

THE STATE OF NEW HAMPSHIRE

26 JAR

CHAIRMAN  
Martin P. Honigberg

COMMISSIONERS  
Kathryn M. Bailey  
Michael S. Giaimo

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

November 7, 2017

His Excellency, Governor Christopher T. Sununu  
and the Honorable Council  
State House  
Concord, NH 03301

**REQUESTED ACTION**

Authorize the Public Utilities Commission (Commission) to budget and expend the prior year balance forward funds in the Safety Division's Gas Pipeline Carriers accounting unit. The requested amount of \$50,000.00 will be used to fund the development of an IT solution that will enhance the efficiency and reliability of the Safety Division's inspection database program effective upon Governor and Council approval through June 30, 2018. Funding is 100% Other Funds.

These funds should be budgeted as follows:

<b>02-81-81-810510-28300000 Gas Pipeline Carriers</b>				
<b>SFY 2018</b>				
<b>Source of Funds</b>				
<b>Class</b>	<b>Description</b>	<b>Current Budget</b>	<b>Increase (Decrease)</b>	<b>Modified Budget</b>
000-404260	Federal Funds	513,645		513,645
009-403292	Agency Income	220,135	50,000	270,135
<b>Totals</b>		<b>733,780</b>	<b>50,000</b>	<b>783,780</b>

<b>Class</b>	<b>Description</b>	<b>Current Budget</b>	<b>Increase (Decrease)</b>	<b>Modified Budget</b>
10-500100	Personal Services Perm Classified	237,114		237,114
12-500128	Personal Services Unclassified	109,261		109,261
20-500200	Current Expenses	14,050		14,050
22-500255	Rental/Lease Office Equipment	2,000		2,000
26-500251	Organizational Dues	800		800
27-502799	Transfers to OIT	51,975	50,000	101,975
28-500292	Transfers to General Services	48,831		48,831
30-500310	Equipment New Replacement	37,900		37,900
39-500188	Telecommunications	7,488		7,488
40-500800	Indirect Costs	9,176		9,176

41-500801	Audit Fund Set Aside	733		733
49-500294	Transfer to Other State Agen	13,522		13,522
57-500531	Books, Periodicals, Subscriptions	750		750
60-500601	Benefits	167,180		167,180
70-500704	In-State Travel	3,500		3,500
80-500710	Out-of-State Travel	29,500		29,500
Totals		733,780	50,000	783,780

### EXPLANATION

The expenses of the Commission's Safety Division are funded primarily by a grant from the U.S. Department of Transportation - Pipeline and Hazardous Materials Safety Administration (PHMSA). This grant supports the Division's Pipeline Safety, and a portion of the One Call enforcement, commonly referred to as Dig Safe program. The amount of the grant award is determined by annual program audits by PHMSA of program requirements and benchmarks. In recent audits, the review of the existing database used for tracking schedules, inspections, violation enforcement and federal reporting revealed data reliability and federal reporting issues that need to be corrected in order for the division to continue to receive the maximum grant amount allowed under the PHMSA program. The additional funds requested for transfer to the Department of Information Technology (DoIT), along with existing DoIT funds, will allow the Safety Division to fund the development of a replacement database. The new database will have: 1) improved ad-hoc reporting capabilities; 2) enhanced mobile inspection processing; 3) the ability to schedule inspectors to meet inspection requirements; 4) the ability to track violations with associated enforcement actions; and 5) interface with federal reporting programs. The database redevelopment is a core component of the state pipeline safety program. The request to PHMSA for funding for the development of the replacement database was accepted in both the calendar 2017 and 2018 submissions.

Accordingly, your consideration of our request is appreciated.

Respectfully submitted,



Martin P. Honigberg  
Chairman

**Gas Pipeline Carriers  
Fiscal Situation**

Fiscal Year	Grant Year	Expenditures	Grant Revenue	Pipeline Assessment Revenue	Balance Forward	
2015-2016	01/01/2016 - 12/31/2016	324,245	295,997	96,994	24,329	01/01/2016 - 06/30/2016
2016-2017	01/01/2016 - 12/31/2016	322,510	226,107	9,963	174,493	07/01/2016 - 12/31/2016
2016-2017	01/01/2017 - 12/31/2017	354,973	320,747	19,727	73,554	01/01/2017 - 06/30/2017

Note: Gas Pipeline Carriers does not lapse and year end closing instructions bring forward any balance in revenue class 009 - Agency Income.

SFY 2018 Balance Forward	73,554
Current Request	<u>(50,000)</u>
Remaining Balance Forward	23,554
Current SFY 18 Appropriation	733,780
Current Request	<u>50,000</u>
Adjusted SFY 18 Appropriation	783,780