

THE STATE OF NEW HAMPSHIRE

CHAIRMAN
Martin P. Honigberg

COMMISSIONERS
Kathryn M. Bailey
Michael S. Giaimo

EXECUTIVE DIRECTOR
Debra A. Howland



PUBLIC UTILITIES COMMISSION

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

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

Tel. (603) 271-2431

FAX (603) 271-3878

Website:
www.puc.nh.gov

May 2, 2018

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

Your Excellency and Honorable Councilors:

REQUESTED ACTION

Authorize the New Hampshire Public Utilities Commission (Commission) to accept and expend \$31,366.00 in grant funds from the U.S. Department of Transportation - Pipeline and Hazardous Materials Safety Administration (USDOT-PHMSA) for gas related work performed in the enforcement of pipeline safety. 100% Federal Funds.

These federal grant funds are to be budgeted in an existing account entitled Gas Pipeline Carriers as follows:

02-81-81-810510-28300000 Gas Pipeline Carriers				
SFY 2018				
Source of Funds				
Class	Description	Current Budget	Increase (Decrease)	Modified Budget
000-404260	Federal Funds	513,645	31,366	545,011
009-403292	Agency Income	270,135		270,135
Totals		783,780	31,366	815,146

Class	Description	Current Budget	Increase (Decrease)	Modified Budget
10-500100	Personal Services Perm Classified	237,114	6,650	243,764
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	101,975	21,216	123,191

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	3,500	170,680
70-500704	In-State Travel	3,500		3,500
80-500710	Out-of-State Travel	29,500		29,500
Totals		783,780	31,366	815,146

EXPLANATION

This USDOT-PHMSA grant is a reimbursement grant and the amount received is based on performance of the objectives identified in the grant application. Based on those objectives, the Commission's Safety Division regularly inspects natural gas, methane and certain propane pipeline facilities to ensure compliance with all Federal and State safety rules and regulations pertaining to the design, construction, operation and maintenance of those facilities. It also investigates incidents involving natural gas resulting in injury requiring hospitalization, a fatality, or property damage exceeding \$5,000.

Historically the Safety Division has prepared a state budget with a seventy percent reimbursement of federal funds with the other thirty percent coming from an assessment to the utilities. The results of the most recent USDOT-PHMSA performance audit awarded the Safety Division the highest reimbursement of eighty percent.

The Commission requests authorization to accept and expend \$31,366 in additional USDOT-PHMSA grant funds for gas enforcement activities and to budget the funds as follows:

- Class 010-500100 Personal Services will be used to cover the additional salary costs related to the Safety Division inspections. Note: No new staff were added.
- Class 027-502799 Transfers to OIT will be used to support the development of a new inspection tracking system being developed by Spruce Technologies.
- Class 060-500601 Benefits will be used to cover the benefits costs associated with the time spent on Safety Division inspections.

If Federal funds are no longer available, General Funds will not be requested to support these expenditures.

Your consideration of our request is appreciated.

Respectfully submitted,



Martin P. Honigberg
Chairman

**Gas Pipeline Carriers
Fiscal Situation**

Grant Year CY 2017 Period Covered	SFY 2018 Estimated Grant Revenue Budgeted	SFY 2018 Grant Revenue Received	Date Received
01/01/2017 - 06/30/2017	513,645	237,965	September 2017
07/01/2017 - 12/31/2017		307,046	April 2018
Accept & Expend Amount	31,366		