

**STATE OF NEW HAMPSHIRE**

**PUBLIC UTILITIES COMMISSION**

**December 10, 2019 - 10:12 a.m.**  
Concord, New Hampshire

NHPUC 31DEC19PM3:11

RE: **DE 19-082**  
**EVERSOURCE ENERGY:**  
**2019 Energy Service Solicitation.**  
**(Hearing regarding the period**  
**of February 1, 2020 through**  
**July 31, 2020)**

**PRESENT:** Chairwoman Dianne Martin, Presiding  
Cmsr. Kathryn M. Bailey  
Cmsr. Michael S. Giaimo  
  
Jody Carmody, Clerk

**APPEARANCES:** **Reptg. Public Service Company of**  
**New Hampshire d/b/a Eversource Energy:**  
Matthew J. Fossum, Esq.  
Jessica Chiavara, Esq.

**Reptg. Residential Ratepayers:**  
D. Maurice Kreis, Esq., Consumer Adv.  
Office of Consumer Advocate

**Reptg. PUC Staff:**  
Suzanne G. Amidon, Esq.  
Richard Chagnon, Asst. Dir./Electric  
Stephen Eckberg, Electric Division

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

**CERTIFIED**  
**ORIGINAL TRANSCRIPT**

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                                  FREDERICK B. WHITE**

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**E X H I B I T S**

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4	2019 Energy Service Solicitation filing (12-05-19) <b>{CONFIDENTIAL &amp; PROPRIETARY}</b>	9
5	2019 Energy Service Solicitation filing, consisting of Testimony and Supporting Materials of Frederick B. White and Erica L. Menard (12-05-19) <i>[REDACTED - For PUBLIC Use]</i>	9

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

1  
2 CHAIRWOMAN MARTIN: Good morning,  
3 everyone. We are here this morning in Docket  
4 DE 19-082, which is Eversource's Energy Service  
5 rate proceeding for the period beginning  
6 February 1, 2020.

7 Before we do anything else, can I  
8 take appearances please?

9 MR. FOSSUM: Good morning,  
10 Commissioners. All Commissioners, welcome.

11 CHAIRWOMAN MARTIN: Thank you.

12 MR. FOSSUM: My name is Matthew  
13 Fossum. I'm here on behalf of Public Service  
14 Company of New Hampshire, doing business as  
15 Eversource Energy. With me this morning is  
16 Jessica Chiavara, also counsel with the  
17 Company.

18 CHAIRWOMAN MARTIN: Thank you.

19 MR. HERZ: Good morning,  
20 Commissioners. Raphael Herz. I am here as a  
21 member of the public, although I do work for a  
22 company that has a docket in front of you.

23 CHAIRWOMAN MARTIN: Thank you.

24 MR. KREIS: Good morning,

{DE 19-082} {12-10-19}

1 Commissioners. Welcome, Chair Martin.

2 CHAIRWOMAN MARTIN: Thank you.

3 MR. KREIS: I am D. Maurice Kreis,  
4 doing business as Don Kreis. I'm the Consumer  
5 Advocate. I represent residential utility  
6 customers.

7 I would like to point out that I am  
8 wearing a brand-new tie with little martinis on  
9 it as a tribute to the new Chair, because, of  
10 course, "Martini" is the Italian word for  
11 "Martin". And it doesn't imply that there's  
12 any role that gin or vermouth play in any of  
13 these proceedings.

14 CHAIRWOMAN MARTIN: Thank you for  
15 that.

16 MS. AMIDON: Good morning. Suzanne  
17 Amidon, for Commission Staff. And I have with  
18 me today, at the far left, Rich Chagnon, the  
19 Assistant Director of the Electric Division,  
20 and, to my immediate left, Stephen Eckberg, who  
21 is an analyst in that division.

22 CHAIRWOMAN MARTIN: Thank you. Any  
23 preliminary matters that we need to address?

24 MR. FOSSUM: None that I'm aware of.

1 I will say we have worked with the Clerk to  
2 premark for identification a couple of  
3 exhibits. But that's the only thing that I am  
4 aware of this morning.

5 CHAIRWOMAN MARTIN: Anything else?

6 MS. AMIDON: Well, yes. First of  
7 all, I would like to confirm that the  
8 Commissioners have in their filing the correct  
9 Pages 151 and 152. Previously, in the  
10 confidential version, there were certain lines  
11 that were redacted. And what you should see  
12 now is all the information displayed that's  
13 confidential with a gray background.

14 So, if you confirm you have those  
15 correct copies. Thank you very much.

16 MR. FOSSUM: That's right. And I'll  
17 apologize on the record that Staff had pointed  
18 that issue out to us. So, we made the  
19 corrected filing. And we had discussed it this  
20 morning, and I forgot to mention it.

21 CMSR. BAILEY: So, if our copies have  
22 gray shading on those two pages, we have the  
23 right copy, is that it?

24 MR. FOSSUM: You do. When we

1 initially submitted the confidential version,  
2 we had blacked out those pages inadvertently.

3 CMSR. BAILEY: Okay. All right.

4 MR. FOSSUM: So, when it was pointed  
5 out to us, we resubmitted with those pages only  
6 gray.

7 CHAIRWOMAN MARTIN: Okay. Thank you.  
8 I do believe we have the right pages.

9 CMSR. GIAIMO: Yes.

10 MS. AMIDON: Okay. And the other  
11 thing I would note is that, with its filing,  
12 the Company included a motion for protection of  
13 certain confidential information that it  
14 submits in the course of these dockets on a  
15 regular basis, and consistent with the PUC 200  
16 rules. Staff has reviewed that material, and  
17 it's appropriately identified as confidential,  
18 and recommend that the Commission determine  
19 that this morning, at this hearing, before we  
20 get underway, so we can look to the substantive  
21 parts of this proceeding.

22 *(Chairman and Commissioners*  
23 *conferring.)*

24 CHAIRWOMAN MARTIN: Thank you for

1 that. We're going to grant the Motion for  
2 Confidentiality. It's information that's  
3 routinely treated as confidential, and the  
4 balancing test has been done and it's all been  
5 reviewed. So, we're going to grant it at this  
6 time.

7 And I also note, since we have a  
8 member of the public present, that to the  
9 extent we actually do need to discuss any of  
10 the confidential information, we will have to  
11 clear the room, so to be sensitive to that.

12 Anything else?

13 MS. AMIDON: None that I can think  
14 of.

15 MR. FOSSUM: So, at this time the  
16 Company has a panel of witnesses. We would ask  
17 them to take the stand.

18 CHAIRWOMAN MARTIN: Can I just --  
19 before we move forward, did you premark the  
20 exhibits?

21 MR. FOSSUM: We did. And I was going  
22 to -- well, I guess, while they're walking up,  
23 we have two exhibits this morning. Really one,  
24 but a confidential and redacted version of the

[WITNESS PANEL: Menard|White]

1 same exhibit. So, the numbering that we have  
2 worked with the Clerk is that the confidential  
3 version of the December 5th filing of the  
4 Company is marked as "Exhibit 4" for  
5 identification, and the redacted version is  
6 marked as "Exhibit 5".

7 CHAIRWOMAN MARTIN: Okay.

8 (The documents, as described,  
9 were herewith marked as  
10 **Exhibit 4** and **Exhibit 5**,  
11 respectively, for  
12 identification.)

13 CHAIRWOMAN MARTIN: Would you please  
14 swear in the witnesses.

15 (Whereupon **Erica L. Menard** and  
16 **Frederick B. White** were duly  
17 sworn by the Court Reporter.)

18 CHAIRWOMAN MARTIN: Mr. Fossum.

19 MR. FOSSUM: Thank you.

20 **ERICA L. MENARD, SWORN**

21 **FREDERICK B. WHITE, SWORN**

22 **DIRECT EXAMINATION**

23 BY MR. FOSSUM:

24 Q So, we'll start going left to right.

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[WITNESS PANEL: Menard|White]

1 Mr. White, could you please state your name,  
2 your position and your responsibilities for the  
3 record?

4 A (White) Frederick White. I'm a Supervisor in  
5 the Electric Supply Group for Eversource  
6 Service Company, and I'm based in Berlin,  
7 Connecticut. Our group is responsible for  
8 running procurements to secure power supply for  
9 PSNH's default service customers. We also  
10 manage IPPs and PPAs among third parties and  
11 the Company.

12 Q And, Ms. Menard, could you also please state  
13 your name, your position and responsibilities  
14 for the record?

15 A (Menard) My name is Erica Menard. I'm employed  
16 by Eversource Energy Service Company, in  
17 Manchester, New Hampshire. I am the Manager of  
18 Revenue Requirements for New Hampshire. And in  
19 that capacity, I am responsible for the  
20 implementation and calculation of revenue  
21 requirements associated with distribution  
22 rates, Energy Service rates, transmission  
23 rates, and stranded cost rates.

24 Q Thank you. And, for both of you, did each of

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[WITNESS PANEL: Menard|White]

1           you, back on December 5th, file testimony and  
2           attachments in what has been premarked for  
3           identification as "Exhibit 4"?

4   A       (White) Yes.

5   A       (Menard) Yes.

6   Q       And was that testimony and those attachments,  
7           were those prepared by you or at your  
8           direction?

9   A       (White) Yes, they were.

10   A       (Menard) Yes.

11   Q       Do you have any changes, updates or corrections  
12           to that material this morning?

13   A       (White) I have none.

14   A       (Menard) No changes.

15   Q       And do each of you adopt that testimony as your  
16           sworn testimony for this proceeding?

17   A       (White) Yes.

18   A       (Menard) Yes.

19   Q       Thank you. Just very briefly, a couple of  
20           questions. Starting with Mr. White, could you,  
21           understanding what's already included in your  
22           testimony, could you very briefly explain the  
23           Company's solicitation that's before the  
24           Commission this morning?

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[WITNESS PANEL: Menard|White]

1 A (White) The Company issued an RFP on October  
2 31st requesting supply for the Large and Small  
3 Customer Group for six-month terms, February  
4 '20 through July 2020. The request was for  
5 power supply, excluding Renewable Portfolio  
6 Standard obligations, which continue to be  
7 managed by the Company.

8 We received and evaluated offers on  
9 December 3rd, and had prequalified all the  
10 suppliers who provided offers, based on their  
11 standing at ISO, our prior experience with  
12 them, and they all had put in place the  
13 necessary credit arrangements. The offers  
14 received were in line with price expectations.  
15 And we met with senior management on the  
16 afternoon the offers were received. And having  
17 secured senior management approval of the  
18 winning suppliers and the offers, we notified  
19 suppliers that afternoon. Executed Transaction  
20 Confirmations with the suppliers on Wednesday,  
21 December 4th.

22 The solicitation was conducted consistent  
23 with past practices and with Commission  
24 requirements. And it's described in further

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[WITNESS PANEL: Menard|White]

1 detail in the filed testimony, which again was  
2 made on December 5th.

3 Of note, this solicitation included two  
4 suppliers that had not previously participated  
5 in a PSNH solicitation, Hydro-Quebec (U.S.) and  
6 one other supplier.

7 And the end result was, and proposed for  
8 Commission approval, is that HQ(U.S.), NextEra,  
9 and Vitol will share in providing supply for  
10 the February through July 2020 delivery term.

11 Q Thank you. Mr. White, is it your position and  
12 the Company's position that this solicitation  
13 was open and fair, and that the results are  
14 reasonable and appropriate?

15 A (White) Yes.

16 Q Thank you. Ms. Menard, and again keeping in  
17 mind what's already included in your testimony,  
18 could you very briefly explain what the Company  
19 did with the information from Mr. White in  
20 developing its rate proposal?

21 A (Menard) Yes. We took the information coming  
22 out of the RFP that's outlined in Mr. White's  
23 testimony. And consistent with the Settlement  
24 Agreement from Docket Number DE 17-113, we took

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[WITNESS PANEL: Menard|White]

1 the results, added A&G and RPS costs to that,  
2 and came up with a retail rate for Small and  
3 Large Customers.

4 We have also included reconciliation  
5 factors from the previous August rate filing  
6 that include the Energy Service reconciliation,  
7 the RPS Adjustment Factor, and the Hydro  
8 Adjustment Factor, all those combined to come  
9 up with the rates that we're proposing today.

10 Q And this methodology is -- or, this method is  
11 consistent with the manner -- is it correct to  
12 say that it is consistent with the manner in  
13 the Company -- in which the Company has  
14 conducted these calculations since moving to  
15 this RFP process?

16 A (Menard) Yes. It is consistent with past  
17 calculations.

18 Q So, one last item to highlight, Ms. Menard. If  
19 you could please turn to, in your testimony,  
20 Attachment ELM-4, beginning on Bates Page 162.  
21 Are you there?

22 A (Menard) Yes. I'm there.

23 Q Thank you. Could you very briefly explain what  
24 it is that is shown in Attachment ELM-4?

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[WITNESS PANEL: Menard|White]

1 A (Menard) Attachment ELM-4 contains comparison  
2 of rates for residential customers in Pages 1  
3 and 2. Page 1 compares residential service  
4 rates for the current rate and compared to the  
5 proposed rate. Page 2 compares the current  
6 rate with -- sorry, the proposed rate compared  
7 with the rate from one year ago. And Page 3  
8 includes a description of the rate impacts for  
9 all classes.

10 These exhibits had historically been  
11 introduced as part of an exhibit at hearing  
12 time. And during our last Energy Service rate  
13 filing, in discussions with Commissioner  
14 Bailey, we discussed having these as part of  
15 our standard filing package. So, we have  
16 included ELM-4 as a standard filing package.

17 And then, ELM-5, I know you didn't ask  
18 about that, but ELM-5 is the tariff update, the  
19 red-lined and a clean version of the tariff  
20 update. So, that should be the rate exhibits  
21 associated with this filing.

22 Q Thank you. I'll just dwell on this for just  
23 one moment, and in particular ELM-4, Page 1.  
24 Could you just give a little detail about what

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[WITNESS PANEL: Menard|White]

1 is shown on that attachment and what that  
2 represents for customers?

3 A (Menard) Yes. The Page 1, like I said, is the  
4 comparison of the proposed rate for effect  
5 February 1st, 2020, compared to the current  
6 rate that was in effect beginning August 1st,  
7 2019. And what this shows is, for various  
8 kilowatt-hour usage of a typical customer,  
9 there is a 550 kilowatt-hour customer, 600  
10 kilowatt-hour customer, and a 650 kilowatt-hour  
11 customer per month. And this shows the impact  
12 on each of those groups of customers as a  
13 result of the change being proposed in this  
14 proceeding.

15 The Energy Service charge is the only  
16 component changing in this exhibit, because  
17 that's the component that we are discussing  
18 right now. And you can see the Energy Service  
19 component is decreasing about 5.9 percent for  
20 an average residential customer. And then, as  
21 part of their overall total bill, they will see  
22 a decrease of approximately two and a half to a  
23 2.6 percent reduction.

24 Q Thank you. Are there other rate changes that

[WITNESS PANEL: Menard|White]

1 would ultimately impact the analysis that's  
2 shown in this attachment?

3 A (Menard) Yes. We have filed on -- also on  
4 December 5th, we filed an update to the  
5 Stranded Cost rate, that was a preliminary  
6 update. We will file an updated rate in mid  
7 January. We are also in the middle of  
8 settlement talks on an updated System Benefits  
9 Charge rate. And the Company is in the middle  
10 of a rate case, which will update distribution  
11 rates. Those are not reflected in this  
12 exhibit, but those are coming changes.

13 Q Thank you. My last question, Ms. Menard, is it  
14 your position, the Company's position that the  
15 rates proposed in this filing are just and  
16 reasonable?

17 A (Menard) Yes.

18 MR. FOSSUM: Thank you. That's what  
19 I have for direct.

20 CHAIRWOMAN MARTIN: Thank you. Mr.  
21 Kreis.

22 MR. KREIS: Thank you. Good morning,  
23 Mr. White. Good morning. Ms. Menard.

24 WITNESS MENARD: Good morning.

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1 MR. KREIS: I have just a few  
2 questions.

3 **CROSS-EXAMINATION**

4 BY MR. KREIS:

5 Q I'm going to, I think, start where Mr. Fossum  
6 left off, which is with Attachment ELM-4. But  
7 I'm particularly interested in Page 2 of that  
8 attachment, which is Bates Page 163.

9 A year ago, as reflected on that page, we  
10 were here talking about a proposed Energy  
11 Service charge that the Commission ultimately  
12 approved of very close to 10 cents a  
13 kilowatt-hour. And today, Eversource is  
14 proposing an Energy Service rate of about 8.3  
15 cents.

16 This is probably a question for Mr. White.  
17 That's a pretty significant drop year over  
18 year. What trends or realities account for  
19 that significant decrease in the Energy Service  
20 rate?

21 A (White) Primarily two factors. Capacity rates  
22 have decreased, and energy prices are also down  
23 from that prior period.

24 Q What gives you confidence that that 8.3 cent

[WITNESS PANEL: Menard|White]

1 rate is as low as it could possibly be?

2 A (White) We ran a competitive solicitation with  
3 good participation. And we had done some *pro*  
4 *forma* analysis of the expectation of market  
5 prices, based on market prices of where we  
6 thought rates could come in on a competitive  
7 basis. They fell -- the offers we received,  
8 the winning suppliers, the rates fell within  
9 those ranges. We have qualified suppliers.  
10 And, so, the results of a competitive  
11 solicitation, we felt are a fair price.

12 Q You just mentioned the Eversource proxy prices.  
13 Those appear at Bates Page 025. And they are  
14 confidential, so I'm not going to allude to  
15 them. They do indicate that the price that,  
16 and I'm concerned with the Small Customers, not  
17 the Large Customers, your proxy price range or  
18 the winning bids for Small Customers falls  
19 within the proxy price range, but it's at the  
20 high end. Does that make any difference to  
21 you?

22 A (White) Again, it's the results of a  
23 competitive solicitation. Those proxy prices  
24 are a guideline. They aren't necessarily a

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[WITNESS PANEL: Menard|White]

1 target. They give us a feel for whether the  
2 offers we received are reasonable. So, it  
3 helps indicate that they are. Within our view,  
4 the more important factor is the number of  
5 suppliers participating.

6 Q Would the price be any lower if we conducted a  
7 statewide default service solicitation?

8 A (White) I think that introduces a lot of  
9 regulatory risk, among different jurisdictions  
10 within New Hampshire, among the different  
11 utilities, could create a lot of issues that  
12 would have to be discussed and fleshed out. It  
13 seems more cumbersome and complex, and  
14 suppliers may view that as potentially  
15 upsetting a smooth path.

16 Q Is there any sense in which this solicitation,  
17 in comparison to others conducted by  
18 Eversource, was other than routine?

19 A (White) No. This was a fairly routine  
20 undertaking.

21 Q One thing that happened that was vaguely  
22 interesting is that the two winning bidders,  
23 and again, I'm looking at the Small Customer  
24 supply, and in particular I'm looking at Bates

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[WITNESS PANEL: Menard|White]

1 Page 024. And again, you know, there is -- I  
2 think I'll just skip that question, because I  
3 really don't think I want to go into a lot of  
4 confidential stuff.

5 Let me turn to a slightly different  
6 subject. At Bates Page 008, you indicated that  
7 you, I'm looking at Lines 5 through 9, you  
8 indicated that you considered a bunch of other  
9 factors other than price in evaluating the  
10 various bids that you received. But, in the  
11 end, Eversource did choose the lowest bids it  
12 received?

13 A (White) That's correct. You may view those  
14 other factors as screens. If all the  
15 suppliers, we have no detrimental information  
16 against them, we do have prior experience with  
17 all the suppliers involved, and there were no  
18 bad outcomes as a result of those prior  
19 interactions, and they have met credit  
20 requirements to secure their offer against a  
21 potential financial downturn, at that point it  
22 becomes a price evaluation to secure the lowest  
23 prices for customers.

24 Q Have you ever had occasion to disqualify a

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[WITNESS PANEL: Menard|White]

1 supplier that submitted a bid?

2 A (White) Honestly, I'm not aware of any. I  
3 think, when you get to that point, we won't  
4 accept an offer unless those other screens have  
5 passed. And I guess the trickiest one is  
6 generally security. And they're either able to  
7 post the necessary security requirements or  
8 they're not. If they don't, we will not  
9 accept, we won't even look at any offers they  
10 might provide.

11 Q And when you talk about the "necessary security  
12 requirements", those requirements are listed on  
13 Bates Page 023, that's what Attachment 1 is, I  
14 presume?

15 A (White) That is a -- I'm not a credit expert,  
16 but I'm going to say that is a subset of the  
17 credit -- a summary subset of a -- summary of a  
18 subset of the credit requirements. In the  
19 Master Power Supply Agreement, all the details  
20 of credit requirements are identified. And  
21 there are a number of different ways suppliers  
22 can meet the requirements: Letters of credit,  
23 parental guarantees. This has to do with a  
24 company that has a prime credit rating may not

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[WITNESS PANEL: Menard|White]

1 have to post security, because of the financial  
2 quality of the firm that's backing the offer.

3 So, that's just that one component of all  
4 the potential ways to meet the requirements.

5 MR. KREIS: Understood. Chair, I  
6 believe that that is all the questions I have.  
7 In fact, I'm sure it is.

8 CHAIRWOMAN MARTIN: Thank you.  
9 Ms. Amidon.

10 MS. AMIDON: Thank you. Good  
11 morning.

12 WITNESS WHITE: Good morning.

13 WITNESS MENARD: Good morning.

14 BY MS. AMIDON:

15 Q Mr. White, I wanted to talk a little bit more  
16 about the issue that was just raised by the  
17 Consumer Advocate, and ask if any of the  
18 selected supplies requested substantive changes  
19 to the Master Power Supply Agreement or the  
20 secure provisions contained therein?

21 A (White) They did not. We executed MPSAs with  
22 all of these suppliers after a review from the  
23 markets perspective in our department, Electric  
24 Supply, our Legal Department, and our Credit

[WITNESS PANEL: Menard|White]

1 Department. So, those are the primary  
2 reviewers of any requested edits. And we won't  
3 accept any material changes to our  
4 requirements, for a lot of reasons, but one of  
5 them would be that one supplier can't be  
6 advantaged compared to another. As each  
7 successive supplier comes along, they've got to  
8 be held to the same standards as the original  
9 MPSA.

10 Q And that's what makes it a competitive bid, a  
11 competitive participation?

12 A (White) That's correct. They're all operating  
13 to the same requirements.

14 Q I wanted to ask you a question related to your  
15 testimony on Page 009, where you talk about --  
16 I believe this is what you're talking about,  
17 how the Company prepares its internal analysis  
18 of the future -- or, forecast market prices to  
19 compare with the bids that you receive?

20 A (White) Yes.

21 Q Okay. And, so, at Line 22, there's a sentence  
22 that begins: "The Company has "borrowed" the  
23 factors from other jurisdictions", and I'm  
24 omitting some words here, "and will over time

[WITNESS PANEL: Menard|White]

1 incorporate more iterations from New Hampshire  
2 solicitations until only New Hampshire RFP  
3 results are utilized."

4 Could you explain that, where that process  
5 is at this point, and what kinds of factors  
6 you're looking at?

7 A (White) When we transitioned to competitive  
8 procurements, we had no prior experience,  
9 obviously, for PSNH-specific procurements. But  
10 we had a lot of experience in these type of  
11 procurements at our Connecticut and  
12 Massachusetts affiliates.

13 What we do is take known market prices  
14 that we believe the suppliers are also using on  
15 the day of the bid, namely energy prices and  
16 capacity prices. And we've done -- and we use  
17 those as the reference point against received  
18 offers and specifically winning offers. Every  
19 solicitation that we've conducted in those  
20 other jurisdictions, we'll evaluate the winning  
21 offers and back into a factor that represents  
22 the winning offer. So, we have known energy  
23 and capacity components. Given those, what is  
24 the factor that leads to the winning offer from

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[WITNESS PANEL: Menard|White]

1 a competitive solicitation?

2 Over time, we collect those factors from  
3 all the winning offers. And, essentially,  
4 using the high and low of all the recent  
5 experience of winning offers, it creates a  
6 range within which we expect current offers to  
7 fall, using those factors with then current  
8 energy and capacity prices.

9 So, we borrowed those factors from  
10 Connecticut and Massachusetts to sort of get  
11 the ball rolling for our initial PSNH  
12 solicitations. This is now our fifth  
13 solicitation in New Hampshire. So, we're  
14 building up a family of factors based solely on  
15 New Hampshire solicitations.

16 Because we believe suppliers may view  
17 bidding into the different regulatory  
18 environment, different price regions within the  
19 New England region, may create unique factors  
20 that are considered by suppliers for PSNH  
21 versus other -- our other affiliates. And I  
22 think we feel we're getting close to being able  
23 to use only "PSNH factors". And after this  
24 process is completed, we'll perform that

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[WITNESS PANEL: Menard|White]

1 evaluation, and perhaps next time we'll have  
2 only PSNH factors.

3 Some of the -- of the four high and low  
4 factors in our proxy, I know at least one of  
5 them is from the New Hampshire solicitation.  
6 So, they have been incorporated.

7 Q Thank you. That's a very good explanation. I  
8 appreciate it.

9 I wanted to, without talking about any of  
10 the confidential information on Bates Page 024,  
11 I just wanted to point out some of the -- well,  
12 I wanted to ask you whether this exhibit shows  
13 the number of participants in both the Large  
14 Customer Group bid and the Small Customer Group  
15 bid?

16 A (White) Yes, it does.

17 Q Now, at the bottom, I know that this -- the  
18 answer to this question is confidential, but --  
19 well, it's not the answer. The content, in the  
20 last line it says "Overall Result", and all of  
21 the information following is confidential, and  
22 I respect that. I just want to note, what is  
23 meant by "Overall Result"?

24 A (White) When we procure a supply for the Small

[WITNESS PANEL: Menard|White]

1 Customer Group, because of the size, the volume  
2 of energy being procured, we break it into four  
3 equal 25 percent tranches. And suppliers are  
4 instructed to provide offers in that fashion.  
5 They can make offers for one tranche or all  
6 four tranches.

7 And what's happened in this result is two  
8 suppliers split a supply. So, the summary box  
9 at the bottom includes the four winning  
10 tranches from the whole group of offers for --  
11 by tranche from all the various suppliers. So,  
12 we've taken the four best offers by 25 percent  
13 block, shown them at the bottom of the page,  
14 the overall result is the average for that  
15 group of -- for the group of supply.

16 Q Thank you. That's what I thought it was, but I  
17 wanted to hear it from you.

18 And, again, it's for you, Mr. White, lucky  
19 you. On Bates 026, you talk about the RPS  
20 Adder, which, as you said, is still managed by  
21 the Company. And, according to your testimony,  
22 you may -- you have some obligations to  
23 purchase from as a result of two PPAs that the  
24 Company entered into some time in the past.

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[WITNESS PANEL: Menard|White]

1           You purchase Class I certificates through that  
2           process, is that right?

3   A       (White) That's correct.

4   Q       And, so, you also go out to -- you also issue  
5           RFPs for RPS compliance, is that right?

6   A       (White) We issue RFPs, and we sometimes deal  
7           directly with generators who are marketing  
8           their RECs.

9   Q       And how do you calculate what you expect to be  
10          the RPS Adder? Do you blend those results, the  
11          purchases and market prices, the ACP? What do  
12          you take into account when you develop this  
13          factor?

14   A       (White) To the extent we have -- already have  
15          inventory purchased, that's factored in as a  
16          percent of our -- what we believe is our  
17          forecasted requirement. Beyond that, we assume  
18          the remaining required purchases will be made  
19          at a market price. And we get those market  
20          prices from REC broker price sheets that a pair  
21          of brokers that deal in REC markets publish on  
22          a daily basis. So, we look at those broker  
23          sheets. And, effectively, we average what they  
24          are saying is the current price for each class

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[WITNESS PANEL: Menard|White]

1 of RECs. We use those market prices to secure  
2 any remaining needs for our RPS obligations.  
3 And that's what this exhibit outlines.

4 Q Thank you.

5 A (White) That's how we do it.

6 Q Okay. You're aware of the Class III RECs, and  
7 the fact that those are RECs from biomass  
8 plants that were operating, I think, before  
9 January 1, 2006?

10 A *(Witness White nodding in the affirmative).*

11 Q And some of those plants have closed, is that  
12 right?

13 A (White) I'll -- subject to check.

14 Q That's -- well, I may be wrong, but -- or, at  
15 least they have reduced production. Has  
16 that -- well, what is your view of the price  
17 for RECs for the Class III at this point? Is  
18 it closer to the ACP or is there any -- are  
19 there any RECs available at less than the --

20 A (White) There are RECs available at less than  
21 ACP, and this price indicates that. Perhaps  
22 what you're implying is, that particular class  
23 is probably not the most liquid market in REC  
24 obligations. And we're aware of some proposed

[WITNESS PANEL: Menard|White]

1           legislation that would eliminate Class III  
2           requirements.

3                     But, for 2020, it's our understanding the  
4           requirement is still in place. This is our --  
5           a broker's projection of where those RECs will  
6           be traded.

7   Q       Thank you. As Ms. Menard pointed out, you do  
8           reconcile the RPS Adder for any over- or  
9           under-collections. Is that right, Ms. Menard?

10   A       (Menard) Yes.

11   Q       So, if there were any changes to compliance for  
12           2019, would -- and it resulted in an  
13           over-collection from customers, would that be  
14           eligible for return to customers? For example,  
15           if the Legislature modified the 2019  
16           requirements, and lowered them or eliminated  
17           them, in a reconciliation, the customers would  
18           be able to receive a credit for any  
19           over-collections for RPS payments related to  
20           Class III, is that right?

21   A       (Menard) Yes.

22   Q       Because the compliance actually takes place  
23           July 1, is that correct? The compliance for  
24           RPS requirements?

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[WITNESS PANEL: Menard|White]

1 A (White) Yes. For 2019, --

2 Q Correct.

3 A (White) -- trading ends on June 15th, and we  
4 file a Compliance Report on July 1st that  
5 summarizes all the costs.

6 Q So, potentially, there is an opportunity, if  
7 there is an over-collection, for customers to  
8 receive a credit in a reconciliation?

9 A (White) That's correct.

10 A (Menard) Correct.

11 Q I think I could have worded all of that a lot  
12 better, and I apologize.

13 Ms. Menard, I just have a couple of  
14 questions for you. And it's just to look at  
15 Page 166, which is a red-lined tariff for the  
16 Small Customer Group. And just to get in the  
17 record that the Base Energy Rate for the Small  
18 Customer Group for the six-month period to  
19 begin February 1, 2020 is "7.404 cents" per  
20 kilowatt-hour?

21 A (Menard) Correct.

22 Q Thank you. And, in the calculation of the  
23 rate, there is an allowance for working  
24 capital. I believe that's on Bates 150. Or,

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[WITNESS PANEL: Menard|White]

1 is it mentioned -- well, I may have the wrong  
2 page here, it looks like. Oh, I see. I'm  
3 sorry. Your testimony references a "lead/lag  
4 study", I apologize, at Line 9, on Bates 150.  
5 So, you will be conducting a lead/lag study  
6 relative to the Energy Service rate alone at  
7 some point?

8 A (Menard) Yes. We had some discussions with  
9 Staff about including a lead/lag study in a  
10 working capital calculation. Due to compressed  
11 time, we didn't have the ability to put that  
12 in. But, also, in looking at the other  
13 utilities, the lead/lag study is done on an  
14 annual basis. And, so, it made more sense to  
15 do that in the August update filing. We could  
16 use a full calendar year 2019, calculate the  
17 lead/lags, and then apply that working capital  
18 calculation --

19 Q Okay. That's --

20 A (Menard) -- into our --

21 MS. AMIDON: Sorry. Thank you. That  
22 makes sense. And thank you both. Thank you,  
23 Mr. White, for helping me out with my  
24 poorly-worded questions.

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[WITNESS PANEL: Menard|White]

1 WITNESS WHITE: You're welcome.

2 MS. AMIDON: I have nothing further.

3 CHAIRWOMAN MARTIN: Thank you.

4 Commissioner Bailey.

5 CMSR. BAILEY: Thank you. Ms.

6 Menard, thank you for including these bill

7 impacts in the testimony. That was very

8 helpful.

9 WITNESS MENARD: You're welcome.

10 BY CMSR. BAILEY:

11 Q You mentioned that on December 5th you filed an  
12 updated Stranded Cost Recovery Charge and  
13 System Benefits Charge, and I know you have a  
14 rate case pending. When will those rate --  
15 when did you ask those rates to be put into  
16 effect?

17 A (Menard) I'll take them one at a time.

18 Q Okay.

19 A (Menard) So, System Benefits Charge will be in  
20 effect for January 1st, 2020, I believe was the  
21 proposal as it stands. Stranded costs will be  
22 effective February 1st, 2020. And the  
23 distribution rate, as currently proposed, is a  
24 July 1, 2020 effective date.

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[WITNESS PANEL: Menard|White]

1 Q Is that the temporary rate is going to be  
2 July 1?

3 A (Menard) The temporary rate is already in  
4 effect.

5 Q Oh. Okay.

6 A (Menard) So, this will be for the permanent.

7 Q All right.

8 A (Menard) So, assuming, you know, we still have  
9 a lot to go through with settlement  
10 discussions.

11 Q Yes.

12 A (Menard) But, as proposed, it's July 1st.

13 Q Okay. So, that is not going to change on or  
14 around February 1st?

15 A (Menard) No.

16 Q But --

17 A (Menard) The temporary rate will stand as is.

18 Q And is that reflected in your bill impact  
19 summary?

20 A (Menard) Yes.

21 Q Okay. So, you're going to change -- you're  
22 going to increase a small rate on January 1st,  
23 and you're going to decrease the energy rate on  
24 February 1st, and you're going to increase the

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[WITNESS PANEL: Menard|White]

1 SCRC rate. Isn't that going to cause customer  
2 confusion?

3 Wouldn't it be better to put all the rates  
4 into effect on the same day?

5 A (Menard) One would think, yes.

6 Q Okay. Thank you.

7 A (Menard) The Stranded Cost and Energy Service  
8 will go into effect on the same day. Those  
9 both are effective February 1st. The System  
10 Benefits Charge is January 1st.

11 Q Oh. And that's just because that's the way the  
12 EERS works?

13 A (Menard) Right.

14 Q Okay. All right. Mr. White, can you explain  
15 to me what the difference between the  
16 forecasted load number on Page 024 is and the  
17 forecasted sales number on Page 026?

18 A (White) The load number is at the delivery  
19 point, at the low side of the ISO-New England  
20 PTF. So, it's up at a higher voltage. The  
21 sales figure is at the customer meter. So,  
22 there is -- there are losses. There are energy  
23 losses from the ISO settlement point to the  
24 customer's meter. And that difference are the

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[WITNESS PANEL: Menard|White]

1 losses that have to be covered at the higher  
2 voltage level in order to get the correct  
3 volume at the customer's meter.

4 Q Okay. Thanks. And, then, on Page 026 also  
5 is -- are Class I RECs really selling at \$42.00  
6 right now?

7 A (White) They are, as of December 2nd.

8 Q Isn't that like twice as much as they were last  
9 year?

10 A (White) Yes. And they were as low as \$4.00 at  
11 one point within the last 18 months.

12 Q Did you buy any at \$4.00?

13 A (White) No, we didn't, because we buy more than  
14 we need through PPAs that we have in place.

15 Q Okay. So, the \$42.00 number that you use in  
16 your calculation of the cost for the RPS adder  
17 is based on the market price. And then, the  
18 difference between that market price and what  
19 you pay in the PPA goes into stranded costs?

20 A (White) That's correct. This \$42.00  
21 effectively sets a transfer price for Class I  
22 RECs.

23 Q And how do we know that that's the right number  
24 to use? You just use the most current number?

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[WITNESS PANEL: Menard|White]

1 Do you average it over the year or --

2 A (White) This was all discussed in the  
3 Settlement Agreement. And it was agreed that,  
4 at the time of rate-setting, whatever the  
5 market price was at that point in time, similar  
6 to the fixed price offers we receive for power  
7 supply, are effectively based on then current  
8 market prices. Suppliers look at the energy  
9 market. They know the capacity market.

10 This follows the same philosophy that  
11 we're setting a rate, and the current value of  
12 a Class I REC at the time we're setting a rate,  
13 in this case was \$42.00, that would be the  
14 fixed price that customers pay for Class I  
15 RECs. And any variation from that, as you  
16 said, between the price paid the generator  
17 that's selling us the Class I RECs and any  
18 market prices that those RECs -- any  
19 transactions that occur, all of that occurs in  
20 SCRC. But the idea was that we would fix the  
21 transfer price on the then current market  
22 price.

23 CMSR. BAILEY: Okay. Thank you very  
24 much. That's all I have.

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[WITNESS PANEL: Menard|White]

1 CHAIRWOMAN MARTIN: Commissioner  
2 Giaimo.

3 CMSR. GIAIMO: Thank you. Good  
4 morning.

5 WITNESS WHITE: Good morning.

6 BY CMSR. GIAIMO:

7 Q Because it's fresh in my head, Mr. White, are  
8 RECs bankable?

9 A (White) Yes. For two years, for two compliance  
10 years beyond their vintage.

11 Q Okay. So, at \$4.00 you said you didn't buy,  
12 was there thought to buying there and banking  
13 them for next year? Or, you are so hedged by  
14 existing contractual obligations that you don't  
15 need to bank RECs?

16 A (White) What I would say is we are not a  
17 trading organization. And we don't take that  
18 risk on on behalf of customers or shareholders.  
19 So, we know we have sufficient supply to meet  
20 our needs from approved purchase power  
21 agreements. We don't speculate on \$4.00 being  
22 a good buy or a bad buy and enter into  
23 additional transactions. That's just not the  
24 business we're in. That would be a speculative

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[WITNESS PANEL: Menard|White]

1 trading operation, in our view.

2 Q Okay.

3 A (White) Not approved by our management.

4 Q Okay. I understand. So, I'm going to ask a  
5 follow-up to the conversation or the dialogue  
6 that you and the Consumer Advocate had. Where  
7 I think his question was "would a statewide  
8 solicitation produce a better result?" And you  
9 said, and I'm paraphrasing that, "that it could  
10 be cumbersome, complex, and may", I believe you  
11 said "upset suppliers."

12 So, I'm wondering if you would have the  
13 same answer if we said or we asked you "would  
14 there be a better result if there was an  
15 Eversource-wide solicitation?"

16 A (White) I guess what I would say is I think it  
17 would be even more so, because now you are  
18 crossing regulatory jurisdictions. And, so, if  
19 you can image us having to get approval from  
20 you all, from your counterparts in  
21 Massachusetts and Connecticut simultaneously,  
22 one jurisdiction could upset the apple cart in  
23 another jurisdiction, potentially, you know,  
24 questions about cross-subsidies. That's how I

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[WITNESS PANEL: Menard|White]

1 think we would view that. And I think, across  
2 regulatory jurisdictions would be more  
3 concerning to suppliers than across regulated  
4 entities within the State of New Hampshire.

5 Q So, I think the Commission here in New  
6 Hampshire asked this question a couple of  
7 times. I'm wondering, have you heard similar  
8 questions from other states? Or, are we the  
9 only ones thinking that there might be some  
10 sort of economies of scale of doing a  
11 utilitywide or an Eversource-wide solicitation?

12 A (White) I'm not aware that this has been  
13 brought up in other jurisdictions. But I may  
14 not simply -- I simply may not be aware of it.  
15 I have not heard any discussions along those  
16 lines.

17 Q So, presuming that we could talk with our  
18 colleagues in the other states and reach some  
19 sort of agreement to align our schedules up and  
20 whatnot, is the Company resistant to even doing  
21 this because of the cross-subsidies that you  
22 referenced? Would it be a waste of our time to  
23 even engage the other states?

24 A (White) I don't think I can answer that. From

[WITNESS PANEL: Menard|White]

1 our perspective, I am going to surmise that  
2 it's a long shot. I mean, even just think  
3 about the different agreements that have been  
4 signed among the utilities and the suppliers.

5 Ms. Amidon asked questions about our  
6 Master Power Supply Agreements. They may  
7 differ in some respects from other utilities'  
8 agreements. Other utilities use laddering.

9 So, it's many, many things, probably in  
10 addition to cross-subsidies and  
11 cross-jurisdictional. It would seem, in my  
12 mind, to create a very complex situation. A  
13 lot of details would have to be worked through.  
14 I'm not saying it isn't possible, but --

15 Q And I appreciate the candor. There is no right  
16 or wrong answer. So, thank you for that.

17 A (White) Right. I don't think there is a right  
18 or wrong. That's just how -- my view of it.

19 Q Yes. That's helpful. Thank you. We talked  
20 about the changes effective January 1,  
21 February 1, and July 1. And maybe I'm  
22 confusing myself. Where do the RGGI funds flow  
23 through through this? Would it be through the  
24 distribution rate change in July?

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[WITNESS PANEL: Menard|White]

1 A (Menard) They flow through stranded costs.

2 Q So, the Stranded Cost change in February is  
3 when we would see that?

4 A (Menard) Yes.

5 Q And not to spoil anything, but there appears to  
6 be more -- the recent auctions cleared higher.  
7 So, we can expect to see a larger refund?

8 A (Menard) Yes.

9 Q Okay. Thank you.

10 A (Menard) And you should have that in the  
11 December preliminary, and then we will again  
12 update that. And it probably shouldn't change  
13 too much for the January update.

14 Q Thank you. There was a discussion about the  
15 number of tranches, and that there are  
16 quarterly -- quarter tranches, four tranches.  
17 Is that the -- do we know that to be the right  
18 number or is --

19 A (White) Again, I don't know that there's a  
20 right and wrong. It seems to be working fairly  
21 well. It's, in very general terms,  
22 approximately you can think of it as 100  
23 megawatts per tranche. So, it's a size that's  
24 worthwhile for suppliers to participate in, and

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[WITNESS PANEL: Menard|White]

1 yet not so big that it -- I believe there would  
2 be some suppliers, if they had to go for the  
3 100 percent of the Small Group, it would just  
4 be a bigger commitment than they might choose  
5 to make at some point in time.

6 So, it seems to be working fairly well.  
7 And it's consistent in approach as what we do  
8 in other jurisdictions as well.

9 Q Okay. Mr. White, in your testimony you mention  
10 that there seems to be basically a 60/40 split  
11 between default and competitive supply?

12 A (White) I'm sorry, say again?

13 Q I said, in your testimony you said that  
14 there -- you reference that, and I'm rounding  
15 here, but basically a 60/40 split between  
16 competitive supply and default service?

17 A (White) Correct. The Small Customer Group that  
18 we serve through default service is in the low  
19 40 percent of the total, total loads.

20 Q And that's consistent with the numbers the  
21 Company has experienced in recent years in your  
22 solicitations?

23 A (White) Yes. There's a seasonal pattern to  
24 migration. And it's been a fairly consistent

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[WITNESS PANEL: Menard|White]

1 shape to that pattern for several years now.

2 Q So, do you traditionally see out migration in  
3 the winter months?

4 A (White) I would say we traditionally -- I think  
5 customers come back in the winter months, and  
6 leave in the spring and fall.

7 Q Okay. Now that you say that --

8 A (White) I'd have to check.

9 Q But it certainly makes sense. There's more  
10 price volatility in the winter. And the small  
11 customers would prefer to see a stable, fixed  
12 price.

13 A (White) Yes.

14 Q So, that makes sense. With respect to self  
15 supply of RECs through the PPAs, what  
16 percentage of your REC requirement is supplied  
17 through the Burgess and the Lempster contracts?

18 A (White) It's greater than 100 percent.

19 Q And the REC value associated with those are  
20 higher than market and higher than the \$40.00  
21 we were just talking?

22 A (White) Current payments under the Burgess  
23 contract are above market currently.

24 Q Okay. So, Mr. White, about 12 or maybe 18

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[WITNESS PANEL: Menard|White]

1 months ago we had a discussion at a hearing, at  
2 one of these hearings, and you said that you  
3 were, and this is my words, slightly frustrated  
4 with some of the timing associated with the  
5 process, that it was too long, and that there  
6 was a certain amount of risk premium built in  
7 because of the length of -- the duration that  
8 it took from getting it in and then getting it  
9 approved.

10 Do you still have that frustration or that  
11 apprehension? And maybe you can correct me if  
12 I'm using terms that you don't think adequately  
13 represents what you felt at the time.

14 A (White) We attempted to suggest -- we suggested  
15 that the decrease in the timeframe from receipt  
16 of offers to the final approval by the  
17 Commission, the smaller that timeframe the  
18 better. Because suppliers are effectively  
19 holding open a fixed price as the market may  
20 move across that time horizon.

21 Through discussions, I guess, and  
22 regulatory requirements in New Hampshire, we've  
23 wound up at -- we've been utilizing a  
24 consistent time schedule for the last several

[WITNESS PANEL: Menard|White]

1 solicitations, and it seems to be working  
2 fairly well. It may have -- we don't know what  
3 suppliers think, but it may have had an impact  
4 in their view of the opportunity to provide  
5 default service to New Hampshire. Whether they  
6 still have those concerns, we don't know. But  
7 it's not my impression that that's creating any  
8 impediment to participation at this point in  
9 time.

10 I think they had some reservations about  
11 how we would be received at the Commission, how  
12 the first few solicitations may go. It's a  
13 start-up process. They had concerns about  
14 bumps in the road that may occur getting that  
15 approval.

16 Having gone through several solicitations,  
17 I'd like to think that a lot of those concerns  
18 have diminished, and they have hopefully gotten  
19 more comfortable with the timeframe.

20 We would still believe that the shorter  
21 the better. But, working among all of us, I  
22 don't know that we can find -- it would be  
23 difficult to shorten it without changing some  
24 rules, procedural rules, like the need for a

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[WITNESS PANEL: Menard|White]

1 hearing. That's not necessarily the case in  
2 other jurisdictions. And that necessitates the  
3 timeframe we utilize. We feel like we've  
4 minimized it as best we can, and things have  
5 been going fairly well.

6 Q And my final question is, are there any  
7 prohibitions in the contract, I haven't read  
8 the contract, with respect to the suppliers  
9 entering virtual transactions as part of their  
10 portfolio management?

11 A (White) We place no restrictions on a  
12 supplier's management of their portfolio or  
13 business.

14 Q Okay.

15 A (White) Only the need to post credit, changing  
16 credit exposure requirements throughout the  
17 term of the deal. But the management of their  
18 supply, no, we don't.

19 CMSR. GIAIMO: That's great. Thank  
20 you. That's all the questions I have.

21 CHAIRWOMAN MARTIN: Thank you.  
22 You've answered most of my questions. I just  
23 have one.

24 BY CHAIRWOMAN MARTIN:

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[WITNESS PANEL: Menard|White]

1 Q On Bates Page 162, you have three categories of  
2 monthly bills. And I'm just wondering what the  
3 average customer monthly bill is, if it falls  
4 within one of those three?

5 A (Menard) The 600.

6 Q The 600?

7 A (Menard) Correct.

8 CHAIRWOMAN MARTIN: Thank you.

9 That's all my questions.

10 Any follow-up for the witnesses?

11 MR. FOSSUM: None. Thank you.

12 CHAIRWOMAN MARTIN: Okay. Witnesses  
13 are excused.

14 Is there anything else that we need  
15 to do before we sum up?

16 MR. FOSSUM: The only thing I can  
17 think of is, generally, at this point, we would  
18 see if there are any objections to striking  
19 identifications from the exhibits. But that's  
20 the only thing I can think of.

21 CHAIRWOMAN MARTIN: Any objections?

22 MS. AMIDON: No.

23 CHAIRWOMAN MARTIN: Without  
24 objection, we'll strike the ID on Exhibits 4

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1 and 5.

2 Okay. Closing statements. Mr.  
3 Kreis.

4 MR. KREIS: Thank you. I was curious  
5 to know whether the tradition of calling on me  
6 first would persist with the new Chair, and I  
7 see that it has, and happy to rise to that  
8 occasion.

9 This was a routine default service  
10 solicitation. As Mr. White mentioned, it was  
11 the fifth of the solicitations that Eversource  
12 has conducted since fulling divesting itself of  
13 its generation assets. And I believe the  
14 results of that solicitation yield just and  
15 reasonable rates, and the Commission should  
16 approve them.

17 But, consistent with some of the  
18 colloquy that we had here today, I do think it  
19 is time for the Commission to take a broader  
20 look at default service procurement. I think  
21 the points that Mr. White made about the  
22 unnecessary -- the lack of necessity for  
23 conducting a hearing when the Company conducts  
24 a routine RFP solicitation are telling. And

1 one reform the Commission could consider is an  
2 expedited administrative approval when a  
3 solicitation meets certain benchmarks for  
4 routineness, I guess I would say, and this one  
5 certainly does.

6 But, conversely, I think the  
7 Commission really should explore, perhaps at  
8 the Staff level initially, whether it would be  
9 feasible and desirable to either conduct an  
10 Eversource-wide solicitation or, I think  
11 slightly more attractively, a statewide default  
12 service solicitation.

13 I'm not an expert on how electric  
14 markets work, but it does seem intuitive that  
15 there are economies of scale. The OCA is  
16 enduringly concerned about whether the full  
17 benefits of restructuring have accrued to  
18 residential utility customers, given the amount  
19 of money they have paid out over the years now  
20 in stranded cost recovery. And I think it's  
21 incumbent on the Commission to do everything it  
22 can to make sure that we're doing everything we  
23 can to make sure that the energy rates paid by  
24 customers in New Hampshire are as low as they

1 possibly can be.

2 So, I do think that, in the menu of  
3 things that the Commission is busy doing, this  
4 question of default service procurement is  
5 worth including on the Commission's To Do  
6 Checklist.

7 That's all I have to say. Thank you  
8 for your attention.

9 CHAIRWOMAN MARTIN: Thank you.  
10 Ms. Amidon.

11 MS. AMIDON: Thank you. Staff has  
12 reviewed this filing, and we have concluded  
13 that Eversource conducted the bid solicitation,  
14 evaluation, and selection of winning bidders in  
15 compliance with the Settlement Agreement  
16 approved by the Commission in Docket 17-113,  
17 and that the results are based on a competitive  
18 bid.

19 And, therefore, consistent with the  
20 principles of restructuring in RSA 374-F, we  
21 believe that the resulting rates are  
22 market-based, and that therefore are just and  
23 reasonable, consistent with RSA 378. And that  
24 the Commission should approve this Petition.

1 Thank you.

2 CHAIRWOMAN MARTIN: Thank you.

3 Mr. Fossum.

4 MR. FOSSUM: Thank you. I appreciate  
5 the support of the Consumer Advocate and the  
6 Staff.

7 We likewise, quite evidently, believe  
8 that the filing that we have put before you  
9 demonstrates a fair and competitive  
10 solicitation process, and has resulted in just  
11 and reasonable rates. We would ask that they  
12 be approved.

13 I'll just bear one or two sentences  
14 on the item that Mr. Kreis brought up. That I  
15 think Mr. White was fairly apt in how he  
16 responded, noting that, on some of these  
17 issues, there is no right or wrong answer. To  
18 the extent the Commission seeks to review those  
19 issues, we would participate in whatever review  
20 the Commission undertakes. And we would see  
21 what the results would yield.

22 That's all I have. Thank you.

23 CHAIRWOMAN MARTIN: Thank you. With  
24 that, we will close the hearing. We're going

1 to take the matter under advisement and issue  
2 an order promptly. We are adjourned.

3 ***(Whereupon the hearing was***  
4 ***adjourned at 11:15 a.m.)***

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