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THE STATE OF NEW HAMPSHIRE

CHAIRMAN  
Amy L. Ignatius

COMMISSIONERS  
Robert R. Scott  
Martin P. Honigberg

EXECUTIVE DIRECTOR  
Debra A. Howland



TDD Access: Relay NH  
1-800-735-2964

Tel. (603) 271-2431

FAX (603) 271-3878

Website:  
www.puc.nh.gov

**PUBLIC UTILITIES COMMISSION**

21 S. Fruit Street, Suite 10  
Concord, N.H. 03301-2429

February 13, 2014

Her Excellency, Governor Margaret Wood Hassan  
and the Honorable Council  
State House  
Concord, New Hampshire 03301

Your Excellency and Honorable Councilors:

**REQUESTED ACTION**

Authorize the New Hampshire Public Utilities Commission to amend its contract with Gorham Gold Greenwich & Associates LLC of 11610 Tomahawk Creek Parkway, Suite C, Leawood, Kansas (Vendor No. 222466) by extending the end date by eight months from February 28, 2014 to October 31, 2014 and by increasing the amount by \$150,000 from \$300,000 to \$450,000. The original contract was approved by Governor and Executive Council, Item 45, on December 5, 2012. Funding is 100% Utility Assessment.

Funds will be available, pursuant to RSA 365:37, II, in account 02-81-81-810010-33410000-046-500464, G3 -- Monitoring of Systems Migration, General Consultants with the authority to adjust encumbrances in each of the State fiscal years through the Budget Office, if needed and justified.

<u>FY2013</u>	<u>FY2014</u>	<u>FY2015</u>	<u>Total</u>
\$202,500	\$197,500	\$50,000	\$450,000

**EXPLANATION**

The Public Utilities Commission (Commission) respectfully requests authority to amend its contract with Gorham Gold Greenwich & Associates LLC (G3) in order to continue to assist the Commission in evaluating the transition of IT systems from National Grid, on behalf of Granite State Electric Company and EnergyNorth Natural Gas, Inc., to Liberty Utilities (Liberty). The original transition schedule proposed in August 2012 by Liberty had a completion date of December 30, 2013, with monitoring services by G3 continuing through February 2014. The transition date, or 'cutover,' has now been revised to June 2014. If the amendment is approved, G3 will continue to provide consulting services to ensure Liberty fully satisfies the conditions ordered by the Commission when it approved the transfer of ownership and that Liberty is reasonably able to assume its duties and obligations at such time as any support rendered by National Grid is withdrawn.

In addition, there are a number of reasons why the Commission believes it is imperative that it continues to monitor the IT migration through cutover and 120 days beyond. Specifically: 1) there is considerable specialized work associated with the cutover still to be completed; 2) conversion dates have been extended because Liberty was not yet ready to manage the transition and there is no assurance that cutover will occur by the end of June; 3) Liberty has changed technology vendors for some of the systems being implemented since the initiation of the IT migration project and has only recently begun to exercise managerial control over those vendors; and 4) the conversion of the gas customer information system which occurred over Labor Day weekend 2013 continues to experience billing related issues, more than 5 months following the

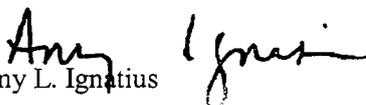


conversion. Monitoring of these issues will help ensure that Liberty's customer information system platform is fully functional before migrating an additional 40,000 electric accounts. If problems arise as a result of the cutover, G3's familiarity and expertise will be invaluable in analyzing these issues and recommending solutions.

The initial contract with G3 had a term of 15 months and a \$300,000 fixed contract price. The proposed extension is for 8 additional months and an additional \$150,000 on a fixed fee basis, with \$45,000 to be retained until 120 days after cutover. All other terms of the contract remain the same. The contract amount will not affect the General Fund. Funds will be assessed pursuant to RSA 365:37, II which permits the Commission to obtain experts and assess the costs to the utility which, in this case, is Liberty.

Your approval of our request is appreciated.

Respectfully submitted,

  
Amy L. Ignatius

STATE OF NH  
DEPT OF JUSTICE  
2014 FEB 12 PM 3:24

**AMENDMENT No. 1  
PROFESSIONAL SERVICES CONTRACT**

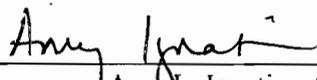
Now comes the New Hampshire Public Utilities Commission (the Agency) and Gorham Gold Greenwich & Associates, LLC (G3) and, pursuant to an agreement between the parties which was approved by the Governor and Council as Item 45 on December 5, 2012, hereby agree to modify same as follows:

1. Item 1.7 of said agreement is hereby modified such that the completion date is changed from February 28, 2014 to October 31, 2014.
2. Item 1.8 of said agreement is hereby modified such that the price limitation is changed from \$300,000 to \$450,000.
3. This amendment shall take effect upon Governor and Council approval.
4. All other provisions of the contract remain in effect.

This modification of an existing agreement is hereby incorporated by reference to the existing agreement by the parties and must be attached to said agreement.

IN WITNESS WHEREOF, the parties hereto have set their hands on this 12 day of February 2014.

THE STATE OF NEW HAMPSHIRE  
Public Utilities Commission  
By:

  
\_\_\_\_\_  
Amy L. Ignatius, Chairman

Gorham, Gold. Greenwich  
& Associates, LLC.  
By:

  
\_\_\_\_\_  
Gregory Loyd Mann, Managing Vice President

STATE OF KANSAS  
County of Johnson

On this the 12 day of February 2014, before me personally appeared Gregory Loyd Mann, who acknowledged himself to be the individual who executed the forgoing instrument for the purposes therein contained. In witness whereof, I hereto set my hand and official seal.

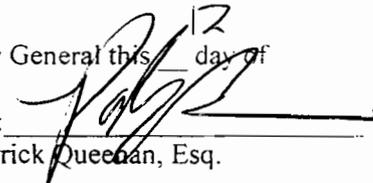


**Chris Godwin**  
Notary Public  
State of Kansas

My Appt. Expires 2-1-16

By:   
\_\_\_\_\_  
Notary Public/Justice of the Peace

Approved as to form, substance and execution by the Attorney General this 12 day of February 2014.

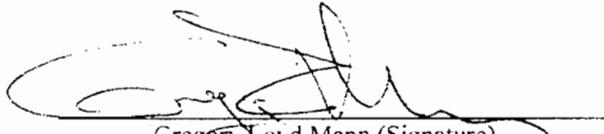
By:   
\_\_\_\_\_  
Patrick Queenan, Esq.



**CERTIFICATE OF AUTHORITY/VOTE**  
(Limited Liability Company)

I, Gregory Loyd Mann, hereby certify that:

1. I am the sole Member Manager of the Company of Gorham Gold Greenwich Associates LLC.
2. I hereby further certify and acknowledge that the State of New Hampshire will rely on this certificate as evidence that I have full authority to bind Gorham Gold Greenwich Associates and that no corporate resolution, shareholder vote, or other document or action is necessary to grant me such authority.

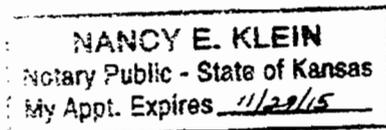
  
\_\_\_\_\_  
Gregory Loyd Mann (Signature)  
02/06/14  
\_\_\_\_\_  
Date

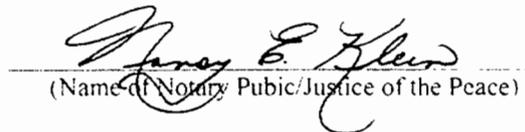
STATE OF KANSAS

COUNTY OF JOHNSON

On this the 6 day of February 2014, before me Nancy E. Klein  
(Name of Notary Public/Justice of the Peace)

The undersigned officer, personally appeared Gregory Loyd Mann, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument and acknowledged that he executed the same for the purposes therein contained. In witness thereof, I hereunto set my hand and official seal.



  
\_\_\_\_\_  
(Name of Notary Public/Justice of the Peace)

Commission expires: 11/29/2015



# State of New Hampshire

## Department of State

### CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that Gorham Gold Greenwich Associates LLC, a(n) Kansas limited liability company registered to do business in New Hampshire on September 2, 2011. I further certify that it is in good standing as far as this office is concerned, having filed the annual report(s) and paid the fees required by law.



In TESTIMONY WHEREOF, I hereto set my hand and cause to be affixed the Seal of the State of New Hampshire, this 10<sup>th</sup> day of February, A.D. 2014

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

William M. Gardner  
Secretary of State





# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
2/5/2014

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

INSURER  
 The Valley Insurance Agency Inc  
 111 W. 132nd ST.  
 Suite 100  
 Overland Park KS 66213  
 PHILIP  
 KHAM, GOLD GREENWICH & ASSOCIATES LLC  
 1723 CONSER ST  
 OVERLAND PARK KS 66223

CONTACT NAME: Pam Snyder	
PHONE (A/C No. Ext): (913) 451-0020	FAX (A/C No.): (913) 451-5847
E-MAIL: pam@bvia.com	
ADDRESS:	
INSURER(S) AFFORDING COVERAGE	
INSURER A: Sentinel Ins Co, LTD	NAIC # 11000
INSURER B:	
INSURER C:	
INSURER D:	
INSURER E:	
INSURER F:	

COVERAGES CERTIFICATE NUMBER: 2012-2013 REVISION NUMBER:

THIS IS TO CERTIFY THAT 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. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS

TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR			37SBAAT0752	7/18/2013	7/18/2014	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000
AGGREGATE LIMIT APPLIES PER <input checked="" type="checkbox"/> BODY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC						
AUTOMOBILE LIABILITY ANY AUTO <input type="checkbox"/> OWNED VEHICLES <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS <input type="checkbox"/> AUTOS						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
UMBRELLA LIAB EXCESS LIAB RETENTIONS						EACH OCCURRENCE \$ AGGREGATE \$
WORKERS COMPENSATION AND EMPLOYERS' LIABILITY (Mandatory in NH) (Description of operations below)						WC STATUTORY LIMITS OTHER E L EACH ACCIDENT \$ E L DISEASE - EA EMPLOYEE \$ E L DISEASE - POLICY LIMIT \$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

## CERTIFICATE HOLDER

## CANCELLATION

New Hampshire Public Utilities Commission  
 21 S Fruit St  
 Suite 10  
 Concord, NH 03301

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

T.J. Obringer II/T.J.



THE STATE OF NEW HAMPSHIRE

CHAIRMAN  
Anty L. Ignatius

COMMISSIONERS  
Michael D. Harrington  
Robert R. Scott

EXECUTIVE DIRECTOR  
Debra A. Howland



PUBLIC UTILITIES COMMISSION  
21 S. Fruit Street, Suite 10  
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TDD Access: 1-800-NH  
1-800-735-2964  
Tel. (603) 271-2431  
FAX (603) 271-3878  
Website:  
www.puc.nh.gov

November 20, 2012

G & C Date 12/5/2012  
Item Number #45  
Approved [Signature]

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

Your Excellency and Honorable Councilors:

**REQUESTED ACTION**

Pursuant to RSA 365:37, II and III, authorize the Public Utilities Commission to enter into a contract with Gorham Gold Greenwich & Associates LLC (G3) of 11610 Tomahawk Creek Parkway, Suite C, Leawood, Kansas, Vendor Code No. 222466 effective on the date of Governor and Council approval to February 28, 2014, in an amount not to exceed \$300,000.00. Funding is 100% Utility Assessment.

Funds will be available, pursuant to RSA 365:37, II, in account 02-81-81-810010-33410000-046-500464, G3 - Monitoring of Systems Migration, General Consultants, for FY 2013 and FY 2014, with the authority to adjust encumbrances in each of the State fiscal years through the Budget Office, if needed and justified.

<u>FY2013</u>	<u>FY2014*</u>	<u>Total</u>
\$202,500	\$97,500	\$300,000

(\*Pending Budget Approval for FY 2014)

**EXPLANATION**

The Public Utilities Commission (Commission) respectfully requests authority to enter into a contract in an amount not to exceed \$300,000.00 with Gorham Gold Greenwich & Associates LLC (G3), a multi-disciplined management advisory firm, to monitor the ongoing development, testing and deployment of information technology systems for Liberty Energy Utilities (Liberty). Pursuant to RSA 365:37, III (effective June 5, 2012), the Commission shall seek approval of governor and council for contracts with experts greater than \$250,000 for investigations or proceedings involving the acquisition, merger, transfer, sale, or lease of the works or system of a public utility. RSA 365:37, II allows for the Commission to assess the costs of experts against the impacted utility and any other parties to the proceeding.

G&C 12/5/12  
Page 1 of 2  
Initials AK  
Date 12/5/12

The Commission issued a Request for Proposals (RFP) on July 21, 2012. The RFP arose out of a Commission investigation in Docket No. DG 11-040 to determine whether the joint petition submitted by National Grid and Liberty, seeking approval to transfer the stock of Granite State Electric Company and EnergyNorth Natural Gas, Inc. from National Grid to Liberty, was in the public good. Through this contract, the Commission seeks to ensure Liberty fully satisfies the conditions set out by the Commission in its approval of the transfer in order to protect Granite State Electric Company and EnergyNorth Natural Gas, Inc. ratepayers. Accordingly, the Commission sought qualified consultant services specifically to assist in monitoring the ongoing development, testing and deployment of the information technology (IT) systems that will be used by Liberty, and the transition of the works and operating systems from National Grid, on behalf of Granite State Electric Company and EnergyNorth Natural Gas, Inc., to Liberty.

The notice of the RFP was published in the Union Leader for three days and was posted on the Commission's website. The notice was also sent to over thirty consultants. The Commission received one response to its RFP, the G3 proposal. The Commission contracted with G3 during the initial investigative proceeding in which the Commission determined that the transfer was in the public good. Under that contract, G3 provided consulting services to assist the Commission in analyzing the adequacy of the systems to be implemented and the proposed plan for transferring data as a result of the joint petition.

In this engagement, G3 will serve in a supervisory role and function at the direction of the Commission Staff. G3's scope of work is targeted to those areas that afford the Commission the ability to observe the system implementation process and associated transition of services and attest that the actions of the principals involved in the IT migration meet the commitments contained in the Settlement Agreement in Docket DG 11-040.

Although the Commission received only one proposal, the Commission measured G3's proposal against the selection criteria described in the RFP. Through G3's proposal and after multiple discussions between the Managing Vice President and Department of Information Technology and Commission Staff, we believe G3 offers in the context of a fixed price contract: practicality in the proposed approach to meet the objectives described in the RFP; experience of key personnel; and the necessary availability and accessibility of the staff assigned to the project. Based upon the Commission's previous experience with G3, the Commission is confident that G3 will be able to fulfill the obligations of the contract to ensure that the Commission has a thorough understanding of the IT system migrations and its impact on customers.

The contract amount will not affect the General Fund. Funds will be assessed pursuant to RSA 365:37, II which permits the Commission to obtain experts and assess the costs to the utility which, in this case, is Liberty.

Your consideration of our request is appreciated.

Respectfully submitted,



Amy L. Ignatius  
Chairman

Attachments:  
Agreement with Exhibits

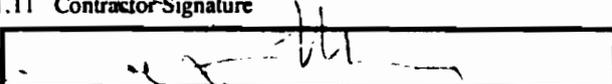
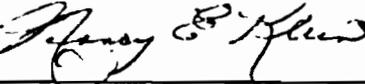
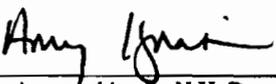
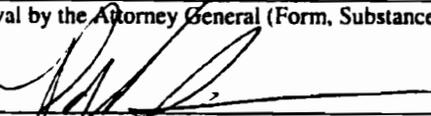
Subject: G3 - Monitoring of Systems Migration FORM NUMBER P-37 ( version 1/09)

**AGREEMENT**

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

**GENERAL PROVISIONS**

**1. IDENTIFICATION.**

1.1 State Agency Name <u>New Hampshire Public Utilities Commission</u>		1.2 State Agency Address <u>21 S. Fruit St., Suite 10, Concord, NH 03301-2429</u>	
1.3 Contractor Name <u>Gorham, Gold, Greenwich &amp; Associates, LLC (G3 Associates)</u>		1.4 Contractor Address <u>11610 Tomahawk Greek Pkwy, Suite C, Leawood, KS 66211</u>	
1.5 Contractor Phone Number <u>913-671-9887</u>	1.6 Account Number <u>3341000-500464</u>	1.7 Completion Date <u>February 28, 2014</u>	1.8 Price Limitation <u>\$300,000.00</u>
1.9 Contracting Officer for State Agency <u>Amy L. Ignatius, Chairman</u>		1.10 State Agency Telephone Number <u>603-271-2431</u>	
1.11 Contractor Signature 		1.12 Name and Title of Contractor Signatory <u>Gregory Loyd Mann, Managing Vice President</u>	
1.13 Acknowledgement: State of <u>Ks</u> , County of <u>Johnson</u> On <u>11/7/2012</u> , before the undersigned officer, personally appeared the person identified in block 1.12, or satisfactorily proven to be the person whose name is signed in block 1.11, and acknowledged that s/he executed this document in the capacity indicated in block 1.12.			
1.13.1 Signature of Notary Public or Justice of the Peace  [Seal]		<div style="border: 1px solid black; padding: 5px; text-align: center;"> <b>NANCY E. KLEIN</b>          Notary Public - State of Kansas          My Appt. Expires <u>11/29/2015</u> </div>	
1.13.2 Name and Title of Notary or Justice of the Peace <u>Nancy E. Klein / Notary</u>			
1.14 State Agency Signature 		1.15 Name and Title of State Agency Signatory <u>Amy L. Ignatius, Chairman</u>	
1.16 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By: _____ Director, On: _____			
1.17 Approval by the Attorney General (Form, Substance and Execution) By:  On: <u>11/13/12</u>			
1.18 Approval by the Governor and Executive Council By: _____ On: _____			

**2. EMPLOYMENT OF CONTRACTOR/SERVICES TO BE PERFORMED.** The State of New Hampshire, acting through the agency identified in block 1.1 ("State"), engages contractor identified in block 1.3 ("Contractor") to perform, and the Contractor shall perform, the work or sale of goods, or both, identified and more particularly described in the attached EXHIBIT A which is incorporated herein by reference ("Services").

**3. EFFECTIVE DATE/COMPLETION OF SERVICES.**

3.1 Notwithstanding any provision of this Agreement to the contrary, and subject to the approval of the Governor and Executive Council of the State of New Hampshire, this Agreement, and all obligations of the parties hereunder, shall not become effective until the date the Governor and Executive Council approve this Agreement ("Effective Date").

3.2 If the Contractor commences the Services prior to the Effective Date, all Services performed by the Contractor prior to the Effective Date shall be performed at the sole risk of the Contractor, and in the event that this Agreement does not become effective, the State shall have no liability to the Contractor, including without limitation, any obligation to pay the Contractor for any costs incurred or Services performed. Contractor must complete all Services by the Completion Date specified in block 1.7.

**4. CONDITIONAL NATURE OF AGREEMENT.**

Notwithstanding any provision of this Agreement to the contrary, all obligations of the State hereunder, including, without limitation, the continuance of payments hereunder, are contingent upon the availability and continued appropriation of funds, and in no event shall the State be liable for any payments hereunder in excess of such available appropriated funds. In the event of a reduction or termination of appropriated 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 Contractor notice of such termination. The State shall not be required to transfer funds from any other account to the Account identified in block 1.6 in the event funds in that Account are reduced or unavailable.

**5. CONTRACT PRICE/PRICE LIMITATION/ PAYMENT.**

5.1 The contract price, method of payment, and terms of payment are identified and more particularly described in EXHIBIT B which is incorporated herein by reference.

5.2 The payment by the State of the contract price shall be the only and the complete reimbursement to the Contractor for all expenses, of whatever nature incurred by the Contractor in the performance hereof, and shall be the only and the complete compensation to the Contractor for the Services. The State shall have no liability to the Contractor other than the contract price.

5.3 The State reserves the right to offset from any amounts otherwise payable to the Contractor under this Agreement those liquidated amounts required or permitted by N.H. RSA 80:7 through RSA 80:7-c or any other provision of law.

5.4 Notwithstanding any provision 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 Price Limitation set forth in block 1.8.

**6. COMPLIANCE BY CONTRACTOR WITH LAWS AND REGULATIONS/ EQUAL EMPLOYMENT OPPORTUNITY.**

6.1 In connection with the performance of the Services, the Contractor shall comply with all statutes, laws, regulations, and orders of federal, state, county or municipal authorities which impose any obligation or duty upon the Contractor, including, but not limited to, civil rights and equal opportunity laws. In addition, the Contractor shall comply with all applicable copyright laws.

6.2 During the term of this Agreement, the Contractor shall not discriminate against employees or applicants for employment because of race, color, religion, creed, age, sex, handicap, sexual orientation, or national origin and will take affirmative action to prevent such discrimination.

6.3 If this Agreement is funded in any part by monies of the United States, the Contractor shall comply with all the provisions of Executive Order No. 11246 ("Equal Employment Opportunity"), as supplemented by the regulations of the United States Department of Labor (41 C.F.R. Part 60), and with any rules, regulations and guidelines as the State of New Hampshire or the United States issue to implement these regulations. The Contractor further agrees to permit the State or United States access to any of the Contractor's books, records and accounts for the purpose of ascertaining compliance with all rules, regulations and orders, and the covenants, terms and conditions of this Agreement.

**7. PERSONNEL.**

7.1 The Contractor shall at its own expense provide all personnel necessary to perform the Services. The Contractor warrants that all personnel engaged in the Services shall be qualified to perform the Services, and shall be properly licensed and otherwise authorized to do so under all applicable laws.

7.2 Unless otherwise authorized in writing, during the term of this Agreement, and for a period of six (6) months after the Completion Date in block 1.7, the Contractor shall not hire, and shall not permit any subcontractor or other person, firm or corporation with whom it is engaged in a combined effort to perform the Services to hire, any person who is a State employee or official, who is materially involved in the procurement, administration or performance of this Agreement. This provision shall survive termination of this Agreement.

7.3 The Contracting Officer specified in block 1.9, or his or her successor, shall be the State's representative. In the event of any dispute concerning the interpretation of this Agreement, the Contracting Officer's decision shall be final for the State.

Contractor Initials: JLR  
Date 11/1/2012

**8. EVENT OF DEFAULT/REMEDIES.**

8.1 Any one or more of the following acts or omissions of the Contractor shall constitute an event of default hereunder ("Event of Default"):

- 8.1.1 failure to perform the Services satisfactorily or on schedule;
- 8.1.2 failure to submit any report required hereunder; and/or
- 8.1.3 failure to perform any other covenant, term or condition of this Agreement.

8.2 Upon the occurrence of any Event of Default, the State may take any one, or more, or all, of the following actions:

- 8.2.1 give the Contractor 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 Contractor notice of termination;
- 8.2.2 give the Contractor 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 contract price which would otherwise accrue to the Contractor during the period from the date of such notice until such time as the State determines that the Contractor has cured the Event of Default shall never be paid to the Contractor;
- 8.2.3 set off against any other obligations the State may owe to the Contractor any damages the State suffers by reason of any Event of Default; and/or
- 8.2.4 treat the Agreement as breached and pursue any of its remedies at law or in equity, or both.

**9. DATA/ACCESS/CONFIDENTIALITY/PRESERVATION.**

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, computer printouts, notes, letters, memoranda, papers, and documents, all whether finished or unfinished.

9.2 All data and any property which has been received from the State or purchased with funds provided for that purpose under this Agreement, shall be the property of the State, and shall be returned to the State upon demand or upon termination of this Agreement for any reason.

9.3 Confidentiality of data shall be governed by N.H. RSA chapter 91-A or other existing law. Disclosure of data requires prior written approval of the State.

**10. TERMINATION.** In the event of an early termination of this Agreement for any reason other than the completion of the Services, the Contractor shall deliver to the Contracting Officer, not later than fifteen (15) days after the date of termination, a report ("Termination Report") describing in detail all Services performed, and the contract price earned, to and including the date of termination. The form, subject matter, content, and number of copies of the Termination

Report shall be identical to those of any Final Report described in the attached EXHIBIT A.

**11. CONTRACTOR'S RELATION TO THE STATE.** In the performance of this Agreement the Contractor is in all respects an independent contractor, and is neither an agent nor an employee of the State. Neither the Contractor nor any of its officers, employees, agents or members shall have authority to bind the State or receive any benefits, workers' compensation or other emoluments provided by the State to its employees.

**12. ASSIGNMENT/DELEGATION/SUBCONTRACTS.** The Contractor shall not assign, or otherwise transfer any interest in this Agreement without the prior written consent of the N.H. Department of Administrative Services. None of the Services shall be subcontracted by the Contractor without the prior written consent of the State.

**13. INDEMNIFICATION.** The Contractor 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 or resulting from, arising out of (or which may be claimed to arise out of) the acts or omissions of the Contractor. 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 in paragraph 13 shall survive the termination of this Agreement.

**14. INSURANCE.**

14.1 The Contractor shall, at its sole expense, obtain and maintain in force, and shall require any subcontractor or assignee to obtain and maintain in force, the following insurance:

14.1.1 comprehensive general liability insurance against all claims of bodily injury, death or property damage, in amounts of not less than \$250,000 per claim and \$2,000,000 per occurrence; and

14.1.2 fire and extended coverage insurance covering all property subject to subparagraph 9.2 herein, in an amount not less than 80% of the whole replacement value of the property.

14.2 The policies described in subparagraph 14.1 herein shall be on policy forms and endorsements approved for use in the State of New Hampshire by the N.H. Department of Insurance, and issued by insurers licensed in the State of New Hampshire.

14.3 The Contractor shall furnish to the Contracting Officer identified in block 1.9, or his or her successor, a certificate(s) of insurance for all insurance required under this Agreement. Contractor shall also furnish to the Contracting Officer identified in block 1.9, or his or her successor, certificate(s) of insurance for all renewal(s) of insurance required under this Agreement no later than fifteen (15) days prior to the expiration date of each of the insurance policies. The certificate(s) of insurance and any renewals thereof shall be

Contractor Initials shw  
Date 11/7/2012

attached and are incorporated herein by reference. Each certificate(s) of insurance shall contain a clause requiring the insurer to endeavor to provide the Contracting Officer identified in block 1.9, or his or her successor, no less than ten (10) days prior written notice of cancellation or modification of the policy.

**15. WORKERS' COMPENSATION.**

15.1 By signing this agreement, the Contractor agrees, certifies and warrants that the Contractor is in compliance with or exempt from, the requirements of N.H. RSA chapter 281-A ("*Workers' Compensation*").

15.2 To the extent the Contractor is subject to the requirements of N.H. RSA chapter 281-A, Contractor shall maintain, and require any subcontractor or assignee to secure and maintain, payment of Workers' Compensation in connection with activities which the person proposes to undertake pursuant to this Agreement. Contractor shall furnish the Contracting Officer identified in block 1.9, or his or her successor, proof of Workers' Compensation in the manner described in N.H. RSA chapter 281-A and any applicable renewal(s) thereof, which shall be attached and are incorporated herein by reference. The State shall not be responsible for payment of any Workers' Compensation premiums or for any other claim or benefit for Contractor, or any subcontractor or employee of Contractor, which might arise under applicable State of New Hampshire Workers' Compensation laws in connection with the performance of the Services under this Agreement.

**16. 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 of Default, or any subsequent Event of Default. No express failure to enforce any Event of Default 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 Event of Default on the part of the Contractor.

**17. 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 given in blocks 1.2 and 1.4, herein.

**18. 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 Executive Council of the State of New Hampshire.

**19. CONSTRUCTION OF AGREEMENT AND TERMS.**

This Agreement shall be construed in accordance with the laws of the State of New Hampshire, and is binding upon and inures to the benefit of the parties and their respective successors and assigns. The wording used in this Agreement is the wording chosen by the parties to express their mutual

intent, and no rule of construction shall be applied against or in favor of any party.

**20. 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.

**21. HEADINGS.** The headings throughout the Agreement are for reference purposes only, and the words contained therein shall in no way be held to explain, modify, amplify or aid in the interpretation, construction or meaning of the provisions of this Agreement.

**22. SPECIAL PROVISIONS.** Additional provisions set forth in the attached EXHIBIT C are incorporated herein by reference.

**23. SEVERABILITY.** In the event any of the provisions of this Agreement are held by a court of competent jurisdiction to be contrary to any state or federal law, the remaining provisions of this Agreement will remain in full force and effect.

**24. 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

Gorham Gold Greenwich & Associates LLC (Contractor) will provide certain consulting services to assist the New Hampshire Public Utilities Commission (Commission) in monitoring the ongoing development, testing and deployment of the Information Technology (IT) systems that will facilitate the transfer of the works and operating systems of Granite State Electric and EnergyNorth Natural Gas from National Grid to Liberty Energy Utilities (New Hampshire) Corp. (Liberty). Through this contract, the Commission seeks to ensure Liberty fully satisfies the conditions delineated by the Commission in Docket No. DG 11-040 so that Liberty is reasonably able to assume its duties and obligations at such time as any support rendered by National Grid is withdrawn.

The Contractor will serve in a supervisory role and function at the direction of the Commission Staff. The Contractor's approved scope of work is targeted to those areas that afford the Commission the ability to observe the implementation process and attest that the actions of the principals involved in the IT migration meet the commitments contained in the Settlement Agreement in Docket DG 11-040 and do not threaten the public interest. Specifically, the tasks will be limited to Task 1 and Task 3 contained in the Commission's July 21, 2012 Request for Proposals and the Contractor's Revision 3.1 (dated October 22, 2012) to its August 10, 2012 proposal; i.e., inspection and audit.

The scope of work emphasizes inspection and audit of the IT migration related activities performed by or on behalf of Liberty and National Grid to ensure execution in a manner consistent with the commitments made in Docket No. DG 11-040. The Contractor shall observe the events that transpire over the course of the implementation phase and report its observations and evaluation to the Commission Staff. Observation and reporting to Staff preserves the authority of the Commission to take such action as it deems warranted. The Contractor will monitor scheduled activities to ensure that they are: completed in accordance with stated plans; managed in accordance with prescribed schedules; and found acceptable upon achievement of certain recognized standards.

The Contractor's scope of work will include, but not be limited to, observation and evaluation of Liberty's testing and cutover readiness processes as well as its methods for ensuring complete and accurate data conversion from National Grid to Liberty. Furthermore, the Contractor will include in its scope of work any observations and evaluations related to security and vendor performance that bear upon the above referenced subjects. All concerns and potential issues identified by the Contractor shall be noted and reported in writing to the Commission Staff as described below.

Contractor Initials                       
Date 11/1/12  
Page 1 of 1

The Contractor shall develop and deliver to Staff a monthly report that details the progress that Liberty is making in implementing its IT Migration Plan. The report shall consist of: comments on issues of importance and concern; the pace of progress toward short term and long term objectives within the IT Migration Plan; the processes Liberty employs to guide the development and implementation of the IT systems; resources assigned and needed; effective participation of partner organizations; risk assessment and mitigations; communications; and overall effectiveness of the transition to the self-sustaining status of Granite State Electric and EnergyNorth. Such matters of interest or concern that emerge from the monitoring efforts of the contract shall be immediately communicated in writing to Staff with any recommendations that might be appropriate to the subject.

The Commission reserves the right to direct the Contractor's activities and all personnel assignments as the Commission deems appropriate. The Commission must be notified in writing of any substitutions or changes in personnel available for assignment to the Commission.

The Contractor agrees to maintain confidential all information to which it has access until such time as it is instructed otherwise by the Commission.

The term of the contract will begin immediately upon approval of the contract by Governor and the Executive Council. The contract will terminate on February 28, 2014.

Contractor Initials             
Date 11/5/13  
Page 2 of 2

## EXHIBIT B

### BUDGET, LIMITATION ON PRICE, AND PAYMENT

1. **Estimated Budget:** The Contractor shall charge for professional consulting services for a fixed fee of \$300,000.00, inclusive of all expenses.
2. **Price Limitation:** In no event shall the contract exceed \$300,000.00.
3. **Method of Payment:** Upon approval of this contract by Governor and Council, Contractor shall invoice the Commission for \$67,500.00. Thereafter, Contractor will invoice the Commission on the following schedule:
  - a. \$67,500 on or about January 31, 2013;
  - b. \$67,500 on or about April 30, 2013; and
  - c. \$67,500 on or about July 31, 2013.

Ten percent (10%) of the total price limitation, or \$30,000, will be held back until completion of the project. Payment of the final 10% will be made after the Contractor provides a final report, no later than 30 days from completion of the project, or from the end date of this contract, February 28, 2014, whichever comes first.

Invoices shall be submitted to: Business Office, New Hampshire Public Utilities Commission, 21 South Fruit St., Suite 10, Concord, NH 03301-2429.

Payments hereunder are contingent upon the availability of funds assessed pursuant to RSA 365:37, II. The Commission will assess the costs of the contract to the appropriate party and upon payment of the assessment, will in turn process payment to the Contractor.

Contractor Initials CM  
Date 11/7/2012  
Page 3 of 3

**EXHIBIT C**  
**SPECIAL PROVISIONS**

Item 14.1.1 of the General Provisions Agreement is hereby replaced as follows:

14.1.1 comprehensive general liability insurance against all claims of bodily injury, death or property damage, in amounts of not less than \$1,000,000 per occurrence and general aggregate of \$2,000,000.

Contractor Initials AWI  
Date 11/7/2012  
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# State of New Hampshire Department of State

## CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that Gorham Gold Greenwich Associates LLC, a(n) Kansas limited liability company registered to do business in New Hampshire on September 2, 2011. I further certify that it is in good standing as far as this office is concerned, having filed the annual report(s) and paid the fees required by law.



In TESTIMONY WHEREOF, I hereto set my hand and cause to be affixed the Seal of the State of New Hampshire, this 17<sup>th</sup> day of October, A.D. 2012

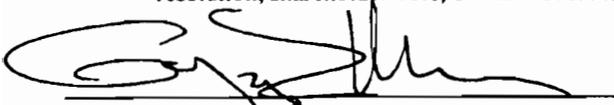
A handwritten signature in cursive script, appearing to read "William M. Gardner".

William M. Gardner  
Secretary of State

**CERTIFICATE OF AUTHORITY/VOTE**  
(Limited Liability Company)

I, Gregory Loyd Mann, hereby certify that:

1. I am the Sole Member/Manager of the Company of Gorham Gold Greenwich Associates LLC.
2. I hereby further certify and acknowledge that the State of New Hampshire will rely on this certificate as evidence that I have full authority to bind Gorham Gold Greenwich Associates and that no corporate resolution, shareholder vote, or other document or action is necessary to grant me such authority.

  
\_\_\_\_\_  
Gregory Loyd Mann (Signature)

10/11/12  
\_\_\_\_\_  
Date

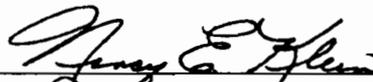
STATE OF KANSAS

COUNTY OF JOHNSON

On this the 11<sup>th</sup> day of October 2012, before me Nancy Klein  
(Name of Notary Public/Justice of the Peace)

the undersigned officer, personally appeared Gregory Loyd Mann, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument and acknowledged that he executed the same for the purposes therein contained. In witness whereof, I hereunto set my hand and official seal.

**NANCY E. KLEIN**  
Notary Public - State of Kansas  
My Appt. Expires 11/22/15

  
\_\_\_\_\_  
(Notary Public/Justice of the Peace-Signature)

Commission expires: 11/22/2015



# Gorham, Gold, Greenwich & Associates

Management Consultancy

1500 Office Building  
1500 Office Building, Suite 1000  
Concord, NH 03301-2429

Phone: 603.224.1100

October 12, 2012

October 12, 2012

Ms. Michele A. Caraway  
Director of Administration  
New Hampshire Public Utilities Commission  
21 South Fruit Street – Suite 10  
Concord, New Hampshire 03301-2429

~~PHUC 00117112 10/12/12~~

Ms. Caraway:

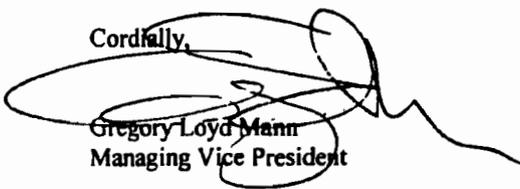
Appended to this correspondence are certain documents required by the New Hampshire Public Utilities Commission for further consideration of our proposal in the matter of post-sale monitoring of the Liberty Energy Utilities

I reviewed the submission requirements with our in-house Counsel to identify any changes since our earlier contract with the Commission in 2011. He expressed the opinion to me that nothing seems to have changed in either your requirements or our operations that merit any deviation from our earlier submission. Accordingly, we have attached a newly executed Certificate of Authority/Vote, a Certificate of Good Standing from the New Hampshire Secretary of State and a Certificate of Liability Insurance. Additionally, we have appended copies of our previous enrollment form with the State Treasury Office that provides for Direct Deposit of any remittance.

Finally, we have not provided any certificate of worker's compensation. As we indicated in our 2011 statement we have reviewed the requirements set out in NH RSA 281 with both internal Counsel and external Counsel who conclude we are not subject to the provisions. As a Kansas-registered LLC and the fact that all of our associates are shareholders in the firm, we are exempt under Kansas statutes. Given the exemption afforded in Kansas statutes it is their conclusion that we also exempt under NH RSA 281 as well. By definition, we have no "employees" in Kansas or otherwise that would be covered by any worker's compensation plan.

If there are any questions regarding any of the appended please feel free to contact me at any time.

Cordially,

  
Gregory Loyd Mann  
Managing Vice President