

**THE STATE OF NEW HAMPSHIRE
before the
PUBLIC UTILITIES COMMISSION**

Docket No. DE 16-187

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE d/b/a/ EVERSOURCE ENERGY

Auction of Electric Generation Facilities

**COMMENTS
of
PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
on
PETITIONS TO INTERVENE**

September 19, 2016

Pursuant to RSA 541-A:32, N.H. Code of Admin Rule Puc 203.07, and the Order of Notice issued in this proceeding, Public Service Company of New Hampshire d/b/a Eversource Energy (“Eversource”) wishes to provide comments on the Petitions to Intervene filed by a number of petitioners.

1. The Commission issued its Order of Notice on September 7, 2016, opening this docket as an “expedited proceeding to oversee the process of auctioning the generation facilities owned by... Eversource.” Order of Notice at 1.

2. The decision to move forward with divestiture of Eversource’s generation facilities has a long, complex, and detailed history dating back to the enactment of HB 1392, “AN ACT restructuring the electric utility industry in New Hampshire and establishing a legislative oversight committee,” in 1996. With several starts and stops in the intervening years, the final decision to move forward with the divestiture process occurred nineteen years later by the Commission’s recent approval of the 2015 Public Service Company of New Hampshire Restructuring and Rate Stabilization Agreement, and other ancillary agreements, in Order No. 25,920 issued on July 1, 2016 in Docket No. DE 14-238. In Docket No. DE 14-238, a docket that lasted nearly two years, the Commission took into consideration the long history of events related to Eversource’s generation business as well as recent changes made by the Legislature

when it enacted HB 1602, “AN ACT relative to the divestiture of PSNH assets and relative to the siting of wind turbines” in 2014 and SB 221, “AN ACT relative to electric rate reduction financing” in 2015. In Docket No. DE 14-238, the Commission allowed numerous parties to weigh-in on whether divestiture should move forward and whether the settlements before the Commission should be approved. Issues including economics, environment, rates, and the general public interest were thoroughly aired as part of Docket No. DE 14-238.

3. The Order of Notice initiating this proceeding indicated that this docket has a narrow scope that is intended to implement the decisions made in Docket No. DE 14-238. In particular, in Docket No. DE 14-238, the Commission approved the “Partial Litigation Settlement” which included the agreement (at paragraph 25) “that the issue of specific auction design(s) shall be presented in a separate adjudicatory docket to be opened by the Commission.” (*See also* Order No. 25,920 at 42-43). The present docket is that “separate adjudicatory docket” with a purpose of determining the specific auction design(s). As expressly stated in the Order of Notice, this docket has a primary objective of designing an auction process that minimizes stranded costs by maximizing the value received for the sale of the assets. The Order of Notice included secondary objectives subservient to the primary objective of accommodating the participation in the auction of municipalities and fairly allocating among individual assets the sale price of any assets that are sold as a group.

4. In some of the petitions for intervention, the petitioners have included many interests that go beyond the narrow scope of this proceeding.

5. In its petition, the Sierra Club indicated that this docket will likely involve issues including “environmental impacts, system reliability, generation diversification, and implications for rates paid by electricity customers in New Hampshire.” Sierra Club petition at ¶3. The Sierra Club stated that its “members have direct and substantial interests in the outcome of this proceeding including, but not limited to, its environmental and economic repercussions. For instance, intervention will allow the Sierra Club to protect its members’ substantial interests in the environmental and public health impacts resulting from auction and divestiture or retirement of PSNH’s generating assets.” *Id.* at ¶4.

6. Similarly, in its petition, the Conservation Law Foundation indicated that its members “have a strong and direct interest in environmental and economic considerations associated with the

operation of fossil fuel fired power plants currently owned and operated by Eversource, including its coal-fired electric generating facilities; the structure of New Hampshire's electric market, including the completion of restructuring; and the economic implications of divestiture and stranded costs.” CLF petition at ¶3.

7. In the petition for intervention of the Town of New Hampton, that municipality cited its interest in “the viability of the future ownership and operation of the [Ayers Island hydro] facility.” New Hampton petition at ¶3.

8. The City of Concord states in its petition for intervention that its interests are focused on the large tract of undeveloped land owned by Eversource referred to as the “Garvins Falls Road” property. “Concord has a direct interest in the auction process to secure its interests in the Garvin’s Falls Road property, and the future development of Garvin’s Falls as it relates to Concord’s tax base. Concord’s interests may be affected by the PUC’s decisions and its intervention in this matter is necessary.” Concord petition at ¶6. During Docket No. DE 14-238, Concord raised the same issue and interests, petitioned for intervention (docketed October 30, 2015), then withdrew that intervention request (December 7, 2015) stating “As a result of Eversource’s December 4, 2015 letter [from its Vice President William H. Smagula] and its representation that the Property will not be sold by Eversource as a part of the divestiture, the City’s interest in this matter is resolved.” (Eversource’s December 4, 2015 letter is included in the record of Docket No. DE 14-238 at the Commission’s virtual docketbook Tab 178, “Attachments.”) As Concord’s issue was resolved in Docket No. DE 14-238, and the representations made by Mr. Smagula have not changed, there is no need or basis to revisit the same issue in this new proceeding.

9. Although not objecting to the petitions for intervention discussed above, Eversource asks the Commission to limit any grant of intervention to the narrow scope of this proceeding, per the authority of RSA 541-A:32, III.

Respectfully submitted this 19th day of September, 2016.

**PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
d/b/a EVERSOURCE ENERGY**

By: _____

Robert A. Bersak
Chief Regulatory Counsel

Linda T. Landis
Senior Counsel

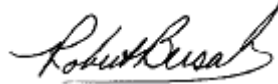
Public Service Company of New Hampshire
d/b/a Eversource Energy
780 N. Commercial Street, P.O. Box 330
Manchester, NH 03105-0330
603-634-3355

Robert.Bersak@Eversource.com
Landa.Landis@Eversource.com

CERTIFICATE OF SERVICE

I certify that on this date I caused this pleading to be served on parties on the Commission's service list for this docket, as well as on parties who have filed timely intervention petitions in this docket.

September 19, 2016



PENTTI J AALTO
PJA ENERGY SYSTEMS DESIGN
720 BATCHELDER RD
PEMBROKE NH 03275
pjaesd@comcast.net

MELISSA E BIRCHARD
CONSERVATION LAW FOUNDATION
27 NORTH MAIN ST
CONCORD NH 03301
mbirchard@clf.org

ERIC CHUNG
NORTHEAST UTILITIES SERVICE COMPANY
ONE NSTAR WAY
WESTWOOD MA 02090
eric.chung@eversource.com

DANIEL W ALLEGRETTI
EXELON CORPORATION
100 CONSTELLATION WAY STE 600C
BALTIMORE MD 21202
daniel.allegretti@exeloncorp.com

CHRISTOPHER L BOLDT
DONAHUE TUCKER & CIANDELLA PLLC
111 MAPLEWOOD AVE STE D
PORTSMOUTH NH 03801-3749
cboldt@dtclawyers.com

CATHERINE CORKERY
NH SIERRA CLUB
40 N MAIN ST 2ND FLR
CONCORD NH 03301
catherine.corkery@sierraclub.org

CHRISTOPHER G ASLIN
DEPARTMENT OF JUSTICE - CIVIL BUREAU
NH
christopher.aslin@doj.nh.gov

JEB BRADLEY
NEW HAMPSHIRE STATE SENATOR
107 NORTH MAIN ST RM 302
CONCORD NH 03301-4951
jeb.bradley@leg.state.nh.us

PETER CRAMTON
pcramton@gmail.com

CARLOS P BAIA
CITY OF CONCORD
CITY HALL
41 GREEN ST
CONCORD NH 03301
cbaia@concordnh.gov

JIM BRENNAN
OFFICE OF CONSUMER ADVOCATE
21 SOUTH FRUIT ST
SUITE 18
CONCORD NH 03301-2429
james.brennan@oca.nh.gov

TERRY CRONIN
643 BRIAR HILL RD
HOPKINTON NH 03229
terry.cronin@tds.net

MARK BERKMAN
mark.berkman@brattle.com

LISA CAMERON
lisa.cameron@brattle.com

ARTHUR B CUNNINGHAM
LAW OFFICES OF ARTHUR B CUNNINGHAM
PO BOX 511
HOPKINTON NH 03229
gilfavor@comcast.net

ROBERT BERSAK
EVERSOURCE ENERGY
780 N COMMERCIAL ST
PO BOX 330
MANCHESTER NH 03105-0330
robert.bersak@eversource.com

PRADIP K CHATTOPADHYAY
OFFICE OF CONSUMER ADVOCATE
21 S FRUIT ST STE 18
CONCORD NH 03301
pradip.chattopadhyay@oca.nh.gov

KRISTI L DAVIE
EVERSOURCE ENERGY
PO BOX 330
MANCHESTER NH 03105
kristi.davie@eversource.com

Docket #: 16-817-1 Printed: September 18, 2016

FILING INSTRUCTIONS:

- a) Pursuant to N.H. Admin Rule Puc 203.02 (a), with the exception of Discovery, file 7 copies, as well as an electronic copy, of all documents including cover letter with:**

DEBRA A HOWLAND
EXECUTIVE DIRECTOR
NHPUC
21 S. FRUIT ST, SUITE 10
CONCORD NH 03301-2429

- b) Serve an electronic copy with each person identified on the Commission's service list and with the Office of Consumer Advocate.**

- c) Serve a written copy on each person on the service list not able to receive electronic mail.**

DAN DOLAN
NEW ENGLAND POWER GENERATORS ASSOCIATION
141 TREMONT ST
BOSTON MA 02111
ddolan@nepga.org

THEODORE L GATSAS
CITY OF MANCHESTER
ONE CITY HALL PLAZA
MANCHESTER NH 03101
mayor@manchesternh.gov

CAROL J HOLAHAN
NEW ENGLAND POWER GENERATORS ASSOCIATION
33 BROAD ST 7TH FLR
BOSTON MA 02109
cholahan@nepga.org

FRANK EDELBLUT
REPRESENTATIVE
99 BADGER FARM RD
WILTON NH 03086
fedelblut@gmail.com

SUSAN GEIGER
ORR & RENO PA
45 S MAIN ST
PO BOX 3550
CONCORD NH 03302-3550
sgeiger@orr-reno.com

KERRY HOLMES
OFFICE OF ENERGY AND PLANNING
107 PLEASANT ST JOHNSON HALL
CONCORD NH 03301
kerry.holmes@nh.gov

KATE EPSEN
NEW HAMPSHIRE SUSTAINABLE ENERGY /
54 PORTSMOUTH ST
CONCORD NH 03301
kate@nhsea.org

CHRISTOPHER GOULDING
EVERSOURCE ENERGY
PO BOX 330
MANCHESTER NH 03105
christopher.goulding@eversource.com

THOMAS F IRWIN
CONSERVATION LAW FOUNDATION
27 NORTH MAIN ST
CONCORD NH 03301-4930
tirwin@clf.org

ZACHARY M FABISH
SIERRA CLUB
50 F ST NW 5TH FLR
WASHINGTON DC 20001
zachary.fabish@sierraclub.org

ANDREW R HAMILTON
MCLANE GRAF RAULERSON & MIDDLETON
900 MAIN ST
MANCHESTER NH 03105
andrew.hamilton@mclane.com

JAMES W KENNEDY
CITY OF CONCORD
CITY SOLICITOR'S OFFICE
41 GREEN ST
CONCORD NH 03301
jkennedy@concordnh.gov

DAN FELTES
NEW HAMPSHIRE STATE SENATE
STATE HOUSE
CONCORD NH 03301
dan.feltes@leg.state.nh.us

MICHAEL HARRINGTON
harringt@metrocast.net

DONALD M KREIS
OFFICE OF CONSUMER ADVOCATE
21 SOUTH FRUIT ST STE 18
CONCORD NH 03301
donald.kreis@oca.nh.gov

MATTHEW FOSSUM
EVERSOURCE ENERGY
780 NO COMMERCIAL ST
MANCHESTER NH 03101
matthew.fossum@eversource.com

DORENE HARTFORD
CONSERVATION LAW FOUNDATION
27 NORTH MAIN ST
CONCORD NH 03301
dhartford@clf.org

STEFANIE LAMB
BUSINESS & INDUSTRY ASSOCIATION
122 N MAIN ST
CONCORD NH 03301
slamb@biaofnh.com

LINDA T LANDIS
EVERSOURCE ENERGY
PO BOX 330
MANCHESTER NH 03105-0330
linda.landis@psnh.com

HOWARD MOFFETT
howard.moffett@leg.state.nh.us

THOMAS F RYAN
IBEW NH
680 CENTRAL AVE STE 202
DOVER NH 03820
nhlocal@ibew1837.org

MELISSA L LAUDERDALE
EXELON CORPORATION
melissa.lauderdale@exeloncorp.com

JAMES MONAHAN
THE DUPONT GROUP
114 NORTH MAIN ST STE 401
CONCORD NH 03301
jmonahan@dupontgroup.com

WILLIAM SMAGULA
EVERSOURCE ENERGY
PO BOX 330
MANCHESTER NH 03105-0330
william.smagula@nu.com

LAURA MAYNARD
DEPARTMENT OF JUSTICE - CIVIL BUREAU
laura.maynard@doj.nh.gov

ROBERT J MUNNELLY JR
DAVIS MALM & D'AGOSTINE PC
ONE BOSTON PLACE
BOSTON MA 02108
rmunnelly@davismalm.com

SHAWN M TANGUAY
GARDNER FULTON & WAUGH
78 BANK ST
LEBANON NH 03766
stanguay@townandcitylaw.com

ANNETTE MAYO
EVERSOURCE ENERGY
PO BOX 330
MANCHESTER NH 03105
mayoac@nu.com

DEAN MURPHY
dean.murphy@brattle.com

ELIZABETH TILLOTSON
EVERSOURCE ENERGY
PO BOX 330
MANCHESTER NH 03105-0330
elizabeth.tillotson@nu.com

AMANDA MERRILL
OFFICE OF ENERGY AND PLANNING
amanda.merrill@nh.gov

OCA LITIGATION
OCA LITIGATION
21 SOUTH FRUIT ST STE 18
CONCORD NH 03301
ocalitigation@oca.nh.gov

CHRISTINE VAUGHAN
NORTHEAST UTILITIES SERVICE COMPANY
ONE NSTAR WAY
WESTWOOD MA 02090
christine.vaughan@eversource.com

RICK MINARD
OFFICE OF ENERGY AND PLANNING
richard.minardjr@nh.gov

DOUGLAS L PATCH
ORR & RENO PA
45 S MAIN ST
PO BOX 3550
CONCORD NH 03302
dpatch@orr-reno.com

RICK WHITE
EVERSOURCE ENERGY
PO BOX 330
MANCHESTER NH 03105
rick.white@eversource.com

JUDITH E WHITELAW
MITCHELL MUNICIPAL GROUP PA
25 BEACON ST EAST
LACONIA NH 03246
jae@mitchellmunigroup.com

PURSUANT TO N.H. ADMIN RULE PUC 203.09 (d), FILE DISCOVERY

DIRECTLY WITH THE FOLLOWING STAFF

RATHER THAN WITH THE EXECUTIVE DIRECTOR

DISCOVERY

NHPUC
21 S. FRUIT ST, SUITE 10
CONCORD NH 03301-2429

SUZANNE AMIDON
NHPUC
21 S. FRUIT ST, SUITE 10
CONCORD NH 03301-2429

RICHARD CHAGNON
NHPUC
21 S. FRUIT ST, SUITE 10
CONCORD NH 03301-2429

JAY DUDLEY
NHPUC
21 S. FRUIT ST, SUITE 10
CONCORD NH 03301-2429

THOMAS FRANTZ
NHPUC
21 S. FRUIT ST, SUITE 10
CONCORD NH 03301-2429

CATHERINE MARSELLOS
NHPUC
21 S. FRUIT ST, SUITE 10
CONCORD NH 03301-2429

BULK MATERIALS:

Upon request, Staff may waive receipt of some of its multiple copies of bulk materials filed as data responses. Staff cannot waive other parties' right to receive bulk materials.

LIZ NIXON
NHPUC
21 S. FRUIT ST, SUITE 10
CONCORD NH 03301-2429

F ANNE ROSS
NHPUC
21 S. FRUIT ST, SUITE 10
CONCORD NH 03301-2429

DAVID SHULOCK
NHPUC
21 S. FRUIT ST, SUITE 10
CONCORD NH 03301-2429

ALEXANDER SPEIDEL
NHPUC
21 S. FRUIT ST, SUITE 10
CONCORD NH 03301-2429

LESZEK STACHOW
NHPUC
21 S. FRUIT ST, SUITE 10
CONCORD NH 03301-2429

AMANDA NOONAN
NHPUC
21 S. FRUIT ST, SUITE 10
CONCORD NH 03301-2429