

1                               **STATE OF NEW HAMPSHIRE**  
2                               **PUBLIC UTILITIES COMMISSION**

3  
4   **September 30, 2020 - 1:34 p.m.**

5                   *[Remote Hearing conducted via Webex]*

6  
7           **RE: DE 19-080**  
8           **PUBLIC SERVICE COMPANY OF NEW**  
9           **HAMPSHIRE d/b/a EVERSOURCE ENERGY:**  
10           **Reconciliation of Energy Service**  
11           **and Stranded Costs for Calendar**  
12           **Year 2018. (Prehearing conference)**

13           **PRESENT:**     Chairwoman Dianne Martin, Presiding  
14                           Cmsr. Kathryn M. Bailey  
15                           Cmsr. Michael S. Giaimo

16                           Jody Carmody, Clerk  
17                           Eric Wind, PUC Remote Hearing Host

18           **APPEARANCES:**   **Reptg. Public Service Company of**  
19                           **New Hampshire d/b/a Eversource Energy:**  
20                           Jessica Chiavara, Esq.

21                           **Reptg. Residential Ratepayers:**  
22                           D. Maurice Kreis, Esq., Consumer Adv.  
23                           Christa Shute, Esq.  
24                           Office of Consumer Advocate

**Reptg. PUC Staff:**  
                         Paul B. Dexter, Esq.  
                         Stephen Eckberg, Electric Division

                  Court Reporter:     Steven E. Patnaude, LCR No. 52

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24

**I N D E X**

**PAGE NO.**

**STATEMENTS OF PRELIMINARY POSITION BY:**

Mr. Kreis	6
Mr. Dexter	7
Ms. Chiavara	9

**P R O C E E D I N G**

CHAIRWOMAN MARTIN: We're here this afternoon in Docket DE 19-080 for a prehearing conference regarding the Eversource Annual Reconciliation from Energy Service and Stranded Costs for calendar year 2018.

I have to make the required findings for the remote hearing.

As Chairwoman of the Public Utilities Commission, I find that due to the State of Emergency declared by the Governor as a result of the COVID-19 pandemic, and in accordance with the Governor's Emergency Order Number 12, pursuant to Executive Order 2020-04, this public body is authorized to meet electronically. Please note that there is no physical location to observe and listen contemporaneously to this hearing, which was authorized pursuant to the Governor's Emergency Order. However, in accordance with the Emergency Order, I am confirming that we are utilizing Webex for this electronic hearing.

All members of the Commission have the ability to communicate contemporaneously during this hearing, and the public has access to

1 contemporaneously listen and, if necessary,  
2 participate. We previously gave notice to the  
3 public of the necessary information for accessing  
4 the hearing in the Order of Notice. If anybody  
5 has a problem during the hearing, please call  
6 (603)271-2431. In the event the public is unable  
7 to access the hearing, the hearing will be  
8 adjourned and rescheduled.

9 Okay. Let's take roll call attendance  
10 of the Commission. When each Commissioner  
11 identifies him or herself, please also identify  
12 anyone who is with you.

13 My name is Dianne Martin. I am the  
14 Chairwoman of the Public Utilities Commission.  
15 And I am alone.

16 Commissioner Bailey.

17 CMSR. BAILEY: Good afternoon. Kathryn  
18 Bailey, Commissioner at the Public Utilities  
19 Commission. And I am alone.

20 CHAIRWOMAN MARTIN: And Commissioner  
21 Giaimo.

22 CMSR. GIAIMO: Good afternoon. Michael  
23 Giaimo, Commissioner. I am alone as well.

24 CHAIRWOMAN MARTIN: Okay. Great.

1 Thank you.

2 Let's take appearances. Starting with  
3 it looks like Ms. Chiavara.

4 MS. CHIAVARA: Yes. Good afternoon.  
5 Jessica Chiavara, counsel for Eversource Energy.

6 CHAIRWOMAN MARTIN: Okay. Thank you.  
7 And Mr. Kreis. You're on mute.

8 MR. KREIS: Sorry about that. Can you  
9 hear me now?

10 CHAIRWOMAN MARTIN: I can hear you now,  
11 yes.

12 MR. KREIS: Super. Good afternoon,  
13 Chairwoman, members of the Commission. I am D.  
14 Maurice Kreis, the Consumer Advocate, here on  
15 behalf of residential ratepayers. And with me  
16 today is my colleague, the OCA Staff Attorney,  
17 Christa Shute.

18 CHAIRWOMAN MARTIN: All right. Thank  
19 you. And Mr. Dexter.

20 MR. DEXTER: Good afternoon, Chairwoman  
21 and Commissioners. Paul Dexter, appearing on  
22 behalf of Commission Staff.

23 CHAIRWOMAN MARTIN: All right. Thank  
24 you.

1                   Any preliminary matters, before we hear  
2                   initial positions?

3                   MR. DEXTER:   Staff has no preliminary  
4                   matters.

5                   CHAIRWOMAN MARTIN:   All right.   Thank  
6                   you.   And I don't see anybody else raising their  
7                   hand.

8                   MS. CHIAVARA:   Oh, sorry.

9                   CHAIRWOMAN MARTIN:   That's okay.

10                  MS. CHIAVARA:   I forgot to mention that  
11                  I have with me witnesses for Eversource Energy,  
12                  Erica Menard, Rick White, and William Smagula.

13                  CHAIRWOMAN MARTIN:   All right.   Thank  
14                  you for introducing them.

15                  Okay.   If there are no other  
16                  preliminary matters, we can start with Mr. Kreis  
17                  and your initial position.

18                  MR. KREIS:   I'm sorry.   I wasn't  
19                  expecting you to call on me first.

20                  CHAIRWOMAN MARTIN:   I apologize for  
21                  surprising you.

22                  MR. KREIS:   That's all right.   I don't  
23                  have much to say by way of an initial position.  
24                  Except to say that we are eager to finally

1 resolve this whole thing, and bring the era of  
2 Public Service Company of New Hampshire as a  
3 generation owner to a formal close.

4 And I am confident that, with fairly  
5 brief discussions with the other parties, we can  
6 do that and present these issues to you on a  
7 fully non-contested basis.

8 CHAIRWOMAN MARTIN: Okay. And Mr.  
9 Dexter. You're on mute.

10 MR. DEXTER: Sorry about that.

11 CHAIRWOMAN MARTIN: That's okay.

12 MR. DEXTER: Yes. Good afternoon.

13 Staff has taken a preliminary look at  
14 the filing, and has three issues that we've  
15 identified that we want to explore further with  
16 the Company and the OCA, primarily through the  
17 tech session, which is to follow this prehearing  
18 conference.

19 The first issue we've identified is the  
20 \$28 million in stranded costs that Eversource has  
21 added to its stranded cost under-recovery as of  
22 April 2018. Eversource describes these amounts  
23 as "non-Scrubber related stranded costs". And we  
24 want to make sure that the figure that's

1 presented in the filing is consistent with other  
2 orders and settlements in other divestiture  
3 dockets.

4 Secondly, Staff has looked at the  
5 renewable energy credits associated with the  
6 Schiller 5 plant, also known as the "North Woods  
7 Power Plant". And Staff will explore whether  
8 these RECs associated with the plant should be  
9 prorated to the number of days in January 2018  
10 that Eversource owned the plant. And, if they  
11 should be, according to the underlying  
12 agreements, Staff wants to be sure that customers  
13 receive credit for those days of ownerships --  
14 ownership.

15 Similarly, with respect to RGGI  
16 compliance costs, Staff wants to be sure that  
17 those costs are prorated according to the days of  
18 ownership as well. Staff's preliminary position  
19 is that the figure for RGGI compliance costs in  
20 the filing for January 2018 does not reflect a  
21 per day proration for the Merrimack 1 Station.  
22 That's something that we will explore in the tech  
23 session that follows.

24 Those are the specific issues we have



1 at this time. Our overriding goal in this docket  
2 is to ensure that any costs approved for recovery  
3 in this case be consistent with the findings and  
4 treatments made in the other divestiture stranded  
5 cost dockets.

6 Thank you.

7 CHAIRWOMAN MARTIN: All right. Thank  
8 you. And Ms. Chiavara.

9 MS. CHIAVARA: Yes. Thank you very  
10 much. And good afternoon again.

11 Public Service Company of New  
12 Hampshire, doing business as Eversource Energy,  
13 welcomes the opportunity to review the Company's  
14 reconciliation of costs and revenues related to  
15 both Energy Service and the Stranded Cost  
16 Recovery Charge for the reporting period of  
17 January 2018 to January 2019.

18 The 2018 reporting period takes into  
19 account divestiture of the Company's thermal and  
20 hydro generating assets. The unique factor that  
21 has prompted somewhat different review treatment  
22 than what has routinely been conducted for this  
23 annual filing, including one round of discovery  
24 being completed prior to this kick-off

1 proceeding.

2 The Company divested of its thermal  
3 assets on January 10th, 2018, and its hydro  
4 assets on August 24th, 2018. The Energy Service  
5 rate was accordingly redesigned effectively April  
6 2018 after that asset sale.

7 With the sale of those assets, the  
8 Company experienced significant staffing changes,  
9 particularly in regard to staff who would  
10 normally prepare the materials and answer  
11 questions related to this filing. In light of  
12 the limitation of access to information held by  
13 former staff, Eversource is taking measures to  
14 ensure this docket progresses as efficiently as  
15 possible.

16 We've contracted with Bill Smagula, the  
17 former Vice President of Generation for  
18 Eversource, and are likewise prepared to work  
19 with the buyers of the plants, in the event that  
20 information needed, and is not readily available  
21 to current Eversource employees, will nonetheless  
22 be obtainable in a timely manner.

23 The significant factors associated with  
24 divestiture have generated subsequent areas of

1 interest and questions with Commission Staff,  
2 which Eversource is aware and committed to fully  
3 addressing, so all parties can confidently settle  
4 all issues at hand in this docket.

5 Successful conclusion of this  
6 proceeding, along with concluding the review of  
7 the securitized divestiture costs, will complete  
8 asset divestiture and close out the generation  
9 business.

10 Therefore, the Company looks forward to  
11 working with Staff, the Office of the Consumer  
12 Advocate, and the Commission, to move through  
13 this docket as swiftly as possible to reach a  
14 comprehensive resolution of this matter.

15 Thank you.

16 CHAIRWOMAN MARTIN: All right. Thank  
17 you.

18 Is there anything else we need to cover  
19 before the technical session?

20 *[No indication given.]*

21 CHAIRWOMAN MARTIN: All right. Seeing  
22 none.

23 Then, we will let you go get off to  
24 your technical session, and this prehearing

conference is adjourned. Thank you, everyone.

**(Whereupon the prehearing conference  
was adjourned at 1:43 p.m., and a  
technical session was held  
thereafter.)**