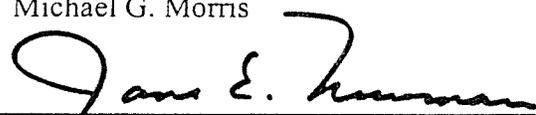
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Jane E. Newman

ASSOCIATED ELECTRIC & GAS INSURANCE SERVICES LIMITED
Hamilton, Bermuda

CERTIFICATE OF INSURANCE
(Excess Liability)

This Certificate is furnished to the Certificate Holder named below as a matter of information only. Neither this Certificate nor the issuance hereof modifies the policy of insurance identified below (the "Policy") in any manner. The Policy terms are solely as stated in the Policy or in any endorsement thereto. Any amendment, change or extension of the Policy can only be effected by a specific endorsement issued by the Company and attached to the Policy.

The undersigned hereby certifies that the Policy has been issued by Associated Electric & Gas Insurance Services Limited (the "Company") to the Named Insured identified below for the coverage described and for the policy period specified.

Notwithstanding any requirements, terms or conditions of any contract or other document with respect to which this Certificate may be issued or to which it may pertain, the insurance afforded by the Policy is subject to all of the terms of the Policy.

NAME OF INSURED: *Northeast Utilities and all owned or subsidiary companies including the Public Service Co. of New Hampshire*

PRINCIPAL ADDRESS: PO Box 270, Hartford, CT 06141-0270

POLICY NUMBER: XO201A1A08 **POLICY From:** November 15, 2008
PERIOD: To: November 15, 2009

RETROACTIVE DATE: November 15, 1986

DESCRIPTION OF COVERAGE: Claims-First-Made Excess Liability Policy covering claims for Bodily Injury, Property Damage and Personal Injury arising from the operations described below.

LIMIT OF LIABILITY: \$3,000,000 per occurrence and in the aggregate, where applicable, excess of \$1,000,000 Self Insured Retention

ADDITIONAL INSURED: The Certificate Holder is an additional insured under the Policy but only:

- (i) to such extent and for such Limits of Liability (subject always to the terms and Limits of Liability of the Policy) as the Named Insured has agreed to provide insurance for the Certificate Holder under the following contract: State of New Hampshire Grant Agreement

and

- (ii) with respect to the following operations: Grant Agreement

Should the Policy be cancelled, assigned or changed in a manner that is materially adverse to the Insured(s) under the Policy, the undersigned will endeavor to give 30 days advance written notice thereof to the Certificate Holder, but failure to give such notice will impose no obligation or liability of any kind upon the Company, the undersigned or any agent or representative of either.

DATE: July 29, 2009

ISSUED TO: State of New Hampshire
Public Utilities Commission

ADDRESS: 21 S. Fruit St., Suite 10
Concord, NH 03301

AEGIS INSURANCE SERVICES, INC.

BY:

Sandra X. Johnson

At E. Rutherford, New Jersey



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
08/06/2009**PRODUCER**Marsh USA, Inc.
1166 Avenue of the Americas
New York, NY 10036**THIS CERTIFICATION IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.**

102553-Grid-accor-09-10

INSURERS AFFORDING COVERAGE

NAIC #

INSUREDNational Grid (US) Holdings Ltd.,
including National Grid USA and
Granite State Electric Company
d/b/a National Grid
One Metrotech Center
Brooklyn, NY 11201

INSURER A: Associated Electric & Gas Ins Services Ltd 3190004

INSURER B: National Union Fire Ins. Co. of Pittsburgh, PA 19445

INSURER C:

INSURER D:

INSURER E:

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR ADD'L LTR INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YYYY)	POLICY EXPIRATION DATE (MM/DD/YYYY)	LIMITS	
	GENERAL LIABILITY <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> OCCUR GENERAL AGGREGATE LIMIT APPLIES PER POLICY: PRO: JECT: LOC:				EACH OCCURRENCE	\$
					DAMAGE TO RENTED PREMISES (Ea occurrence)	\$
					MED EXP (Any one person)	\$
					PERSONAL & ADV INJURY	\$
					GENERAL AGGREGATE	\$
					PRODUCTS - COM/POP AGG	\$
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS				COMBINED SINGLE LIMIT (Ea accident)	\$
					BODILY INJURY (Per person)	\$
					BODILY INJURY (Per accident)	\$
					PROPERTY DAMAGE (Per accident)	\$
	GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT	\$
					OTHER THAN EA ACC AUTO ONLY: AGG	\$
A	EXCESS / UMBRELLA LIABILITY <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE DEDUCTIBLE RETENTION \$	X5686A1A09	04/01/2009	04/01/2010	EACH OCCURRENCE	\$ 10,000,000
					AGGREGATE	\$ 10,000,000
						\$
						\$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE Y/N OFFICER/MEMBER EXCLUDED? N (Mandatory in NH) If yes, describe under SPECIAL PROVISIONS below				WC STATU- OTH- TORY LIMITS ER	\$
					E.L. EACH ACCIDENT	\$
					E.L. DISEASE - EA EMPLOYEE	\$
					E.L. DISEASE - POLICY LIMIT	\$
B	OTHER Excess Worker's Compensation	478-60-45	07/01/2009	07/01/2010	STATUTORY LIMITS X/S OF \$1,000,000 SIR	

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/EXCLUSIONS ADDED BY ENDORSEMENT/SPECIAL PROVISIONS

Re: State of New Hampshire Grant Agreement Checklist. Excess Liability (Company A above) includes the following retentions: General Liability, Automobile Liability, Pollution Liability and Employers Liability: \$3,000,000.

CERTIFICATE HOLDER

NYC-003763260-03

New Hampshire Public
Utilities Commission
21 South Fruit Street
Concord, NH 03301**CANCELLATION**SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.AUTHORIZED REPRESENTATIVE
of Marsh USA Inc.
Quetz Rivera

ACORD 25 (2009/01)

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ASSOCIATED ELECTRIC & GAS INSURANCE SERVICES LIMITED

Hamilton, Bermuda

CERTIFICATE OF INSURANCE

(Excess Liability)

This Certificate is furnished to the Certificate Holder named below as a matter of information only. Neither this Certificate nor the issuance hereof makes the Certificate Holder an additional insured under the policy of insurance identified below (the "Policy") or modifies the Policy in any manner. The Policy terms are solely as stated in the Policy or in any endorsement thereto. Any amendment, change or extension of the Policy can only be effected by a specific endorsement issued by the Company and attached to the Policy.

The undersigned hereby certifies that the Policy has been issued by Associated Electric & Gas Insurance Services Limited (the "Company") to the Named Insured identified below for the coverage described and for the policy period specified.

Notwithstanding any requirements, terms or conditions of any contract or other document with respect to which this Certificate may be issued or to which it may pertain, the insurance afforded by the Policy is subject to all of the terms of the Policy.

NAME OF INSURED: Unitil Energy Systems

PRINCIPAL ADDRESS: 6 Liberty Lane West, Hampton, NH 03842

POLICY NUMBER: X0467A1A08

POLICY From: December 31, 2008

PERIOD: To: December 31, 2009

RETROACTIVE DATE:

DESCRIPTION OF COVERAGE: Claims-First-Made Excess Liability Policy

LIMIT OF LIABILITY: \$ 35,000,000 per occurrence and in the aggregate, where applicable.

DESCRIPTION OF OPERATIONS: Grant of Funds.

Should the Policy be cancelled, assigned or changed in a manner that is materially adverse to the Insured(s) under the Policy, the undersigned will endeavor to give 30 days advance written notice thereof to the Certificate Holder, but failure to give such notice will impose no obligation or liability of any kind upon the Company, the undersigned or any agent or representative of either.

DATE: July 30, 2009

ISSUED TO: Public Utilities Commission

("Certificate Holder")

ADDRESS: 21 S. Fruit Street, Suite 10, Concord, NH 03301

AEGIS INSURANCE SERVICES, INC.

BY:

Sandra A. Johnson

At Jersey City, New Jersey

ASSOCIATED ELECTRIC & GAS INSURANCE SERVICES LIMITED
Hamilton, Bermuda

CERTIFICATE OF INSURANCE
(Excess Workers' Compensation)

This Certificate is furnished to the Certificate Holder named below as a matter of information only. Neither this Certificate nor the issuance hereof makes the Certificate Holder an additional insured under the policy of insurance identified below (the "Policy") or modifies the Policy in any manner. The Policy terms are solely as stated in the Policy or in any endorsement thereto. Any amendment, change or extension of the Policy can only be effected by a specific endorsement issued by the Company and attached to the Policy.

The undersigned hereby certifies that the Policy has been issued by Associated Electric & Gas Insurance Services Limited (the "Company") to the Named Insured identified below for the coverage described and for the policy period specified.

Notwithstanding any requirements, terms or conditions of any contract or other document with respect to which this Certificate may be issued or to which it may pertain, the insurance afforded by the Policy is subject to all of the terms of the Policy.

NAME OF INSURED: Northeast Utilities, including the Public Service Company of New Hampshire

PRINCIPAL ADDRESS: PO Box 270, Hartford, CT 06141-0270

POLICY NUMBER: CO201A1A08 **POLICY From:** November 15, 2008
PERIOD: To: November 15, 2009

DESCRIPTION OF COVERAGE: Excess Workers' Compensation Policy

LIMIT OF LIABILITY: \$35,000,000 each accident or each employee for disease in excess of a retained limit. Self-Insured Retention is \$500,000.

DESCRIPTION OF OPERATIONS: State of New Hampshire Grant Agreement

Should the Policy be cancelled, assigned or changed in a manner that is materially adverse to the Insured(s) under the Policy, the undersigned will endeavor to give 30 days advance written notice thereof to the Certificate Holder, but failure to give such notice will impose no obligation or liability of any kind upon the Company, the undersigned or any agent or representative of either.

DATE: July 29, 2009

ISSUED TO: State of New Hampshire
Public Utility Commission
20 S. Furit St., Suite 10
Concord, NJ 03301

AEGIS INSURANCE SERVICES, IN

BY:



At E. Rutherford, New Jersey