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Website: www.puc.nh.gov

TDD Access: Relay NH

1-800-735-2964 Tel. (603) 271-2431

FAX (603) 271-3878

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

December 3, 2012

Commissioners To:

From: Alexander Speidel, Hearings Examiner

Docket No. DE 12-320, Public Service Company of New Hampshire Re:

Petition for Recovery of Storm Preparation Costs through the Major Storm Cost Reserve

Prehearing Conference

HEARING EXAMINER'S REPORT

At your request, I presided over the November 27, 2012 prehearing conference in the abovecaptioned docket. The prehearing conference was held pursuant to an Order of Notice issued in Docket No. DE 12-320 on November 13, 2012.

Ancillary Procedural Matters

The affidavit of publication was filed on November 20, 2012.

Appearances

Public Service Company of New Hampshire (PSNH) by Matthew Fossum, Esq.

Commission Staff by Suzanne Amidon, Esq.

Intervention Requests

Aside from PSNH and Staff, no parties appeared at the prehearing conference; the Office of the Consumer Advocate did not file a letter of participation.

Preliminary General Positions of the Parties

PSNH argued in favor of approval of its petition, noting that under the present structure of the Major Storm Cost Reserve program afforded PSNH, there exists a threat of non-recovery of prestaging costs incurred by PSNH in connection with expected meteorological events that, in actual severity, fall short of qualification as a "major storm." PSNH stated that inclusion of such prestaging costs in Major Storm Cost Reserve recovery as a matter of right would encourage PSNH to enhance pre-staging efforts on a preventative basis, and to adopt the Commission's

recommendations for enhanced pre-staging efforts by PSNH outlined within the October 2011 Snowstorm Report. To that end, PSNH requested that the Commission consider its petition expeditiously, and to grant approval on an Order *Nisi* basis, in light of the impending winter season.

<u>Staff</u> indicated that it planned to develop a procedural schedule with PSNH at the technical session scheduled after the prehearing conference, and that it would propound discovery requests during the course of this proceeding. Staff also noted that it would file a proposed procedural schedule for this docket soon after the technical session.

Staff filed, with PSNH's concurrence, a proposed procedural schedule by letter to the Executive Director on November 27, 2012, in which Staff also endorsed the approach of Commission disposition of PSNH's filing via Order *Nisi* after the filing of a Staff recommendation to the Commission on the basis of its discovery.

Hearing Examiner's Recommendations (Re: Use of Order *Nisi* for ruling on PSNH Petition, Procedural Schedule)

Having reviewed PSNH's petition, and Staff's letter of November 27, I would recommend that the Commission approve the jointly proposed procedural schedule, and I also endorse the use of an Order *Nisi* as the decisional approach of the Commission in this docket.

Alexander F. Speidel

NHPUC Hearings Examiner

Cc: Service List Docket File